



mch

Corporate Social Responsibility Report

2012-13

www.mchpositiveimpact.com

**increasing your organisation's positive impact through staff
development and management consultancy support.**

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Registered in England and Wales no. 54455273



About *mch*

mch is a staff development and management consultancy firm that assists charities, not-for-profits and social enterprises to increase their positive impact. We assist clients to:

- Clarify their overarching vision and mission
- Develop strategic and business plans
- Ensure they have the right number of people with the right skills to achieve their vision
- Foster an appropriate culture
- Develop routes to financial sustainability
- Evaluate their work and conduct feasibility studies

Located in Freshford, South West England, we have clients throughout the UK and overseas.

Previous clients have ranged from large not-for-profit organisations, with a turnover in the millions, to social enterprise start-ups that have yet to generate any income. Furthermore, we have assisted trusts to improve the effectiveness of their donations. Consequently, we have an excellent working knowledge of the sector from both a donor and a recipient perspective.

About this report

This Corporate Social Responsibility (CSR) report is intended for those with an interest in our approach to social responsibility. It describes how we try to manage our CSR responsibilities as an integral part of our business.

CSR involves operating a business in a manner that meets the ethical, legal, commercial and public expectations that society has of business. It also provides a framework to ensure that a company's economic activity and development is sustainable.

Within the context of CSR, we monitor our client, supplier, employee, community and environmental impact using key performance indicators. Where possible, these indicators are compared with external benchmarks so our performance can be directly compared.

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Highlights

Within the context of CSR, we monitor our environmental impact, client, supplier and employee relations and our community involvement.

Environmental Impact

- *mch* produced an estimated 8,171kg of carbon dioxide per employee, although 7,062kg (the amount due to air travel) was off-set, leading to a net value of 1,109kg.
 - Analysis of the Financial Services sector (the closest comparable sector for which data could be found) shows average carbon dioxide emissions per employee of 4,976kg, although with off-sets the average falls to 1,333kg
- A key initiative used to reduce our environmental impact involved using public transport as much as possible
 - 81% of *mch*'s journeys were conducted by public transport (train or bus)

Stakeholders

- 100% of clients were very satisfied with our services
- 100% of supplier invoices were paid on time
- 114 hours per employee were invested in staff development

Community Involvement

- The equivalent of 2.9% of pre-tax profits were donated to charitable causes*
 - This compares with a figure of 0.25% of pre-tax profits for the top 300 UK organisations for charitable giving (by amount).
- Each employee volunteered 12 hours of their work time to community activities
 - This compares with an average of 12 hours per employee for organisations with a volunteering scheme

*This figure is an estimate as *mch*'s accounts for 2012-13 were not finalised when this report was produced.



Business Description

Our Vision, Mission and Values

mch's vision is:

'To increase the positive impact of charities, not-for-profits and social enterprises.'

We aim to achieve this vision through our mission, which is:

'To assist clients with discrete management and leadership issues and to develop genuine relationships so clients benefit from our advice on an ongoing basis.'

mch has three core values:

Quality

We take pride in our work and are proud of the standards we maintain. A consequence of this value is that we only take on work when we believe we have the expertise and time to do an outstanding job.

Integrity

In our view, integrity involves being true to oneself and to the client. In this respect, we only take on work if we believe it can make a sustained, lasting and distinctive improvement to the client.

Balance

We are mindful of the fact that our consultants and client members have a life outside work. Consequently, we endeavour to operate in a way which allows individuals to balance the needs and rewards of family, friends, hobbies, volunteering, individual time and work.

Through our vision, mission and values, we endeavour to bring the best of *mch* to clients and demonstrate a genuine care and concern for both the organisation and its people. We maintain this concern even when we are not actively working with them.



Structure

mch was founded by Dr Mark Hughes in 2005. Mark is currently our sole full-time consultant, although we have associate arrangements with other consultants and trainers. *mch* is a private company limited by shares. There are currently only two shareholders, Mark Hughes and his wife Sophie. *mch* is registered in England and Wales as M.C. Hughes Consulting Limited and its registration number is 5455273.

Clients

We work exclusively with charities, not-for-profits and social enterprises (The Third Sector). We work across the whole spectrum of Third Sector areas and indicative clients include:

- A support organisation for fundraisers
- An international development charity that primarily works with children in India
- A health related social enterprise
- A coaching and mentoring charity
- A charity working with those impacted by hearing loss

Corporate Governance

Corporate governance is designed to ensure we meet our legal and strategic responsibilities. From a legal and financial liability perspective, insurance has been taken out to cover the following issues: professional indemnity and public liability.

Regulatory Compliance

mch has complied with all relevant legislation under the Companies Act 2007. It has also paid all PAYE, National Insurance and other taxes due.

