

Universities that Count

A Report on
Benchmarking Environmental
and Corporate Responsibility
in Higher Education

Business in the

Community



Testing the Appropriateness of Business in the Community's Corporate Responsibility Index and Environment Index for the Higher Education Sector

(HE Benchmarking Project)

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Phase I

Harper Adams University College
Sheffield Hallam University
University of Gloucestershire
University of Hull
University of Lancaster
University of Leeds
Leeds Metropolitan University
University of Manchester
University of Reading
University of Sheffield
University of Worcester
University of York

Phase II

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Canterbury Christ Church University
City University
Coventry University
De Montfort University
King's College London
Kingston University
London School of Economics & Political Science
University of Bristol
University of Liverpool
University of Warwick
University of the West of England
York St John University



CONTENTS

Foreword	3
1. Executive Summary	5
2. Introduction	6
3. Key findings	8
4. Environment Index results	10
5. Corporate Responsibility Index results	21
6. Institutional feedback	29
7. Lessons learnt	32
8. Conclusions	34
9. Recommendations for the future	35

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FOREWORD

This report is extremely timely

With ever growing concerns about our climate and with more and more business leaders announcing that understanding and addressing an organisation's carbon footprint is now a priority - Business in the Community believe that using the Index as a management framework provides a systematic approach to reviewing environmental and social practices. Notwithstanding that universities' core activities are education and learning – they are also huge organisations in their own right, with an infrastructure that is equivalent to any business and as such, managing environmental, economic and social impacts is equally relevant.

We are delighted to have had the opportunity to apply our Index methodology in the Higher Education sector and as we suspected – participating universities have gained new insight into their environmental management and performance. It has reinforced the good work that is happening on the ground but challenged the systematic adoption of leading practice.

Work of this kind must be based on partnership and we thank, and acknowledge, the commitment and involvement of the EAUC and Leeds Metropolitan University.

We believe this work has proven that a voluntary exercise that engages and shares experience is a winning formula and we look forward to using it to engage all universities who want to play a full part in responsible business practice.



Patrick Mallon

*Director, Benchmarking and Reporting
Business in the Community*

The environmental sector is one of the most rapidly expanding sectors across the globe

Yet most organisations struggle to understand how it affects them and what it involves on a day-to-day basis.

Benchmarking tools such as those provided by Business in the Community give a simple and straight forward framework for all organisations to work from. The advantage of the indices tested in this project is that they gently lead you on a journey from researching your current position, developing strategy, improving your performance and then to effective management of all your significant impacts. Recognition of taking part is given the greatest emphasis; positive and constructive feedback then encourages improvement.

The ultimate goal is to integrate environmental and corporate responsibility into the DNA of all organisations and their employees. It is my belief that the indices tested in this project are an effective way of starting that integration.

Leeds Metropolitan University has certainly benefited from Business in the Community's guidance and support in going through this process.



Mark Warner

*Environmental Projects Manager
Leeds Metropolitan University*

Improving ourselves by learning from others

There are numerous definitions of benchmarking, but essentially it involves learning, sharing information and adopting best practices to bring about step changes in performance. So, at its simplest, benchmarking means “improving ourselves by learning from others”.

This sums up the approach of the EAUC very well. As the sustainability champion for UK further and higher education, we work collaboratively to both provoke and support universities and colleges to rise to the challenge and opportunity of becoming more sustainable.

In the global economy where competition is higher than ever before, there is a growing recognition that, to compete effectively, groups of organisations need to improve their performance in parallel. There is also an acceptance that different sectors require bespoke support to gain a deeper understanding of the specific issues that are affecting them and tailoring support to help address these issues. Working with our partners, the EAUC intends to do just that.

Whilst this report illustrates universities are taking the first steps towards environmental and corporate responsibility benchmarking, it also highlights that there is a long journey to go before they are flagship organisations. Our goal should be to provide sustainable environments for teaching and learning, both academically and operationally, for our leaders of tomorrow.

Benchmarking has much to offer our UK universities and colleges and the EAUC look forward to the sharing, learning and improvement ahead as sustainability benchmarking finds its rightful place in our seats of learning.



Iain Patton

Executive Director

Environmental Association for Universities and Colleges

1 EXECUTIVE SUMMARY



Twenty-five pioneering HE Institutions took part in this project, of which twenty completed the Environment Index and five completed the Corporate Responsibility (CR) Index. Results of both Indices have been provided within this report. Participants were benchmarked against the results of the National Environment and CR Indices for businesses in 2005. Comparisons with the private sector have been made throughout this report. There is also an analysis of participants' feedback based on interviews and project evaluation feedback.

This pilot project concludes that the benchmarking tools developed by BITC are appropriate for the Higher Education (HE) sector. There was an interpretation challenge for some, with language that was considered too 'corporate'. Sector-specific guidance material may be desirable to support Higher Education Institutions (HEIs) in carrying out more effective benchmarking. Consideration could be given to the addition of a 'Curriculum' based option in the Performance and Impact section of the Indices. This would serve as a tool to highlight the contribution to society that HEIs make through their teaching and research.

It is apparent from results in the Environment Index that the HE sector as a whole is in the early stages of managing its environmental impacts. There are, however, examples of good environmental management and performance emerging for the sector, particularly in the area of Climate Change. However, it should be noted that three out of the five institutions (60%) completing the CR Index score highly on environmental performance.

Few Institutions were able to participate in the CR Index and scores were generally low relative to the Business Index. Although only a small number completed the CR Index, a high level of interest was expressed by the HE sector indicating that the CR Index could grow in importance in the future. In terms of performance also, there were some areas where participants excelled, most notably in Workplace Diversity. Here, the HE sector outperformed the business sector.

All participants report having benefited from taking part in this project, in particular the Index process itself. The majority of participants felt their involvement has raised board level awareness of their activities and improved relationships with colleagues in different departments where issues are crosscutting. All participants have expressed an interest in continuing to benchmark and have a shared view that HEFCE should endorse the two Indices and support Institutional work in this field.

In the short term, the HE sector will require support, both technically and financially, as it establishes its benchmarking programme. This report recommends the continuation of the HE Benchmarking Project: administered by BITC, led by HEFCE, with the backing of the EAUC. In the longer term, consideration should be made to the results of the Indices being made public. An exit plan should also be developed to ensure the programme's success as a self-sustaining activity. Consultation with project partners, participants and HEFCE will be paramount to the continued success and evolution of the HE sector benchmarking journey that we have already begun.

2 INTRODUCTION

“Optimising the efficiency of how a university teaches, researches and develops graduates has been recognised as simply good business in a globalising market. But optimising the contribution of the institution to the biggest challenge - a shift to a more sustainable path for human progress - is not yet at the heart of this process.”¹

Sara Parkin, Founder, Forum for the Future

This report introduces the reader to the EAUC, BITC and Leeds Metropolitan University pilot project: ‘Testing the Appropriateness of Business in the Community’s Corporate Responsibility Index and Environment Index for the Higher Education Sector’. The report has primarily been prepared for the Higher Education Funding Council of England (HEFCE), which funded the project. From here on, for ease of reporting, this project will be referred to as the ‘HE benchmarking project’.

The BITC Indices have provided a framework for businesses to benchmark their environmental and social activities for over ten years. Although these tools are designed for the business sector, environmental and social issues are essentially the same for a HEI. In terms of fitting the Indices to the HE sector, the language and terminology differs, requiring a degree of interpretation within the HE sector. Participants may also feel they do not get enough opportunity to report on sector-specific activities. This is a concern also expressed by companies in the National Business Index programmes. Since one of the Indices’ strengths is for organisations to benchmark against their peers and other sectors, the framework needs to be consistent for all. The business world has concluded that the advantages of the Indices outweigh the short falls, with over 150 companies completing the Environment Index nationally and around the same number completing the CR Index each year. The BITC Indices remain the leading benchmarking tool in this field. Project evaluation and comments provided by HEI participants in this project strongly support this conclusion.

All participants were subject to the same Index process as experienced by business participants. All completed either the Environment or CR Index online, within a given timeframe, and were expected to provide supporting information and evidence to back up their claims. Index submissions were challenged during the review process and in many instances further evidence

was requested. Telephone interviews were generally required to ‘close out’ participant’s submissions. All participants received a ‘confidential feedback report’ containing their scores, the HE sector averages, and the overall Index 2005 scores, across the different sections in the Index survey.

The project partners, EAUC, BITC and the Leeds Metropolitan University shared the recruitment, project publicity, engagement, and workshop tasks. The Index submission reviews, project evaluation, preparation of confidential feedback reports back to participants, and this final project report were provided by BITC.

2.1 Business in the Community’s Benchmarking Tools

Business in the Community is a charity, which engages companies with the leadership to translate corporate values and commitments into mainstream management practice. Companies measure and report on progress and illustrate the action being taken to improve the impact of their operations, products and services on society and the environment. BITC membership comprises over 750 members including over 70 of the FTSE 100 companies with a further 2,000 connected through a network of more than 90 global partners. Together BITC members employ over 14.7 million people in over 200 countries worldwide.

BITC, in consultation with its member companies, develop and manage the Environment Index and Corporate Responsibility (CR) Index. The Environment Index has been running for ten years and the CR Index is in its fifth year.

The **Environment Index** is the UK’s leading self-assessed corporate environmental benchmark and is a stand-alone module of BITC’s broader CR Index. It provides companies with a framework

¹Times Higher Education Supplement, 14th April 2006

for comparing environmental management and performance with peers.

The **CR Index** is the UK's leading benchmark of responsible business, helping organisations to integrate and improve responsible business practice across their business. The Index provides a systematic approach to managing, measuring and reporting an organisations impact on society and the environment.

2.1.1 Benefits of benchmarking

When used as a management tool, both the Environment and CR Index can provide a number of benefits:

- *Provides a useful framework to support organisations in identifying material and emerging issues.*
- *Brings different functions in an organisation together to support understanding and management of their CR/environmental key issues.*
- *Reinforces good practice already undertaken within an organisation and drives further improvement through gap analysis.*
- *Enables organisations to benchmark themselves against their peers and other Index participants.*
- *Provides a practical framework for improving and communicating performance to both internal and external stakeholders.*
- *Challenges whether the organisation is conducting CR/environmental activities in a systematic and integrated way.*
- *Can help build stakeholder trust, by providing credible, independent information to stakeholders, demonstrating an organisations commitment to transparency.*

2.2 Benchmarking the HE sector

Traditionally HEIs are not considered as businesses, yet in most cases share similar characteristics and are under similar pressures to companies in terms of social and environmental impacts, risks, opportunities and accountability to stakeholders. For example HEIs:

- *Provide a significant contribution to the economy of the region in which they are based.*
- *Turn over considerable sums of money.*
- *Are large employers - often competing fiercely for top quality staff.*
- *Have significant supply chains.*
- *Work hard to attract customers (students).*
- *Have an environmental impact that must be increasingly well managed within tighter legislative boundaries and higher expectations.*
- *Have student populations, research programmes, resources and facilities that impact on both local and in some cases global communities.*

Further, HEIs are 'future-shapers':

- *Directing research, markets, science, technology and values.*
- *Providing the next generation of society's professionals, politicians and leaders.*

2.2.1 Benchmarking the HE sector in five years time

The HE sector will come under increasing scrutiny from stakeholders in terms of the way they operate. They will feel a similar pressure to demonstrate responsible behaviour and promote their sustainability. The introduction of variable tuition fees will bring a 'market' effect that is new to the sector, and transparency will be a necessary part of enhanced brand management and 'licence to operate' – akin to the private sector.

