

# An evaluative Social Return on Investment analysis



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# Executive summary

At British Gypsum, we want to make the world a better home by creating places where people and communities flourish. To achieve this, we must take care of ourselves, our communities, and our environment. In practice, this means providing a great place to work, being a good neighbour to those who live near our sites, and having a positive impact on the planet.

To help us reach our goals, we needed to find out how our stakeholders currently view us. So we asked Social Change UK to carry out two Social Return on Investment (SROI) analyses, one with our colleagues and the other with people living close to a British Gypsum site (whom we've defined throughout this report as our 'local communities'). The first looked at colleagues' perceptions of British Gypsum as a place to work, while the second explored local people's attitudes towards British Gypsum's operations and other activities.

The analyses helped us understand the impact we have on those around us, using ratios to show how much social, environmental and economic value we create for every £1 of investment. Please read the section below (What is social return on investment?) to see how SROI is calculated.

The findings showed that, for both our colleagues and local communities, we are creating value rather than destroying it. But while we have a positive impact overall, there are plenty of opportunities for improvement.

## Our colleagues

For our colleagues, we create £0.17 of value for every £1 we invest. This ratio takes into account factors including career opportunities, workload, work-life balance, social connections with colleagues, salary, and a sense of value and empowerment.

### **Social Change UK recommends we use the following approaches to create more value:**

- Strengthen internal communications
- Support positive working relationships
- Improve training and career opportunities
- Review workload and work-life balance



## Our local communities

For every £1 we invest, we create £0.13 of value for our local communities. This ratio was calculated using factors including communication, employment opportunities, donations to charitable causes, support for colleges, access to local spaces, our impact on the local environment, vehicle movements, and upkeep of local community amenities near our Fauld site.

### **Recommendations for improving this ratio are to:**

- Promote British Gypsum's activities to keep local communities informed of our support
- Continue providing and showcase local employment opportunities
- Consult with residents on what local support they need
- Continue to enhance the local environment



# Background

## **We operate from six main sites in the UK:**

- Barrow upon Soar, Leicestershire
- East Leake, Leicestershire
- Fauld, Staffordshire
- Kirkby Thore, Cumbria
- Robertsbridge, East Sussex
- Sherburn in Elmet, North Yorkshire

## **At all of our sites, we work to have a positive impact on our colleagues and local communities. Here are some of the ways we support our colleagues:**

- Recognition through awards and events that celebrate shared success
- Opportunities for colleagues to train and progress in their careers
- Security through good salaries and a pension scheme
- Work flexibility where this is practical

## **When it comes to supporting those who live and work near our sites, our priorities are to help create happy, healthy communities, reduce poverty, improve diversity and inclusion, boost biodiversity, and support young people to access science, technology, engineering and mathematics education and careers. Here are some of the things we've done so far:**

- Donated expertise and building materials to construction projects that benefit local communities
- Organised fundraising activities such as cycling to raise money for charitable causes including food banks, Scouts clubs, and local branches of The Salvation Army
- Partnered with several local charities as well as CRASH, the UK construction industry charity
- Supported local schools by funding resources and contributing to building projects
- Partnered with local colleges to deliver training and materials for construction programmes
- Improved biodiversity in our local areas by working with and donating land to the Wildlife Trust
- Voluntarily reduced the speed of our heavy goods vehicles to 40mph in residential areas near our Barrow upon Soar site
- Created and maintained a memorial to honour those lost in the RAF Fauld explosion in 1944

We've come a long way, but before we could plan new activities that generate even more value, we needed to understand the impact our colleagues and local communities feel we've had so far.



# What is Social Return on Investment?

Social Return on Investment (SROI) is an evaluation methodology. It uses the outcomes of a given activity (or activities) to help us understand and quantify the social, environmental and economic value that is being created or, in some cases, destroyed. It examines the outcomes that matter to audiences and ascribes a monetary value to these.

An evaluative SROI is conducted once activities have taken place, calculating value based on outcomes the audience has already experienced. An audience-led methodology is essential, which is why colleagues and local communities were engaged throughout these analyses. The results have helped us to understand what really matters to our colleagues and local community members, allowing us to focus on activities that add value, and to create meaningful change that improves lives.

## Definition

### Social value

The quantification of the relative importance that people place on the changes they experience in their lives<sup>1</sup>. It encompasses any change that affects a person's quality of life, such as health, wellbeing, or sense of community.

### Environmental value

The quantification of the relative importance that people place on the changes or impacts from an activity on the wider environment (can be at local, national and international levels; built environments or natural environments, or ecosystems).

<sup>1</sup>Social Value UK: <http://www.socialvalueuk.org/what-is-social-value/>

## Methodology

### Phase 1: Scoping

Social Change UK began with a scoping exercise to better understand our local sites and their communities, which were defined as those living or working within a 15-minute drive time zone of each site.

#### The four aims were to:

- Understand the sites themselves, including their operations and history
- Identify the villages, towns and cities included in the 15-minute drive time zones, and uncover information about demographics, deprivation, local stakeholders and organisations, as well as what it's like to live near a British Gypsum site
- Assess the relationship between British Gypsum sites and local communities, focusing on their interaction and the impact of British Gypsum's community and environmental activities
- Identify themes to explore through surveys with colleagues and local community members

### Phase 2: Online surveys

Following the scoping phase, two surveys were developed, one for British Gypsum colleagues and another for local stakeholders.

