

FAMILY BUSINESSES AND COMMUNITY ENGAGEMENT

A report co-authored by Dr Jane Glover and Professor Kiran Trehan for the
IFB Research Foundation

November 2020



UNIVERSITY
of York



UNIVERSITY OF
BIRMINGHAM

BIRMINGHAM
BUSINESS
SCHOOL



IFB Research
Foundation

THE IFB RESEARCH FOUNDATION

The IFB Research Foundation is a charity (no. 1134085) established to foster greater knowledge and understanding of family firms and their contribution to the economy and society, as well as the key challenges and opportunities that they face.

The Foundation's vision is to be the UK's centre of excellence for family business research, and to this end its publications are designed to create a better understanding of family business for the benefit of all stakeholders.

Alongside Family Business Research and White Papers, providing thought leadership on key family business characteristics and issues, its work covers a broad range of publications, including:

- Family Business Sector Report – benchmarking the size and importance of the sector.
- Family Business Challenges – offering practical guidance for family business owners on a broad range of topics, including family business dynamics, governance, performance, succession and wealth management.
- Family Business Case Studies – showcasing family business exemplars.

The Foundation disseminates knowledge and best practice guidance through printed publications, online media accessible via the IFB website and other activities.

ifb.org.uk/ifb-research-foundation

THE INSTITUTE FOR FAMILY BUSINESS

The Foundation is independent of, but works closely with the Institute for Family Business (IFB), the not-for-profit UK family business organisation. With over 200 family business members, the IFB is also part of a global network of 4,000+ connected family companies (the Family Business Network international).

Founded by a group of family business owners, the IFB has been supporting and championing family business since 2001. By bringing family businesses together to share experiences and ideas, the IFB is at the heart of a community that enables family businesses to thrive.

As champions of family business, the IFB advocates for the sector and raises awareness of family businesses' contribution to the UK economy and communities.

ifb.org.uk

FOREWORD

A Message From the Chair of the IFB Research Foundation



As the COVID-19 pandemic continues to unfold, family businesses continue to play a vital role in communities across the country. This timely report from researchers at the Universities of York and Birmingham seeks to understand the different ways family firms, large and small, and across different sectors, engage with their communities to improve local prosperity and wellbeing.

Many family-owned companies are well attuned to the social aspects of their activities. Yet the community impact of family firms has received little attention up to now. This report seeks to fill that gap in our knowledge, taking an in-depth look at how family firms engage with their communities. It shows how they draw on their expertise, resources, and values to improve social outcomes. The tendency for family firms to orientate towards the long-term positions them well to establish long-term community partnerships built on trust to promote local prosperity and wellbeing.

The report shows how the drive to engage with communities is both values-driven and pragmatic. And the benefits are clear - for community organisations and local people and for the businesses themselves, their employees and members of the owning families.

Whilst measuring and reporting on social and community impact can be challenging for many family firms, this needn't hinder deeper engagement. Going forwards, the Research Foundation is developing new practice guidance to help family firms deliver greater social impact and report on the valuable work that many already do in their communities.

I hope you find the report interesting and informative.

Sir Michael Bibby

Chairman, IFB Research Foundation

CONTENTS

Executive Summary	1
1. Introduction	5
2. Our Methodology	7
2.1 Case Study Selection	7
2.2 Data Collection	7
2.3 Pen Portraits of the Case Studies	8
3. What is a Community?	9
4. How do Family Businesses Engage with Communities?	11
5. What are the Benefits of Community Engagement?	17
6. What is the Impact of Family Businesses' Community Engagement?	19
7. Conclusions, Implications and Lessons	21
8. Recommendations for Practice	25
Appendix: Case Studies	29
Case Study 1: A large, North-West, multi-sector conglomerate	29
Case Study 2: Large, construction and property firm, based in South-East England but international	31
Case Study 3: Large, South-East based, global food sector	33
Case Study 4: Small, West Midlands, energy sector	35
Case Study 5: Large, West Midlands, retail, wholesale and distribution	37
Case Study 6: Two, rural-based microbusinesses	40
Case Study 7: Two small, non-involved counter-examples	41
Endnotes	44
References	46

EXECUTIVE SUMMARY

This report was commissioned by the IFB Research Foundation to highlight the ways family businesses contribute to the vitality, well-being, prosperity and sustainability of communities. Much is known about the contribution of family businesses to the UK economy – producing 31 per cent of the UK's GDP and accounting for 52 per cent of employees in the UK private sector in 2018, for example (IFB Research Foundation and Oxford Economics, 2020). Far less is known about social and community impact of family firms. Yet three out of five UK family businesses state that their long-term goal is to contribute to the community and leave a positive legacy.¹

The authors of this report from Universities of Birmingham and York reviewed the limited academic literature on this issue and supplemented this with seven in-depth case studies. The case study firms were selected to reflect the diversity of family businesses in terms of location, size, business structure and sector. One case study involved two small family businesses that stated they did not engage with their local communities.

Issues explored with the case study firms included:

- How did they define community and in what ways did they engage with communities?
- What were the benefits of their community engagement for communities, their business and their individual employees?
- What was the impact of their engagement activities?
- What drove their community engagement work and what were the challenges they faced?

Defining community and community engagement activities

The academic literature tends to define communities by either location (communities of place) or affiliation (communities of interest). The views expressed by the family businesses interviewed were broadly consistent with

this definition, as they pointed to residential communities in the neighbourhoods surrounding their bases, charities working around specific issues, schoolchildren and young people, and business communities defined by geography and sector. The way in which a family business defines its communities influences the type of engagement activities and how impact and effectiveness can be measured.

The case study family firms engaged with and contributed to communities extensively in many diverse ways, including:

- Financial and in-kind donations to and fundraising for charities and local community facilities such as schools and youth organisations. Usually, these had a local dimension, but some large firms donated to national charities whose local branches worked with the business's branches or charities. Others had or were in the process of developing principles which would allow their subsidiaries to donate to local charities.
- Establishing family foundations to disperse grants or donating to a charity which then managed onward donations.
- Volunteering either through project specific activities, such as advising on securing jobs, or through sitting on boards of charities and community organisations.
- Supporting the personal and skills development of young people.
- Supporting access to jobs for people from socially or economically excluded groups.
- Enhancing employees' contributions to communities by matching their individual donations, organising community charity days involving all employees, or offering paid time off for charity work.
- Supporting business umbrella organisations or partnerships including the public and/or community sectors such as Local Economic Partnerships. One case study firm was leading a regeneration project in an area that had been subject to economic decline.
- Major environmental aspects of community engagement were only mentioned by firms

where the environment played a part in the business operations of the business such as construction or farming. However, many of the firms were involved in litter picks and similar.

Some of the businesses that participated in our study seek to build long-term relationships with community-based organizations. There is case study evidence that family firms' long-term commitment to a specific geographical place helps to build trust with communities and other stakeholders. The long-term view is underpinned by some businesses through the involvement of the family's next generation in their community engagement work.

Whilst many large family firms in the UK support activities that have a positive impact in their communities, their CSR policies do not always cover community engagement. Only a few of the large firms in our study had a community engagement plan in place, sometimes as part of a wider CSR policy or strategy.

A few of the family businesses included in our study said that their sustaining of a business and the provision of local employment (and retaining these employees) in themselves contributed to community wellbeing. Yet there is a strong argument that sustaining a business that cares for its customers, employees and suppliers has a significant social and economic impact on the communities living near the business.

Benefits

The benefits of these family-business activities not only accrue to the communities targeted, but also to the family business, the business family, and the individuals involved in community engagement activities. Potential community benefits are wide-ranging and include the improved wellbeing of residents, better facilities and equipment, cleaner environments, improved personal development and job opportunities, and access to business skills.

The family businesses included in this study said they had benefited from: an enhanced reputation and credibility; a greater likelihood of attracting talented and committed staff; personal and skills development of employees; and loyal and trusting customers. One case study business had included the delivery of a community project in its management training programme because of the perceived contribution to its managers' personal

and skills development.

For individual employees and family members, benefits included acquisition of new skills, increased confidence and self-esteem and a feeling of satisfaction.

Impact

Although in general terms impact can be positive or negative, for the purposes of this report, impact is defined simply as making a positive difference, a difference that is sustained beyond the immediate benefit of the community engagement activities. The impact of these activities describes the contribution that family businesses make to society and the economy. Having some idea of their impact is important for family businesses in order to monitor and evaluate the effectiveness of the resources deployed and for the all-important communication of what they have helped achieve.

However, the impact of community engagement activities is hard to measure for many reasons. For example, it often involves intangible factors, can be long-term and uncertain, can often include unintended positive or negative impacts and requires the collation of quantitative and qualitative data. Only one of the case study businesses said it did manage to evaluate the impact of its activity, whilst other family businesses acknowledged they needed to do more on this front.

Nevertheless, a picture emerged from the interviews with family firms and community organisations of a very positive impact which sometimes went beyond the targeted beneficiaries. An example of this is the provision of youth activities for those at risk of anti-social behaviour leading to a reduction in crime and business insurance premiums. Impact was particularly strong where there was a sustained, long-term relationship of support and in areas of economic decline.

Drivers and challenges

Some of the family firms interviewed said that their community engagement activities were driven by the values of the family and the business, and by the desire to have a positive reputation. For example, some stressed the importance of developing long-term relationships with their communities, reflecting the value they put on the longevity of the firm and their attachment to the

place their firm was based or first established.

For some, such as those involved in retail or in rural locations, community engagement was seen as good business practice.

The main challenges identified by family firms were finding time and freeing the necessary resources. This was the main reason that some firms included in our study did not explicitly engage in community activities, although they were contributing to their community via providing employment and demand from local suppliers.

Key lessons and implications

The case studies demonstrate that family businesses are important to their local communities through providing a stable and secure business environment, employing local people and providing support to local organisations. Key lessons and implications for family businesses include:

- Community engagement requires leadership, a genuine commitment to make a difference and a willingness for a sustained and long-term effort which is more likely to have a strong impact.
- If a business wants to enhance their community engagement, they need to make sure they have a clear rationale for wanting to do this and evaluate whether they have adequate resources for the task.
- Businesses should talk to stakeholders about the issues they want to help tackle and learn from the experiences of other family businesses.
- Family business heritage and longevity help to build trust and gain acceptance for change.
- The biggest impact is unlikely to come from financial contributions alone. Offering time and personnel support may be of greater value.
- Businesses should raise awareness of what they are doing with the communities they are working with, with customers, employees and prospective employees, other businesses, policy-makers in the public sector, other potential donors and partners, and the next generation of family members who will be joining the business.
- Personal development of employees who take part in community engagement activities can be a very important benefit for the family business.

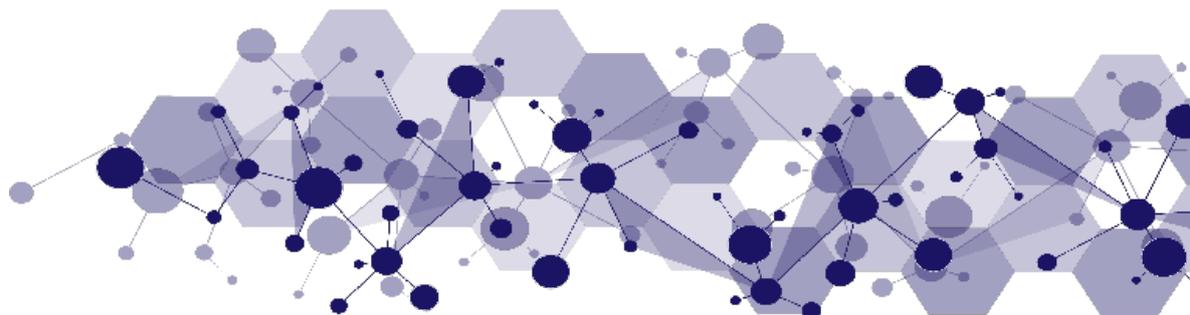
Charities, NGOs and other community organisations should note that family businesses can be very important sources of long-term support, but any partnership arrangements should be built on transparency and trust, achieved through discussing and agreeing of the issues that need to be tackled and how to tackle them.

Policy-makers should explore how they can work with local family businesses who in many cases form the bedrock of local communities through providing jobs and supporting a business infrastructure. They should seek partnerships and learn from and disseminate their experience.

A six-step approach is recommended for family businesses that want to engage with communities or enhance the work they do already. These steps are:



Future research could include a large-scale survey to gain quantitative data and a wider understanding of how family businesses contribute to community resilience and development and which forms are most effective; further qualitative research through interviews with family business across a wider geographical area; and a deeper exploration of the factors which can affect levels of community engagement such as business age, location, sector and size.



1. INTRODUCTION

The family business sector is vital to the United Kingdom (UK) economy. For example, according to latest estimates from the IFB Research Foundation and Oxford Economics (2020), there were over 5.1 million family-owned businesses in the UK in 2018. At 87.6 per cent of all the private sector firms, they constitute the majority of firms in the UK. In 2018, they generated 31 per cent of the UK's annual GDP (£657 billion), employed 14.2 million people (52 per cent of private sector employment, and 40 per cent of all employment in the UK), and contributed 26 per cent of the Government's annual tax revenues. Family businesses operate in all sectors and all regions of the UK and are diverse in their size and structure, ranging from single entities to a large group of different ventures.

Yet far less is known about the social and community impact of family firms despite many stating that their long-term goal is to contribute to the community and leave a positive legacy according to PwC's Family Business Survey². Observers, including family businesses themselves, point out that many family businesses have existed for hundreds of years, passing from generation to generation, with their focus on the long-term resulting in their being the bedrock of communities across the UK³. For example, according to a 2004 research report, family businesses play an important role in their communities⁴ and "represent a significant component of the business-community interchange" (Besser and Miller, 2004: 399). Whilst many family firms are committed to having a positive impact on their communities, as our research shows, not all have strategies or plans in place to underpin their community engagement and CSR activities.

This background led the IFB Research Foundation to commission the Universities of Birmingham and York to produce a report which collates evidence on how family firms engage with their communities and on the impact of this engagement – to what extent do they contribute to the vitality, well-being, prosperity and sustainability of communities. The aim was to highlight the important, positive role family businesses play in society, to draw out the key learning from

family businesses' experiences of community engagement and the recommendations that flow from this for policy-makers and family businesses themselves and to suggest areas for future research. The evidence presented here has been gained from a review of academic studies to date and seven family business case studies.

What do we mean by a family business?

