

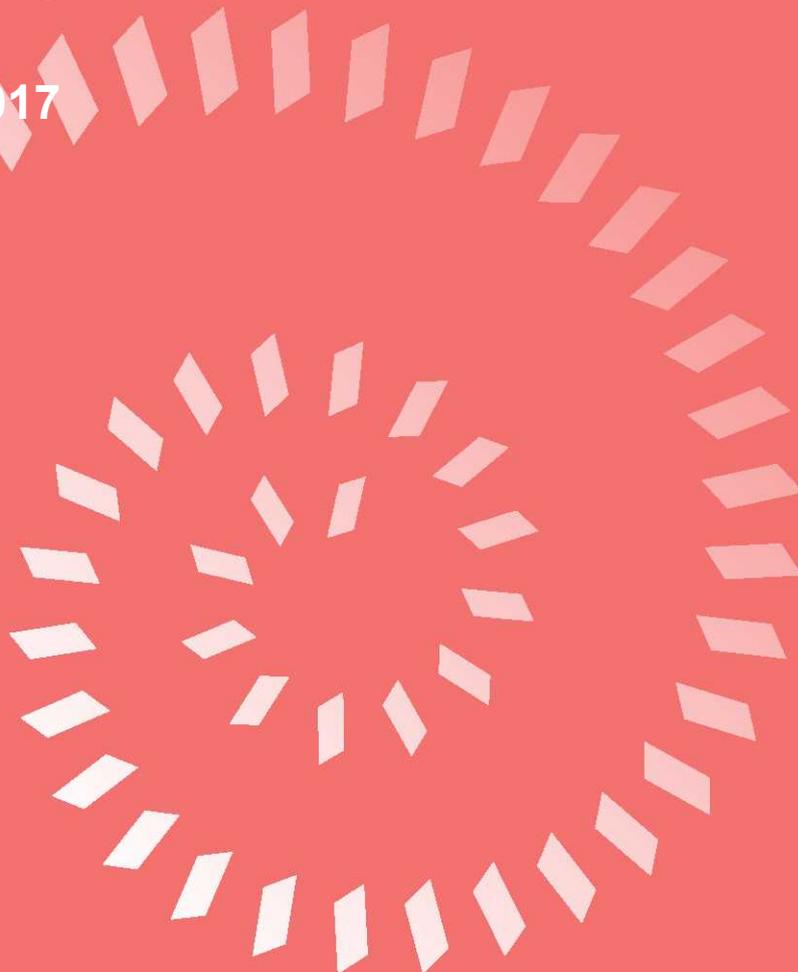
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A Blueprint for Better Business & Vodafone Group Plc: Women's Empowerment Programme

Making Business Mutual Case

May 2017



A Blueprint for Better Business & Vodafone Group Plc: Women's Empowerment Programme

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About the Making Business Mutual Case Studies

This series of case studies explores how mutual approaches to business can help companies and their partners tackle some of the most pressing global challenges. The businesses featured in this series share a commitment to objectives beyond purely financial performance, as well as a serious intent to implement mutual practices through new forms of ownership, governance, leadership, measurement and management.

In particular, these cases address the measurement of multiple forms of capital, ecosystem shaping approaches, leadership development, business education, and policy formulation through laws and regulation that promote mutual conduct. The authors appreciate the collaboration of participating companies in creating these cases.

These cases were first developed for the annual *Responsible Business Forum*, the convening event of the Mutuality in Business Project, a joint research programme between Saïd Business School, University of Oxford, and the Catalyst think tank at Mars, Incorporated. The *Responsible Business Forum* brings together global companies, MBA candidates, scholars and activists to share their experience in confronting key challenges in their ecosystems to generate financial, social and environmental value.

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Author's Note: This is a descriptive case study, based on publicly available materials as well as on the information shared by the company described. This case study is not meant to provide critical analysis of the literature or information used to develop it. All errors and omissions are the authors' own.

