



BRITISH RETAIL CONSORTIUM

Collaboration Guidebook

*Initiating, building and managing
collaborations for long-term success*

Created for the British Retail Consortium
by Forum for the Future
November 2014

Foreword

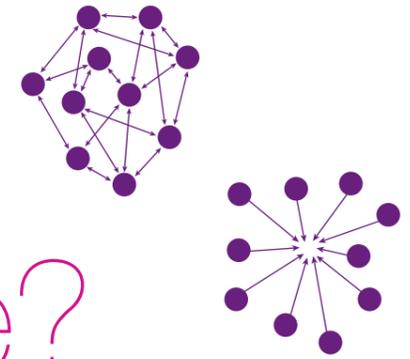
In 2013, the British Retail Consortium organised a series of roundtable discussions with experts from across the UK to consider the wider impact of the retail industry and its operations, reflecting on the roles and responsibilities of retailers in supply chains as well as society as a whole. Discussions were centred on the challenges facing retailers in a global market where relative power and influence is on the decline. A summary of these discussions is available in the report, Great Expectations: www.brc.org.uk/ePublications/Great_Expectations/index.html.

Collaborating was identified as an approach that was becoming increasingly important as a means to help retailers deal with complex issues and to source products and commodities more efficiently. Although there are a number of successful collaborations in operation today, two potential barriers to further collaboration are cultural and legal considerations which could be limiting wider uptake across companies and countries. To encourage greater participation, we asked Forum for the Future to share their insight and experience from convening collaborations and to highlight key factors and strategies for success.

To address some of the legal concerns, the BRC commissioned research from competition lawyers to better understand these issues, an excerpt of which is included in this document. A summary of the advice, Great Expectations: Legal Considerations of Collaborative Initiatives and Competition Law, will be made available to BRC members.

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Why collaborate?



Collaboration is rapidly emerging as an essential part of doing successful business. From facing rising resource costs, concerns about financial shocks, disruption in supply chains, changing consumption patterns, emerging new business models – and the urgent need to reduce the impacts on the environment – businesses are having to learn to navigate a rapidly changing context. These pressures call for significant innovation and re-imagining of how to operate for long-term viability. Because many challenges are driven by multiple factors and are systemic in nature, they can't be resolved by any single organisation. More and more, businesses are turning to collaboration to address problems too complex to deal with on their own.

Competition is not fast enough, or nearly far-reaching enough, for the kind of transformations we need to make. These systemic shifts need collaboration.

Collaboration – two or more organisations working together to address common problems or develop opportunities – has the potential to create far-reaching change for long-term sustainability. While competition may drive aspects of innovation, it can't work at the pace and scale we need. Indeed, most of the major global challenges we face – from addressing climate change to resource scarcity – can only be resolved through international bodies, national governments, businesses, NGOs, communities and individuals all working together.

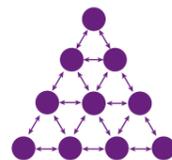
Identifying areas ripe for collaboration

Doing this well, however, takes skill. It can involve significant investment of time, energy and resource. And as is becoming increasingly clear (for example in the recent IPCC report) a huge amount – nothing less than our global future – depends upon successful collaboration.

“If you want to go fast, go alone; if you want to go further, go together” – African Proverb

The good news is that collaboration is do-able. At Forum for the Future, we have been convening and delivering pre-competitive multi-stakeholder collaborations for several years; projects include both global initiatives (such as the Sustainable Shipping Initiative and Tea 2030) and ones based in the UK (such as Dairy 2020). We have also worked directly with other collaborative bodies, including the Sustainable Apparel Coalition, the Rainforest Alliance and the Forest Stewardship Council, advising on strategy. Designing and delivering our own collaborative initiatives, and acting as an expert advisor to others, has given us rich insights into the ingredients for successful collaborations, as well as detailed understanding of how to deliver real outcomes.

The purpose of this guide is to share lessons learned across multiple initiatives to offer organisations guidance and insight into how to collaborate successfully to create change. In particular, it is designed to support organisations in the larger process of what at Forum we call System Innovation – a proactive approach to shift a system, from a sector to a supply chain, onto a more sustainable path. We hope this will encourage and support businesses in working with others towards a sustainable and prosperous future.



If the change you want to create extends beyond the boundaries of your organisation, a shift in your operating context will be required. This will make a collaborative approach necessary.

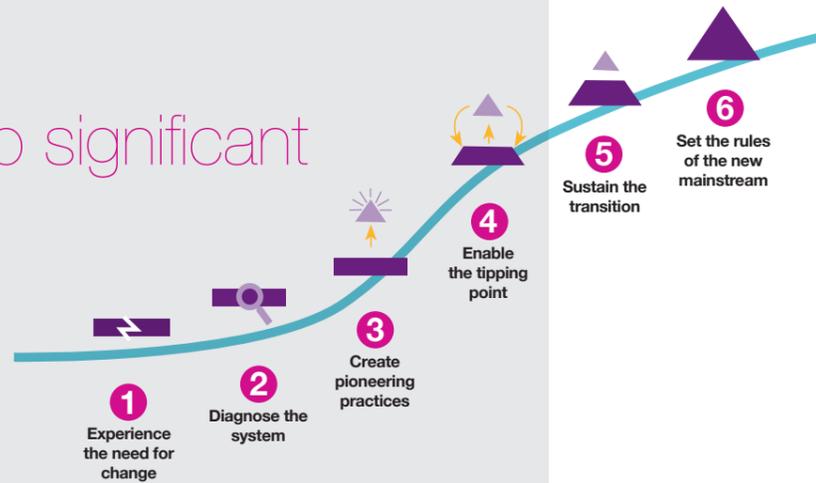
Areas where an organisation might be hitting the boundaries of what it can resolve on its own can include social, economic or environmental issues within the supply chain, as well as legal restrictions, market mechanisms or resource constraints.

For example, organisations might come together to look for ways of reducing levels of toxic emissions in the supply chain of apparel, or to set standards for the sustainable sourcing of fish. The more urgent the issue is, the more scope there can be for collaboration.

The key can be finding a burning issue where you can get players from across the system to sit down together and work on it – especially the power players who have the greatest potential for influence.

By coming together, organisations can combine their insights, resources, creativity and collective leverage to create significant levels of change in critical areas. The process, however, takes time. It can seem slow, complex and unfamiliar. Taking an idea and turning it into an actual project needs passion, commitment and some investment – but the achievements can be significant.