This report has slightly adapted the following, common European definition⁵ of family business:

1. The majority of decision-making rights, direct or indirect, are in the possession of the natural person(s) who established the firm, or in the possession of the natural person(s) who has/have acquired the share capital of the firm, or in the possession of their spouses, parents, child, or children's direct heirs, and at least one representative of the family or kin is formally involved in the governance of the firm.

Or

2. Listed companies meet the definition of family enterprise if the person who established or acquired the firm (share capital) or their families or descendants possess 25 per cent of the decision-making rights mandated by their share capital.

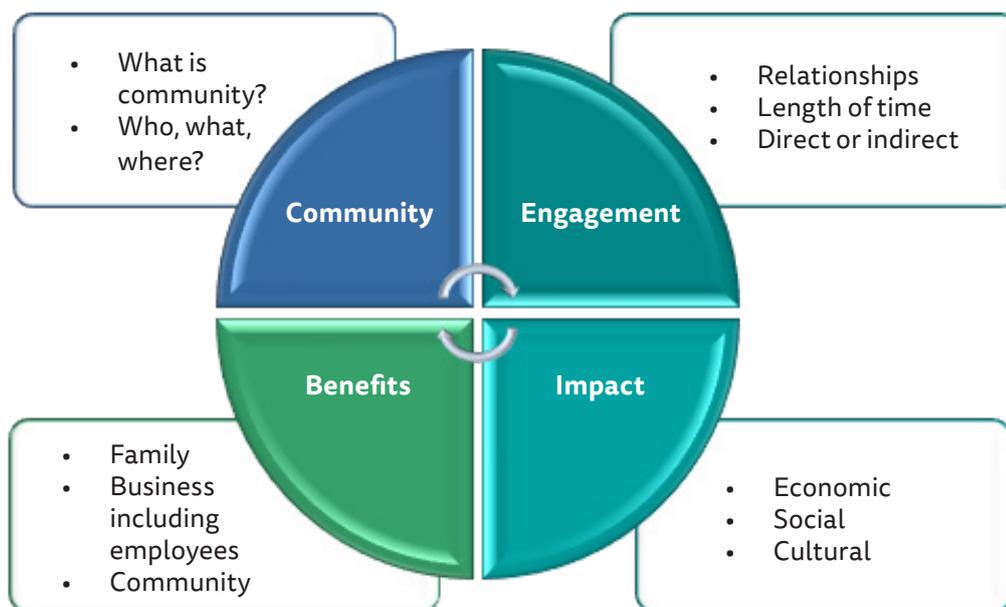
In the course of our research, we identified four key areas of analysis or concepts to structure our findings. These are:

1. What do family businesses mean by community? What is the community they are aiming to engage and support? Is it a geographical community, say around their operating base or bases, or where the bulk of their employees live? A residential or business community (or both)? Or is it a community of interest, that is, a group of people bound by a common interest but who may be geographically dispersed? This could be a group of people within a geographical location such as young people or people with disabilities.

2. What are the different ways that family firms engage with their communities?
3. What do family firms see as the benefits of community engagement to the community they are engaging with, to the family business, and to the family founders or owners?
4. What are the perceived economic, social and cultural impacts of their community engagement and how are these measured?

These four concepts are shown diagrammatically below in Figure 1.

Figure 1: Key Concepts



Structure of report

Following a section describing our methodology, including a brief portrait of the seven case studies, a separate section is dedicated to each of the above concepts, drawing together evidence from our literature review and case studies. A fuller outline of the firms involved in the case studies is provided in the Appendix.

Conclusions and possible implications of our evidence for policy-makers, family businesses and recommendations for further research are presented in Section 7. The final section provides practice guidance, based on learning from the case studies and the research we have reviewed. This guidance is designed for family businesses that want to step up their community engagement activities and improve their impact.

2. OUR METHODOLOGY

Supplementing our literature review of published research on family businesses, we used a case study research strategy to gather fresh evidence on how family firms engage with their communities. This section describes how we selected the case studies and the types of data we collected for each case study⁶. We finish with a short pen portrait of the firms in the case studies with a fuller outline provided in the appendix.

2.1 Case Study Selection

Each case study focuses on a family business, a family business group⁷ or conglomerate or a business family. We first selected a number of potential case study businesses using the definition outlined in the introduction. We then ensured a reasonable regional coverage by selecting businesses with head offices in one of the following three areas of England:

1. North-West England,
2. The West Midlands, and
3. South-East England.

Finally, to reflect the diversity of family businesses, we chose firms of different sizes and from different sectors.

2.2 Data Collection

Semi-structured interviews were conducted with family business owners and managers, audio-recording where permission was granted. Each case study involved two in-depth interviews. Questions included:

- What were their past, present and future engagement activities?
- Did they have any success stories?
- What problems did they encounter?
- What impact they thought they had had and how did they measure or assess this?
- What did they learn?

Particular points of interest specific to each case study were pursued with further follow-up questioning.

Short questionnaires were completed by employees in each of the family businesses via an electronic form asking them to provide information on how the firm contributed to their well-being and career development, and what information they receive about how the firm engages with the wider community.

We also drew on different sources of secondary data for each case study, including CSR reports, information on the business' websites, social media posts, and any other documentary information we were able to gain access to either online or via our contacts in each firm.

To evaluate the impact and communication of community engagement activities, documentary evidence was also collected from community stakeholders such as charities, Local Economic Partnerships (LEPs), industry bodies, chambers of commerce, councils, and other trustee type positions e.g. university board members. The secondary documentary data collected from company websites complemented the primary data collection through interviews and question forms. Questions were asked on how the family business had made an economic, social or environmental contribution to the community, and whether they had learnt anything from the engagement. These data were contextualised using information on these different organisations to see what they do in their local community.

2.3 Pen Portraits of the Case Studies

Case study 1: A large conglomerate in North-West England employing approximately 4,000 people across a range of businesses and sectors. Has a CSR strategy that applies to all subsidiaries though individual businesses choose which local charities to support. Wide variety of engagement activities including financial donations and volunteering. Regeneration and anti-poverty approach as well as activity in business communities. Aims to build long-term relationship with community organisations. Personal development of employees linked to community engagement activity as well as providing matched-funding to funds raised by staff members to help communities.

Case study 2: Large construction and property company that operates on many sites across the UK and internationally. Employs around 4,000 people. Community engagement linked to individual company projects. Has a family foundation funded by the business. Sees community engagement as central to business activities. Employees encouraged to volunteer and fundraise including on an annual Community Day.

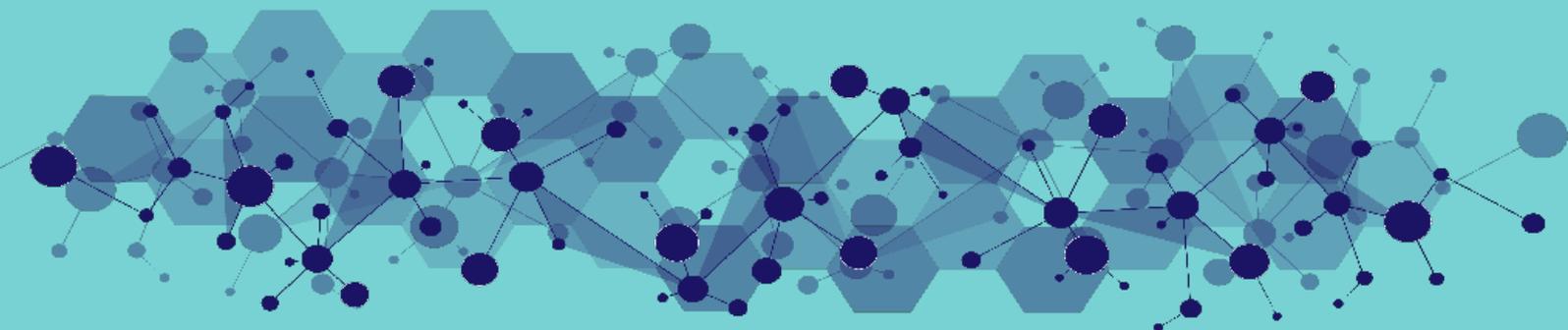
Case study 3: Large business in South-East England operating in the global food sector. Has been operating for 125 years and has three core values: honesty, integrity and unity. Has a CSR plan. Wide range of engagement activities including developing long-term relationship with partner charities and encouraging employees to volunteer including a paid day to volunteer. Also has a matched-funding system for employee donations. Established a charity to manage its donations and attract funding from other donors. Links next generation succession to community engagement.

Case study 4: Small, West Midlands based business in the energy sector. Employs 35 people. 300 years old. Spearheads a regeneration project which brings together the local council, local universities and other charities to improve a deprived inner-city area.

Case study 5: Large, West Midlands based retail and wholesale distribution company which operates across the UK. It employs around 7,500 people. Has had a CSR policy for over 20 years. It provides volunteering support and has a family trust that works with grassroots local charities. It encourages employee donations through matched-funding. Community engagement is embedded in personal development programmes for employees; for example, management training includes completing a community project.

Case study 6: Two micro-businesses operating in rural areas. One based in the West Midlands and involved in food production. Involved in volunteering, environmental projects and industry bodies. The other in the tourism sector and based in the North-West England which organises community funding events. Neither have a CSR strategy.

Case study 7: Two small businesses (one micro) that are not involved in community engagement. One based in a rural part of the West Midlands and working in the food production sector. It employs local people as 'it makes business sense', not as part of a community support strategy. The other based in North-West England and a machinery dealership business that has operated for 150 years. Time and other resource constraints are the major reasons for not engaging with local communities. The firm has raised money for a local hospice through a celebration event on its 150th anniversary.



3. WHAT IS A COMMUNITY?

The concept of community is like an elephant: everyone knows what it is when they see it, but they find it difficult to describe in words. Studies of community engagement by businesses and other organisations reveal the myriad of types of communities they identify and the different ways individuals view community. The same was true for the individuals we interviewed for our case studies.

There is no evidence from our research to suggest that family businesses define community in their CSR communications or as part of a community engagement strategy. For some, community was simply seen in geographical terms as the local community living near where the business operated, whether this was from a single site or multiple sites.

"It's the group of people who live in a particular location who do not necessarily see eye-to-eye on things and that's where community issues start to arise."

Family Member 1, Business 1, Case Study 6

"Community for me, well that's all about the people, businesses and organisations that are in your local area, so the community is all those that are in this village."

Family Member, Business 2, Case Study 6

"So, communities are what we see around us, everywhere we work, there is something around us. There is a community around us and were part of that."

Head of CSR, Case Study 2

For others, it was (or could also be) a group of people with aligned interests or those wanting to solve social problems. For example,

"I think it's a group of people with common interests...I think you can have two different communities within a wider community, so it's quite difficult to pin it down really."

Family Member 2, Business 1, Case Study 6

The case study businesses' interpretations of community reflect the main understanding of community in the academic literature - that it is defined by either location (communities of place) or affiliation (communities of interest).⁸

Two features of community have been touched on in the academic literature, one being mutual respect and the other being that community members support each other. These were reflected in a nuanced understanding of community among the family businesses researched for this study.

"I respect them and they respect me ... in return. And we feel that we can do things, we can support each other. And that is what community is. It's having mutual respect for each other and being prepared to help and to support."

Community Liaison Officer, Case Study 4

"...a group of people, friends, family, my neighbours, other people ...community to me...I suppose it's just the people around you who support you, even if they don't know they're doing it."

CSR and Events Coordinator, Case Study 1

"This idea of being a group of people supporting each other...having a place where you feel safe."

Head of Group Marketing and Communication, Case Study 3

But does it matter how a family business defines the community they engage with so long as people are benefiting from the engagement?

Yes, because how individuals interpret the meaning of community can influence what they view as community engagement activity. For example, a group of individuals with common interests could be a group of employees who play football, or it could be a group of strangers who volunteer at a charity. Examples (amongst many) of a community defined by place include businesses in an area surrounding a firm's operating base, residents in a deprived neighbourhood adjoining the base, and young people within a wider geographical area than the neighbourhood.

How community is defined is also important when assessing the impact of the business's community engagement activities. It also makes it difficult to compare the effectiveness of different community engagement practices as one may not be comparing like with like. It may be easier to identify community engagement activity as opposed to other forms of engagement and also provide parameters in terms of how this activity is evaluated and measured.



4. HOW DO FAMILY BUSINESSES ENGAGE WITH COMMUNITIES?

This section first discusses the many ways that family businesses engage with and support communities based on evidence from previous studies and our case studies. Larger family businesses may have a Corporate Social Responsibility (CSR) strategy and its relationship with their community engagement work is touched upon. Finally, we summarise what we know about how family business values drive community engagement activities.

The many forms of family businesses' community engagement

According to PwC's family business survey which questioned 130 UK family businesses, nearly three in five (58 per cent) said that their long-term goal is to contribute to their local community and leave a positive legacy.⁹

Community engagement takes many forms. At a broad level, it can be organisation-wide, project-wide, family-wide or individuals. It is also important to distinguish between engagement as a family and engagement as a family business. In this research, we cover both dimensions and the interaction between them. Previous research has focused on exploring one or the other, neglecting the link between the two. Furthermore, we found that there is a limited number of studies specifically exploring community engagement as the central concept. Often engagement with communities is encompassed in other concepts such as philanthropy, CSR, or corporate citizenship.

At a more detailed level, a business's community engagement activity can be economic (charitable donations, fundraising) or social (volunteering). Looking at the other studies first, Campopiano et al. (2014) suggested that the philanthropic activities of family businesses are directed towards several key areas:

- Business organizations (e.g., by supporting Chambers of Commerce);
- Charitable organizations (e.g., cultural events or exhibitions);
- Service organizations (e.g., Rotary or Lions clubs);
- Youth (e.g., supporting local sports teams);
- Religious groups (see Litz and Stewart, 2000); and
- Social problems related to the environment, education and health (see Gallo, 2004).

Family businesses can also engage with communities through building partnerships with other organisations, for example non-governmental organisations (NGOs) and charities. This enables family firms to implement projects in partnership, allowing all parties to bring their specific skills to the project that the others may not possess. For example, the family business can bring financial expertise whereas NGOs can bring knowledge on social issues and established relationships of trust with local communities. Family firms may lack the specialist resources to involve themselves effectively in public welfare issues (Shaw and Barry, 2004). Such partnership strategies mean that family business relationships with other organisations involve high levels of co-operation and collaboration (Freeman et al., 2006).

