Koreo is a talent consultancy dedicated to social impact.

We develop people, organisations and networks to address the defining issues of our time. The company was founded on the beliefs that talent is the fundamental force for social change, that social impact should be part of all work regardless of sector or role, and that collaborative action is the only way to address complex social issues.

Since 2009, we have combined these beliefs to become one of the UK's leading people development providers for organisations with a social purpose. We are best known by government and social leaders for our national ventures developing millennial talent (Charityworks and Change100) and our talent consultancy work across and beyond the social change sector.

We commissioned this research to help ourselves, the people we work with, and the space as a whole, understand how talent is currently being thought of and developed in relation to social issues. We wanted to understand where there were gaps, or disconnections, and therefore what contribution we and others could make in strengthening that picture, so that all our organisations were better positioned to create the change they want to see, in themselves and in the world more generally.
EXECUTIVE SUMMARY

The social issues facing the UK are complex and manifold. Sprawling, interconnected, disputed and stubborn, they defy easy understanding or solutions, and their human and environmental costs are enormous.

Against a backdrop of national and international uncertainty, triggered by referenda and elections in which the fault lines in our societies are readily apparent, we find ourselves at a crucial moment for social change work in the UK.

While we experience new commitments to addressing key issues, as business increasingly joins the public and social sectors in dedicating their resources to social change, we are also experiencing a range of barriers which prevent mission-driven organisations from turning this appetite for change into tangible impact.

The nature of these barriers, which might more properly be defined as disconnections, are the clear findings of this new research, and at the heart of the following recommendations. We’ve categorised both into three spheres of influence: people, organisations and networks.

Whether you come to this analysis as an individual, organisation, or as part of a network - this report, the conclusions it draws, and the solutions it puts forward, should leave plenty of threads to pick up and apply to your own context.

PEOPLE

Analysis:
Employees are an organisation’s greatest source for creating change. Currently, training and development does not make the most of purpose, and rarely translates into real change in an organisation.

Recommendations:
We recommend that organisations put purpose and change at the heart of people development, and make development programmes relevant to current organisational issues.

ORGANISATIONS

Analysis:
Silos continue to be commonplace within organisations in all sectors, and are a key barrier to addressing social issues. Even so, organisations are not prioritising the skills needed to overcome these barriers.

Recommendations:
We recommend that organisations are mapped and understood as human networks, and that employers prioritise the development of skills that can connect their workforces.

NETWORKS

Analysis:
The complexity of the issues we’re facing means a rising need for organisations from different sectors to work together towards the same social objectives. However, currently the our desire for cross-sector collaboration is not translating into action, and the opportunity to mobilise people and organisations around shared goals or narratives is being missed.

Recommendations:
We recommend that more opportunities are created for cross-sector experience and networks, and that we make use of broader social change narratives like the UN’s Global Goals to drive collaboration.
The social and environmental issues facing people and communities in the UK are many, and their human and environmental costs significant.

Some of these issues, such as the crises in social care, housing or climate change, are particular to our time. Consider housing, where a decline in house-building and public sector housing stock have seen affordable housing slip out of reach for many, resulting in increased private sector renting, instability, and a steep rise in homelessness.

Other issues, such as our inability to provide equality or even safety across gender, race or class lines, have remained obstinate across generations. Even today, up to 3 million women and girls across the UK experience rape, domestic violence, stalking or other violence each year, at a cost of £48bn a year to the UK economy.
Businesses are increasingly prioritising social impact, as positive engagement with social issues proves beneficial to their success.

Not only do large-scale social and environmental factors pose a financial risk which business leaders cannot help but recognise, but 94% of consumers say they are more likely to purchase products with an added social benefit, while 70% are willing to pay a premium for goods from a socially responsible company. Meanwhile, staff are 3 times more likely to stay with an organisation that has a clear social purpose, and 62% of under 35s want to work for an organisation making a positive impact.