Steps to significant change



It's important to build any process for creating change on an understanding of how change happens. Forum for the Future's 'six steps to significant change' model provides a relatively simple framework for those trying to create an impact in a given system. **A system can be an organisation, a sector, an industry – something with a set of parts and interrelationships that work together for a specific purpose, like the food system.**

The six steps are:

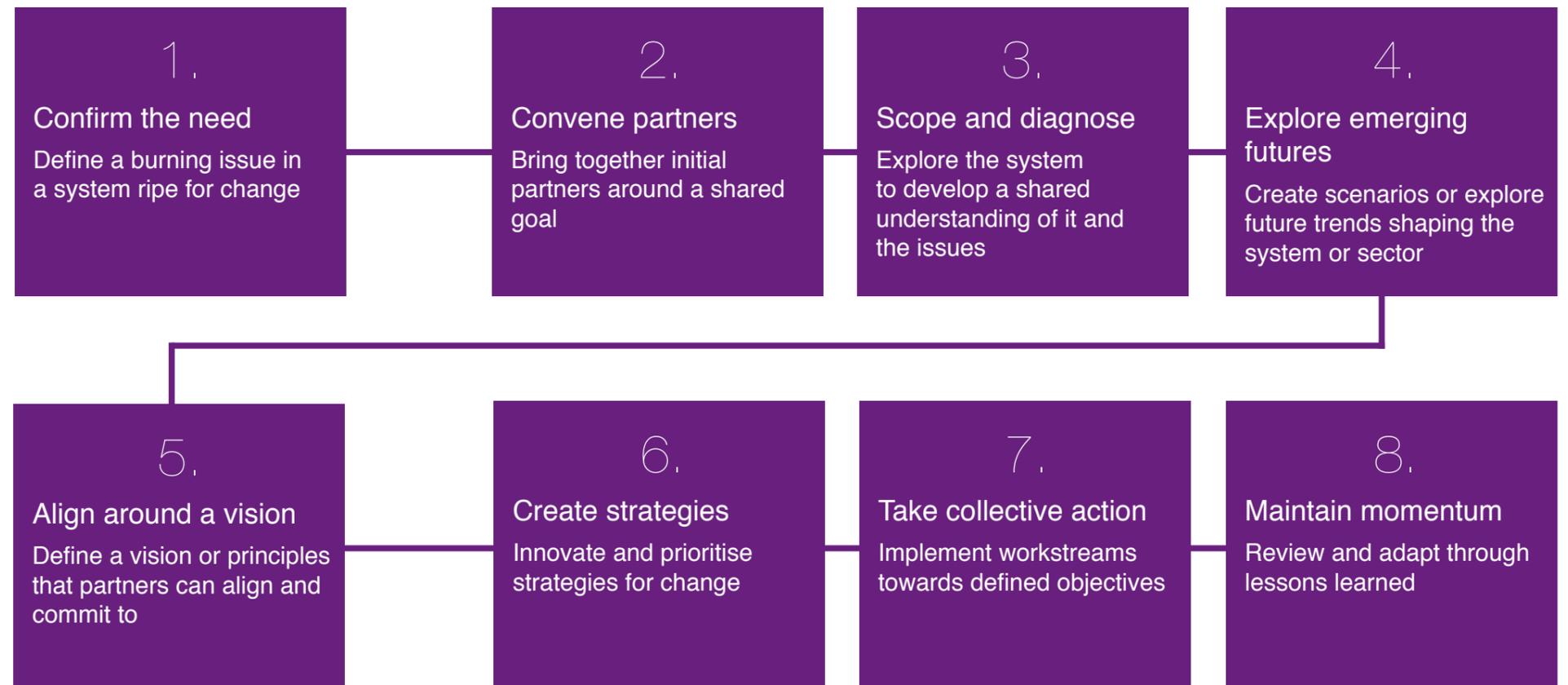
- 1 Experiencing and understanding the need for change is necessary to start the process. This includes raising awareness of the challenges a system faces and needs to address.
- 2 Then we move into the innovation phase, where you need to diagnose the system to understand what needs to change and where the best pressure points might be.
- 3 Creating pioneering practice is about developing new and better ways of doing things. This will involve multiple ideas, some of which have the potential to become the new mainstream.
- 4 Enabling the tipping point is where things are able to start to scale; ideas that are proven to work are taken up more widely by mainstream players and increasing numbers of people and organisations get involved. This step is often the hardest to make happen, but is critical for achieving a long-lasting impact.
- 5 The final two stages – sustaining the transition to maintain momentum, and;
- 6 Setting new rules for the mainstream – are about embedding and spreading the change that has been created. This commonly happens through widespread sign-up to voluntary commitments, new consumer standards or regulation.

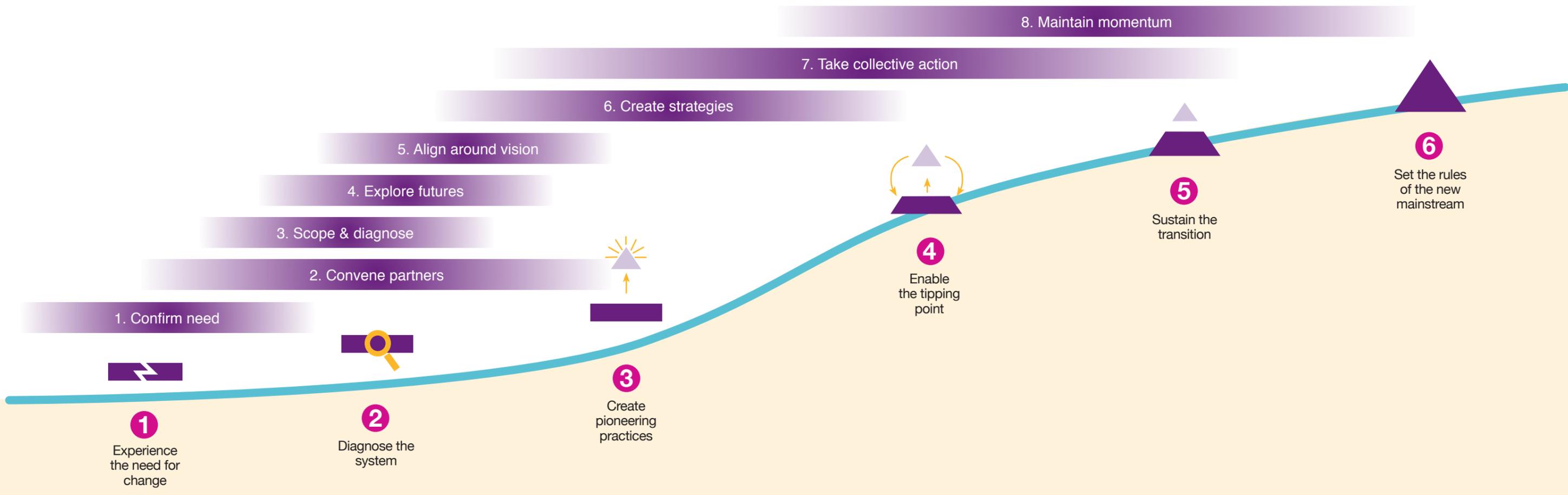
Collaboration is needed in each stage, from understanding the issues through to innovating and implementing the change. Here we explore the process of collaboration, which runs throughout this change model.