Table 1 lists types of community engagement by family businesses recognised in academic studies, together with potential benefits and challenges. This is followed by the type of activities revealed in our case studies.

Table 1: Examples of Community Engagement Activities of Family Businesses¹⁰

Community Engagement Activity	Benefits for Communities and Impact	Challenges
Improving quality of local community life via direct funding of specific projects such as health or environmental ones.	Improved wellbeing, better place to live, create cohesion.	Ensuring all voices are heard and finding common ground between different segments of the community. Building robust partnerships with local services including the NHS and local government.
Social and economic development projects, for example with churches, schools, civic groups, and youth programmes.	Create community based not-for-profit organisations.	Finding people in the community willing to help, ensuring sufficient resources to see completion of projects.
Businesses e.g., chambers of commerce, LEAs, businesses linked by geography or interest.	Helping to deliver strategies for creating prosperous communities, business advice and building infrastructure to support new businesses.	Understanding the world of politics and the local political context, and local area needs and availability of skills.
Donations, fundraising and sponsorship often referred to as philanthropic ¹¹ activity.	Provides money for other organisations to use to help communities.	Deciding where money should be allocated and why.
Local employment in deprived areas through, for example, targeted recruitment and training.	Provides job security for local people.	Managing employment if there is an economic downturn and the effects on company and family reputation if redundancies have to be made.
Family foundation ¹² grants.	Offers funding for projects run by community organisations and charities.	Setting up a family foundation; having a clear strategy.
Volunteering ¹³ activity to enhance communities.	Communities benefit from key skills such as leadership, financial planning, project management.	Whilst volunteering is seen as an in-kind contribution, it is worth noting that there may be a business cost in terms of the donation of time.

Turning to the case studies, the key engagement activities found were as follows:

First, fundraising activities and donations - primarily in the form of cash donations, support for events for fund-raising and in-kind donations of resources such as equipment to community organisations. Some large, multi-site businesses found it more effective to link with national charities whose local branches could link with their subsidiaries.

"The tendency will be to link with national charities because they have local branches that can link with our different subsidiaries."

Head of Group Marketing and Communication, Case Study 3

Second, volunteering either through project specific activities such as: litter picks; renovating facilities for a community; working at food kitchen; offering work-life skills to young people; working with school children to showcase different careers; or sitting on charity boards and acting as part of the managing team of a community organisation e.g. treasurer and school governors. Volunteering can also be an individual act of a family member or part of family business policy.

"I do attend meetings of various local groups here. I go to their committee meetings. We're doing a lot with the church, to help them to see their way forward with the changes that have got to come in order for it to survive."

Community Liaison Officer, Case Study 4

"We're working with the two local primary schools on an arts project."

Family Member, Case Study 4

"I'm on the Parish Council."

Family Member, Case Study 1

"I volunteered for the last 10 years and the company's got involved with a sort of local Chamber of Commerce to set up a local business group."

Community Liaison Officer, Case Study 4

"I volunteer in my spare time at a food bank and homeless shelter. I also do a lot of work with schools, outside of work time, as well as some work around women in business."

Family Member, Case Study 5

Third, supporting the personal and skills development of young people and providing access to jobs and training for other excluded groups such as the long-term unemployed and ex-offenders.

Fourth, the larger family businesses also offered employee matched-funding schemes and a scheme which allows employees to donate directly from their salary with the employer match-funding it. Both these schemes have an amount limit per employee per year.

"...The main thrust of the whole policy is giving. It's encouraging staff to go out and raise money to support their local charities."

Family Member, Case Study 1

Fifth, enhancing the community contribution of employees by organising community charity days involving all employees or paid time off for charity work.

Sixth, establishing family foundations to disperse grants or donating to a charity which then managed onward donations.

Finally, supporting business umbrella organisations or partnerships including the public and/or community sectors such as LEPs, taskforces established by local authorities, chambers of commerce and organisations of businesses in a specific industrial sector. One case study firm was leading a regeneration project in an area that had been subject to economic decline.

Whilst the environmental responsibility of family firms is part of their wider community responsibilities, sometimes enshrined in CSR policies, there is a broader debate in the literature on the role of businesses in tackling environmental issues such as climate change, pollution, biodiversity, energy use and carbon emissions. But the environmental aspects of community engagement were not at the forefront of the community engagement activities of our case study family businesses, unless environmental issues were directly relevant to their business activities - e.g. firms working in construction or farming.

Some said that their sustaining of a business and provision of local employment (and retaining these employees) were in themselves contributing to local communities' wellbeing. Yet it could be

claimed that by doing just this, it had a social as well as an economic impact on the communities living near the businesses. Even the two firms in Case study 7 appeared to be making contributions to the communities around them through the way they operated their businesses, by emphasising their efforts to retain loyal and local staff for example. However, they stated they did not have the time or other resources to engage with their local communities.

Community engagement strategies and CSR

The literature and our case studies suggest that successful community engagement requires family businesses to develop a specific, documented strategy for this activity which, in effect, brands it as community engagement rather than being obscured in general corporate social responsibility. This is also important if the family business wants to measure any impact from its community engagement activities. However, few

of the case study firms had a formal, stand-alone community engagement strategy, nor a process for monitoring and evaluating this activity.

Often, previous research suggests, community engagement is incorporated as a key part of a family business's CSR strategy.¹⁴ This was also the case for the larger firms presented in Case studies 1, 2, 3 and 5. Case study 5 also has a separate community engagement document detailing its contributions and impact. This was the only firm that actively measured impact.

CSR forms one element of corporate governance¹⁵ and addresses the need to demonstrate the ways in which family businesses engage with their stakeholders, wider society¹⁶ and the environment. CSR activity includes those which relate to social and environmental issues and can include actions which relate to building a sustainable and financially viable business and minimising harm to the environment (See Figure 2 below).

Figure 2: The Components of CSR Activity



The need for family businesses to make their CSR activity visible is becoming increasingly important as it provides an opportunity for family businesses to demonstrate their social and environmental credentials to wider stakeholders (See for example, Campopiano and De Massis, 2015). CSR reporting¹⁷ is an important part of any firm's CSR strategy, ensuring that firms communicate that they care about the people and environment that surround them. This can be done through reports or statements which can be made available on company websites and circulated to stakeholders.

Larger case study family businesses provided more details on their CSR activities, devoting webpages and employee communications to what they are doing in this area. Whilst some firms did not use the language of CSR, the processes of reporting and communicating CSR were similar.

Community engagement strategies were not necessarily visible in the CSR communications of the case study firms, but participants in our research talked about the objectives and reasons for community engagement. For example, Case study 2's strategy is part of the projects the business is involved in and reflects the community input into construction and development. This could be a sector specific finding, as Case study 4 also showed community engagement as part of a regeneration and development programme.

Building an effective community engagement strategy as part of a wider CSR strategy needs to recognise that there is no one-size-fits-all approach. Large, medium and small family firms will have different forms of ownership and control, different levels of resources, and different sector and legal requirements all affecting what a family business can do. Then there is the challenge of turning well-meaning statements into actions on the ground that make a difference.

Values and other drivers of community engagement

The ways in which family businesses engage with their communities can be driven by the values of the owning family. These values can contribute to family business owners' genuine desires to make real positive differences (Fitzgerald *et al.*, 2010).

Family and business values are usually embedded in the daily operations of family businesses. Business values are often driven by family values, which is a differentiating feature of a family business. Family values influence the direction of the business and can be an important driver of CSR activity and community engagement. These values can be passed on between generations; for example, Case study 5 highlights how parental values and behaviours shape future generations' values and behaviours, suggesting the passion for community engagement is passed on. Evidence suggests that where there are strong cross-generation values for community engagement, the family often sets up foundations as a vehicle to deliver activities.

The desire to foster a positive reputation of the business in the local area, partly stemming from a perception that this would provide a competitive advantage for the business, was also a key driver of community engagement. This was also thought to help in the recruitment of staff.

The case studies show that the long-term orientation of family businesses and their ability to develop long-term relationships with community organisations can result in a consistent level of community engagement. This finding is in line with previous work on the long-term orientation of family firms in relation to building long-lasting relationships (e.g. Clinton *et al.*, 2018; Miller and Le Breton-Miller, 2005). Through these long-lasting relationships, family businesses are able to make the greatest difference to the local community, as can be seen with Case study 1's work in an area of the North-West that has suffered economic decline.

There was also case study evidence that family firms' longevity in and commitment to a specific geographical area helped build trust with local communities and other stakeholders. The long-term view was underpinned by some firms through involving the family's next generation in their community engagement work. While case studies cannot conclusively establish that family businesses have a greater and longer-term commitment to community engagement than other businesses, they do reveal that many family businesses do have a strong, long-term and strongly-founded commitment to supporting communities.

Contextual factors such as firm characteristics, number of generations involved, age of business owner, business location and size of the firm can also contribute to levels of community engagement. Previous research in this area has focused mainly on the philanthropic activity of the family business rather than exploring the family's and the business's wider contributions to community life.

What are the negative drivers that limit community engagement? Each of the cases highlighted that time and resources were key constraints to the level at which the family business and the family itself engage with communities, irrespective of size or sector. This was also identified as the key factor for the two firms which did not actively engage with their communities (Case study 7). This contributes to the existing literature which discusses the available resources and the availability of 'slack' resources which businesses can devote to community engagement activities, specifically the lack of time and knowledge (Vives, 2006). This availability of resources was more of a challenge for the micro and small firms that participated in this study.



5. WHAT ARE THE BENEFITS OF COMMUNITY ENGAGEMENT?

Both previous studies and our case studies provide ample evidence that the benefits of family business community engagement are reciprocal, accruing not just to the community being engaged with but also to the family business, the family and individuals involved in community engagement activities.

Community benefits identified through the case studies included:

- Improving the well-being of the local community.
- Improving the local facilities and amenities.

“I’m thinking in particular of a school that one of our companies up in Staffordshire has a longstanding relationship with. Down to things like, providing them with a vehicle to take school trips in [which]... has had a definite positive impact on the local community.”

Family Member, Case Study 3

- A cleaner environment (for example, beach cleans, litter picks and ocean cleans) and a better place to live in.
- Improved skills and opportunities especially for young people.

“Building confidence, getting people to work in teams, behaviour management, all the social skills young people need.”

Family Member, Case Study 1

- Access to business skills and collaboration which allows unachievable projects to be achieved.

“What I can do is run events, collect information and delegate to people that we think are embedded in the community and they become the champion for whatever initiative we’re driving forward.”

Family Member, Case Study 4

“Not just volunteering and giving out food, we can help them from a business mentoring perspective as well.”

Family Member, Case Study 5

- Supporting a business development, employment and training infrastructure.

There was also evidence to suggest that the benefits of family businesses’ community engagement activities often reach beyond the immediate recipient. For example, the North-West based large conglomerate (Case study 1) provided financial and volunteering support to two youth organisations. This resulted in benefits not only for the young people who used the youth organisations’ facilities, but also for their families, providing a safe place for their children. It also benefited local businesses through the consequent reduction in the levels of anti-social behaviour and crime. In turn, this resulted in reduced insurance premiums for local firms.

“We’ve reduced a lot of crime and the anti-social behaviour. We do work with the families as well.”

Community Organisation, Case Study 1

“We run a holiday club so parents, who may be on a minimum wage, have essentially got free childcare in the holiday. So, I think we’re supporting a wider community as well as that individual kid which you’re helping to support by giving them life skills.”

Family Member, Case Study 1

Case study 1 also demonstrates that a community’s vitality often depends on the vitality of the businesses in town (Flora et al. 1997). This is particularly the situation for areas which have experienced economic decline. Therefore, having a number of economically sustainable family businesses in a city, town or village can contribute directly and indirectly to the sustainability of the community through employing local people, trading with other businesses in the area and contributing to community activity and organisation.

The key business benefits identified by the majority of the case studies were

- an enhanced reputation for the business and the family (which have also been identified in previous research);
- enhanced credibility and legitimacy linked to the firm's business reputation which was seen as a competitive advantage and a help in fostering a positive image of the business to customers;
- an ability to demonstrate social responsibility credentials of the business to prospective employees which was seen as a differentiator in attracting the best new talent; and
- the personal development of employees was also identified by Case studies 1 and 5. Case study 5 included managing a community project as part of one of its training programmes.

Individuals who took part in community-engagement activities also saw benefits including developing their own skills and a sense of personal satisfaction from helping others.

"I have learnt new skills, met lots of people, grown in confidence, have improved wellbeing and mental health."

Employee, Case Study 2

"I do think the biggest benefit is that when you do something for your local community, a charity or a school, you do get a feeling of great satisfaction when someone says, 'Thank you, that's made such a difference', or 'This is the impact'."

CSR and Events Coordinator, Case Study 1

This section has covered the immediate benefits of family businesses' community engagement activities as perceived by the businesses themselves, the business families, employees and community partners. But what about the wider, longer-term and sustained impact of these activities? These are discussed in the next section.

6. WHAT IS THE IMPACT OF FAMILY BUSINESSES' COMMUNITY ENGAGEMENT?

For this report, we define impact simply as making a difference, hopefully a positive difference. The impact of community engagement activities is the contribution that family business makes to society and the economy. In essence, it is making a difference to the individuals that family businesses are seeking to help.

This difference made is that beyond the immediate benefit, a difference that is sustained beyond the original donation or volunteering. For example, the donation of a minibus to a school provides an immediate benefit, but its impact depends upon how the minibus is used and the opportunities it opens up to schoolchildren. What events are the school children taken to and how many school children? Does it help to open up opportunities to develop skills, confidence and self-esteem, to widen their understanding of the world and to improve their health and wellbeing?

The impact of community engagement activities is hard to measure. Whilst family firms' economic contributions are well-known, less is known about their social and community impact in the UK. There are scant academic studies that explore and measure the impact family businesses have on their communities, particularly in relation to their engagement activities. However, work does acknowledge the important role family businesses play in local communities as a result of their social embeddedness within the community (Berrone et al., 2010; Fitzgerald et al., 2010). There is evidence to suggest that the more embedded a family business is in their local community, the more likely it is that it will become more engaged with it, and see benefits from any engagement activity (Sharma and Sharma 2011; Uhlaner et al., 2012). Studies have identified outcomes from community engagement, suggesting that family business commitment to the community and community support tend to positively influence the family business performance as well as the financial performance (Niehm et al., 2008). However, there are no conclusive studies on the direct measures of community engagement impact.

