



IMPACT

# 2009 Communication on Progress



The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.



## Human Rights

### **Principle 1**

Businesses should support and respect the protection of internationally proclaimed human rights; and

### **Principle 2**

make sure that they are not complicit in human rights abuses.

## Labour Standards

### **Principle 3**

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

### **Principle 4**

the elimination of all forms of forced and compulsory labour;

### **Principle 5**

the effective abolition of child labour; and

### **Principle 6**

the elimination of discrimination in respect of employment and occupation.

## Environment

### **Principle 7**

Businesses should support a precautionary approach to environmental challenges;

### **Principle 8**

undertake initiatives to promote greater environmental responsibility; and

### **Principle 9**

encourage the development and diffusion of environmentally friendly technologies.

## Anti-corruption

### **Principle 10**

Businesses should work against corruption in all its forms, including extortion and bribery.

# Introduction to Impact

## Who we are and What we do



Impact is a global people development company, established in 1980 in the UK. We now operate in over 50 countries from 17 offices covering Asia Pacific, the USA and Europe. We are a proud member of the United Nations Global Compact and have won a number of awards for being a Great Place To Work, as voted for by our employees. We are committed to becoming a model of sustainable enterprise, integrating social equity and environmental sustainability into our work so as to achieve better and more profitable business results. It is our belief, born from real experience, that other commercial organisations can embrace this concept of 'doing well by doing good'.

Impact help people work more effectively together. Since 1980 we have assisted organisations with sustainable business transformation and people development. We constantly innovate and evolve our thinking and methodologies in response to the ever-changing market and global economic climate. Doing this ensures that our people remain engaged and motivated and this in turn helps us to retain our standing as a global leader in our field. Our focus is on developing inspirational leaders, building high performing teams and accelerating organisational change. These key areas provide the foundations for all of our propositions and services from engaging employees and developing talent to leveraging diversity.

We work with a variety of organisation including Sony, Royal Bank Scotland, Serco, DFID, Save the Children, Welsh Assembly Government, Lego, JP Morgan, INSEAD, Insolvency Service, UNDP.

## Introduction from David Williams Founder and CEO of Impact International



Impact International signed up to the UNGC in June 2005 and this is our fourth Communication on Progress Report. As signatories to the Global Compact we are committed to demonstrating the progress we are making in each of the ten principles.

In my last statement I said that 2009 would be a challenging and difficult journey at times.

In our 29 years of business, this has been our most challenging year to date. Thanks to the hard work and dedication of the team globally we have continued to develop the business in some areas and exceed client expectations. The people at Impact are a big part of this success.

Throughout the year we have continued to develop our proposition around Creating Sustainable Enterprise and I am encouraged to see more clients interested in our solutions. We have designed a powerful new project 'Minestar' that focuses on the ethics and challenges of sustainability issues in developing countries. This has been delivered for the top 20 leaders of a Global Bank. We are also embedding more projects in our Leadership offerings that involve issues around sustainability and the role of the Leader. We continue to influence and challenge our clients around this agenda.

The Relief and Development Group – Impact's specialist consultancy that helps organisations more effectively serve people living in crisis has continued to deliver outstanding work in both the UK, Addis Abeba and Afganistan, where one of our consultants worked for DFID and led a project that encourages local farmers to plant grain instead of opium.



## **Introduction from David Williams** **Founder and CEO of Impact International**

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In 2008 we launched our Social Enterprise, Impact Beyond, providing learning solutions for organisations in the 3<sup>rd</sup> Sector. Our planned growth strategy for Impact Beyond is on track. One relationship we are particularly proud of is our partnership with the Salvation Army, which has grown from one isolated event into a number of new developments. In 2010 we plan to deliver 3 open programmes under the Impact Beyond banner and one of those will be a 'workshop' to help the 3<sup>rd</sup> sector to build and forge meaningful relationships with the corporate sector.

We have made some great progress with the implementation of country specific Health and Safety websites and appointed local H&S champions who report into our global head of safety. In the UK the HSE has changed guidance on how to display top line safety policies for small businesses. We have taken the opportunity to update our own policy to the new format, which now complies with best practice.

Our report is honest, it demonstrates success and failure against our 2009 targets. We have also made some new targets for 2010, which we will work hard in trying to achieve.

Each year we include a link on our website for anyone who wishes to read it. We will also put it on the UNGC website.



## Human Rights

### **Principle 1**

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### **Principle 2**

make sure that they are not complicit in human rights abuses.

