

How corporate social responsibility switched focus towards L&D

With youth unemployment still high, John Charlton looks at how corporate responsibility is tackling skills shortages and boosting reputation.

There was a time when corporate social responsibility (CSR), comprised a series of well-meaning “initiatives” such as cutting company car carbon emissions, painting local schools or a day out of the office volunteering.

These days, it is a far more sophisticated activity that increasingly focuses on offering jobs, training and work experience to help give disadvantaged people a stepping stone into work. For employers, this can be a means to address skills shortages in their own workforce, creating a mutual benefit.

Youth initiative

This has certainly been the case at Barclays, which won a Personnel Today Award for its youth employment initiative in 2013. In 2012, the bank developed an extensive apprenticeship programme focusing on people not in education, employment or training (NEETs), recruiting more than 1,000 young people into the bank.

This training adds up to 300,000 training hours for those involved, around 250 hours per participant. Barclays says the scheme is part of its “commitment to tackling youth unemployment and helping one million young people who are out of work”. It also runs a scheme called LifeSkills, which offers: employability skills training focused on personal and social development; workplace skills training; and the opportunity to carry out a work placement.

But while it is clear to see how schemes such as this might benefit disadvantaged young people – 23% of participants in Barclays’ programme had been unemployed for more than a year before joining the scheme – it also increases the diversity of the bank’s workforce and provides it with a whole new generation of talent.

Shaun Meekins, head of operations for early careers at Barclays, says: “All they need to begin their career here is the motivation to succeed. They can grow with Barclays, even if they come into the business with little or no qualifications or experience.”

Preventing skills shortages

In areas where there is a worsening skills shortage – for example, engineering – programmes focusing on young people prove invaluable for nurturing talent.

Vehicle maker Jaguar Land Rover (JLR) was named Responsible Business of the Year 2013 by Business in the Community (BITC). The firm runs an awareness and engagement programme – “Inspiring tomorrow’s engineers” (ITE) – that aims to persuade school pupils to pursue careers in jobs related to science, technology, engineering and maths (STEM). This takes the form of promoting STEM careers in schools and running activities that encourage youngsters to engage with STEM-related issues.

JLR reports that more than 328,000 youngsters took part in ITE in 2013, including 100,000 who participated in a maths project, 21,500 who visited JLR education centres and 767 who had work experience. Its existing employees were right at the heart of the programme: more than 2,600 staff spent more than 11,000 hours helping with ITE activities.

JLR CSR director Jonathan Garrett says: “It is critical that we attract talented young people to become the next generation of engineers and technologists to support our ambitious growth plans.”

Different talent pipelines

Another high-street bank, Lloyds, says that its apprenticeship programme – which it runs through learndirect – is a way to recruit talent that “otherwise might be missed through our regular recruitment process”, according to director of responsible business Graham Lindsay. It has already taken on board around 1,000 apprentices and aims to have taken on a total of 5,000 by October 2017. Up to 30% of these new recruits will come from areas of high unemployment.

The bank also runs a raft of skills- and work-experience-related CSR programmes, including its “Lloyds Scholars” programme, which offers 120 university students from poorer backgrounds financial support, mentoring in employability skills and work experience.

Just good business sense

For some employers, offering a socially responsible avenue into employment simply makes good business sense. Certeco, a London-based IT and change consultancy, identified that by offering clients a blend of experienced consultants and trainees it could save them money and help them avoid sending their business processes to be managed offshore.

It set up the Certeco Academy, a traineeship scheme, in May 2012, with an additional goal of doing something positive about youth unemployment. In essence, the academy offers an apprenticeship that focuses on providing a technology consultancy training for school and university leavers. Recruits are full-time staff and are paid a salary in accordance with their experience. So far, 38 jobs have been created through the academy.

Certeco's director Graham Smith says its academy "has proved to be a viable solution that is attractive to our clients and satisfies our CSR objectives. It ties in with our business model and ... tallies with our beliefs as regards youth employment.

"[Young people] need a leg up on to the job ladder, and UK business can't be complacent and merely think it is someone else's problem. For the health and welfare of the UK business scene, it's the responsibility of all employers."

Companies should go further

BITC, which campaigns for and advises on CSR, thinks employers should go further and extend their CSR reach to include those who really do struggle to find work, such as ex-offenders and those with criminal records. Some employers already do so, but this could be increased.

BITC says that talent pipelines should be open to all, and "a responsible business should consider how and where it recruits talent from and whether recruitment processes are unintentionally locking out some groups. Individuals responsible for recruitment and career progression should be given unconscious bias training, and encouraged to widen the pools where they traditionally recruit from."

Stephen Howard, chief executive of BITC, says: "A responsible business is one that ensures opportunities are available to all, unlocking a generation of untapped talent and making a dent in unemployment figures. Business, government and schools have a joint responsibility to help create the workforces of the future and we encourage more businesses and schools to work together for the long term."

Key area of focus for firms

According to CSR consultants Joss Tantram and Jimmy Brannigan, CSR should be treated "like any other issue that has strategic implications for a company" – so should involve identifying where staff have expertise or where they could be developed, as well as seeking out external sources of training and support.

Jacque Irvine, founder of CSR consultancy Good Values, takes this one step further. She argues that employers should measure the performance of CSR schemes that focus on providing training and work experience programmes.

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“Things that get measured get done,” she says. “Employers should measure outputs, the numbers of young people going through programmes, drop-out rates and levels of confidence among participants. They should also run pre- and post-experience assessments, gather line managers’ views and find out what participants think of the placements.”

At Barclays, measuring its employment initiatives has thrown up some impressive statistics in terms of engagement and retention: 77% of those that have joined through an apprenticeship are still working there.

While the bank is proud of winning an award and helping to improve people’s life chances, figures such as this confirm that CSR also makes great business sense.

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