The internal survey sought to explore colleagues' perceptions of British Gypsum as an employer and a member of the local community. It looked at what they valued most from their workplace and employer, and how far we currently, or could further, support this. It also investigated colleagues' thoughts about our relationship with the local community, and about our sustainability and environmental practices. Further, the survey asked colleagues about their own engagement with the local community and environment, and the impact they thought this had. Finally, colleagues were asked about the changes they had experienced, both personally and professionally, as a result of working for British Gypsum.



# Methodology continued

The external survey explored local residents', organisations', and other stakeholders' awareness of British Gypsum and our local community and environmental activities. It examined the perceived relationship between British Gypsum and its local communities, and the extent to which we're considered to be a good neighbour. Finally, respondents were asked to discuss the changes they and their communities had experienced as a result of our operations and activities.

Within the surveys, colleagues and local community members were presented with a number of our activities to encourage them to think about the changes these had brought and their impact.

Following analysis of the two surveys, key findings and insights were presented back to our executive and communities teams to help them understand stakeholders' perceptions and opportunities for improvement.

## Phase 3: Qualitative research

Once thematic analysis had established the changes colleagues and communities experienced as a result of British Gypsum's activities, qualitative research assessed their impact.

For colleagues, focus groups were held at our Kirkby Thore and Robertsbridge sites. For local communities, up to four stakeholders per site were interviewed by telephone.

Both positive and negative changes highlighted in the surveys were explored further to identify the outcomes for each audience group. It is from these outcomes that value is created or destroyed, making them a crucial part of the evaluation.

As part of the qualitative research stage, Social Change UK also spoke to members of each site's local communities team to understand how they work with the local community.

## Phase 4: Value consultation

With the outcomes revealed, colleagues and local community members completed further online surveys to help determine the value of each outcome. Respondents rated each one using a scale of 1 to 10, on which 1 was 'not at all important' and 10 'very important'.

A financial proxy was assigned to each outcome so that it could be expressed in monetary terms to support the SROI ratio calculation. Where possible, secondary research verified these figures. Where a financial proxy wasn't available, colleagues and local stakeholders were tasked with placing a value on the outcome themselves. They were given a budget to spread across the outcomes and asked to base their decision on how important they saw each to be.

## Phase 5: Calculating the SROI

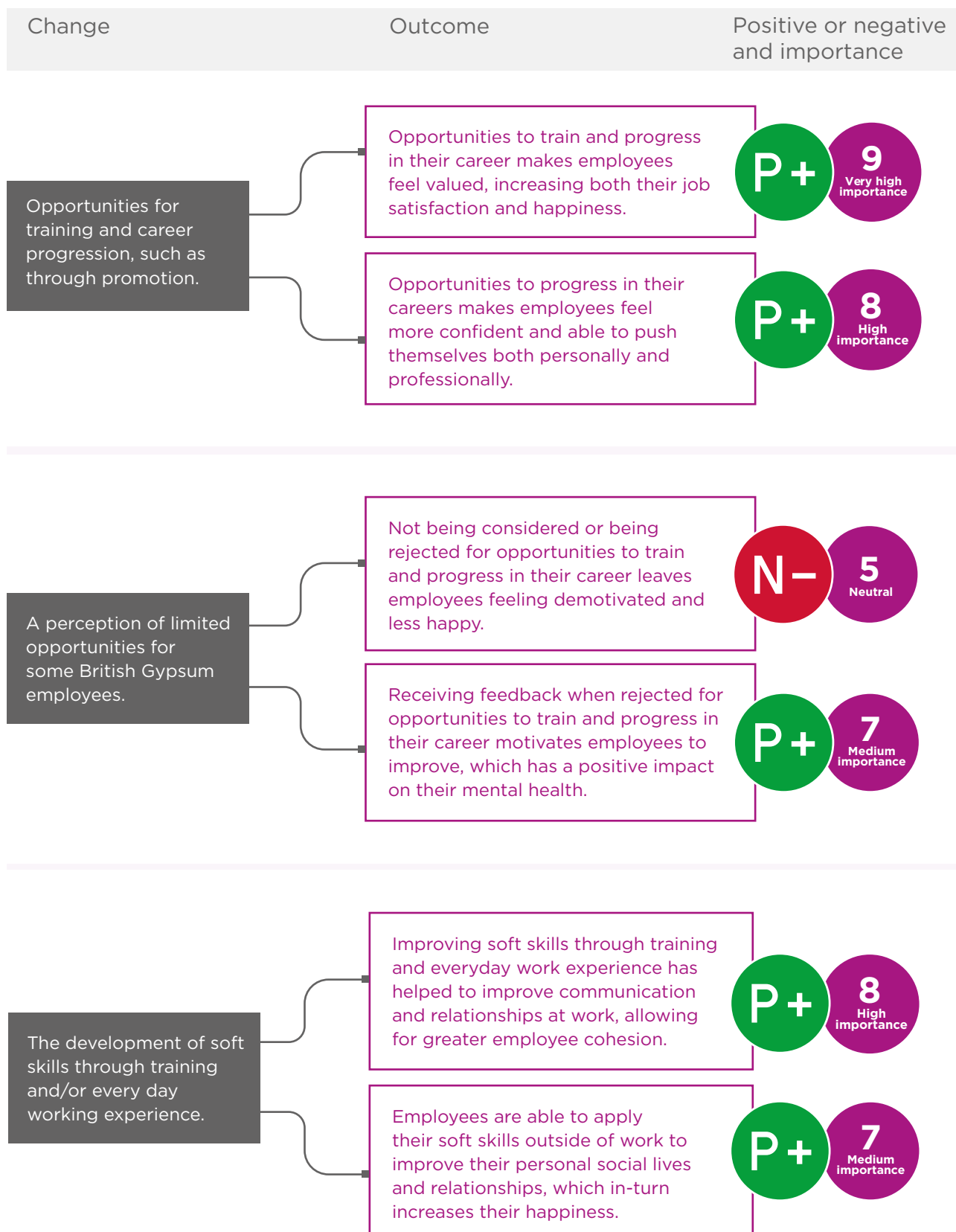
Following the value consultation, outcomes for both colleagues and local communities were mapped in relation to their inputs and costs, their assigned values, and the number of people who reported experiencing them. This allowed for the SROI ratios to be calculated.



