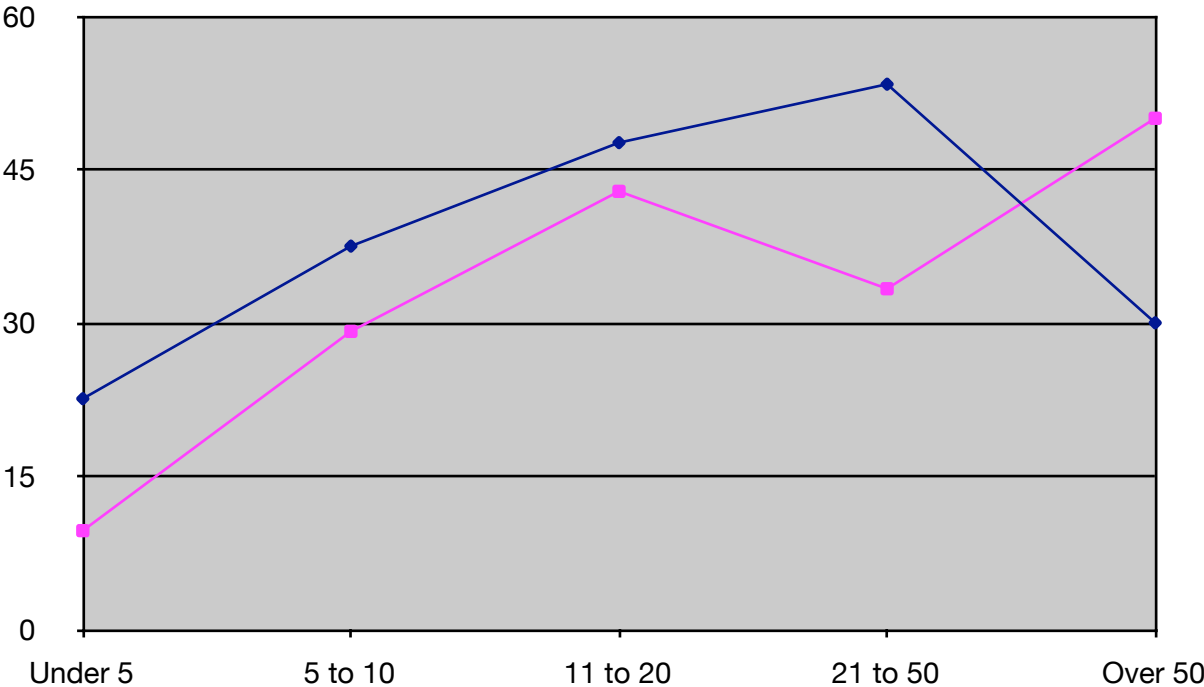


The Social SME

A Study of Small Businesses and Selected Social Responsibility Issues in Bradford and York

Tom Levitt



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The Social SME

Foreword

Expectations of business to employ its conscience in exercising its power and discharging its responsibility are as high as ever, not least following the recent experiences of the banking industry and some parts of the media and the controversial exercise of choice in how and whether some large corporates pay their taxes.

But where do smaller businesses, the SMEs, fit into this? They account for 99 per cent of UK companies, create half of our wealth and employ half of our workforce, yet their record of speaking loudly and with one consistent voice on almost any issue is poor. Whilst challenges of economy of scale clearly make it very difficult for individual smaller SMEs to make a real difference in any particular community, why should they even try to do so? Does the business case for community engagement, accepted by corporate subscribers to Business In The Community, for example, apply on the small scale on which SMEs operate?

Anecdotal evidence suggests that the answer is 'yes' - but in different, proportionate ways. But hard facts are difficult to find.

In this research I was guided by two hypotheses which both arose from research for my book, 'Partners for Good: Business, Government and the Third Sector'. They are:

1. That the smallest SMEs do not have community engagement policies or strategies or, necessarily, a concept of the business case for engagement; but nevertheless they do engage with their communities. Small businesses are part of the local community in much the same way as the primary school or the post office. Those that are slightly bigger than the smallest are more detached and less engaged than their smaller cousins but even larger SMEs have the capacity, flexibility and networks to help them consider the business case for engagement and respond to it, to the benefit of both business and community.
2. That good examples of SMEs working with charities, community groups and schools are often linked to active and effective local umbrella groups in both private and voluntary sectors, groups who see part of their role as being advocates of engagement. Such activity in turn appears to be associated with a dynamic local economy. That SMEs appear to formally engage with communities less where the community needs are highest is perverse - if it is true. Does a lethargic local economy and deprivation in the community produce business introspection and a lack of engagement or is it caused by this? Could engagement progress without the intervention of local leadership on the matter?

This study cannot answer either hypothesis categorically and there is still a huge amount of labour intensive research to be done on these issues. But what it does say is this:

- Yes, the smallest businesses do behave as though they are members of and participants in the local community and they respond to some demands, in ways which are appropriate to their scale and resources; but they do not shout about it.
- The business case for engagement can be made at all levels although strategic reasons to so engage are rarely obvious in the smallest SMEs where the engagement process is more organic.
- 'Demands on time' is a common reason given for limiting the engagement of smaller SMEs in the community but there is little objective evidence that this need be the case. Other research tells us that those who have been through the transition to planned engagement do not raise lack of time as an issue.
- The penetration of umbrella groups in the SME community is low so amongst the smallest SMEs there is no co-ordination, little local leadership, no passionate advocacy of the business case for them to engage in the community and there is a lack of awareness of organisations and campaigns involved in corporate citizenship. Lack of local infrastructure

and encouragement is holding back development but there is a natural reluctance of SMEs either to be told how to run their business or to prioritise networking without a good and immediate reason.

- As SMEs get bigger there is a linear development of both the quantity and diversity of engagement. Many SMEs of 50 employees or more (a lower level than I had anticipated) have potentially a full range of engagement activities at their disposal and some are willing to use them.
- The ways in which SMEs engage with local communities, their institutions, charities and voluntary groups in the different economies of Bradford and York are not markedly different from each other. Having said that, the very large number of Asian small businesses in Bradford was under-represented in my survey and there are reasons to believe that their approach may be qualitatively different, if not quantitatively.

This survey has raised more questions than it has resolved; it has merely scratched the surface of an immense resource for community development.

I would like to pay special thanks to around 45 people who consented to formal and informal interviews and many others who either responded to my survey or contributed in other ways to this work over several months. In particular three people helped me structure, deliver and analyse the project in different, practical ways: Bana Gora (Bradford Programme Manager, JRF), Jenny Mitchell and Anna Kotenko. I would also like to thank the Joseph Rowntree Foundation for providing a small grant to support this work outside of their main programmes.

Tom Levitt, May 2013

The Joseph Rowntree Foundation has supported this project as part of its programme of research and innovative development projects, which it hopes will be of value to policy-makers, practitioners and service users. The facts presented and views expressed in this report are, however, those of the author and not necessarily those of JRF.

Sector 4 Focus, founded by Tom Levitt in 2010, exists to discover, develop and promote cross sector partnerships: www.sector4focus.co.uk

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Background

For a variety of pragmatic reasons larger private businesses today are increasingly looking to increase their community profiles. In the best cases this is through a genuine desire to engage constructively with those communities - often with a degree of commercial justification - or to engage better with their own workforce. Either way, an increasingly commercially savvy body of charities is, in many cases, able to work as partners to business to achieve not only those business engagement aims but also to take forward the charities' own historical mission.

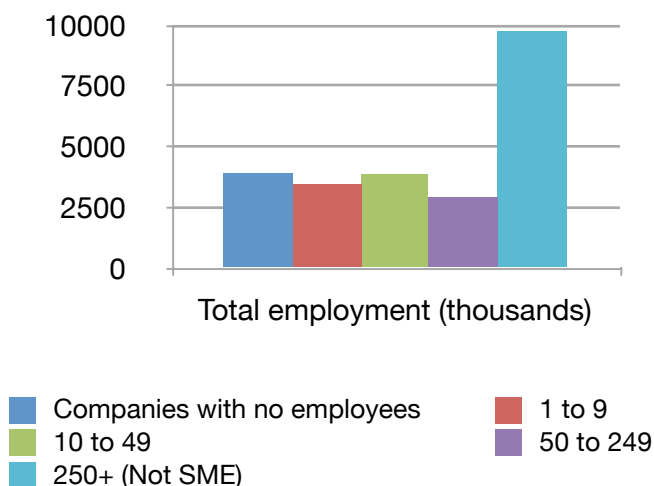
Yet in researching my book 'Partners for Good: Business, Government and the Third Sector'¹ I found very little evidence as to how these practices apply to the vast majority of UK businesses, our Small and Medium-sized Enterprises (SMEs). In Britain today:²

- There are 4.8 million private sector businesses which employ 23.9 million people
- 99.9 per cent of private businesses are SMEs which account for 59 per cent of private sector employment and 49 per cent of private sector turnover (at the start of 2012)
- 99.2 per cent of SMEs have fewer than 49 employees. Only 30,000 (0.6 per cent) are medium-sized (50 to 249 employees) and 6,000 (0.1 per cent) are larger (see also Table 1 and Figures 1 and 2)
- 63 per cent of private sector businesses are sole proprietorships, 28 per cent are companies and 9 per cent are partnerships

Table 1 - SMEs in UK

	Businesses	%	Employment	%
All businesses	4,794,105		23,893,000	
SMEs (0-249 employees)	4,787,650	99.87	14,130,000	59.14
With no employees	3,557,255	74.20	3,902,000	16.33
1 to 9 employees	1,022,695	21.33	3,471,000	14.53
10 to 49 employees	177,950	3.71	3,848,000	16.11
50 to 249 employees	29,750	0.62	2,909,000	12.18
250 employees or more	6,455	0.13	9,763,000	40.86

Figure 1 - Private sector Employment in UK



Communicating with SMEs on this or any other issue is difficult. The largest business organisation dedicated to Corporate Social Responsibility (CSR) is Business in the Community (BITC) whose 850 members are almost entirely large corporates. Promoting community engagement is not a core activity of any of the umbrella groups which represent the interests of small business: the British Chambers of Commerce represents 104,000 of them³ but many local Chambers are not affiliated to it. The Federation of Small Businesses (FSB), with 200,000 members, like the BCC does not prioritise community engagement on its

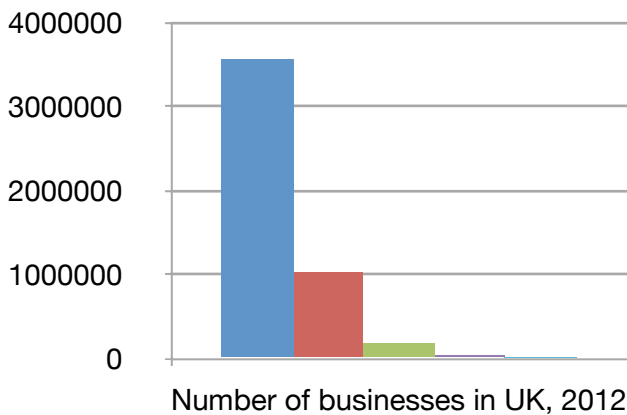
¹ Published by Gower, 2012

² <http://www.bis.gov.uk/assets/biscore/statistics/docs/b/12-92-bpe-2012-stats-release.pdf> SMEs are generally regarded as having fewer than 250 employees.

³ http://www.britishchambers.org.uk/about-the-bcc/#.UMXA8aXB_zl

agenda. The charity Coethica⁴ is a rare, small but effective forum for discussion of CSR issues amongst SMEs.

Figure 2 - Number of SMEs (UK)



In research on social responsibility in SMEs in 2007 a survey involving 1 per cent of its members claimed that 97 per cent of FSB membership behaved in ways which were environmentally and socially responsible. That survey, 'Social and Environmental Responsibility and the Small Business Owner',⁵ taken at face value, suggests that SMEs are at the cutting edge of environmental excellence. For example:

'83 per cent of respondents actively engaged in waste minimisation and recycling and 41 per cent of businesses bought products that were more environmentally friendly. Well over a third (39 per cent) reported that they engaged in energy efficiency measures and 30 per cent changed their core products and services to be more environmentally friendly.'

The report's comprehensive list of drivers that its members had recognised for this responsible behaviour should have acknowledged that economic and business pressures pointed strongly in the same direction at that time. There would have been no stigma in admitting that the survey was carried out against a background of:

- Rising fuel and electricity prices and fears of energy insecurity
- Legislation obliging local authorities to increase waste recycling massively, which included raising the level of Landfill Tax and thus the cost of business waste collection services
- A high media profile by Government and campaign groups seeking to raise awareness of the dangers of climate change.

This current research does not question whether small businesses were doing what they claimed but it does challenge how much of that activity was initiated by responsible citizens and how much was plain business sense in a changing environment. Community engagement was not considered in detail by FSB and the business case for engaging with the community was not discussed.

Let us regard SMEs as corporate citizens with appropriate rights and responsibilities, as befits the role they play in the UK economy: the 99 per cent of businesses that are SMEs contribute, it has been estimated, £3 billion in social value each year - perhaps ten times the value of the combined impact of their larger cousins⁶ - in addition to that bottom line economic contribution. This position leads them to act in ways which minimise and mitigate harm to their business as well, as many have found, as accruing positive benefits from actively doing good. 'Doing good' is vague and not prescriptive: it involves stakeholders in all their various forms and its expression, as it is for all citizens, is supported by, though not dictated by, a framework of laws.

Much of the discussion on the business case for corporate engagement with communities takes place in specialist fora of larger businesses. Polls suggest that the nation's chief executives are increasingly convinced that 'sustainability' is no longer only an environmental concept and that there is a return to be had from investing in the 'triple bottom line' of financial, environmental and social criteria. Indeed, the Companies Act of 2006 requires the approximately 1,000 companies whose shares are openly traded to report on all three of these impacts annually. This number is

⁴ <http://www.coethica.com>

⁵ <http://www.fsb.org.uk/policy/assets/CSR%20Dec%202008.pdf> FSB members are amongst the smallest businesses, typically employing 4-5 people

⁶ http://www.bitc.org.uk/resources/publications/engaging_smes.html

expected to increase as guidelines are refined but privately-owned SMEs will remain exempt from the requirement for the foreseeable future.