All this leads to an environment in which purpose-led companies outperformed the S&P 500 by 10 times between 1996 and 2011. Unilever is often held up as the paradigm of purpose-driven work, and their CEO Paul Polman provides a compelling example: “brands with the strongest sustainability credentials accounted for half the company’s growth in 2014 and grew at twice the rate of the rest of the business.”

Organisations in the public and social sectors find themselves under intense pressure to respond to demand with ever fewer resources.

In the public sector, with the civil service already at its smallest since the Second World War, the impact of austerity on organisational capacity is clear. 60% of local authorities say that they will not be able to cover their budget gap with future efficiencies alone in 2015/16, while only two out of every 10 councils felt that they can deal with the cuts over the life of this Parliament while avoiding cuts to services. 10 Meanwhile the social sector, traditionally the space tasked with filling the gaps in public sector provision, faces a potent mix of financial pressure, greater demand for services, and declining public trust following a number of high profile failures. The sector is estimated to lose around £1.2 billion in public funding a year by 2015/16, while public trust in charities has fallen year on year, and demand for services has increased.
The social issues facing the UK today are increasingly complex and no organisation or sector can solve them alone.

These issues exist in complex systems and networks, meaning isolated interventions are not only unlikely to be effective, but in fact often exacerbate issues by adding extra layers of complexity to those systems.

In some ways this is nothing new, transformative social change has always come from the brilliance of individual people and organisations, united into powerful coalitions mobilised around particular issues. Whether past successes like civil rights, or more recent movements like Fairtrade, collaboration across sector and industry divides, has invariably been required to translate a desire for change into something tangible and sustained. There is no reason to believe the issues facing the UK today are any different, meaning that organisations seeking to engage effectively will find themselves increasingly needing to broker partnerships and relationship within and between sectors, building movements capable of affecting all parts of the system.

In this context, organisations of all types and in all sectors face challenges attracting, and make the most of, the talent they need to meet these new expectations.

Leaders across sectors recognise the importance of talent in delivering organisational success. And yet organisations are finding the talent needed to engage with social issues is at a premium. Less than 25% of business executives reported having the management resources, talent and processes to effectively engage with society & social issues, and charities ______

But attracting the right talent is only becoming more competitive. Take the graduate recruitment marketplace, where graduate vacancies are at their highest ever levels, surpassing their pre-recession peak and forecast to grow again by 7.5% in 2016. It’s a market in which vacancies left unfilled in 2015 affected 90% of employers, while 61% of top graduate employers felt “improving student perceptions of the organisation” was a major challenge they faced in the 2015-2016 recruitment cycle.

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...AND ALL ORGANISATIONS NEED EXCELLENT TALENT TO FACE THESE NEW CHALLENGES.
We have split our analysis into three parts. The first section looks at findings that might inform the way we think about individuals and their development, the second looks at the implications for organisations, and the third looks at implications on the broader supra-organisational, ecosystem-wide level.

**ANALYSIS**

Social purpose is part of everyday work for people across sectors, but not the way talent is being developed by organisations.

HR leaders across sectors agreed that their employees were the factor most likely to drive their organisation’s social impact (48%). Encouragingly, we found that HR managers see organisations promoting, and employees feeling, a connection between their work and its social purpose. The evidence showed that two thirds of businesses encourage organisational talent to suggest ideas that create social purpose (64%), that talent understand their organisation’s approach to sustainability (62%), and that a surprising number felt that the UN’s Global Goals were relevant to their day to day work (48%).

But this didn’t translate into the way we develop our people. 45% of respondents do not think their existing talent development programme encourages staff members to think about how their work contributes to society. Perhaps as a result, a third of respondents we surveyed felt that talent development programmes failed to produce change-makers, and less than a quarter of respondents felt people in their organisation were encouraged to develop an activist mindset.