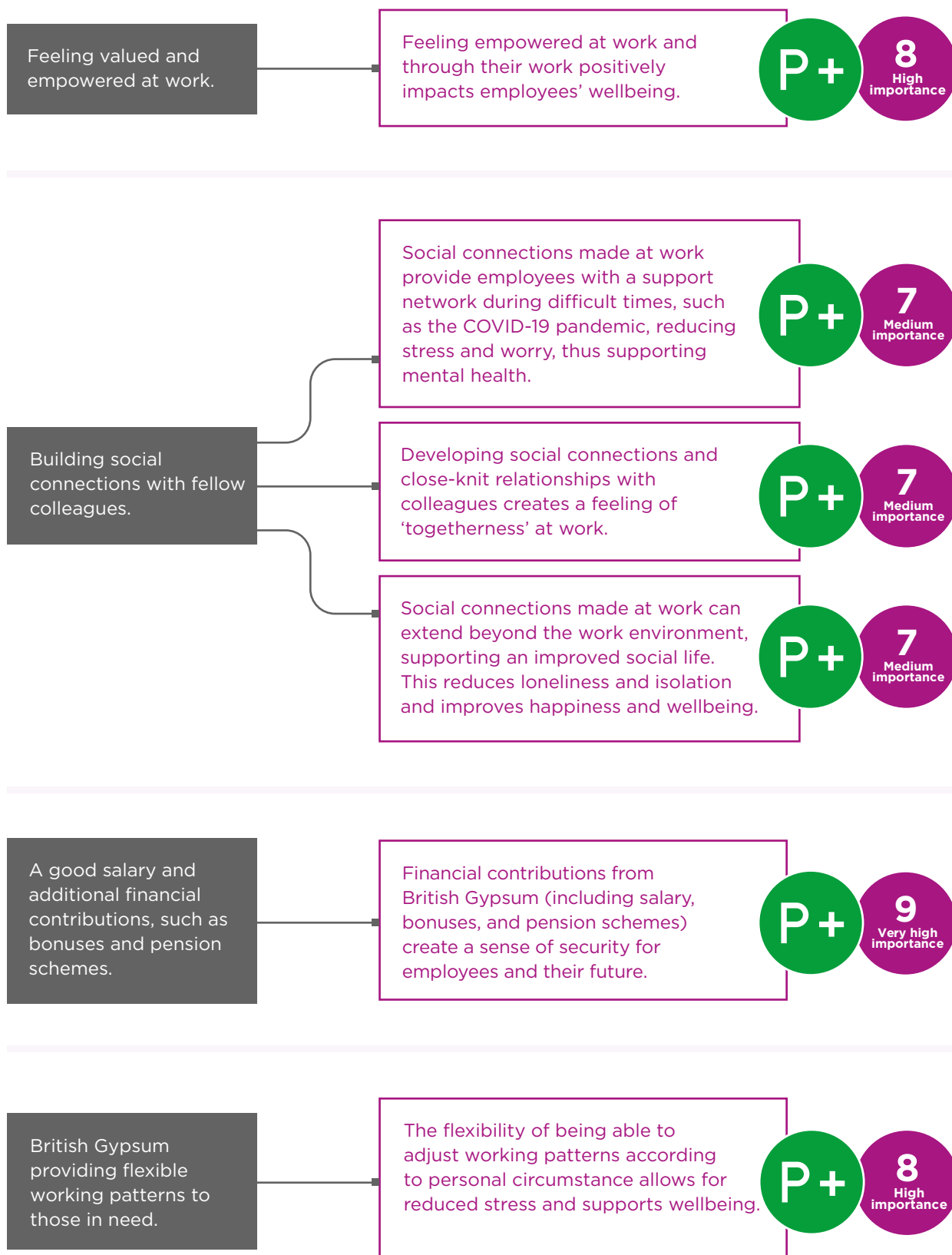
# Internal SROI

## Identifying outcomes

The research identified the following outcomes of colleagues' experiences working with British Gypsum:

