

BUILDING BLOCKS OF PUBLIC ENGAGEMENT

Post-Meeting Report 2013 Annual Meeting & 40th Anniversary

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20 40TH ANNIVERSARY GALA

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WESTAC member meetings are in-camera to encourage open dialogue and information-sharing among Members and guest speakers. The opinions in this report are drawn from the presentations and discussions. They do not necessarily reflect the opinions of WESTAC, its Members or report authors Lisa Baratta and Jennifer Perih.



WESTAC ANNUAL MEETING APRIL 23 & 24, 2013

WESTAC Members identified public opposition as an issue of importance to the future of the transportation industry. It seems no matter where one turns, there is public opposition and angst regarding projects of all types and transportation is no different.

To better prepare the industry to handle this, WESTAC brought in a series of leading experts in the fields of public perception, public engagement, planning and consultation, and addressing social issues. These areas are the building blocks of any robust engagement process and each piece is a necessary component. The meeting aimed to help Members think about issues both as leaders in transportation and as members of their respective communities. This report is a result of two days of learning and commitment as an industry to better understand the Canadian public and how we are going to authentically and effectively engage to ensure a prosperous future for Canada.

Above is a word cloud created from the contents of this report. The larger the word, the more relevant it is to the topic. This is designed to crystallize the picture and help frame the contents of this report.

"If you aren't listening to them, they aren't listening to you."

Stephani Roy McCallum



THE CANADIAN **MINDSET**

The foundation of any engagement and consultation process is a solid understanding of what truly matters to stakeholders. As a building block, research and public opinion provide guidance on the best way forward. Understanding the mindset of constituents helps organizations better engage and make meaningful impact in the community.

To set the tone for the meeting, Darrell Bricker (Ipsos Global Public Affairs), a leading expert on public opinions, delivered a thought-provoking presentation on what influences the Canadian mindset. He stressed the importance of having good information, stating that "making assumptions leads to stereotypes which can lead to very bad decisions."

DEMOGRAPHIC FORCES SHAPING THE CANADIAN MINDSET

- Highest population growth of G-8 nations
- Fertility rate below replacement levels
- Increasing life expectancy, especially for women
- Number of seniors will outnumber children by 2015
- 80% of Canadians live in an urban setting



Darrell Bricker shares insights from his book The Big Shift

INFLUENCERS OF PUBLIC OPINION

Technology: extremely high level of internet use (almost 80% of Canadians have used the internet in the last month; 61% in Europe; 33% world average).

Cultural diversity: immigration has increased and the places immigrants come from have changed (top 3 sources of immigrants are now the Philippines, India and China (formerly U.K., U.S. and the West Indies).

Immigrant settlement: immigrants represent 25% of urban area population (about 50% in Vancouver and Toronto) but only 6% in rural areas.

Education: level of educational attainment of Canadians has increased. The result is that given the access to information and data available from the internet and given such higher levels of education, people will find a way to engage with your organization.

WHAT CANADIANS CARE ABOUT

Ipsos surveys show that health care, unemployment & jobs, and taxes are the top three issues that worry Canadians. Surprisingly, threats against the environment were ranked eighth (16% of population). People are still concerned about the environment but the level of concern has diminished in the past few years. Clean air and water are the most worrisome aspects of the environment for Canadians, not global warming and climate change.

The Canadian public has quite positive views of the transportation industry – they view the industry as being important and safe. Mr. Bricker highlighted that now is the time for industry to engage the public – when

Public believes seaports and rail systems are being run as safely as possible



"When people have information, access to the internet and an education they will use it - you don't want them using it against you." Darrell Bricker

National	26%
BC	15%
AB	19%
SK/MB	23%
ON	27%
QC	33%
ATL	23%

trust levels are so high. He emphasized that the public views safety as critical to all transportation initiatives. It is important for the industry to demonstrate to the public that it is operating safely and that appropriate plans are in place to manage any crisis.

