Social License to Operate: Why, how and so what of social license.

Seafish UK

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Wifi Access: FH Conference    Password: @BritishQuakers
Kate’s background...

• 16 years working with fisheries industry, management and industry groups in Australia, New Zealand and Canada.

• Focus on creating bridges between knowledge and good business, industry and community outcomes.

• Masters and PhD in Sociology – social impacts of industry activity; social networks and economic sustainability.

• Applied academic and consultant
What we’re going to cover

• What is a social license to operate?
• Why should we care?
• Can’t someone else be responsible for it and we’ll just provide them whatever they need?
• So what could we as both individual businesses and an industry group do about this?
  o The six steps you can use to create and retain a social license.
• Further thoughts for consideration
• Be prepared to think, share and make a start!
What is a social license?

• A social license to operate = the level of approval from the community, that an industry has to operate.

• It is a verb (license) not a noun = requires continual activity
  o Requires positive action/being proactive
  o Communication to strengthen relationships – not just give information
  o Doing business differently
    • Engaging with the unengaged
    • Negotiating around common values.

• Cannot be bought
  o Is not a defence to only be erected in times of stress
  o Just involve more advertising – louder and more often
# Levels of Social license

<table>
<thead>
<tr>
<th>Level of Social License</th>
<th>Symptoms/Indicators</th>
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</thead>
<tbody>
<tr>
<td>Withheld / Withdrawn</td>
<td>Shutdowns, blockades, boycotts, violence / sabotage, legal challenges</td>
</tr>
<tr>
<td>Acceptance / Tolerance</td>
<td>Lingering/recurring issues &amp; threats, presence of outside NGOs, watchful monitoring</td>
</tr>
<tr>
<td>Approval / Support</td>
<td>Company seen as good neighbour, pride in collaborative achievements</td>
</tr>
<tr>
<td>Psychological Identification</td>
<td>Political support, co-management of projects, united front against critics</td>
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</tbody>
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ISO 26000 Social Responsibility Overview

Scope
Guidance to all types of organizations, regardless of their size or location

Terms and definitions
Definition of key terms

Understanding social responsibility
History and characteristics; relationship between social responsibility and sustainable development

Principles of social responsibility
- Accountability
- Transparency
- Ethical behaviour
- Respect for stakeholder interests
- Respect for the rule of law
- Respect for international norms of behaviour
- Respect for human rights

Social responsibility core subjects
- Human rights
- Labour practices
- The environment
- Fair operating practices
- Consumer issues
- Community involvement and development

Two fundamental practices of social responsibility
Recognizing social responsibility
Stakeholder identification and engagement

Practices for integrating social responsibility throughout an organization
- Communication on social responsibility
- Voluntary initiatives for social responsibility
- Enhancing credibility regarding social responsibility
- Reviewing and improving an organization’s actions and practices related to social responsibility

The relationship of an organization’s characteristics to social responsibility
Understanding the social responsibility of the organization

Annex: Examples of voluntary initiatives and tools for social responsibility

Bibliography: Authoritative sources and additional guidance


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The social responsibility of an organisation is to ensure the effects of its decisions and activities on society and the environment are such that they:

- contribute to sustainable development, including the health and the welfare of society
- take into account the expectations of stakeholders
- are in compliance with law and consistent with international norms of behaviour
- Ethics of responsibility are integrated throughout the organisation and practiced in its relationships

Through transparent and ethical behaviour

Adapted from ALCD Presentation by Therese Linton
How will effect my ‘bottom line’

- **Investment and Credit support**
  - Investment advisors globally are looking for ESG (economic Social and Governance) performance
  - Investors are looking to maximise financial return BUT WITHIN a socially responsible investment strategy.
  - While there are no measurements...yet; there is increasing consumer awareness about socially responsibly investment strategies

- "88 per cent of reviewed sources find that companies with robust sustainability practices demonstrate better operational performance, which ultimately translates into cash flows." (Report from Oxford University and Arabesque Partners, 2015.
  
