

**SMALL BUSINESSES AND THE “CORPORATE SOCIAL RESPONSIBILITY”**  
**AGENDA – EU RESPONSIBLE ENTREPRENEURSHIP EXCHANGE - BRUSSELS –**  
**MAY 2-3 2007**

“Passion, and a desire for independence and autonomy are what drives most entrepreneurs to start and run their own business,” asserted one of the speakers in the Exchange. Of course, some owner-managers are more entrepreneurial than others. The most entrepreneurial account for a disproportionate share of economic activity and employment across Europe.

Participating in a series of debates in Brussels to share learning about smes and “CSR”, I had an “aha moment!” If “passion, independence and autonomy” are key drivers – and I believe they are – then does the language of “responsible business” resonate? Does *who* owner-managers hear pushing “responsible business” or “CSR;” *how* the arguments are couched; and *what* entrepreneurs are told are the manifestations of being a responsible business, all turn on – or turn off – most entrepreneurs?

Language, symbols, examples, messengers all matter hugely.

Touring an exhibition of 30 stands showing activities around the EU, to encourage small businesses to adopt responsible business it really hit me that by emphasising “CSR” or even “responsible business,” all this activity may be out of focus and, therefore, missing the target – or even, sometimes, perhaps alienating the very target audience we are trying to influence!

To illustrate by analogy. At the beginning of the 1980s, I worked on enterprise promotion and small business development in the North East of England. At that time, government and other initiatives were encouraging the local unemployed to “be your own boss” and to “start your own business!” We did some market research and found that many in the target audience for these campaigns, did not identify with their messages. On the contrary, many workers thought that they would be selling out if they joined the bosses and started their own business. On the other hand, when we tested out phrases like “make your own job” these were much better received. The target audience could identify with “make your own job” but not with “be your own boss!”

So, here. We know from many surveys that owner-managers generally don’t use terms like “CSR” and frequently answer in the negative when asked if they are doing “CSR” even when they are doing things which are often described as such. But are even terms like “responsible business” in danger of alienating if they come across as earnest and dull – and don’t feel entrepreneurial? Similarly, if so many of the messengers are public sector and people in authority then – however well-meaning – will this resonate with people whose drivers are about independence and autonomy?

Perhaps we should use the term “sustainable business?” This has several advantages:

- Unlike “Corporate Social Responsibility” or “Corporate Responsibility, it does not limit to “corporates” i.e large businesses
- “Sustainable” sounds positive – whereas “responsible” suggests to some “burden” and “obligation” (and we know from a 2004 Opinion Leader Research survey that many do think C(S)R is “earnest and dull.”)
- you cannot be a responsible business nowadays without addressing environmental as well as social impacts
- Sustainable – can cover sustainable in the economic as well as in the social and the environmental senses. And this does feel right – businesses which want to be around for

the long-term, are much more likely to take their environmental and social impacts seriously and to operate ethically. If you are a “here today, gone tomorrow; fly-by-night” operator, you are unlikely to care about environmental or social impacts. The Copenhagen Centre is emphasising “sustainable business development.”

It does also mean – again as so many surveys have suggested – that the people that owner-managers hear espousing the benefits of being a sustainable business – need to be much more other business people and much less politicians and public agencies. The role of the latter is to facilitate the sustainable businesses to speak to their peers.

Other key points I draw from the Brussels meetings:

- Knowledge-intensive businesses (eg in Information and Communications sectors) which are highly dependent on attracting, retaining and making the most of talented staff are far more likely to take these issues seriously;
- Work at ESADE (Spain) also suggests a strong link to the most innovative businesses;
- Concensus (also confirms original Small Business Consortium MORI research 2002) that campaigns to engage smes have to work through networks to reach smes; but will this be a combination of capacity-building existing sme networks (business representative organisations etc) as well as building new networks?
- Environment may be the easiest part of the agenda to push because of the substantial funds available for environmental management; and the high media interest on Climate Change and environmental issues generally.
- EU funds on CSR in 2008 will be devoted to sectoral initiatives. (I was impressed by a Dutch project which has taken a sectoral approach – customising the agenda for the fashion and textiles sector versus eg electrical engineering businesses. In each case, they have recruited credible businesses from the particular sector to champion and front the initiative.
- Continuing tension: do you go for receptive smes; or the “difficult cases?” – in practice you probably need a mix – you need some receptive smes to give the positive examples and keep supporters enthused – and to show progress so there is “a licence to operate” to work on the harder cases.
- Global Entrepreneurship Monitor suggests young people 2.5 times more likely than other age groups to want to start a social enterprise.
- The Commission has published the final report of its national experts group on smes and CSR called: “Opportunity and Responsibility – how to help more small businesses to integrate social and environmental issues into what they do” - [http://ec.europa.eu/enterprise/csr/documents/ree\\_report.pdf](http://ec.europa.eu/enterprise/csr/documents/ree_report.pdf)
- The Enterprise Directorate-General also now produces a regular e-bulletin: [http://ec.europa.eu/enterprise/csr/ereb/ereb\\_en.htm](http://ec.europa.eu/enterprise/csr/ereb/ereb_en.htm)

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