- 80% believe that transporting goods (by sea and by rail) will be a more important part of the economy in the future
- 83% trust that the seaport system is being run as safely as possible
- 86% trust that the rail system is being run as safely as possible

14% 😗 63% 65% 19% 4% 59% 19% 5% 66% 19% 🧏 64% 10% 3% 60% 14% 3½ 64% 14% 19



Strongly Agree Somewhat Agree Somewhat Disagree Strongly Disagree



PUBLIC ENGAGEMENT 101

Two experts, Stephani Roy McCallum (Dialogue Partners) and Laureen Whyte (On Common Ground) spoke about the specifics of public engagement. There is excellent insight and value in the details that they provided on how to engage the public on controversial projects and in the examples of lessons learned. The risk of community opposition inherent in large projects is reduced by effective public engagement.

ELEMENTS OF A MEANINGFUL PUBLIC ENGAGEMENT PROCESS

- Multi-way process focused on an outcome or decision. Public engagement is about having a conversation about a project or a decision – before a decision is made.
- 2. Open, transparent & accountable. Put it all on the table: what you are talking about – the good, the bad, and the ugly; the constraints, limitations, budgets, scope of conversation; who is involved and who is not; what is not on the table (and why).
- **3. Clear purpose and focus**. Determine in advance the purpose of the engagement process. The spectrum of public participation ranges from informing, consulting or involving to collaborating or empowering. Each of these options gives the public a different level of input and control.
- 4. Focus on what people, including you, want to talk about and what matters. Give people the opportunity to talk about the issues they want to talk about, even if the issues are not related to the project. People need an opportunity to be heard.



"Good engagement takes commitment, courage and time."

Stephani Roy McCallum

- 5. Embrace emotion. If there is controversy over your project, you need to deal with people's emotions first before giving them the facts. Otherwise, you will incite a further emotional response. Removing emotion leads to increased polarization, opposition, and adversarial positions.
- 6. Inclusivity. Process should hear from all parties who are interested or affected, not just people closest in vicinity to the project or those who speak the loudest. Recognize that people are choosing to not engage with your organization primarily because it is inconvenient for them, not because they trust you to make the right decision. Engage with people from diverse communities: immigrants, First Nations, single mothers, etc. Work to get all views out on the table.

- 7. Builds understanding / informed participation. The goal is to have a conversation at the value level, to discuss what people value and not just talk about positions. Ask more of people – don't just ask people to 'blue sky' scenarios; have deeper conversations and ask people to consider views of other stakeholders in the conversation.
- 8. A journey, not an event. When planning a largescale project, the public engagement process should begin when you start planning and end when you make your decision. Public engagement does not happen in one meeting, it takes time and commitment.
- 9. Open to change, possibility and influence. Just because people told your organization something, doesn't mean you have to do what they say. However, the opportunity must truly exist for their voices to influence the decision.
- **10. Support constructive participation**. Support constructive participation by ensuring that everyone's voice is heard. This may mean holding separate sessions for vocal opponents so that others do not feel intimidated.

TOP 6 TRIGGERS FOR EMOTIONAL REACTION

- **1.** Unresponsive process
- **2.** Untrustworthy source
- **3.** Something being 'done' to them
- 4. Coercion
- 5. Fear/dread
- **6.** Someone will benefit but not them

A good engagement process must deal with emotion.

BEST PRACTICES

Speak at a personal level – avoid speaking in billions of dollars and thousands of jobs. Be specific – how many jobs in individual communities, how many kilometres of road in each community.

Be truthful – don't say "this is the only way, route, option" and then revise it years later.

Engage media early on – consider including them as a participant in the process.

Use social media as a tool to gather intelligence rather than as a tool for meaningful public engagement.

Engage each subgroup of people differently; use separate processes to gather disparate voices.

Engage people in their native-language.

Understand that immigrants come from diverse countries and not all immigrants will have the same values to diffuse emotion. Give people the chance to vent and speak about how they have been impacted so far.

Communicate your public engagement strategy to the public – let them know the timelines, update them regularly on the process (even if there is nothing new to report).

Build capacity within your own organization to have relationships with external stakeholders; don't always rely on external consultants.

Recognize that there is always the potential to build trust, regardless of how bad the relationship has been in the past.

