Case study: Bristol
8 Case Study: Bristol

8.1 Introduction
The outstanding impression gained from the case studies in Bristol is of resilience and promise for the future, and this is a reflection of many new initiatives and developments. Informants recall ‘complacency’ and ‘conservatism’ in Bristol until well into the 1980s, and there is a record of failed or half-hearted action when the city’s recent problems first became apparent. Historically, however, Bristol has a tradition of adapting successfully as one part of its economic base declines and another takes its place, and this is now happening again.

The local labour market area in Bristol is the County of Avon rather than the city alone, and travel to work is both ways. In 1981, 21 per cent of all Bristol City men in employment and 37 per cent of those in manufacturing worked outside the city. The county’s economic basis changed considerably during the 1980s. From 1981 to 1989 manufacturing employment fell by 21 per cent, with particularly sharp declines in tobacco, food and drink, paper and printing, and aerospace, and manufacturing’s share in total employment fell from 27 per cent to under 20 per cent. This, however, was more than offset by an increase in service employment, most notably of 75 per cent in insurance, banking, finance, and business services. Although unemployment in the Bristol travel to work area reached 10-11 per cent between 1982 and 1986, it fell back by June 1990 to 4.3 per cent. In 1989 (Table 1) Bristol was in the top 15 per cent of the 280 local labour markets in Britain on an index of employment and economic prosperity: lower, but still above the median, on an index of
improvement in the previous four years: on either index, the city is far ahead of Birmingham or Manchester.

However, although Bristol is not a ‘problem city’ in the same sense as London and some northern cities, it is still certainly a city with problems, economic and social.

Table 1  Employment and strength of the economy in four local labour market areas: rank order out of 280 LLMAs in Great Britain

<table>
<thead>
<tr>
<th></th>
<th>Index of improvement in position 1985-89</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bristol</td>
<td>66</td>
</tr>
<tr>
<td>Manchester</td>
<td>156</td>
</tr>
<tr>
<td>Birmingham</td>
<td>203</td>
</tr>
<tr>
<td>Sheffield</td>
<td>210</td>
</tr>
</tbody>
</table>

Source: Tony Champion and Anne Green, *Local Economic Performance in Britain During the Late Eighties*, Booming Towns, 1990.

Unemployment in the spring of 1990 was still over 8 per cent in a belt of city wards running down from the Bristol Task Force area, north of the Avon, to the city’s southern boundary. In parts of the Task Force area it is over three times the average for the city. There is a certain shabbiness about central Bristol: the generally run-down state of certain wards, large areas of derelict or semi-derelict industrial or railway land, the old-fashioned and unattractive style of Bristol’s main shopping centre at Broadmead, along with under-development of arts and leisure facilities: hardly, as one informant put it, a bright-light city centre to attract incoming managers. North-South communications are poor, which among other things has an impact on unemployment: many of the new jobs are in the north while many of the unemployed are in the south, and there was said to be a Bristol rule that workers other than professionals or managers are reluctant to travel more than half an hour to work.

There are problems of training and motivation: low qualifications, discrimination and poor motivation were identified as difficulties in the areas of relatively high unemployment, while on the other hand the Avon Training and Enterprise Council (TEC) sees as its central problem the need for a much higher level of training for the 95 per
cent of the work force who are in work – as its Newsletter for July 1990 suggests, anything up to a ten-fold increase in local employers’ expenditure on training if they are to keep pace with competitors overseas. The enterprise agency, New Work Trust, similarly sees its chief task as no longer to assist people into self-employment but to help already established small businesses to compete and grow.

There are also, of course, the problems of housing shortage, community development, and social welfare to be expected in any large city. Issues of race relations were highlighted by the St. Paul’s riots – ‘half a mile up the road’, as one company noted in giving the reasons for its community contributions policy – but informants insisted that the ethnic element in Bristol’s problems, though important, should not be over-stressed.

How effectively have the private and public sectors acted, separately or together, to identify and solve problems like these? The period of what many respondents referred to as the city’s ‘complacency’ is still recent. The contrast in Table 1 between Bristol’s ranking on prosperity in a given year and on improvement over the previous years is a useful reminder. There is a history of failed initiatives for the regeneration of Bristol: some which are now taking off made a hesitant start, as with plans for an Avon light rail network; others were taken up and dropped, as with proposals for a spine road to by-pass the North-South bottleneck. That history has left a legacy of scepticism towards new initiatives. But the major finding of this case study is that the climate and effectiveness of action now seem to have changed for the better.

8.2 Companies and their community links
American as well as British experience shows not only that companies do not follow any standard pattern of community investment but that, given the differences between their stages of development, their market circumstances and the communities in which they operate, there are good reasons why they should not do so. The key question to ask about any company is whether its policies are reasoned and effective in the light of its own circumstances. This question was explored with eleven companies (chosen on local advice from the Bristol Task Force and other informants as to companies known to be making a significant community contribution).
The sample of firms contacted includes large and medium-sized companies and one which is very small, but differences in size matter for the purposes of this report less than might be thought, since we have looked primarily at companies’ local contribution. Companies such as British Telecom or IBM are national leaders in community investment, with budgets running into millions of pounds, highly developed policies and procedures, and, by the standards usual in this field, large and specialised staffs. Comparisons with companies of that kind can be intimidating to others that are smaller and less far along the road. When it comes to decisions by local management about community investment, however, the scale of operation of companies like these may be nothing out of the ordinary. British Telecom is the biggest corporate donor in the country, but Telecom Severnside in 1989/90 had a regional budget well within the reach of even a medium-sized firm, managed part-time by one manager with an assistant. The grants which it made out of it, to over a hundred charities and forty community projects, were often of a size within the reach of even a small company. Even a traditionally expensive service like seconding a manager – a long-term secondment ‘might be equivalent to an investment of £100,000’ (IBM) – can be, and in Bristol is being, re-designed by Action Resource Centre to be within the reach of modest professional partnerships.