Some of the family businesses that took part in this study found it challenging to measure the impact they were having on their communities. Only one of the case studies managed to evaluate the impact of its activity, whilst other family businesses acknowledged they needed to do more and that it would help them to monitor the use of resources.

- It often involves intangible factors which are difficult to define and quantify, such as confidence and self-esteem in the example above.
- The impact is often long-term, uncertain, and difficult to obtain (e.g. Harrison et al., 2010; Cennamo et al., 2012).
- The diversity of strategies and mechanisms used means different measures are needed and comparisons are hard to make.
- There is also a dearth of tools specifically designed to measure this activity, tools which take into account the qualitative nature of measuring impact. This was one of the two key reasons amongst our case studies for not measuring impact.
- It takes time which is in short supply.
- Impact may only be visible after a long period of time.
- There may be unintended impacts both positive and negative, which may be difficult to monitor and measure.
- It can be difficult to pinpoint the impact made by individual family firms' donations to charities which also receive contributions from other sources.
- Impact may not stop at the recipient, there may be wider groups who also benefit. For example, a child using a youth centre may have improved mental well-being and improvements in their behaviour may provide benefits for the family and teachers.

Nevertheless, understanding and collecting evidence on the impact of community engagement activities enables firms to assess whether they represent good value and to communicate what they have helped achieve. In addition, developing

tools to measure community-engagement activity which sets out how data will be gathered, analysed and reported provides an opportunity for the family business and its employees to improve their awareness of community and social issues, as well as the ways they can make the most positive difference (Wei-Skillern, 2004). Measuring impact therefore requires a multi-level approach, combining the collection of quantitative and qualitative data and a need to look beyond the family, the firm and the family business.

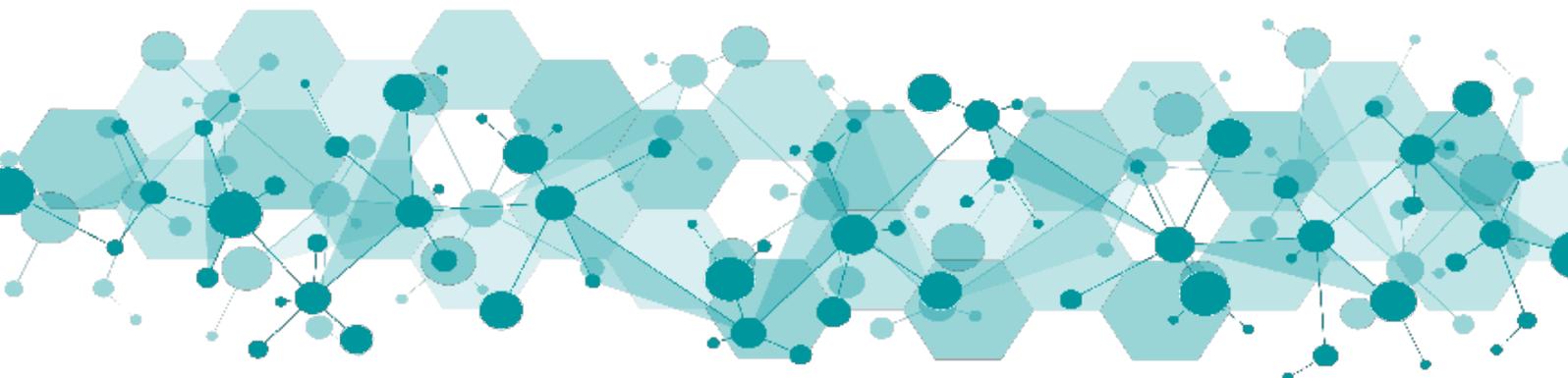
Our case studies identified a range of positive impacts that the businesses perceived resulted from their community engagement work. Qualitative impacts noted by participants included the immediate benefits of donations to buy items such as equipment for youth clubs and minibuses for schools. They also believed they were having a positive impact on local communities by enhancing facilities and by sharing knowledge and skills with school children, ex-servicemen and people who have experienced long-term unemployment to help them back into work and start new careers. In addition, they also saw a positive impact on the local environment through litter picks creating tidier spaces.

Some of the businesses in our case studies did make major efforts to monitor the results of their work and collect impact information. For example:

"We measure everything... we record all the input, so how many hours, how many people have supported or how much money we've spent. The outputs, so how many schools took part,...how many food banks we supported, how many tins of beans we donated, and then the impacts as well...how many young people we inspired into the world of work...the amount of food banks that we've supported."

Family Member, Case Study 5

Importantly, evidence from community organisations we spoke with as part of this study suggests that family firms who are deeply embedded in their community and who have developed long-term relationships or partnerships with community organisations have managed to create sustained impact for those organisations and the people who benefit from their services and their families.



7. CONCLUSIONS, IMPLICATIONS AND LESSONS

How do family firms engage with and contribute to communities?

Evidence from academic studies and the case studies (see appendix) show that family businesses engage with communities of place and of interest through a wide range of activities. These can be direct financial or in-kind contributions or offering grants and funding via third-party organisations or family foundations. Sometimes, these financial contributions are amplified through employee matched-funding schemes or 'charity days off' for employees. Volunteering, a key activity across all of the case studies, has a significant role to play, along with working directly on projects through partnerships.

The case studies presented in this report demonstrate that some family businesses play an active role in their local communities through providing a stable and secure business environment, employing local people and providing support to local organisations. The majority of contributions stem from family members who are involved in a range of different activities through volunteering as board members for local government bodies, chambers of commerce, charities and other non-governmental and community organisations, industry associations and educational institutions. Family business employees were also actively involved in local communities both local to the business and also local to where they live. The majority of this activity was either volunteering or making financial contributions via fundraising or donations.

Engagement activities are driven by family and business values but limited by time and resources. Effective engagement involves making key decisions on how to engage, who to engage with, and being clear about the purpose of the engagement activity.

What benefits do family businesses' community engagement activities bring?

Previous studies and our case studies show that the benefits of family businesses' community engagement activities are as diverse and wide-ranging as the communities they engage with and the ways they engage with them. Benefits accrue to both communities and the family businesses and their owners. For communities, they include finance, improvements or additions to their facilities and assets, volunteer labour time, cleaner environments, new opportunities for young people and those excluded from work, and access to business skills and collaboration which allows unachievable projects to be achieved. For businesses, they include improved reputations, credibility and legitimacy which add competitive advantage in sales and staff recruitment, and personal and skills development for employees and family members. For family members and employees, they offer personal development, enhanced confidence and satisfaction.

What impact do family businesses have on communities?

For this report, we define impact simply as making a difference, a difference beyond the immediate benefits of the community engagement activities. There are scant academic studies that explore and measure the impact family businesses have on communities, particularly in relation to their community engagement activities. Some of the family businesses who took part in this study found it challenging to measure or evaluate the impact they have on their communities. This is because evaluating impact can be complex, requiring a multi-layered approach involving a combination of quantitative and qualitative measures. Time and resource constraints and the lack of easy-to-use evaluation tools or methods are two common challenges.

Nevertheless, some form of impact assessment is necessary to assess the effectiveness of community engagement interventions and the all-important communication of achievements. All our case studies, save those not engaged in community activities, sought to collate the benefits and impacts of their work, although only one had a fully-fledged impact evaluation system.

Importantly, evidence from community organisations suggests that family firms who are deeply embedded in their community and who have developed long-term relationships or partnerships with community organisations have managed to create sustained impact for those organisations and the people who benefit from their services and their families.

If a family business wishes to measure its social or community impact then it needs to define

what its communities are, and these can be geographically, groups of individuals or groups of organisations. Understanding their communities, who they are, what resources they have and what they need will help to identify where the greatest impact can be made. Depending on the form of engagement chosen, the family and the family business should decide how it fits with their strategic objectives and their values.

To summarise, the ways in which family firms engage with and contribute to local communities can take many different forms. The level of community engagement depends on a number of factors including the available resources and the owners' values and attitude towards community engagement. Community engagement can bring benefits to the family business, the family and the community.

Key learning points

- Community engagement requires leadership and a genuine commitment to make a difference.
- Impact can be maximised through building long-term relationships with key community organisations, NGOs and charities. Building long-term relationships requires a suitable strategy, effort and resources. Any strategy should be aligned with family and family business values.
- It is important to identify ways to raise awareness of any community engagement activities undertaken. Clear communication can be through social media and the local and national press and media.
- Family businesses should raise awareness of the value of community engagement to prospective employees and the next generation of family members who will be joining the business.
- The biggest impact will not necessarily come from financial contributions alone. Offering time and personnel support will mean more to many organisations than simply making a donation.
- Family business community engagement can be particularly important in less prosperous areas.
- Effective community engagement requires an understanding of the local social and economic issues which require solutions.
- Family business heritage and longevity help to build trust and gain acceptance for change.
- Measuring impact can ensure that valuable resources are used efficiently and effectively and underpins communication of what has been achieved.
- Those who have not engaged in community activities before should not aim to do too much; it is best to start small and build on successes than start big and fail.
- Evaluation methods should be considered at the outset, along with the reasons for wanting to evaluate the activities, and identifying the benefits to the family, family business and members of the community.

Implications of our research

What are the implications of our research for family businesses, charities, NGOs and community organisations, policy-makers in the public sector and researchers? We take each one in turn.

There are a number of different ways to improve community engagement. How you engage more effectively with community stakeholders¹⁸ can be challenging. What is the best strategic approach to take? It is always useful to talk to firms who have a well-established engagement process in place and see what can be learnt from them.

Implications for family businesses

Family businesses who want to enhance their engagement with their communities should make sure they have a clear rationale for wanting to do so. They should also evaluate whether they have the resources to sustain commitments to community organisations or whether they are better suited to a one-off yearly activity.

Family businesses who build a strategy of community engagement and sustain this over a long period are more likely to have an impact on communities than those who pursue one-off, short-term activities. However, to make a real difference to communities, it is important to work in partnership with community organisations to ensure that community engagement meets the needs of those communities and that it is a continual process, as set out in the practical guidance in the next section.

Businesses should be aware that the personal and professional development of employees who take part in community engagement activities can be a very important benefit for the family business.

Implications for charities, NGOs and community organisations

Family businesses can be important sources of long-term support for local communities, their organisations and NGOs. However, any partnership arrangements should be built on transparency and trust, which can only be built on through discussions of the issues being tackled and the different ways they can be tackled.

Implications for policy-makers

This report highlights the importance of family businesses to local communities and the role of the values held by the owning family. These values not only encourage employees to engage in these community focused activities in the first place, but also encourage them to want to work for the business. In light of the need to create prosperous communities across the UK, policy-makers should explore how they can work with local family businesses who in many cases form the bedrock of local communities through providing jobs and supporting a business infrastructure. Owning family members also contribute to local policy agendas by informing policy through participation on boards and committees such as Chambers of Commerce, LEPs, local government advisory boards and social and economic development partnerships.

Government could encourage the creation of public-community-business partnerships, as well as providing guidance on any legal and regulatory requirements of partnerships.

Many family businesses have a long history of community engagement and therefore policy-makers, community organisations and other businesses may have a great deal to learn from their experiences.

Implications for further research

This report contributes to an area of research which has seen little attention, particularly in relation to practice-based research. The work has highlighted the complexities in researching community engagement as a result of the lack of consensus on defining key concepts such as family business, community, and on the links between individuals, the family business and the business family. The research also shows that there are similarities across family businesses regardless of size, sector and location, and that the resources available to support active involvement in community engagement are often limited.

Community means different things to different people and unless studies are explicit about defining the communities they are considering, it is difficult to draw comparisons. Due to the many ways of understanding what community engagement means in practice and other factors,

it is also difficult to measure impact. A firm's activities can have an economic, environmental, health or social impact. Evaluating the social impact can be difficult to quantify and the impacts can be highly subjective depending upon the individual or community which benefits.

Any future research in this area should focus on practice and gather more data on the activities of family business to gain a wider understanding of what family businesses do. Future research could explore developing practical guidance for different sized firms, location specific guidance and sector specific guidance.

Building a wider evidence base through conducting community surveys and large-scale interview research could enable a better understanding of the factors can affect community engagement activities and their outcomes.

Reputation and identity warrant further research with a specific focus on each one as to how they both drive family and business behaviour specifically in relation to community engagement. Future research could also explore whether there is a need for sector specific guidance. It would also be worth further investigating size specific guidance.

Future practice-based research could also explore why family businesses choose to communicate and report their activities whilst others do not. There is also a need to understand the role of values and the meaning of values in driving community engagement activity in family businesses, as well as how influential the family is.

8. RECOMMENDATIONS FOR PRACTICE

This section provides general practice guidance for family businesses that want to engage with communities or enhance the work they do already. It presents six key steps: defining the rationale for community engagement, planning how to do it, delivering the activities, monitoring

and evaluating activities, reporting community engagement activities and, finally, learning to improve future community engagement activities. Steps are illustrated with learning from the case studies of the research behind this report.

Figure 3: Six Steps for Planning Community Engagement Activities



Laying foundations before starting

To start this process as a family business, input from company board members as well as family members should be considered. If the family decides to engage with communities, consideration needs to be given as to whether this is on an individual or collective basis, and if this activity is to be separate or part of the business's main operations. For larger family businesses with many family members, holding a facilitated roundtable, workshop or having a task force run by an independent person may help to ensure that all member ideas and visions are considered. Where they exist, family councils have a role to play here, and the company's Board will need to be involved if the

decision is for the engagement to be part of the business's operations.

Steps 1, 2 and 3 will be most relevant to all family businesses. Steps 4 and 5 will be more relevant to larger family businesses. Step 6 will depend on whether family businesses apply steps 4 and 5.

Step 1 Define purpose

What community do you want to engage with and how will you define it?

This could be based on a geographical area, a particular shared interest, shared practices or an advocacy group. For example, supporting

the local community within a 10-mile radius of the family business headquarters, or a specific organisation such as a youth club with a shared interest of helping young people to achieve their potential. It could also be other businesses, or a community linked with all or some of your employees. The case studies in the appendix show the diversity of communities that could be supported.

Why do you want to engage with this particular community?

Addressing this leads to questions about how community engagement relates to your family and business values. This could be for business reasons, to comply with governance and CSR strategies, strengthen the business reputation, attract the most talented new recruits, or brand management. Or it could be for family reasons, such as to create a legacy, ensure future generations continue the heritage of community engagement, or to build a reputation for the family name.

What benefits do you hope to achieve? What outcomes do you hope to see from the engagement?