According to an ICM Poll commissioned by The Corporate Responsibility (CORE) Coalition and the Trade Justice Movement in April 2006, 90% of UK voters believe the Government should set out enforceable rules to ensure that companies are 'socially responsible'.⁷

The Business Case for Engaging with the Community

A neat summary of the business case for engagement is to be found on the web site of Business Link. It argues that businesses which adopt measures of community and employee engagement, ethical business practice and environmental responsibility can generate tangible advantages, including:

- A good reputation, making it easier to recruit employees and generate customer loyalty⁸
- Employees may stay longer, reducing the costs and disruption of recruitment and retraining
- Engaged employees are better motivated, more team conscious and more productive
- Good CSR practice helps ensure compliance with regulatory requirements
- Activities such as involvement with the local community are ideal opportunities to generate positive press coverage and brand recognition
- Good relationships with local authorities make doing business easier
- Understanding the wider impact of a business can help in the development of products and services
- CSR can make companies more competitive and reduce the risk of sudden damage to reputation (and sales). Investors recognise this and may be more willing to invest.

There is good evidence that the discerning graduate sees the question 'What sort of business am I joining?' as being as important as 'What are my career / earning prospects?'

Methodology (and Limitations)

In discussion with the Joseph Rowntree Foundation (JRF) it was decided to focus this research on two contrasting cities, Bradford and York, chosen because of JRF's historic links to York and their recent ten year commitment to Bradford; and because together they constituted a scale of project consistent with available resources.

My approach had two phases: qualitative and quantitative. In the qualitative phase I interviewed key stakeholders in each city and elsewhere whose insight would be appropriate to the work, in the summer of 2012. They included business people, council leaders and senior officers, business and voluntary sector umbrella groups, MPs, campaigners for business involvement in the community and practitioners including those who work to facilitate employee volunteering and those whose organisations were beneficiaries of it. Wider, web-based research was also carried out.

In the second phase (autumn 2012) I used email to encourage SMEs to visit a Survey Monkey web site to answer my questions about their company's community engagement policy and practice. Email was chosen as the principal means of contact due to its low cost and ease of use - the survey could be accessed via a single 'click' rather than by typing out a web page address or completing and posting a paper form. The survey itself was scrutinised and trialled by third parties.

⁷ Published in 'A Concise Guide to the Companies Act' written for campaigners, by The Corporate Responsibility Coalition (CORE) and the Trade Justice Movement http://corporate-responsibility.org/wp-content/uploads/2009/09/campaigners_guide_final.pdf

⁸ List based upon http://www.businesslink.gov.uk/bdotg/action/detail?itemId=1075408491&r.i=1075408480&r.l1=1074404796&r.l2=1074446322&r.l3=1075408468&r.s=sc&r.t=RE_SOURCES&type=RESOURCES

It was not difficult to find key people to interview and each contact led to more, but a list of email addresses of small businesses' emails was so difficult to compile that the process was delayed by several months. Organisations were naturally reluctant to divulge email addresses of members so they were asked to publicise the web-based survey in newsletters and/or at events. I acquired lists of company names and postal addresses and trawled the internet for their electronic contact information. This led to several observations:

- The lack of available lists of email contact data suggests that electronic networking between SMEs and between umbrella organisations and their members is not well developed
- Online data about local companies was only available for about 40 per cent of SMEs on the lists available; most online databases of local businesses do not include email addresses⁹
- Companies with fewer employees were less likely to have an email address available
- In Bradford the weak representation of Asian businesses on email lists was especially noticeable, possibly due to a lower than average penetration of email reflecting a cultural preference for face to face or telephone communication
- A significant proportion of email addresses and web contacts that were provided, around one in ten, failed due to technical error or other reasons. Some companies had web sites which included no way of contacting the company by email
- Also difficult to contact were local branches of national chain and franchise operations in the retail sector, where web sites and email contact data tended to refer visitors to national call centres or head offices.

Eventually around 1,300 businesses in each of York and Bradford were contacted by email directly, twice. It should be noted that companies with no employees, or self-employed people (who could not be distinguished from the 'Under 5 employees' category from the available data), were actively discouraged from responding to the survey in the covering email. This was because although they were likely to be the largest single group of SMEs it would be impossible to distinguish between personal altruism, an ethically-inspired business decision or engagement motivated by a hard-headed business decision. The actual response rate was therefore probably nearer perhaps eight per cent than five. The total number of responses to the survey was 132 (a response rate of under 5 per cent). Any comparisons made in this report between York and Bradford are drawn from the sub-sample who stated location (i.e. 38 from Bradford and 61 from York), and excludes those respondents (33) who did not state whether they were based in York or Bradford. The full sample of 132 responses is used for analysis where no direct Bradford/York comparison is made.

This scale of return does not lend itself to confident analysis especially when looking at smaller subsets or when taking into account the possibility that sympathetic businesses may have been more likely to reply. Some clear patterns have nevertheless emerged.

The questionnaire itself is in the Appendix. Its results are interpreted in a way which tries to establish the extent of socially engaged behaviour by the SMEs, in terms of giving, volunteering, the company's vision of its role in the community, Charity of the Year relationships and involvement and awareness of umbrella and CSR-promoting organisations.

York and Bradford

Bradford was recently identified as the most neighbourly city in England¹⁰ by Lloyds TSB (York was not amongst the 20 with which it was compared). The city houses the headquarters of several large corporate businesses and is the home of Hockney, Bronte Country and the National Media Museum. It is ethnically diverse, with poorer areas like Manningham being 80 per cent Asian - although the Borough as a whole is only 20 per cent Pakistani (according to the 2011 census) compared to 63.9 per cent White British. The city council is in Labour control but their overall majority is slim and the City has had periods of both Conservative administration and 'No Overall

⁹ www.manta.com was the most productive source of accurate individual local SME email addresses.

¹⁰ www.mediacentre.lloydstsb.com/media/pdf_irmc/mc/press_releases/2010/April/2710pressrelease.pdf where residents rated Bradford top in terms of friendliness, consideration, vigilance and tolerance

Control' in the last 30 years. Its three Parliamentary seats are held by MPs of different parties following many years of Labour dominance. The demise of the textile industry over the last half century has hit the City hard. In 2011 a private sector-led initiative, Positive Bradford,¹¹ was set up by some SMEs and others in the private, public and voluntary sectors, principally from Asian and White British communities, to 'stand up and speak up for the Bradford we love'. Praised as a serious attempt to cross traditional cultural divides, Positive Bradford says:

'At £7.8 billion GVA, Bradford's economy is the third-largest in Yorkshire and is growing more quickly than the rest of the region. This dynamism can be attributed to the preponderance of small and medium enterprises (SMEs). At a time when large [companies] are closing branches across the nation, more than 17,500 SMEs call Bradford home.

'More new businesses are set up in Bradford than anywhere else in Yorkshire, with start-ups constituting roughly 12 per cent of the region's business. The region also boasts some of the highest one-year SME survival rates in the nation.'

By contrast York is a smaller, a more contained, stand-alone city which was European Tourism City of the Year in 2007 in recognition of its four million annual visitors. The City's industrial past was dominated by chocolate and railways, though in 2006 the Office for National Statistics reported that almost 90 per cent of employment was in service industries. The social responsibility heritage of Rowntree, Terry and other Quaker pioneers in business is apparent in the City's ethos.

Although the City Council is the largest single employer several big corporates have head or key offices here. Since 2011 the City Council has been under Labour control; prior to that it had experienced both Liberal Democrat and 'No Overall Control'. The Parliamentary seat which dominates the City has been held by Labour since 1992.

The Council's ambition for York is to be:

- a top-10 English city economy that delivers for business, people and the environment, and
- Internationally-recognised as an 'innovation capital' - a key centre for science, R&D and knowledge-based business.¹²

In York, according to the 2011 census, 90.1 per cent of residents were 'white British' with 'Chinese' being the second biggest ethnic group at 1.2 per cent. Those describing themselves as Muslim in York were one per cent compared to 25 per cent in Bradford.

A study by the Centre for Cities published in January 2012¹³ compared the economies of England's 64 biggest cities according to 40 economic criteria. Consistently the survey showed York to be in the top half dozen functioning city economies and Bradford to be amongst the less successful (See Table 2).

Table 2 - Comparison of Local Economy in Bradford and York (selected examples)

Rank order of 64 (2010):	Bradford	York
High level qualifications in workforce	20.1% (58th)	39.9% (7th)
No formal qualifications	18.3% (61st)	7.2% (6th)
Youth JSA Claimant count (Nov 2011)	7.8% (52nd)	2.7% (3rd)
Welfare bill per capita (2009)	£2,806 (34th)	£2,186 (5th)
<i>Source: Cities Outlook 2012, Centre for Cities</i>		

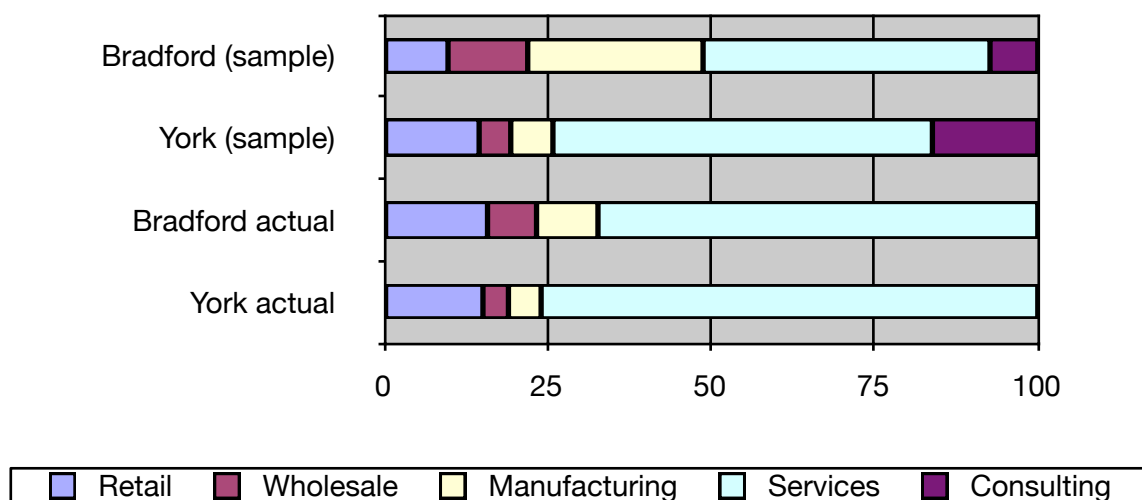
¹¹ <http://www.positivebradford.co.uk> Of my interviewees both Candelisa People and Bombay Stores are major movers behind Positive Bradford

¹² York Economic Strategy 2011-15 <http://www.york.gov.uk/content/45053/31645/yes/FinalYEsSum.pdf>

¹³ http://centreforcities.cdn.meteorite.net/CITIES_OUTLOOK_2012.pdf

The nature of the private sector differs between the two cities (see Figure 3); specifically manufacturing has a higher profile amongst Bradford's 13,500 SMEs compared to York's 7,000: 13 per cent of employment in Bradford in 2010 was in manufacturing (the 14th highest level in the country) compared to just 4 per cent in York (54th highest out of 64 cities). So-called knowledge intensive service jobs employ 9 per cent of the working population in Bradford and 16 per cent in York.¹⁴ Asian owned and run businesses are more significant in Bradford, especially in the retail sector, but are almost absent from York. Figure 3 shows that, given these differences, the profile of businesses in the two cities is surprisingly similar and the samples generated by the responses to the online survey reflect this.

Figure 3 - Breakdown of businesses by city and type



Note: the 'Consulting' category in the sample is included in 'Services' in the 'actual' figures

Walking around the economically active parts of central Bradford it is clear that the city is suffering from both long term and current short term economic stresses; it is reported to have the country's fourth highest concentration of Pound Shops.¹⁵ ProHelp is a BITC-sponsored network providing free professional help to voluntary organisations in West Yorkshire including Bradford. York Professionals is one example of an SME network actively seeking to promote engagement on a small scale; and in Bishopsthorpe Road in York traders and others have spontaneously come together to boost business and community in a way which is colourful, fun, active and engaging. Other neighbourhoods are following suit.

¹⁴ Data extrapolated from the Government's Inter-Departmental Business Register, 2012 <http://www.ons.gov.uk/ons/rel/bus-register/uk-business/2012/index.html>

¹⁵ Bradford Telegraph & Argus, 30 March 2012

Results

Over 130 responses were received to the online questionnaire though not all respondents had completed every section. The smallest SMEs were under-represented in my sample (compare Figures 4 and 5) although they were still the largest group (28 did not declare their size).

38 replies came from Bradford and 61 from York with 34 not declaring their location. The pattern of returns from York is closer to its profile by size that would have been expected than is that from Bradford, where an under-representation of Asian businesses in the sample has compounded the pattern of under-representation of the smallest businesses referred to above.

It is entirely possible that companies with a greater sense of social responsibility were better disposed to responding to the questionnaire. Payroll giving, for example, is the voluntary collection of charitable donations from PAYE earnings by an employer prior to levying tax. Figure 9 suggests that the overall take up of payroll giving across our sample is 16 per cent of employers, notably higher than the national figure of 2 per cent of employers (3 per cent of employees).¹⁶ Payroll giving was defined in the question so the best explanation for this result is that those engaging in payroll giving were more likely than others to respond to the survey. Putting the percentage figures to one side, the shape of the chart confirms the pattern of payroll giving nationally: that the larger a company is, the more likely it is to make payroll giving available to its employees.

Companies which completed part but not all of the survey (possibly exhibiting a lesser degree of commitment to community engagement) were less likely to have said 'yes' than others where they answered this question.