Local managers in a large company may of course be able to persuade national management to back a big local project, and also to draw on headquarter resources for guidance on the reasons and procedures for contributing. But smaller companies too can work out reasoned policies on their own and make, by local standards, a significant contribution. A good illustration of how to do both is provided by the smallest company in our sample, Mosaic Management Consulting Group, which is the subject of a detailed case study in section 8.5 below.

**Motivation and general level of commitment**

What companies devote to community investment is liable to come out of several budgets and to be governed by a mixture of motivations. One manager said, ‘No one is purely philanthropic’, but in contributing to the community no one is purely commercial either. We always found a combination of a sense of social responsibility and of ‘something in it for us’, but with differing emphases between
companies and the various areas of involvement. Lloyds Bank’s sponsorship guidelines define sponsorship as ‘a combination of promotional activity and community support’, but with a strong accent on promotion – marrying hard-nosed business with benefit to the community, as a Lloyds manager said – whereas its donations guidelines speak first of putting some of the company’s profits back into the community and improving the quality of life, and only then of ‘implicit recognition of the advantages of a well-balanced society in which to pursue our business objectives’. Harveys of Bristol has on one side a programme of sponsorship in the arts, especially music, to benefit the community and promote the image of quality in the company’s products through association with quality performance in the arts (‘one classic deserves another’); and on the other a wider-ranging programme for ‘putting something back into the community’ through charitable donations. Sun Life noted the balance in their work experience programmes between response to demand from the schools and the company’s own interest in recruitment.

In the ‘hard-nosed business’ areas such as sponsorship there is a business interest by which to decide what is to be done and monitor performance. In charitable giving and general community support the criteria are harder to pin down: in Lloyds this was reflected in more centralised control of this type of spending than of sponsorship. The two extremes, in our sample, were IBM and Interlink Express. In IBM, according to our respondent, ‘We often used to chuck charity over the wall’: now ‘charity’ is downplayed, the firm’s community activity is seen as a form of investment, community affairs clients are dealt with as they would be if they were ‘mainstream’ business customers, and visibility for the company is an important objective.

In Interlink, by contrast, the accent is very much on social responsibility and ‘putting something back into the community’, with only a marginal public relations element. Sun Life described its philosophy as enlightened self-interest, but also noted how its balance of emphasis had shifted in the last few years from self-interest, as with an insurance company’s obvious concern with medical research, towards a more ‘enlightened’ long range approach, though without leaving shorter term self-interest out of account. In this perspective, the company should contribute to solving Bristol’s problems, in its capacity as a major local employer with a stake in stability and
prosperity: ‘the riots were half a mile up the road... We cannot operate a successful business in a disturbed community’.

More accidental factors also play a part in policy development. It may matter a good deal where budget decisions are made. For instance, Hewlett Packard has a local reputation for its policy on school-business links and donations of product, but less so for cash donations: these are determined, not company-wide, but by what individual managers can spare out of the tightly controlled budgets for their own cost centres. Personalities also count for a great deal in the development of some companies’ approaches to community involvement. Sun Life doubled its profits between 1985 and 1989 but multiplied its community contributions five times (six times by 1990), and the point of departure was a memorandum by one director who felt that the company’s standard of giving was ‘poor’. In RS Alliance community investment has ‘become part of the company ethos’, but this goes back, again, to a director whose own experience in public relations and marketing convinced him that local community involvement should be an essential part of business, and notably of his field of business: one which among other things raises the standing of his type of company with clients.

The practical conclusion from these considerations is that the establishment of a norm for the level of community contributions, as promoted by the Per Cent Club, is necessary. The criteria for spending on general community investment are mixed and imprecise, and the level at which it is set is within wide limits arbitrary, even where, as in IBM, this type of involvement has a strong business component. Companies need ‘something to latch on to’: a standard which is realistic in the light of what, for example, the upper quartile of companies involved in community investment actually achieve – and this is approximately the Per Cent Club standard.

**What and where companies contribute**

What and where companies contribute depends on their own interests and potential. Hewlett Packard and IBM (through its dealer network) give computers; Harveys of Bristol give bottles of wine; Sun Life, with a lot of furniture and equipment to dispose of, is an active supporter of Business Links; Gateway is specially interested in involvement of staff and customers in and around its 730 stores, and Telecom Severnside and Lloyds also distribute their local donations widely ‘to
be perceived as part of the local scenery’; and all of these companies also back larger local projects out of national funds. Interlink, which is not a high street firm, makes mainly national donations. It deliberately does not favour its headquarters area in Bristol, whereas Gateway, which is also a Bristol company, has made some very large local donations. Telecom, Sun Life, and IBM have targeted some or most of their local involvement on the inner city: other companies were not specially concerned with the inner city and the Task Force area and had to be tempted in. Wimpey has established a training centre in St. Paul’s in association with the Construction Industry Training Board for ET-based courses. Other local employers are being involved in customised pre-recruitment training and interview guarantee schemes.

A number of key points on good practice emerged from the company interviews:

**Leading from strength**
The easiest form of company involvement, it has been said, is to write a cheque. That may in fact be the best thing to do in particular cases, but best practice covers a great deal more: gifts of product and equipment, supply of facilities (Sun Life originally housed ARC Avon, and pays for its new office since it had to change premises), supply of expertise through secondments or the professional advice which New Work Trust obtains from its associated companies, or RS Alliance’s contribution, as a public relations and marketing firm, to the ‘catalysing’ activities of the new Business Leadership Team, The Bristol Initiative. Hewlett Packard made the point about leading from strength particularly clearly. Their first priority is for committing their skills in information technology: next, giving their equipment, which is cost-effective to receivers as well as good public relations for the company: cash donations come third.