**Context:** Impact International is committed to supporting the implementation of all aspects of human rights. As a service provider, as opposed to a manufacturing business, key challenges for us are in the areas of health & safety, employment practices (see section on Labour principles) and influencing across our supply chain. As an international organisation we recognise that there are differences in accepted practices with regard to standards in health and safety, child protection and other aspects of human rights, however we consistently seek to develop best practice across all regions and work to the highest standards rather than just local legal minimums.

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**Summary of targets set in 08 for 09:** Polish Office to ensure they provide Child Protection and anti discrimination workshops to their employees.

**Progress:** The workshops on Child Protection and anti discrimination did not happen in Poland because of two reasons:

1. In the first half of the year there were not enough job opportunities for Impact associates, so it was not appropriate to expect more participation in additional activities.
2. legal issues involved in the topics were more complicated than we had expected. Delivery of these workshops requires more in-depth preparation than in was possible this year.

**Summary of targets set in 08 for 09:** The safe guarding policy will be rolled out across all offices.

**Progress:** We are still working on this goal and hope to complete it during 2010.

**Target:** In 2010 in the UK the Safeguarding policy will be reviewed to ensure it is relevant for our work with young people and vulnerable adults..

## Human Rights

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**Summary of targets set in 08 for 09:** For all employees in the UK to complete 3 days of community-based work, equating to 285 days in total and 120 days in the Asia Pacific region.

**Progress:** Impact International's Learning in the Community (LiTC) Programme is a key part of our commitment to supporting local community development and empowerment. Learning in the Community (LiTC) is now mandatory for all staff in the Asia Pacific Region.

Due to our restructure of our UK business a total of 195 LiTC days were achievable in total. During 2009 55 people completed 104 LiTC days in the UK and we worked with 23 community partners.

**Summary of targets set in 08 for 09:** Impact Poland will pioneer looking at how to include associate staff in LiTC.

**Progress:** Impact Poland supported 2 full time members of staff and 1 associate in the completion of community projects in Poland

**Summary of targets set in 08 for 09:** US to increase participation in LiTC days.

**Progress:** In the US 2 of 5 (40%) have done their 3 LiTC days. This is an increase from last year.

**Target:** To continue to develop our staff through the engagement of community based projects (LiTC). We aim for a 20% improvement in all Impact regions.

## Human Rights

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**Summary of targets set in 08 for 09:** A repeat of the Childrens' Holiday for under privileged children in Thailand.

**Progress:** Due to the relocation of 4 full time members of our Thailand team (in total we had 8) we were unable to deliver the Children's Holiday in Thailand

**Target:** To review the Childrens' Holiday opportunities for 2010.

**Summary of targets set in 08 for 09:** The Relief & Development Group will continue to expand its work in 2009. With a specific focus on building cross sector alliances to tackle specific systematic issues, and develop business led solutions.

**Progress:** Impact International's Relief & Development Group (which is based within our European Region but operates worldwide) is a specialist consultancy which helps organisations more effectively serve people living in crisis. In the last year we have continued to expand this group and in so doing have worked with a range of International NGOs, Donors and Private Sector Clients.

The Relief & Development Group is Impact's major contribution to seeking innovative ways that the Private Sector can pro-actively promote Human Rights and contribute to poverty alleviation on a global scale.

Managing a larger alternative livelihoods and counter-narcotics programme for DFID in Afghanistan, that operated in such a way as to make a significant contribution to strengthening governance in the region and reducing illegal economic activity. After a huge effort, all stock is now in place ready for issuing. Distribution will have commenced in all 8 districts by 3 November 2010 . Last year – Helmand experienced a 33% drop in production of poppy and a 95% increase in cultivation in wheat.



## Human Rights

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Supported a global response to the food crisis including facilitating agreements between Western and African governments on how to work together to boost food security and agricultural development in Africa. This is focused on ensuring people's "right to food" and on boosting the private sectors capacity to contribute to agricultural production in a way that tackles poverty and hunger.

Ran a dynamic simulation for a Global Investment Bank that raised ethical dilemmas regarding investments in the extractive industry in fragile state.

**Target:** The Relief & Development Group will demonstrate the progress made by the implementation of a new business model in order to bring in experts to support the overall aim of the group, which is to 'serve those living in crisis'.

**Summary of targets set in 08 for 09:** To develop an Asia Pacific Region Safety website

**Progress:** During 2009 Impact achieved an important goal, making our Global Health and Safety systems as local as possible. Impact has developed the Health & Safety policies and practices to ensure that each region has a Champion who is responsible for keeping the website updated, ensure we are adhering to our commitments and reports into our Global Head of H&S, Phillip Poole. We are particularly proud of our external safety audit from BP.

