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

- Projects/Actions
- Structure
- System

Global level

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

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
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?

<table>
<thead>
<tr>
<th>Roles</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributing</td>
<td>• Providing financial, technical and/or organisational assistance (reporting, supplying know-how, creating content or organising events)</td>
</tr>
</tbody>
</table>
| 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?

<table>
<thead>
<tr>
<th>Type</th>
<th>Purpose</th>
<th>Examples</th>
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<tbody>
<tr>
<td>Awareness Raising</td>
<td>Initiatives that create a common understanding of CR and provide incentives for business to adopt and implement it</td>
<td>Award schemes, information platforms, campaigns, training and capacity building, labeling, toolkits, etc.</td>
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<td>Partnering</td>
<td>Project-like initiatives combining the expertise and resources of business, public sector and civil society to address CR issues</td>
<td>Multi-stakeholder Initiatives, public-private partnerships, roundtables, etc.</td>
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<td>Soft Law</td>
<td>Non-binding regulatory initiatives that promote CR through voluntary standards. They are often the outputs of self- and co-regulation</td>
<td>Issue- and industry-specific standards, implementing inter-national principles, responsible public procurement, etc.</td>
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<td>Mandating</td>
<td>Initiatives with a binding element that set and enforce minimum standards in CR-relevant areas without specifying the exact form of compliance</td>
<td>Regulations for pension funds, stock-ex-change regulations, laws on CR reporting, etc.</td>
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**Source:** Beschorner, T., Hajduk, T. & Simeonov, S. (2013) Corporate Responsibility in Europe
Performance of different types of initiatives

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<td><strong>Legitimacy</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Business vs. Public case</td>
<td>moderate</td>
<td>high</td>
<td>moderate</td>
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<tr>
<td><strong>Effectiveness</strong></td>
<td></td>
<td></td>
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<td>Short- vs. Long-term benefits</td>
<td>moderate</td>
<td>high</td>
<td>high</td>
<td>low</td>
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<tr>
<td><strong>Efficiency</strong></td>
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Source: Hajduk and Simeonov 2013.
Success factors of collective action

**Enablers**
- Common ground
- Legitimacy
- Implementation capacity
- Resources
- Glocality

**Network governance**
- Policy dialogue
- Collective action

**Sustainability challenges**