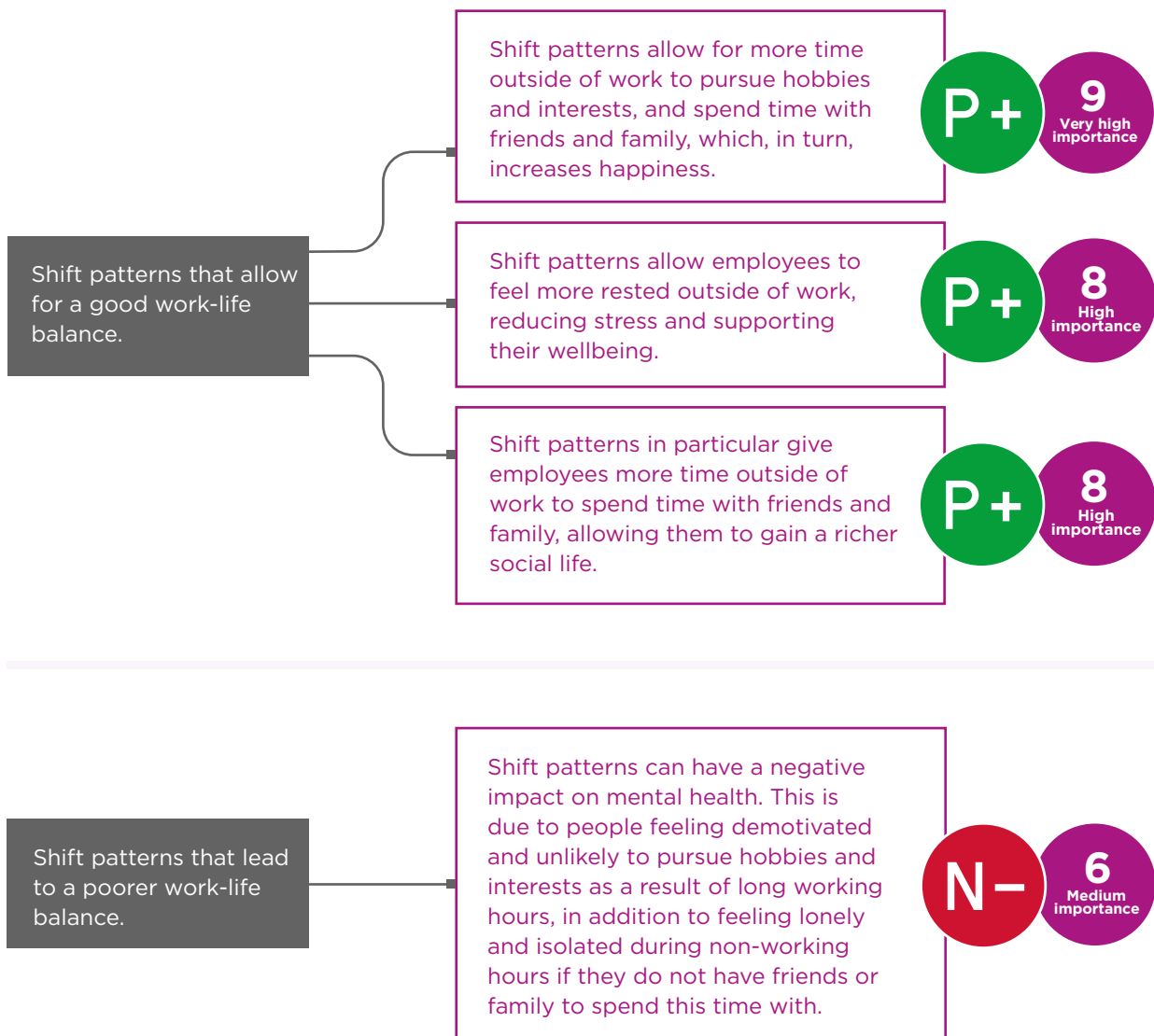


## Internal SROI continued





## Internal SROI continued



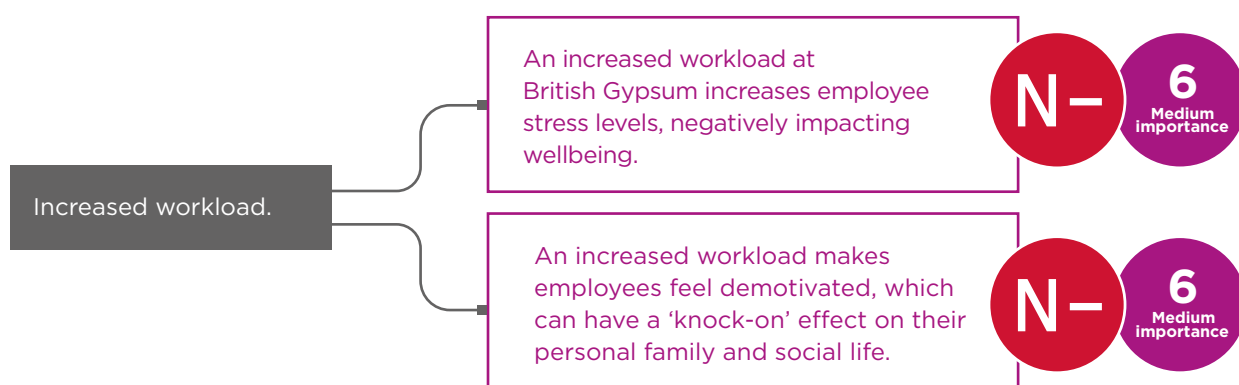
### Definition

#### Shift patterns

Shift patterns were defined by employees as working a high number of hours for a short period of time (e.g., 12 hours for 5 days) and

then not working for a similar number of days. While some felt this allowed them a better work-life balance, others felt it could lead to a worse work-life balance.