Case Name	A Blueprint for Better Business & Vodafone Group Plc: Women's Empowerment Programme
 	<p>Vodafone Group Plc is one of the world's leading mobile communications providers. As of 31 December 2016, Vodafone had 470 million mobile customers and 14.3 million fixed broadband customers.¹ Registered as a charity in London, England, in 2014, A Blueprint for Better Business is a trust that challenges business to be a force for good.</p>
Ecosystem Pain Points	<p>Women's empowerment and gender equality are multifaceted problems that must be tackled on all societal levels. GSMA, an international trade body for mobile phone providers, estimates that more than 1.7 billion women in low and middle-income countries do not own a mobile phone, and that women are 14% less likely than men to own a mobile phone; this translates into a 200 million person gender gap in the mobile market.² Increasing access to mobile technologies in emerging markets has the potential to transform women's lives by connecting them to resources, friends, commerce and information. Basic information on, for example, children's health or weather forecasts can have a positive impact on women's well-being and sense of empowerment.</p>
Business Strategy	<p>In 2015, inspired by Blueprint's transformational principles and framework, Vodafone refocused its sustainable business strategy to work towards three transformational goals in the following areas: energy innovation, youth skills and jobs, and women's empowerment. By 2025, through the use of targeted commercial programmes, Vodafone aims to bring the benefits of access to mobile technology to an additional 50 million women who live in its emerging markets. Attaining this goal would both engage an under-served segment of the market and empower women through mobile technology access.</p> <p>Vodafone's focus on women's empowerment builds on existing customer initiatives. The Women First Programme in Turkey provides a key example of Vodafone's work in its emerging markets. Launched in 2013, the programme connects women in rural Turkey to mobile phones and the Internet. The Women First Advertisement Service uses SMS to enable women to advertise their products on one of Turkey's largest e-marketplaces. This initiative enables women to reach a wider community of potential customers, thereby growing their businesses and improving their income. At the same time, the programme also successfully recruits new subscribers for Vodafone.</p>
Performance	<p>The focus on female empowerment has seen social and business successes. For example, the Women First Programme achieves this dual purpose by increasing sales of mobile subscriptions while also connecting women to new economic and social opportunities. As of March 2016, approximately 640,000 people have subscribed since the launch and more than 20,000 advertisements have been generated through the service.³</p>
Prognosis	<p>Vodafone aims to be the world's best employer for women.⁴ To this end, more commercial initiatives focusing on empowering female subscribers will be launched across Vodafone's emerging market footprint, running in parallel with internal programmes. Internal programmes include Vodafone's global maternity policy and the recently launched ReConnect programme, which bring talented people back into the workplace after career breaks.</p>

¹ "GSMA Connected Women: Bridging the gender gap: Mobile access and usage in low- and middle-income countries," 2015, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/02/Connected-Women-Gender-Gap.pdf>

² Ibid.

³ "Vodafone Sustainable Business Report," 2015-2016,

<http://www.vodafone.com/content/dam/vodafone-images/sustainability/downloads/report2016.pdf>

⁴ Ibid.

Making Business Mutual Case Study: A Blueprint for Better Business & Vodafone Group Plc Women's Empowerment Programme

Case Background

This case examines the relationship between A Blueprint for a Better Business and Vodafone. It also looks at how Vodafone has focused its strategy on areas of potential business and social impact by targeting the areas of energy innovation, youth skills and jobs, and women's empowerment.⁵ This case highlights one key initiative, among others, aimed at advancing both business and social impact objectives. Specifically, this case centres on Vodafone's work expanding its engagement with women.

Vodafone

Vodafone is one of the world's largest telecommunications companies. It employs more than 100,000 people. The firm, as of 31 December 2016, had 470 million mobile customers and 14.3 million fixed broadband customers. Vodafone has fixed broadband operations in 17 markets and mobile operations in 26 countries; it also partners with other mobile networks in an additional 49 countries.⁶ As of March 2016, Vodafone's emerging market businesses had an estimated 125 million female customers.⁷

Vodafone is a publically traded company, which means that bringing purposeful transformational change to the company entails balancing the pursuit of positive societal outcomes with business performance. In 2015, inspired by A Blueprint for Better Business's transformational principles and framework, Vodafone refocused its sustainable business strategy to work towards three transformation goals in the following areas: energy innovation, youth skills and jobs, and women's empowerment.

Vodafone Ecosystem Pain Points

In focusing on addressing women's empowerment, specifically the gender gap in mobile phone ownership, Vodafone has identified a social issue with the potential to be mitigated through private sector initiatives. These programmes, at the same time, help advance business objectives. Women's empowerment and gender equality are multifaceted problems that must be tackled through a range of approaches at all societal levels. GSMA, an international trade body for mobile phone providers, estimates that more than 1.7 billion women in low and middle-income countries do not own a mobile phone, and that women are 14% less likely than men to own a mobile phone, which translates into a 200 million gender gap in the mobile market.⁸

Strong connections to resources, information, friends and commerce contribute to improving women's lives. Mobile phones, in this way, have the potential to transform the lives of many women in emerging markets. The technology can improve women's social lives, health and wellbeing, economic security, physical security and ability to find employment opportunities.