Consider providing funding to community stakeholders to enable them to hire their own experts and consultants; this is more cost-effective than a project re-design at a later stage.

SOCIAL LICENSE TO OPERATE

One purpose of public engagement is to obtain a social license to operate. This is a type of relationship with stakeholders which involves engagement and collaboration rather than mere consultation. The social license to operate is a subjective concept, not a piece of paper. It is based on who your stakeholders are and what they think of you.

The social license to operate has to be earned, then maintained – it is never permanent. It is ultimately an expression of the quality of the relationship between an organization and its local community.

Achieving a social license requires the community to first recognize your project as having social legitimacy, followed then by credibility (of the project and your organization) and finally trust.

Some organizations mistake:

- Community acceptance for approval
- Cooperation for trust
- Technical credibility with social credibility

Ms. Whyte urged Members to strive to go beyond merely meeting regulatory requirements for project approval and to take a consultative and collaborative approach with stakeholders from the get-go. Obtaining a social license requires earning and maintaining social credibility. The time spent early on building relationships and listening to stakeholders will ultimately save time



Laureen Whyte

and reduce the risk of a project not going ahead. She encouraged project proponents to address social risk at the assessment stage of a project rather than waiting until the development stage. Early environmental and social feasibility studies can uncover roadblocks that will require additional due diligence at the initial stage.

For example, the Thompson Creek Metals Company began consulting with community stakeholders as soon as it acquired the Mount Milligan property with plans to create a copper-gold mine. The company's sustainability, environment, community, health and safety policies provided a solid foundation. From the outset of the project, Thompson Creek Metals focused

TRUST MATTERS

The biggest shift in western democracies with respect to engagement processes is trust. The public's trust level with governments and large corporations is at its lowest level since the 1930s. People now come together to oppose things because they don't trust government and big business to make the right decisions.

Trust has three key components: caring, commitment and capability. Emotion is critical to trust. How your stakeholders feel about you impacts the level of trust. If they believe in you, if they have a relationship with you, even if they don't like your final decision, the likelihood is higher that they will trust you.

TRANSPORTATION PROJECTS ARE DIFFICULT

In comparison to discrete projects, such as building a new mine, transportation projects are often long, linear projects that cross multiple communities. It is more difficult for transportation project proponents to identify the appropriate stakeholders to engage with. It is also more difficult for communities to see the benefit of a particular project to them.

on building relationships with community stakeholders and First Nations. The company encouraged a collaborative approach, integrating engagement activity outcomes into the mine planning and design process. Even after regulatory approval was granted, community consultations continue and the relationships built are intended to last for the life of the mine.

"First Nations and communities increasingly want to participate in decisions that affect them. Proponents can enhance social license and sustainable futures by managing the quality of their relationships with stakeholders rather than the narrow transactional process alone."

Laureen Whyte

A SUCCESS STORY: MACKENZIE VALLEY HIGHWAY

In 2012, the Northwest Territories' Department of Transportation won a silver award from The Institute of Public Administration of Canada for its First Nations' process. The Northwest Territories process recognizes that early involvement of stakeholders is critical to effective engagement.

Through Memoranda of Understanding and Contribution Agreements, the Government established partnerships with First Nations and other organizations to lead, develop, and manage Project Description Reports for sections of the proposed Mackenzie Valley Highway within their regions. Communities selected their own project management structure; established contracting and payment processes for environmental and engineering consultants; and set their own consultation methodology and schedule.



COMMUNITY PLANNING

Choices and Consequences

Former Toronto City planner Paul Bedford has years of experience connecting with the public and planning effective, livable cities. WESTAC Members, Prince Rupert Mayor Jack Mussallem and Metro Vancouver Vice-Chair Raymond Louie, have decades of collective experience dealing with the interfaces between community and transportation planning. We asked these three to share their wisdom with Members to stimulate thinking about improving connections between the industry and government to better manage our future.