The institutions which are reducing their carbon footprint, introducing eco-efficiencies, greening their supply chains, collaborating with their communities and providing supportive as well as excellent places to work and study will be the institutions selected by staff and students wanting to align their futures with the organisations that share their values. A HEI's corporate responsibility or sustainability reputation will be among the top considerations for staff and students when making their choice.

3 KEY FINDINGS

3.1 Environment Index

- **All 25 HEIs participating in the HE benchmarking project can be considered pioneers in HE sector environmental benchmarking.** The participants represent approximately 17% of the sector. Six project participants (24%) have been benchmarking for over six years in the BITC Yorkshire & Humber (Y&H) Regional Environment Index (for businesses). The other 19 (76%) were new to the Index process.
- **HEIs that have a history of benchmarking in the Y&H Environment Index are leading the way.** The Environment Index overall score for the HE sector was 55%. When the scores for the Y&H HEIs were extracted from the overall sector scores they averaged 84%. This was slightly higher than the National (Business) Environment Index score in 2005 of 83%.
- **Only five of the project HEIs fell within the Business Environment Index 2005 Top 100, and only one within the top fifty.** This suggests that the sector, as a whole, has plenty of room for improvement.
- **The HE sector scored equally for Environmental Management and Performance & Impact.** The Management score was 55% and the Performance score was 55% unlike a Business sector average trend of a higher score for Management (85% and 80% respectively). HE sector scores dipped significantly in 'Environmental Management Systems', 'Audit' and 'Supply Chain', thus impacting on the overall management section average. Results indicate that, besides identifying impacts and setting policies, the HE sector is in the early stages of strategic environmental management.

- **The HE sector scored well in a number of Impact Areas within the Performance section of the Index.** Of note, the 'Climate Change' Impact Area with an average of 61%, pushing the overall performance score up. Although the Self-Selected Impact score was only 56%, this masked the pockets of higher scores embedded within that score, such as Water Consumption at 78% and Biodiversity 69%.

3.2 Corporate Responsibility (CR) Index

- **All five Institutions that completed the CR Index are pathfinders for the sector.** Representing just 3% of the HE sector, the participation rate was low. All participants were new to the CR Index process.
- **Participant's scores across the Strategy and Integration sections of the Index were consistent with the peaks and troughs of the Business Index.** The overall CR Index score for the sector was 51% compared to the Business score of 84%. Corporate Strategy was strongest at 78% and Integration weakest at 48%, as compared to the Business Index scores of 92% and 82% respectively.
- **The majority, but not all of the CR Index participants were amongst the top sector performers in the Environment Index.** This suggests that the majority of participants in the CR Index have internal management systems in place extending beyond environmental management. It is probable that environmental management is an obvious point of entry into the broader corporate responsibility/ sustainability agenda.

- **For some HEIs it was evident that other areas of CR were further advanced than environment, indicating a different 'point of entry' to CR than an extension of environmental activities.** For example, results indicate that Corporate Strategy (including corporate values, risk management, advocacy and business conduct) is quite well advanced for some HEIs.
- **There were some pockets of strong sector activity namely, in Workplace Diversity in the Social Impact section.** The HE sector average of 76% for Workplace Diversity was higher than that for businesses at 72%. Participants had also progressed well in Corporate Strategy with an overall score of 78%.
- **Sector scores were lowest in the Integration Section, especially in terms of integrating CR principles, remuneration/ bonus systems and public reporting.** Community Investment Impact was also low at 43%. The low result was possibly more to do with a lack of procedures in place for 'measuring and accounting' activities, rather than the extent to which these activities, such as volunteering, are taking place.

3.3 Institutional feedback

- **All participants indicated that they were interested in continuing their benchmarking activities through the BITC Index process.**
- **The majority of participants (83%) found the Index process straightforward.** However, feedback highlighted issues with interpreting the 'corporate language' and business terminology in some parts of the survey. Most suggested that HE sector specific guidelines

would help with interpretation, and agreed that, despite the language issue one of the strengths of the Index was its link to the corporate world.

- **There was general consensus that the benchmarking project and the Index process helped raise the profile of the environment and corporate responsibility at Board level.** It is compulsory that participants have their Index submission signed-off by a senior manager. Most participants agreed that this requirement, the confidential feedback report (gap analysis) and the sector ranking meant the project received Board level attention.
- **Attendance was low at a number of Index workshops, reducing networking opportunities.** 50% of participants did not feel they got enough opportunity to network during the project. This was the project's weakest point. Unfortunately 25% of participants did not attend workshops and this obviously had an impact on the networking opportunities. Feedback suggests that workshops would have been more successful if more forewarning was provided to potential attendees. However, 54% had a positive experience of workshops and 46% said they benefited from the networking opportunities.
- **Almost all participants said that 'next time round' they would allow more time and involve more colleagues.** This was one of the strongest messages coming through from participants. The majority of participants were not prepared for what was involved, in terms of collecting data and providing supporting evidence. These comments anecdotally support the Index findings: that the HE sector is in its early stages of strategically and systematically managing and reporting environmental and corporate responsibility information.

4

ENVIRONMENTAL INDEX RESULTS



4 ENVIRONMENTAL INDEX RESULTS

4.1 The Index model

The Environment Index assesses the extent to which environmental responsibility is integrated throughout an organisation, and provides a benchmark for both environmental management and performance in impact areas material to the organisation.

4.2 Scoring

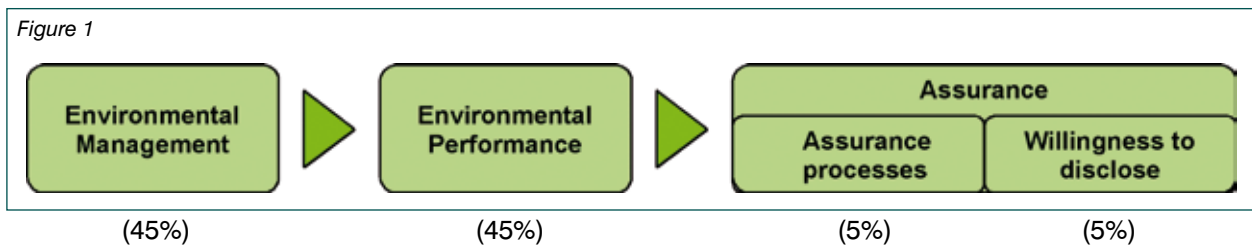
The Management and Performance sections have been equally weighted at 45%, while the Assurance section (which covers the entire survey) has been weighted at 10%. Within the Management section, all questions have been equally weighted, except for the Supply Chain and Stewardship questions, which carry double the weight of others. Within the Performance section, all three impact areas carry the same weight. Within the Assurance section, assurance

processes make up 5% of an organisation's overall score, and willingness to disclose contributes the remaining 5%. See Figure 1.

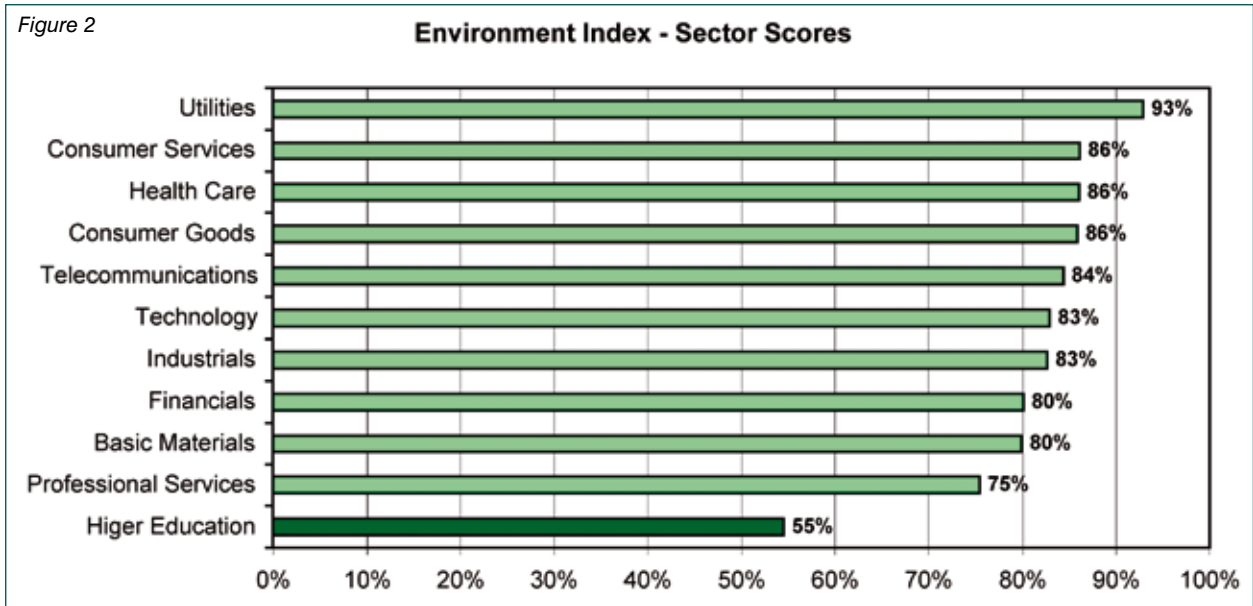
4.3 Environment Index Overall Scores (HE Sector Average 55%, Business Average 83%)

The HE Benchmarking Project Environment Index benchmarked HEIs against their sector peers (HE Sector Average) and companies that have participated in the National Environment Index 2005 (providing the 'Business Average'), on the basis of their environmental management and performance in key impact areas.

Figure 2 compares the HE sector to sectors within the Business Index. The HE sector score of 55% falls 20% behind Professional Services, the lowest performing sector in the Business Index.