Interestingly, there was also a generational difference here, with over 62% of HR leaders aged 24-35 believing their organisations did not produce change-makers, versus 13% of 55+ This is in the context of increasing research and thought which links people now entering the workforce with a clear desire to create change through their work.

Development programmes are not translating into everyday work

As foreshadowed by respondents’ uncertainty over whether development programmes create change-makers, our research showed that even where organisations are dedicating resources to developing people capable of driving change, there’s a disconnect between the programmes, and the practical use of the skills people learn on them.

Only 29% of respondents say employees act on the skills learnt in their training programmes, and 78% say the development they provide for their talent does not have a tangible impact on the success of their organisation. This might be part of the reason leaders have often treated organisational development as not business critical, despite recognising the importance of talent to organisational success.

Interestingly, we found that the social sector was more likely than the private or public sectors to have invested specifically in leadership development in the past year, despite only the minority having a clear definition of leadership (34%), and with only 3% having an understanding of the leadership development marketplace.
Persistent internal disconnections limit organisations’ impact.

What was very clear from the responses was the continued presence, and damaging impact, of silos in organisations. Two thirds (66%) of the HR leaders surveyed said that silo working exists in their organisation and that it has had a negative impact on their company, with the two biggest impacts their ability to collaborate across teams and build a strong internal culture. Similarly, a lack of joined up thinking was seen as having the most negative impact on an organisation delivering its purpose. This theme remains persistent across sectors despite significant attempts to bring people together; two in five organisations have made explicit attempts to break down disconnections internally and have failed.

Strikingly, this was another area in which there was a clear generational divide. Our research showed that 60% of HR managers aged 35-44 believe silo working does not exist within their organisations, contrasting with only 7% of 25-34s. Whether this is a difference in perspective, or is indicative of different standards is unclear, but at the very least it is a reminder that workplace cultures are ever-changing as new generations join the workforce.

But organisations don’t prioritise skills that increase connection

Despite these persistent internal divisions, over half of the organisations we spoke to are providing professional development training that only addresses the skills needed specifically for the roles they fill within the organisation. Silo working is nothing new, but it is increasingly apparent that training programmes are not just failing at bridging disconnections, but are perpetuating the problem.

In order to encourage innovation and create social impact, we need to foster a joined-up way of working, yet training programmes are slow to encourage the skills that lead to fostering this connection. Only a minority of senior HR leaders provided training around partnership working (28%), systems thinking (25%) and question-making (16%). This backs up other research which showed cross-functional assignments are used in only 18% of organisations.

There is a disconnect between attitudes towards working beyond our organisation and translating it into reality.

It is generally accepted that the boundaries between sectors are increasingly blurred, and that social change benefits from collaboration within and between sectors. This sense is reflected in our research, which shows almost over half of respondents value cross-sector perspectives in helping their organisation innovate and pursue change (56%), with a similar number valuing talent with experience of other sectors (55%).

However, translating that into practice is more uneven: 70% of social sector organisations are actively seeking cross-sector collaborations, but less than half of the private sector offer any cross-sector opportunities for their staff, even though they are under increasing pressure to develop people with the skills to engage with social issues. Furthermore, those organisations providing development opportunities which help people build partnerships, work across sectors or see their work in the context of the systems that affect them, are in the minority (30%, 24%, 26% respectively).

Interestingly, when thinking about collaborating with organisations, social sector organisations were more wary of their competitors than the private sector, seeing other social sector organisations as their greatest potential impediment to the fulfilment of their mission (30%).

The UN’s Global Goals might provide a common language to connect organisations and sectors.

We found that awareness and agreement about the importance of the UN’s Global Goals is widespread, and that this awareness was translating into everyday work regardless of sector. While 17% of our respondents didn’t know what the Goals were, almost half (48%) said that the Goals are an important part of their day to day work, and 39% said that working to support the Goals is part of their organisation’s current strategy.