Figure 4 - Breakdown of all survey responses by company size

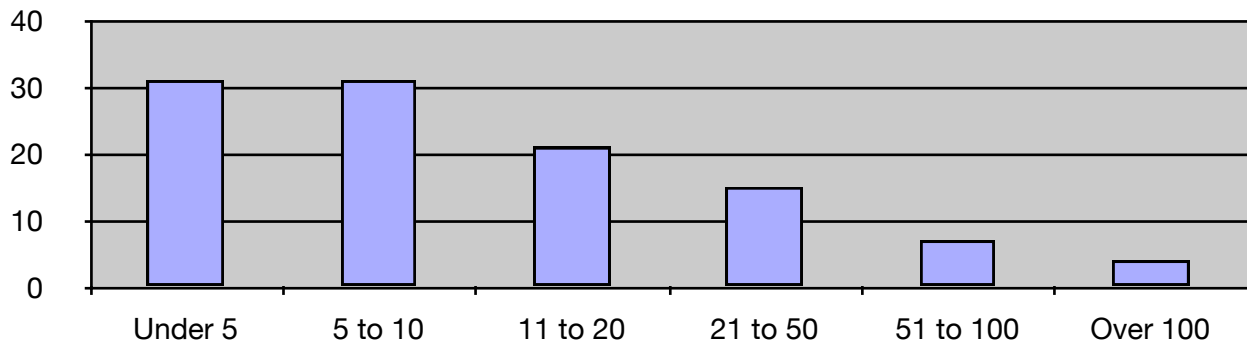
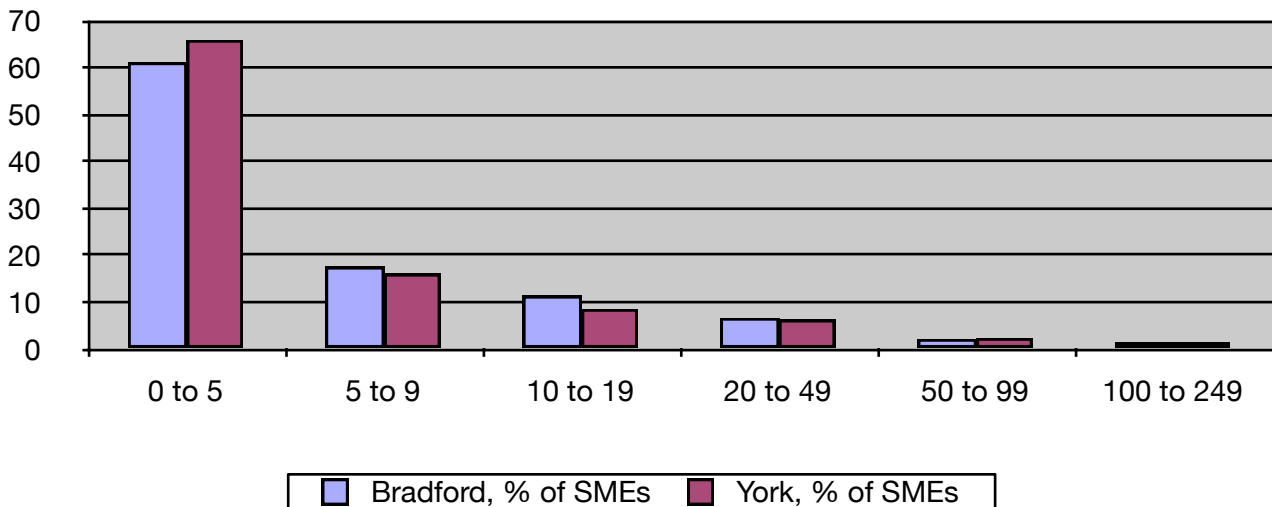


Figure 5 - Actual breakdown of companies by employee number and city



¹⁶ Source: http://www.hm-treasury.gov.uk/d/consult_payroll_giving_240113.pdf

Giving

'Giving' by a company is complex. It can be employee-led, employer-led or a mixture of the two; employee giving in the workplace can be ignored, tolerated or encouraged, even matched by employers. Corporate giving can be genuinely altruistic or a measure which balances community and/or employee engagement against a calculated business benefit; or it can be a blatant publicity gesture designed simply to attract recognition. The current economic climate mitigates against altruism and the public mood is cynical of the CSR equivalent of 'green-washing'. The questionnaire did not burrow down into the motives for acts of corporate giving but it did look for trends in both how giving (or 'giving back', as many companies see it) was expressed and whether it was employee or employer led.

Q1: Companies were asked to say whether, in the last 12 months, the company (rather than its employees) had donated to a good cause (a charity, school, hospital, etc.) in a number of different ways. The simplest and easiest of these was a raffle prize, which in all likelihood was a surplus product or service or a cash prize. Surplus goods in a 'non-raffle' context could be equipment, such as shop shelves, building materials or a PC donated to a charity, or a product which bears the manufacturer's name. A service could be photocopying for free or the free loan of a room for a community group to meet in, as some hotels offer; a skill would be an employee loaned to a charity to audit some accounts or to plumb a kitchen, for example. Volunteering an employee's time during the working day may not involve the worker's expertise - it might be a fundraising activity or other, low-skill, work. Only a small minority of the sample claimed that they donated 'nothing' and whilst there was a significant response to 'Other' these proved to be largely variations on other themes and were reassigned accordingly.

The tendency to have surplus product to give away is linked more to the nature of the company rather than its size. The propensity to engage in each activity rose with the size of the company except for 'Surplus' which fell slightly and 'Ethical' which appeared to be constant (at about a quarter) across all size categories - except those with over 50 employees where it peaked at 50 per cent. The number of companies saying they gave nothing peaked at one in eight in the 5-10 employees category and fell to zero in the 'Over 50' group.

Figure 6 - Company Giving

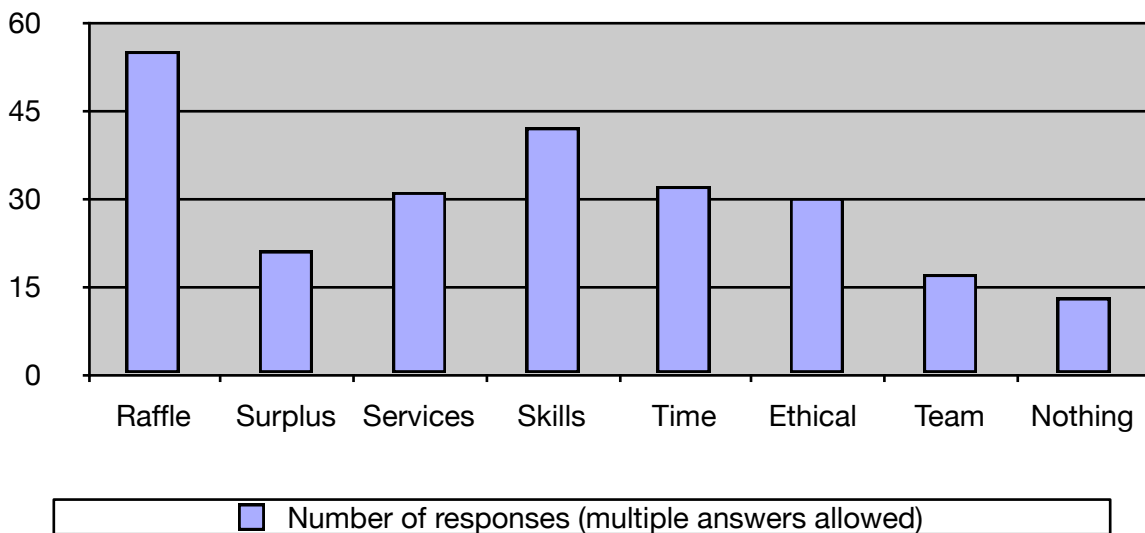


Figure 6 shows a clear hierarchy of types of giving amongst SMEs - raffle prizes, skill donation and volunteering time are all donated by at least a quarter of companies in each city and overall there is little difference in the patterns between the cities - with one exception. Of all the ways of engaging the biggest contrast between Bradford and York is ethical purchasing, at only one company in 12 in Bradford but nearly a third of all those in York. The majority of these (15 of 22 who identified their business type) were in services or consulting, which predominate in York more than in Bradford. These may network better than retail or manufacturing businesses, leading to more fair trade purchases than do more conventional industrial supply relationships.

Turning to Figure 7 we can see patterns too in how companies of different sizes give to the community. Once again, the giving of raffle prizes is ubiquitous, becoming more widespread as companies get bigger. In more than a fifth of the very smallest SMEs no other activity is found and the supply of services and volunteering of skills also show a clear upward trend with size. Team challenges are, not surprisingly, more common with a bigger workforce (11 or more employees) to support a team. Ethical behaviour as defined above appears to be independent of company size and, whilst the companies saying that they give nothing to the community in this way is small in all categories, it is zero amongst the largest SMEs.

(If each SME had ticked one box only then each bar in Figure 7 would total 100. The longer the bar, therefore, the greater the quantity and the diversity of company giving).

Figure 7 - Company Giving by size

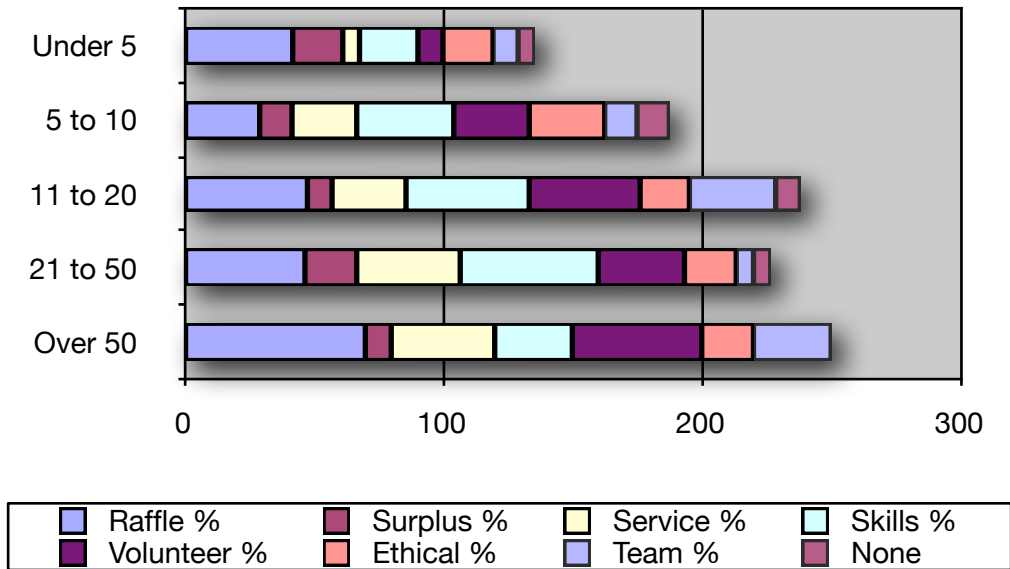
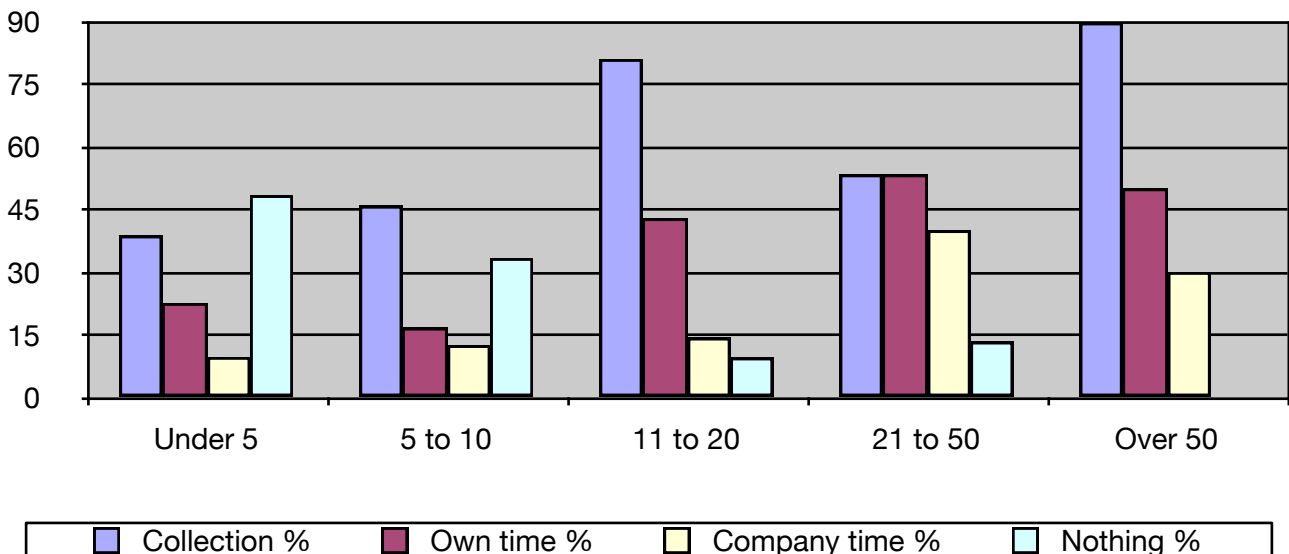


Figure 8 - Employee contributions, by size



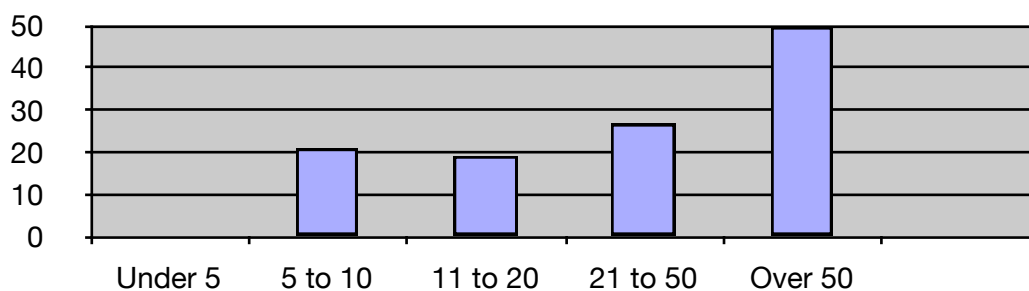
Q2 asked a similar question about the way employees organised collective giving independently of the company and this is described in figure 8. Community engagement in a small business very often starts with employees collecting cash for a good cause: a collection box, a dress down day or a cup cake sale. Whilst half of the smallest SMEs say that their employees do 'nothing' in this regard that figure falls off rapidly to zero doing 'nothing' amongst large SMEs. Contributions, mostly fundraising activity in employees' own time, rise with size as does that in company time, to a lesser extent.

Again there is a distinct difference in the pattern between the two cities, with every SME responding from Bradford claiming that employee fundraising took place at their place of work. This claim could be distorted by the small sample size from Bradford compared to York and the under-representation of the smallest businesses especially in Bradford. Between a fifth and half in each size category has seen employees volunteer for good causes in their own time. Volunteering in company time is negligible in companies of under 20 employees. Almost half of all companies with fewer than five employees were not aware of any employee fundraising initiatives.