4. Environmental Index Results



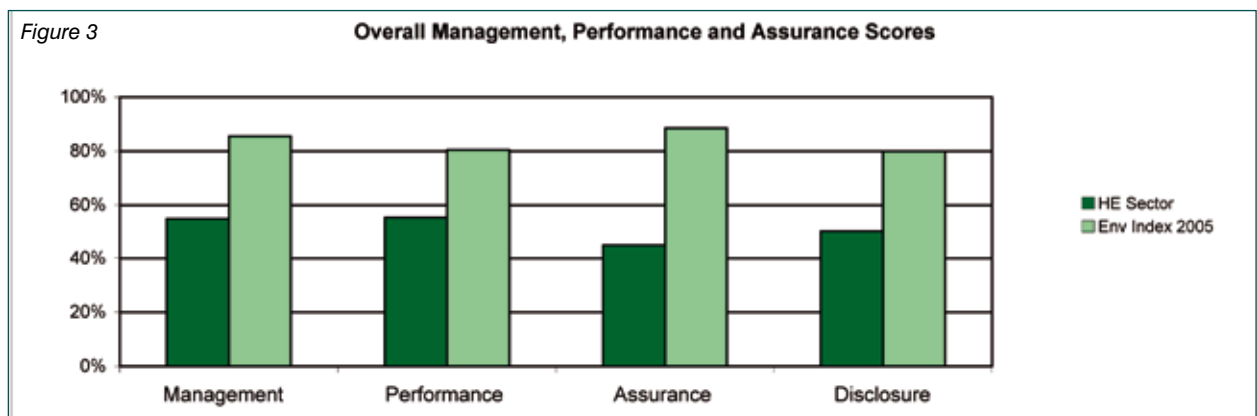
The twenty-five HEIs in the pilot project make up the 'HE sector average' for these results. The BITC Environment Index 2005 average was 83%. Seasoned HEIs that have been benchmarking in the BITC Y&H Regional Environment Index for the past six years are significantly advanced. Their average, when extracted from the overall sector average, was a strong 84%. Compared to this, newcomers to the Index achieved an average of 45%.

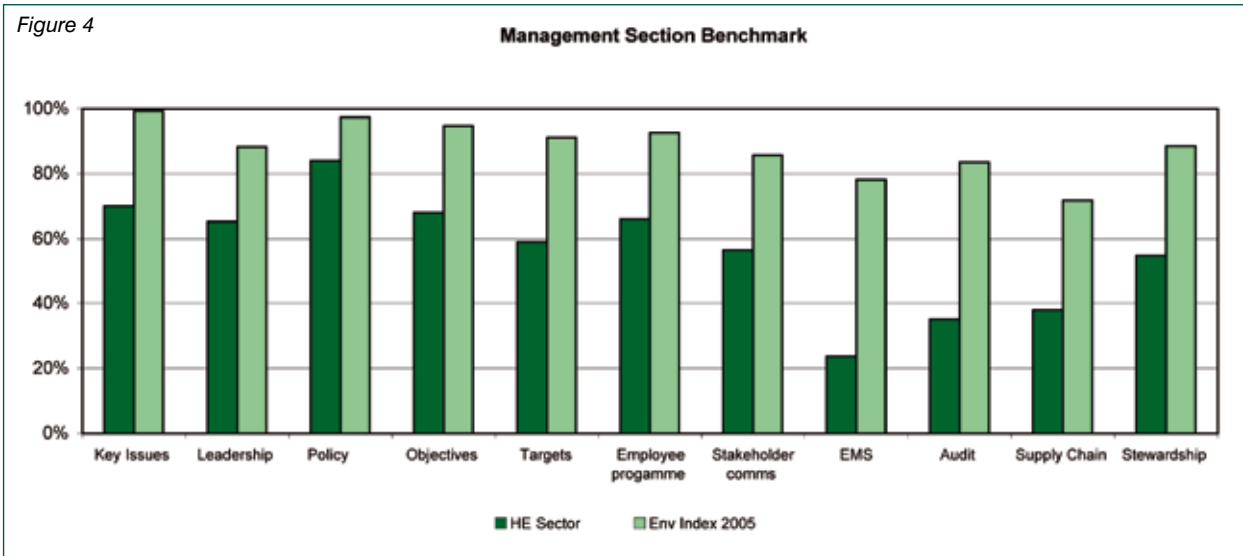
Figure 3 shows the HE sector average across the Environment Index, and compares with the overall Business average. For reference, each chart is normalised to 100%.

4.4 Environmental Management (HE Sector Average 55%, Business Average 86%)

Environmental management encompasses the extent to which an organisation understands and manages its environmental impacts and, where appropriate, makes environmental issues an integral part of its business strategy. The Management section of the Index comprises of: key issues methodologies, leadership, policy, objectives, targets, employee environmental programme, communication with external stakeholders, environmental management systems (EMS), audit, supplier programme and stewardship.

Figure 4 shows the HE sector average across the management areas, and compares with the overall Business average.





The HE sector scored just under 55% for Environmental Management, compared to the Business Index average of 86%. The average, if extracted from the rest, for the six more experienced Index participants was 83%, closer to the Business average. Newcomers to the Index averaged 47%.

4.4.1 Key Issues (HE Sector Average 70%, Business Average 99%)

Key environmental issues for the HE sector were:

- Energy use and carbon emissions**
- Waste and recycling management**
- Travel management**
- Procurement and supply chain**
- Resource use**
- Environmental legislation**
- Biodiversity**
- Water management**
- The built environment, construction, maintenance and refurbishment.**

Sector-specific key issues identified were:

- Sustainability literacy**
- Curriculum/teaching environmental and sustainability subject matter**
- Knowledge production and transfer**

The methodologies employed by participants to determine their key issues were varied. 20%

of participating HEIs have no internal review procedures in place to identify their key issues. Their review was a specific response to the Index process. A further 20% carried out a review in response to this Index submission but also incorporated a cross-functional review. However, 60% of participating HEIs have determined the key environmental issues for their institution from an established, regular environmental risk assessment or formal environmental impact review process.

4.4.2 Leadership (HE Sector Average 65%, Business Average 88%)

Without leadership from the top, environmental management will not be considered strategically important and will be implemented in an ad hoc fashion.

For the HE sector, the Leadership question required participants to interpret ‘Board Member with specific environmental responsibilities’ to a HE equivalent; a translation that was easily made in most cases. For instance, the majority of participants could provide details of how their line of reporting on environmental issues reached the University Council or similar body.

The majority (92%) of participating HEIs have formally appointed a senior member of staff, such as the Vice-Chancellor or a Pro Vice-Chancellor with environmental responsibilities. In other cases a Director (for example of Finance

4. Environmental Index Results

or Estates) reports directly to the University Council, Committee, or as a member of a Senior Management Team. However only 60% of participants said environmental issues were reported to the 'Board' at least annually and could provide the date of the last report to support their answer.

4.4.3 Policy (HE Sector Average 84%, Business Average 97%)

Policies reflect an organisation's commitment to environmental responsibility, and set out the framework for the management of relevant environmental issues. Policies help an organisation to communicate its vision and principles to both internal and external stakeholders, and provide a basis upon which to set environmental objectives and targets.

Most HEIs have by now developed an environmental policy, although not all. In some cases a single-issue policy was in use, such as an energy policy, and at the other end of the spectrum there were examples of a full sustainability policy. In a few cases there was evidence of policy evolution, such as the upgrade of an existing environment policy or single-issue policy with a more integrated sustainability policy (which was sitting in draft form at the time of Index submission). The majority (80%) of formalised policies are available internally, are regularly reviewed and accessible to the public via the university's website.

4.4.4 Objectives (HE Sector Average 68%, Business Average 95%) & Targets (HE Sector Average 59%, Business Average 91%)

Objectives and targets help an organisation to translate policy into focussed action, and to reduce/minimise negative environmental impacts or increase/maximise positive impacts. Internally, objectives and targets help prioritise workloads and review progress. Externally, they demonstrate commitment to continuous improvement and transparency.

The difference between environmental objectives and targets was sometimes difficult for participants to determine. The Index uses the ISO 14001 definitions: "Objectives are the overall goals arising from the environmental policy" and "Environmental targets are the detailed performance requirements that need to be met to achieve objectives. Targets should ideally be SMART (Specific, Measurable, Attainable, Relevant and have a Time scale)".

72% of participants have developed environmental objectives. Target setting is slightly less advanced, with 68% of participants having set environmental management targets.

In terms of targets, however, the Index asks participants to report on both their management targets, that is initiatives or activities to improve the way in which environmental issues are managed, and performance targets which are concerned with reducing measurable impact or improving efficiencies. It is not surprising that the setting of performance targets (48%) is lagging behind that of management targets since performance targets usually require management targets to be put in place first, and are often more challenging.

Note, although a reasonable number of participants could respond positively to the setting of both environmental objectives and targets, there were few submissions where ALL environmental key issues identified by participants were covered by management objectives, management targets, and performance targets. In most cases, it was limited to one or two key issues; commonly energy and recycling.

Only 36% of participants have their environmental objectives and targets publicly available.

4.4.5 Employee Environmental Programme (HE Sector Average 66%, Business Average 93%)

An employee environmental programme (EEP) describes the specific means of enabling employees (including contractors) to achieve environmental objectives and targets. 32% of participants have reported comprehensive employee programmes, providing internal

communication of environmental information, assigning people with specific responsibilities, providing training and consulting with employees on environmental issues across the whole of their organisation. The rest, however, reported 'variable' progress made on their EEP. Popular approaches to environmental programmes included raising general awareness via the intranet and staff newsletters, setting up a 'champions' network across the campus, and introducing cross-functional sustainability groups.

4.4.6 Communication with External Stakeholders (HE Sector Average 57%, Business Average 86%)

Stakeholders are those who either affect, or are affected by, the activities of an organisation. Results for the HE sector indicate that external stakeholder communication is generally less advanced than communication with staff. In most cases the best example of stakeholder communication was that with students (obviously a key stakeholder). Some HEIs have two-way dialogue with their students via internet portals, student union relationships, or by inviting students onto stakeholder panels or committees.

Communications with HEFCE and/or other financial stakeholders is either one-way or two-way but tailored to need. There were other examples of stakeholder communications with financial investors such as Public Finance Initiatives, which involved environmental risk/opportunity consultation. Communications with financial insurers was much more limited, indicating that contractual arrangements with insurance companies or similar, did not cover environmental criteria or risk assessment.

The HE sector's communications with government regulators such as DTI, Environment Agency and DfES and local councils are fairly active. Some HEIs have good relations with local community stakeholders and are member of residents groups, regional development committees or have developed better stakeholder engagement in response to campus expansion plans, recycling programmes or green travel plans.

Less advanced are communications with NGOs and the media, and in most cases suppliers and contractors. In terms of NGOs/media, many participants reported little or no communication unless they were either stimulated by lobby groups (such as People & Planet) or were part of partnerships that won media attention (such as Fairtrade activities). Communications with suppliers and contractors tended to be one-way via procurement questionnaires. However, there were some examples of two-way communication (dialogue) between some HEIs and their suppliers.

4.4.7 EMS (HE Sector Average 24%, Business Average 78%) & Audit (HE Sector Average 35%, Business Average 84%)

The Index revealed that almost half (48%) of participants do not have any form of environmental management system (EMS) and only 8% have a fully certified system. The remaining 44% are either in the early stages of implementation or have an informal system covering one or two of their impact areas.

Audit systems are a little more varied with some participants having either completed an initial review or a baseline audit, and others having audited one or two impact areas either through their environmental programme or as part of an internal audit process conducted by an independent audit team. Only 16% of participants have a fully implemented, periodic audit system covering all activities, which is verified by an independent third party.