While this leaves plenty of room for greater engagement, to see the private sector, in particular, engaging with an explicitly social agenda is striking. Striking, but perhaps not surprising given that 90% of citizens think it’s important that businesses sign up to the Goals.

It is interesting to note that respondents in the social sector were no more likely than the private sector to be applying the goals to their day to day work (both %), and less likely than respondents from the public sector (%). If awareness of the Goals, and the issues they target, is high, then the Goals might provide a common language in which to build partnerships across sectors. This is particularly true in the context of an uneven response to the Goals, and the increasing appetite for cross-sector partnerships among leaders.
So, how do we respond to these findings, and how could they apply into the way we work with talent, and the way we think about talent in organisations? Particularly for those organisations that recognise some or all of these trends in their own workforces, what’s next?

Mirroring our analysis, these recommendations will be split into 3 parts; the first with suggestions for the way we think about individuals and their development, the second for organisations, and the third directed at the way we approach the broader system.
Social purpose and impact have a clear correlation to employee attraction, engagement and retention, and our research indicates an increasing sensitivity to this on the part of employers across sectors.

But we are not making the most of this opportunity if we aren’t taking that same lesson into our approach to developing talent, because purpose has a powerful role to play there just as it does in work more generally.

For example, in the social and public sectors, where mission and service should already be baked into the organisational DNA, this might be a case of ensuring the cause in question is explicitly part of any development programme, or that the view of the beneficiary is ‘in the room’ during any development or training.

Finally, we see no reason to shy away from encouraging activism in employees. Whether in the social sector where that language is more familiar or not, activism is a clear sign of ambition to engage with an important issue. It is this type of attitude and energy that will stimulate change and innovation, and there is value in it.

Make development programmes relevant to current organisational issues.

Our research shows low numbers of respondents experiencing a tangible impact from their people development work, and that only the minority see development programmes translating into the everyday work of their employees.

In a context where practitioners need to be able to demonstrate the return on investment of their projects, talent development needs to give participants the opportunity to apply and practice what they’re learning into their immediate context.

In our work we have given participants in development programmes an opportunity to examine current organisational issues through original research (inside and outside the organisation), before making strategic recommendations. This can provide a powerful way for people to develop the skills being learnt in training programmes, as well as making a tangible contribution to the organisation.
We clearly see from our research that while respondents see the risks of working in a disconnected way, that does not necessarily mean they prioritise or value the skills which increase connectivity and break down those barriers. These skills (question-making, coaching, partnership working are the ones highlighted in the research) are fundamental to successful change in organisations, but they are often the preserve of so-called ‘emergent’ leaders, who make organisations tick without the recognition of more ‘designated’ leaders.

However, these connecting skills are increasingly relevant to the complex environments and issues contemporary organisations face, increasing the chances of successful collaboration within and between organisations and sectors. Coaching is an example of a skillset which has gained increasing currency as a way of managing and developing people, but which is undervalued in our research. We believe that these skills should be both a key motivation for, as well as a part of, development programmes at all levels of an organisation.

Peer coaching programmes which introduce coaching skills into an organisation while also connecting people from different parts of the organisation are a powerful way of achieving both new skills and connection.
CREATE OPPORTUNITIES FOR CROSS-SECTOR EXPERIENCE AND NETWORKS

Our research shows that organisations are not making practical opportunities for cross-sector working, exposure and networks available to employees as a matter of course, despite valuing the skills they produce. We recommend that exposure to development opportunities beyond organisational or sectoral boundaries becomes a bigger part of organisations’ approach to talent development.

These opportunities can be formal, such as secondments or pro-bono projects, but they don’t have to demand such commitment or resource. They could be as simple as providing space for a mentor or coach from another sector, encouraging an employee to develop networks in another sector, or simply spend some time exploring other sector’s approaches as part of a development project. But the real opportunity is to collaborate with other organisations in a way that provides more in-depth development and networks.