**Involving employees and franchisees**
Mosaic involves employees directly and advantageously in the company’s own contributions programme, and so to a degree may other companies. But we heard more about companies’ support for employee giving as such, and on this we received a very clear message. Payroll giving (GAYE) by itself is neither popular nor successful, but collective fund-raising events by employees themselves are productive, ‘fun’ and, as in Mosaic, good for the company. Several of
our companies match employee fund-raising pound for pound. Employee volunteering was often encouraged, though usually in employees’ own time, but IBM and Mosaic allow use of work time for community activities: there are no precise rules for this, but in practice, as was said by IBM, employees find that community involvement counts in their career development just as it does in Mosaic. Interlink and IBM in different ways involve their dealers (IBM) or franchisees (Interlink) as well as employees in community action.

Hewlett Packard made a general suggestion which deserves to be followed up. Its parent in the United States is a leader in the United Way movement. Local United Ways integrate payroll giving, other forms of fund-raising, and companies’ own contributions into a package of collective action which generates enthusiasm, strong support from companies (notably through secondments for United Way campaigns) as well as from employees (volunteering as well as cash donations), and large amounts of cash for community causes: and the United Way system has the means to ensure that these are effectively assessed and monitored. Should Britain, it was suggested, not follow this road? The existing community trusts and charitable foundations could be a mechanism for development of integrated ‘packages’ for the private sector, given suitable resources for marketing to companies.

8.3 Partnerships and networks.
Companies’ contribution to community investment is not simply a matter of what companies do on their own, nor even of participation in joint activities, like enterprise agencies, to which they have been recruited by one of the intermediary bodies. A further question is, how far do companies themselves take initiatives towards building networks for coordination of community action and information exchange, or feeding ideas into them? Our sample was biased by its method of selection, for the firms we contacted are by definition active companies: a few were indifferent, but most were contributing to the operation of networks and agencies in a variety of ways.

Companies and the local networks
Good practice implies a two-way relation between companies and local networks and agencies such as those described below. The
networks need the support of companies, but the companies also need the networks.

Our Bristol sample was chosen from companies known to be active in the community, and most – though one or two were indifferent – were contributing to local networks and agencies at either the strategic or the operating level, and in a variety of ways. There was significant personal involvement by senior managers. IBM’s external affairs manager for the South-West, for example, had ‘made it his business to become part of the local networks’. Companies were providing business or professional advice, secondments, facilities or premises (as with Sun Life’s assistance to ARC Avon), and of course money. Project funding tended to be preferred, but the Greater Bristol Trust owes a great deal to the four companies (including Harveys and Hewlett Packard) which contributed substantially in 1989/90 to its ‘core’ funding, and to those like Mosaic which are helping to build its endowment.

As with other forms of community involvement, the motive for helping to build and maintain the networks turned out to be a mixture of public spirit and self-interest, and examples quoted below make this clear. The personal involvement of a number of business leaders which we observed went well beyond what could be explained in terms of any direct contribution to their companies’ bottom line. We were told at national level in IBM that, in choosing projects to support, dissemination – spreading the gospel of good practice – is a key consideration, as it is also in the Per Cent Club; and networking is one important means of doing this.

Networking may also, however, have a direct commercial purpose, as in the case of the retailers who collaborate in redeveloping the Broadmead shopping centre or the companies on the Brislington industrial estate who combined to improve recruitment through links with local schools. It may provide useful commercial contacts, and at least one local enterprise agency capitalises strongly on this for attracting sponsors interested in doing business with the small firms which the agency is helping to grow. For shaping their own community policies companies need outside information and strategic guidance such as networking can provide. The companies which we interviewed were far from being uninformed givers – that is why they were selected – but several company informants were still worried about the multiplicity and confusion of initiatives in Bristol. The networks and
agencies operating in Bristol are, as will be shown, building up an increasingly coherent strategy for the city, but informants saw a need for more effort to project a coherent picture back to companies: notably, though not only, in the area of information about the needs of and services provided by community groups and other voluntary bodies.

We discuss below the range of partnerships in Bristol involving groups of companies, and the organisations in which business plays a role in partnership with bodies from other sectors.

**Multi-firm partnerships**

The Bristol Chamber of Commerce (3,000 current members) is of course long-established, but within the last year has taken what a number of respondents saw as a new, more open and dynamic course under a new chief executive and president. The CBI is also more active in Avon than in some other localities.

There are a number of more localised business networks. One is the Avon Valley Traders’ Association, a group which is taking a leading part in regenerating the main shopping centre in the Development Corporation area. This grouping was encouraged by BDC as a partner for communication and constructive discussion.

Another multi-firm partnership is the Brislington Traders’ Association based on an industrial estate. This body arose out of employers’ concern about recruitment of young people in a somewhat isolated area, and has also been encouraged by the County Council as a contributor to its network of school-business links.