4.4.8 Environmental Supplier Programme (HE Sector Average 38%, Business Average 72%)

A supplier programme refers to the integration of environmental factors into the procurement process of an organisation. It can take the form of information exchange, can provide help and encouragement to suppliers, and can produce co-stewardship agreements.

With one or two exceptions, the HE sector is in the early stages of integrating environmental

4. Environmental Index Results

factors into their supply chain management (sector average of 38%). However, the majority of participants (92%) have some form of 'green' procurement policy, often embedded into their environmental or sustainability policy. HEIs are showing signs of advancing their supply chain programme. They are beginning to allocate key supply chain responsibilities to staff and provide training, review their supply chain in terms of environmental risks (and opportunities), ask suppliers for information regarding environmental management and engage more fully with suppliers and contractors on environmental issues.

4.4.9 Environmental Stewardship (HE Sector Average 55%, Business Average 89%)

Environmental stewardship means considering and managing the environmental impacts that arise either directly or indirectly from an organisation's products, processes or services from its development, use and disposal.

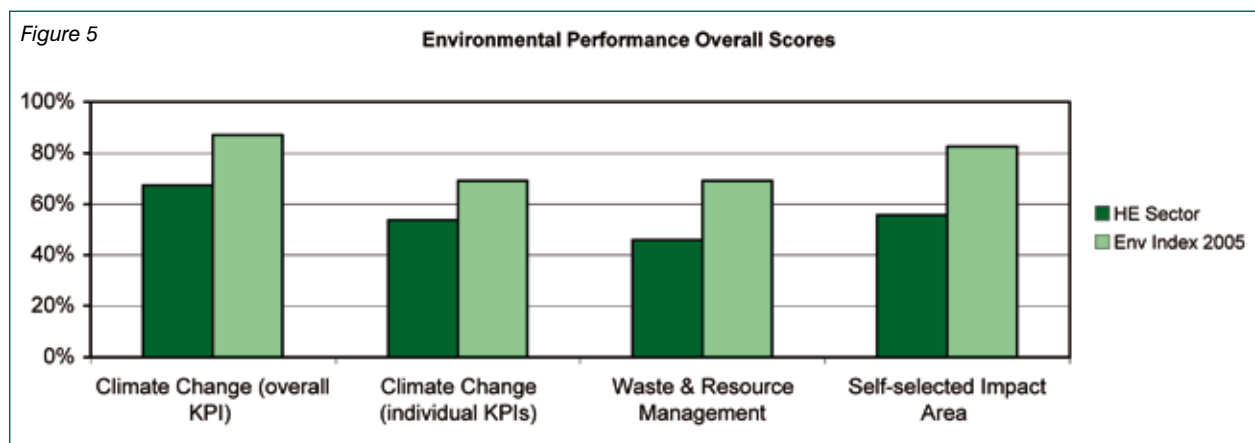
This concept is more difficult and less tangible for the HE sector to interpret than, say, the Mining sector or a manufacturing company where the 'core product' and its production process is much more obvious. HEIs view their core product as their 'teaching/research and knowledge transfer' or their 'graduates'. In either case, the curriculum, the student, and the campus can be 'stewarded' by the HEI in terms of environmental impact. Furthermore, a student developing environmentally responsible behaviour, literacy and knowledge during their time on campus, can take this into their domestic and professional lives. This can be viewed as the 'indirect stewardship' effect an HEI can have on society.

Responses to this question tended to be rather broad and ranged from curriculum development and sustainability strategies, environmental awareness raising and provision of services on campus (such as recycling, organic and Fairtrade products), to the introduction of eco-efficiencies on campus such as the procurement of recycled products and energy conservation technologies. Given the broad approach to this question, for most Index participants there is some degree of environmental stewardship taking place. Survey results indicate that HEIs participating in the BITC Y&H Environment Index are more advanced in this area, with a sub-group average of 85%, compared to a newcomer's average of 48%.

4.5 Performance and Impact (HE Sector Average 55%, Business Average 81%)

The Environmental Performance Section of the Index assesses the extent to which organisations measure, manage and publicly report their key environmental impacts. As part of this, the Index considers the scope and quality of measurement and reporting, asks whether organisations set performance improvement targets, and checks whether companies can demonstrate continuous improvement in the different impact areas.

Each HEI was asked to complete a total of three impact areas – two mandatory areas (Climate Change and Waste), and one self-selected area material to their operations. The following graphs illustrate the HE sector's performance in both core areas and self-selected areas, compared with the average performance of the overall Business Index.



The HE sector scored equally 55% for Performance and Impact and Environmental Management. This may reflect pockets of good practice that are not linked to any overall strategy or management system. The average score for the Business Index was 81% and if we breakdown the HE sector into experienced participants and newcomers; we have averages of 88% and 45%, respectively. These results indicate the advancements made by the Y&H HEIs in terms of their environmental performance and impact through consistent involvement in the Index.

4.5.1 Climate Change (HE Sector Average 61%, Business Average 78%)

For Climate Change, organisations are given the choice of reporting either on one overall, or several individual Key Performance Indicators (KPIs), including energy, transport and process emissions.

68% of HEIs chose to report in terms of an overall KPI for Climate Change, and 32% chose to report on individual KPIs. Detailed scores for the Sector and Business Index are shown below.

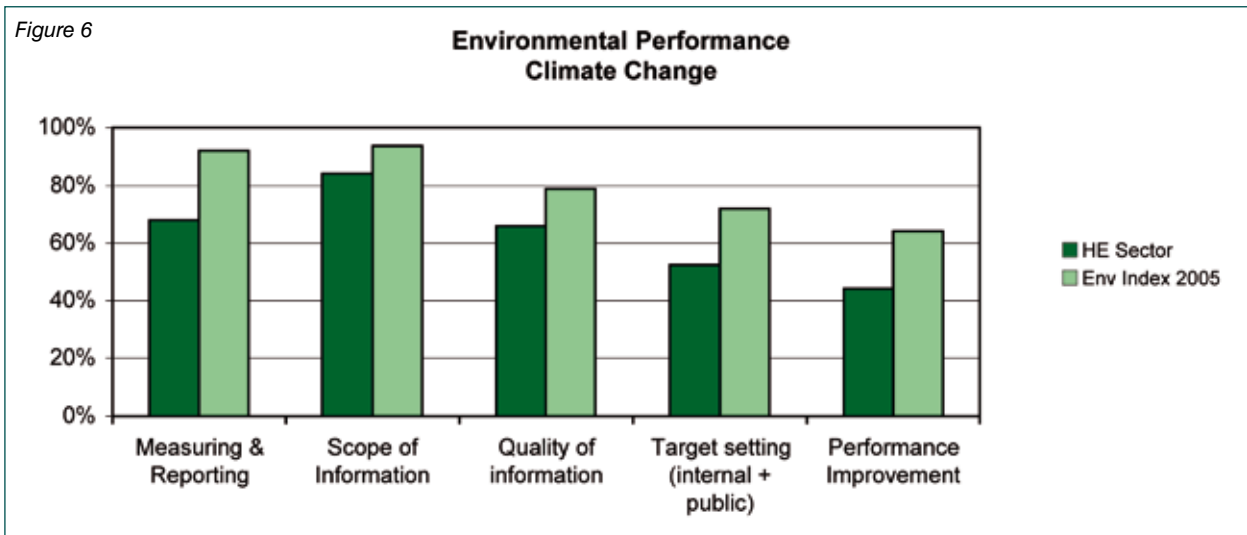
The majority of HEIs answered this question in terms of an overall KPI since amounts of fuel used/CO2 generated by vehicle use were less than 10% of the overall energy total. Fuel usage, for the purposes of the Index, only covers 'fleet and business use' and does not include staff or student commuting. Commuting to the university is, of course, a significant issue for the sector and there was the opportunity to report on this impact

area ('indirect impact') later in the Index. Process emissions from plant and buildings were not identified as an issue for participants.

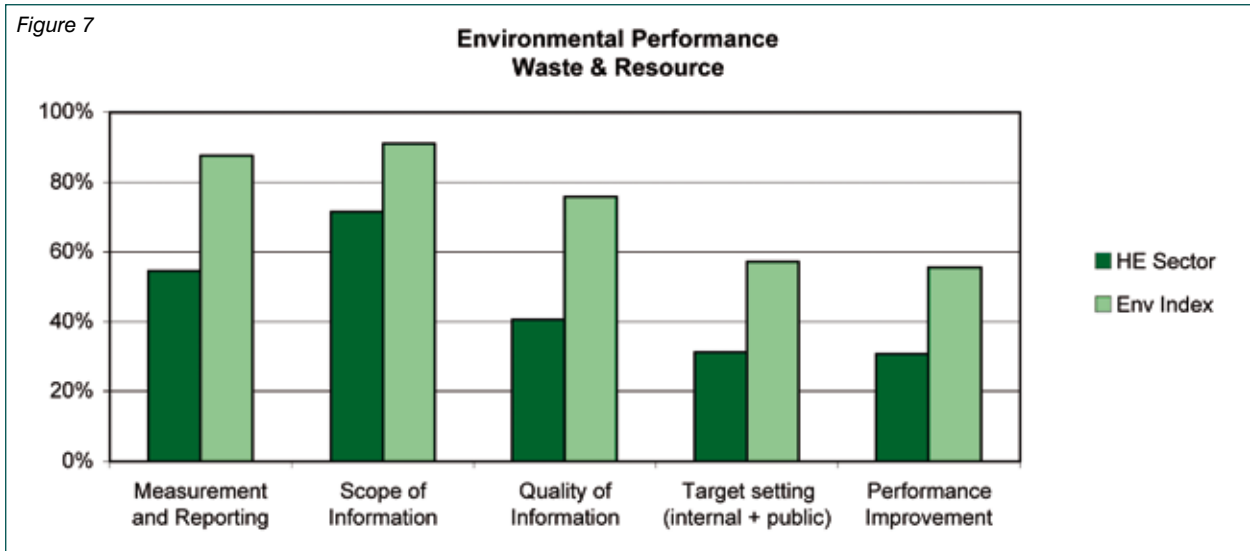
It should be noted that in most cases participants choosing to report individual KPIs did not have fuel/CO2 data measurements for transport. This gap was reflected in the scores, with the average for Climate Change - overall KPIs at 67% and the average for Climate Change - individual KPIs being slightly lower at 54%. Similar trends were evident in the Business Index: 87% and 69% respectively. The HE sector scored relatively well in this impact area, especially in terms of measurement and reporting, scope and quality of information, and demonstrating management improvements. The sector is seeing significant improvements through the Carbon Trust Programme. The Carbon Trust is providing HEIs with technical and change management support and guidance to help them realise carbon emissions savings. Progress could also be partly attributed to HEFCE, who now ask HEIs to provide energy/CO2 data in their Estates Management Statistics.

Although 80% of participants are measuring and aggregating centrally their energy use across the whole of their campus, only 32% are making this information publicly available. Data is usually of a 'verifiable' standard (80%) but not often independently verified (28%).