The process of collaboration

How do you move from identifying an area that's ripe for joined-up action to creating collaboration for change?

While there are different types of collaboration, depending on the nature of the issue or system and the type and number of stakeholders involved, the overall process usually follows a similar series of steps. Bear in mind that change is not linear, and it may be necessary to re-visit parts of the process.





In more detail

1. Confirm the need

Identify an issue that you and others have the need and incentive to change. This might be a tricky issue in the supply chain, overcoming a barrier to implementing a more sustainable business model, or a market opportunity that needs a joined-up approach to realise. Whatever the issue, confirm that it matters enough to other organisations to work on addressing it with you.

2. Convene partners

Build a consortium of anchor partners who are committed to working together and have the influence to create change. This stage may take some time, and many exploratory conversations, before there is enough momentum to form the initial group. This group carries the commitment and vision of the change you want to create together, and works, where needed, to convene a wider forum.

3. Scope and diagnose

Define the scope of your work, the need that you want to meet. Look to understand the context you're operating in, the opportunities and challenges – use methods like interviews, desk research, workshops with stakeholders, learning journeys or systems mapping. Diagnose the system together and build up a shared picture of what's happening and the nature of the challenges you face. Be clear about your boundaries and assumptions at this stage.

4. Explore emerging futures

Bring people together to think into the future and out of the box; to understand the challenges and opportunities ahead and develop a shared

understanding of what needs to change. Challenge assumptions by thinking more broadly, further into the future, using techniques like horizon scanning, trends analysis, scenario planning and roadmapping.

5. Align around a vision

Build a shared vision or set of principles that embodies the change you want to create. Visions act as an inspiring and strategic anchor for people and organisations, providing them with a clear set of goals to work towards.

6. Create strategies

Brainstorm potential solutions. Start with thinking widely, then prioritise the solutions where collaborative action has the most potential to create change.

7. Take collective action

Develop parallel workstreams of action towards the shared vision. These are dedicated working groups that work out how to approach a problem or opportunity and implement action to towards a defined objective.

8. Maintain momentum

Keep learning from setbacks and coming together with the wider group to share lessons, encouragement and insights. New governance or organisational forms may be needed at this stage.

There will be many variations in the specific steps along the way, and the process is by its nature emergent. It's important to experiment, building in reflection and learning as you develop the form that best suits your project.

Models of collaboration

*“Approach collaboration with an open mind, but not with an empty mind”
– P. Walker*

Collaboration can serve many purposes and levels of ambition. Simpler approaches may involve the exchange of information or coordination; others can work towards jointly developed initiatives, products or services. The more ambitious seek to transform a sector, sub-sector or supply chain, or address key global issues. An important aspect of our definition of collaboration here is that **partners are actively working together to create significant change in systems or sectors to shift them onto a more sustainable path.**

The form of collaboration will depend on a variety of factors such as the scope of the project, the urgency and complexity of the issue, the number of stakeholders and the resources available to work with. We find most collaborations fit within the following models:

Collaboration to transform a sector, industry or supply chain: Collaborative futures

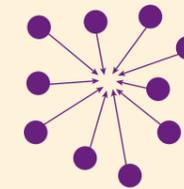


This model works across a system or sector to create multiple breakthroughs which have the potential to create significant shifts towards sustainability.

While industry faces a host of challenges, many industry-led initiatives are single-issue, can lack a holistic approach, and there is rarely a unifying view of what a sustainable industry or system could look like. This takes a joined-up response by convening decision-makers from the sector or sub-system, and through engaging in a futures process to develop a shared diagnosis and vision. They then develop platforms for working together to create and implement pioneering practice that can become mainstream.

Organisations across the entire marine sector, from ship owners and charterers, shipbuilders, engineers and service providers, banking, insurance to classification societies, as well as NGOs World Wildlife Fund and Forum for the Future came together in the Sustainable Shipping Initiative to transform the global shipping industry. The plan was for a far-reaching, ambitious programme of change. Workstreams later focused on a range of issues from finance to retrofitting. Similar industry-transforming collaborations came together around the global tea industry (Tea 2030) and the dairy industry in the UK (Dairy 2020), and more are in development.

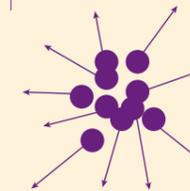
Collaboration to address a specific challenge: Problem-solving coalitions



Here a coalition of individuals or organisations sets out to tackle a particular challenge together. They identify a specific, systemic question and generate innovative responses. They select the best ideas, building detail and implementing. Scope can vary, with the focus concentrated on a specific issue or issue cluster.

The Zero Discharge of Hazardous Chemicals programme (ZDHC) was formed by a group of major apparel and footwear brands and retailers to help lead the industry towards zero discharge of hazardous chemicals by 2020. Another example, The Courtault Commitment, focuses on improving resource efficiency and reducing waste within the UK grocery sector.

Collaboration to create pioneering innovations and practices: Open innovation

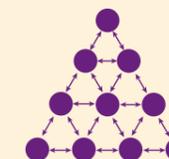


These collaborations bring together established players with emerging enterprises, ideas and innovations in new formations. They involve innovation processes and out of the box thinking to spot – and act on – opportunities in new ways.

Futurescapes is a collaborative project designed to help organisations think about the future of technology in creating a sustainable world. By imagining and building possibilities, FutureScapes helped organisations in the technology sector think about what kinds of products and services could have a place in 2025.

LAUNCH is an open innovation platform that was founded by NASA, NIKE, The U.S. Agency for International Development (USAID) and The U.S. Department of State to identify, showcase and support innovative approaches to sustainability challenges. LAUNCH aims to move beyond incremental change and make an impact at a system-wide level.

Collaboration to address barriers and build new markets and systems: Market shaping



This brings together multiple stakeholders to look at different ways of addressing barriers within the system, or to develop opportunities for bringing new products and services to market. This can include actions to create the right policy and regulatory environment for change, such as liaising with government officials in certain policy areas like energy, climate change, human rights, fisheries, etc.

In 2010, the Board of the Consumer Goods Forum (CGF) pledged to help achieve zero net deforestation by 2020 through individual company initiatives and by working collectively in partnership with governments and NGOs. They agreed to develop specific, time bound and cost effective action plans for soy, palm oil, beef, paper and board. The CGF asked companies not to source soy from production on land with High Conservation Value (HCV), and high-carbon stock. It identified three certifications that are sufficient to verify low risk of soy contributing to deforestation.