⁵ "Vodafone Sustainable Business 2016," *Vodafone*, <http://www.vodafone.com/content/index/about/sustainability/sustainablebusiness2016.html>

⁶ "Vodafone Group Plc Presentation," December 2016, https://www.vodafone.com/content/dam/vodafone-images/media/Downloads/About_Vodafone_Group_Plc_Dec_2016.pdf

⁷ "Vodafone Sustainable Business Report," 2015-2016, 16, <http://www.vodafone.com/content/dam/vodafone-images/sustainability/downloads/report2016.pdf>

⁸ "GSMA Connecting Women Report," 2015, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/02/Connected-Women-Gender-Gap.pdf>

Equal access to mobile technologies remains critical and gender differences in mobile phone usage may signal gender inequality.

Barriers to access and ownership are numerous and include cultural norms that prohibit women from owning a mobile phone, financial circumstances that exclude women from purchasing mobile phones and technical literacy levels that prevent women from using mobiles effectively. Low confidence levels in one's own ability to use a mobile can also deter ownership, a factor that may constitute an additional obstacle to female access to mobile technology in emerging markets.

A Blueprint for Better Business

The idea for A Blueprint for Better Business came about in 2012 when a group of business leaders approached the Archbishop of Westminster, Vincent Nichols. As Charles Wookey, CEO of A Blueprint for Better Business, describes:

The leaders felt that rebuilding trust between business and society needed an initiative that came from society and drew on the wisdom found in different faiths and philosophy – as well as empirical and social sciences – to challenge the dominant view of business purpose and the motivation of people.

From its inception, Blueprint has been focussed on addressing real business needs, and acting as a catalyst for change to help businesses realise their true long-term potential: to serve society, respect people, rediscover their purpose and thereby earn a fair and sustainable return for investors. Key to this transformation is acknowledging that people are not solely self-interested and that business is not only driven by profit.⁹

Blueprint was established as a limited company and registered as an independent charity (the Blueprint Trust) in 2014. Founded by charitable foundations and individuals, Blueprint operates independently of private industry and of any faith community. Wookey describes the charity as follows:

It is not a compliance body or Kitemark, but seeks to stimulate a different way of thinking and behaving in business. Blueprint has an influential advisory council chaired by Sir Mike Rake and works with prominent companies including EasyJet (transport), Anglo American (mining), Flood Re (insurance), and, as described here, Vodafone. A number of major businesses acting together can help change the conversation about the role and expectations of business in society.¹⁰

Blueprint's organisational mission of initiating a dialogue around business expectations dovetails well with Vodafone's transformation goals. With its global reach and 470 million mobile customers, Vodafone has the capacity to scale Blueprint's vision of sustaining purpose and changing behaviour in business.

Blueprint's Five Principles and Framework

Two key elements of A Blueprint for Better Business's approach to business transformation are the *Five Principles of a Purpose Driven Business* and *A Framework to Guide Decision Making*. Together, these guiding principles aim to provide a roadmap for a new mindset and behavioral change in business.

The five principles for purpose driven business can be applied at both the organisational and personal level:

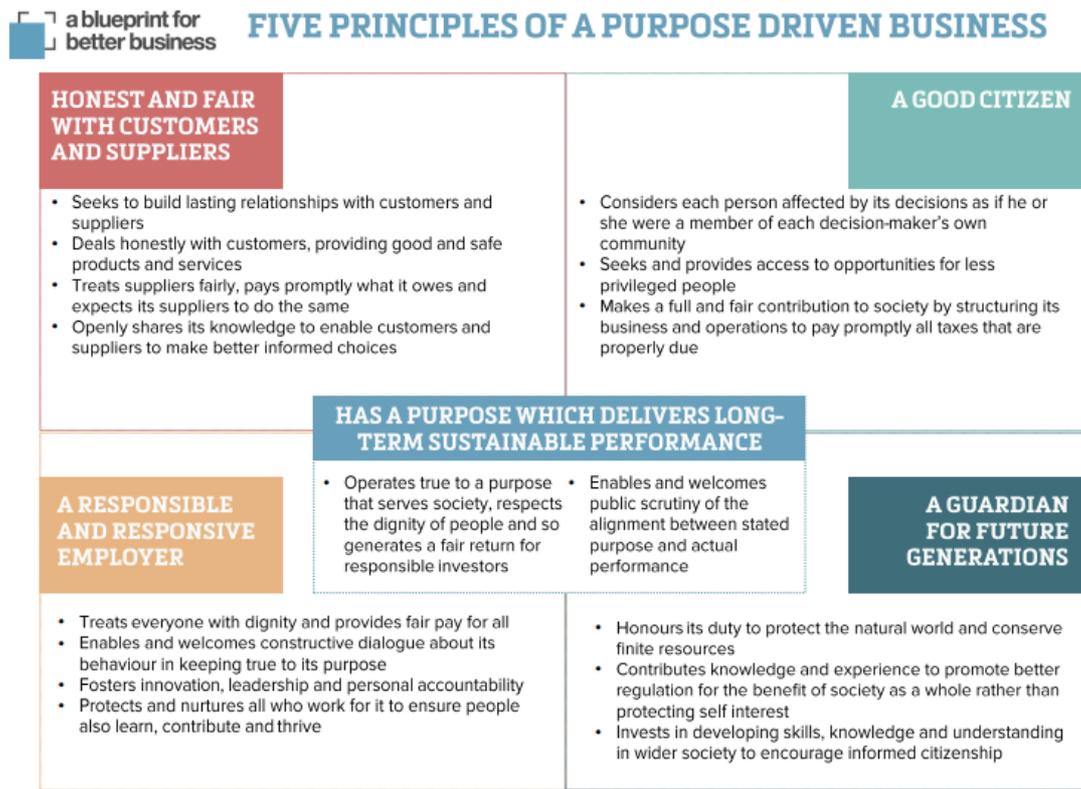
1. Be honest and fair with customers and suppliers.

⁹ Charles Wookey (CEO, A Blueprint for Better Business), personal communication with the author, 6 April 2017.

¹⁰ Ibid.

2. Be a responsible and responsive employer.
3. Be a good citizen.
4. Be a guardian for future generations.
5. Have a purpose that delivers long-term sustainable performance.¹¹

Each principle includes several illustrative sub-points outlined in the figure below. The fifth and central principle—that one should have a purpose which delivers long-term sustainable performance—is positioned at the heart of the figure. As Wookey explains, “It is at the centre as a unifying purpose which benefits society both inspires and depends on all these relationships.”¹² Purpose, in Blueprint’s estimation, drives sustainability.



The framework for guiding decision making consists of two main parts: a call to define organisational purpose, and a guide to build character and to achieve purpose. The call to define purpose emphasises the dignity and value of people, as well as the importance of serving society by delivering value to the common good. The guide to build character and to achieve purpose is framed around the five specific behavioural aspirations: solidarity, subsidiarity, reciprocity, plurality and sustainability. Wookey clarifies:

Taken together these are designed to encourage and sustain a change of mind-set and behaviour based on respect and co-creation, which emphasises the need to move beyond self-interest to create the quality of relationships needed to deliver purpose.¹³

¹¹ “Five Principles of a Purpose Driven Business,” *A Blueprint for a Better Business*, http://www.blueprintforbusiness.org/explore_principles/

¹² Charles Wookey (CEO, A Blueprint for Better Business), personal communication with the author, 5 May 2017.

¹³ Charles Wookey (CEO, A Blueprint for Better Business), personal communication with the author, 5 May 2017.

Focusing on the journey of organisational transformation, rather than on the end point, the framework and principles can help companies in redirecting their strategy and business practices to unlock discretionary effort and align activities towards a shared goal. The resource's deep societal roots, together with a growing business case for purpose, aim to catalyse boardroom discussions about purpose and people, and promote behaviour change.

Vodafone's Global Sustainable Business Strategy

In 2015, Vodafone gathered its top-40 leaders in one room, placed the Blueprint principles on a wall, and started discussing how Vodafone's practices and strategy compared. Matt Peacock, Vodafone Group Director of Corporate Affairs, described the experience by saying, "it was a very honest and sometimes quite painful conversation."¹⁴ These challenging conversations prompted a company reassessment.

"We believe a commitment to enhancing lives and livelihoods should be integral to our duty to maximise returns to our shareholders."