We have already seen that payroll giving is not common in SMEs (five of every six in our survey said 'no') whilst nevertheless it is probably over-reported here (Q3 and Figure 9). We did not ask whether employers matched the charity donations of their employees with cash contributions, as many of the big banks, for example, do and this is thought to be highly unlikely in SMEs. Although the figures are too small to generate statistical confidence, if we look at the distribution of payroll giving by size *within each city* we see York follows the expected trend from 0 in the Under 5 employees category to most of those with Over 50 staff whilst Bradford's trajectory on an even smaller sample size is much flatter, peaking at only a third of the largest SMEs.¹⁷ Not a single SME with fewer than five employees replied 'yes' to this question in either city.

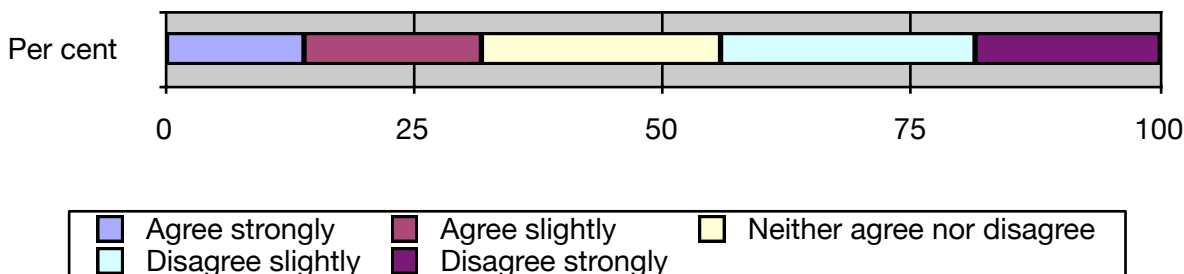
In Q4 Companies were asked to assess two statements about payroll giving as 'agree strongly, agree slightly, neither agree nor disagree, disagree slightly or disagree strongly'. Whether or not they used payroll giving as a means of engaging with their employees or with charities, companies generally felt that it was a 'good thing'. Asked to comment on the statement '*It is not a company's job to be supporting charity through payroll giving*' no clear consensus emerged (Figure 10)

Figure 9 - Companies engaged in Payroll Giving, by size, %



(median response: neither agree nor disagree). A different pattern was found in the responses to the statement '*Payroll giving is good for charities, the community - and business*' where the median response was firmly 'agree' - in both cities (Figure 11). Those who already practiced payroll giving were, unsurprisingly, generally believers in its value.

Figure 10 - 'It is not a company's job to support charity through payroll giving'



¹⁷ I removed the 18 employers who had declared themselves to be charities from the respondent list and re-analysed the data. I concluded that charities are no more or less likely to make payroll giving available to their employees than any other employer.

Figure 11 - 'Payroll giving is good for charities, the community - and businesses'

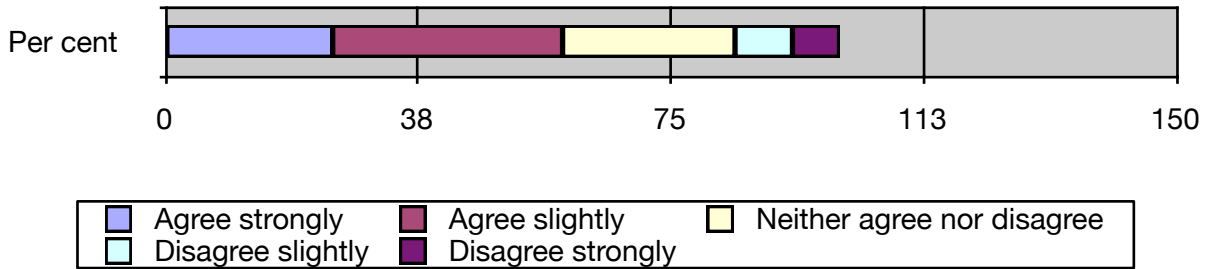


Table 3 - A comparison of company and employee Giving habits by city and size

York	Bradford
More likely to make purchase decisions based on ethical criteria More likely to have no employee community engagement More sceptical about payroll giving	More likely to have employee collection and donation of money Smallest companies are relatively under-represented More likely to have payroll giving
Smaller SMEs	Larger SMEs
More likely to do nothing; to engage in fewest ways; to engage in less complex/committed ways	More likely to engage in diverse ways especially where time commitment is involved (employee skill and team volunteering)
(In most cases companies with as few as 20 employees behave as though they were 'larger')	

Volunteering

'Employee volunteering' is generally regarded as employees being given time off, in company time, for doing something useful in the community. It is widely accepted that as most SMEs employ very few people this form of volunteering, a potent form of both employee and community engagement, is less feasible as the 'investment' it represents would be relatively larger than in larger companies.

In Q5 SMEs were asked what their opinion was of employee volunteering. Although a quarter of all SMEs (predominantly the smaller ones) believe that the issue is not relevant to their situation the major view in both cities - and in all size categories - is that having employees volunteer in the community in the name of the company is a way of 'giving something back' to that community. The superficial approach of a 'fun day out' is roundly rejected (Figure 12) though arguably the use of employee volunteering as a tool for boosting employee engagement within the company is under-appreciated. As companies grew in size they appeared to value employee volunteering more positively.

Employers were asked to say which types of employee volunteering they might allow during company time (Q6 and Figure 13). Examples were chosen which illustrated different aspects of employee volunteering, namely:

- Being a magistrate or school governor
- A member of the military reserve such as Territorial Army
- Serving as a Special Constable
- Visiting a local school to talk about careers
- Regularly visiting a local school to listen to children read
- A day's sponsored cycle ride to raise money for a charity
- A team effort to renovate a community building
- A month to work in a developing country for a charity.

Historically, bosses were more ready to allow a manager paid time off for volunteering than a shop floor worker. Managers who 'volunteered' tended to be magistrates, school governors, councillors -

the prestige of such a senior community role would be associated with the name of the sponsoring company. We added Territorial Army officer as a separate category because although the role is prestigious the profile is lower; the role of special constable might attract employees from less senior ranks.

Figure 12 - Opinion of Employee Volunteering

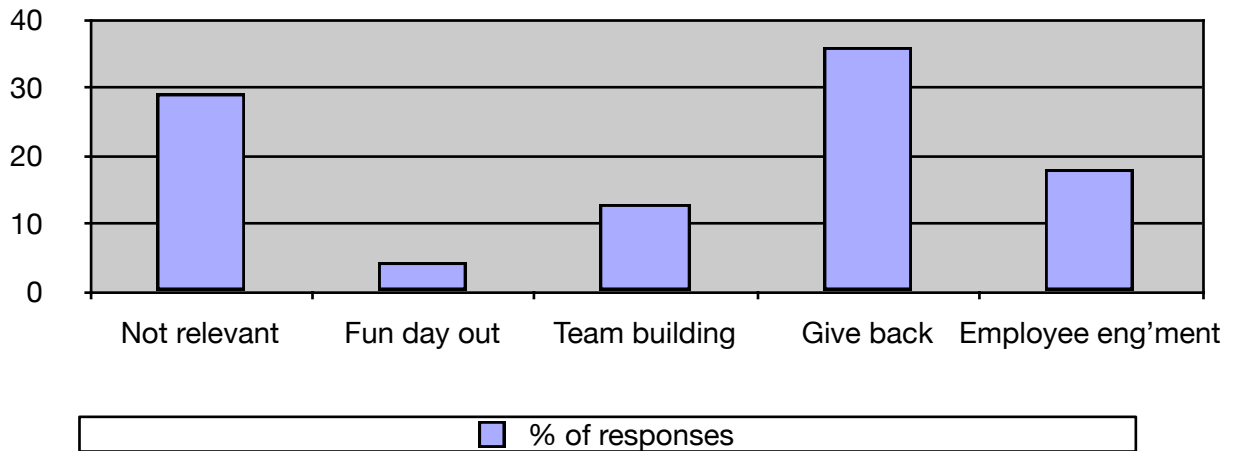
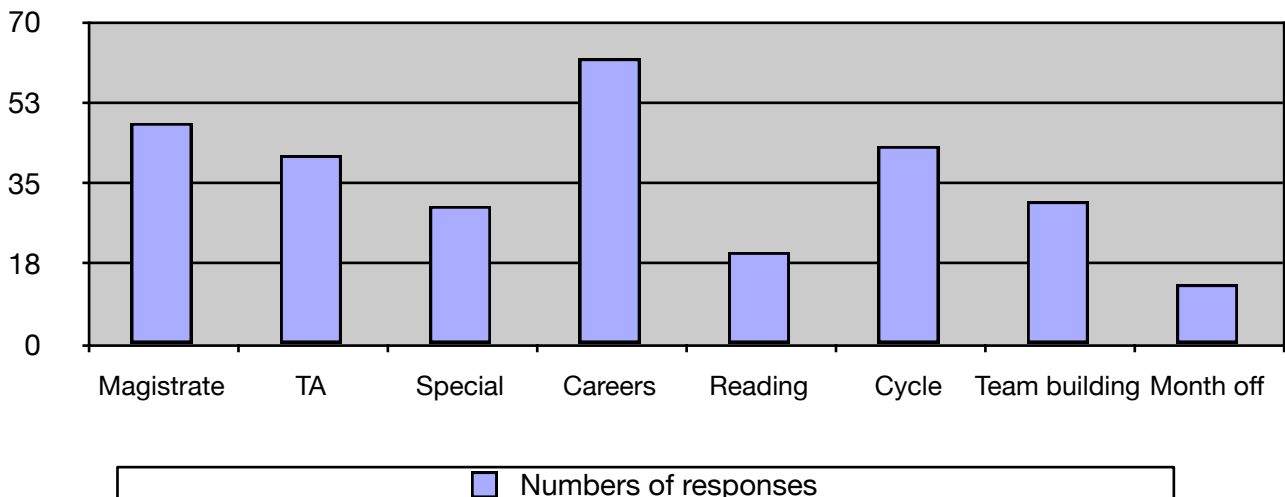


Figure 13 - Types of employee volunteering



Visiting a local school to talk about career guidance has a clear benefit to a company which may be seeking to be the employer of choice for appropriate school leavers. This role was contrasted with that of helping children learn to read, possibly the most hidden, lowest prestige role on the list and not, it appears, one normally considered a legitimate use of employee volunteering time. It requires small amounts of regular volunteering (an hour's absence from work per school week equates to about 4 days leave per year) and it can produce very great benefit for the recipient.

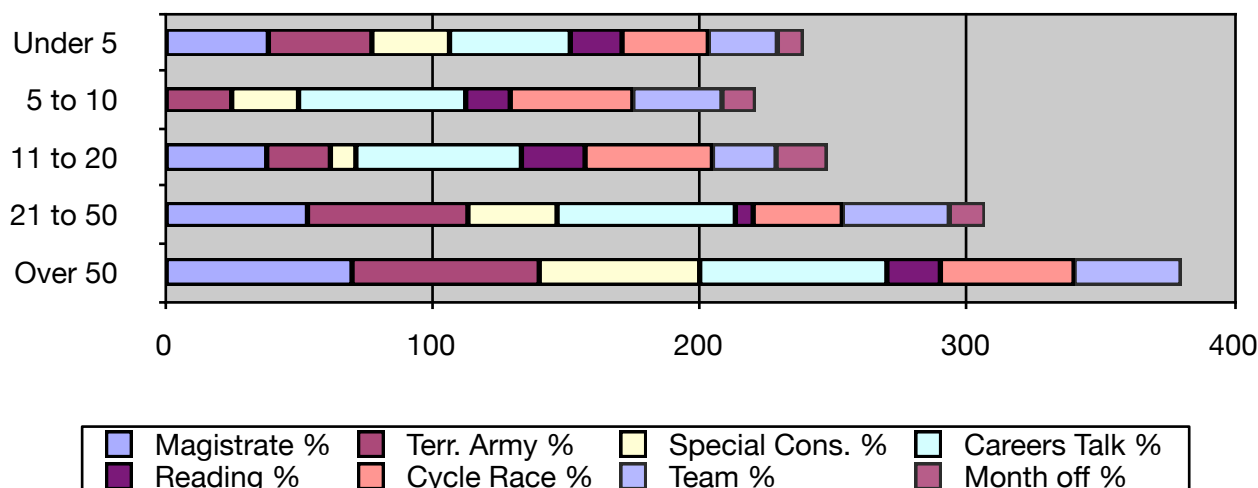
Finally, we suggested three examples of working for a charity: the sponsored ride and the team effort could both produce good local publicity; the sponsored ride (or walk) is the least disruptive and easiest to organise of the three. The team effort and the month off work both require employer cooperation. There are precedents for the 'month off' model, such as VSO¹⁸, which normally utilises the employee's specific skills, but it is clearly more expensive in terms of employee time.

The results (Figures 13 and 14) show that there is a clear hierarchy of preference which favours company benefit (careers talks) and prestigious / managerial roles, especially magistrate / school governor. Least popular was the month off because of its cost and inconvenience to a small

¹⁸ <http://www.vso.org.uk/about/working-in-partnership/corporate-partnerships/corporate-volunteering>

business. Helping children learn to read was almost as unpopular, despite being something employees could do almost literally in their lunch hour. It also requires Criminal Records Bureau checking which may be regarded as discouragingly bureaucratic. There was no difference in the encouragement for employee volunteering in York compared to Bradford and the rank orders of the categories were identical in the two cities. Figure 13 shows that volunteering generally found more favour as companies grew bigger and that the careers talk was the most popular in every category of employer size. Not surprisingly, team efforts in particular were more feasible in larger companies. (If each SME ticked one box only then each bar in Figure 14 would total 100. The longer the bar, therefore, the greater the quantity and the diversity of company giving).

Figure 14 - Types of Employee Volunteering, by size



Asked what was a reasonable number of days per year an employee might be allowed off for volunteering either with pay or without (Q7 and Q8, Figure 15) companies replied intuitively (rather than necessarily based on experience). 1 or 2 days per year was the most common choice with or without pay, with a tendency to be more generous with unpaid time off for approved purposes. The opportunity for time off is clearly very dependent on the size of the company and the nature of the business. Whilst employers can often appreciate the benefit to be obtained by an employee, and therefore of the company, of a volunteering experience which uses skills in a novel way or broadens horizons, a willing spirit may be thwarted by weak flesh. There was no significant difference in responses from Bradford and York; York was ready to tolerate longer periods of unpaid volunteering.