The results for target setting were split. 40% of HEIs having set targets for the whole of their institution and made them public. 36% have not set targets at all. 80% of participants could



4. Environmental Index Results



demonstrate management improvements. Fewer (56%) could demonstrate performance improvements (i.e. actual reductions in energy use), only 12% could claim improvement over 3-5 years.

4.5.2 Waste and Resource Management (HE Sector Average 46%, Business Average 69%)

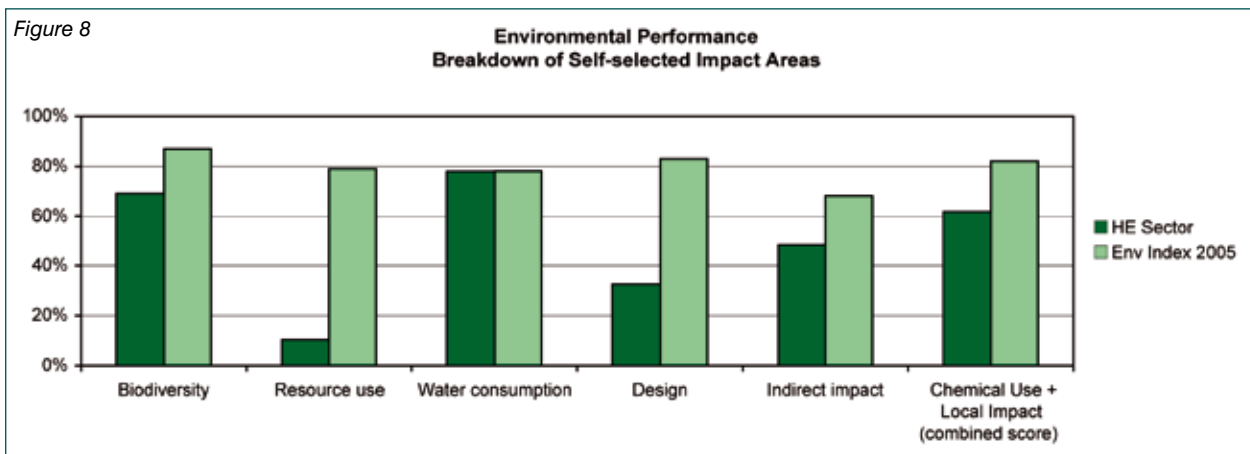
All participants were required to answer the Waste & Resource Management question, which looks at an organisation's approach to waste reduction at source, waste re-use/recycling and waste disposal.

Waste and resource management is generally not as advanced as climate change for the HE sector (46%). A similar trend is evident in the Business average, which dips to 69%. Results indicate that

where waste to landfill (or incinerator) and/or waste being recycled is measured (just over 50%), it generally covers the whole of campus. However, amounts are usually estimates, target setting is sparse, and performance improvement is low. The management and performance of waste recycling (including the setting of targets) is generally more advanced than that of waste disposal.

4.5.3 Self-selected Impact Area (HE Sector Average 56%, Business Average 83%)

Finally, participants are asked to report on a self-selected impact area material to their operations. HE participants selected Biodiversity (28% of all participants), Water Consumption (24%), Design (16%), Resource Use (12%), Indirect Impact (12%), Chemical Use (4%) and Local Impact (4%).



4.5.4 Biodiversity (HE Sector Average 69%, Business Average 87%)

Biodiversity was the most popular self-selected impact area with 28% of participants choosing to report on their management of this impact area (higher than the Business Average of 14%). The sector average score for biodiversity was 69%. This, however, masks the fact that almost half (43%) of this group scored remarkably well, receiving full points for measuring and reporting, scope and quality of information, and target setting. Management and performance improvement was also good with all participants demonstrating management improvement, 71% demonstrating performance improvement, including 29% able to demonstrate improvements over 3-5 years.

4.5.5 Water Consumption (HE Sector Average 78%, Business Average 78%)

Water consumption was also a popular choice of impact area with 24% of participants reporting on it. Scores were strong (average of 78%), indicating good management of this impact. All participants measure their water use and aggregated this data centrally. 40% reported their water consumption data publicly. The majority (83%) have set water reduction targets. All participants could demonstrate water management improvements with performance improvement for the past year or longer.

4.5.6 Design (HE Sector Average 33%, Business Average 83%)

16% of participants chose to report on the Design impact area, in terms of the design and construction of new buildings, although curriculum design was also reported. This made any comparisons or sector trends difficult. However the sector average score for Design was 33%. Only half of participants are actually measuring and reporting data on this impact area or have set targets. All participants can demonstrate management improvements but participants have not yet made performance improvements.

4.5.7 Resource Use (HE Sector Average 10%, Business Average 79%)

Resource use was selected by 12% of participants and was the lowest scoring self-selected impact area (10%). Identifying a KPI for measuring and reporting on resource use was generally not achieved. Likewise the setting of performance targets or any demonstration of performance improvement was generally low. However, these participants have recognised the importance of resource use and 67% of them could demonstrate some improvement in the management of this impact area.

4.5.8 Indirect Impact (HE Sector Average 48%, Business Average 68%)

Participants selecting this impact area have reported on the indirect impact of staff and student commuting and the indirect impact of environmental consultancy. The average score was 48%. Participants are in varying stages of management in terms of measuring and reporting impact, in the scope of data collection and the quality of data. Target setting tends to be low, however the majority of participants could demonstrate some improvement in the management and performance of this impact area.

4.5.9 Local Impact and Chemical Use (HE Sector Average 62%, Business Average 82%)

Local Impact and Chemical Use were not popular choices of impact area so participant's responses have been pooled with the responses for Indirect Impact (above) to achieve a combined average for the sector. This approach also keeps a participant's scores confidential when they are the sole respondents to a set of questions. The combined average score for Local Impact/Chemical Use/Indirect Impact was 62%. It is not possible to draw any meaningful sector trends for this impact area.

4. Environmental Index Results

4.6 Assurance (HE Sector Average 58%, Business Average 85%)

This section is important to ensure accuracy, relevance and reliability of any information provided within the survey. The Index is based on a self-assessment process, but the organisation should be able to justify its responses both internally and externally. Within the Assurance section, assurance processes make up 5% of an organisation's overall score, and willingness to disclose contributes the remaining 5%.

4.6.1 Assurance process (HE Sector Average 45%, Business Average 89%)

An environmental assurance framework is the sum of the internal and external processes that an organisation uses to provide confidence that environmental information is of an acceptable quality and that it adequately addresses all environmental risks.

Results indicated that participants were at different stages of the assurance process. Only 12% of HEIs had a management process that provides assurance that their environmental information was of an acceptable quality and reviewed for effectiveness by an independent group audit or third party verification. The slight majority

(36%) of participants had most of the necessary requirements in place to ensure information was of an acceptable quality, but they had not been audited by a third party. 24% were in the process of developing assurance process procedures, and 28% of participants had no process at all.

4.6.2 Disclosure (HE Sector Average 50%, Business Average 80%)

The ultimate test of assurance of the Index process is whether companies would be prepared to share information submitted during the Index process. This question is weighted as 5% of the overall score. Since this is a pilot project and individual participant results are kept confidential, the question is somewhat hypothetical. The spirit of the question remains however, and over a quarter of participants (28%) said they would be prepared, in theory, to share their survey submission and feedback reports with the public.

The majority (56%) indicated that they would be willing to share either their Index submission or their feedback report (in most cases referring to their submission rather than their feedback report). The remaining 16% either felt it was too early for them to share submitted Index information. Or, since it was a confidential pilot project, inappropriate to state their position on disclosure.

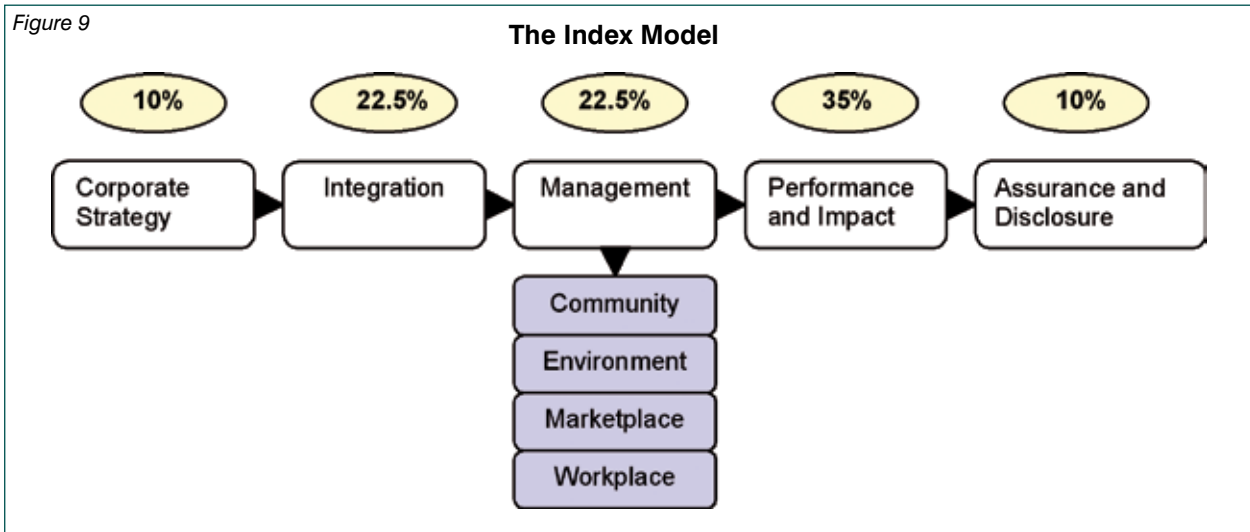
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CORPORATE RESPONSIBILITY INDEX RESULTS



5 CORPORATE RESPONSIBILITY INDEX RESULTS

Figure 9



5.1 The (CR) Index Model

The Corporate Index (CR) Index Model is based on a framework of four components shown in the above model and incorporates the Environment Index questions described in Part A. The Index enables organisations to assess the extent to which corporate strategy is integrated into responsible business practice throughout an organisation. It provides a benchmark for organisations to compare their management practice across the four areas of community, environment, marketplace and workplace, as well as their performance, in a range of environmental and social impact areas, material for their organisation.