Ingredients for successful collaboration

At Forum for the Future we have an established history of convening organisations to help them tackle complex problems together. Through this we've learned some key lessons about what ingredients make for successful collaboration and without which they can flounder.

Here we describe ingredients that we have learned are most important for collaborating successfully. **Use these as a guide to thinking through your process, structures and planning for a collaborative venture.** While projects and the models they are based on will vary, we have found that all these ingredients are needed in some form to collaborate well.

Many of these ingredients may sound like common sense – and in some ways they are. But it's surprising how often really important things can get overlooked in the process of managing a project, expectations and a limited budget. Too many kick-off meetings start well, with lots of keen and motivated people, but because the purpose is not clear or the aims are not explicit, momentum falls away. Important agreements can fall short because there wasn't enough time factored in to work through and resolve the difficult issues, for people to reflect in between sessions and remember what's most important. Motivated groups doing good work can hit barriers because they didn't maintain senior level engagement.

Building the right ingredients into your collaboration isn't rocket science – but it does take skill, lots of conversations, careful listening and management.

We've clustered the ingredients in the following categories. Bear in mind that all are inter-connected and impact one another in various ways. Think systemically in the way you implement them in your project, so that each part in some way is a reflection of – and in sync with – the whole.

Purpose | Having a strong purpose that everyone understands and is aligned with is critical. Sometimes the purpose starts and continues to be clear through the project; or it can shift. Continuing to learn about the nature of the challenges informs and strengthens the group's understanding of what they're working to achieve, and why.

People & relationships | The success of any collaboration comes down to the individuals involved, and the relationships between them. Individual and group relationships need to be strong to provide an effective container for the work.

Governance & legal | Getting governance and legal aspects right is essential for providing safety and stability while navigating uncertainties and challenges.

Process & culture | The most successful initiatives pay as much attention to the collaboration process as to the programme of work. Individuals will have different needs and responses, so the process needs to be reviewed together and adjusted on an ongoing basis.

Structures & project management | These are the 'bones' of the project, which need to be strong enough to hold everything together, yet have the flexibility to adapt to shifts in process, purpose and people.

Purpose |
Clear, shared
purpose

In response to a defined problem, a clear, strong and shared purpose binds collaborators together. It motivates people to overcome their differences and keep moving through challenges. Having a shared purpose:

- ◆ provides the basis for a case for action, principles, vision or goals
- ◆ harnesses and aligns diversity within the group
- ◆ creates the ambition to motivate the group
- ◆ provides a strong framework for longer-term change.

Tip: Without a clear purpose it's hard to get going, so it's best to establish the purpose right at the start. Set the bar of ambition high – an ambitious purpose can stretch motivation and inspire people to act. Agreeing and defining it can be hard when everyone has different perspectives, but if you can align around a purpose, different ways of working towards it can be more readily understood and accepted.

In Tea 2030, to understand the need for a collaborative project in the tea sector they conducted early interviews with many organisations. What became apparent was the need to have a shared understanding in the tea sector of the sustainability challenges it was facing. This needed to be held globally and across the entire value chain from production to consumer. Finlays and Unilever, the founding partners, were committed to building a shared understanding of the challenges so they could go on to take action together.

Purpose |
Shared system
diagnosis and learning

Bringing together players from across a system or supply chain to learn about and diagnose it together builds a fuller understanding as a foundation for the work. Learning to understand the system and problem together:

- ◆ allows a better diagnosis of the challenges faced in the system
- ◆ highlights strengths, weaknesses, barriers and opportunities
- ◆ informs the vision and promotes commitment to purpose
- ◆ identifies further collaborations needed for change.

Tip: It's important to build in participants learning from one another as an on-going part of the process. The more a group understands the broader context, the more able it is to come up with solutions that are likely to work.

In the first stage of the Sustainable Shipping Initiative (SSI) the group spent some months researching and learning together about the trends that are likely to shape the future of the shipping industry. Through developing the Case for Action, members learned not only about future challenges and opportunities; they also moved from a bounded understanding of their own businesses to develop a broader common picture of the industry and how it works.

“The whole, shared understanding of the industry we built was one of the most important benefits of the process. It made it much easier to innovate, to find solutions to sustainability issues – and other questions – later on.” (SSI participant)

“We must work with all the key stakeholders to explore all the major factors that might influence and shape the future sustainability of the tea industry.” – Ron Mathison, Group MD of James Finlay Limited

People & relationships | Strong founding partners

Having strong, aligned partners provides the energy, ambition and commitment to get the project off the ground and drive it forward. Having the right partners:

- ◆ demonstrates that the project will bring value to partner organisations
- ◆ attracts further participants and builds the wider group
- ◆ empowers the group to set the bar high
- ◆ provides stability as the project grows and takes shape.

Tip: Find people in the system with a burning platform and develop the group from there. It’s crucial that partners “own” the outcomes, recruit others and communicate their commitment themselves.

At the early stages of Tea 2030, Unilever and Finlays saw the need for a collaborative project in the tea sector that took a long-term view – to understand the actions that needed to take place now to have a viable, sustainable sector in 2030. Having these as anchor partners helped the project establish the burning platform. They were actively involved in engaging and recruiting other organisations in the tea sector to join the project.

People & relationships | Diverse participation across the system

Bringing together diverse representatives from across the system or supply chain enables people to share different perspectives. This helps the group understand the system and the ways to change it. Getting the whole system into the room:

- ◆ enables understanding of the whole system and its power dynamics
- ◆ facilitates a broad sharing of expertise, information and knowledge
- ◆ having diverse perspectives helps to challenge assumptions and drive innovation.

Tip: Involve a mix of people who will bring unusual or challenging views.

Dairy 2020 brought together more than 40 organisations across the dairy supply chain, including farmers, retailers, processors, financiers, NGOs and innovators. It was the first time all those stakeholders had come together in the same room for a collaborative conversation. This made it possible to come to a level of shared understanding of the sustainability risks and opportunities facing the dairy industry as a whole.

People & relationships | Trust and personal relationships

Trust and supportive personal relationships between partners strengthens a sense of shared responsibility and enables the group to take risks together. This:

- ◆ creates a safe context to explore different perspectives
- ◆ provides the basis to innovate together
- ◆ strengthens commitment to the core purpose and to the group itself
- ◆ allows openness when discussing difficult issues.

Tip: People, culture and process co-create the dynamic of the project – they are interconnected and mutually reinforcing.

“Having a foundation of good relationships within the group meant we could speak honestly about difficult issues, have different opinions but still trust one another to support the process. I don’t think we could have got through the difficult points without that level of trust.” (SSI participant)



A recent Forum for the Future event for its Network Members: demonstrating, through participatory cooking exercises, the collaboration process and the points at which each ingredient becomes necessary.