# Internal SROI continued

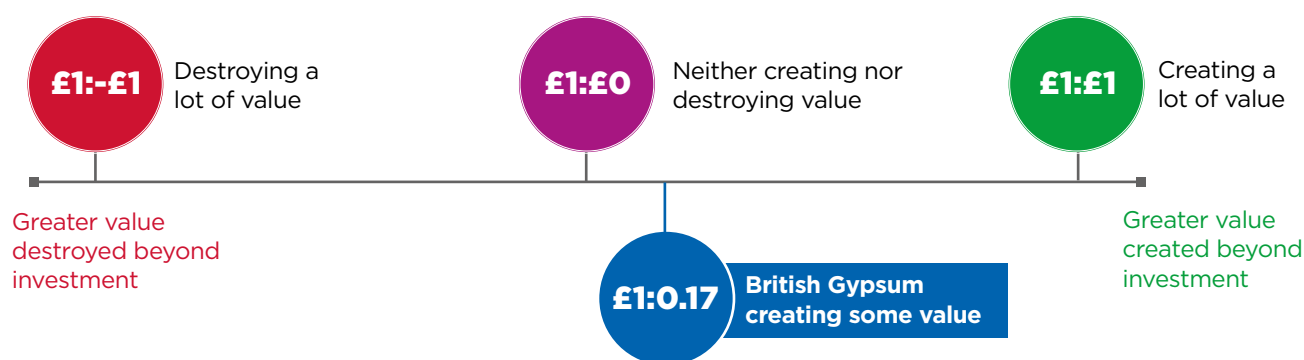


## Identifying outcomes

The outcomes colleagues discussed were largely positive and demonstrated the ways we create social (and some economic) value for them. For example, opportunities for training and progression increase satisfaction and confidence, while shift patterns can improve work-life balance. However, the overall value created by these outcomes is negatively impacted by high workloads and a poor work-life balance.

## Our internal SROI ratio

Based on the importance ratings and assigned value for each outcome, Social Change UK calculated an internal SROI ratio of £1: £0.17.



This ratio means that for every £1 we invest in our colleagues, £0.17 of value is created. This is positive as it means we're creating value rather than destroying it. But it also highlights that we can find ways to create more value and increase our overall SROI ratio.

Outcomes creating the most value include those related to opportunities to train and progress, as well as to financial security. Encouraging colleagues to engage with these opportunities, and raising awareness of their benefits, would help create even more value.

Outcomes resulting from a high workload pose the greatest threat to value creation. Supporting colleagues to alleviate this, such as through

higher work capacity or emotional support, would help to optimise the SROI ratio.

It should be noted that many input costs were employment-related, such as salary, pension contributions, and bonuses, their purpose being to compensate colleagues for their work. This means that many of the outcomes were not the main reason for the investment, and so are unlikely to generate a full return in terms of value. To offset this, it's important to focus on activities that create greater value for less financial input, such as opportunities to train and progress, and the ability to develop long-lasting relationships.

# Recommendations for the future

Following the SROI ratio calculation, Social Change UK recommended ways to maximise the value we create for colleagues. These will also contribute to our commitment to providing a great place to work.

## 1. Strengthen internal communications

Ensure there are strong internal communications throughout the organisation. Engage regularly with colleagues and keep them informed so that they feel listened to and valued at work. This will improve job satisfaction and happiness.

Poor communications can leave people feeling overlooked and disregarded, having a negative impact on wellbeing.

## 2. Support positive working relationships

Build strong working relationships between colleagues and management. Improve current processes where necessary, and encourage colleagues to develop relationships by showcasing their positive impact on working life.

Processes to improve working relationships could include further soft skills and communication training, or perhaps workshops and 'away days' that encourage people to cooperate to complete tasks.

Positive working relationships increase colleagues' wellbeing at work, and possibly outside of work if these relationships are echoed in their personal lives.

## 3. Develop training and career opportunities

Review the opportunities available to colleagues to train and progress in their careers, and ensure there is equal opportunity.

Advertise opportunities widely across the organisation so that everyone is aware they exist, and establish processes to ensure anyone who isn't eligible to access these, or is 'rejected' from an opportunity, receives feedback as to why, and about how they could improve in future. This would help to mitigate the negative impact felt when colleagues aren't accepted for opportunities.

## 4. Review workload and work-life balance

Review colleagues' current workload to understand where this is being exceeded and what support is needed to reduce stress levels and the subsequent negative impacts on wellbeing.

Consider how the company can support colleagues to have a healthier work-life balance, with the potential for solutions to vary dependent on working patterns (i.e. shift work and 9-5 weekday work). Not only would this improve outcomes, but it would portray British Gypsum as an employer that listens to, and cares for, its colleagues.





