

STAKEHOLDER ENGAGEMENT

staging a dialogue

Vodafone is involving its stakeholders in policymaking and reporting by seeking their views in discussion forums on issues expected to affect the company's performance

Stakeholder engagement and social reporting have been cornerstones of responsible business practice for more than a decade. A number of companies now hold informal discussions on their social and environmental performance with interested parties, as part of routine reporting practice. The mobile phone group Vodafone, however, has gone a step further. Since last year it has been running a series of 'CR Dialogues' to advance the group's wider thinking.

The first step is for the company to produce a research report on a key issue that Vodafone is facing or might face in the future. Representatives from non-governmental organizations, media, customers, governments and investors are then brought together to analyse the findings and offer their views.

'The basic rationale is that we are going beyond reporting,' says Ramon Arratia, corporate responsibility manager. 'We have a group CR report plus 11 country reports, and we see the dialogues as issue reporting. But they are more than that – they are issue reporting as a basis for stakeholder engagement.' Arratia stresses the importance of picking the right topic. 'This is critical to a dialogue's success. We try to choose topics on which our views are not fixed and where there is scope for others to influence decisions. A tight focus also helps, because it enables us to bring together groups of specialists with in-depth knowledge,' he says.

So far there have been three CR Dialogues: on stakeholder engagement, the assurance of non-financial reports, and on the social and economic impacts of mobile technology. The first, on stakeholder engagement, had five discussion themes, such as whether multinationals should engage locally

or globally. Talking points have also prompted discussion in the other dialogues – questioning, for instance, the degree to which mobile phones can improve the lives of people living in deprived areas.

The dialogue reports contain new research carried out in conjunction with other organizations. The *Economic empowerment through mobile* report, for example, featured research conducted by The Consultative Group to Assist the Poor and the World Resources Institute. Others can take part by downloading the reports and submitting comments.

Vodafone also brings together groups of eight or nine 'opinion leaders' – with a UK government department, a development NGO, and a fund management company among the invited organizations. The minutes of these meetings, developed by a third party facilitator, are sent to the participants, as well as to senior managers at Vodafone and its local operating companies, who use them to inform social and environmental policy and target-setting in different parts of the group.

Each dialogue runs until a consensus is reached – and none have yet got to that point. 'Once the issue becomes mature and all the parties agree a framework to tackle it – and it becomes clear what are Vodafone's responsibilities – then the debate would eventually end, becoming a performance and implementation matter,' says Arratia.

'the dialogues on social and environmental issues are allowed to run until everyone feels there is a consensus'

■ **setting up the debate:** Ramon Arratia and fellow corporate responsibility executive Joaquim Croca examine Vodafone's third CR Dialogue report, on the impacts of mobile technology



comment
VODAFONE

Vodafone approaches its corporate responsibility reporting in an interactive fashion. From the ensuing discussions, performance standards are set and specific policies implemented. This is a systematic and creative way of managing a corporate responsibility agenda.

points of interest are:

- the openness of the company
- the linkage of stakeholder engagement with reporting
- the research basis for the stakeholder dialogues
- the relevance of topics for discussion

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