Some guidelines for working with Competition Law

The following set of guidelines has been prepared by the British Retail Consortium to think through aspects of Competition Law through the collaboration process. Though this work is based on legal advice the BRC and Forum for the Future are not liable for consequences of its use.

Convene partners

- ◆ Review competition law and be aware of potential impact.
- ◆ Read anti-trust statement – use BRC, CGF or other statement agreed on by WG.
- ◆ Be clear that there must be no exchange of commercially sensitive information i.e. prices, volumes, promotions etc.
- ◆ Outline proposed intervention and determine whether there is sufficient rationale to justify the intervention. Are there clear benefits to consumers?

Research, scope, diagnose

Set out 'business case' for collaboration:

- ◆ **Policy:** what is underlying purpose of the intervention (e.g. security of soy supply chain, to address human rights in fisheries)?
- ◆ **Evidence base:** is there credible evidence available to support the intervention (e.g. academic/independent report)? Is evidence quantifiable and robust?
- ◆ **Impact:** what is potential impact on consumers and the supply chain if the collaboration goes forward—and what is impact if it does not? Consider economic and technical impacts, as well as broader issues relating to public goods, environmental/social benefits etc. Can these benefits be quantified? How long would it take for these benefits to be realised?

Consider potential risk of infringement:

- ◆ **Market:** Identify the market—what is type (or range) of products affected? What is geographic coverage/market share of WG participants? Who is likely to be affected? Ensure discussion does not risk exchange of commercially sensitive information.
- ◆ **Competitiveness:** What is potential impact on competitiveness among WG participants? Consider whether the intervention will prevent/restrict new players from accessing the market. Is participation in the intervention non-binding?

Explore emerging futures

Align around a vision

Create strategies

- ◆ Keep good records of all communications with the group, including minutes of meetings, and any follow-up discussions.
- ◆ Refer to ISEAL Code of Good Practice: Standard setting code.

Standard:

- ◆ Set up period for consultation and provide a timeline for setting the standard. Consider a targeted engagement for suppliers and other key stakeholders, as well as a more general invitation for public comment.
- ◆ Is standard voluntary? Is it non-exclusive and non-discriminatory? Are criteria/requirements of standard clear and publicly accessible? Could it be revised to be less prescriptive? Is it proportionate – i.e. goes no further than necessary?

Risk mitigation:

- ◆ Consider the complaints procedure in place and risks associated with intervention.
- ◆ Consider legal advice on the draft standard and/or approaching the CMA for a short form opinion.
- ◆ Refer to ISEAL Code of Good Practice: Impacts code.

Take collective action

Maintain momentum

- ◆ Monitor and evaluate impact of intervention.
- ◆ Report on standard and consider whether further action is necessary.
- ◆ Consider if further non-member participation is needed post-implementation.

People & relationships |

Senior level commitment

Engaging the senior management in member organisations of the project maintains commitment and provides opportunities for formal communication outputs. This:

- ◆ maintains alignment and ownership amongst member organisations
- ◆ supports public demonstrations of commitment externally, representing momentum
- ◆ encourages opportunities for high-level media outputs.

Tip: The convenor should have a senior level champion to build board level relationships and troubleshoot when and where needed.

The Sustainable Shipping Initiative built in senior level engagement, specifying in advance that the signatures of CEOs would be required on vision statements that would be publically communicated. This made sure SSI members kept communication strong throughout the whole process. Tea 2030 featured senior level representation at the launch, another way of engaging their attention and commitment.

Governance & legal |

Trusted governance

Clear governance, such as a steering group, provides the stability and objectivity that gives confidence to all involved. It:

- ◆ builds trust in the integrity of the project
- ◆ provides objectivity
- ◆ sends the message that the project is an independent initiative.

Tip: Different stages of the project may require different types of governance. We recommend a smaller steering group (board) plus a wider working group, and a dedicated co-ordinator (secretariat) with a project manager. Each group needs to know what they're supposed to be doing, what their function and mandate is.

The Sustainable Apparel Coalition has a board elected by membership. Tea 2030 has a central steering group supported by a secretariat and then working groups for each of the specific collaborative platforms. This enables Tea 2030 to be directed by organisations in the tea sector – a mixture of tea companies and NGOs. The working groups draw from additional organisations and people who have the expertise needed for the specific topic.

Governance & legal |

Management of competition issues

Understanding competition law (such as EU and anti-trust laws) and competition issues helps to navigate the risks associated with collaboration. This needs careful managing:

- ◆ Pre-empting issues helps to prevent road blocks later.
- ◆ Getting expertise from a lawyer can reassure anxious partners.
- ◆ Anticipating potential competition issues informs effective process design.

Tip: Avoid legal jargon; translate everything into language the group will understand. Go beyond making sure everyone understands the law – make sure the whole meeting is consistent with and held in the spirit of anti-trust law.

Make sure you have anti-trust statements, avoid references to pricing etc. Ask participants to declare conflicts of interest at the start – if in doubt, it may be safest to ask a participant to drop out of the meeting.

More detailed guidance on working with competition law is given in the table opposite.

Process & culture | People centred process

Working through processes that address human needs creates and maintains people's engagement. Valuing both individual and group process in this way ensures benefits to partners, and the ability to respond to their needs as they evolve. People centred processes help to build healthy relationships that are essential to a group's effectiveness. Such a process:

- ◆ strengthens and embeds learning
- ◆ facilitates creativity
- ◆ supports partners to remain invested throughout the process.

Tip: Change takes time – don't rush the process. Build in time for discussion and reflection; during difficult discussions giving people time to 'sleep on it' can mean the difference between giving up and getting through. Address different learning styles so everyone can be engaged in the process.

Some projects like Community Energy took roadtrips, spending a number of days travelling to see examples of positive change. Through the group's shared experiences, and exchange of reflections and stories at the end of the day, a sense of creating something together took hold and was a powerful glue throughout the process.

Process & culture | Creative, strategic tools

Using tools that challenge assumptions and open new perspectives (like using a futures lens) creates new shared understanding and leads to fresh ideas. Practicing a different way of seeing that challenges assumptions can:

- ◆ provide space for productive play and rally people together
- ◆ help the group look through a different lens and spot new possibilities
- ◆ promote a culture of creativity and innovation
- ◆ can reunite project teams from different work streams.

Tip: Creative strategic tools such as futures, systems mapping or learning journeys are particularly useful at early stages such as when creating a vision, or when the group is challenged or blocked.