5.2 Scoring

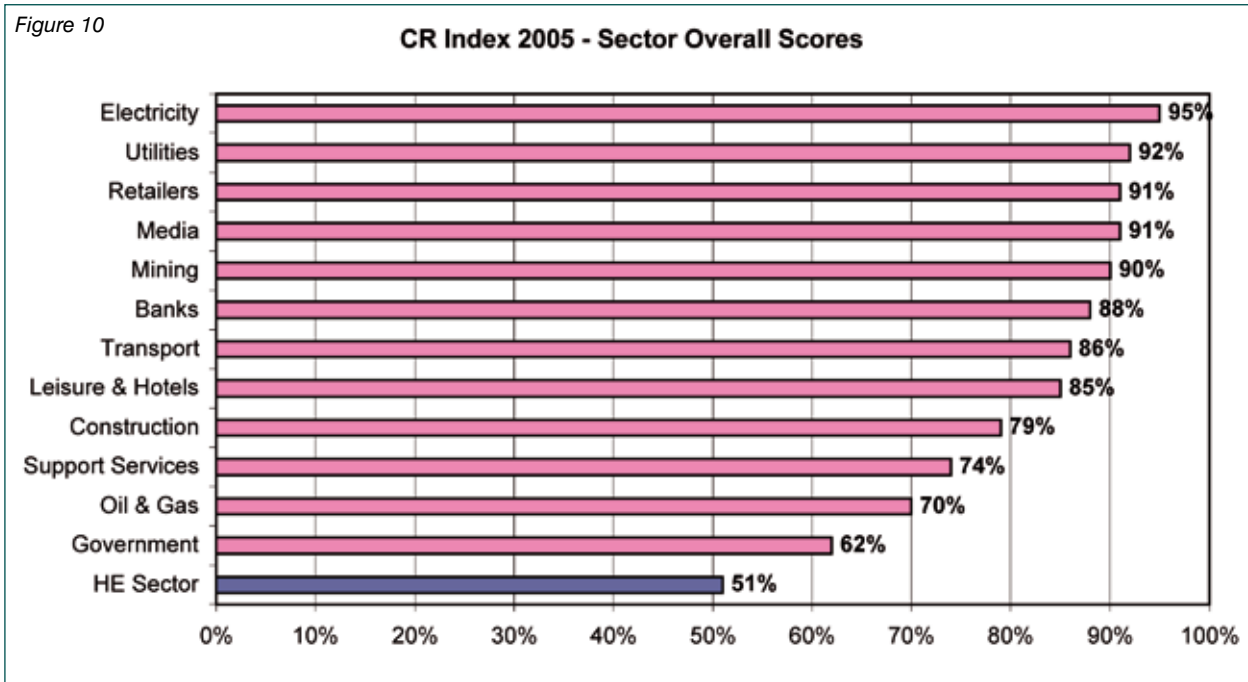
The Strategy section of the Index represents 10% of the overall score, Integration and Management each receive 22.5%, and the Performance and Impact section receives 35% (equally split between Environment and Social). The final 10% of marks are awarded for the level of Assurance (5%) provided by participants and their willingness to

disclose certain information relating to their survey submission (5%).

5.3 CR Index Overall Scores (HE Sector Average 51%, Business Average 84%)

Although there was much interest in the CR Index within the HE sector, the number of actual completed submissions was lower than anticipated. Completing the CR Index requires gathering information from a range of departments such as HR, policy, community and public relations, as well as from the environment team. For some, the CR Index turned out to be a 'step too far'. For others, more time would have been required to complete the Index. In all cases, the 'non-participants' are either completing the Index at their own pace or would like the opportunity to participate in the future. Results indicate that the HE sector is in the early stages of thinking in terms of corporate responsibility, but institutional feedback suggests an ever-increasing importance.

The HE sector average for the CR Index, is based on a much smaller sample size (5 participants) than the Environment Index (25). Therefore,



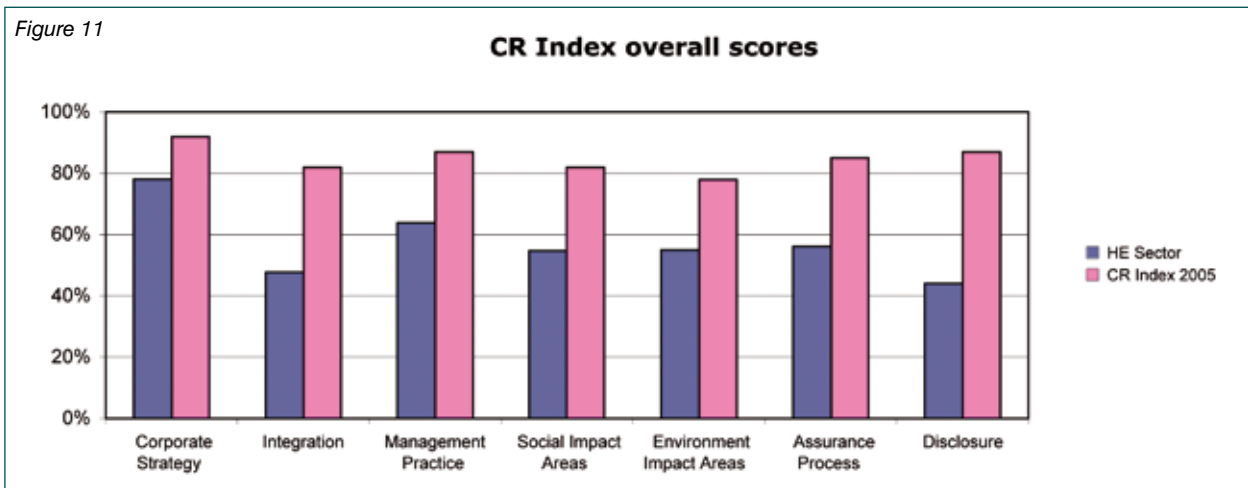
participants' responses and sector scores have been subject to less detailed analysis than the results for the Environment Index. Despite the small sample size, the results were nonetheless illuminating. The CR Index average for the HE sector was 51%, only a few percentage points behind the HE sector's Environment Index average of 55%. This is important to note, because unlike the Environment Index all participating HEIs were new to the CR Index process.

Figure 10 compares the HE sector to other economic groups within the Business Index. The HE sector score of 51% falls 11% behind the Government, the lowest performing sector in the Business CR Index.

Figure 11 provides a summary of the HE sector's overall performance across the Corporate Responsibility Index and compares with the overall CR Index 2005 average.

5.4 Corporate Strategy (HE Sector Average 78%, Business Average 92%)

The Corporate Strategy section looks at how the nature of an organisation's business activities influences their values and principles, how these principles are addressed through risk management, the development of policies, and the responsibilities held at a senior level in the company.



5. Corporate Responsibility Index Results



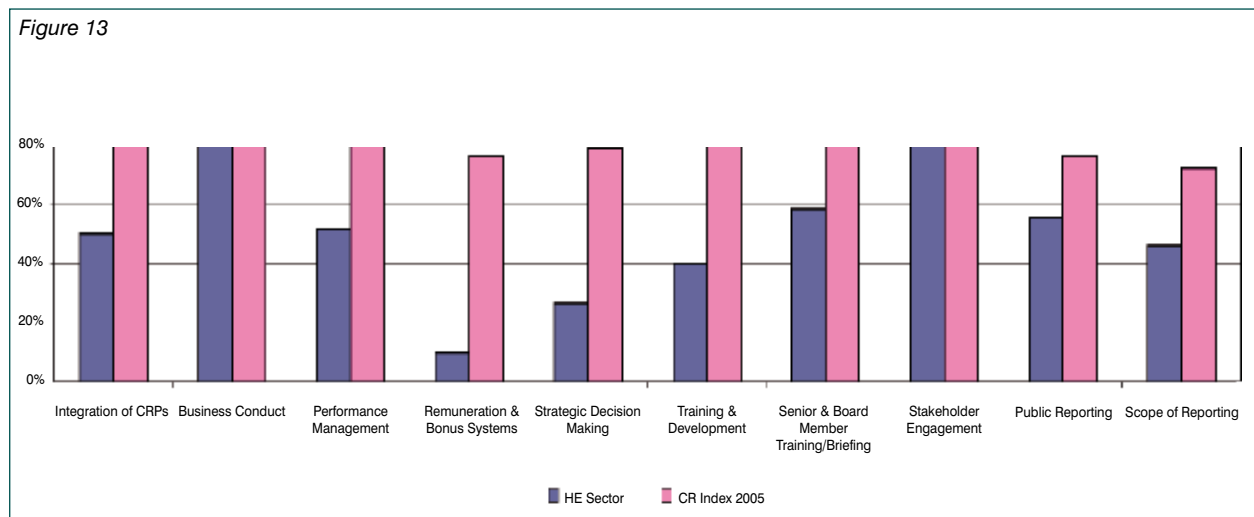
The HE sector score (78%) is relatively strong and compares well to the Business average of 92%. This may reflect the degree to which a HEIs core values coincide with the aspirations of corporate responsibility values (broader than short-term economic considerations). HEIs scored 100% for Corporate Values due to a common focus on prioritising students' needs and quality of teaching.

Participants scored well in the development of CR Principles (81%). A well-established and transparent governance process may contribute to a good score in these areas. Advocacy (mainly through internal communications, public activities and policy shaping) is also strong and the score for the sector (90%) sits close to that of the Business average (91%). Risk management is fairly well developed, although results indicate that dialogue with external stakeholders is generally less commonly conducted as part of the risk

review process. The sector generally falls short in providing leadership (57%) at the top for the full range of CR areas and it seems the discussion of CR issues at top management meetings is often not taking place (55%).

5.5 Integration (HE Sector Average 48%, Business Average 82%)

The Integration section focuses on the administration, management and integration of responsible business practice throughout an organisation's operations. Participants are asked to report on the integration of corporate responsibility principles, business conduct, staff performance management, remuneration and bonus systems, strategic decision-making, training and development, stakeholder engagement and public reporting.



Sector scores dipped here: 48% compared to 78% at Strategy, which is consistent with the Business Index trend (82% for Integration, down from 92% at Strategy). This dip reflects the gap between the development of high-level policy commitments and putting procedures in place to see that they are woven into the fabric of the organisation. The results indicate that the majority of participants have published codes governing the conduct of their employees, including confidential whistle blowing mechanisms and disciplinary procedures (92%). Further, the score for stakeholder engagement is strong at 87% (comparing well with the Business average of 88%), indicating that some consultation is taking place with key stakeholders in the identification of risks and opportunity, policy development, monitoring and/or reporting of CR issues.

Less developed is the integration of CR Principles in terms of internal communication, and seeking feedback from internal and external stakeholders (50%). Bonus systems are not common within the HE sector (sector score of 10%), although there were some reports of rewards within staff grading systems. HEIs are not yet building CR into their strategic decision-making (27%), although this question was difficult for participants to answer and perhaps does not best capture HE activities. Training on CR principles is generally low (40%), as is the scope of public reporting (46%).

