Involving Business in SD through Public-private Collaboration

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Who are we and what we do?

- The Bertelsmann Stiftung was founded by Reinhard Mohn in 1977

…as an exclusively **private operating foundation**

…and a **nonprofit** and politically **nonpartisan** organisation

…aiming at **promoting societal change**

- In 2013 it is one of the largest operating foundations in Europe

Catchphrases from yesterday

„Implementation of SD requires networks"

„Collaboration with stakeholders is central"
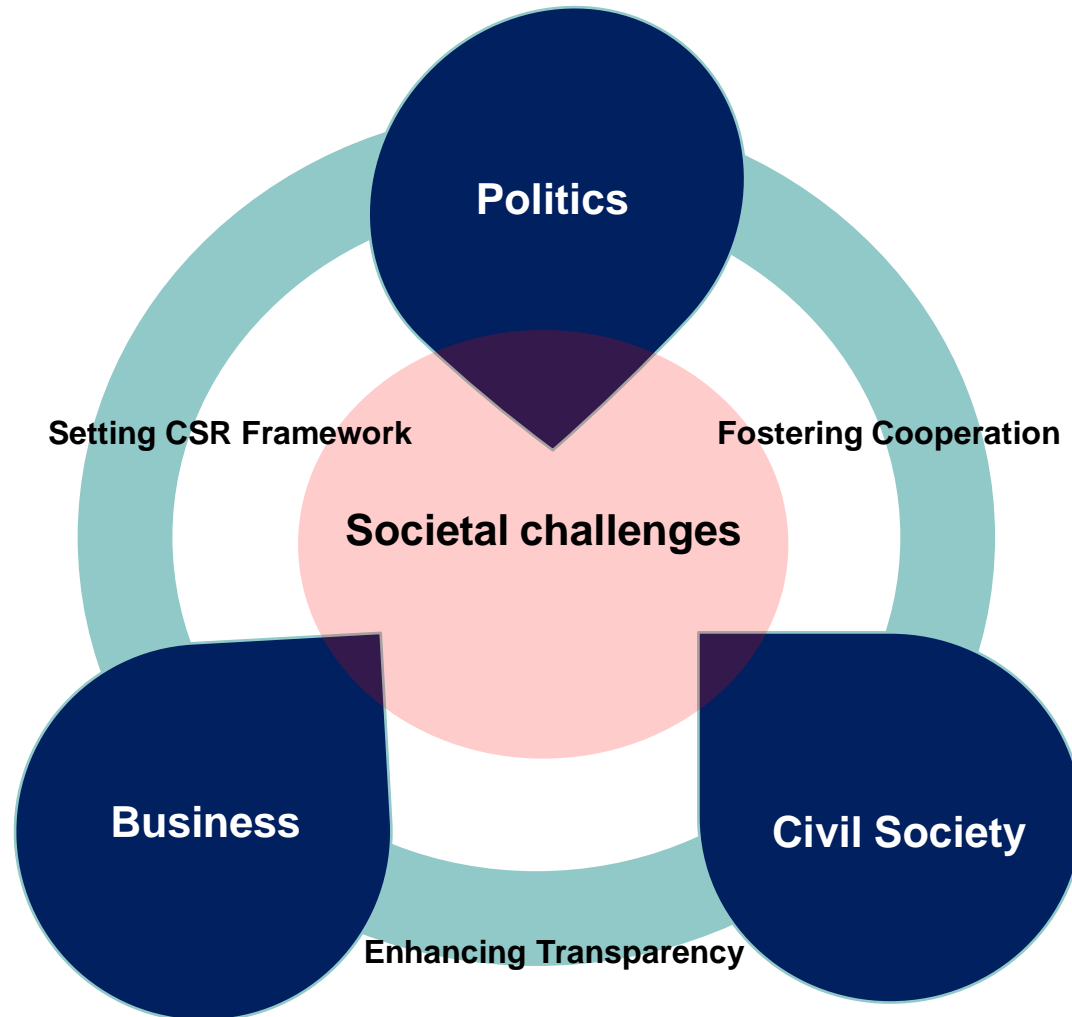
„SD is about transformation"

„SDSs should be societal strategies rather than political strategies"