At the level of ‘strategic’ networking several of the companies visited were involved, and some very actively. This is partly a matter of local and personal attitudes. British Telecom, as a major employer, is involved in Bristol as it is elsewhere. IBM’s external affairs manager for the South-West was among other things acting chief executive and fund-raiser for the Bristol Initiative Business Leadership Team at its inception. The managing director of RS Alliance was a prime mover as well in the establishment of the Bristol Initiative and is a member of its board: his motivation came from previous involvement with charity work and a feeling, shared by staff and clients, that Bristol needed more action for urban renewal, especially in view of the major racial problems in the inner city.
Multi-sector partnerships involving business

Over and above formal promotional or partnership agencies, we have learned to look for ‘mafias’, informal networks of influential people whose names appear in different capacities, and who bridge gaps between different organisations and may be the ‘movers and shakers’ in getting new initiatives off the ground. Common Purpose’s community leadership programmes are aimed at the systematic development of such networks, but in Bristol, at the time of our survey, Common Purpose was only at the stage of a first approach. It has since established a programme for the city. Bristol does, however, have an informal ‘mafia’, radiating out from an inner circle of perhaps twenty or thirty people in the public and private sectors through a variety of networks both old (like that of the local solicitors) and new. Like so many other things in Bristol, this network is being renewed. The older network was seen by many informants as too complacent and limited in its range of thinking and action: but the same informants stressed that it is being rejuvenated as new companies move into the city and new and sharper business leaders come to the top.

A new business leadership team, the Bristol Initiative (TBI), was set up in 1989 based on the model for partnership ventures set out in the CBI’s Initiatives Beyond Charity (1988). It is a business-based partnership, for it also involves the chief executives of the city and county and has representation from the Employment Service, the TUC, the University and Polytechnic, and the Church of England. The Bristol Initiative is described in detail in a separate case study in section 8.5 below.

A Bristol-Avon Economic Development Forum brings the Chamber of Commerce and the CBI together with the local authorities, the University and the Polytechnic. In an earlier and more limited form this association dates back to the 1970s, but became moribund: the Forum is effectively a new body established within the last two years.

There is a multiplicity of organisations in Bristol appealing for partnership activities and community investment from limited business funds. We identify below only some of the main agencies concerned with partnership with the private sector in the city’s regeneration initiatives.

The local authorities, especially the Bristol City Council (Labour) and the Avon County Council (hung), both currently charge-capped. The city and county have obviously a very wide potential for
contributing to development, and have in fact contributed in many ways, but informants tended to draw a distinction about where in these authorities the contribution comes from. Officers were seen as competent and involved, but leadership at member level was often felt to be weak, divided, and sometimes sectarian, irrespective of party. We do better in partnership activities, one business leader said, when councillors are not involved. The activities of both authorities are currently limited by charge-capping as well as capital expenditure controls.

There are two public agencies for local development, the government’s Bristol Task Force (established in 1986) and the Bristol Development Corporation (1989). The Task Force’s focus is on employment, training, enterprise, and urban regeneration in three inner city wards (Ashley, Easton, and Lawrence Hill) to the north of the Avon: part, but far from the whole, of the belt of unemployment defined in section 8.1 above. The Task Force has worked on partnership projects with business, the Employment Service, voluntary agencies and local authorities, focussing on training needs in its area. A notable partnership initiative in the area is the Westmorland Trust Technology Centre, in operation since November 1989: this is an open learning centre for office skills, funded by the Task Force, Avon County Council and IBM (which has provided substantial resources in the form of managerial advice, computer hardware and software). The Westmorland Trust itself is a Community Development Trust (similar to the Moss Side and Hulme CDT – see Chapter 9) with a remit to provide a forum for all local actors engaged in developing regeneration projects. It has a full time director and new board members from the private sector.

The Bristol Development Corporation’s remit is to regenerate one and a half square miles of ‘run-down buildings, industrial wasteland, and badly located businesses’ mainly South of the Avon, with only a marginal overlap with the Task Force area. The BDC is the newest and smallest of the UDCs in England and Wales. It is managing a city centre spine road project (using private and public funds) and has recently begun dialogue with voluntary sector groups. The BDC was greeted with suspicion at first by many in the city, but has won a high reputation for rapid and effective action in partnership with small as well as larger businesses and its developing links with the voluntary sector appear to be promising.
More specialised agencies include the new Avon TEC and several enterprise agencies, of which the New Work Trust is outstanding, and other agencies like ARC Avon (secondments, training for community development, and ‘business links’ for gifts of furniture and equipment to voluntary organisations) and the Industrial Society (customised pre-recruitment training). The TEC has only just begun operations, and is a partnership venture involving companies, business umbrella groups, the local enterprise agencies, county and district councils and others.

In the voluntary sector, the Greater Bristol Trust (established in 1987) is a channel for ‘federated giving’ to charities by businesses or individuals: approaching two-thirds of its over 200 donors in 1989/90 were businesses. It has also been a focus for organised action by the voluntary sector. It assisted in assembling a Voluntary Sector Forum for dialogue with the Bristol Development Corporation, and has initiated a Grant Givers Forum for exchange of information and discussion of policies among major grant givers operating in the city. It is now building an endowment to give it a more solid base and a reliable flow of core and free income, and has succeeded in attracting one of the three major ‘challenge grants’ made available by the Charities Aid Foundation and the Charles Stewart Mott Foundation of the USA. The active and effective role of the Trust and its Director in the local networks was widely recognised by respondents.

To date the partnerships which have emerged have had little time to build up initiatives and experience. The focus of activity has been on infrastructural projects, employment issues and increasing local competitiveness. Within this mainly economic emphasis, the agencies have different strategic visions: of new dimensions to enterprise, training, and employment, of new commercial ventures and development for a ‘brighter Bristol’. BDC has its vision of a Bristol Covent Garden complementary to the Broadmead centre; there are also initiatives for improvements in infrastructure, transport (BDC has secured approval and private as well as public finance for the North-South spine road), or in the supply of rented housing (TBI is beginning to consider this area), or in the regeneration of run-down areas. These visions do tend to complement each other, and cover between them the range of economic and infrastructural problems briefly outlined above. There has been no overall and authoritative assessment of Bristol’s economy and its potential to pull the threads
together, but the Bristol Avon Economic Forum has now commissioned the Polytechnic to provide one.