"That belief has been informed in part by the concepts and insights of the **Blueprint for Better Business** – an initiative that Vodafone has supported since its inception"

Group Chief Executive
Vodafone Group Plc

Vodafone used the Blueprint Principles to conduct a gap analysis both internally and externally in order to understand how the company measured up to the principles. Vodafone identified where it needed to make improvements and where it displayed strengths, according to the Blueprint Principle's guidelines. This review formed a part of a larger effort that came before the launch of Vodafone's Global Sustainable Business Strategy. The initiative also included a larger materiality assessment, as described in Vodafone's 2015-16 Sustainable Business Report.¹⁵

As an outcome of these discussions and analysis of a breadth of data—including employee feedback, customer feedback, and external stakeholder research—Vodafone decided on ten future priorities. The ten priorities are: customer relationships; digital rights including privacy, data protection and security; the socio-economic benefits that arise from the firm's products and services; management of supply chain risks; health and safety; business conduct and ethics; corporate taxation and total economic contribution; public concerns regarding electromagnetic frequency emissions; employee equality and diversity; and, energy consumption and carbon emissions.¹⁶

The results of this analysis helped to provide the building blocks of a new long-term sustainable business strategy to drive social transformation and, at the same time, enable economic growth. The new global sustainable business strategy revolves around three global transformational goals over a ten-year period:

1. Energy innovation
2. Youth skills and jobs

¹⁴ "Making a Difference: Blueprint in Action," panel discussion, London, 17 March 2017, https://www.youtube.com/watch?v=6y_2EcgPPmA

¹⁵ "Vodafone Sustainable Business Report," 2015-2016, 86,

<http://www.vodafone.com/content/dam/vodafone-images/sustainability/downloads/report2016.pdf>

¹⁶ Ibid.

3. Women's empowerment¹⁷

Sustainable Business Strategy



These three global transformational goals fit within Vodafone's larger purpose to "connect everybody to live a better today and build a better tomorrow."¹⁸ Within this broader framework, the global transformational goal on women's empowerment is divided into two sub-goals:

- **Connecting women:** By 2025, Vodafone seeks to connect 50 million women living in emerging markets to help improve their lives and livelihoods.
- **Increasing diversity:** By 2025, Vodafone's aims to become the world's best employer for women. The medium-term goal is to increase the proportion of women managers globally to 30% by 2020.¹⁹

Taken together, these goals focus on objectives both external and internal to Vodafone. The first sub-goal of connecting women is *external*, since it speaks to Vodafone's existing and future female customers. The second sub-goal is *internal* and relates to the ways in which Vodafone attracts and retains female talent within the company.

Business Example: Women First Programme, Turkey

¹⁷ "Vodafone Sustainable Business 2016," Vodafone, <http://www.vodafone.com/content/index/about/sustainability/sustainablebusiness2016.html>

¹⁸ "Sustainable Business: Using the power of mobile to change lives," Vodafone, <http://www.vodafone.com/content/index/about/sustainability.html>

¹⁹ "Vodafone Sustainable Business Report," 2015-2016, <http://www.vodafone.com/content/dam/vodafone-images/sustainability/downloads/report2016.pdf>

The Women First Programme in Turkey is one of the many external programmes run by Vodafone and Vodafone Foundation aimed at bringing together social impact and business performance.

Vodafone Turkey launched the Vodafone Women First Programme in 2013. The programme makes it more attractive and relevant for women to buy mobile phone subscriptions. It offers advertisement services, which allow women to post advertisements on one of Turkey's biggest e-marketplace sahibinden.com, using only an SMS texting function.²⁰ Vendors send information about their products via SMS to a third party, which then verifies the information and posts the advertisement on the vendor's behalf.

Women First subscribers can also participate in business and technology training. The Women Entrepreneurs Association of Turkey and the Turkey Informatics Foundation conduct the trainings. Users have the additional option of receiving SMS-based information services. The areas of information include wellbeing, lifestyle and children's health.