  [http://www.arabesque.com/index.php?tt_down=51e2de00a30f88872897824d3e211b11](http://www.arabesque.com/index.php?tt_down=51e2de00a30f88872897824d3e211b11)
Should I care what others do?

INCREASED FOCUS ON EXPECTED NORMS OF RESPONSIBLE BEHAVIOUR – GENERALLY!
Social license = Engagement

Exercise 1:

1. As a group come up with your definition of **what engagement is**;

2. **List as many things/activities** as you can that reflect your definition of engagement; and

3. **How many of these have undertaken** in your business(es) in the last year?

10 minutes
It’s all about ENGAGEMENT ....

<table>
<thead>
<tr>
<th>Inform</th>
<th>Consult</th>
<th>Involve</th>
<th>Collaborate</th>
<th>Empower</th>
</tr>
</thead>
<tbody>
<tr>
<td>To <strong>provide balanced info</strong> to assist understanding of problems, alternatives &amp;/or solutions</td>
<td>To <strong>obtain feedback</strong> on analysis, alternatives and/or decisions</td>
<td>To <strong>work directly with stakeholders</strong> to ensure concerns/ issues are addressed</td>
<td>To <strong>partner with stakeholders</strong> to identify alternatives and preferred options</td>
<td>To place a substantial part of decision making in the hands of stakeholders</td>
</tr>
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**Promise to Participants**

| Will keep you informed                          | Will keep you informed, listen to and acknowledge concerns and provide feedback | Will ensure concerns are addressed in alternatives and provide options | Look to stakeholders for direct advice in forming solutions and will incorporate input into decisions | Will implement what stakeholders decide. |

**Example of tools**

| Fact sheets, web sites, displays, advertising, PR, social media | Public comment, focus groups, public meetings, open houses, citizen forums. | Workshops; feedback loops; citizen forums. | Collaborative research & Projects; Citizen Advisory committees. | Citizen juries, ballots, delegated decisions. |
6 Steps of Social License

1. Business Values
2. Stakeholder Engagement
3. Compare & Evaluate Values
4. Coming to Common Values
5. Communicate Message & Activities
6. Monitoring & Evaluation
1. Your business values

• What is a VALUE?
  o *Something that is important in terms of standards of behaviour, actions, or to life/work as we want it to be.*

• Why is this important?
  o It’s how people evaluate us and our work/business

• Why do you, do what you do – and not something else? What keeps you doing it?

✓ Exercise 2:
  o **What are your businesses values?** – up to four (Vision/Mission statement?)
  o **How do you express these** in your business?

10 minutes
2. Stakeholder Engagement....

• Using engagement here in the context of **INVOLVING** your stakeholders.

• **PURPOSE:**
  ✓ **To understand their values** – what are they and why do they hold the values they do?
  ✓ **To establish a connection and** a basis to develop a **relationship**

• **HOW?**
  • **Identify Stakeholders** – Those people who can affect my business/organisation/association; e.g. customers; suppliers; retailers; education groups; environmental groups;
  • **Identify Key Influencers** – those who might hold sway over groups of stakeholders. E.g. Chair of the Chamber of Commerce; Charismatic Councillor; church leader; head master; university chancellor etc.
Exercise 3:

- List as many as you can of your stakeholders and any Key influencers of these. If you think you already know their values, list those too.

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Key Influencers</th>
<th>Values</th>
<th>Source of Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>??</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retailers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Educational bodies</td>
<td>Headmaster/chancellor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Group Members</td>
<td>President of the local group.</td>
<td></td>
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Interpreting Stakeholder networks
Having a conversation...