The TEC, similarly, has ‘locked in’ key parties, including the local authorities, enterprise agencies, and private sector companies, and works with and through a range of other agencies and networks. The Chamber of Commerce has, as noted above, changed under new management to a more open and cooperative relationship to other agencies. ‘We sat down and talked in a civilised way’, as one business leader said about the Chamber’s relation to TBI, and the Chamber realised that TBI’s work was complementary to its own and is now in full support of it. BDC is seen by some as a ‘bulldozer’, but does act as one of the catalysts, as illustrated by its promotion of the Avon Valley Traders’ association and its systematic approach to and dialogue with the voluntary sector bodies such as Greater Bristol Trust.

Cooperation by and with the local authorities was said to be improving, though still dependent on personal contacts – made, for example, through the leadership of particular committees. An outstanding example of ‘catalysing’ is the county’s brokering of business-school links. Another is the way in which the City is building a Civic Arts Trust as a vehicle for involving the private sector more in an under-developed field. Chief executives of the local authorities have been brought into TBI; the Bristol-Avon Forum has been revived; the Broadmead project brings together the local authorities and the traders; and the Avon light rail network seems to be on the way to development.

**Operating partnerships: approaching the private sector**

The test of the agencies is not merely whether they are coherent but whether they are operationally efficient, especially, for the purposes of this report, in involving the private sector. There have been some uncertain beginnings, but again the picture in late 1990 is generally promising. Looking at the range of agencies, four points stand out about the way in which good practice is developing in Bristol.

‘**Investment, not charity**’ – the quotation is from the Task Force, but the concept runs right through the work of the agencies: not only of the primarily economic agencies but, on the side of the voluntary organisations, that of GBT. ‘We are always trying to get away from the idea of the hand-out to that of giving a service to the corporate sector’: this is exactly the kind of relationship for which the
Development Corporation is looking in developing its policy towards the voluntary sector. ARC Avon said of its re-designed programme for secondments to voluntary organisation, ‘we are no longer holding out the begging bowl’ but promoting a type of secondment which gives clear benefits to companies, in terms of career development, as well as to receivers, and can be accurately monitored as a business proposition. The motive of social responsibility is recognised, but the accent is primarily on enlightened self-interest.

Self-sufficiency rather than subsidy is a key objective. ARC Avon, for example, may be able to move from a free and subsidised service in promoting secondments to charging companies for its services – but if so, it was underlined, charging to the training rather than the community relations budget. The New Work Trust is critical of other enterprise agencies which still rely on subsidy and the ‘gift relationship’. It has not itself asked its 260 supporting companies for cash since 1981. It involves them as providers of professional expertise on the basis of enlightened self-interest – banks, insurance companies, or companies looking for sub-contractors have a direct interest in involvement with up and coming small firms – and has built up its budget out of its own enterprise to a turnover by 1989/90 of over £2 million a year. Greater Bristol Trust is by definition an agency for raising and passing through donations, but it also building itself an independent basis through endowment, at first on its own and now by the offer of one of the Charities Aid Foundation’s major challenge grants.

A two-pronged approach to companies through systematic general marketing and also an individual and customised approach. Companies are individual cases, and by common consent involving them depends in the end on an individual approach geared to their own interests and potential. They have to be ‘talked through’, and this process puts heavy demands on staff time. There are other methods, notably the way in which Avon’s Education-Industry Links unit mobilises the customers and brokers initiatives directly from schools to companies. The unit has also developed a network of district committees in cooperation with the CBI, and these are now being transformed into jointly chaired education-business partnerships serviced by the County Careers Service.

It is likely in many cases that the best use for additional funds available to agencies could well be rather modest additions to staff for
making company contacts: GBT underlined the importance of being present and making contacts through a variety of networks. However, more formal methods are also useful. GBT also uses mailshots, as has Business in the Community in its campaign in the North West targeted on small and medium-sized companies. The Task Force built a database of potential supporters and used a Ministerial visit to open a marketing campaign for a group of projects with worked-out business plans.

**Reaching smaller companies** is important for the development of private sector involvement on a large scale. Informants commented that small companies may have good reasons for limiting their community involvement: ‘too busy cutting down the trees around them to think about planting new ones’, or, as one medium-sized company itself said, ‘we are too busy making money’. Agencies tend naturally to go first to the bigger companies, and, if they themselves are short of staff, they may not get much further.

However, smaller companies are being reached. The outstanding example is education-school links, in which around 6,000 businesses are involved. Avon claims nearly 100 per cent coverage of pupils for work experience, and probably 240 teacher placements in industry in 1990. BitC sees enterprise agencies as an effective vehicle for involving smaller firms: New Work Trust’s 260 supporting businesses are not all large, and the emphasis on professional advice and business opportunities rather than demands for cash is attractive to many smaller firms. ARC Avon’s new programme of short-term and part-time ‘designated assignments’ is beginning to reach solicitors and accountants. The Bristol Development Corporation has used Avon Valley Traders as a channel for involving local businesses in its projects for environmental and infrastructural improvement, as the Avon Education-Industry Links unit has used the Brislington Traders’ association to strengthen its school-business network. GBT (like ARC Avon) is limited by the size of its staff, but is developing closer links with smaller as well as with large firms.

Staffing is a key factor, and the agencies operating in Bristol are very differently equipped. BDC, for example, is in a different league from ARC Avon, GBT, or TBI. For the smaller agencies, faced with what is a highly time-consuming task, a basic minimum of staff for marketing to the private sector is vital and not always achieved. We have no criticism of the competence of the people we have met in these
agencies, but in some there are not enough of them, and sometimes without enough continuity. Secondees can and do fill the gap to some extent, but inevitably without the same degree of continuity as regular employees.