Investments

mch's company pension scheme represents its only current investment. Bromige Limited, an independent financial advisory which specialises in ethical investments, was contracted to identify the most suitable socially responsible pension fund. A fund was duly chosen which only invests in companies which have a commitment to a truly sustainable society.

Managing Our Environmental Impact

Key Performance Indicators and Benchmarks

Carbon Dioxide Emissions

Carbon dioxide is emitted into the atmosphere by all main forms of transportation and in the production of goods and services. There is general consensus that increased carbon dioxide emissions are responsible for global warming and that global warming is harmful to the environmental and social well-being of the planet. (1)

- *mch* produced an estimated 8,171kg of carbon dioxide/employee during 2012/13 before offset measures were applied. After offset measures were applied, this figure was reduced to 1,109kg
 - Analysis of the Financial Services sector (the closest comparable sector for which data could be found) shows an average of 4,976kg of carbon dioxide/employee/year although with off-sets the average falls to 1,333kg (2)

Existing Initiatives to Reduce Environmental Impact

We have developed a number of initiatives to reduce our carbon dioxide emissions and thus our environmental impact. These include:

- Use of public transport
 - 81% of *mch*'s journeys were conducted by public transport (bus or train). Proportionately, public transport produces far less carbon dioxide than car or air travel.
- Maximising travel by bicycle or on foot and minimising taxi usage
 - In addition to using public transport, journeys between the station and the final destinations are almost always conducted on foot or by bicycle - in 2012/13, *mch* took only four taxi journeys in relation to its work (out of a total of 118 journeys).
- Off-setting carbon dioxide emissions due to air travel
 - While air travel is sometimes unavoidable or the most practical means of travel, it contributes a significant amount to carbon dioxide emissions. Consequently, *mch* offsets all its carbon dioxide emissions due to air travel. In practice this means that *mch* makes a payment to an organisation which invests the money in either initiatives to reduce carbon dioxide (e.g. forestation) or investment in carbon neutral energy projects.
- Minimising the number of supply deliveries
 - For supplies that were delivered to *mch*'s offices, attempts were made to reduce the number of deliveries by purchasing multiple products within each order.
- Maximising paper usage
 - *mch* uses both sides of a page for its draft documents.
- Using utilities only when needed
 - The lights, computers and printers in *mch*'s offices are switched off upon finishing work.
- Sustainable resources and recycling
 - *mch* uses paper from sustainable sources for its working documents.
 - *mch* recycles non-confidential documents, its printer cartridges and old mobile phones. Recycling the latter also raises money for charity.

Measures which Allow for Quantitative Comparisons with Previous Years

Key Performance Indicator	2012/13	2011/12	2010/11	2009/10	2008/9	2007/8
Carbon Dioxide Emissions	8,171 kg – Off set to 1,109kg	1,577 kg – Off set to 1,303kg	810 kg – Off set to 578kg	2,156 kg – Off set to 1,156kg	626 kg	1,741kg

Initiative	Output/Practice	2012/13	2011/12	2010/11	2009/10	2008/9	2007/8
Using public transport	% of travel by train or bus (by mileage)	24%	71%	80%	86%	98%	64%
Using public transport	% of travel by train or bus (by number of journeys)	81%	Not recorded	Not recorded	Not recorded	Not recorded	Not recorded
Minimising the number of remote supply orders	# of supplies per batch when purchased remotely	3.4	3.0	1.6	3.0	3.2	4.2

Key Performance Indicators and Utilisation

Travel accounts for the majority of *mch*'s carbon dioxide emissions and the amount of travel conducted is largely driven by the amount of work conducted. In consulting and staff development, workload is generally measured by employee utilisation. Utilisation is simply the number of hours of client work conducted, divided by the total number of hours the employee works. Such an adjustment leads to the following results:

Performance Indicator	2012/13	2011/12	2010/11	2009/10	2008/9	2007/8
Utilisation	53%	32%	40%	47%	26%	65%
Emissions due to office	141 kg	229 kg	156 kg	190 kg	175 kg	159 kg
Emissions due to travel after off-setting for plane travel	968 kg	1,074 kg	422 kg	966 kg	451 kg	1581 kg
Travel emissions per unit of utilisation after off sets	18.1 kg	33.1 kg	10.7 kg	22.8 kg	17.6 kg	24.2 kg

Comments Relating to Environmental Impact

The percentage of *mch*'s travel by train or bus (by mileage) dropped dramatically to 24%. Such a drop was almost entirely due to *mch*'s Director taking a return flight from London to Australia. This trip was to allow him to take part in a volunteering opportunity. Several flights were also taken to both The Republic of Ireland and Northern Ireland for work purposes. In *mch*'s view, this illustrates both the impact of air travel on the environment and the increasingly international nature of *mch*'s work.

