

MANAGEMENT APPROACHES

sharing experiences

Orange has applied the latest management thinking to the challenge of implementing corporate responsibility policies in different countries. The mobile phone company has set up a network of national co-ordinators who have been put in charge of local programmes

It's one thing having carefully-crafted corporate responsibility policies and programmes, quite another to make sure they're supported and understood in a company with operations spread across several different countries. That's why the mobile phone operator Orange has developed a group-wide mechanism that puts the task of implementing its strategy into the hands of ordinary managers at country level. Given the current interest in how companies can make responsible business practice part of their everyday routines, it's a management model other multinational businesses may find worth adopting.

The core of Orange's devolved system is its network of corporate responsibility co-ordinators, which brings together managers in France, the Netherlands, Romania, Slovakia, Switzerland and the UK. Each also has a day job, generally in middle management. In Romania, for instance, the corporate responsibility co-ordinator is a manager in public relations, while her counterpart in the UK is responsible for community affairs.

Appointed by the Orange chief executive of each country, they spend around a fifth of their time setting up and overseeing corporate responsibility programmes with the support of Orange's small central corporate responsibility department in London. Their role is to set up a local corporate responsibility working group with senior representatives from all departments. With the support of this working group and using a set of tools provided by the central corporate responsibility team, they:

- identify key responsibility issues facing the business
- assess and address gaps in their existing stakeholder dialogue
- gather data against a list of key performance indicators defined for the whole of the group
- set targets for improvement
- communicate key issues, targets and progress in yearly corporate responsibility reports and through their website.

Every three months, all the co-ordinators come together at two-day forums, held in rotation in each

the company

Orange is one of the world's largest mobile phone companies, with around 56 million customers in 17 countries, more than 30,000 employees and annual turnover of approximately €19.8 billion (£13.4bn) in 2004. It:

- makes Community Futures Awards of between £2500 and £5000 to UK community projects focused on sensory disability
- erected Britain's first wind and solar powered mobile phone mast
- has published its own ethics guidelines and appointed trained ethics advisers in all of its 13 controlled businesses
- became the first mobile phone company in France to offer discounted prices on text messaging for hearing-impaired and deaf people

the background

A 2005 Business for Social Responsibility survey of 400 CSR practitioners across the globe found that most felt the level of CSR integration in core business functions was 'very low'

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of the six countries, to find out what is happening in other parts of the group and to share experiences of what has, and has not, worked elsewhere. The forums are also an opportunity for the team to assess the changing expectations of local stakeholders and identify when and how group policies and guidelines are required.

Organized by the central corporate responsibility team, each forum includes workshops, presentations by all members of the network, and input from outside specialists as well as social events. Bringing everyone together in this way on a regular basis helps to foster a team spirit.

Christèle Delbé, head of corporate responsibility at Orange head office, organizes and chairs the forums. 'It's a way of getting the co-ordinators to tell everyone how their programmes are going and the challenges they face,' she says. 'What often comes out is that some of them face issues that others have already addressed, so we do the maximum to share existing good practices from all the markets. It's not always about inventing new policies or management tools but about finding the good stuff that's going on and spreading it around.'

One recent example of such information-sharing involved Orange UK's communication work on the safe and responsible use of mobile phones,



KATHY POWERS-MOORE

■ CSR co-ordinators at Orange's two day forum in the Netherlands this April. Left to right: Beata Hlavcakova of Slovakia, Petra Wensing of the Netherlands and Reto Hoffmann of Switzerland

including controlled access to adult content, phone theft and spam. 'Other co-ordinators heard about this at the forum and are interested in adopting a similar approach,' says Delbé. 'My role is to ensure that the lessons learnt by the UK are shared with all network members and to assess whether there is a need to develop template tools and guidelines for use by all. We hope the outcome could be a common group approach on the issue that will apply to all markets as a minimum standard, with variations reflecting local differences.'

The forums also allow those taking part to report on their market's performance against 'milestones' set in consultation with head office, including KPIs on issues such as energy consumption, carbon dioxide emissions and employee diversity.

Delbé stresses, however, that the purpose of the forums is to share good practice and energize the network members, rather than to create competition between the national operations. 'If one of the co-ordinators underperforms, I don't publicly challenge them, but I invite the network to make recommendations. I work as a consultant almost. They can call me anytime they have a crisis or need advice, and I also visit them whenever necessary.'

Orange believes its decision to develop a group-wide strategy while putting the emphasis on local implementation and communication is fundamental to the network's success. Crucially, the co-ordinators only have to submit a limited number of formal reports to head office. 'If these reports are not submitted, we try to understand why and whether these are still adding value at group but also local level,' says Delbé. 'It's not about creating a top down process but about adding value to the business.'

Delbé says a decentralized approach makes it easier to integrate corporate responsibility into the daily operations of the group, because managers have a stake in what is going on. 'Centralizing the

corporate responsibility function is only effective for a relatively limited period of time,' she argues. 'Eventually you need to create value for stakeholders at local level, and the decentralized approach makes it easier to do that. But it also makes your corporate responsibility programme more durable. I believe that in the absence of group directions, Orange businesses would still carry on implementing the responsibility programme.'

There are plans to create co-ordinators in other countries where Orange has operations, notably in Africa. However, the company recognizes that adjustments may be needed to a management model that has worked well, so far, only in Europe.

The costs – a portion of each co-ordinator's time and running the forums, with travel expenses – are modest. 'It's not a panacea, but it works,' says Delbé.

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One important feature of Orange's latest corporate social responsibility report is the way it highlights the company's programme to integrate its values into decision making at business and country levels. The appointment by country chief executives of local line managers to implement a strategy ensures that local needs are addressed. The co-ordination of the policy throughout the company is maintained by a quality forum held quarterly. This appears to be producing a number of relevant and workable ideas.

features of note:

- decentralization of control of CSR to peripheries of business produces tangible results
- problems on some uses of mobile phones are being addressed
- energy reduction issues are taken seriously
- carbon dioxide emission targets are set
- an employee diversity programme is in place

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