8.4 Overcoming constraints on good practice
Although companies’ objectives and forms of contributing vary, the experience of the companies at which we have looked points to several general rules of good practice and ways of overcoming constraints identified by respondents.

Information about voluntary agencies
Companies themselves will choose in the end where they wish to be involved, but they need a range of choice among the needs and causes to which they might contribute. The companies which we interviewed are not uninformed givers – that is why they were selected – and a number of our company respondents were themselves very much part of the Bristol networks and well-informed about what was going on. Not all were, however. There was sometimes a certain vagueness about issues and agencies outside companies’ immediate concern. The agencies promoting company involvement in Bristol are, as has been noted, building up a coherent strategy covering the main areas of the city’s economic problems, but several company informants were still worried about the multiplicity and confusion of initiatives in Bristol. It is not enough for the agencies to be increasingly coherent among themselves. More effort is also needed to project a coherent picture back to companies, particularly those which are not themselves involved in the leading networks.

Apart from the GBT, however, networks in the voluntary sector tend to be weak. At the time of our study the Bristol Council for Voluntary Service was described as ‘effectively non-existent’. A Bristol Community Groups Network was started in the early 1980s as a forum for the discussion and issues and for contact with the local authorities, but has no overall policy and little if any involvement with the private sector, and the Bristol Volunteer Bureau has done little as yet to promote volunteering from the workplace. There is scope here for closer cooperation between the existing umbrella groups and the GBT in providing information to businesses and to the partnership
bodies about the needs of, and services provided by, community
groups and voluntary bodies.

**Company policies on community contributions**

*Clarity of criteria*

With a dozen appeals a day and having to say ‘no’ to 99 per cent of them, as was said in IBM, you need to know what you are doing. Whatever a company’s objectives, it is obviously important that they should be reflected in clear criteria for choosing between projects. Criteria in our companies varied from short and common-sensical, like those of Mosaic, to elaborate and sophisticated, like Lloyds’ donations and sponsorship guidelines. One community body commented on the ‘intuitive’ nature of the contributions policies of many of its company supporters. It would be unreasonable, and a case of re-inventing the wheel, to expect all companies to work out such elaborate criteria on their own, and yet it could be helpful to them to have sharper standards and more detailed check-lists than at present. We hope that this and similar reports, and work on guidelines for policy by Business in the Community, will be of use in this respect.

In relation to the overall level of contributions, we noted wide variations and a need for a generally recognised ‘yardstick’. This could be provided by a local Per Cent Club: Bristol and Avon should have one, linked to the Bristol Initiative and the Avon TEC.

**Managing the local programme**

Programmes can be run on a shoestring, but the string must not be too thin. Hewlett Packard felt that it was missing opportunities through not having a specific community affairs manager. Its Bristol plant, with 800 employees, was said to be reaching the point at which a specific job in that area could be carried: IBM, similarly, explained how a specific full time post for the South-West and Wales had emerged out of the experience of line managers in the region. Even full-time management needs support: IBM’s manager had less opportunity than he would have wished to be ‘pro-active’, and one community relations manager had some four hundred applications a week passing over his desk and no supporting staff. Part-time management is inevitable in small companies and can be appropriate for local programmes in larger ones, and can be fully effective so long
as jobs and relationships within the company are clearly defined: but again, as was said in Telecom Severnside, it can be ‘stretched’.

One point to which staffing is particularly relevant is ‘pro-activity’: going out to look for the projects which will give the best value for money, as Telecom nationally and locally did when it launched its inner cities programme: and monitoring their progress, if only to avoid the occasional ‘disaster’. It was clear that in some large companies which would like to be thoroughly ‘pro-active’ staffing was inadequate for this, and smaller companies cannot be expected to carry the staff which would allow them to be fully pro-active on their own. There are ways around this, for example Mosaic’s use of GBT to suggest, assess, and monitor its charitable donations. Enterprise agencies, as was pointed out by BitC, can in their own field be very effective intermediaries; so can a network like that sponsored by Avon’s EIL unit for school-business links. But some companies which might have been expected to use intermediaries did not do so to a significant extent.

We heard some strong comments about banks and other companies which ‘dribble out’ small cheques disproportionate to the scale of the cause to which they are contributing. In fact, as one manager at a national bank pointed out, ‘dribbling’ may be a reasonable strategy for the company’s own purposes, and Sun Alliance made the point that small sums may go a long way, notably with youth organisations. However, Sun Life is an example of a company which has recently changed its policy to focus its grants and make them more worthwhile to receivers: about fifty charities in 1990 instead of 150 the year before.

Accounting and budgeting practices varied from precise to highly flexible. British Telecom made a significant point about the desirability of a rigorously defined budget. In Telecom accounting since privatisation is stricter – ‘everything is costed out’ – but for managing the community relations budget this was seen at national level as an advantage rather than a restriction. ‘You have your budget and can do things’, whereas previously, when costs tended to get lost, community affairs staff might have had to look around for a department with an unspent margin.

Company headquarters do not necessarily have much to say about their subsidiaries’ programmes, and that is not necessarily a disadvantage. Allied Lyons leaves Harveys of Bristol to develop its
own programme. Hewlett Packard has ‘very little interplay’ with its headquarters in Bracknell. But IBM and British Telecom are examples of the value which significant resources at HQ and a strong but flexible lead can have for local action. Telecom has a large-scale national programme of community involvement and effective and flexible interaction between its central units and its local managers. Flexibility in the relationship is a key point: we heard comments on the way in which over-formalisation and over-centralisation can either delay decisions or make a flexible response to local needs difficult.