As well as a variety of community benefits – see Section 5 – there could be business and family benefits. Business benefits could include: increased profits as a result of increased sales because more people want to do business with a business which can demonstrate good corporate citizenship; create a unique selling point for attracting talented new recruits; build a reputation in the local community through giving something back; employee personal development; and taxation incentives. Family benefits may include building a reputation as a key component of your community or communities, and building a reputation as a family that gives back to society.

Step 2. Planning your community engagement activities

How do you build a community engagement strategy?

The biggest decision to make is whether it is the business, the family or both which actively

pursue engagement with communities. This can be done in a number of different ways. Through the business, this can involve family members, non-family members, employees, or via suppliers and customers, depending on your chosen strategy. Through the family, this can be individually or collectively. The latter could involve starting a family foundation or family trust, or with family members directly involved in different roles within the community such as volunteering, acting as a board member of a school, charity organisation or business association.

Starting can be challenging, so it is better to begin with something small and then, building on a strong, successful base, it is possible to branch out and extend the reach of your engagement activities. It also allows time to understand the level of resources required before entering into any commitments with community organisations. It is helpful to find out what other family businesses do and learn from them. Use the case studies in this report as a starting point.

There are four other things that should be done:

1. Find out what the community needs and how the family business could help.
2. Find out if there is anything already happening within the family business.
3. Align community needs and family business values and goals to build a strategy and build in what is already happening through the work of those already in the family business.
4. Start working with the community and organisations identified as ones that would benefit from the family firm's support.

There may already be community engagement activities going on within the organisation which you do not know about, so it might be beneficial to ask employees whether they are already involved in such activities, for example, volunteering and fundraising, and whether the business could add to these if they align with the goals and values of your community engagement strategy. This could be done through a simple email request or a short, online survey (as some online survey tools help with collating and analysing the results).

Based on the case studies discussed in this report, there are several different strategies for community engagement which could involve one or more of the following:

- Running a matched-funding programme or have specific charity fundraising activities throughout the year.
- Having a dedicated volunteer day.
- Holding a community engagement day and inviting community organisations to find out what help they need.
- Employee-led engagement - asking employees what they would like to do and why.

Step 3 Delivering your community engagement strategy

How will you deliver your strategy?

Delivering your strategy may involve choosing an individual who could act as a community engagement champion within the family business to lead on strategic activities in this area. This individual would also be the main contact point for community organisations. It is important to decide what the limits are in terms of available resources.

Step 4 Monitoring and evaluating impact

How will you measure the impact of your engagement?

Measuring the impact of your community engagement will enable decision-making about how to best utilise the resources available and help communicate your achievements. To do this, you need to establish an active monitoring and evaluation framework. This involves asking the following questions for each activity:

1. What resources were used – financial (donations or funding for specific items), time (e.g. hours of volunteering)?
2. What was the end result of the activity (e.g. youth club repainted, and new equipment bought)?
3. What benefits were achieved for the community and the business (e.g. better facilities for young people, how many

young people will benefit from personal development)? How will these benefits contribute to the impact of the community engagement activity?

4. How is this information going to be documented, collated and reported?
5. How does this contribute to the goals of your community engagement strategy?
6. How will you establish a continual process for collecting, documenting and distributing the information you have on your community engagement activity?

The activity should be communicated both within the organisation through newsletters and to wider stakeholders via the organisation's website or Facebook page.

These questions are relevant for business and family engagement. By measuring impact, it is possible to monitor how effective the use of resources is, and the benefits achieved, allowing resources to be directed to the activities which deliver the greatest impact. This is important for family businesses of all sizes and sectors but may prove more challenging for smaller family firms or those with fewer resources.

Step 5 Reporting

How will you report the impact of your engagement activities?

There are many ways in which community engagement activities can be reported:

1. Through a CSR report.
2. Through a separate community engagement report.
3. Through press releases, social media and website news pages.

The key audiences for reporting should be the organisation, family members, employees, consumers and the wider public. Reporting within the organisation raises awareness of the community engagement activities to its employees. This could simply be a community e-newsletter or a specific Facebook page or Twitter account. Reporting on your achievements is important, especially if the reasons for community engagement are to increase reputation and attract the best

talents. However, reporting to wider society will depend on whether the business is legally obliged to do this and the views held by the owning family about sharing such information.

Step 6 Learning and feedback

What have you learnt from your engagement activities?

To improve on your engagement with communities, it is important to evaluate and reflect on the activities undertaken and the outcomes you have achieved. Reflecting on how the organisation has engaged with communities, and the ways in which impact is measured and reported, can lead to a cycle of learning and continuous improvement. Documenting this reflection in an evaluation report can then be used to inform any new engagement activities undertaken. It can help to view community engagement as a process of continual development involving an action learning cycle of planning, delivering, evaluating, learning, making changes to improve benefits and maximize impact.



APPENDIX A: CASE STUDIES

Case Study 1: Large, North-West, multi-sector conglomerate

Case study 1 is a family-business conglomerate comprised of several different key businesses operating in a range of different sectors. The business employs 4,000 people. The Head Office is located in North-West England in a city which has historically seen economic decline and is currently undergoing significant regeneration. This case study is drawn on information gathered from interviews with a family member active in the family business and business's CSR and Events Coordinator, along with managers from two community organisations the business has supported. The CSR and Events Coordinator has worked for the company for six years, has always worked for family businesses and previously worked for a small family business. Documentary data and feedback from employees are used to augment the interview data. The family member sits on the Board as a Non-Executive Director.

The group has a CSR strategy, known internally as a 'corporate responsibility policy', with four key strands: delivering sustainable value for clients; our people and culture; community and investment; and responsible business practices. The strategy is supported by group-wide policies covering human rights, health and safety, the environment, and community and charities. These policies are applicable to all subsidiaries within the conglomerate. Each subsidiary is able to choose the charities it wishes to support in its local area.

The strategy and policies are communicated to staff through a company newsletter and on the company website through annual reports. The group also has a Head of Communication for Social Media, with groups on Facebook and a main company page where people can post what they are doing in relation to community engagement.

Community engagement activity

Community engagement activity is one aspect of the company-wide CSR policy – the company does not produce a stand-alone strategy that covers its

community activities. Included in the CSR policy is a duty to contribute to the wider economy, which involves employing local people, using local suppliers and behaving as an ethical organisation. For example,

"As a major employer, we recognise we have a duty to contribute to the wider economy, creating jobs, using local suppliers, and supporting our clients in tackling local socio-economic issues...so it's about encouraging community fundraising, volunteering and encouraging colleagues to support, young people."

Family Member

The business has played a key role in building a community of businesses in an area which has seen economic difficulties over a prolonged period. It does this by employing local people and providing business infrastructure for local firms. Family members have also been involved in providing advice to local government, the local Mayor and local industry bodies and also in helping to build and develop the industrial heritage of the area; for example, the business has been involved in community engagement activities aimed at helping the local museum source artefacts and build a picture of the cultural heritage of the local industry. The family member we interviewed sees the business as being part of a number of overlapping business communities: the local business community, the family business community and sectoral trade communities.

The firm's community engagement activities are also driven by a programme of financial donations. All individuals who work in the organisation are encouraged to fundraise for charity. The company has a 'Giving Back' scheme where any fundraising activity or charitable donations made by employees are match-funded by the organisation up to a maximum amount of £500. Employees can also donate a fixed amount from their salary which the company will match-fund.

"The main thrust of the whole policy is giving, it's encouraging staff to go out and raise money to support their local charities."

Family Member

Employees are also involved in other forms of community engagement including: fundraising, donating items to charity, volunteering, organising events such as Christmas parties for elderly people, painting school railings, involvement in food banks, and creating Christmas stockings for disadvantaged families at Christmas. Employees noted that the reputation of the firm and its values were important to them and often a reason they wanted to work for the firm. They wanted to get involved to help people less fortunate than themselves and they felt able to make a difference. They also said they learnt about charities and the things they do, as well as cited some social benefits such as making new friends.

The CSR and Events Coordinator detailed a number of different community engagement activities that the business has engaged in including ocean clean-up and beach cleans, providing welfare cabins to community groups who can't access safe buildings and safety education with school children.

The family business is involved in partnerships with two community organisations, which work with young people. It has provided financial support for these organisations and employees have volunteered, supporting local young people find a job, for example, CV building and team building.

Members of the owning family have volunteered to sit on the boards of community organisations, helped to run projects, provided business acumen to local policy agendas led by the local Mayor and Chamber of Commerce. Both the family and the business have developed long-standing relationships with local community youth organisations. One organisation has a long-standing commitment from the family that was started by the current generation's father, with some of the money used to fund the organisation coming from the business.

The family were pivotal in starting one of the community organisations which focuses on providing a safe place for local young people to go. It also offers its premises as a community organisation for vulnerable groups during the day. The family member interviewed has been involved in fundraising activities and project management for the organisation.

Aside from participating in community engagement by the business, as an individual, the family member is part of the Parish Council where he lives and is also involved in several local charities where the business headquarters are based. He also donates money to other charities but, on the whole, supports community organisations which are local to where he lives and the business's location. Other family members are involved in community organisations where they live.

Benefits

The main business benefit of the firm's community engagement activities is that it is believed to foster a positive business reputation. The CSR and Events Coordinator noted that encouraging employees to engage with and be involved in their own community can help boost confidence and learn new skills such as leadership and time management which are beneficial to the business. Another benefit from community engagement for individual employees is that such activities can be enjoyable and fosters the self-esteem from helping others.

The benefits to the community of the community organisation the firm helped to start include having a safe place for children and a place where they can develop and learn, and a reduction in anti-social behaviour in the area which also benefits other businesses and local residents.

"You have that immediate impact on the local community with young people in your building, not outside. So, there has been a significant impact on anti-social behaviour ... Then the businesses ... some were claiming a reduction in their insurance premiums because of the reduction in anti-social behaviour in the area."

Youth Club worker

Challenges

Despite the business being deeply involved in community engagement activities, there are several key areas identified for improvement, including increasing volunteering and continuing to make a positive impact on communities. However, the key challenges are the time and cost of running programmes and striking a balance between the firm's community activities and its business needs. As the CSR and Events Coordinator puts it, "I think, probably our key challenge here is a toss-up between cost and time".

Summary

This case study highlights the importance of family businesses in urban areas in England which have seen economic decline. The case study also demonstrates that high impact can be achieved through building long-term partnerships, where the family and the business offers more than a financial donation, for example, by supporting volunteering among family members or staff.

Key learning points from Case Study 1 are:

- The importance of family businesses working locally in less prosperous areas.
- Building long-term relationships with key community organisations to maximise benefits and impact.
- Supporting employees who take part in community engagement activities, thereby helping their personal development.

Case Study 2: Large construction and property firm, based in South-East England but international

This case study was chosen because its headquarters are located in South-East England and it works from multiple sites across the UK and the world. The business operates in the construction and property sector with project sites in many locations, employing around 4,000 people.

The family business has its own CSR strategy, which is currently being revised, that focuses on social responsibility over the long-term. The strategy is driven by family values and the needs of the business environment in which it operates, and as one family member put it, “community activity engagement is a core activity for this organisation”. Owing to the nature of its business operations, community engagement encompasses environmental responsibility.

The family member interviewed sees a future where responsible business is not something which is separate from the day-to-day activities of the business, but is something that is integrated into what the organisation does every day.

Community engagement activity

The firm funds a charity foundation using approximately five per cent of the company’s pre-tax profit. The foundation then funds activities such as donations to charities which are often community-based or have a social purpose. The business also runs a “Give As You Earn” scheme for its employees.

The business family’s community engagement activities are organised around three key themes: young people, homelessness and sustainability. The family business has identified three strategic goals: challenge inequality; inspire and educate; and support social enterprises. Engaging communities in achieving these goals is seen as essential by the family and is part of the way the business operates.

“The nature of our business is in communities... It’s just good business to engage with all stakeholders and to ensure that they know what we’re doing, how we’re doing it, why we’re thinking of doing it that way. And to give them a voice.”

Family Member

The firm engages in a number of activities to benefit its communities, including: making

financial contributions; volunteering; and running community-based programmes (see examples below). The family member interviewed as part of this study is involved in a variety of community engagement activities, including an annual Business Community Day and the community-related engagement of the business's operations.

The business offers education programmes for 200 young people, including 'Build Yourself Junior' for 11-18 years old. It also runs a programme to support people who have been long-term unemployed back into work.

The business has a network of Community Investment Advisors who manage the firm's community engagement activities across the family business group.

The family business also encourages everyone in the business to take part in its community engagement activities. This is done through its Community Day which provides an opportunity for employees to participate in community engagement. Employees can choose what they do so long as it relates to the annual theme.

"We have a Community Day, every year, where every employee ... is free on that given day to devote a minimum of four hours to some community related activity or project. And we all do it on the same day. There are four thousand people. And normally our supply chain gets heavily involved as well because it's often locally driven, ... either through our regional offices or through our projects."

Family Member

As well as the Community Day, employees engage in a wide range of community activities such as supporting local schools, volunteering for local community organisations and fundraising. According to the returns from our employee survey, employees are motivated to engage so they gain more experience and contribute to making a difference.

The family business communicates its activities through several different channels including internal communications to employees and displaying examples on its website.

Benefits

The main benefits reported by employees were personal satisfaction, team building and seeing an

impact. Employees chose to work for the family business because of its values and good reputation.

"The family encourage involvement in community projects by giving us volunteering hours each year, match-funding through our charitable arm, our annual community and conservation week and through our corporate charity partnerships. It's part of our ethos and values to care about the communities in which we are working in, and it's innate in most people that work for the company that they naturally want to get involved in these things."

Employee

A key way that community engagement activities benefit the business is by improving its reputation as a responsible business.

The community benefits range from access to better facilities, a better environment, and a sense that someone does care. For example, replanting a community garden with flowers and creating a vegetable patch for community members to grow and share food, refurbishing and maintaining the cricket club house, and litter picking across the local area, including streets and parks.

The benefits of community engagement for individual employees and family members centre around the positive experience of taking part and helping others:

"When you are working with people that are from quite deprived parts of society and you are sort of helping them get back on their own two feet..."

Head of CSR

Impact

The ways in which the family business makes a difference is important in relation to the desire to have a positive impact on communities. In terms of community engagement impact, the Head of CSR said that:

"We want to make sure that whatever impact we have on them, it's a positive one. It's also about recognising that because we are part of that community, we want to help with community cohesion. We like to think that we can bring communities together by the things that we build and by the things that we maintain."