THE CHARITYWORKS PROGRAMME BRINGS TOGETHER MORE THAN A HUNDRED ORGANISATIONS EACH YEAR AS PART OF A YEAR-LONG GRADUATE PROGRAMME. THE SHARING OF EXPERIENCE, KNOWLEDGE AND CONNECTIONS THROUGH A PROCESS LIKE THAT IS UNUSUALLY POWERFUL BOTH FOR THE GRADUATES THEMSELVES AND THE ORGANISATIONS THEY WORK IN.

USE UN GLOBAL GOALS TO MOBILISE TALENT FOR CHANGE

We recognise that the narratives organisations and sectors tell to and about their employees are important tools when developing talent.

The opportunity to be part of some bigger movement or narrative is a potent way of attracting, engaging and retaining talented staff, and when those narratives are allied with purpose it is not hard to see its potential value. We see these narratives as having particular value with young people entering the workforce, particularly given research that shows their interest in social issues.

As a result, we believe they might provide an opportunity for them to provide the common language through which the private, public and social sectors can speak about social issues. This opportunity might seem particularly valuable to the social sector as it seeks to engage business, but in fact it has potential benefits for organisations of all kinds.

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CONCLUSIONS

IT STARTS NOW...

The current context provides an opportunity for the world of social change to come together and make progress against some of the most challenging issues of our time.

In many ways the challenge is daunting. The social and environmental issues facing the UK are complex and manifold. And while we see the social change system expanding, we are also experiencing a range of barriers which prevent mission-driven organisations making the most of their ability to create impact.

The findings of this research confirm our long held belief that the ultimate solution to these barriers will come from talent. Talent continues to be at the heart of organisational success just as surely as it is at the heart of social change and, as such, the challenge to our space is to attract and develop talent in the most powerful way possible.

The findings in this report, and the recommendations that follow them, contain plenty of threads for someone with a strategic responsibility for people to pick up and apply to their own context. The recommendations are designed to provide employers everywhere with practical solutions for driving more social purpose through smarter talent development.

Whether that involves rethinking our approaches to talent development programmes by placing purpose & change at the heart of our learning experiences, reframing our view of businesses as human networks rather than organisational charts or engaging with a new global humanitarian narrative encapsulated in the UN Global Goals that might give us the opportunity to energise our work forces and drive greater connectivity across our work.

What is clear is that business as usual in the context of talent development isn’t enough to tackle the challenges that face us and our organisations. We need to give the individuals that make up our organisations the greatest chance of success, and ultimately make our organisations and sectors more powerful than the sum of their parts.

If we can do that, our individual and collective ability to address the defining issues of our time will only increase.

If you are interested in our work, or want to speak to us about a project, please get in touch with Floree (floree@koreo.co), or call our office (02076205252).

Our website is www.koreo.co, and you can follow us on Twitter, Facebook, and Linkedin on @hellokoreo. You can also sign up for our weekly social change reading list RADAR, or join our women’s network Good Women.
Glossary

Cross-functional:
Work that happens across teams, departments and projects.

Emergent and Designated Leaders:
Emergent leadership is a type of leadership in which a group member is not appointed or elected to the leadership role; rather, leadership develops over time as a result of the group’s interaction.

Global Goals:
The UN’s global goals are a set of targets created by the UN in 2015 after the biggest consultation in its history. They lay a challenge to governments, business and civil society to collaborate on effective solutions to some of the most challenging social problems facing the world.

Silo working:
Silo working exists when parts of organisations do not communicate effectively with each other, and as such work in isolation, sometimes with competing priorities.

Social purpose:
A clear intention on the part of a person, organisation or network to address a social or environmental issue through work.

Social change:
The transformation of culture and social institutions over time.

Systemic thinking:
Systems thinking is a management discipline that concerns an understanding of a system by examining the linkages and interactions between the components that comprise the entirety of that defined system. In this context it refers to treating the whole system which affects a particular social issue, meaning causes as well as symptoms.

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THANKS

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