**Developing a coherent strategy among agencies**

The agencies of development in Bristol do not form a systematic whole, and that is not surprising. They have grown up on the basis of initiatives from different sources and with different purposes in mind. There have been antagonisms to overcome: local government reorganisation in 1973/74, for example, left the City and the County at arm’s length, and the City Council strongly resisted the introduction of the Bristol Development Corporation. BDC’s forceful approach attracts double-edged comments: on the one hand that it ‘has done more in one year than the local authorities in sixteen’, but on the other that it is ‘everyone’s enemy’. There have been fears for traditional spheres of influence, and in Bristol, one informant said, ‘you are in trouble if you pick up someone else’s ball’: the Chamber of Commerce at one stage feared a takeover by TBI and would have nothing to do with it. The newness of many agencies is itself a problem. Time is needed to develop their work and create a clear perception of it among other agencies. Some respondents took the view that agencies like TBI or the Task Force have still to ‘prove themselves’.

Many informants found the variety of agencies and their unsystematic pattern bewildering, and some wondered whether coherence could ever be achieved. ‘If you are looking for coherence’, one manager said, ‘you are spitting in the wind’. But coherence is in fact emerging in two main ways.

First, there is a convergence between the strategic visions of the main agencies on Bristol’s economic development. ‘Economic’ should be stressed, for there is force in the argument of some voluntary organisations that social and community development has been put on the back burner. It has not been altogether forgotten, even by agencies which are primarily economic in orientation. The Development
Corporation, for example, has been in active dialogue with the voluntary organisations, has a clear conception of how its contributions to community development might be focussed for maximum effect, and has called in a consultant to help in framing its community policy. But even for BDC this has been a second stage of thinking: as was said in another agency, ‘real wealth comes first’. There is a need to ensure that the social dimension receives higher priority and the moves in hand to form links between BDC and the voluntary sector are welcome; bodies such as GBT need to be brought into closer liaison with the TEC and BLT. The new BLT is also an appropriate vehicle for the development of more initiatives involving business as a partner in tackling social problems such as housing shortages. There could be scope for The Bristol Initiative BLT to develop a targeted ‘spin-off’ Business Support Group on the lines of the group formed in Moss Side (see Chapter 9) to work with the Task Force, Community Development Trust and enterprise agencies in the Task Force area. This kind of innovation would also help to raise the priority attached to social issues in urban renewal programmes in the city.

Second, there is increasing use of networking between agencies and awareness of how this can be organised. The development of close links between the TEC and the BLT for information exchange, ‘signposting’ for enquiries from companies and community bodies and coordination of initiatives, and the creation of network bodies affiliated to the TEC/BLT – such as a Bristol Per Cent Club and a local Common Purpose – would all assist this process. The Bristol Initiative, in bringing all the main local actors together and liaising well with the TEC, seems set to become a model of BLT development: together the BLT and TEC could emerge as the overall strategic forum for Bristol and Avon, bringing greater coherence after all to the local community investment scene.

8.5 Selected case studies

*Mosaic Management Consulting Group*

Mosaic is a management and organisational development consultancy founded in 1981 and established in Bristol in 1986. The company’s business is about cultural change within organisations and includes promoting a ‘values’ approach among managers and staff in its client firms. It applies the same approach to itself (‘we are our own first
customers’): the company has not only defined its own values but at
the outset literally inscribed them on tablets of stone. Now after several
years this set of corporate principles is in the process of being refined.

The company has 30 staff, a turnover in its last year of £2.1 million
and pre-tax profits of £200,000, and is expanding rapidly. It
contributes ten per cent of pre-tax profits to the community, an
arbitrary figure but ‘big enough to make a difference’, whereas the Per
Cent Club’s standard of half of one per cent is regarded as ‘not real’.
Like many other small firms, Mosaic has found it a complicated
business to give money away, but a chance meeting with the director
of Greater Bristol Trust led to a good working arrangement. Eight per
cent is covenanted through GBT on the basis that half this money goes
to GBT’s endowment, and is building within it a ‘named fund’ in the
company’s name, and the rest to projects proposed by GBT as within
Mosaic’s criteria: the company makes the final choice. Without GBT,
it was pointed out, the company could not investigate projects
properly, and even with GBT ‘it is difficult’. The other two per cent
is used for projects outside GBT’s remit but of personal concern to
staff and within their personal knowledge.

The company also allows five per cent of work time to be used for
community activities. This is not compulsory, though in fact most join
in, and the way in which time is used is at staff members’ own
discretion: but on the understanding that time taken is ‘a proper part
of the job’ and must be used effectively, accounted for, and included
in staff assessment. Staff members’ use of community time is,
incidentally, a way in which the company follows the progress of its
projects.

Donations are decided and their progress logged, and use of
community time accounted for, through a staff committee of five with
a part-time secretary and the company chairman in the chair, meeting
quarterly: but all staff members can attend quarterly meetings, and can
put forward proposals for projects provided that they are in writing
and for a specific amount. Once a project is agreed, members of staff
who express an interest visit the body in question to find out more
about the nature of the venture. In some cases this has led to a wish on
the part of employees to help on a voluntary basis with the organisation
concerned. The collective nature of employees’ involvement should
be underlined. There is a list of positive and negative criteria: a positive
preference for local causes, those with staff involvement or connected
to the company’s work, and those where a grant has ‘leverage’: negative rules against party politics, direct action, ‘not true to our values’, profit-making activities, and causes which cannot attract other support. Appeals which arise out of cuts in government funding for public services may also be rejected.