It is important to stress that *mch*'s travel policies remain unchanged and that public transport is used whenever it is possible, practical and economical. To illustrate this point, *mch* has added a new measure to indicate our use of public transport, relative to the total number of journeys taken. This year's figure shows that 81% of our journeys were by public transport.

Environmental Initiative for 2013/14

mch aims to become a 'carbon neutral' company in 2013/14, by off-setting all its recorded carbon emissions, not just emissions due to air travel.

Employees

Overview

mch recognises that the quality of service we provide to our clients is directly linked to the skills, motivation and experience of our employees. This is why training and personal development is a key strategic priority. In addition to their skills and qualifications, we also believe that employees with high energy and enthusiasm deliver better results. Consequently, we try to operate a flexible and genuine balance between an employee’s work and the rest of their life.

Existing Initiatives to Retain Great Staff

We have developed a number of initiatives designed to retain staff. These include:

- Allowing flexible working
- Compensating for weekend working
- Providing ample opportunities for personal and professional development

Key Performance Indicator and Benchmarks

Training and Personal Development

- The total amount of training and personal development over the last year = 114 hours/employee
 - This compares favourably with the statistic that only 60% of small businesses had arranged or delivered any staff training during the course of a year (3). It also compares well with the 50 best companies to work for in the UK. They averaged 60 hours/employee of formal training (4).

Measures which Allow for Quantitative Comparisons with Previous Years

Initiative	Benchmark	2012/13	2011/12	2010/11	2009/10	2008/9	2007/8
Devote time to development	60 hours/employee	114 hours/employee	227 hours/employee	122 hours/employee	90 hours/employee	190 hours/employee	72 hours/employee

Clients

Overview

As part of our CSR, we measure client satisfaction with our work, together with their views on how well *mch* performed in relation to certain competencies. To encourage clients to be completely candid, feedback can be given anonymously and several clients are asked for feedback at the same time. Where appropriate, feedback is requested from a cross-section of client staff.

Key Performance Indicators

Customer Satisfaction for 2012/13

- 100% of clients were very satisfied with our work

Specific Competencies for 2012/13

- 100% of clients either strongly agreed or agreed that *mch* was quick to understand their organisation and the issues associated with the work
- 100% of clients thought that *mch* was good value for money

Given the relatively small number of clients *mch* works with each year, the correspondingly low number of client responses means that a single response can have a dramatic impact on the above percentages. Consequently, we believe that overarching client satisfaction for all clients since *mch* was founded in 2005, is the most meaningful and reliable indicator.

- Since 2005, 96% of clients have been satisfied or very satisfied with our work, 4% of clients have been neutral and no clients have been dissatisfied or very dissatisfied

No external benchmarks were able to be obtained.

Suppliers

Key Performance Indicators

Ensuring suppliers know the importance of their own CSR in retaining *mch*'s custom

- To date, our bank, pension fund, mobile phone company and utility provider have been informed as to the importance of their CSR performance in retaining *mch*'s custom.

Respecting the financial needs of suppliers

- Nine invoices were issued to *mch* in 2012/13 (the rest of payments were made either by direct debit or at point of sale). The average time between *mch* receiving an invoice and the resulting funds leaving our account was 12 days. None of the invoices were paid late (after 30 days).

No external benchmarks for either performance indicator could be found.

Community Involvement

mch supports a range of community groups, both through donations and the involvement of our employee.

Corporate Donations

mch has donated money to a number of charities. These include:

- Bristol Community Family Trust (which aims to prevent family breakdown through relationship education and mentoring)
- The Guidepost Trust (which provides services to people with dementia, mental health problems and learning disabilities)
- Barnardo's
- Comic Relief

Key Performance Indicators and Benchmarks

Value of Donations

- We donated £330 to charity this year, which equates to an estimated 2.9% of pre-tax profits*
- This compares favourably with average UK company donations of 0.25% of pre-tax profits (5)

Comparisons with Previous Years

	2012/13	2011/12	2010/11	2009/10	2008/9	2007/8
Total Financial Donations (£)	330	230	185	219	300	276

*This figure is an estimate as *mch*'s accounts for 2012-13 were not finalised when this report was produced

Volunteering

Overview

mch realises that donating time can be more valuable than money. Consequently, we have volunteered our time to a wide range of projects. This year the bulk of our volunteering time was spent mentoring and advising senior managers within the sector.

Key Performance Indicator and Benchmarks

Company time spent volunteering

- mch gave 12 community hours per employee over the last 12 months
 - This compares with data which suggests that only 39% of people currently volunteer formally at least once over a 12 month period. (6)

Comparisons with Previous Years

Volunteering	2012/13	2011/12	2010/11	2009/10	2008/9	2007/8
Number of hours given	12	29	13	90	7.85	23.75

References

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