Although a significant number would not countenance any leave for volunteering purposes half of all companies would allow 1-2 days. Neither location nor company size were associated with significant differences from this pattern. The smallest companies show a clear preference for allowing fewer days of volunteering leave, larger ones more.

When asked for reasons which would prevent them from allowing employee volunteering (Figure 16) cost rather than time was seen to be the biggest barrier, especially amongst smaller companies. Very few dismissed employee volunteering as 'irrelevant'.

There is a relatively high level of skills volunteering from smaller companies (see Figures 7 and 17). Skills volunteering can be seen (but is not always so regarded) as an HR function which can bring significant benefits to the employee and thus the employer in terms of broadening experience and responsibility in career development. In companies with fewer than 5 employees the incidence of skills volunteering is twice that of time volunteering, a gap which has practically disappeared in the '11 to 20 employees' category. Amongst larger SMEs skills volunteering actually falls off as time volunteering takes over as the most popular form of engagement (other than the giving of raffle prizes). Perhaps time is seen as a more precious commodity in smaller companies whilst skills volunteering can produce greater impact in a shorter time. This may also be why team volunteering

Figure 15 - Would give time off for volunteering

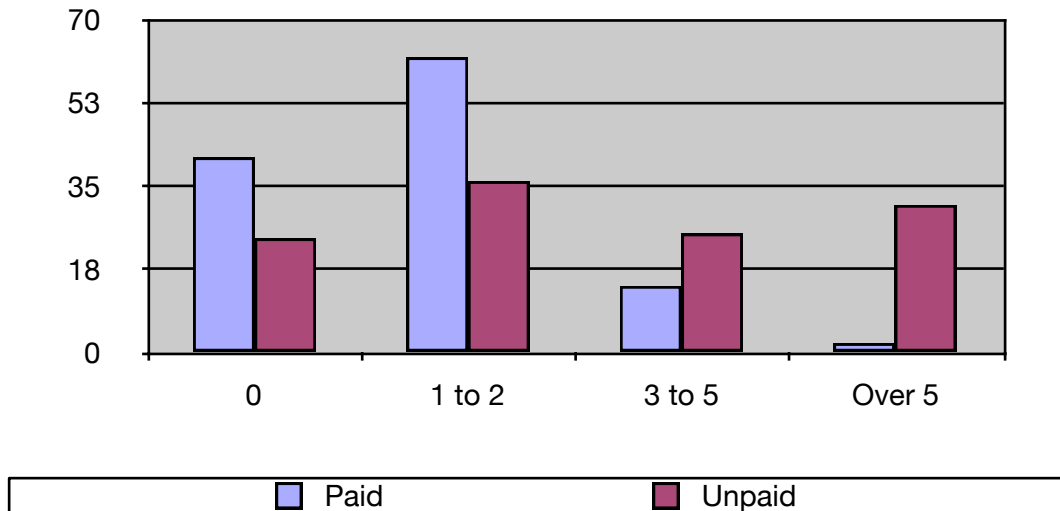


Figure 16 - Reasons for NOT engaging with employee volunteering, by size

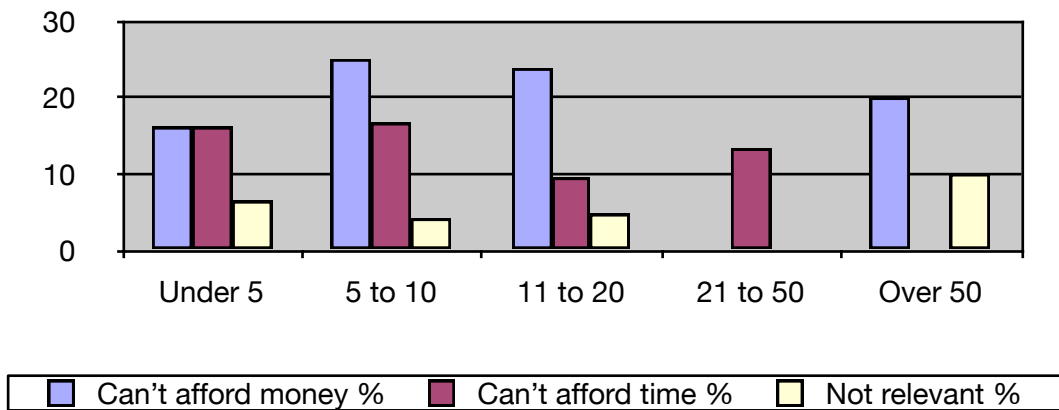
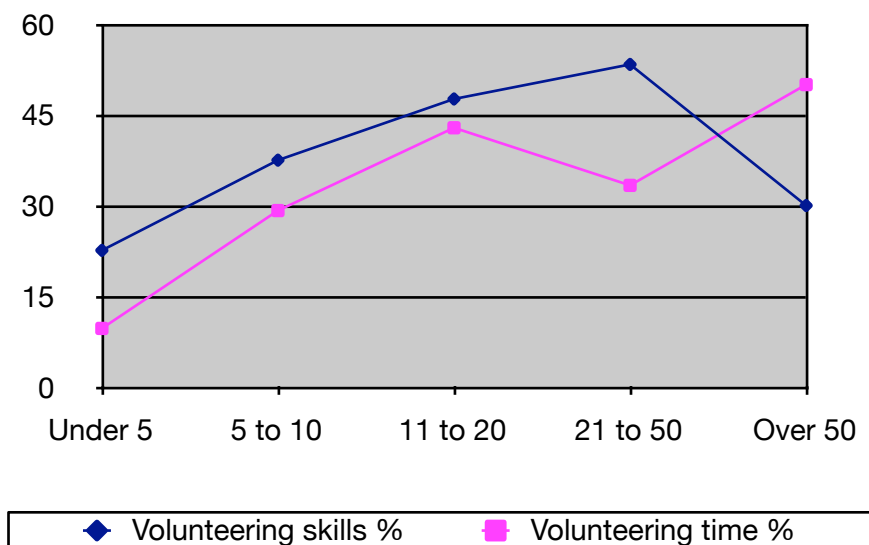


Figure 17 - Skills vs Time Volunteering



is practically absent in companies with under 11 employees. In larger companies it is easier to provide an army of unskilled labour on request; so easy that it is clearly preferred there as a way of fulfilling a CSR objective compared to skills volunteering.

A Company's Position in the Community

Taking giving, employee volunteering and other issues into account, companies were asked how their company related to the community around it (Q9 and Figure 18). There was no significant difference between the assessments made by companies in Bradford and York, though the low figure for those contributing 'our fair share' was interesting: 'a little' clearly represents 'less than our fair share'. The same pattern was seen when comparing company size with all bands peaking at 'a little' - except for those with over 50 employees where no less than half of the respondents believed that their company's contribution to the community was 'more than most'; however, this was a very small sub-sample.

Figure 18 - How much does your company relate to the local community?

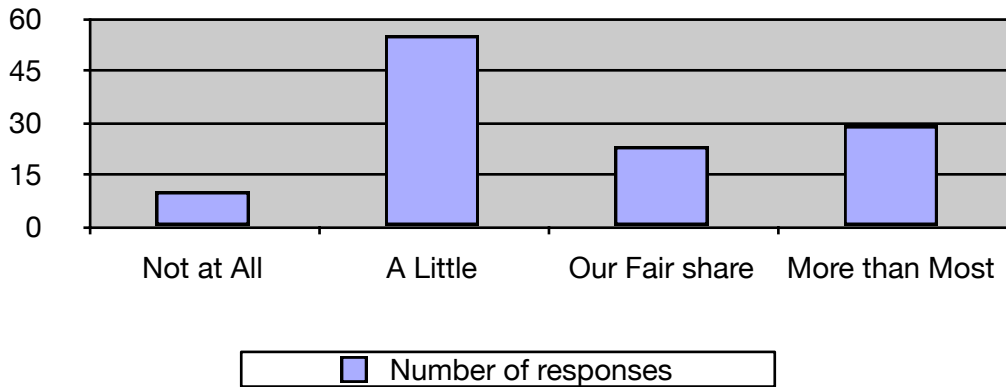
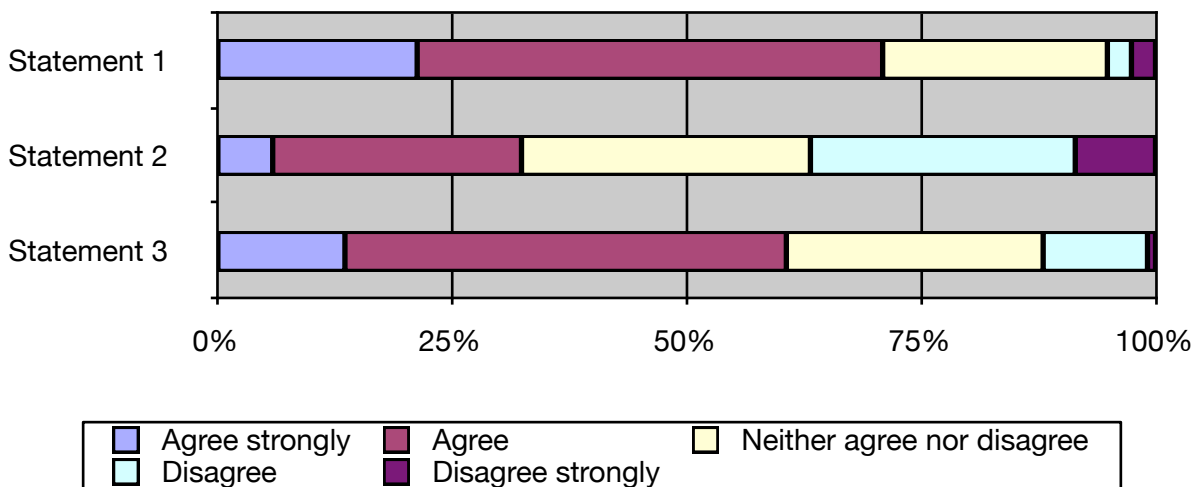


Figure 19 - Engagement with the Community



In Q10 SMEs were asked to comment ('Agree strongly', 'Agree', 'Neutral', 'Disagree', 'Disagree strongly') on three statements about the relationship between the company and the community around it. The statements were:

Statement 1 - Businesses have a responsibility to engage in communities

Statement 2 - SMEs have no time for being involved in the community

Statement 3 - Our company does what we can in the community

From figure 19 it seems that 'we are already doing what we can' equates to both 'More than most' and 'A little' in figure 18. Although there is no difference between the two cities there is a graduation of attitude from the smallest companies to the largest, with those with under 20 employees sharing common views which are less positive than in larger companies. It also confirms the view that larger companies are both more able to make a positive impact and are potentially more effective in doing so than smaller ones, though it is perhaps surprising that this is evident in companies as small as 50. The 'traditional' view - that the way in which the smallest companies engage with communities is limited by a lack of time caused by the pressures of entrepreneurial life - is generally given short shrift.

Charity of the Year

It is not uncommon for businesses to choose a particular charity upon which fundraising and other aspects of engagement are focused for a specific period of time such as a year. Amongst large corporates and large charities there is stiff competition for lucrative Charity of the Year contracts whereas amongst smaller organisations there is much more informality. Here, partners come together in a variety of ways: the choice is usually made through a general impression rather than a great pitch or even a calculation of strategic mutual benefit; it can be the boss's wife's favourite charity or one inspired by an employee's personal tragedy such as child cancer.

Q11 to 14 revealed that in both Bradford and York the proportion of companies claiming to have a Charity of the Year was about one in seven overall - and also amongst companies with fewer than 50 employees - although it rose to over half amongst the few respondents with over 50 employees. In half of the 15 cases identified the owner or manager had made the choice as to which the charity should be, with a spattering of other means of choice: workforce collectively, group of employees, head office. Two companies, both with fewer than five employees, had links to a charity with an obvious focus on their area of work: a dog rehabilitation enterprise had chosen the RSPCA and the Head Office of a small motor trade sales operation was supporting BEN, a charity which helps motor trade employees needing support in illness or old age. Six of the 15 charities were local and four were cancer charities.

The small subsample size and the wide number of possible options made it difficult to judge which relationships were temporary (such as a one year fundraising relationship) and which more strategic (lasting more than one year, with qualitative and educational elements to the relationship and at least a nominal specific benefit to the company).

Contact with Relevant Organisations

A number of national organisations encourage socially responsible business and/or the opportunity to discuss responsibility issues with peers. Companies were asked which (see Q15 and Q16 and Table 4) they were aware of; had heard of; had been in contact with; or had worked with.