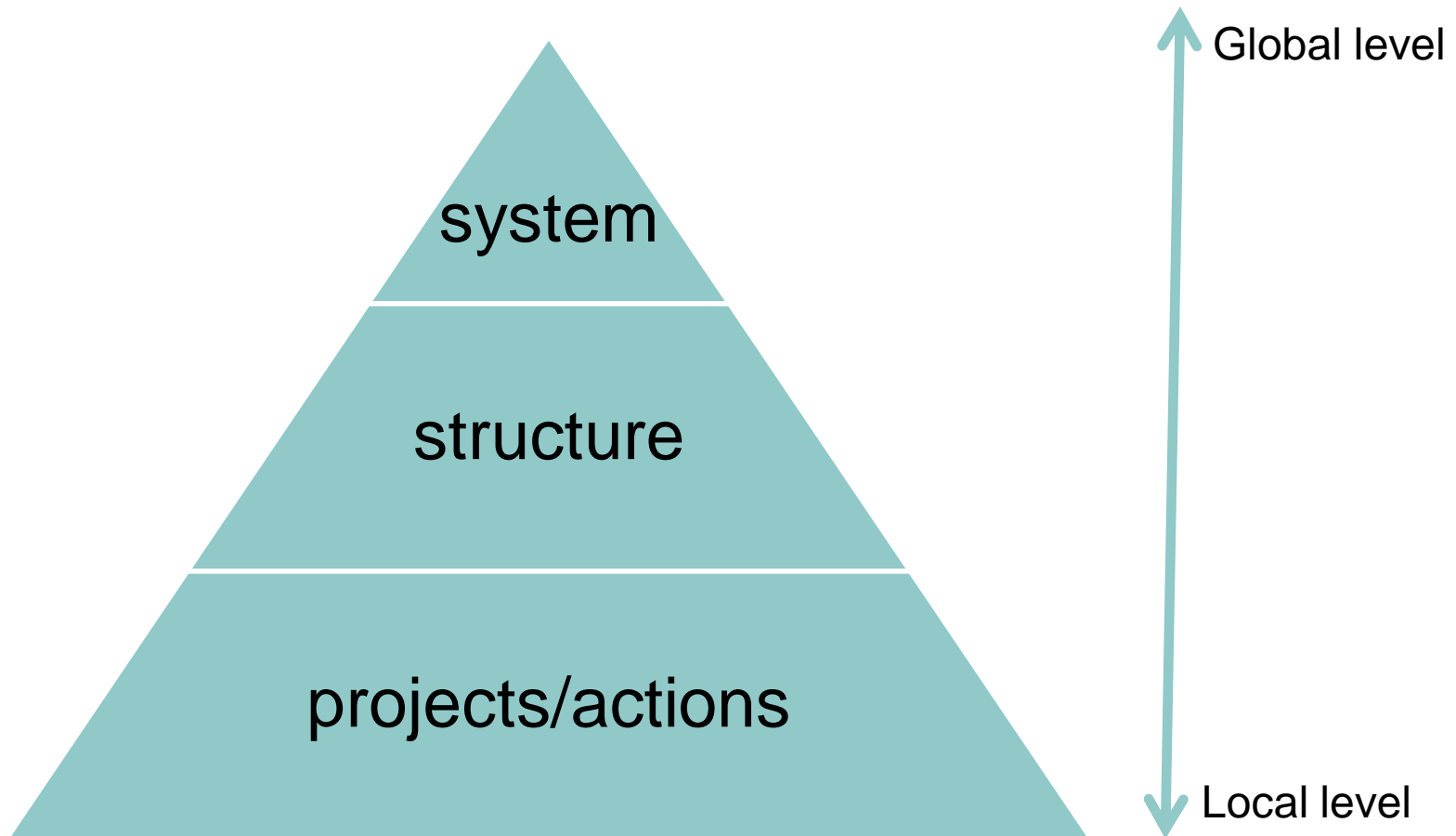„We need a global view on SD"

„May be we should concentrate on actions rather than strategies"

„Let's start with UN-sustainability"

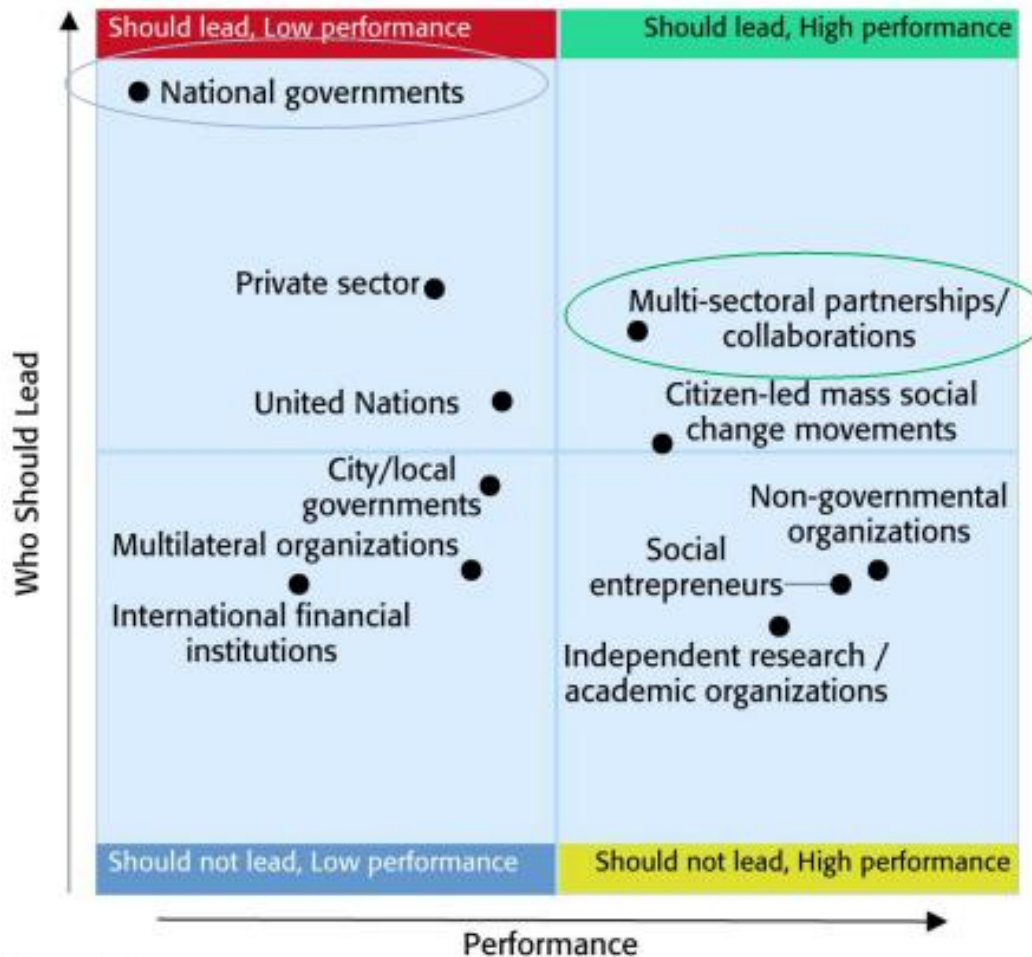# Our approach to the role of business on SD (CSR)