Head of CSR

Measuring the impact of community engagement is done through using a computer programme but

it is still difficult to measure impact because of the time lag between the activities and the outcomes of those activities which makes it hard to show a causal linkage between them:

"We're trying to measure it ourselves. We've got a bit of software called Social Value Portal. It's kind of a bit scientific. You plug in your activities and it generates value of what you have added to society."

Head of CSR

Summary

This case study highlights how the sector in which a business operates can influence community engagement. Community engagement is embedded in the everyday work of the business. The business actively encourages employees to engage in community activities and actively looks at how it can improve the benefits and impact of its strategy and what it does. The case study also highlights some of the key challenges in measuring the impact from community engagement activities.

Key learning points from Case Study 2 are:

- Community engagement can be effectively embedded into how a business works and built into individual company projects as an integral part of a wider CSR strategy.
- Measuring impact is challenging and asking the right questions is critical.
- Community engagement can be facilitated through business projects and the family foundation.

Case Study 3: Large, South-East based, global food sector

This case was chosen as the family business group headquarters is located in the South-East England. It is also a large family business operating in the global food sector. Evidence is used from interviews with the family owner, a non-family member of the management team and the main community engagement stakeholder, through which the family business and the family deliver their community engagement activities. The case study also uses secondary data and data gathered from employees. This fourth-generation family business has been operating for 125 years and has three core values: honesty, integrity and unity. The key objective of the current generation is to grow businesses and communities so that they are in a better position than those they inherited.

The company has a CSR plan. The intention is to develop this strategy beyond the current focus of group-level engagement with key partner charities and raising money for them. The individual companies within the group may then use the plan to engage with their own local communities, as the group has businesses across the globe. The activities are communicated within the organisation through a monthly electronic newsletter as well as a paper-based one. The company utilises social media

primarily as a way for people who may be interested in joining the family business to see what else it does.

Community meaning and engagement

Community means a number of things to the family business owner. The organisation sees itself as part of the family business community, and its communities include the local residents around its business sites, its employees and the areas where they live.

The family business engages with its communities in several different ways. The business provides financial contributions directly to charities, as well as through a matched-funding scheme for employees. Fundraising activities for partner charities have the intention of building long-term relationships. The business's engagement with one local charity in particular allows it to work with local charities where its headquarters is based and also to provide a platform to encourage and enable the next generation to continue community engagement.

"We facilitate charitable giving from the donor through to the ultimate beneficiary, working with charities and community groups. The money is irrevocably gifted to us. Donors or the fund holders can help us decide where that money goes."

Head of Philanthropy

“Instead of taking a dividend, there is a pot of money that is equivalent to that dividend that goes into supporting Charity F. The purpose of that is to start the conversation with the next generation of the family about community needs and about using this business as a vehicle to support identified community needs.”

Family Member

The family business owner is a donor to this local charity as an individual and the family business is also a donor. This charity also sees the owner as an influencer and someone who can tell others about the work the charity does and how to get involved. The impact that the funds have is delivered through grants which are used by other organisations to solve problems in the local community.

The charity also acts as a way for the family business to manage its charitable giving. It provides the family business with a safety net in terms of dealing with media requests about its work, as the charity will also deal with these. The charity also helps the family business with measuring impact by monitoring how money is spent.

The company also encourages its employees to volunteer by giving them a paid day off work to go and volunteer for the day. According to a member of the business family, “We offer a day off per annum for every employee, to use their initiative and do an activity within their community”. For example, employees volunteer at local schools, local scout clubs and get involved in local litter picks. Employee motivations for engaging in these activities stems from the values of the business and the needs of the local organisations. Employees taking part in these activities have found they experience a greater sense of community, whilst the benefits for the community were better facilities and a cleaner local environment.

Benefits and impact

The family business member sees the benefits of community engagement as, firstly, offering resources and, secondly, trying to solve community-based problems. He gave the example of the local hospital having their beds ‘blocked’ because people could not go home as they would be on their own. He offered a solution to this problem which helped move elderly people out of hospital and back into the community. Another example is the family member setting up a mentoring scheme for prisoners to rehabilitate them for reintroduction into the community.

One of the key challenges is measuring impact. The family member appreciates that there is a need to follow up and understand how financial donations are being used and what kind of impact they have. Information is gathered on the activities undertaken but less is known about the direct impacts. For example, the community engagement with national charities will ultimately result in a collective impact from all partner organisations across the country, as well as other donors, so it is impossible to measure which donations and assistance have delivered which impacts. It would only be possible to show the overall impact the charity has made, but it would not be possible to determine the specific impact the family business’s donation had had.

The family business is keen to establish better ways to measure the impact of community engagement and is working towards this.

Challenges

An issue that affects community engagement activity stems from the level of resources available at the company-wide level to each individual person’s time to commit to these activities. Another challenge stems from ensuring that the legacy of community engagement is continued by the next generation and educating them to understand the importance and heritage of what the business has done.

“Our next generation are the ultimate owners of the business assets. We’re starting the conversation now with my brothers through our Family Business Council that we’ve set up. How do we get philanthropy, participation in the community, a sense of belonging within the community, more in the front of the mind with the next generation? How to use the business as a vehicle to support communities. I think the potential is to really enhance their cousinly relationships with each other, having that sense of focus and pride from helping.”

Family Member

This case study has shown that family business can have a long history of community engagement with a long-term commitment, and that forward thinking on how future generations can be encouraged to maintain this commitment and the values associated with it. The case study also highlights how building long-standing relationships and partnerships can create a collaborative movement to solving community-based problems.

Key learning points from Case Study 3 are:

- Understanding the importance of engaging the next generation in community engagement activities and the family and family business's long-term commitments by utilising a family council to start conversations.
- Using an intermediary charity as a facilitator of company and family charitable giving.
- Understanding the local social and economic issues which require solutions.

Case Study 4: Small, West Midlands, energy sector

This case study focuses on a specific project being undertaken by one family business group located in the West Midlands. The company is a small family business employing about 35 people. The family business is 300 years old, founded in 1720 and recently there was a management buy-out by two brothers and four cousins. The family business started out in the manufacturing sector and has since moved into the energy sector, as the site of its manufacturing factory is within an energy innovation zone.

This case study demonstrates how a family business can spearhead a regeneration project by leading a group of stakeholders to secure funding and change the landscape of a deprived inner-city area. It also demonstrates the commitment from a family business to remain in a locality despite economic downturns and deindustrialisation. The area faces social and economic challenges requiring high levels of investment and has few community facilities. It is also ranked in the higher quartile for deprived areas in the UK.

The evidence used in this case study is based on two interviews, and secondary documentary data related to the project.

The stakeholders and the objectives of the project

The project involves a number of different stakeholders from the local council, local universities, the River and Canals Trust, the family business foundation trust, a local church - originally built and funded by the family business in the mid-

1800s along with a school room for the workers' children - and a number of charities.

The stakeholders want to build on the industrial heritage of the area to create a place which is an 'attractive, successful and resilient place where people will want to live, work and visit'. The foundation trust set up by the family seeks to ensure that the business heritage and that of the surrounding area is preserved and that the foundation supports community and business initiatives.

The stakeholders work together in a collaborative way to benefit the business and local community. The family business has played a pivotal role in organising and supporting local consultation events with the local business and residential community. The principle aim has been to explore the challenges and opportunities for businesses in relation to energy use and renewable energy and to explore the local community reactions to the proposals for the site as well as how to regenerate its local area including the provision of facilities.

The family business group have a Community Liaison Officer and the business has a foundation trust which provides information on the history of the business and Britain's industrial past. The business is proud of its heritage and recently provided archive accounts for an exhibition at the city museum. The family business history is important and seen as a way to build relationships with the community having been located in the area for hundreds of years despite the economic challenges.

"The heritage and the history and the traditions of the company are the thing which seems to resonate with local community."

Community Liaison Officer

The family business does not have a formalised CSR strategy but it is “happening organically”, as the Community Liaison Officer put it. It has been involved historically in shaping the local community with which it has a long-standing connection.

“When the company was founded, my take on it is that it was like a community. It came here and it built a pub, it built all the houses. It built churches.”

Family Member

The business’s community engagement activities have declined as the effects of deindustrialisation have affected the business financially. But the business is now keen to restore its tradition of community engagement which is seen as part of its founding principles. As part of the regeneration project, the family business is seen as a key player in the regeneration of the area with stakeholders asking the business for help and support by leading on writing bids. The business attributes this leadership role to the fact that, as it has a long-term presence in the area, the residential community trusts that the business genuinely wants to improve the area for its benefit and that of local people.

Other community engagement activities

The family business has a schoolroom next to the church which it lets the local community use free of charge for community-based activities, such as crafts or art classes with children. The family business works with local schools to raise awareness of the negative effects of litter and fly tipping. The family business also runs events designed to encourage community cohesion; for example,

“We’ve had two street parties. It’s a way of getting local residents to talk to each other. They come from these diverse communities and to get them to come out onto the street to chat and discover that they are interested in the same things and they want to do the same things. That’s the beginning of a great community.”

Community Liaison Officer

Benefits

The Community Liaison Officer, as part of his community engagement role, attends local meetings run by other organisations including charities, councils and the church. When asked about the benefits of engaging with the community, the Community Liaison Officer commented that it wasn’t an easy assessment to make.

“If one looked at the bottom line, the commercial element, perhaps one would say, well it hasn’t affected our profits whatsoever. This seems to be the sort of main thing, but, of course, there is a tremendous amount of benefit because we’re now recognised in the local community, we’re in demand in the local community and we’ve got a place, we’ve got an identity.”

Community Liaison Officer

The family business owner sees the community benefits as him being able to provide his skills to help others.

The family business also recognises that improvements need to be made in the ways in which it engages with the community and how the business promotes manages things, particularly in relation to this project.

This case study has highlighted how a regeneration project has been led by the family business, with passion and commitment from the family. The family business owner emphasised the importance of community engagement in regeneration projects:

“There’s lots of reasons why consultation and community engagement are really important, particularly with this long-term approach because if we get it wrong, then everyone has to live with it.”

Family Business Owner

The case study also shows how a family business can experience financial difficulties which then poses a challenge in that trying to minimise job losses, potentially at the expense of community engagement activities. There are issues in how businesses communicate what they are doing given limited resources, and how to manage high levels of community engagement alongside the need to maintain business operations in difficult times.

Key learning points from Case Study 4 are:

- Regeneration projects involve building trust between all organisations and the local community.
- Family business heritage and longevity help to build the required trust and gain acceptance for change.

Case Study 5: Large, West Midlands, retail, wholesale and distribution

The family business headquarters is located in the West Midlands with a number of sites across the UK. The family business was chosen as a case study because they cover a number of different sectors but primarily retail, wholesale and distribution. The business employs over 7,500 people.

Interviews were conducted with a family member and the Group HR Board Director. Documentary data was also collected, as well as information from employees' completed electronic forms. The family member has been working for the business for eight years and the Group HR Board Director has worked for the business for nine years. The family business has several CSR related strategies and plans which have been in place for over 20 years, including a community engagement plan.

Communication

The business communicates its CSR and community engagement activities through a number of different channels including team briefings, e-newsletters, the company magazine and social media. There is also a separate site for its independent retailers so it can share best practice. The Group HR Board Director believes the business can do more to promote what it does. The business also has a community engagement report available on its website and clearly documents the impact its activities have had on the local community.

Communities and engagement activity

Communities are important to the business as it sees its local communities as employees and customers and therefore important for the business's survival and success. It also sees a competitive advantage if the business is seen as 'being in the community'.

"Communities are important because without communities we wouldn't have a business both in terms of the employees we require from communities, and also the customers who live in our communities. A big part of our business is convenient retail stores. So, they are typically community stores."

Group HR Board Director

The family member volunteers at food banks and homeless shelters. Business community engagement is driven through financial donations via the family foundation and volunteering.

Community engagement ranges from daily staff engagement through to strategic leadership engagement, as the local area where the Head Office is based is an area which experiences difficulties attracting businesses and engaging schoolchildren. The family business runs an education programme. One element of this programme involved the family business running a leadership programme at a local high school for children aged 14-15. The family business also focuses on supporting local charities and organisations rather than national ones.

The business views its employees as a community and is currently focusing on becoming an 'employer of choice'. The business is conducting mental health training across the business and promotes employee health and wellbeing. It encourages employees to volunteer in the local community and take part in an annual litter pick. Employees are offered the chance to participate in a matched-funding scheme for projects. The business has also mentored small firms through a leadership programme.

The business is strategic in how it develops and implements its community engagement plan. Two per cent of profits go to good causes. Through the family foundation, the business has raised millions of pounds for its partner charity.

"We do a lot of work with charitable groups of all shapes and sizes through our charitable trust. The foundation was established by the family over twenty years ago to

help local grassroot charities. That could be things like a local donkey sanctuary, a hedgehog farm, a care home, a school and nursery. Whatever it is, we'll support it."

Family Member

Engagement also includes projects which enhance the local environment. For example, according to the Group HR Board Director: "Sometimes it's regeneration of garden areas or school playgrounds or sensory gardens".

Employees' reasons for working for the family business centred on the culture of the family business, its values and the fact that it is a local company. Employees have been involved in raising money for charity, volunteering, litter picks, local schools, and local food kitchens. According to the data we collected from the firm's employees, the reasons they became involved were to make a difference and give something back – for example, in the words of one employee,

"I am passionate about supporting local communities and want to help others as much as possible. I have seen first-hand how a little support can go a long way to make a significant, positive contribution."

Employee

Benefits

Employees said they benefitted from being involved in community engagement activities in several ways – for example, learning about charity work, gaining a sense of pride in what they had achieved and satisfaction from knowing they had helped someone. One employee perceived multiple benefits of such engagement for the local community:

"Our support can be life-changing in many ways depending upon the project or grant given. For example, a community project transforming a communal sensory garden and vegetable patch will benefit local people directly. It could improve their mental wellbeing, increase communication skills, mobility/vitality and offer the opportunity for youngsters to learn about healthy eating. Whilst a community grant or support to a charity/club's fundraising could sustain them for years to come and therefore benefitting a generation of people."

Employee

The business's reputation and values are important in attracting the next generation of employees. The business also sees community engagement as a development opportunity for employees, as well as enhancing its own reputation.

"If you do one of our management training courses, you complete a community project as a team leader. You have to manage a budget, manage your time, finance, risk assessment completion, management and leadership techniques. You have to delegate tasks on the day."