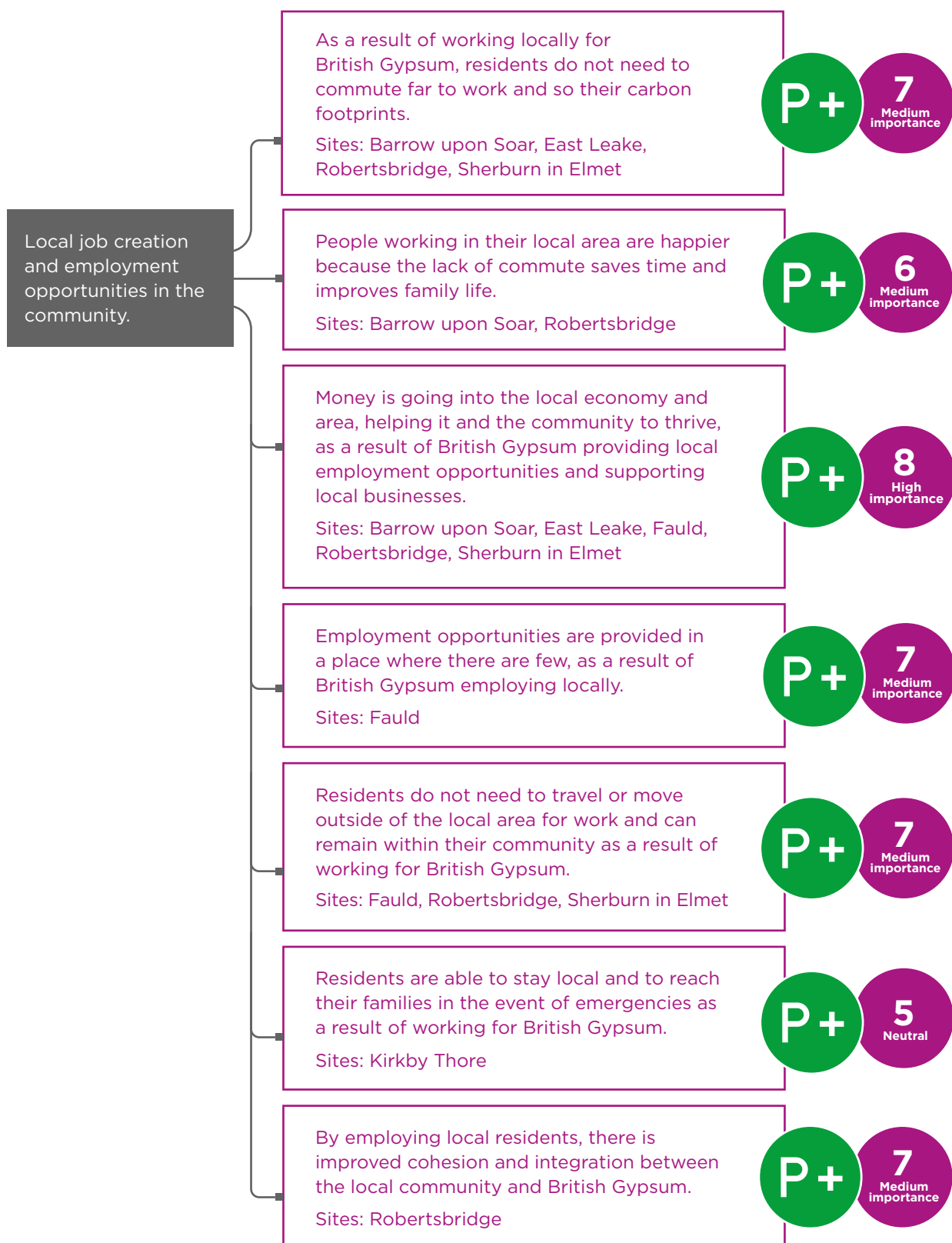
# External SROI

## Identifying outcomes

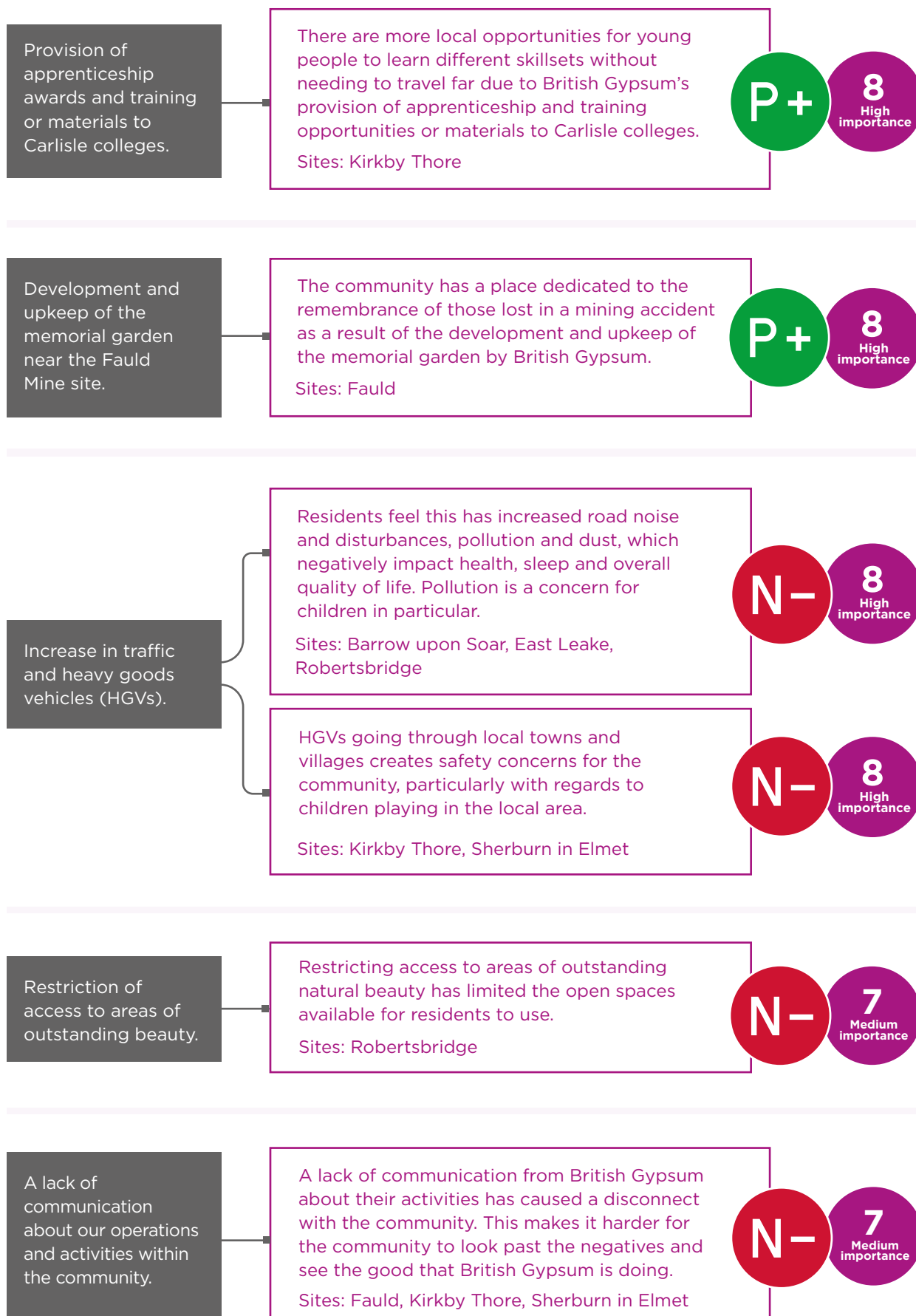
Research identified the following outcomes for people living or working near a British Gypsum site:

Change	Outcome	Positive or negative and importance
British Gypsums' work to improve local green spaces, establish environmentally friendly areas and support the local environment generally.	Having more local outdoor spaces to enjoy and use, either alone or with loved ones, contributes to improvements in mental health and wellbeing for residents. Sites: Barrow upon Soar, East Leake, Robertsbridge	P+ 8 High importance
	Local wildlife, plants and animal habitats are improved and supported to continue living and surviving, ensuring sustainable environments and local biodiversity. Sites: Barrow upon Soar, East Leake	P+ 8 High importance
	Improvements to the local environment makes the community a generally nicer place to live, improving residents' happiness and wellbeing. Sites: East Leake, Sherburn in Elmet	P+ 9 Very high importance
	More pleasant green areas are available to residents within the community as a result of British Gypsum's environmental activities. Sites: Fauld	P+ 8 High importance
	Better local spaces contribute to improved air quality, making the community a generally nicer place to live. Sites: Sherburn in Elmet	P+ 10 Highest importance

## External SROI continued

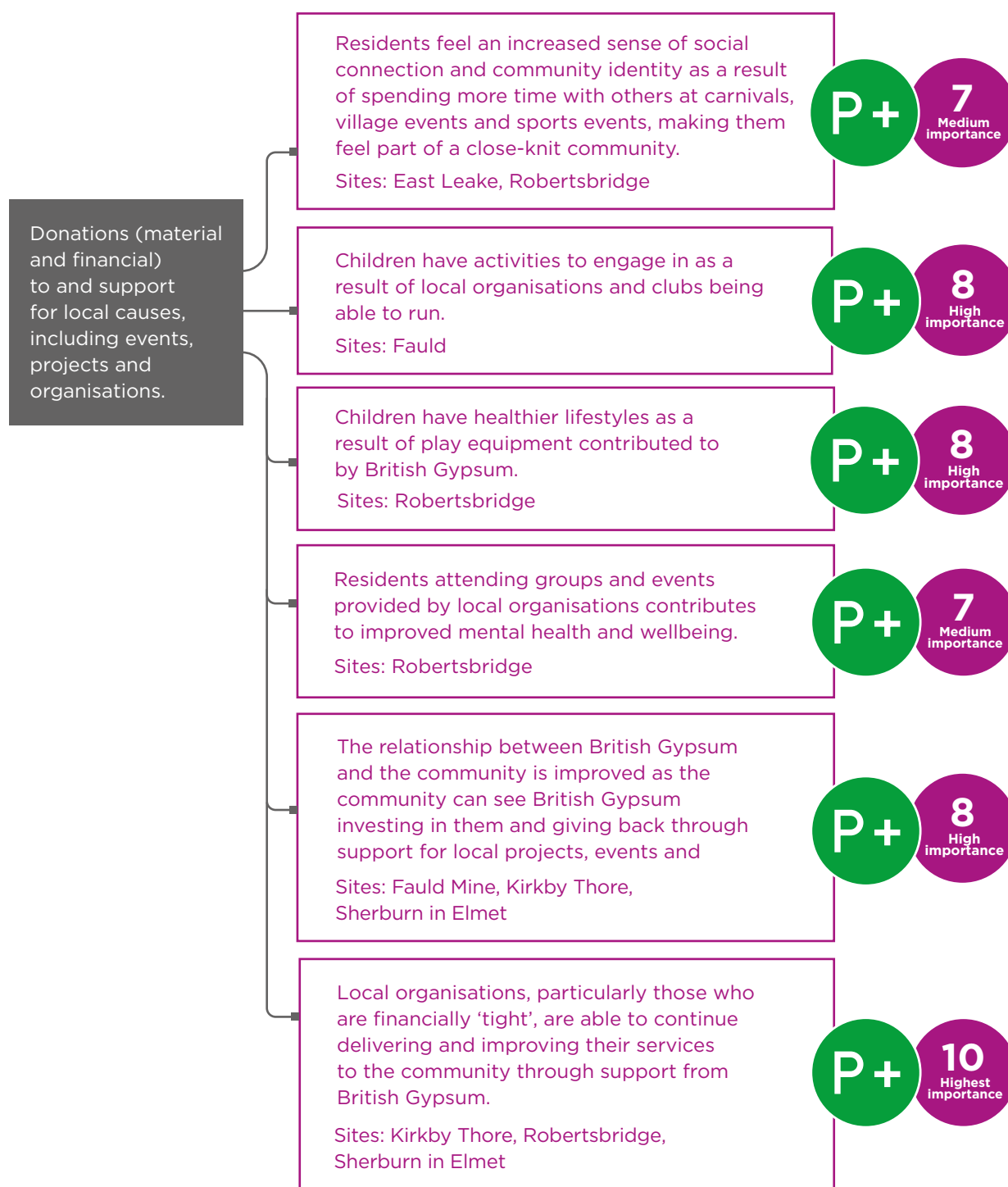


## External SROI continued





## External SROI continued



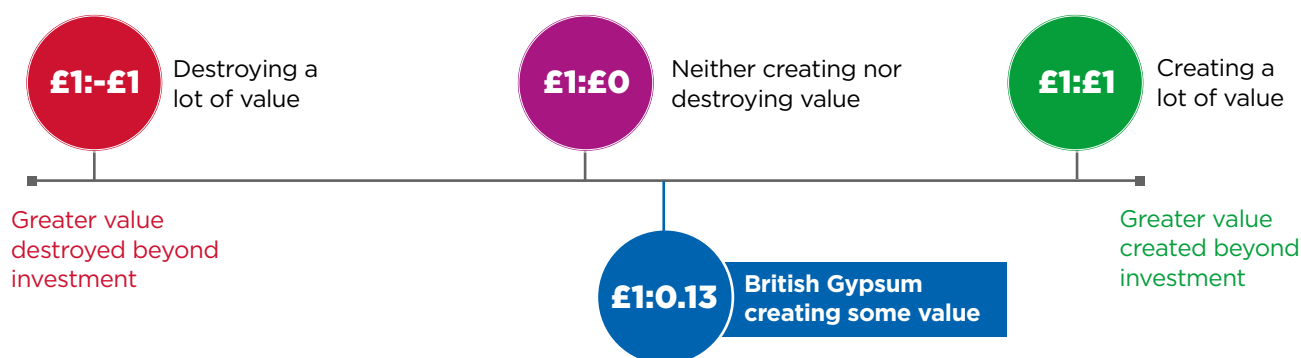
While there was some overlap in changes and outcomes between sites, some were specific to certain communities.

Overall, the outcomes discussed by local people were positive, and those we spoke to recognised the value we create for the local community, environment, and economy. However, the impact of this is hindered by a lack of communication about our activities, which distances us from our local communities.

# External SROI continued

## Our external SROI ratio

Based on the importance ratings and assigned value for each outcome, Social Change UK calculated an internal SROI ratio of £1: £0.13.



This ratio means that for every £1 we invest in our local communities, £0.13 of value is created. This is positive as it means we're creating value rather than destroying it. But it also shows there is opportunity to create more value and increase our overall SROI ratio.

Employment creates the most value as it offers local people opportunities and contributes to the local economy. Raising awareness of these opportunities and how they impact local communities would create even more value.

Some local communities feel a disconnect with British Gypsum because of a lack of communication about our activities. Communicating more with those living and working locally would create value by improving our relationship with them.

We should focus our efforts especially on the communities surrounding our Robertsbridge, Kirkby Thore and Sherburn in Elmet sites, as outcomes for these had a lower monetary value relative to their inputs. Kirkby Thore and Sherburn in Elmet are among those reporting the negative outcome of a disconnect, so this a priority when creating value for these sites.