FIVE MAIN AREAS WHERE FRUSTRATION AND **OPPOSITION OCCUR**

- 1. It is difficult for big-picture thinking and long-term planning to coexist with permit-by-permit application processes and developer agendas. Both pieces are critical to a healthy, vibrant city.
- 2. Understanding and accepting change is not easy. Cities need to put forth different solutions and ideas to address real-life problems.
- 3. Combatting misinformation and uninformed opinions is a challenge. Without having the true facts presented in a simple format and context, people often react with emotional intensity.
- 4. The illusion of community consultation is a problem. People do not feel their voices matter and become disengaged from the process and their city.
- 5. Public trust is low and accountability lacking. People are cynical about the ability of leaders to manage resources and are frustrated when there is no one taking responsibility for mistakes and outlining clear paths forward.



L-R: Paul Bedford, Raymond Louie, Mayor Jack Mussallem, Tim Heney and Jonathan Whitworth

BUILDING BLOCKS FOR THE TRANSPORTATION PLAN



Paul Bedford used this slide to exemplify the many transportation planning strategies that are low-cost solutions (green circles). Unfortunately, the public focus is often on the two capital intensive projects (red circles) – new roads and new rapid transit – and discussions around these projects are highly politicized and polarized. It takes brave political and bureaucratic leadership to advance policy-oriented strategies to solve some of the problems in community transportation planning.



STRATEGIES FOR WINNING THE HEARTS AND MINDS OF THE COMMUNITY

Connect the big picture to daily life, showing how choices relate back to the individual. Residents can see the consequences of action or inaction.

For example, in Toronto, congestion is a major issue with 70% of people opposed to more congestion, but only 40% willing to pay to reduce congestion. To highlight this issue, a campaign coined "What would you do with 32?" helped connect people to the issue personally and demonstrated the value of time. An average of 32 minutes commute time could be saved with congestion reduction methods. The campaign made the connection with what average citizens would do their extra 32 minutes. It also brought businesses and citizens together to have real conversations about finding appropriate funding tools to address congestion and regional transportation priorities.

Be focused and clear. Spell out the details and make the connections. Do not "gloss over" or attempt to hide any details and encourage adult conversations about real choices.



Rebuild public trust and transform city planning. Engage citizens about the future of the city and their lifestyle. Diffuse arguments as all parties work together to find the best solution. Politicians find it easier to support initiatives that are backed up and thoroughly understood by constituents.

Re-invest in the public realm, transit, sidewalks, parks, and hospitals. If you don't re-invest you might never get back on track. Be creative about finding ways to do this – but understand that nothing is ever free.

Increase buy-in by respecting history and public wisdom. People are connected to their cities and neighbourhoods and have valuable advice if polarizing arguments are reduced. City leaders can learn from these sources in mutually respectful environments.

Develop and communicate strong beliefs and a vision. As a leader, your largest asset is your vision and what it can deliver. Through vision and strong beliefs that infuse every decision, success is likely.

Realize that everything ends up being about quality of life and relates back to time, money and health. The role of government is to provide people the opportunity to make life choices to suit their individual needs.

Encourage ongoing dialogue; it is one of the only ways to successfully move from an existing position to a new one and to have changes embraced over time.

Jeffrey Simpson of the Globe & Mail commented on issues of particular interest to the transportation industry:

- Investments in infrastructure are considerable. The Federal Government has made significant investments in infrastructure since 2007 and a good portion of the \$53B infrastructure plan announced in the recent Budget will go to transportation projects.
- 2. Free Trade negotiations are progressing slowly. Canada will ultimately conclude a free trade agreement with Europe but the likelihood of getting agreements with India, China, Korea, Japan, and Thailand is up in the air.
- **3.** U.S. relations are strained. Americans are pre-occupied with finances and terrorist threats and don't consider the impact of their policies on Canada. An example is the recent Homeland Security proposal to charge a fee for people entering the U.S. at land-border crossings.
- **4.** Economic growth is slowing across Canada. Result is: fiscal deficits, trade deficits and current account deficits.
- North American energy picture is shifting tectonically. Canada can no longer assume that Americans will buy every barrel of oil or gigajoule of natural gas we produce.

THIS IS SHARED VALUE. THIS IS TRANSPORTATION.

Maersk has created a new market for their services while improving the rate of return for domestic banana growers.