5.6 Management Practice (HE Sector Average 64%, Business Average 87%)

The Management Practice section looks at how an organisation manages issues relating to the

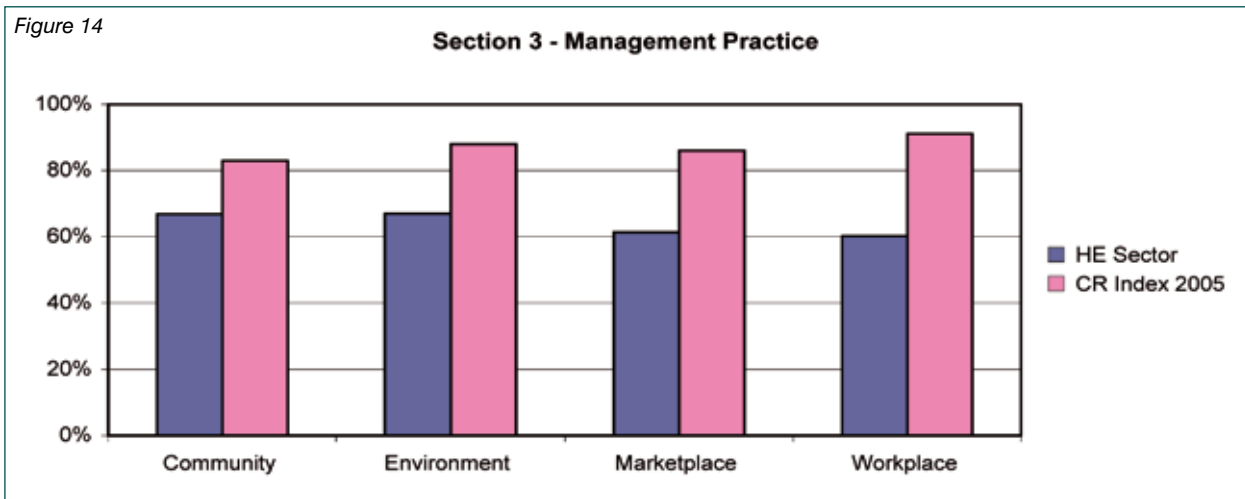
Community, Environment, Marketplace, and the Workplace. It looks at what the key issues are for an organisation, the objectives and targets set to manage these issues and how it implements, monitors and communicates its policies, objectives and targets. This provides a sense of the depth and breadth of the management of corporate responsibility within an organisation.

5.6.1 Community Management Practice (HE Sector Average 67%, Business Average 83%)

A community is a group of individuals bound by a common experience who affect, or are affected by, the operations of an organisation. As such, a community may be bound by geographic proximity (city, town, and local neighbourhoods), historical relationship (alumni, partners/recipients of investment activities) or common characteristic (ethnicity, gender, disability etc.).

Key community issues arising for the HE sector included:

- Reputation and being seen as a responsible corporate citizen**
- Economic development and employment**
- Access to, and diversity within, HEIs**
- Widening participation and lifelong learning**
- Regional and local partnerships and collaboration activities**
- The impact of a transient student population**
- Encouraging students to participate in community, charitable and volunteering activities**



5. Corporate Responsibility Index Results

Key stakeholders in the community are considered to be:

- Local residents and residents associations**
- Local authorities and police**
- Voluntary and not-for-profit organisations**
- Local and regional businesses and industry**
- Disadvantaged communities and under-represented groups**
- Local Further Education colleges and other HE providers**
- Neighbours of the university campus**

Staff and students were also identified as key Community stakeholders as well as being key stakeholders in Marketplace and Workplace. The majority of participants (80%) reported having a formal risk review process for identifying their community risks and opportunities.

The average for the HE sector was 67%, indicating some good progress in community management practice. Most participating HEIs have some sort of community strategy (66%), and they integrate aspects of this strategy into their key business activities (65%). For example, most participants had integrated 'widening participation' and 'encouraging lifelong learning' into their business strategy. Target setting is generally lower (56%) however the majority of participants have an employee programme (72%) and, for example, carry out activities such as community volunteering and mentoring. Interestingly, later on in the Performance & Impact section, 'Community Investment' scores plummet (43%), suggesting that capturing evidence of the positive impact of investment activities is much weaker.

5.6.2 Environment Management Practice (HE Sector Average 67%, Business Average 88%)

The HE sector average for environmental management was 67% compared to the Business average of 88% (see details in Section 4.4 for a breakdown of environmental key issues and management practices).

5.6.3 Marketplace Management Practice (HE Sector Average 61%, Business Average 86%)

Corporate Responsibility in the marketplace is the application of responsible behaviour in developing purchasing, selling and marketing of products and services.

Key marketplace issues for the HE sector often tie in with an institution's core values and included:

- Quality in teaching, research and knowledge transfer**
- Widening participation and promoting lifelong learning**
- Compliance with regulating bodies and legal authorities**
- Reputation and the advancement of HE within the region and internationally**
- Managing course supply and demand**
- Graduate employability**
- Relations with student unions**
- Procurement and delivering value for money**

All participating HEIs have determined their key marketplace issues from an established, regular risk assessment or formal impact review process. The current focus for HEIs is on customers (students), more so than the institution's suppliers.

The average for the HE sector was 61%, indicating some good progress in this management area. Marketplace Management Practice is split into 'customer-facing' and 'supply chain' questions. The HE sector is generally well developed in its management of customer-facing market issues and scored well for responsible marketing (78%). Scores were low for Social Stewardship of Products and Services, possibly because it was difficult for participants to answer this question (only 40% of participants responded) although the average score was 78%. Social considerations in supply chain management are in their infancy, with a score of 35%.

5.6.4 Workplace Management Practice
(HE Sector Average 60%, Business Average 91%)

Workplace is the environment into which individuals are recruited and are developed both professionally and personally, with full entitlement to employment rights.

Key issues in the workplace for the HE sector were:

- Recruitment and retention of high quality staff**
- Equality and diversity**
- Staff performance, development and reward management**
- Staff wellbeing and welfare**
- Health and safety**

The majority of participating HEIs have determined their key workplace issues from an established, regular risk assessment or formal impact review process. The average for the HE sector was 60%, indicating some good progress in this management area. Most participants have made some progress on developing and monitoring workplace policies, objectives and targets across their organisation. Later in the Performance and Impact section, the HE sector scores well in Workplace Diversity, indicating this as a priority area for HE.

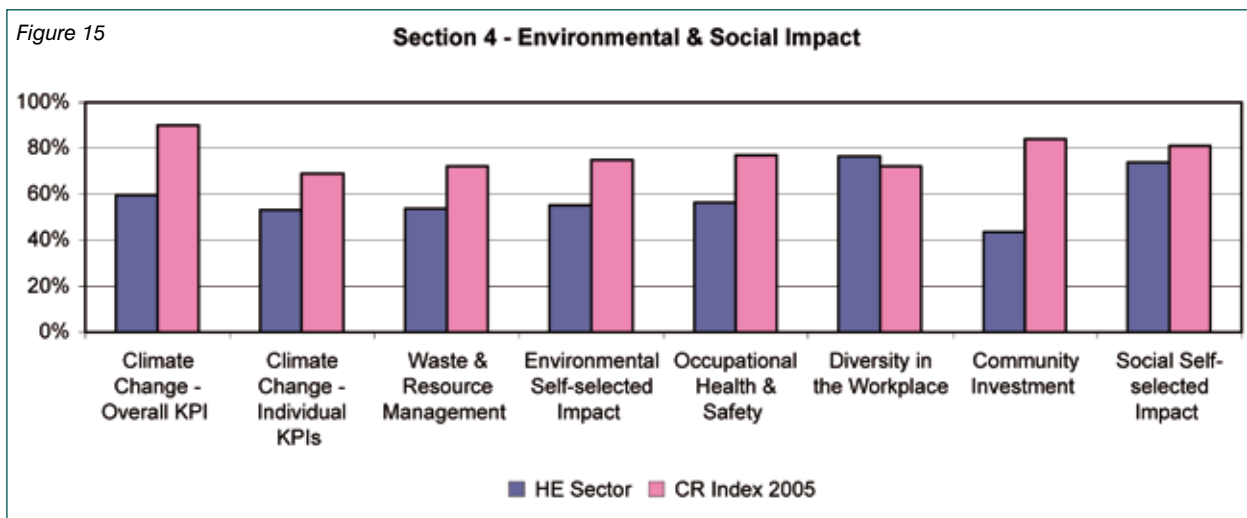
5.7 Performance & Impact (HE Sector Average 55%, Business Average 80%)

This section looks at how an organisation measures its performance and impact in a number of key areas which are important for the organisation’s operations. Each participant was asked to complete a total of six impact areas. All participants complete two mandatory environmental impact areas on Climate Change (combined or individual KPIs) and Waste and Resource Management. In addition, they were asked to complete an additional environmental impact area relevant to their business. Participants were also asked to select two social impact areas drawn from Product Health and Safety, Occupational Health and Safety, Labour Rights in the Supply Chain, Diversity in the Workplace, and Community Investment, plus one extra social impact area, again, relevant to their operations.

Figure 15 provides details of how the HE sector performed in both the core and additional selected impact areas. The figure provides averages for the impact areas selected by the HE sector and those of the Business Index.

5.7.1 Environmental Performance & Impact
(HE Sector Average 55%, Business Average 78%)

The HE sector average for environmental impact was 55% compared to the Index average of 78%.



5. Corporate Responsibility Index Results

5.7.2 Social Performance & Impact (HE Sector Average 55%, Business Average 82%)

Participants selected to answer Occupational Health & Safety, Diversity in the Workplace, Community Investment and/or a Self-selected option. For those that selected one of their own impact areas 'Staff Development' and 'Human Factors' were chosen. Participants were expected to answer three social impact areas, however, it should be noted that a number of participants provided answers to only two - possibly due to a lack of data at this stage.

5.7.3 Occupational Health and Safety (HE Sector Average 56%, Business Average 77%)

All HEIs completing the CR Index elected to report on Occupational Health & Safety. The HE sector average was 56% compared with an Index average of 77%. All participants reported having developed an Occupational Health & Safety Management System although none were externally certified. There was little evidence of measuring, reporting, or target setting for health and safety performance beyond regulatory requirements.

5.7.4 Diversity in the Workplace (HE Sector Average 76%, Business Average 72%)

80% of participants chose to report on Diversity in the Workplace. The sector average was relatively high at 76%, coming in above the Business average of 72%. Real strengths for the sector were in the 'mainstreaming' of diversity into employment processes (83%) and measuring workplace diversity profiles (100%). All participating HEIs have diversity policies, and some are benchmarking on one or more strands of diversity. However, scores for 'investment in diversity' were not as high (69%). Less investment in diversity programmes may account for the lower scores attained for 'demonstrating improvement in performance across the diversity agenda' (50%).

5.7.5 Community Investment (HE Sector Average 43%, Business Average 84%)

The average for the HE sector was 43% compared to an Index average of 84%. All participants that selected this impact area have a community investment strategy of some sort however it does not usually link into any overall strategic planning. Results indicate that whilst community activities such as volunteering, mentoring, and partnering charities are high, the actual measurement of community inputs (cash, staff time, gifts in kind, management time) is low at 47%. Even less likely is the measurement of outputs, such as leverage, community benefit, and benefit for the Institution (21%). There is some evaluation of positive impact in relation to community investment and some public reporting on activities.