Exploring scenarios of the future helped participants of FutureScapes think outside of the box. Animated videos were used to bring future scenarios to life, and live illustrators captured ideas during brainstorming so that people really had an experience of what the future might be like. This intensified and sped up the innovation process.

Process & culture | Skillful facilitation and capacity building

Experienced, skillful facilitation supports a strong process that guides the group towards the shared goal, using shared time most productively. This:

- ◆ creates a culture for contribution and cross-pollination
- ◆ aids troubleshooting which can make or break the process.
- ◆ Trust in the facilitator supports trust in the process.
- ◆ The facilitator's objectivity can encourage participation across the group.

Tip: Choose a facilitator of appropriate seniority who understands how partners think and can guide them through difficult conversations. If the facilitator is also a partner make sure it's clear which 'hat' they are wearing at all times.

“Having strong facilitation was crucial – the facilitator held the process together and inspired confidence in the group that we could get through the difficult stages – sometimes pushing where necessary – keeping us to time and on task, or knowing when we needed to step back and reflect.” (SSI participant)

Structures & management | Clear, flexible structure

A project structure with clear and flexible stages and milestones supports the group to explore and experiment, but also deliver on time and on budget. Having a broad structure that can be adapted around needs:

- ◆ provides a map to measure progress against
- ◆ sets time and budget expectations from the outset
- ◆ provides support and reassurance to navigate uncertainty
- ◆ maintains momentum, especially when facing implementation challenges.

Tip: Design structures with implementation in mind from the start, and review regularly to spot where you need to adapt and evolve them. Keep people informed: embed the following stage into the current one so everyone knows what happens next.

The Sustainable Shipping Initiative had clearly defined stages for building a case for action, agreeing and launching a vision, and initiating and managing workstreams. The completion of the case for action and vision were publically announced and celebrated. Members then embarked on the workstream phase, which had quite different structures and forms of engagement. Tea 2030 followed similar stages, though adapted to the different needs of the project. In 2014 and beyond, the SSI will continue as an independent charity to develop and trial new solutions to build a robust and profitable industry.

Structures & management | Project management plus

Success can depend on the ability of project managers to coordinate the project, manage resources and steer the group toward the overall objective. It

- ◆ sets the pace of the project and maintains momentum
- ◆ synchronises different project elements and activities
- ◆ guides the group to translate thinking into action
- ◆ allows the partners to focus on delivering their portion of the programme.

Tip: Project management involves both a project leader to build and maintain the coalition, plus a skillful administrator to manage resources, communications, and reporting so that people know what's expected of them at each stage.

Change is political, and relationships can make or break a project. Plan on around 30% of budget for project and relationship management time.

In setting up and running the Sustainable Shipping Initiative, Dairy 2020 projects and others, the project managers discovered they spent at least half of their project time developing and managing relationships. This personal / political attention to relationship was crucial in building the group, forming the purpose and holding the team together.

Structures & management | Communication

Communicating widely throughout the project helps demonstrate legitimacy, encourages exposure to external stakeholders and rallies internal commitment. This

- ◆ supports and strengthens the vision through presenting it publicly
- ◆ attracts new partners, interest and opportunities
- ◆ provides important milestones in a project that accelerates progress
- ◆ sets high expectations among stakeholders, reinforcing commitment.

Tip: See communication – from press coverage to events to social media – as a critical tool in driving the project forward, not just as a broadcast mechanism. Get members engaged in telling the story too.

The SSI, Dairy 2020, Tea 2030 and others all prioritised making statements of public commitment at stages through the process. From the case for action to the vision to the announcement of milestones along the way, the communication gave the project a reality and momentum, even before they reached the stage of producing any outputs. It helped getting members to 'own' the communication too.

Barriers and challenges

Negotiating the different perspectives to reach agreement and concerted action can seem slow and fraught with complications. Inevitably, at some points even the most motivated group can get stuck. Such points are most likely to arise:

If those new to this kind of collaboration are particularly cautious

Especially if the process involves high elements of financial or reputational risk, or brings them into conversation with organisations they may previously have considered adversaries. Patience and careful communication is required here – talk through the risks and concerns openly together. Study and learn from other collaborations – this provides inspiration and confidence that collaborations of this scale can really work.

When the group is struggling to come to an agreement

For example, when working to reach consensus on a vision all members can sign up to. Skillful facilitation, creating space for honest conversations, and time for members to step back and reflect on the larger purpose can help here. Going back to trusted relationships is also key – engage founding partners in building alignment amongst other members.

If workstreams keep hitting challenges without any quick 'wins'.

Where the group is having a hard time maintaining momentum, the role of the project manager is to provide the structures, milestones and timely reminders, which can help keep the group focused. It may also be necessary to do some more out of the box thinking – here an action learning approach using innovation tools like futures, storytelling and brainstorming can help. Re-assess the skills and capabilities that are needed, and think creatively about who you need to bring in at what time.

Examples of collaborative projects

The Sustainable Shipping Initiative



The shipping industry faces significant changes over the next 30 years. Cargos and markets are changing; fuel costs are rising and becoming less predictable. There are new challenges in global ocean governance and greater pressures on commercial customers to address sustainability concerns in their supply chains.

Shipping leaders from around the world joined forces in an ambitious coalition called the Sustainable Shipping Initiative (SSI) to help the industry be both profitable and sustainable by 2040. The cross-industry group represents ship owners and charterers, shipbuilders, engineers and service providers, banking, insurance, and classification societies, as well as NGOs World Wildlife Fund and Forum for the Future. Twenty global shipping companies are already involved, including Maersk Line, Cargill, Lloyd's Register, DNV, Wärtsilä and Namura Shipbuilding.

Actions from the SSI include publishing a case for action and collective vision for the industry, backed up by specific commitments. Its first practical outputs include a new financial model that makes finance more accessible for ship owners and charterers wishing to improve fuel efficiency.

See more on: ssi2040.org

"Our goal is to transform the global shipping industry and the wider maritime sector, establishing a new, sustainable approach as the norm." – Case for Action

The Community Energy Coalition



Community energy is a highly efficient, low-cost way of delivering clean energy and saving money, in ways that private companies are unable to offer. But some fundamental barriers are stifling progress.

Forum for the Future convened the Community Energy Coalition (CEC), which brings together more than 30 influential civil society organisations and energy practitioners, such as the National Trust, the Women's Institute, the Energy Saving Trust, National Union of Students and the Church of England. Representing millions of people across the UK, these organisations are committed to making community energy at scale a reality in the UK by 2020. The CEC played an important role in the development of the first ever Community Energy Strategy launched by DECC early in 2014.