"Food for thought: **Maersk Line goes bananas**. A recent study on the Indian banana trade, taught us that refrigerated containers can support smallholder growers in getting their bananas to foreign markets at a higher value than they can achieve domestically and at much lower waste level."

Source and for more information: http://www.maerskline.com/link/?page=news&path=/news/story_page/12/Maersk_banana

CREATING SHARED VALUE

Moving Beyond Goodwill to Good Business

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Justin Bakule, Executive Director of the Shared Value Initiative, from the Boston-based nonprofit consulting firm, FSG, shared a new way of thinking about addressing social problems. The Shared Value Initiative is in its infancy but is putting forth exciting ideas to shift traditional corporate thinking.

"Shared value companies recognize that there are tremendous opportunities for innovation and growth in tackling social problems as core business objectives." FSG, 2013

Business today is in a tough position. It seems no matter which way industry turns, something is going wrong and somebody is angry about it. In the transportation industry, there is a tendency to see the industry as already providing value through its core function and leave it at that. Transportation brings food to families, wood to builders, medicine to hospitals and provides good jobs for many people. Unfortunately, in today's world, the tremendous natural social benefits of the transportation system are no longer keeping the critics at bay.

Even worse, business is often seen not only as not contributing positively to society, but it is now taking away from society. Public opinion seems to have shifted from understanding how and why business works to seeing many businesses as a netnegative. This is a major problem and traditional corporate communication methods of public relations, corporate social responsibility and philanthropy no longer resonate.

In an increasingly connected world, there is tremendous awareness of social issues and injustices; the public overall is much more engaged in both local and international issues. Business is lumped in as part of the problem (if not the source) and trust in corporations is at an all-time low.

WHAT IS SHARED VALUE?

Shared value is a relatively new concept put forth by Michael Porter and Mark Kramer and fully explained in the February 2011 *Harvard Business Review* article, "The Big Idea Creating Shared Value." It proposes that offers the theory that good business practices can solve social problems and therefore right the relationship between corporations and citizens. In a time when social challenges are seemingly endless and trust in big business and even government is diving to all-time lows, Porter and Kramer suggest a fundamental shift of the interfaces between business and society. Capitalism is seen, in some ways, as the antithesis of social justice and meeting the higher-purpose needs of human beings. Shared value proposes shift in the way society and capitalism interact, to begin solving social problems through capitalist ventures.

In many ways, business is the best vehicle for the large-scale change required to advance social issues in a meaningful, worldwide context. In an interconnected world, we need to look at the entire world as one large community and society. We have to find ways to fix problems on a worldwide scale. It will not be enough to continue to advance only the First World.



Shared Value is:

Policies and practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates

Shared Value is NOT:

- Sharing the value already created (philanthropy)
- Personal values
- Regulatory compliance

Historically, it has been the ventures of those trying to gain-more, make-more, take-more that has moved a society forward in leaps and bounds. The agricultural revolution, the age of imperialism, the scientific and industrial revolutions and many other, smaller-scale game changers were put into place because of an opportunity to do more. This is a gross generalization, but if this same spirit were applied and it was socially acceptable to seek profit while fixing social problems, the advancements and opportunities are endless.

DIFFERENCE BETWEEN SHARED VALUE AND CORPORATE SOCIAL RESPONSIBILITY – EVOLVING RESPONSIBILITY

Corporate social responsibility (CSR) itself is a relatively new concept. Over the years, we have seen an evolving perspective on corporate thinking about social problems. Firms have moved from ignoring problems and minimizing responsibility, to identifying a problem and trying to increase positive feelings about the organization (without addressing the problem), to adding cost to fix a problem. As Mr. Bakule said, it's been an evolution from "it is not a problem" to "it is a problem" to "let's solve the problem" and ideally if shared value takes root, "it is an opportunity" to fix the problem.

Most corporations today are trying to solve problems by being socially responsible and having some level of CSR function. However, CSR is often viewed as a parasite, as a cost-centre and a drain on resources, not a generator of revenue. It is not an integral part of a business and doesn't get the C-level respect needed to make meaningful change. Shared value is a core function of the business and if done properly, it will turn a profit for the company.