In terms of performance, the programme attracted 75,000 women customers during the first nine months. Of that number, 15% were new customers for Vodafone. During this time frame, 4,700 advertisements were placed, which were viewed by over 240,000 people and generated sales averaging USD 51 per user.²¹ The programme was not evaluated using a multi-capitals approach. In the current model, Vodafone compensates the third-party provider for verifying and posting the users advertisement on sahibinden.com. It is also not reported whether programme is financially sustainable for Vodafone, or if it runs at a loss. The Women First programme has, since its launch, gained approximately 640,000 subscribers and generated more than 20,000 advertisements as of March 2016.²²

Prognosis

The success of programmes such as the Women First initiative has inspired Vodafone to scale its efforts. Looking towards the future, more commercial propositions will be launched across Vodafone's emerging market footprint. These programmes will run in parallel with internal initiatives. As Vodafone's Sustainable Business Report 2015-16 outlines, many internal initiatives already exist within the company:

In April 2015, Vodafone became one of the first companies in the world to offer a global minimum maternity policy to employees at all levels of the company and in every country in which we operate. Under our global minimum maternity policy, all women who are employed by Vodafone, in any role anywhere in the world, are entitled to at least 16 weeks fully paid maternity leave plus full pay for a maximum 30-hour week for the first six months after their return to work. [In the 2015/2016 financial year] over 1,700 of our employees went on maternity leave and were eligible to benefit from our new global maternity policy.²³

Vodafone also commissioned a KPMG study to estimate the financial effects of implementing similar policies at a scale: "KPMG estimated that businesses globally would reduce overall costs by around USD 19 billion annually if more new mothers were retained rather than lost to the workforce."²⁴ As the study suggests, scaling employee retention policies has the potential to both empower women and promote Vodafone's business goals.

²⁰ "Women – Our Approach," *Vodafone*, <https://www.vodafone.com/content/sustainabilityreport/2014/index/transformationalsolutions/women.html>

²¹ "Vodafone Connected Women Report," 2014, http://www.vodafone.com/content/dam/connectedwomen/pdf/VF_WomensReport_V12%20Final.pdf

²² "Vodafone Sustainable Business Report," 2015-2016, 16, <http://www.vodafone.com/content/dam/vodafone-images/sustainability/downloads/report2016.pdf>

²³ Ibid.

²⁴ Ibid.

Following on from this, in March 2017, Vodafone launched Reconnect, a new programme to bring talented women in 26 countries back into the workplace after a career break.²⁵ The programme includes flexible working options, training, coaching and induction programmes to help women prepare for re-entry to the workplace and progress their careers.²⁶

As this case study highlights, Vodafone's combination of external and internal objectives contributes to the global transformational goal of women's empowerment. Although it is still in its early stages, the Women's First Programme already offers a scalable model that demonstrates benefits for both social impact and business performance. Moreover, as recent research has indicated, the newly initiated Reconnect Programme has the potential to bring about large-scale benefits for Vodafone. Looking ahead, Vodafone's initiatives, which grew out of the interaction with Blueprint, have helped launch a long-term sustainable business strategy to drive social transformation and foster economic growth.

²⁵ "Reconnect website," vodafonegroup.avature.net,
<https://vodafonegroup.avature.net/ReConnect>

²⁶ *Ibid.*

Saïd Business School

Saïd Business School at the University of Oxford blends the best of new and old. We are a vibrant and innovative business school, yet deeply embedded in an 800-year-old university. We create programmes and ideas that have global impact. We educate people for successful business careers, and as a community seek to tackle world-scale problems. We deliver cutting-edge education programmes and ground-breaking research that transform individuals, organisations, business practice, and society. We seek to be a world-class business school community, embedded in a world-class university, tackling world-scale problems.

Mars Incorporated

Mars' approach to business has long since been guided by five principles – quality, responsibility, efficiency, freedom and mutuality. Together they inform and guide the actions of all Mars associates every day as they do their jobs and interface with the outside world. The Mars' leadership has tasked its economic research unit, Catalyst, to start new work into unexplored territory for business; to identify critical drivers of mutuality and, using business pilots, to develop and test new metrics and management practices that can help boost mutuality in business situations. This work is called the Economics of Mutuality.

The Oxford-Mars Mutuality in Business Partnership

On the back of these promising findings, a multiyear partnership with Oxford University's Saïd Business School was established in 2014 to focus on the development of a business management theory for the Economics of Mutuality with corresponding teaching curriculum, new management practices, and case study research. The research programme has combined the pursuit of normative questions – what is mutuality and how should it be enacted? – with grounded, ethnographic research on current thinking and practices. This has led to the development of field experiments and case studies examining how large corporate actors conceive of and pursue responsible business practices, and how these relate to their financial and social performance.

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