See more on: forumforthefuture.org/ukcec

Dairy 2020



The dairy industry is under pressure from big economic, environmental and social challenges, from the impacts of climate change to skills shortages and shifting demands and expectations from consumers and businesses. Dairy 2020 brought together more than 40 organisations across the dairy supply chain, including farmers, retailers, processors, financiers, NGOs and innovators, to look for answers and an effective way forward for the industry as a whole. They worked together to create a set of possible future scenarios for UK dairy, a shared vision, and a framework with Guiding Principles for how to get there, covering issues such as working practices, innovation, skills, environmental stewardship and animal welfare.

Key industry players signed up to the vision, launched at the UK's House of Commons in 2012 – from Asda, Volac and First Milk to WWF and the NFU – and since then many of them have been busy trying to bring that vision to fruition, through a number of industry and policy developments.

See more on: forumforthefuture.org/project/dairy-2020

"I firmly believe the British dairy industry can be amongst the best in the world: the most competitive, the most productive, and the most sustainable. Dairy 2020 can help achieve this. This strategy sets out a clear vision and ambition for the future of the industry, and is a brilliant example of what can be done when an industry works together in a collaborative and positive way."
– Jim Paice MP, Minister of State for Agriculture and Food in 2012

The Sustainable Apparel Coalition



The Sustainable Apparel Coalition is working to reduce the negative environmental and social impacts of apparel and footwear products around the world. Through multi-stakeholder engagement, the Coalition seeks to lead the industry toward a shared vision of sustainability built upon a common approach for measuring and evaluating apparel and footwear product sustainability performance that will spotlight priorities for action and opportunities for technological innovation. A trade organisation comprised of brands, retailers, manufacturers, government, and non-governmental organizations and academic experts, it represents more than a third of the global apparel and footwear market.

The focus of the Sustainable Apparel Coalition is The Higg Index – a suite of assessment tools that standardises the measurement of the environmental and social impacts of apparel and footwear products across the product lifecycle and throughout the value chain.

See more on: apparelcoalition.org

Tea 2030



Tea is grown in some of the countries most vulnerable to climate change and has to cope with rapidly changing markets. It faces competition for land from other crops, and decreasing availability and higher costs of key resources such as energy and water.

Tea 2030 has drawn together the companies responsible for the majority of the world tea market, committed to forging a sustainable future for tea. The Tea 2030 partners include Ethical Tea Partnership, Fairtrade International, IDH – the Sustainable Trade Initiative, James Finlay, Rainforest Alliance, S&D Coffee and Tea, Unilever, Tata Global Beverages, Yorkshire Tea, and NGO Forum for the Future. They are supported by the International Tea Committee.

To date Tea 2030 has developed a set of challenges, and scenarios for what the future might hold for tea. It has highlighted some key principles that the tea sector needs to embrace for a sustainable future. It has also produced a set of recommendations for further work that the tea sector needs to undertake – either companies acting alone and sharing their knowledge or organisations acting together.

See more on: forumforthefuture.org/project/tea-2030

"We must work with all the key stakeholders to explore all the major factors that might influence and shape the future sustainability of the tea industry. This is why we are taking a leading role in the Future of Tea 2030, collaborating with others to achieve meaningful and lasting change, so that we are all around for the next 260 years."
– Ron Mathison, Group MD of James Finlay Limited

FutureScapes



What kinds of products and services could have a place in the near future? And how can they help enable sustainable lifestyles?

FutureScapes is a collaborative project to help organisations in the technology sector think about what kinds of products and services could have a place in 2025. In partnership with Sony, leading futurologists, social commentators and experts from across the world – and contributions from the general public – developed future technology concepts that could enable sustainable lifestyles. From the ideas that emerged they have brought a product, a place, a platform and a philosophy to life with help from their partners. In the next stage of the project they hope to build these ideas. See more on: forumforthefuture.org/project/futurescapes

"FutureScapes 2025 is not about making predictions or sharing Sony's vision of the future. It's about engaging a wide variety of people in thinking about the various opportunities and challenges the world will have in 14 years' time and how we can use technology for positive outcomes to create better and more sustainable lifestyles."
– Esther Maughan Mclachlan, Former General Manager, Sustainability, Sony Europe

The Consumer Goods Forum



Sustainability, food safety, health & wellness and end-to-end value chain and standards are key opportunities and risks facing the consumer goods industry globally.

The Consumer Goods Forum (CGF) is a global, parity-based industry network that brings together the CEOs and senior management of some 400 retailers, manufacturers, service providers, and other stakeholders across 70 countries. Its mission is to bring together consumer goods manufacturers and retailers in pursuit of business practices for efficiency and positive change across the industry benefitting shoppers, consumers and world, without impeding competition.

See more on: theconsumergoodsforum.com/about-the-forum

Zero Net Deforestation and Soy Sourcing Guidelines:

In 2010, the Board of the CGF pledged to help achieve zero net deforestation by 2020 through individual company initiatives and by working collectively in partnership with governments and NGOs. As part of this commitment, they agreed to develop specific, time bound and cost effective action plans for the following commodities: soy, palm oil, beef, paper and board.

See more on: theconsumergoodsforum.com

The Sustainability Consortium



The Sustainability Consortium® (TSC®) is an organisation of diverse global participants – over 90 members from all corners of business employing over 8.5 million people – that work collaboratively to build a scientific foundation that drives innovation to improve consumer product sustainability. Through multi-stakeholder collaboration, its mission is to design and implement credible, transparent and scalable science-based measurement and reporting systems accessible for all producers, retailers, and users of consumer products. The Sustainability Consortium is jointly administered by Arizona State University and University of Arkansas with additional operations at Wageningen University in The Netherlands and Nanjing University in China.

See more on: sustainabilityconsortium.org/who-we-are

LAUNCH



LAUNCH is an open innovation platform that was founded by NASA, NIKE, The U.S. Agency for International Development (USAID) and The U.S. Department of State to identify and foster breakthrough ideas for a more sustainable world. LAUNCH aims to move beyond incremental change and make an impact at a system-wide level.

Partners play a vital role through each phase of the LAUNCH process. From research to accelerator resources, LAUNCH looks to work with key partners who are aligned in approach and vision with their collaborative process. LAUNCH is currently focused on positively transforming the system of materials and manufacturing, which can have dramatic social, environmental and economic impacts on the world. In order to harness the innovation needed to advance this system, LAUNCH has issued a series of global challenges to address key barriers.

See more on: launch.org/about

Retail Horizons



How will technology continue to change the retail industry, including how people buy goods and services? What sorts of impacts might differing energy prices have on retail supply chains? What are the implications of resource shortages and climate change? How could geopolitical changes impact global trade and supply chains? What will the relationship be like between businesses and consumers?