Family Member

The family business member saw personal benefits as helping with their own time management skills and the feel-good factor that arises when one is able to help others. He also saw benefits for community organisations involved especially in receiving assistance on the business side of running organisations.

Challenges

The challenge for community engagement stems from the level and allocation of people and financial resources. The family business member identified the challenge of ensuring that employees who wish to volunteer understand the level of commitment involved.

"We have so many staff that say, 'I just want to go and help as a one off'. And I say that actually causes more issues with community groups than it helps because you need to be going all the time. We're really keen when we are volunteering; we don't just go in once and never go back because that actually causes more issues than it helps. They need a constant person helping every Tuesday night."

Family Member

Time and communication can also be a challenge in community engagement activities, as community organisations may not have the same time pressures as the supporting business and therefore do not always respond as quickly as the business may like them to. The family member also pointed out that the business ensures that the engagement activity is aligned with the core values of the family business and what it does. This enables the business to focus its activities and ensures that it does not spread its resources too thinly which might dilute any potential impacts.

Measuring impact

The business does measure impact so that it can ensure that resources are used as efficiently as possible and that it knows what the benefits are of those investments. According to the Group HR Board Director, “we’re always looking at how many people it impacts and the effect it has on communities”. The business measures the impact it has on the community by recording the resources used and the outputs from those resources. Measuring the level of impact the business has is extremely important in directing how the business engages with communities in the future.

“We’re quite conscious that we want to do the thing that makes the biggest impact and not just the thing that uses the most hours. So, we don’t really shout about the hours we input as much as we used to because it’s irrelevant if there’s no impact. We really focus on impact management.”

Family Member

Motivation

For the Group HR Board Director, community is seen as the place where he lives. He has been involved with a number of community engagement activities including volunteering, events, initiatives working with schools and food banks. The overarching message from the interview was that:

“In terms of community, it’s very much part of the, the family business’s DNA. Very much an established part of what we do. It’s just part of our culture really - the history of the company, the values of the family, the way we work, the way we do business.”

Group HR Board Director

Community engagement is something that the family business has always done, and it is part of who the business is, its reputation and its values. The family themselves have always been part of the community and have been involved in encouraging business to engage with its communities for a long time. The Chairman was a founding member of Business in the Community and a Prince of Wales Ambassador for Responsible Business. Each family member has a passion for something: promoting butchery in schools because it is an at-risk job; fundraising for local children’s hospital; supporting local women in business, for example. The family’s high involvement in communities has passed down the generations.

“If your parents are so passionate about it, it’s just something that you’ve been brought up to do so it’s just embedded in the values of the family.”

Family Member

This case study highlights that it is possible to measure the impact of community engagement activities if resources within the business allow. Knowing the level of impact can help the family business to channel resources to the places where it can make the biggest difference to the local community.

Key learning points from Case Study 5 are:

- Community engagement can be embedded in personal development programmes for employees.
- Measuring impact can ensure that valuable resources are used efficiently and effectively.
- Family values instilled in the business ensure a long-term commitment to community engagement.

Case Study 6: Two rural-based microbusinesses

This case study was selected to offer a different geographical context to the urban locations of the other case studies. Both these firms are located in two rural areas. As with many rural firms, they are both micro-businesses employing less than five people. (Some small firms do exist in less remote locations but tend to be at the lower end of the number of employees' scale.) Family business A employs one person and Family business B employs two part-time staff. The decision to include two firms reflects the size of these family businesses.

Family business A

Family business A operates in the food production sector and is based in the West Midlands. It has been in operation for 70 years. The current family business owner took over from his father 20 years ago. He said that he had never thought of doing anything else and, prior to taking-over, he had worked with his father.

Community engagement activities

The business does not have a CSR strategy. The family are essentially the business: any engagement activity relies on the family members. The owners volunteer for the local church and local village hall, as well as attending fundraising events. The business is involved with a number of environmental schemes including planting trees on the land it owns and putting up bird and bat boxes.

The family have been involved in industry bodies for many years and also support the activities of the local specialist cattle breed society by hosting events on their farm and helping to organise fundraising events at the local pub. The family also work with the local industry groups and the cattle breed society to educate the next generation of farmers on husbandry, cattle judging and other things.

The business does not communicate activities to the community or beyond the community. This may be related to the lack of a formalised CSR strategy and that it does not see the benefits of doing this. Resources are also an issue as it is time-constrained, owing to the level of pressing work activities.

Challenges

Community engagement challenges are finding the time and resources to support community activities.

One employee who has worked in the family business for 15 years, having joined because they wanted to farm and it was local to where they lived, said they had not been involved in any community engagement activities with the business, other than help out when the farm has hosted events.

Family business B

Family business B operates in the tourism sector and is based in the North-West of England. The business has been in operation for ten years and was originally set up by a husband and wife team, but as the business has expanded, their daughter also joined the business. The family business doesn't have a formal CSR strategy. The family member talks about the business's key thing being customer service and also its place in the community and how it is part of the local community.

"We have a set of values for the business based on our values as a family, which are to help one another out if we are struggling and to always do our best."

Family Member

Community engagement activities

One of the family members is highly involved in the local community and is also a member of the local Parish Council.

"I do a lot with the local community on how we promote the area for tourism and also how we manage the impact of tourists - extra litter and all those things. It's a balancing act of keeping business going but also not negatively impacting on the local community who are not in tourism but can find tourists a problem for their daily business operations."

Family Member

The family is highly involved in the local church. The family member is a church warden and acts as Treasurer to the church and the local village hall. He also organises events which are held either at the village hall or the hotel and manages a number of community-wide events such as an open garden weekend to raise funds for the church, the local fayre and a number of social events for the elderly

population in the community. The hotel hosts a monthly social gathering for pensioners living in the area with the help of local volunteers and it hosts a Christmas dinner for them each year. The family business also hosts a Christmas party for 14-17 years olds living locally.

"We get about 30 or so and we end up with kids from the local town where they all go to school. It's because they can't travel. I think we are lucky if we get a bus once a week, often they get cancelled and we just think it's hard being young here because parents are busy and can't be running them about all the time."

Family Member

The family members stress that community engagement is as a family and that they do not really differentiate between family, family business or individual engagement with their local community.

Both employees joined the family business because it was a part-time job in their local area and other jobs required a long commute. One employee has been with them for six years and, the other, three years. They are both still in education so find the part-time element suits their needs. They both only get involved in community events through the business. They help out at events, but they have both also benefited from these events having once been young people who attended the Christmas

party and stated that it was such a nice thing. One said that

"The weather can be bad and travel is impossible so to have this at Christmas to celebrate and give us somewhere to go and have some fun was just fantastic. I help out now and I can see how other people benefit from this. It's great. We do non-alcoholic punch and we have decorations everywhere. It's just lovely."

Employee

This case study highlights that location is often determining factor in the way in which people see community and what they are able to do. For example, in rural locations the only ways to engage in the community is to be part of the local parish, local business groups and so on. The opportunity to engage with wider society often relies on the provision of technology, using social media, for example. The level of resources that micro-businesses have to offer for volunteering and charitable donations is limited and often they can only support 'in person' by attending events or providing their premises for event. However, this level of engagement still contributes to keeping local community organisations going, such as the local village hall or the church. The impact from these activities may be seen as significant to the local community, as they manage to keep local facilities going, as well as providing more vulnerable groups with activities and employment.

Key learning points from Case Study 6 are:

- Location can impact the ways in which a family business engages with communities. Both businesses are in remote villages and therefore, engagement is with a smaller number of local people.
- For smaller firms, it is not as easy to separate the family from the business.

Case Study 7: Two small, non-involved counter-examples

To offer a more balanced insight into the community engagement of family business, this case study was selected as a polar opposite to the other cases. It involved two firms, one micro and one small, which are not actively involved in community engagement. Nor do they see it as something central to their operations. Including these two cases in our analysis enables us to explore why

some firms do not actively seek to engage with their communities. The evidence for this case study is based on interviews conducted with the family members.

Family business A

The first firm in this case is a micro family business in the food production sector located in a rural area in the West Midlands. It employs seven part-time staff.

The business has been in the family for two generations and uses rented premises to produce food. The Managing Director has been involved in the business for 15 years and joined the family business through natural succession. The business has to document certain aspects of CSR related to the environment and animal welfare as part of its buyer contract, but does not have to comply with any social elements of CSR. Resource and time constraints are key reasons for the family not engaging in community-based activities. The business does employ local people but sees this as business sense rather than a social or community driven reason.

"All the people we employ are local, they are part-time, and they have to work short shifts so it is to our advantage that they are local. Also, if we have people phone in sick, we can easily find a replacement not too far away."

Family Member

The business only communicates its CSR related activity to its buyer, as this is part of its contract to sell produce. It does not have a website and does not communicate this activity to anyone beyond the buyer.

The business does not encourage employees to engage in community-based activities. The key concern for the business is to comply with the standards set by its buyer. Although employees are not encouraged to engage in community activities through the business, a few employees have been involved in local breed societies and have helped to fundraise at the local village school. They did this because of their own interests and saw it as a way to socially engage with the local community. When asked why community engagement is not integrated into their business, the family member replied:

"It isn't something that we have traditionally done and I'm not sure it is really something that we feel is critical to the business. We operate on such tight margins that we don't have the extra resources to do something properly."

Family Member

This family firm highlights the challenges facing micro family firms where resource constraints is the key factor preventing them from doing more. When asked about their individual involvement in their community, neither of the family members interviewed said they were currently engaged in any community-based activities, although their

father was the local representative for the industry union about 10 years ago. However, the business does employ local people.

Family business B

Family business B is a small firm located in the North-West of England. It is a machinery dealership and employs 35 people. The firm has been in business for 150 years. The Managing Director has been involved in the family business for 40 years, taking over from his father.

The way people define community in this case appears to affect the level of engagement. The Managing Director said that he had good relationships with his employees, many of whom had been with the company for a long time, as well as with the people who supply them. But he saw this as the practice of developing good business relationships rather than as the family business's community engagement.

"The key thing for me is that we build good relationships with our employees, suppliers and customers. That's just doing good business to me."

Family Member

As part of its 150 years celebration, the business hosted a charity event. This was more of a celebration event and the money went to a hospice for terminally ill cancer patients because it had provided care for a former employee.

"We don't actively go out and do things with the local community, but as a one-off, we did have a charity event to celebrate our 150 years in business. I don't think it is that we don't want to support communities, I think that it is more that the business takes precedence."

Family Member

The priority for the business is to ensure it continues, not just for the family's own financial benefit, but for the people it employs.

"My main priority is to ensure that the business continues and that I can pay the wages of the people who work for me. Many have been with us nearly as long as I have, so I see that what I do with my time is to ensure that we are in a financially sound position and that I never have to be in the horrible position of having to make people redundant."

Family Member

The family members do not tend to be directly

involved in community engagement activities either through the business or as individuals. Indirectly, they support the local church or village hall as a family, but only through attending events.

Family appears to be the most important thing for this family business and it also regards its employees as part of their extended family. Time constraints and the desire to ensure that the business continues take priority. The key obstacles to increasing their level of community engagement are related to available resources and deciding how best to use those resource. Employees also noted that they were not involved in community engagement through the business, but a few did get involved in their own local communities where they live, either the local school because their children attend, or helping with local events to raise money.

The main purpose of this case study was to explore why micro family businesses chose not to participate in community-engagement activities. For example, location and available resources are two key factors which determine levels of engagement. Some of the challenges also stem from the nature of the industry, which is driven by strict buyer standards. Whilst these factors may only resonate with micro and small family firms, lack of resources may also affect managers' choices in medium and large firms.

The values held by the family can also be a contributing factor, together with how family members perceive their community. Both firms did contribute to local prosperity and sustainability by ensuring their business survived and prospered and by doing all they could to protect jobs and their suppliers, who were mainly local residents. However, these businesses did not perceive this economic role as community engagement. This presents a challenge for both research and practice and requires careful consideration as to how researchers, practitioners and policy-makers classify community engagement.

Key learning points from Case Study 7 are:

- Resource constraints and knowing how best to use resources are a key determinant in limiting community engagement activity.
- Keeping the business going was the main priority and this was to ensure employment for the firms' employees. Some might regard this as a form of community engagement, but the two businesses saw it only as good business practice.

ENDNOTES

¹ PwC Bi-annual Family Business Survey available at: pwc.co.uk/fambizsurvey. The 9th bi-annual global survey interviewed 130 UK family business members from director level through to owner.

² See Note 1.

³ The long term orientation of family businesses has been extensively researched and is summarised in the IFB Research Foundation working paper by Clinton et al. (2018), available at: ifb.org.uk/media/3718/ifbrf-working-paper-long-term-thinking-in-family-business.pdf

⁴ Contemporary definitions of community tend to make a distinction between geographic (place-based) and elective (choice or affiliation-based) communities (Almandoz et al., 2017). Geographic definitions emphasise the combination of strong membership ties, small scale and boundedness (Marquis and Battilana, 2009). For example, community can be defined as a group of people living in the same geographic location working together toward common interests or as diverse groups of people who live in a commonly understood location or place (Beckley, 1998).

⁵ See European Commission definition of family business at: ec.europa.eu/growth/smes/promoting-entrepreneurship/we-work-for/family-business_en#

⁶ A case study is a particular strategy for qualitative empirical research that allows an in-depth investigation of a contemporary phenomenon within its real-life context (Stake, 1995; Yin, 2014). It is a method that is ideally suited to generating managerially relevant knowledge (Amabile et al., 2001; Leonard-Barton, 1990), and offers researchers a rigorous, flexible and creative method (De Massis and Kotlar, 2014; Stake, 1995). The case study is particularly useful when exploring phenomena from multiple perspectives using various types of data. Using a case study design is useful particularly to help answer questions of how and what (Yin, 2014).

⁷ A collection of different family businesses owned by the same family.

⁸ Contemporary definitions of community tend to make a distinction between geographic (place-based) and elective (choice or affiliation-based) communities (Almandoz et al., 2017). Geographic definitions emphasise the combination of strong membership ties, small scale and boundedness (Marquis and Battilana, 2009). For example, community can be defined as a group of people

living in the same geographic location working together toward common interests or as diverse groups of people who live in a commonly understood location or place (Beckley, 1998).

⁹ See Note 1.