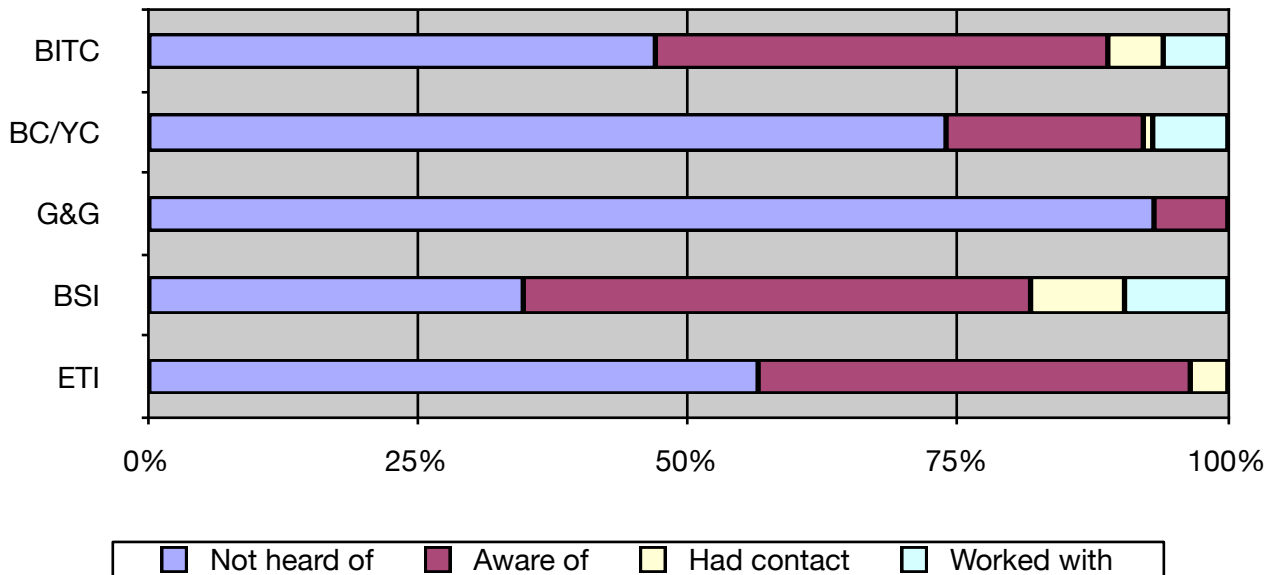
Table 4 - Selected organisations / events which promote corporate citizenship

Organisation	Description
Business In The Community (BITC)	850 members, mostly large corporates, seeking to increase levels of corporate responsibility. One of Prince Charles' suite of charities, started in the 1980s
Bradford Cares or York Cares	Cares' was initially a BITC initiative, a local group of companies sharing employee volunteering and other CSR programmes. York Cares is now independent of BITC; the work of its 30+ members, mostly larger companies, is coordinated from the University of York. Bradford Cares, formerly run from the local Chamber of Commerce, was not active at the time of the survey but may relaunch in 2013
Give and Gain Day	Another BITC initiative, G&G Day happens in May of each year. BITC members and others join in collaborative team volunteering events across UK
British Standards Institute	The regulator of thousands of British and International Standards which govern quality control in all its forms. In particular ISO26000, the international standard which defines 'social responsibility' was launched in December 2010. Unlike most other Standards it cannot be accredited and without accreditation its profile is low
Ethical Trading Initiative	An initiative by a collection of supermarkets and others, ETI has a qualitative approach which goes beyond traditional 'fair trade' criteria. Whilst much of its focus is international, relating to developing countries, its focus on supply chains can impact on SMEs in Britain

The organisations concerned will be disappointed with the level of awareness (Q15, Figure 20). Give and Gain Day passes by virtually unnoticed each year despite the fact that on 18 May 2012

over 200 companies and 10,000 volunteers nationwide had participated, half of whom having not volunteered through their company previously.¹⁹ The relatively high awareness of BSI is likely to be due to legal requirements to comply with British Standards rather than its activity in the non-compulsory field of social responsibility. There was no significant difference between results in Bradford and York, save for the fact that the awareness level of 'Cares' in Bradford was higher than that in York despite the fact that York Cares is currently active (with over 30 members, including a handful of SMEs) whilst Bradford Cares is in abeyance.

Figure 20 - Awareness of organisations / events which promote corporate citizenship



Asked about membership of other collective organisations in Q16, half of all SMEs participating in the survey were not members of any such organisations. The Federation of Small Businesses (principally organisations with under ten employees) had one member in our Bradford sample (three per cent) compared to 11 in York (18 per cent). A third of the Bradford sample were members of the local Chamber of Commerce compared to one in five in York.

We asked (Q17) if a customer had ever required certain measures relating to corporate responsibility as a condition of a sale or contract. Clearly this is more likely to happen in a commissioning or supply chain relationship rather than, for example, a retail or wholesale environment. There was also confusion in respondents' minds about legal requirements, which was not what was being asked. These could have included enhanced CRB checks, Ofsted regulation and carbon emission disclosure; the ones we asked specifically about were fair trade, accreditation of sustainable resources such as wood and Investors in People (in each case about one in ten reported having had this requirement asked of them) and a community engagement strategy (an interesting one in seven). A quarter reported having been required to observe a BSI standard but half had not been subject to any such requirement.

More about the participants

Remaining questions (Q18-Q26) asked about the local companies themselves. Respondents held a wide variety of posts within their companies, though the overwhelming majority of the 99 who identified their role were in very senior positions, including 24 directors, 24 managers, general managers or managing directors, 4 chief executives, 10 owners and 5 partners. The companies had different ownership models as seen in Table 5.

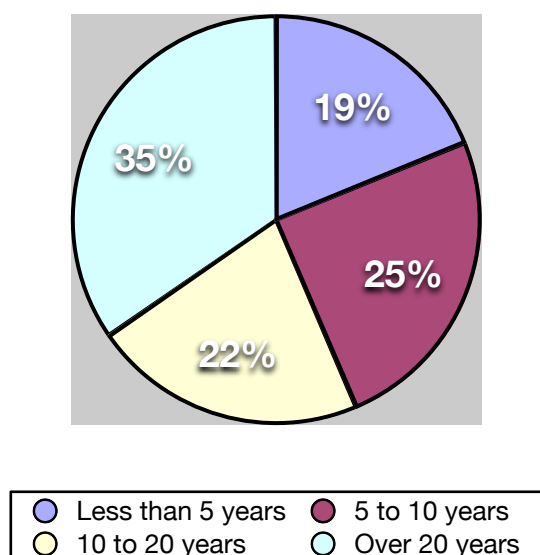
Respondents coming from Charities and Partnerships were identified through the 'Other' option in the survey. It was decided to keep the Charities in the survey as they are employers in the same way as private sector employers are. There are clear distinctions between Bradford and York here

¹⁹ http://www.bitc.org.uk/community/employee_volunteering/give_gain_day/companies_involved.html

Table 5 - Respondents broken down by ownership²⁰

Type of Ownership, %	Bradford	York
Family	44%	16%
Single owner (not manager)	-	7%
Owner/Manager	19%	30%
Shareholders	22%	23%
Social enterprise	3%	5%
Franchise	-	5%
Wholly owned subsidiary	-	3%
Charity	19%	16%
Partnerships e.g. LLP	-	7%

Figure 21 - Age of participating SMEs



and the position of charity employers is somewhat over-represented in the sample, suggesting that charities as employers were more likely than others to respond to the survey.²¹ However, running the results again whilst excluding those identified as charities created no significant change in the patterns generated - which suggests that as employers charities correspond to trends based on location and size in the same way that 'for profit' companies do.

The age profile of the SMEs in the two cities shows a slight tendency for Bradford recipients to be longer established companies than those in York and the largest group was companies which had been in existence for over 20 years (see Figure 21).

Qualitative responses

Various questions prompted open answers, comments and opinions of which a sample is below.

An employment agency in Bradford allows its staff up to a day *per week* to do voluntary work in the community, although take up is much less than this. This is not altruistic: it allows staff to get to know the unemployed people in the communities, potential clients and therefore a potential source of future company income.

'Medium sized enterprises are a rich source of charity trustees. Smaller and micro-businesses are less so, but are supportive of local schools and playgroups which serve their employees' families' - York umbrella group

²⁰ Some respondents cited more than one model, hence figures add up to more than 100 per cent

²¹ About 11 per cent of UK employees are employed by not for profit bodies outside the public sector, the sixth highest in the world

A Bradford social enterprise creating quality team volunteering opportunities provided 1500 days of employee volunteering experience in 2011: 1300 for four big corporates, 100 for other corporates, 100 for SMEs

‘Charities seeking raffle prizes get more joy from approaching SMEs than from asking for a £5 supermarket voucher - which involves a lot of bureaucracy!’ - business adviser

‘Companies employing more highly skilled staff appear less likely to engage in volunteering events than lower skilled ones though more likely to give pro bono services’ - business network manager

‘Before restrictions on solicitors’ advertising were lifted 25 years ago, pro bono work in the community was the best way for us to get our names and services known’ - lawyer, York

The most comprehensive SME community engagement programme we came across was the ‘Spirit to Serve’ programme of one of the larger SMEs in the survey, the Marriott Hotel in York with its 100 staff. Marriott’s 3600 hotels worldwide are mostly individual SMEs: York staff completed 400 hours of in-work volunteering in 2012 although not all staff want to volunteer and no one is required to. One scheme, listening to local schoolchildren read, involves six employees for an hour a week in each school term. Payroll giving is actively promoted through the company intranet - which is where employees can also find special offers, pension advice, etc.

The Manager is an active volunteer himself and on the board of York Cares, whose CSR focus is on young people and education. Through York Cares the hotel recently recruited an employee from a disrupted background. Up to two school students each week throughout the school year come to the hotel for work experience.

Employees have helped a local charity clear ditches and footpaths and volunteers spontaneously organised sponsored events to support a multiple sclerosis charity.

In 2011 the hotel’s Charity of the Year was Macmillan, as a cancer charity an easier cause to ‘sell’ than 2012’s challenging choice of Fairbridge which supports disadvantaged teenagers with multiple needs - but employees have pulled together and made the year a success.

York Marriott receives up to a dozen requests for support for charities every week and tries to respond to all, albeit with low cost raffle prize contributions such as use of the hotel’s fitness suite.

Despite being aware of the challenge of volunteering fatigue, annual employee surveys show very high levels of support for and pride in the company’s community engagement activity.

Conclusions

In 'Partners for Good' I argued that the way in which businesses engaged with their community had three forms, depicted here in Table 6:

- Cash & Kind (giving - cash, things, services)
- Time & Talent (volunteering hours and skills)
- Head & Heart (other qualitative approaches such as fair trade, community liaison).

There were also three levels of organisation:

- Ad hoc (spontaneous, disorganised, typically employee initiated)
- Organised (coordinated, supported by employer, inclusive)
- Strategic (promoted by investment, mission-driven, some tangible company benefit).

Table 6 - Community Engagement Grid

	Cash & Kind	Time & Talent	Head & Heart
Strategic	Promote payroll giving, top up employee fund-raising; complex charity partnership; strategic donation of goods and services	Strategic volunteering menu designed to maximise community benefit whilst developing employee skills	SROI used to justify cost of programme; deeper commitment such as VSO*; Shared Value approach
Organised	Employer allows payroll giving and fundraising in company time; adopts Charity of the Year; some goods donated	Employees volunteer in company time; some skill matching and longer term commitment; opportunity pooling	Engagement determined by local need based on consultation; affinity marketing; ethical supply chain
Ad hoc	Employees raise money for charity independently. Employer donates raffle prizes or small amounts of cash in response to requests	Occasional employee volunteering in own time. Team volunteering not always matched to community need	Employer has ethical procurement policy e.g. fair trade drinks, good causes linked to some awareness raising activity
* SROI = Social Return on Investment (calculation). VSO = Voluntary Service Overseas			

Table 7 populates this engagement grid with examples of community engagement activities from this survey of Bradford and York together with the proportion of SMEs in the sample opting for specific answers to selected questions.

The placement of criteria on the grid is somewhat subjective and incomplete, but the idea of a hierarchy is established. For the sample as a whole, only two responses were found in over 50 per cent of respondees - allowing work time to be used for partaking in careers events at local schools (where there is a clear benefit to the company) and allowing up to two days of paid leave per employee to be taken for voluntary work in the community. Allowing this figure, it should be noted, is a theoretical intention and the chances of all employees availing themselves of the opportunity is slim.²² The same rider applies to all the Q7 responses.

All in all, I conclude that this survey has shown no significant difference between the pattern of community engagement by SMEs in Bradford and York - except that the number choosing to deliberately purchase 'Ethical' supplies such as fair trade tea and coffee was very much lower in Bradford than in York (Figure 7).

²² In a large corporation with a strong record on employee volunteering to have 20 per cent of staff actually take at least one paid day off per year for volunteering in the community is regarded as high

Table 7 - Grid Mapping of responses

	Cash & Kind	Time & Talent	Head & Heart
Strategic	Q1 Service donation	Q7 Paid leave - 3-5 days Q7 Paid leave - Over 5 days Q8 Unpaid leave >5 days	Q6 A month's leave Q9 [We give] More than most
Organised	Q1 Surplus goods donation Q3 Payroll giving Q11 Charity of Year (fund-raising partner)	Q1 Team volunteering Q1 Skill matching Q2 Company time Q5 Team building Q7 Paid leave 1-2 days Q8 Unpaid leave - 3-5 days	Q5 'Giving back' Q6 Careers talk in schools Q9 [We give] Our 'fair share'
Ad hoc	Q1 Raffle prize Q2 Employee own time fundraising	Q1 Employee time Q2 Own time volunteering Q5 'Fun' volunteering Q6 Prestige volunteering (e.g. magistrate) Q8 Unpaid leave - 1-2 days	Q1 Ethical purchasing (basic) Q9 [We give] A little
Key: Dominant (>40%), Common (21-40%), Occasional (5-20%), <i>Insignificant</i> (<5%)			

In both cities the visible, public profile of SME engagement in communities is low but that does not mean it is not there. The phenomenon of employee fundraising for a good cause being universal in Bradford may not be accurate (due in particular to the under-representation of companies with 1 to 5 employees in Bradford compared to the city's economy as a whole and compared to the York sample) but it suggests nevertheless an attitude that regards such practice as legitimate.

More marked than the detail of any differences between the two cities is the data on how community engagement behaviour changes with company size in terms of employee numbers:

Figure 7 shows us that larger companies exhibit both more engagement and more diversity of engagement practices than smaller ones

Figure 8 shows us that all types of employee engagement with the community (collecting money, volunteering in own time and volunteering in company time) grow in frequency as company size grows

Figure 14 shows the same as figure 7 in respect of types of employee volunteering

Behind figures 18 and 19 we see that bigger companies are more likely to acknowledge a moral responsibility to engage with the local community than smaller ones; unlike the other figures this shows the 'over 50 employees' category to acknowledge this, in a non-linear progression; we also see that time limitations are not generally regarded as a valid reason for non-engagement.

Figure 17, however, is very revealing. It shows that in companies with fewer than 5 employees the incidence of skills volunteering is twice that of time volunteering, a gap which has practically disappeared in the 11 to 20 employees category. Amongst larger SMEs skills volunteering actually falls off as time volunteering takes over as the most popular form of engagement (other than the giving of raffle prizes). Perhaps time is seen as a more precious commodity in smaller companies whilst skills volunteering can produce greater impact in a shorter time. This may also be why team volunteering is practically absent in companies with under 11 employees. In larger companies it is easier to provide an army of unskilled labour on request; so easy that it is clearly preferred there as a way of fulfilling a CSR objective compared to skill volunteering. Equally in larger companies the perceived need for the company to engage in measures to boost team morale, team spirit and team skills may be greater and employee and team volunteering may be seen as an effective way of achieving this.

All of the other answers relating to views and attitudes show little variation with SME size.