Even though our Asia Pacific region embarked upon a number of changes (with people being relocated), the completion of the Asia Pacific Safety website still took place in 2009. Our commitment to Health & Safety is paramount.

**Other progress beyond targets:** In the UK we have continued to perform to the KPIs introduced in 2006, which require that all staff receive health and safety briefings within 2 weeks of starting their employment with Impact and that regular updates are provided to existing staff. Where deemed necessary international staff may also travel to the UK to receive specific safety training.

## Human Rights

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### External Audit:

Impact UK recently (2009) underwent a Health and Safety audit by BP Lubricants for their Contractor Assurance Approval programme. The audit went well and as a result Impact is now the first globally recognised provider to meet the required Health and Safety standard for all team, leadership, management development, conferences and corporate events worldwide for BP

**Summary of targets set in 08 for 09:** To develop and complete the US safety website and appoint a champion.

**Progress:** The US has completed the US Health and Safety Website. All Health And Safety responsibilities are held locally by David Cooper who reports directly to Phil Poole on all Health and Safety matters.

**Summary of targets set in 08 for 09:** Impact Poland's local safety policy will be reviewed and updated.

**Progress:** Impact Poland local safety policy has been reviewed and updated. All Impact employees (full and part time) were debriefed in this area.



## Labour Standards

### **Principle 3**

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### **Principle 4**

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the effective abolition of child labour; and

### **Principle 6**

the elimination of discrimination in respect of employment and occupation.

**Context:** Impact International recognises that our key asset is our people. Consequently Impact is committed to adhering to, and going beyond, all legal requirements to provide fair, flexible and appropriately remunerated employment to all our directly employed and freelance contract staff.

Key labour related issues for Impact are providing flexible working structures (both in terms of available contracts for staff and day to day working practices) and providing transparent remuneration and appropriate benefits for contract staff. Impact employs a large number of ‘contract’ or ‘freelance’ staff across our global offices, because of their freelance status such staff often have the least access to representation and forms of collective bargaining. Over the last year Impact has introduced a number of policies and initiatives to make sure these staff receive adequate pay and benefits, on the whole in excess of industry standards

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**Summary of targets set in 08 for 09:** To share the results from the external staff surveys including the Times and Financial Times “Best Places to Work.

**Progress:** Impact has continued to participate in a number of employee-based surveys and in 2009 we won 7 major awards.

## Labour Standards

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These include:

*Great Place to Work Awards 2009:* Impact was ranked 3<sup>rd</sup>. We are also winners of the *Great Place to Work* special award for Learning and Leadership for Sustainability and the special award for Corporate Responsibility Excellence. This is based on our people's feedback about Impact in terms of Credibility, Respect, Fairness, Pride and Camaraderie. We were ranked alongside all other companies, large or small in the UK.

*Sunday Times Best Small Companies to Work For Awards 2009:* Impact was ranked in 9<sup>th</sup> place and gives us our best placing yet in an increasingly competitive and challenging environment.

Impact is one of just four companies to be awarded a 2009 BITC “Big Tick” for the Impact on Society Award for a Small Company.

- ✓ 92% of our people agreed we make a positive impact on the world. *source: Great Place to Work Awards Survey 2009)*
- ✓ 95% of Impact people believe that Management is honest and ethical in its business practices. *(source: Great Place to Work Awards Survey 2009)*
- ✓ 96% of our employees believe that we manage our impact upon society responsibly. *(source: Great Place to Work Awards Survey 2009)*
- ✓ 91% of our employees believe that this is a psychologically and emotionally healthy place to work. *(source: Great Place to work Awards Survey 2009)*

## Labour Standards

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**Summary of targets set in 08 for 09:** The USA Office will repeat its subcontractor survey (first conducted in 2007) to carry on developing the way it works with non directly employed staff.

**Progress:** We have not repeated the survey this year. Instead we have had one to one conversations with all staff regarding their development goals. We also held a 3 day off site meeting with our key subcontractors. The goal was to increase transparency about how we run the business as well as train them up to be comfortable to talk about Impact to increase their capacity to sell and earn more fees via a commissioned sales scheme.

**Summary of targets set in 08 for 09:** The Asia Pacific region will act on staff feedback to develop a transparent performance based pay system, to be in place by the end of 2009.

**Progress:** We have failed to introduce a performance based pay system in place, this is due mostly to changes in the business.