SD is about transformation: the biggest challenge

Global level

system

structure

projects/actions

Local level

Looking for the „egg-laying, milk-bearing woolly sow"?

- We have to work

    at **all levels**

  apply **all approaches** simultaneously

 involve **all actors**

    at **all stages** of the transformation process

➔ Need to set priorities and choose a lever for change

The potential of multi-stakeholder collaborations for SD

Source: Grayson, D. & Nelson, J. (2013) Corporate Responsibility Coalitions

Three trends in corporate sustainability

1. Changing awareness, attitude and actions towards SD

- More and more companies engage seriously

- Rise of responsible business behaviour within initiatives e.g. UN Global Compact

- A new role for business – Corporate Sustainability Forum in the eve of Rio +20

2. Rise of collective actions and public-private collaborations at all levels

- Variety of multi-stakeholder initiatives at all levels

- Issue-based, industry-specific or general

3. Proliferation of so-called civil regulation next to public regulation

- Trend toward so-called new governance, e.g. self- and co-regulation

- Complements to public regulation

- Can increase the effectiveness and le

Three ways to enhance SD

1. Make businesses part of the solution because of their...

- positive and negative impacts on society

- resources and capacity

- willingness to engage & potential to leadership

2. Promote public-private collaboration due to...

- complex societal problems

- limited public resources

- win-win potential

3. Search for institutional and policy innovations in order to...

- close the expectations vs. capability gap

- address regulatory, participatory and implementation deficits

- increase legitimacy, effectiveness and efficiency of governance

How can policymakers foster collaboration?

Roles	Examples
Contributing	•Providing financial, technical and/or organisational assistance (reporting, supplying know-how, creating content or organising events)
Facilitating	•(Co-)developing or serving as a patron of the initiatives; •Hosting the meetings of working groups; •Being an active member of a multi-stakeholder forum
Managing	• Engaging in governance structures (steering committees, expert groups) • Assuming intermediary or monitoring functions to guarantee that companies fulfil commitments
Regulating	• Leading by example (i.e., creating standards for their own behaviour) • Encouraging private engagement; • Setting minimum standards

Thank you for listening!

BACK UP

What type of initiatives are there?

Type	Purpose	Examples
AWARENESS RAISING	Initiatives that create a common understanding of CR and provide incentives for business to adopt and implement it	Award schemes, information platforms, campaigns, training and capacity building, labeling, toolkits, etc.
PARTNERING	Project-like initiatives combining the expertise and resources of business, public sector and civil society to address CR issues	Multi-stakeholder Initiatives, public-private partnerships, roundtables, etc.
SOFT LAW	Non-binding regulatory initiatives that promote CR through voluntary standards. They are often the outputs of self- and co-regulation	Issue- and industry-specific standards, implemening inter-national principles, responsible public procurement, etc.
MANDATING	Initiatives with a binding element that set and enforce minimum standards in CR-relevant areas without specifying the exact form of compliance	Regulations for pension funds, stock-ex- change regulations, laws on CR reporting, etc.

Source: Beschorner, T., Hajduk, T. & Simeonov, S. (2013) Corporate Responsibility in Europe

Performance of different types of initiatives

	Awareness-raising	Partnering	Soft law	Mandating
Legitimacy Business vs. Public case	moderate	high	moderate	moderate
Effectiveness Short- vs. Long-term benefits	moderate	high	high	low
Efficiency Costs vs. Benefits	high	moderate	moderate	moderate

Source: Hajduk and Simeonov 2013.

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Success factors of collective action

Source: Gradl, C, Knobloch, C. & Peters, A.(2012) Strategy for the Commons