True corporate citizens, however small, should heed the words of a community activist interviewed in this project:

'As far as corporate donations are concerned goods, skills and expertise are often more welcome than hours or even cash'

Summary of outcomes

- Engaging with a local community, community group or charity is a natural, normal and positive thing for a company to do - and most SMEs do it to some extent.
- Smaller SMEs generally lack a strategic basis for community engagement because:
 - Without evidence of the strength of the business case for doing so it is not a priority
 - Fears of the net cost of such a commitment in time and resources are exaggerated
 - They feel that it is more applicable to bigger companies, not recognising that they already do things which could be described as community engagement.
- The larger a company is, the more likely it is to engage with its community in more diverse ways; this reflects the growth of both capacity and awareness with size.
- This relationship between company size and engagement activity is linear, with the potential of community engagement (both quantity and quality) developing quickly as employee numbers rise. SMEs with as few as 50 employees have the same (if proportionate) potential to think and work strategically on this issue as larger companies.
- Employee engagement is a key driver of community engagement - though smaller SMEs may not formally recognise this.
- SMEs do not measure their social impact so the value of their community engagement either to the community itself or to the company can be unappreciated, inefficient or both.
- Raising money by employees, the most simple form of engagement, is one-way; when the cause is, as so often, unrelated to company mission the engagement is effectively altruistic.
- Company giving of time and skills can be more or less strategic; the idea of a framework of volunteering opportunities which can accommodate various employee and company interests is not well known amongst SMEs.
- Skills are more likely to be given than time by smaller SMEs. The use of both skills and time grows as company size grows - with the unexpected outcome that in companies of over 50 employees where the donation of time becomes more practicable the importance of skills volunteering actually appears to fall off. This suggests that SMEs do not appreciate the capacity of employee volunteering to enhance and diversify employee skills.
- Small companies of all sizes recognise that as corporate citizens they have responsibilities to society or community but that they generally do not discharge those responsibilities as far as they might; larger companies are more likely to believe that they do discharge those responsibilities but lack objective evidence to justify this.
- Within the limitations of our sampling method there appears to be few differences in the way in which smaller SMEs behave between Bradford and York. York businesses discharge their responsibilities in a more public way with informal organisations like York Professionals providing networking and guidance to its 80 members in the service sector in a way which does not appear to happen to the same extent in Bradford.
- Awareness of the value of ethical purchasing (such as fair trade consumables) appears to be more pronounced in York where the economy is more service orientated than Bradford.
- Despite the large number of Asian businesses in Bradford this survey has not been able to identify behavioural differences between Asian businesses and others due to the disproportionately low level of Asian businesses emails identified and even lower response rate from them. This is possibly rooted in cultural causes such as a preference to communicate by voice rather than email.

Discussion

Drivers of community engagement

As we have seen, potent drivers of SME engagement include personal interest and fulfilment, a desire to implement 'good business practice', increasing employee morale and motivation, giving something back to the local community and enhancing business reputation. Half of all SMEs, IISD found,²³ believed that social responsibility was a matter of ethics and intuition rather than a business improvement strategy. The FSB research previously quoted suggests that no fewer than 90 per cent of SME community engagement strategies were motivated by their owner or manager's personal values and half described them as 'altruistic' with just one in three describing it as business-led. How many SME community engagement initiatives, I wonder, started when someone asked the business to get involved in a community project rather than being prompted by an internal community engagement policy?

Relationships between SMEs and their employers and customers are qualitatively different from those enjoyed by large businesses, being characterised by a high level of informality. Employee relationships too are more family-like, with greater cordiality and social integration. There appears to be less distinction between the roles of management, ownership and shop floor responsibility in SMEs as roles are more likely to be flexible and multi-disciplinary compared to larger companies.

Larger SMEs and those who are members of business networks and associations - indeed, two in three SMEs of 20 to 250 employees in size, according to BITC/DTP²⁴ - believe that social responsibility contributes to a successful business, whilst a quarter disagree. IISD found that leaders of larger SMEs were notably better informed on CSR issues than smaller ones which is consistent with both the BITC work and my own observations. Whilst 91 per cent of SMEs say their business is already socially and environmentally responsible it may be that very few smaller SMEs could justify this intuitive claim objectively (or would consider that compiling such evidence was a worthwhile use of their time). It is likely that a lot of smaller companies are doing the 'right thing' without realising that they are doing so; certainly this is an impression generated by the current research.

The direct impact of customers can generate good community engagement practice amongst larger SMEs: three in five say a large corporate customer has asked them to observe specific health and safety practices and two in five say they have had such demands in respect of environmental practices. However, only one in six say that social or community commitment demands have been made of them by customers.

Table 8 - Triggers for developing community engagement

Local stimuli	Sector stimuli
<p><i>Identified by employees, community groups or the local authority</i></p> <p>Especially critical in more deprived areas, crime and environmental black spots</p> <p>Some degree of co-prioritisation? e.g. With local authority</p>	<p><i>Informed by sector networks and personal experience in business</i></p> <p>Skills development and shortages for business purposes, climate change, education, future recruitment, pro bono work</p>
Business stimuli	People stimuli
<p><i>Day to day challenges</i></p> <p>The image of the company or industry, communication strategy, opportunities and need for innovation, customer expectation</p> <p>Social Value Act 2012, ISO26000</p>	<p><i>Issues of interest to management and staff</i></p> <p>Employee engagement and commitment, team spirit, exposing hidden skills, developing new skills for career development</p>

²³ http://www.iisd.org/pdf/2008/how_material_iso_26000.pdf 'How material is ISO 26000 social responsibility to small and medium sized enterprises?' International Institute for Sustainable Development

²⁴ http://www.bitc.org.uk/resources/publications/engaging_smes.html, 2003

Corporate customers are not the only triggers to the adoption of a community engagement strategy. Table 8 is based on an analysis of that work carried out by BITC/DTI ten years ago, with additions. It shows four categories of stimulus.

The Social Value Act of 2012 (in force from January 2013) makes it possible for the public sector's procurement policies to include social value; if two SMEs tender for the same contract to deliver goods or services a public body would be entitled (although not obliged) to choose the provider which delivers the best social value - perhaps in terms of community development - which may include elements of corporate behaviour not directly connected to the goods or services being provided.

Missing from any list of current drivers for corporate community engagement are external incentives such as tax breaks or other rewards from Government, despite the fact that 76 per cent of respondents to FSB's 2007 survey²⁵ called for such financial incentives to exist. Other than the difficulty of defining what behaviour to reward and how, and how to avoid the danger of cosmetic compliance, the government is right not to use this tool when the benefits, including financial benefits, of good social responsibility behaviour itself are potentially so pronounced. But the same survey also showed a desire for more information (37 per cent) and access to good practice examples (42 per cent). Only a third (35 per cent) wanted to be left to their own devices.

ISO26000 is an international standard of social responsibility which was launched in 2010.²⁶ Although it is applicable to all corporate bodies in whatever sector, unlike many International and British Standards it is advisory and not compulsory - so compliance is not an issue and its force as a driver for community engagement is weak. Community Involvement and Development, based largely on the United Nations' Millennium Development Goals, is one of six strands of 'responsible' good practice covered in the Standard which also include the Environment and four others which are the subject of legal compliance issues in UK: Human Rights, Labour practices, Fair operating practices and Consumer issues.

Barriers to community engagement

It is difficult to distinguish between SMEs that are not aware of the advantages that community engagement can bring and those who have made an assessment of those benefits - based on good information or otherwise - and decided against engaging.

Barriers to community engagement mentioned in research from time to time include:

- The cost of 'compliance'
- Lack of time to engage in extra commitments
- Lack of buy-in from other stakeholders
- Lack of guidance from government
- Lack of leadership on community engagement within the company
- Fear of or experience of failure or lack of impact
- 'It's not for us - CSR is for big corporates'
- Low levels of awareness of the principles and practices of engagement
- Image of bureaucracy around CSR
- Exclusive and unfamiliar CSR concepts, terminology and jargon

Lack of time is the reason for not engaging with their communities given by 45 per cent of FSB members and three in ten in our survey (Q10B). Two thirds (Q10C) say that SMEs are already 'doing what we can'. IISD tells us that exactly the same figure cited 'time' in their survey as a major obstacle to improving social responsibility performance. Indeed, time constraints are well known for restricting SME ability to address issues that are beyond immediate operational concern. This is a lack of what is called 'discretionary slack', which larger companies use to plan ahead or innovate without the need to show an immediate return on the use of that time. SMEs are typically seen to be fire fighting and generally less able to plan time beyond the immediate period. IISD points out that for companies already engaged in social responsibility, lack of time is less important than lack of skill in making the right decision in the given business context. Practitioners are more concerned

²⁵ op cit

²⁶ <http://www.bsigroup.com/en-GB/ISO-26000-Social-Responsibility/>

about the time they had to spend finding out what needed to be done in the past rather than time being spent today on implementation. The constraint is not therefore really a lack of time but a lack of expertise in understanding the social responsibility agenda and its benefits, prioritising it within their business and then allocating the time and resources required to address it.

Size of company and community engagement

The link between SME size in terms of employee numbers and their propensity to engage with local communities may be explained by Table 9. The smallest companies are almost indistinguishable in their community persona from that of their proprietor and engagement is driven by personal circumstances and views rather than business strategy. As the company gets larger the perceived business interests of the company outweigh those of the community of which it is a part; but where employee engagement starts to be an issue community engagement emerges as a tool to address it. Only in the larger companies, perhaps where owners and proprietors are able to appoint professional managers and delegate and share management roles, the time and space for management time to be focused on community activity in its own right becomes more feasible. Even then, appreciation of the business case for community engagement is not automatic. The most sophisticated approach, taking on board all of the issues identified by Business Link (page 6) and which includes community engagement in its business plan, including practices such as measurement of social impact and social return on investment, remains rare amongst SMEs.

Table 9 - Possible link between SME size and propensity to engage

1 to 4*	5 to 10	11 to 20	21 to 50	Over 50
Family at work	Employees at work	Team at work	Business at work	Strategy at work
Engagement activity is very local and non-strategic; there are limited opportunities to engage; the major influence on corporate behaviour is the conscience and passion of key individual(s)	Manager dominates business activity, is business-focused; business interest perceived to outweigh that of community	Employees are more influential collectively than as individuals, so focus on employee engagement starts to emerge	Appreciation of business case for both community and employee engagement grows**	
<p>* Note that micro-enterprises with 0 or 1 employee, the majority, were excluded from the current survey ** Concepts like impact measurement and Social Return on Investment (SROI) are more common on the agendas of larger companies rather than SMEs</p>				

Finally, we should not forget that there is evidence that this report focuses disproportionately on companies which are better disposed towards social engagement (see page 10) and whilst some trends are clear they may be exaggerated and should be treated accordingly.

Appendix - Raw data (from Survey Monkey)

1. What goods or services has your company donated to a good cause in the last 12 months? Tick all that apply (132 replies including 2 no response)

Answer Options	Total, Percent	B	Y	<5	5-10	11-20	21-50	>50
A raffle prize (e.g. goods, voucher for free goods or services, other)	42.0%	46	43	42	29	48	47	70
Surplus or out of date goods or equipment	15.2%	22	12	19	13	10	20	10
Services (e.g. a meeting room, photocopying, loan of equipment)	21.2%	30	20	7	25	29	40	40
Donated an employee's skills in company time	32.6%	43	36	23	38	48	53	30
Encouraged employees to volunteer for a particular cause	25.0%	35	23	10	29	43	33	50
Deliberately chosen to purchase 'ethical' supplies such as fair trade tea and coffee	22.7%	8	31	19	29	19	20	20
Organised a 'team challenge' to help a good cause whilst team building	13.6%	19	16	10	13	33	7	30
Nothing	9.1%	3	8	7	13	10	7	0
Don't know	1.5%	0	2					
Some other goods or services to support a good cause (please specify)	25.0%	16	5					

2. Within the last 12 months, have your company's employees organised support for a good cause - independently of the company? Please tick all that apply (132 / 2)

Answer Options	Total, Percent	B	Y	<5	5-10	11-20	21-50	>50
Collected money in the workplace	41.7%	100.0%	27.9%	38.7%	45.8%	81.0%	53.3%	90.0%
Volunteered time together in their own time	28.0%	45.9%	31.1%	22.6%	16.7%	42.9%	53.3%	50.0%
Volunteered time together in company time	15.9%	21.6%	13.1%	9.7%	12.5%	14.3%	40.0%	30.0%
None of the above	28.8%	0.0%	31.1%	48.4%	33.3%	9.5%	13.3%	0.0%
Don't know	9.1%							
Some other collective action to support a good cause (please specify)	10.6%							

3. Payroll giving is where an employer enables employees to pay a regular small amount to charity from their pre-tax earnings. Does your company make payroll giving available to its employees? (132 / 2)

Answer Options	Total, Percent	B	Y	<5	5-10	11-20	21-50	>50
Yes	15.9%	32.4%	13.1%	0.0%	20.8%	19.0%	26.7%	50.0%
No	76.5%							
Don't know	7.6%							

4. What do you think about payroll giving? Totals (132 / 2)

All responses:	Agree strongly	Agree slightly	Don't know	Disagree slightly	Disagree strongly	Rating Average	Count
It is not a company's job to be supporting charity through payroll giving	18	23	32	35	24	3.18	132
Payroll giving is good for charities, the community - and businesses	33	46	33	11	9	2.37	132
Bradford:		Agree strongly	Agree slightly	Don't know	Disagree slightly	Disagree strongly	
It is not a company's job to be supporting charity through payroll giving	8.1	13.5	27.0	13.5	37.8		
Payroll giving is good for charities, the community - and businesses	35.1	27.0	24.3	5.4	8.1		
York:		Agree strongly	Agree slightly	Don't know	Disagree slightly	Disagree strongly	
It is not a company's job to be supporting charity through payroll giving	14.8	18.0	26.2	29.5	11.5		
Payroll giving is good for charities, the community - and businesses	23.0	37.7	27.9	6.6	4.9		
Under 5 employees:		Agree strongly	Agree slightly	Don't know	Disagree slightly	Disagree strongly	
It is not a company's job to be supporting charity through payroll giving	16.1	12.9	32.3	22.6	16.1		
Payroll giving is good for charities, the community - and businesses	19.4	25.8	35.5	12.9	6.5		
5 to 10 employees:		Agree strongly	Agree slightly	Don't know	Disagree slightly	Disagree strongly	
It is not a company's job to be supporting charity through payroll giving	17.0	4.2	8.3	50.0	21.0		
Payroll giving is good for charities, the community - and businesses	41.7	45.8	8.3	4.2	0		
11 to 20 employees:		Agree strongly	Agree slightly	Don't know	Disagree slightly	Disagree strongly	
It is not a company's job to be supporting charity through payroll giving	4.8	33.3	38.1	9.5	14.3		
Payroll giving is good for charities, the community - and businesses	9.5	28.6	42.9	4.8	14.3		
21 to 50 employees:		Agree strongly	Agree slightly	Don't know	Disagree slightly	Disagree strongly	