**Summary of targets set in 08 for 09:** We will continue to develop the accessibility of our programmes.

**Progress:** Some of the progress in this area include:

Structural changes in the hotels:

- ✓ Specific ground floor accessible bedrooms
- ✓ Improved wheelchair access to the buildings and public spaces
- ✓ Specific disabled parking areas

## Labour Standards

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Programme wise:

- ✓ Course design tailored to specific participants
- ✓ Courses designed with flexibility to remain inclusive
- ✓ Disability awareness - training for delivery staff
- ✓ Safeguarding – young and vulnerable adults - training for delivery staff

Related Impact products:

- ✓ Diversity awareness programmes
- ✓ Diversity for managers (Insolvency Service)
- ✓ Intercultural Learning
- ✓ Tackling worklessness
- ✓ CSE consulting

**Summary of targets set in 08 for 09:** There were a number of targets specific to the Impact Poland Office, they were:

- To create a written version of all Impact Poland policies in the area of labour standards.
- To create a dedicated questionnaire to assess staff work satisfaction and spirit and to use regularly, especially before team development activities.
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- To explore the possibilities of participating in Polish “Employer of the Year”, “Company friendly to Mothers”, employee survey and competitions.
- To conduct 2 internal training sessions for all Impact staff, devoted to advanced team building.

## Labour Standards

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**Progress:** Impact Poland explored possibilities of participation in different competitions to communicate more efficiently about being a good employer, but for survey based questionnaires Impact Poland is either too small or we have been operating for too long. At present we are unable to find a suitable award.

We delivered 2, two-day long Internal Development Training programmes in March 2008 for all employees and associates. It served as a team building event and as evaluation, especially in the area of labour standards, work satisfaction and required skills.

It started the process of a new system for labour standards in Impact Poland. This has been adapted to Polish conditions, employees and associates expectations as well as market demands.

**Target:** To finish work on our labor standards system through a series of individual meetings with Impact employees and associates (January – March 2010) and a workshop dedicated to creating the system of competences for associates.

### **Other progress beyond targets:**

Europe

UK Business Week: In December 2009 we ran our first UK Business Week. In past year, this week has had an international focus, but in 2009 we focussed primarily on the UK business, to re-group after what has been a difficult year for us. However, it did include virtual sessions enabling our overseas offices to participate without having to travel to be with us.

New sessions designed include “Business Acumen – the 3 day MBA”, “Diversity Awareness” and “Walk a Day in my Shoes” our internal job swap initiative. These run alongside standard Critical Skills programmes such as “IT Training”, “System Training”, “Driving Skills” and “Love your Apple”.

## Environment



### **Principle 7**

Businesses should support a precautionary approach to environmental challenges;

### **Principle 8**

undertake initiatives to promote greater environmental responsibility; and

### **Principle 9**

encourage the development and diffusion of environmentally friendly technologies.

**Context:** Like all businesses Impact faces considerable environmental challenges. As a service sector, as opposed to manufacturing, extraction or agricultural business, our key challenges are around resource use in our programmes, office energy efficiency and transport.

- ✓ 96% of our employees believe that we are working to reduce our environmental impact. (source: *Great Place to Work Awards Survey 2009*)

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**Summary of targets set in 08 for 09:** Reduction of energy use by 15% by 2010 from 2006 levels (UK Office). Develop ways to measure our existing CO2 emissions against which we can bench mark further reductions.

**Progress:** Last year we said we would develop and improve the way we measure the UK businesses carbon emissions.

By 2007 we were down by 9% but unfortunately there was a rise to only 4% in 2008. As we initially measured our carbon output by spend, this underperformance is likely to be due to energy price increases, coupled with our increased accuracy at recording this spend. We are now measuring more accurately with Kw hours and predict seeing a reduction in carbon emission in our end of year figures for 2009.

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## Environment

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**Target:** More accurately measure our carbon footprint, continuing to strive towards a reduction of energy use by 15% by the end of 2010 from 2006 levels (UK office).

**Summary of targets set in 08 for 09:** London Office switch to green energy sourcing.

**Progress:** Due to cost reasons this has not been achieved this year.

**Target:** London Office switch to green energy sourcing.

**Summary of targets set in 08 for 09:** To review Impact UK's car share scheme to encourage better usage.

**Progress:** A review has taken place, however, we have not yet decided on a car share scheme that meets this goal. This is partly due to the lack of people working a regular 9-5 day, 5 days a week.

**Target:** To put a new car sharing scheme in place to improve our environmental impact, based upon an analysis of staff commuting patterns.

**Summary of targets set in 08 for 09:** To develop a Transport Policy for Impact UK that takes account of CO2 emissions and seeks to minimise our CO2 footprint.