These are the sort of questions that Retail Horizons – led by the Retail Industry Leaders Association (RILA) and Forum for the Future, and sponsored by Target and Unilever – seeks to answer through examining the future of retail in the US. Retail Horizons has developed four futures scenarios – each of which depict some of the potential challenges and opportunities ahead for the retail industry – and created a toolkit that companies can use to future-proof current strategies, to develop new strategies, to stimulate innovation, and to build new business models. The toolkit was launched on 30 September 2014 at the RILA Retail Sustainability Conference and is available to download for free.

See more on: forumforthefuture.org/project/retail-horizons

The Zero Discharge of Hazardous Chemicals (ZDHC) Programme



The issues around the release of toxic chemicals through the apparel supply chain are large and complex. A group of major apparel and footwear brands and retailers have made a shared commitment to help lead the industry towards zero discharge of hazardous chemicals by 2020. The Zero Discharge of Hazardous Chemicals (ZDHC) Programme includes brand members adidas Group, C&A, Esprit, G-Star Raw, H&M, Inditex, Jack Wolfskin, Levi Strauss & Co., Li Ning, M&S, New Balance Athletic Shoe, Inc., NIKE, Inc., and PUMA SE.

ZDHC's achievements include the publishing of a Joint Roadmap defining the critical path for achieving a new standard of environmental performance for the global apparel and footwear industry.

See more on: roadmaptozero.com

"To achieve the goal of systemic change and commercialisation of new, preferred alternative chemistries, we will need to transform the industry's manufacturing inputs and processes. This requires full collaboration amongst thousands of organisations."

Courtauld Commitment



The Courtauld Commitment is a voluntary agreement aimed at improving resource efficiency and reducing waste within the UK grocery sector. It was launched in 2005, and has involved 53 major brands retailers and suppliers. Its three phases worked on 1) new solutions and technologies so that less food and primary packaging ended up as household waste; 2) moving from reducing weight to reducing the carbon impact of packaging and 3) reducing food waste, retail and manufacturing waste and improve packaging design.

WRAP is responsible for the agreement and works in partnership with leading retailers, brand owners, manufacturers and suppliers who sign up and support the delivery of the targets. It is funded by Westminster, Scottish, Welsh and Northern Ireland governments in support of the UK government's policy goal of a 'zero waste economy' and climate change objectives to reduce greenhouse gas emissions.

See more on: wrap.org.uk/category/initiatives/courtauld-commitment and wrap.org.uk/node/14507

Final comments and resources

Engaging in collaborations of the kind we describe here is an emerging way of working and a new skill for many. Learning to do it well requires time, and the adoption of certain behaviours and new models of leadership.

Partnering with others in this way involves letting go of control, and the ability to navigate uncertainty. The true impact and change of collaborations often takes time to emerge, and sometimes it's the ripple effects and unintended consequences that can produce the most value. The ability to put aside assumptions, to think in systems, be open to learning from others, to feel and work from a sense of empathy – these are all not only crucial skills for collaboration. Increasingly, they are the skills required for 21st century leadership.

The role of the catalyst

Change can come from any part of the system. It can be in response to pressures from activism or from within the supply chain, or through the perception of new opportunities. Someone needs to start by asking the question 'how could we address this together?' and take initiative to begin the conversation. Businesses, NGOs, foundations, influential individuals and others can all act as catalysts in this way.

Getting a collaboration off the ground often needs not only a catalyst, but a convenor. The convenor helps to identify and gather the stakeholders, particularly those with influence who have most potential to galvanise support and exercise leverage for change. The convenor also helps to facilitate and guide the collaboration process – at least until the initiative is strong enough to go forward on its own.

Glossary

◆ **Collaboration** as we refer to it in this booklet involves two or more organisations taking action together with the serious intent to create wider change. At Forum, our main purpose for collaboration is active working together for system level change for sustainability – to transform the systems we rely on, like food and energy, to make them fit for the 21st century.

◆ **Diagnosis** is about developing a full understanding of the sort of system or sector you are dealing with, how it works – who has the influence, how change happens, where innovation is needed – as well as where the challenges and the key leverage points for change are. It also involves spotting the windows of opportunity, and brainstorming and prioritising where to focus action.

◆ **Sustainability** is the ability of a society to meet current needs without compromising the needs of future generations. It includes responsible use of natural, social, human, manufactured as well as financial capitalⁱⁱ.

◆ **System** – a system can be defined as a set of parts, and the relationships between them, that together fulfil a particular function. The human body, a city, sector or economy are all systems, interconnected with wider human and natural ecosystems. Here we are dealing with complex human systems such as waste, food or energy systems.

◆ **System Innovation** – Forum for the Future defines system innovation as a set of actions that shift a system onto a more sustainable path. It aims to address tricky problems that are too large for any one organisation, however powerful, to solve on its own. Systems change usually requires multiple interventions across different areas of society, usually involving a range of organisations and innovations.

Worksheet

What is the nature of the challenge you are trying to solve?

What type of collaboration will best suit this challenge?

What are the barriers to change? What has been done before and what can be learned from that?

Who are the key actors and influencers? Who has the power and resources?

What is the system, sector or sub-sector that needs to change?

How ripe is the system for change? What are the pressures and windows of opportunity?

Who are the other stakeholders? How are they operating and what is their motivation?

What has driven change in the past? What is driving it now?

References

ⁱ IPCC Report, November 2014

ⁱⁱ www.forumforthefuture.org/project/five-capitals/overview

Forum for the Future

Forum for the Future is an independent non-profit that works globally with business, government and other organisations to solve complex sustainability challenges.

We aim to transform the critical systems that we all depend on, such as food and energy, to make them fit for the challenges of the 21st century. We have 19 years' experience inspiring new thinking, building creative partnerships and developing practical innovations to change our world. We share what we learn from our work so that others can become more sustainable.

System innovation is at the heart of our strategy. One of our key approaches is creating innovation coalitions, bringing together groups to solve bigger sustainability challenges - including those that work across whole value chains. Another of our approaches is helping pioneering businesses go further, faster.

Discover our stories and what we've learned about building a sustainable world at www.forumforthefuture.org, and find us on Facebook and Twitter.

British Retail Consortium

The British Retail Consortium is the lead trade association for the entire retail industry. Diverse and exciting, our industry spans large multiples, independents, high streets and out of town, from online to bricks, selling goods across all sectors from clothing, footwear, food and homeware to electricals, health & beauty, jewellery and everything in between, to increasingly discerning consumers.

Our mission is to make a positive difference by advancing vibrant and consumer-focused retail. We stand for what is important to the industry and work in partnership with our members to shape debates and influence outcomes.

We work with Government to create the right conditions for growth and innovation, we champion great careers and we promote responsible retail's vital role in the community.

For more information on this document and Great Expectations, please contact: sustainability.team@brc.org.uk



BRITISH RETAIL CONSORTIUM

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