The chief reason given for Mosaic’s policy was ‘a feeling of personal responsibility in the community’ and the wish to put something back, but there is also at least one clear element of enlightened self-interest. In this company it is not public relations, for the company is not ‘in it for publicity’, though it may occasionally and accidentally get it or be developing what was called a ‘hidden image’: but it does have to do with the relation between performance and employees’ morale and motivation. The first and last item on Mosaic’s tablets of stone is that ‘people and profits are of equal importance in our business’, and the company’s policies on community work and donations are part of a package which makes Mosaic an attractive place to work.

The ten per cent standard has been discussed and approved by the staff as a whole, even though it implies a cost for ordinary staff members as well as the major shareholders. Commitment to support on this scale, a member of the clerical staff said, is one of the things which attracts many of us to work here. Collective involvement and personal opportunity within the company’s contribution policy help to bring the staff together, along with other features of the company’s policy like its special version of single status, ‘everyone carries boxes’, meaning that the chairman too helps in carrying the paraphernalia of presentations around; and ‘fun matters too’, a half day a month for a staff meeting sometimes followed by sports and other social activities.

At the end of the day, as the tablets of stone say, ‘everyone sells – our image and reputation are a result of everyone’s pride in their job’. Profits count equally with people, and profitability makes generosity possible, but the company’s community investment policy, through its effects on employee morale, is in turn one of the elements which underpin profitability.

Mosaic’s directors are involved in local networks, like the Chamber of Commerce or the regional council of the CBI, and part of Mosaic’s own business is to promote a ‘values’ approach among managers in its large network of client companies. These contacts have not so far been used to propagate the Mosaic message on community

Profitable partnerships
involvement, and there was some hesitation about how far to go in that direction. There could, it was said, be a danger of the preacher standing in the way of the message, and of doing good leading to being seen as a ‘do-gooder’. Perhaps, it was suggested, the business schools should give the lead here. However, the possibility of moving quietly in that direction is on the company’s agenda.

**Applying the Mosaic model**

Mosaic is clearly exceptional in many ways. Developing managers’ perception of values happens to be its business, and it is not surprising that its perception of its own values is unusually explicit and coherent. Its level of community contribution, in terms of proportion of pre-tax profits, would for most other companies in Britain (though less so in America) be astonishing. Nevertheless, its experience serves to emphasise the fact that an enlightened approach to community investment and participation in policy development by staff is wholly compatible with good business sense: the benefits in terms of employee motivation and recruitment are evident. The level of community contributions achieved is remarkable, but underlines the scope that exists for many other firms, including small ones, to raise their percentage contributions. Finally, the existence of a coherent policy on community investment, which brings in all employees and forges a close and mutually beneficial link with a community agency, allows effective targeting of resources and informal monitoring of progress.

**The Bristol Initiative (TBI)**

TBI was formally constituted in March 1989 and its chief executive John Savage was appointed in April 1990. The Initiative is part of the growing network of business leadership teams inspired by the 1988 report from the CBI on Initiatives Beyond Charity. It emerged from discussions between the promotional agency Business in the Cities (now part of Business in the Community) and local bodies, notably the local authorities. A first general presentation of the new partnership was held in the summer of 1990, attracting senior company executives and heads of other organisations, as well as the local news media.

TBI is supported by a wide range of local companies and prominent individuals, and has succeeded in securing participation from all sectors in Bristol. Its directors are drawn from local
companies, including branches of major national corporations, from the city and county authorities, the Employment Service, local business umbrella groups, higher education, the Bristol Development Corporation, and the Church. It has also formed links with the new Avon TEC.

TBI is conceived as a city-wide forum for strategic debate on regeneration ventures, identification of ‘flagship’ projects for public/private sector partnerships to follow up, ‘catalysing’ of partnerships between different bodies and sectors, and coordination of the many disparate initiatives which have grown up in recent years.

Among the projects which have been identified for action is the redevelopment of the Broadmead shopping centre with a view to enhancing the city’s overall attractiveness to residents, employers and investors. In this the TBI’s role is in coordinating the ideas of the local authority and the traders’ association, helping raise finance and lobbying Government. A large increase in retailing jobs in Broadmead would directly benefit residents of inner city areas suffering higher than average unemployment rates. Another ‘flagship’ venture is to begin work on partnership projects in housing, an important local problem.

**Messages on good practice for other Business Leadership Teams**

Key aspects of TBI’s approach to devising partnership projects are the need to avoid taking all the credit, so as to respect other bodies’ need for recognition and ‘ownership’ of ventures, and to avoid ‘mental indigestion’ from trying to tackle too many large-scale projects at once.

The Bristol Initiative has overcome initial suspicions – common when BLTs are established – that it was attempting a ‘takeover’ of the role of existing bodies such as the Chamber of Commerce. The Chamber is now a close partner, and other bodies which have been suspicious of BLTs elsewhere have also joined the partnership – notably the local authorities. The importance of a diplomatic approach to other key local fora and networks needs to be borne in mind by all similar initiatives in the cities.

The selective approach to projects is one which will assist in the successful establishment of BLTs and similar ventures. Over-ambitious concentration on a number of big ‘flagship’ projects
can lead not only to ‘indigestion’, as respondents noted, but also to scepticism and disappointment if progress is slow. TBI also fills a real gap in the variety of Bristol partnerships and initiatives, rather than simply adding to the list of new ventures and competing for resources with them, as some other BLTs have done elsewhere. In Bristol there was a need for a high level strategic forum to coordinate discussion of infrastructural issues and social problems. With the Avon TEC handling training and enterprise projects, and TBI concentrating on flagship renewal projects and raising the priority given to social problems such as housing shortages, Bristol should be able to develop a well-coordinated system for strategic debate among all types of organisation involved in community regeneration and for exchange of information.

Case study: Bristol