¹⁰ Adapted from Campopiano and De Massis (2015), Campopiano, De Massis & Cassia (2012), Litz and Stewart (2000), Prof. Kiran Trehan's unfiltered lives project and Dr Jane Glover and Prof Trehan's family business workshop held at Birmingham in 2018.

¹¹ Godfrey (2005: 778) defines philanthropy as: "an unconditional transfer of cash or other assets to an entity or a settlement or cancellation of its liabilities in a voluntary nonreciprocal transfer by another entity acting other than as an owner". Feliu & Botero (2016) provide a review of the literature. Guidance on philanthropy can be found at: ifb.org.uk/advice/for-owners/strategic-philanthropy-in-family-business/ For a detailed account of philanthropic activity of family firms, see Breeze (2009).

¹² Family Foundations are non-profit entities established by family firms with the purpose of making grants to unrelated organisations, institutions, or individuals for scientific, educational, cultural, religious, or other charitable purposes (Moody et al., 2011; Rey-Garcia et al., 2018; 2012). Family members play a significant role in its governance and/or management (Brody and Strauch, 1990; Gersick, 2006).

¹³ Rodell (2013: 1274) defines volunteering as: "giving time or skills during a planned activity for a volunteer group or organization, for example, charitable groups or non-profit groups". This definition incorporates three key components of volunteering: it is an active giving of time and/or skills rather than support through monetary donations (Wilson, 2000); it is a planned (proactive) activity either through an employee scheme or through connections family members have with community organisations as opposed to a spontaneous (reactive) act of helping for example, an employee asking for help fundraising for a specific charity as a result of a specific event (Clary and Snyder, 1999); and, it occurs in the context of a volunteer or charitable organisation (Musick and Wilson, 2008).

¹⁴ CSR can be defined as "a concept whereby companies integrate social and environmental concerns in their firm operations and in their

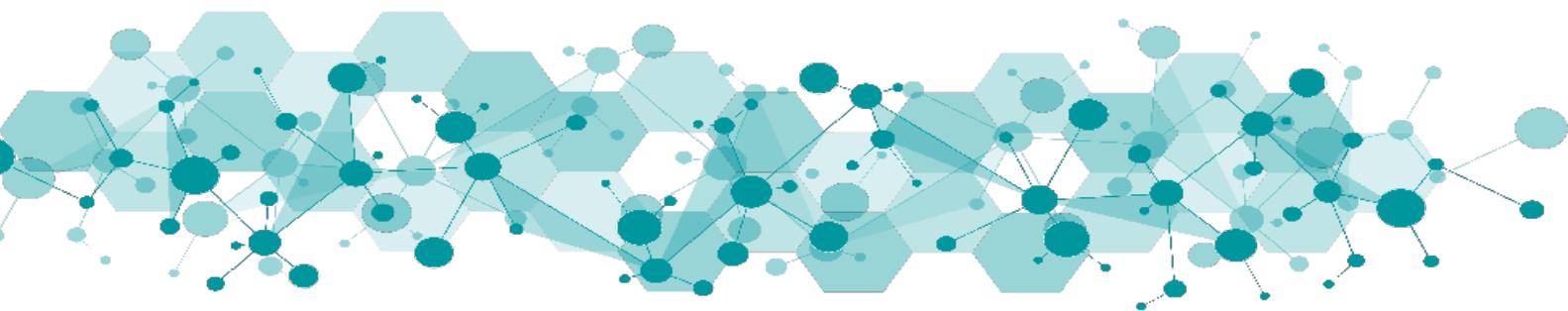
interaction with their stakeholders on a voluntary basis” (European Commission [EU], 2009).

¹⁵ For a comprehensive review of corporate governance in family business, see the IFB Research Foundation report by Howorth and Kemp (2019). Available at ifb.org.uk/media/4133/governance-in-family-businesses-evidence-and-implications_web.pdf and the IFB Research Foundation report on Corporate Governance in large UK Family Firms by Kotlar et al (2019). Available at ifb.org.uk/media/3982/corporate-governance-in-large-uk-family-firms-web.pdf

¹⁶ Work has explored the effect family firms have on society. Available at: ffipractitioner.org/how-are-family-businesses-having-a-positive-impact-on-society/

¹⁷ CSR reporting reflects the evolution of firm governance systems to respond to broader stakeholder concerns and institutional requisites, evidencing their key priorities and accountabilities (Young and Marais, 2011). CSR reporting is the process of communicating the social and environmental actions of organisations to different stakeholders and wider society (e.g. Campopiano and De Massis, 2015).

¹⁸ See report on engaging community stakeholders available at: nbs.net/articles/engage-your-community-stakeholders-an-introductory-guide-for-businesses



REFERENCES

- Almandoz, J., Marquis, C., Cheely, M., Li, Q., Qiao, K., Lee, M., and Zhang, J. (2017). Drivers of community strength: An institutional logics perspective on geographical and affiliation based communities, *The SAGE Handbook of Organizational Institutionalism*, 2, 190-213.
- Amabile, T. M., Patterson, C., Mueller, J., Wojcik, T., Odomirok, P. W., Marsh, M., and Kramer, S. J. (2001). Academic-practitioner collaboration in management research: A case of cross-profession collaboration, *Academy of Management Journal*, 44(2), 418-431.
- Beckley, T. M. (1998). The futility of community sustainability in an interdependent world, *Ecoforestry*, 13(1), 34-40.
- Berrone, P., Cruz, L. R. Gomez-Mejia, and M. Larraza-Kintana. (2010). Socioemotional wealth and corporate responses to institutional pressures: Do family-controlled firms pollute less?, *Administrative Science Quarterly*, 55 (1): 82-113.
- Besser, TL., and Miller, NJ. (2004). The risks of enlightened self-interest: Small businesses and support for community, *Business and Society*, 43(4), 398-425.
- Breeze, B. (2009). *Natural philanthropists: Findings of the family business philanthropy and social responsibility inquiry*. An IFB and Community Network Foundation report. Available at: ifb.org.uk/media/1356/natphilanthropists_final.pdf.
- Brody, D., and Strauch, C. (1990). Who are the family foundations? Findings from the foundation management survey, *Family Business Review*, 3, 337-346.
- Campopiano, G., and De Massis, A. (2015). Corporate social responsibility reporting: A content analysis of family and non-family firms, *Journal of Business Ethics*, 129, 511-534.
- Campopiano, G., De Massis, A., and Cassia, L. (2012). The relationship between motivations and actions in corporate social responsibility: An exploratory study, *International Journal of Business and Society*, 13(3), 391.
- Campopiano, G., De Massis, A., and Chirico, F. (2014). Firm philanthropy in small-and medium-sized family firms: The effects of family involvement in ownership and management, *Family Business Review*, 27, 244-258.
- Cennamo, C., Berrone, P., Cruz, C., and Gomez-Mejia, L.R., (2012). Socioemotional wealth and proactive stakeholder engagement: Why family-controlled firms care more about their stakeholders, *Entrepreneurship Theory and Practice*, 36, 1153-1173.
- Clary, E.G., and Snyder, M. (1999). The motivations to volunteer: Theoretical and practical considerations, *Current Directions in Psychological Science*, 8, 156-159.
- Clinton, E., Diaz, V., Brophy, M., and Gamble, J.R. (2018). *Long-term thinking in UK family business*. An IFB Research Foundation Working Paper. Available at: ifb.org.uk/media/3718/ifbrf-working-paper-long-term-thinking-in-family-business.pdf
- De Massis, A., and Kotlar, J. (2014). The case study method in family business research: Guidelines for qualitative scholarship, *Journal of Family Business Strategy*, 5(1), 15-29.
- European Commission [EU] (2009). Final report of the expert group: Overview of family-business-relevant issues: Research, networks, policy measures and existing studies. Available at: europeanfamilybusinesses.eu/publications/82/29/Expert-Group-on-Family-Business-between-2007-2009
- Feliu, N., and Botero, I. C. (2016). Philanthropy in family enterprises: A review of literature, *Family Business Review*, 29(1), 121-141.
- FFI Practitioner (2016). How are family businesses having a positive impact on society? Blog available at: ffipractitioner.org/how-are-family-businesses-having-a-positive-impact-on-society/
- Fitzgerald, M. A., Haynes, G. W., Schrank, H. L., and Danes, S. M. (2010). Socially responsible processes of small family business owners: Exploratory evidence from the national family business survey, *Journal of Small Business Management*, 48(4), 524-551.

- Flora, J., Sharp, J., Flora, C.B., and Newton, B. (1997). Entrepreneurial social infrastructure and locally initiated economic development in the nonmetropolitan United States, *The Sociological Quarterly*, 38, 623–645.
- Freeman, R.E., Dunham, L., and Liedtka, J. (2006). Enhancing stakeholder practice: A particularized exploration of community, *Business Ethics Quarterly*, 16(1), 23–42.
- Gallo, M. Á. (2004). The family business and its social responsibilities, *Family Business Review*, 17, 135-149.
- Gersick, K. E. (2006). *Generations of giving: Leadership and continuity*. Lanham, MD: Lexington Books.
- Godfrey, P. C. (2005). The relationship between corporate philanthropy and shareholder wealth: A risk management perspective, *Academy of Management Review*, 30, 777-788.
- Harrison, J. S., Bosse, D. A., and Phillips, R. A. (2010). Managing for stakeholders, stakeholder utility functions, and competitive advantage, *Strategic Management Journal*, 31, 58-74.
- Howorth, C., and Kemp, M. (2019). *Governance in family businesses: Evidence and Implications*. London: IFB Research Foundation. Available at: ifb.org.uk/media/4133/governance-in-family-businesses-evidence-and-implications_web.pdf.
- Institute for Family Business. (2019). *Strategic Philanthropy in Family Business*. London: IFB. Available at: ifb.org.uk/media/4032/strategic-philanthropy-in-family-business.pdf.
- IFB Research Foundation and Oxford Economics (2020). *The State of the Nation: The UK Family Business Sector 2019–20*. London: IFB Research Foundation. Available at: ifb.org.uk/ifb-research-foundation/news/coronavirus-hit-family-business-sector-continues-to-be-the-backbone-of-the-uk-economy
- Kotlar, J., Cuomo, F., Gaia, S. and Zattoni, A. (2019). *Corporate governance in large UK family firms*. An IFB Research Foundation Report. Available at: ifb.org.uk/media/3982/corporate-governance-in-large-uk-family-firms-web.pdf.
- Leonard-Barton, D. (1990). A dual methodology for case studies: Synergistic use of a longitudinal single site with replicated multiple sites, *Organization Science*, 1(3), 248-266.
- Litz, R.A., and Stewart, A.C. (2000). Charity begins at home: Family firms and patterns of community involvement, *Nonprofit Voluntary Sector Quarterly*, 29, 131-148.
- Marquis, C., and Battilana, J. (2009). Acting globally but thinking locally? The enduring influence of local communities on organizations, *Research in Organizational Behavior*, 29, 283-302.
- Miller, D., and Le Breton-Miller, I. (2005). *Managing for the long run: Lessons in competitive advantage from great family businesses*. Boston, MA: Harvard Business School Press.
- Moody, M., Knapp, A. L., and Corrado, M. (2011). What is a family foundation?, *Foundation Review*, 3(4), 47-61.
- Musick, M. A., and Wilson, J. (2008). *Volunteers: A social profile*. Bloomington: Indiana University Press.
- Network for Business Sustainability (2012). *Engage your community stakeholders: An introductory guide for businesses*. Available at: nbs.net/articles/engage-your-community-stakeholders-an-introductory-guide-for-businesses.
- Niehm, L. S., Swinney, J., & Miller, N. J. (2008). Community social responsibility and its consequences for family business performance, *Journal of Small Business Management*, 46(3), 331-350.
- PwC (2018). *Family business survey*. Available at: pwc.co.uk/fambizsurvey.
- Rey-Garcia, M., Martin-Cavanna, J., and Alvarez-Gonzalez, L. I. (2012). Assessing and advancing foundation transparency: Corporate foundations as a case study, *The Foundation Review*, 4(3), 6.
- Rey-Garcia, M., Sanzo-Perez, M. J., and Álvarez-González, L. I. (2018). To found or to fund? Comparing the performance of corporate and noncorporate foundations, *Nonprofit and Voluntary Sector Quarterly*, 47(3), 514-536.

Rodell, J. B. (2013). Finding meaning through volunteering: Why do employees volunteer and what does it mean for their jobs?, *Academy of Management Journal*, 56(5), 1274-1294.

Sharma, P., & Sharma, S. (2011). Drivers of proactive environmental strategy in family firms, *Business Ethics Quarterly*, 309-334.

Shaw, W. and Barry, V. (2004). *Moral Issues in Business*. Belmont, CA: Cengage.

Stake, R. E. (1995). *The Art of Case Study Research*. Sage.

Uhlener, L. M., Berent-Braun, M. M., Jeurissen, R. J., & de Wit, G. (2012). Beyond size: Predicting engagement in environmental management practices of Dutch SMEs, *Journal of Business Ethics*, 109(4), 411-429.

Vives, A. (2005). *Social and environmental responsibility in small and medium enterprises in Latin America*. Inter-American Development Bank, Washington D.C., Sustainable Development Technical Paper Series, available at: publications.iadb.org/publications/english/document/Social-and-Environmental-Responsibility-in-Small-and-Medium-Enterprises-in-Latin-America.pdf.

Wei-Skillern, J. (2004). The evolution of Shell's stakeholder approach: A case study, *Business Ethics Quarterly*, 14(4), 713-728.

Wilson, J. (2000). Volunteering, in Cook, K. and Hagan, J. (eds.) *Annual review of sociology*. Palo Alto, CA: Annual Reviews, 26, 215-240.

Yin, R.K. (2014). *Case Study Research: Design and Methods*. 5th edn. Thousand Oaks: Sage.

Young, S., and Marais, M. (2011). *CSR reporting: An institutional perspective*. Finance and Corporate Governance Conference, La Trobe University. Available at: ssrn.com/abstract=1776193.



IFB Research Foundation

22-24 Buckingham Palace Road
London
SW1W 0QP

020 7630 6250

ifb.org.uk/ifb-research-foundation
research@ifb.org.uk

Published by the IFB Research Foundation 2020

© IFB Research Foundation. Some rights reserved.

This work is made available under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International Licence



Anyone can download, save, or share this work in any format without written permission and free of charge under the following conditions:

BY: Attribution must be given to the original source

NC: Works may not be used for commercial purposes

ND: Any adaptations of works such as translations may not be distributed without written permission

ISBN 978-0-9570327-7-4