**Progress:** It is our policy to travel by train when ever possible and to date this is happening with an increase to our expenditure on train fares year on year. Although we are required to fly we try to run programmes back to back so that the same staff can work them and minimise our transport. Internal flights are avoided wherever possible and conference call facilities, skype and webinars are utilized. We also use staff from our international offices and international associates to reduce travel. In 2008 we booked 405 return flights at a cost of £189,178. This has fallen in 2009 (Jan – Nov) to 196 return flights at a cost of £64,440

## Environment

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We are currently building country capacity to reduce use UK staff and thereby reducing both costs and carbon emissions. Good examples include enough US and French support and facilitators now trained to deliver large construction Community Action Learning (CAL) programmes with minimal UK help in their respective countries. On a recent CAL we saved 3 tonnes of CO<sub>2</sub> through employing local staff.

**Target:** To measure train travel in our annual carbon footprint.

**Summary of targets set in 08 for 09:** To investigate the use of low carbon transport methods – e.g. public transport, biofuels, hybrid cars for use by all Impact offices.

**Progress:** In 2009 we purchased a new fleet of cars We have chosen the new cars based on size (we have opted for smaller hatchbacks rather than big estates), their efficiency in (miles per gallon) and their performance in terms of CO<sub>2</sub> emissions.

**Target:** To measure and report our CO<sub>2</sub> emissions based on the purchase of the new cars.

**Summary of targets set in 08 for 09:** Develop and launch an Asia Pacific wide ethical venue sourcing policy that will consider environmental and labour relations issues.

**Progress:** Development of this policy has been slow and at present incomplete. In reality the venue, destination or date is confirmed by the client and we need to respond their needs which means it is often out of our control. When we are responsible for sourcing the venue we do strongly consider labour relations and environmental management systems. We have a database that

**Target:** To have a policy that states that wherever possible we will look to source venues that will consider environmental and labour relations issues.

## Environment

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**Summary of targets set in 08 for 09:** To influence clients and suppliers to encourage the use of virtual meeting technology and reduce travel.

**Progress:** We always consider the most efficient and cost effective solution for our clients and suppliers and our travel costs have lowered considerably, however, we do not have a system in place that directly adheres to this process.

**Other progress beyond targets:** Impact was pleased to have been placed in the CNBC European Magazine's "Top 100 Low-Carbon Pioneers". The list recognises companies who have explicitly connected climate change to their bottom line.

In the last few weeks we have re-assessed our use of workspace in terms of the way it meets our business needs and its environmental impact. This will mean reduced energy usage in terms of lighting and heating.

- ✓ *Heating* - Heating in Impact offices is switched off during the summer months and is on for two limited periods during the winter.
- ✓ *Lighting* - Fluorescent tubes or energy saving bulbs are used throughout the Impact offices.
- ✓ These measures have resulted in reductions in our paper consumption. Between July – Sept 08 we spent £1,374.69 on paper, during the same period in 2009 we spent £674.72.
- ✓ The majority of our marketing communications are now e-based. To save cost and reduce waste we have only produced one printed newsletter in 2009. All our literature is now printed on 100% recycled paper using vegetable oil based inks. Our in-house design agency now encourages their external clients to use similar products for print.

## Environment

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- ✓ Use of energy efficient methods wherever possible.
- ✓ Integration of environmental objectives into the everyday management of our activities.
- ✓ Annual reviews and reporting of environmental policies and practices throughout Impact, including inductions for all staff.
- ✓ We have also replaced our old 2-stroke powerboat engine with a 4-stroke engine that produces no oil skim on Lake Windermere

Skype is widely used across the organisation and the UK Office (Impact's Head Office) is developing video conferencing facilities that we aim to use as much as possible

The UN Global Compact Communication on Progress Report is circulated to all staff and a regional point person has been identified – this is a major tool in disseminating best practice between our regions. Impact's internal knowledge sharing Wikipedia contains significant amounts of information on environmental and other Sustainable Enterprise issues and is updated from all regions.



## Anti-corruption

### **Principle 10**

Businesses should work against corruption in all its forms, including extortion and bribery.

**Context:** Impact firmly believes that all businesses should work against corruption. We have strong internal policies communicated to all staff (through our staff handbook) about expectations for professional and ethical behaviour.

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**Summary of targets set in 08 for 09:** To use the Polish offices policy as an example of best practice for the entire organisation and develop similar policies for other regions.

**Progress:** Whilst the Polish Policy has stood as an example of best practice we have yet to implement local policies across all Impact regions. However, in 2009 Impact launched the Global Management Team which will give us a mechanism to establish internationally used procedures and targets.

**Targets for 2010:** To include a policy in our handbook that we work against anti-corruption in all its forms.



2009

# Communication on Progress

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