5.7.6 Self-selected Impact Area (HE Sector Average 74%, Business Average 81%)

Participants are given the opportunity to report on a social impact area of their choice that has a material impact on their organisation. 40% of participants elected to do so. Human factors (staff, student and other stakeholder satisfaction) and staff development were reported. Due to the small numbers (and similarity in Impact areas chosen) scores have been combined to make one 'Self-Selected Impact Area' average (74%). Participants were asked to report on their 'corporate commitment' to their chosen impact area in terms of policy, strategic objectives and clearly defined responsibilities. They were also required to provide details on the progress made in the measurement and reporting of performance. Results were generally high, with 75% for corporate commitment and 81% for measuring and reporting, thus reflecting good progress made on the management of staff development and stakeholder satisfaction activities. Performance improvement scores, however, were lower at 30%.

6

INSTITUTIONAL FEEDBACK

6 INSTITUTIONAL FEEDBACK

All participants were asked to evaluate their experiences of the project and the Index process via a project evaluation questionnaire. Response rate was 24 out of 25 (96%). (One HEI experienced a change in staff which resulted in not being

in a position to provide feedback). Below is a quantitative analysis of participants' responses to the questionnaire, followed by a general overview of participants' comments.

STATEMENT	Strongly Agree	Agree	Disagree	Strongly Disagree	N/A / Not Sure
Interested in repeating the Index process next year	50%	50%			
Completing the survey online was straightforward	33%	50%		13%	4%
Believe that the Index process would drive year on year improvement	38%	62%			
Believe that participation in the project has raised board awareness	29%	50%		21%	
The Index is a flexible tool that can be applied to the HE sector	13%	75%		8%	4%
There are no other surveys more relevant to our institution/sector	4%	63%		4%	25%
High profile of BITC and Indices will influence board to continue participation	4%	79%		13%	4%
Enough support was provided by BITC and online guidance notes	46%	54%			
Adequate opportunity to network with other universities	4%	42%		50%	4%
Index helped prioritise areas to work on and develop action plans	33%	50%		17%	
Index helped identify significant issues/impacts & future risks	25%	42%		33%	
Index helped identify eco-efficiency opportunities	8%	59%		33%	
The workshops/surgeries helped to understand project and Index process	25%	29%		21%	25%
Index has aided discovery of knowledge/initiatives/data previously unaware of	12%	71%		17%	
Index process has encouraged integration of thinking among more than one department	29%	46%		25%	

Additional Comments, both positive and negative, have been summarised below.

Interested in repeating the Index process next year	100% of respondents stated that they would be interested in repeating the Index process. Participants felt that the real value in participating in the Index is to use the results as an agenda for improvement. Year on year benchmarking provides the framework to gauge progress.
Completing the survey online was straightforward	Over 80% of participants found the online survey straightforward. However, those that didn't had difficulty using the Index survey tool or experienced some technical complications along the way.
Believe that the Index process would drive year on year improvement	All participants agreed that the Index process provided a real driver for year on year improvement. It was commented that 'sign-off' at a strategic level makes a big difference. The majority agreed that for improvements to happen, results needed to be reported to, and addressed by senior management.
Believe that participation in the project has raised board awareness	The majority felt that their participation in the project raised board awareness. Some felt that the board was already aware of their work; others believed that the presentation of the results raised more awareness, especially when the board saw their position against other institutions.
The Index is a flexible tool that can be applied to the HE sector	Almost 80% of respondents felt the Index tool was applicable to the HE sector. 12% felt that parts of the Index, or the terminology, were difficult to interpret or not appropriate to the sector. There was much support for HE sector guidance notes to provide clarity.
There are no other surveys more relevant to our institution/sector	63% of participants did not know of any other surveys more relevant to the sector. 25% weren't sure. Some believed that HEFCE branding of the Index was important. Some felt that the sector shouldn't 'reinvent the wheel'. Two participants commented on the EcoCampus project but were either holding out on the final verdict or did not see any duplication. One HEI mentioned using the Global Reporting Initiative (GRI) but not as a benchmarking tool.
High profile of BITC and Indices will influence board to continue participation	The majority (79%) agreed that BITC and the Indices held some influence over their board. Many believe that HEFCE has more influence. In a few cases there was no real board involvement in the project.
Enough support was provided by BITC and online guidance notes	All participants agreed that they received enough support in completing the survey from BITC staff and the online guidance notes. However, many suggested that sector-specific guidelines would be most helpful.
Adequate opportunity to network with other universities	Half of the participants did not experience adequate opportunities to network. A quarter did not or could not make the dates set for workshops. Some felt there was too short notice of the event, and consequently with numbers down opportunities to network were further reduced for attendees.
Index helped prioritise areas to work on and develop action plans	Over 80% felt the Index process helped them to prioritise and develop action plans. Comments suggested that results were used in planning decisions. Others stated that the process should be viewed longer term.
Index helped identify significant issues/impacts & future risks	67% of participants agreed that the Index helped identify issues. 33% disagreed. Many HEIs had already identified their key risks and had processes in place. For some the Index process confirmed their key risks.
Index helped identify eco-efficiency opportunities	The majority of participants agreed with this statement, although 33% disagreed. Feedback indicated that eco-efficiencies had often already been identified.
The workshops/surgeries helped to understand project and Index process	25% of participants did not attend workshops or surgeries, either because they joined the project too late, or they were unavailable on the day, or felt there was too little notice given. 21% said workshops did not help - mainly because they did not attend. 54% said they benefited from the experience.
Index has aided discovery of knowledge/initiatives/data previously unaware of	84% of HEIs agreed with this statement. Comments suggest that the Index process drew attention to pockets of good practice and other initiatives within their institution, it brought people together from across departments, and in one case, identified a group of people already collecting similar data.
Index process has encouraged integration of thinking among more than one department	The majority agreed with this statement and believed it was one of the most satisfying achievements of the project. For others, 25%, it is early days and plans are in place to set up a cross-departmental sustainability group (or similar) to integrate the Index process more thoroughly.

7 LESSONS LEARNT

7.1 Raising awareness in the Vice Chancellor's office

Although a letter was sent to the Vice Chancellor of each HEI in England from HEFCE explaining the project and inviting Institutions to take part, it often got lost 'along the way' or was not delegated on to the appropriate person. This is not surprising given the deluge of information that passes into the Vice Chancellor's office. In most cases, when contacted, PA's were extremely good at following up and the strike rate was high for those HEIs that were contacted. It was, however, impossible, to 'cold call' all institutions, track down the right person and initiate project recruitment. If the project was to continue it would help to further increase the profile of the project. The launch of this report, its dissemination and publicity will help raise awareness.

7.2 Raising awareness and project recruitment at 'practitioner' level

The EAUC provided a good avenue to promote the project, raise awareness, and was a good source of recruitment. BITC account managers could have been a more useful source of recruitment than was taken advantage of. If recruitment had started earlier, the BITC project manager could have spent more time liaising with the BITC regions and formalising a recruitment strategy with them.

July and August was not an ideal time to contact HEIs. This was holiday time for universities and colleges. Although the campus continues to run, and Estates, Facilities and Environment teams are on site, staff numbers tended to be down and reaching the right person was sometimes difficult.

7.3 Workshops and networking

This was the biggest 'missed opportunity' of the project and could definitely be improved upon in the future. Due to a mixture of project constraints,

not enough forewarning given to participants, the unavailability of participants, and the late arrival of some participants to the project, attendance rates at workshops were down. This reduced the opportunities for networking. In future, a 'buddy' programme would be recommended to back up workshops.

7.4 Sector-specific guidance notes

There was an interpretation challenge for some, with language in the Index surveys that was considered too 'corporate'. Sector-specific guidance material would be desirable to support HEIs for future sector benchmarking. A 'Curriculum' based option in the Performance and Impact section of the Indices would highlight the contribution to society that HEIs can make through their teaching and research.

7.5 Managing expectations

Forty-nine institutions were engaged to the point of either requesting an 'information pack', attending an 'engagement' meeting, participating in an introductory workshop, or even 'signing-up' to the project and commencing the Index process. Of these 'engaged' HEIs, twenty-five (51%) actually succeeded in completing their Index submission. The 'non-participants' are mostly waiting in the wings. The 50% 'strike rate' is not surprising and closely mirrors that of the Business Indices - especially in the early stages. It is generally agreed that the first time round is the hardest and from that point the first step on the path has been taken. Year on year improvement then becomes a priority for initiated Index participants.

For the CR Index there were at least ten very interested HEIs, however only five completed their submission. As with the Business Index it sometimes takes a few years to get to the right position to make an Index submission.

7.6 Time taken to complete Index survey submissions

From a participant's point of view, finding or making the time to prepare an Index submission can be the most challenging element. Most participants had a number of different projects ongoing, or were having to find time on top of their general day-to-day busy schedules. This had a knock-on effect for managing the project. The project team decided it was more important to 'hand hold' participants and ensure their final submission than to stick strictly to the deadline. As a result, time for the submission review process

and final report writing was encroached upon. Once again, this is something familiar to the National Business Index team.

7.7 Project management processes with HEFCE

If a phase three is going to take place the project team should make more effort to involve HEFCE. For example, there was a significant increase in participants when HEFCE wrote to Vice Chancellors. A representative from HEFCE on the project team would be ideal.

8 CONCLUSIONS

This project's objective was 'testing the appropriateness of BITC's Environment Index and CR Index for the HE sector'. We conclude that, in general, the benchmarking tools developed by BITC are appropriate for the HE sector. It is clear that the HE sector as a whole is in the early stages of strategically and systematically managing their environmental and social impacts. Compared to the Business Index scores, the HE sector sits between 20 and 40 percentage points below, across both the Environment and CR Index.

The six Yorkshire & Humber HEIs involved for up to 7 years in this benchmarking are leading the way in the Environment Index and their average scores are generally more on a level with the Business Index scores. This shows that HEIs, given the opportunity for repeated benchmarking and performance improvement, will reach the standards that many businesses have attained.

Institutional feedback concluded that all participants benefited from taking part in the project. All participants are motivated to continue with benchmarking their environment and social activities should they have the opportunity. The majority of participants felt their involvement in the project has raised board level awareness of their activities and improved relationships with colleagues in different departments where issues were crosscutting. According to one HEI, "The Index provides a holistic view of the institution and highlights how all departments interrelate and need to collaborate to improve environmental performance". There was a view amongst participants that HEFCE should be leading the way by endorsing the Indices and supporting institutional work in this field.

9 RECOMMENDATIONS FOR THE FUTURE

This report recommends the continuation of the HE Benchmarking Project, as it exists: administered by BITC, led by HEFCE, with the backing of the EAUC. Project progress must be tracked to ensure the programme is advancing as expected. Agreed key performance indicators should be in place to measure this progress, such as participation rates and Index performance rates. ‘Lessons learnt’ from the project thus far should be recognised, such as improving networking opportunities, and providing HE sector-specific guidance notes.

In the longer term, consideration should be made to the Indices being made public. This would encourage the participating HEIs to be “pro-active” by using their participation as a differentiator in publications used to promote their respective Institution’s to key stakeholders - including local communities and students. An exit plan should also be developed to ensure the programme’s success as a self-sustaining activity. Consultation with project partners, participants and HEFCE will be paramount to the continued success and evolution of the HE sector benchmarking journey that we have already begun.



Universities that Count