- ACTIVE PERSONAL ENGAGEMENT
- Ask what issues are most important to them and why (their values)?
  - Informal
    - Conversations;
    - Read news papers;
    - Listen to radio talk back/ watch news items;
  - Formal
    - Focus groups;
    - Citizen Panels & online forums
    - Interviews

- Dr Kate Brooks - KAL Analysis Pty Ltd
I HAVE STOPPED LISTENING,

WHY HAVEN'T YOU STOPPED TALKING
LUNCH .....
3. Comparing and evaluating Values

- Compare the values you might have thought they held and what they actually value most – are they the same?
- In what ways are they the same/different?
- Articulate those that are the same
- Identify options elsewhere.

Industry values

Stakeholder values

Agree to disagree
Find out more
Articulate shared values
Adjust your values

6/28/16
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Worst case...  

• If you have to agree to disagree;  
  1. **Acknowledge the difference of values and reasons for it** – don’t just ignore it if they are a significant influencer  
  2. **Don’t** denigrate the person or group criticizing your business – always retain the moral ground.  
  3. **Avoid situations of conflict** (which they may try and engineer) with these people or groups.  

• Which Key influencers can you work with to offset any effects of these disengaged stakeholders?
4. Common Values

1. Name the values you have in common
   o And relate them to specific stakeholders.

2. Develop an Action plan
   o For each stakeholder group: identify what, based on those values, are the best ways to build your relationship with them and their trust of you and your business/industry?

3. Just do it!

   THIS WEEK...!!
About Common Values

✓ Exercise 4:
  o Identify one or more values that you believe you might have in common with a stakeholder group(s)
  o List any activities you currently undertake with them as a business.
  o List any activities you may be able to undertake that would target these groups. Think about both:
    o With them
    o With other key influencers that they trust
5. COMMUNICATING – MESSAGES AND ACTIVITIES

1. Identify your messages – how are these being communicated in:
   - **Actions** (sponsorship / membership – active or passive? / participation – what’s your level in relevant community activities or political and other advocate campaigns?)
   - **Advertising** (print/on line/ TV/Radio etc.,)
   - **Behaviour** – yours; your employees; your suppliers/ wholesalers/ retailers; your associations? They all reflect on you.

2. Understand where they sit in your overall business
   - **Selling Brand = Value** ✔️ (or just product ?)
   - Informing the public } (where necessary make sure it is embedded in
   - Compliance } relevant values)

3. Understand and organise your activities by stakeholders and key influencers – Handout 2.
Selling Values
6. Monitoring & Evaluation

• Why?
  o Values Change
  o Knowing if you’re hitting the mark
  o Asking the question – have your activities and behaviours demonstrated (and continue to) your values in the minds of your stakeholders?
  o By ‘checking –in’ you can reinforce important relationships – don’t take people for granted. Employees/partners/ shareholders, as well as external stakeholders.

• How?
  o Revisit step 1 & 2 – are yours and your stakeholders values still the same?
  o Review steps 3 & 4 – are they still the same (or more or less?) values that you have in common?
  o Do my values, messages and activities need to change to reflect the values that will resonate with my stakeholders?

• What?
  o Make a regular commitment to undertake this with authenticity!
✓ Exercise 5:

• Review the stakeholders & key influencers who you have values in common with (Exercise 2 & 3)
• What activities do you currently undertake that reflect these common values?
• What could you think about doing in the future?

Refer Handout 3 – “Three ways to Secure your Social License to Operate in 2013”: Paul Klein 28/12/2012
Further discussion

• How are we engaging with our Stakeholders?

• Are we either articulating and meeting our value’s inherent ‘promise’?

• Could we be using engagement more effectively to harness
  • Ideas
  • Ownership
  • Participation
  • Cost sharing
  • Other…

• Industry or business SLO Audits to set a benchmark?
  http://sociallicense.com/measure.html (Handout 4)
‘Take aways’…..

• Walking the talk by each and every fisher is **essential** to develop TRUST the essential ingredient in gaining and retaining SLO

• Ultimately SLO is based on what your stakeholders think of you and your industry.

\[ \text{RESPECT} + \text{VALUE} = \text{Social License to Operate} \]