



# REBUILDING TRUST IN BUSINESS: DLA PIPER'S RECOMMENDATIONS

In 2011, DLA Piper embarked upon an in-depth research programme to shed light on the precarious state of trust in order to help our clients, and the wider business community, better understand the issues and play their part in rebuilding trust in business.

From the culmination of three research projects, and an academic study, what follows are the firm's suggested recommendations for helping to rebuild trust in business, mindful of the current political, economic and societal climate in which the results of our five year Trust project are presented.

## UNDERTAKE A BESPOKE "TRUST IN BUSINESS" AUDIT

In order to assess your own business, we recommend that you seek independent advice on developing and undertaking a bespoke "Trust in Business" audit.

The audit, drawing on our report's recommendations, could include the following questions:

- Who are our networks, how material are they and how are they interlinked with each other?
- Do we invest adequately in stakeholder dialogue/engagement?
- How can we improve our ability to listen to and assimilate a diverse set of views?
- Does our corporate narrative clearly and effectively articulate our values?
- Are we adequately informed about how social norms and societal expectations of business are changing?
- Are our corporate values and purpose in line with stakeholder expectations?
- How do our corporate behaviour and social responsibility activities reflect these values?
  - Do they align with our core purpose?
  - Are they embedded and reflected in the business' day to day activities and culture?
  - Are they benefitting the local communities in which the business operates?
- How can we take greater account of how our behaviour will be perceived by the public, investors, regulators and commentators, in the light of what we know about norms?
- Do personal behaviours of our board and senior management reflect the values of the business?



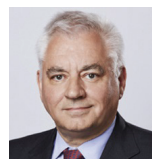
Having developed and conducted an independent audit, your business will be in a better informed position to adopt best practice and take a leading role by:

- **Engaging in and maintaining an effective dialogue with your stakeholders:** shareholders, employees, customers, suppliers and the general public nationally and locally
- **Increasing stakeholder participation within your corporate structure**
- **Generating new thinking on ways of engaging with likeminded organisations** – e.g. Business in the Community, NGOs, pressure groups, consumer advocacy groups, think tanks – to create wider, more iterative stakeholder forums, driven by a commitment to deliver clearly identified societal benefits
- **Publishing a new ‘values and purpose’ statement,** summing up the business’s ethical position (with shareholder endorsement), including your position on corporate tax, executive pay and a commitment to paying a living (as opposed to minimum) wage throughout the business and its suppliers: some may also see the value of an annually published self-appraisal
- **Developing new thinking and action on CSR activity,** focusing on delivering measurable benefits to the local communities in which your business is rooted, through partnerships and sponsorships with schools, further education colleges, universities, prisons, sports and the voluntary sector: active and committed localism should be the goal
- **Communicating all the good things your business does** – e.g. working with schools; employing young ex-offenders; encouraging greater access and social mobility; delivering benefits in local communities; specific projects with young people (including skills training and apprenticeship schemes); partnerships with the voluntary sector. Too much good work by companies is left unexplained and unsung or is obscured by pro forma, copy and paste disclosures that can actually have a negative impact
- **Combining with other peer group businesses to press the case for a new method of third party certification of ‘Trust in Business’ standards,** with a view to the creation of a widely accepted and supported scheme and kite mark of equal prestige and credibility to ‘Investors in People’ (business organisations like the CBI and the IOD could be helpful here)

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