"SHARED VALUE IS CREATED WHEN BOTH SOCIAL AND BUSINESS ISSUES ARE ADDRESSED, CONNECTING A COMPANY'S SUCCESS WITH ITS SOCIAL PROGRESS"

Justin Bakule

HOW DOES A COMPANY CREATE SHARED VALUE?

Reconceiving products and markets. By encouraging companies to look at products through a lens of "is this good for our customers?" will change the products and markets for goods and services. One example is food companies shifting to sourcing foods with a focus on nutrition versus on taste and size only. Business also has a powerful and effective mechanism to encourage customers to embrace these products and services – marketing. The dedicated resources and mechanisms within the marketing function, far surpass anything a government or nonprofit organization could do to create change within the marketplace.

For a company, the starting point for creating this kind of shared value is to identify all the societal needs, benefits, and harms that are or could be embodied in the firm's products. Ongoing exploration of societal needs will lead companies to discover new opportunities for differentiation and repositioning in traditional markets, and to recognize the potential of new markets previously overlooked. [Porter & Kramer, 2011]

Redefining productivity in the value chain. Companies should look holistically at value chains as part of the greater social system and avoid passing residual costs onto society. Viewing a value chain on a pure-cost basis may not create the most value for the company or its community stakeholders. Redefined productivity goes

"Corporate Social Responsibility (CSR) is defined as the voluntary activities undertaken by a company to operate in an economic, social and environmentally sustainable manner."

International Trade Canada

beyond searching solely for cost-savings. The theory assesses the social problems intersecting a value chain and develops proactive approaches to address those issues. Simultaneously, this creates new financial opportunities and competitive advantages. Reducing a social cost can improve a company's bottom line.

For example, eliminating excess packaging can lessen stress on landfills, reduce fuel consumption and create more cargo space. Similarly, switching to energyefficient vehicles can reduce emissions for society and fuel cost for the company. This "redefining of productivity" has endless possibilities: health and safety, environmental performance, workforce retention, and the way companies source raw materials and distribute products.

A deeper understanding of productivity and a growing awareness of the fallacy of short-term cost reductions (which often actually lower productivity or make it unsustainable) are giving rise to new approaches in energy use and logistics, resource use, procurement, distribution, employee productivity and location. Re-imagining value chains from the perspective of shared value will offer significant new ways to innovate and unlock new economic value that most business have missed. (Porter & Kramer, 2011)

Building up supportive clusters at the company's

locations. To be successful, companies need supporting industries, academic and standards institutions, suppliers, etc. By enabling the development of strong supportive clusters, physically near an industry, all parties stand to benefit. This has been seen in the Silicon Valley and other areas around the world. These clusters boost productivity and collaboration leading to innovative solutions. Additionally, the local community is easily able to correlate the value of the cluster and its associated businesses to the success of the community and their personal experience. To support cluster development in the communities in which they operate, companies need to identify gaps and deficiencies in areas such as logistics, suppliers, distribution channels, training, market organization and educational institutions. Then, the task is to focus on the weaknesses that represent the greatest constraints to the company's own productivity and growth, and distinguish those areas that the company is best equipped to influence directly from those in which collaboration is more costeffective. (Porter & Kramer, 2011)

HOW CAN THE TRANSPORTATION INDUSTRY CREATE SHARED VALUE?

The B2B nature of the transportation industry makes creating shared value particularly challenging. Transportation is often not consumer-facing, but it is community-facing and the challenges are very similar. Perhaps there are ways to partner with other organizations and with government to solve issues that benefit all parties. There are commonalities and intersections where business can be pre-competitive on social issues.

How do we identify these intersections? How do we move forward the innovations and ideas that can really change the discourse for the better? Is it worthwhile to continue this dialogue? If so, how and where do we open the collaborative channels and where do we create the space for this?

6 BARRIERS TO CREATING SHARED VALUE

- **1.** Short-term focus of markets
- **2.** Inability to subscribe to a higher purpose
- **3.** Competition over collaboration
- **4.** Unproductive ideological assumptions
- **5.** Culture of penalizing vs. incenting
- **6.** Lack of cross-discipline respect

WHAT'S HOLDING US BACK?