It is not a company's job to be supporting charity through payroll giving	13.0	6.7	26.7	33.3	20.0
Payroll giving is good for charities, the community - and businesses	26.7	40.0	33.3	0	0
Over 50 employees:	Agree strongly	Agree slightly	Don't know	Disagree slightly	Disagree strongly
It is not a company's job to be supporting charity through payroll giving	0	20.0	20.0	10.0	50.0
Payroll giving is good for charities, the community - and businesses	60.0	30.0	10.0	0	0

5. Please tick the one statement which best describes your company's view of employee volunteering in the community (120 / 14)

Answer Options	Total, Percent	B	Y	<5	5-10	11-20	21-50	>50
It is a fun day out which has got little to do with why the company is here	4.2%	5.4%	1.6%	0.0%	4.2%	4.8%	6.7%	0.0%
It brings colleagues together and helps to build a team spirit	12.5%	13.5%	13.1%	12.9%	20.8%	9.5%	13.3%	10.0%
It helps our company give something back to the community	35.8%	32.4%	42.6%	38.7%	25.0%	47.6%	40.0%	50.0%
It can help the company be more successful by promoting employee engagement	17.5%	21.6%	14.8%	12.9%	25.0%	9.5%	20.0%	20.0%
It is not relevant or appropriate for my company	30.0%	24.3%	27.9%	35.5%	25.0%	28.6%	20.0%	20.0%

6. Would your company grant an employee time off to do any of the following? Tick all that apply (120 / 14)

Answer Options	Total Percent	B	Y	<5	5-10	11-20	21-50	>50
Being a magistrate or school governor	40.8%	43.6%	45.9%	38.7%	0.0%	38.1%	53.3%	70.0%
A member of the military reserve such as Territorial Army	35.0%	35.9%	39.3%	38.7%	25.0%	23.8%	60.0%	70.0%
Serving as a Special Constable	25.0%	25.6%	29.5%	29.0%	25.0%	9.5%	33.3%	60.0%
Visiting a local school to talk about careers	53.3%	59.0%	57.4%	45.2%	62.5%	61.9%	66.7%	70.0%
Regularly visiting a local school to listen to children read	17.5%	17.9%	18.0%	19.4%	16.7%	23.8%	6.7%	20.0%
A day's sponsored cycle ride to raise money for a charity	35.8%	35.9%	42.6%	33.2%	45.8%	47.6%	33.3%	5-
A team effort to renovate a community building	26.7%	35.9%	27.9%	25.8%	33.3%	23.8%	40.0%	40.0%
A month to work in a developing country for a charity	10.8%	10.3%	13.1%	9.7%	12.5%	19.0%	13.3%	0.0%
Would not grant time off - we cannot afford to	20.0%	15.4%	19.7%	16.1%	25.0%	23.8%	0.0%	20.0%
Would not grant time off - we cannot spare the worker's time	16.7%	12.8%	11.5%	16.1%	16.7%	9.5%	13.3%	0.0%
Would not grant time off - we do not think it's appropriate	4.2%	5.1%	3.3%	6.5%	4.2%	4.8%	0.0%	10.0%

7/8. For your employees, what is a reasonable number of PAID / UNPAID days off per year you might allow for specific voluntary work in the community? (119 / 15)

Answer Options	Total Percent	B	Y	<5	5-10	11-20	21-50	>50
0 paid	34.5%	27.0%	38.6%	41.9%	16.7%	47.6%	13.3%	30.0%
1-2 paid	52.1%	59.5%	49.1%	45.2%	70.8%	38.1%	60.0%	60.0%
3-5 paid	11.8%	13.5%	10.5%	9.7%	12.5%	14.3%	20.0%	10.0%
More than 5 paid	1.7%	0.0%	1.8%	6.5%	0.0%	0.0%	0.0%	0.0%
0 unpaid	21.0%	13.5%	23.2%	22.6%	4.2%	33.3%	0.0%	10.0%
1-2 unpaid	31.1%	37.8%	30.4%	25.8%	29.2%	28.6%	33.3%	50.0%
3-5 unpaid	21.0%	32.4%	14.3%	16.1%	41.7%	9.5%	26.7%	30.0%
More than 5 unpaid	26.9%	16.2%	32.1%	35.5%	25.0%	28.6%	40.0%	10.0%

9. Which phrase best describes how your company currently relates to the local community? (120 / 14)

Answer Options	Total Percent	B	Y	<5	5-10	11-20	21-50	>50
Not at all	8.3%	8.3%	5.6%	9.7%	8.3%	0.0%	6.7%	0.0%
A little	46.7%	44.4%	59.3%	41.9%	58.3%	47.6%	60.0%	40.0%
Our fair share	20.0%	13.9%	9.3%	22.6%	8.3%	33.3%	6.7%	10.0%
More than most	25.0%	33.3%	25.9%	25.8%	25.0%	19.0%	26.7%	50.0%
Don't know	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

10. How much do you agree with each of the following statements about companies and community involvement? (120 / 14) Median response shown in **BOLD**

Answer Options (%)	Agree strongly	Agree	Neither agree nor disagree	Disagree	Disagree strongly	MEAN SCORE
Businesses have a responsibility to engage in how communities are run	22	49	25	3	3	2.2
Ditto, Bradford	29.7	48.6	18.9	2.7	0	1.9
Ditto, York	15.8	54.4	24.6	1.8	3.5	2.2
Ditto, Under 5	19.4	51.6	16.1	3.2	9.7	2.3
Ditto, 5 to 10	25.0	58.3	16.7	0	0	1.9
Ditto, 11 to 20	14.3	57.1	23.8	4.8	0	2.2
Ditto, 21 to 50	13.3	46.7	33.3	6.7	0	2.3
Ditto, Over 50	50.0	20.0	30.0	0	0	1.8
Running a small business allows no time for being involved in the community	6	26	31	29	9	3.1
Ditto, Bradford	2.8	25.0	27.8	38.9	5.6	3.2
Ditto, York	6.8	22.8	31.6	29.8	7.0	3.0
Ditto, Under 5	6.5	25.8	22.6	29.0	16.1	3.2
Ditto, 5 to 10	8.3	33.3	20.8	29.2	8.3	3.0
Ditto, 11 to 20	4.8	28.6	42.9	23.8	0	3.9
Ditto, 21 to 50	0	40.0	6.7	53.3	0	3.1
Ditto, Over 50	0	11.0	22.0	44.0	22.0	3.8

My company already does what we can to involve ourselves in the community	16	57	31	13	1	2.8
Ditto, Bradford	13.9	50.0	30.6	5.6	0	2.3
Ditto, York	17.9	44.6	23.2	14.3	0	2.3
Ditto, Under 5	16.1	54.8	22.6	6.5	0	2.2
Ditto, 5 to 10	12.5	37.5	29.2	20.8	0	2.6
Ditto, 11 to 20	14.3	47.6	33.3	4.8	0	2.3
Ditto, 21 to 50	6.7	46.7	33.3	13.3	0	2.2
Ditto, Over 50	30.0	50.0	10.0	10.0	0	2.0

11. Has your company had any experience of having a Charity of the Year partner? (120 / 14)

Answer Options	Total Percent	B	Y	<5	5-10	11-20	21-50	>50
Yes	12.0%	13.9%	14.8%	16.1%	8.3%	9.5%	13.3%	60.0%

NB: Overall % is lower than either Bradford or York % as total figure is distorted by those who answered the question but did not disclose their location (22)

12. Does your company have a current Charity of the Year? If so, which? (15 responses)

13. Who chooses the charity/charities your company supports? (16, 118)

Answer Options	Total Number	B	Y	<5	5-10	11-20	21-50	>50
Head office	1		1		1			
Owner/manager	8	3	5	3	2	1	1	1
Workforce collectively	3	1	2	1		1		2
A group of employees brought together for that purpose	2	1	1	1				1
Don't know / Not clear	1	1					1	
% of subgroup exc. DK		13.8%	14.8%	16.1%	20.8%	9.5%	6.7%	40.0%

14. Why did your company choose this particular partner charity/charities? (If applicable) (11 qualitative)

15. Which of the following organisations are you aware of?

Answer Options	Not aware of	Have heard of	Have had contact with	Have worked with	Response Count
Business in the Community	52	49	6	7	114
Bradford Cares OR York Cares	84	21	1	9	115
Give and Gain Day	106	8	0	0	114
British Standards Institute (e.g. ISO 26000)	38	57	10	11	116
Ethical Trading Initiative	64	47	5	0	116
BRADFORD:					
Business in the Community	41.7%	41.7%	8.3%	8.3%	
Bradford Cares	62.2%	24.3%	2.7%	10.8%	
Give and Gain Day	88.9%	11.1%	0	0	
British Standards Institute	41.7%	38.9%	11.1%	11.1%	
Ethical Trading Initiative	51.4%	43.2%	0	0	

YORK:					
Business in the Community	45.3%	45.3%	3.8%	5.7%	
York Cares	79.2%	13.2%	0	7.5%	
Give and Gain Day	94.3%	5.7%	0	0	
British Standards Institute	21.8%	58.2%	9.1%	10.9%	
Ethical Trading Initiative	49.1%	45.3%	5.7%	0	
Under 5:					31
Business in the Community	41.9%	45.2%	6.5%	6.5%	
Bradford Cares OR York Cares	80.6%	19.4%	0	0	
Give and Gain Day	87.1%	12.9%	0	0	
British Standards Institute	38.7%	41.9%	16.1%	3.2%	
Ethical Trading Initiative	54.8%	35.5%	9.7%	0	
5 to 10:					24
Business in the Community	54.2%	45.8%	0	0	
Bradford Cares OR York Cares	75.0%	20.8%	0	4.2%	
Give and Gain Day	100.0%	0	0	0	
British Standards Institute	37.5%	58.3%	0	4.2%	
Ethical Trading Initiative	41.7%	58.3%	0	0	
11 to 20:					21
Business in the Community	42.9%	42.9%	9.5%	4.8%	
Bradford Cares OR York Cares	71.4%	19.0%	4.8%	4.8%	
Give and Gain Day	95.2%	4.8%	0	0	
British Standards Institute	33.3%	38.1%	4.8%	23.8%	
Ethical Trading Initiative	52.4%	42.9%	4.8%	0	
21 to 50:					15
Business in the Community	33.3%	40.0%	6.7%	20.0%	
Bradford Cares OR York Cares	60.0%	13.3%	0	26.7%	
Give and Gain Day	100.0%	0	0	0	
British Standards Institute	20.0%	53.3%	13.3%	13.3%	
Ethical Trading Initiative	66.7%	33.3%	0	0	
Over 50:					10
Business in the Community	50.0%	30.0%	10.0%	10.0%	
Bradford Cares OR York Cares	70.0%	10.0%	0	20.0%	
Give and Gain Day	70.0%	30.0%	0	0	
British Standards Institute	20.0%	50.0%	20.0%	10.0%	
Ethical Trading Initiative	80.0%	20.0%	0	0	

16. Is your company a member of any of the following? Tick all that apply (118 / 16)								
Answer Options	Total Percent	B	Y	<5	5-10	11-20	21-50	>50
Federation of Small Businesses	12.7%	2.6%	18.0%	25.8%	4.2%	14.3%	0	0.0%
Confederation of British Industry	3.4%	5.3%	3.3%	0	0	0	0	30.0%
Institute of Directors	5.9%	7.9%	6.6%	3.2%	0	0	20.0%	30.0%
(Local) Chamber of Commerce	22.0%	31.6%	19.7%	6.5%	29.2%	28.6%	26.7%	50.0%
No, none	50.0%	47.4%	45.9%	45.2%	58.3%	38.1%	66.7%	40.0%
Don't know	7.6%	2.6%	8.2%	0	8.3%	14.3%	6.7%	0
Another local trade organisation - please specify	15.3%	13.2%	14.8%	0	4.2%	14.3%	13.3%	10.0%

17. Which of the following ethical conditions has a customer ever required of your company in order to do business with you? Tick all that apply (118 / 16)

Answer Options	Total Percent	B	Y
Fair trade products	9.3%	8.1%	11.5%
Raw materials from accredited sustainable sources (e.g. timber)	10.2%	13.5%	8.2%
A community engagement strategy	13.6%	21.6%	11.5%
Conformity with a particular British Standard	27.1%	35.1%	21.3%
Investors in People	10.2%	13.5%	4.9%
None of the above	50.0%	35.1%	57.4%
Other - please specify	7.6%	-	-

18. What is your company's name? (104 / 30)

19. What is your name? (104 / 30)

20. What is your position within the company? (104 / 30)

21. What is your email address? (100 / 34)

22. What is the postcode of your workplace? (104 / 30)

23. How many people are employed at this site? (104 / 30)

Answer Options	Total Percent	B	Y
Under 5	29.8%	16.7%	37.7%
5-10	24.0%	22.2%	26.2%
11-20	20.2%	25.0%	19.7%
21-50	15.4%	19.4%	9.8%
51-100	6.7%	13.9%	3.3%
Over 100	3.0%	2.8%	3.3%

24. How long has your company existed in its present form (approx.)? (104 / 30)

Answer Options	Total Percent	B	Y
Less than 5 years	18.3%	16.7%	21.3%
5-10 years	24.0%	16.7%	26.2%
10-20 years	21.2%	25.0%	21.3%
More than 20 years	36.5%	41.7%	31.1%
Don't know	0.0%		

25. What does the company do? (92 / 42)

26. How would you describe the ownership of the company? Tick any or all of the following that apply (104 / 30)

Answer Options	Response Percent	Response Count
Owned by a family	27.9%	29
Single owner (who is not a manager)	3.8%	4
Owner/manager	24.0%	25
Shareholders	24.0%	25
Social enterprise or Co-operative / Mutual	3.8%	4
Franchise or branch	2.9%	3
Wholly owned subsidiary of a larger company	1.9%	2
Other (please specify)	22.1%	23

27. Thank you for taking part in this survey. Would you be willing to answer further questions on these issues? (102 / 32)

Answer Options	Response Percent	Response Count
Yes	64.7%	66
No	35.3%	36