



## RESPONSIBLE BUSINESS 2009 COMPETITION

Help increase your social and environmental awareness and responsible business leadership skills...

# HP Social Investment Case Study For In Class Use

## OBJECTIVES

Participants will:

- Gain knowledge of the complexity of running a business in a socially responsible manner with the help of the case study session and the overall Responsible Business programme
- Understand how business responsibility influences consumers, business owners, and investors
- Begin asking the right questions about business and responsible business
- Find answers and enhance their decision-making skills
- Discuss the roles and responsibilities of Guest Speaker and/or business volunteer consultants
- Be prepared and confident to discuss the HP study cases

## SUGGESTED MATERIALS FOR CLASS PARTICIPANTS

- Case Study Material
- Volunteer Session Agenda
- "What does it mean to be a Responsible Business" material

## GROUND RULES

This is designed as an individual and/or participatory experience, and so business volunteer involvement is crucial to our success. He/she will establish some ground rules:

- Everyone participates
- One conversation at a time
- Eliminate side conversation
- Limit war stories (30-second time frame)
- Share your successes
- Have fun



## **COPY FOR STUDENTS**

### **Responsible Business Case Study – Social Investment**

#### **Case Situation:**

#### **Company Challenge:**

The owner of the company "Think Twice" is strongly engaged in philanthropic activities and commits "Think Twice" to invest 1% of the company's profit into social projects in developing countries where most of the company's products are produced. As the developed countries decided to invest 0.7% of their Gross National product for development aid, the owner of "Think Twice" wants to outmatch that and make his company a thought leader in CSR.

#### **Company description:**

"Think Twice" is a large IT company which produces and sells personal computers and laptops. It operates globally and has regional headquarters in New York, Paris, Tokyo and Sydney. Its production and assembly plants and those of its suppliers are based in China, Taiwan, Thailand, Mexico, Brazil, Czech Republic, Slovakia, and Northern Ireland. As "Think Twice" produces trendy, modern and environmentally sound PCs and laptops, its customer base includes large, medium and small enterprises, but especially design-conscious consumers and young people due to "Think Twice's" appealing products.

Your exercise:

You are the CSR Manager of "Think Twice" and are responsible for the company's CSR and philanthropic engagement. The company owner asked you to roll out a new social programme in which the 1% of profit should be invested. As this year's profit is 50 Million US Dollars, your budget for this new programme is 500.000 US Dollars. However, the money should not be spent by simply donating it for a good cause to charities but it should be invested in a programme that fosters economic development of disadvantaged communities.

Hence, there are certain conditions to the new social programme:

1. The programme should be strongly linked to "Think Twice's" business
2. The programme should target young people in communities where "Think Twice" does business.
3. The programme should fit into local "culture" but at the same time should have an "international" approach so that it can be applied everywhere.
4. The programme should also include measurement criteria, with which the programme success can be evaluated by the company management at the end of the business year.



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### Action items

1. Discuss in your team possible programmes that would fit the criteria given by the owner of "Think Twice"
2. Think about ways to do "market research" before designing the project
3. Create a list of activities and mention how much budget you would spend on each of them
4. Discuss how you would measure the success of the programme

### FOR VOLUNTEERS

#### Work setup:

Depending on the time available, students can either work on the exercise in small groups and set up a short presentation/ paper, or discuss the exercise in class and brainstorm together for possible solutions. Instead of asking them to come up with a solution, another option would be to pose a set of questions, which can be discussed.

- Why do you think that companies should care about their social and environmental responsibilities?

### HP Business Example

After the exercise, you can discuss with the students how HP was in a slightly similar situation a few years ago. Share this example with the students to show how HP solved the situation.

**Background:** HP planned to invest in a new social investment programme linked to its core competencies and business. The goal was to combine HP's products and capabilities in a way that underserved young people would benefit from them. In order to determine in which area HP could contribute the most, HP looked at the most burning societal needs and found that youth unemployment is a large issue around the globe. Graduates and school drop outs find it much more difficult to find jobs than adults as they lack the necessary skills to be employable. In addition, HP found out that that microenterprises – companies with 10 or less employees – are a main driver for economic growth and source for jobs.

In 2007 HP developed the Graduate Entrepreneurship Training through IT (or in short: GET-IT), a training initiative for under- or unemployed youth and graduates between the age of 16 and 25 in underserved communities in Europe, the Middle East and Africa (EMEA). The purpose of this programme is to help young people acquire business and IT skills in order to become more qualified for employment or better placed to create and run their own businesses.



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To deploy the programme locally, HP builds on existing infrastructures by teaming up with local training institutions. Trainers and coaches from the local organisations receive guidance courses in delivering the GET-IT. HP currently works with 50 different local training organisations to run the programme in 70 centres across 25 countries in EMEA. Since the launch of GET-IT in May 2007 8,750 students across EMEA attended GET-IT courses. The plan is to extend the programme to an additional 30 centers in Russia, the Middle East and Africa in 2009.

*[note: This following could be very interesting for the students in the classroom as they can also benefit from the GET-IT City]*

To spread the reach of GET-IT beyond the classroom, HP has created a web portal – [www.get-it-city.net](http://www.get-it-city.net) – where young people can log on for training and advice. The portal allows young people who don't live close to a GET-IT training centre to tap into some of the content of the GET-IT course online. It also provides a fun way to learn IT and business skills through online games and video clips and it provides them with templates for creating business material. The highlight of the portal is serious-gaming. The first game in a series of practical business games focuses on IT security challenges as studies show that IT security is a topic that young entrepreneurs want to learn more about. Players assume the role of an event manager, progressing through eight scenarios spread over two virtual 'days.' In order to win, they must effectively cope with clients and overcome a variety of IT security challenges within the time limits. In addition, HP has set up a Facebook page to encourage GET-IT students to meet other young people interested in entrepreneurship (enter GET-IT City in Facebook search to find the page).

### **Lessons learned:**

Rolling out a social investment programme needs to be done thoroughly: Every company regardless of its size, industry and business can give away cash or its products and make donations. However responsible business is also about engaging in philanthropic activities responsibly and thinking about how to best contribute to the community/society. HP's approach is to link its philanthropic investments with its core competencies and business (like training of IT and business skills) since this is where the company's expertise is.

So, think about how your company and its products can best contribute to the societal well-being.