A shift of this nature requires some major changes to traditional ways of doing business. Advocates of shared value argue that the short-term focus of markets, and therefore of companies, reduces the ability of senior leadership to think long-term and make brave changes for long-term gain and profit stability.

Shifting in this way goes beyond adhering to ethics and the law. It is about subscribing to a higher-purpose that benefits all parties. There will be no quick wins and collaboration will be a necessary component. Companies that are often competitors will have to come together to make a real impact, therefore losing their sole claim as the "knight in shining armour" in that system or community.

"The principle of shared value creation cuts across the traditional divide between the responsibilities of business and those of government or civil society. From society's perspective, it does not matter what types of organizations created the value. What matters is that benefits are delivered."

Porter & Kramer, 2011

Governments and nonprofit organizations will be forced to change their thinking too. Many societal problems are looked at through an ideological lens. The tendency to promote social benefit, over any other type of benefit, polarizes the situation. To move forward the ideological assumption that a corporation cannot mutually benefit from fixing a societal problem must be removed. Governments should encourage innovations and competitiveness that prepares companies to meet regulations, rather than focusing on penalizing companies as an enforcement technique. Cross-discipline respect is a necessity to creating shared value within a business. The traditional career path to the top of a multi-national corporation doesn't involve much understanding of social or environmental issues and the traditional career path to the top of the social sector doesn't involve many courses in economics or strategy. The boardroom and the executive suites will need to open up and bring in different disciplines to find these solutions and deliver on higher-purpose goals. Business schools are beginning to see the value in broadening the perspectives of future managers and leaders graduating every year.

HOW CAN ALL PARTIES TRULY BENEFIT? IT SEEMS LIKE MAKING A PROFIT OFF A SOCIAL ISSUE WILL CAUSE A FIRESTORM.

One strategy that will help companies counter such a backlash is authentic external communication. Ensure that accountability and honesty is the basis of all communications. If a company owns the problems within its value chain in the first place, criticism and negative impacts can be reduced.



Justin Bakule



FORWARD-THINKING QUESTIONS ABOUT SHARED VALUE AND TRANSPORTATION...

- How do we transition into understanding that being the "backbone of the economy" is not sufficient anymore?
- How does the transportation industry become more accountable, and therefore authentic, in its dealings with the public? We are all responsible for the product we move – moving is as bad as mining... deal with it. Don't push problems down the supply chain to find accountability somewhere, somehow.
- How can we reframe the conversation and take the lead in bringing corporations and society back together?
- How do we actually build trust and can we do so while making money?

"Shared value offers corporations the opportunity to utilize their skills, resources, and management capability to lead social progress in ways that even the best-intentioned governmental and social sector organizations can rarely match. In the process, businesses can earn the respect of society again."

Porter & Kramer, 2011

Citations and for further information:

Porter & Kramer, "The Big Idea Creating Shared Value," *Harvard Business Review*, February 2011. *The FSG Shared Value Approach Site*. FSG website, 2013. Web. 23 May. 2013. http://www.fsg.org/OurApproach/SharedValue.aspx

MARK YOUR CALENDAR

WESTAC SEMI-ANNUAL MEETING NOVEMBER 6 & 7, 2013 WESTIN BAYSHORE HOTEL VANCOUVER, BC



40TH ANNIVERSARY GALA



Ruth Sol and Kevin Doyle celebrate a collective 60+ years of service to WESTAC



Jeffrey Simpson, Hon. Ric McIver, Saskatoon Mayor Donald Atchison



Ted Nieman, Hon. Don McMorris, Hon. David Ramsay



Bruce Hodgson, Tim Heney, Hilary Goldenberg, John Kepes, Tom Trizpit



Norm Rinne, Michele Taylor, Paul McLaughlin, Dr. Alan Humphries



Peter Higginbottom, Mike Croza, Chris Woodward



Andy Smith, Lisa Aitken, Scott Rudderham, Kendra Kuse, Steve Whitney



Audi & Rob Penny, Jim Titsworth, Lionel Labelle, Gerald Linden



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