It should be noted that outcomes resulting from local employment had the highest input costs, for which an estimated total salary of those working locally was used. As the purpose of salaries is to compensate colleagues for their work, many of the outcomes were not the main reason for the investment, and so are unlikely to generate a full return in terms of value. To offset this, it's important to focus on activities that create greater value for less financial input, such as raising awareness of our activities.

# Recommendations for the future

Following the SROI ratio calculation, Social Change UK recommended ways to maximise the value we create for our local communities. These will contribute to our purpose of making the world a better home.

## 1. Promote British Gypsum's activities

Engage local communities with communications about operations and local community and environmental activities. It's not enough to simply do good work; promotion is essential as many local community members aren't currently aware of what British Gypsum does and how this affects them.

## 2. Continue providing and showcase local employment opportunities

Continue providing local employment opportunities and showcase their impact. Communicate that through these opportunities, people are not only able to stay local in a place they enjoy, but will cut their carbon footprint and emissions due to a reduced commute.

## 3. Consult with residents on what local support they need

Speak to members of the community to understand exactly what support they need. Members of local communities value the contributions made by British Gypsum to local projects, events and organisations, and working together more closely will both increase value and raise awareness of these activities. This will make local community members more likely to attribute positive change to British Gypsum, improving outcomes overall.

## 4. Continue to enhance the local environment

Improvements to the local environment and green spaces benefit local wildlife and significantly improve residents' wellbeing. British Gypsum should continue investing in the development and upkeep of these spaces to increase positive outcomes. Where these spaces have been restricted (something highlighted by Robertsbridge residents), communicate clearly about why this has happened and the benefit to the local area.

## 5. Mitigate traffic concerns

To help mitigate the perceived negative impact of increased traffic, British Gypsum must ensure that drivers stick to agreed speed limits, and it should communicate this to the wider community. Where possible, drivers should consider alternative routes that avoid towns and villages. Many residents recognise that this traffic is necessary to British Gypsum's operations, and while some believe it's unlikely that the company is responsible for all increased traffic and HGVs, they do think it makes a significant contribution. British Gypsum needs to show that it's taking these concerns seriously and adapting where possible.

## 6. Continue to invest in the local economy

Continue to invest in the local economy by providing employment opportunities and supporting local businesses. The former is particularly important as it will continue to attract people and business to the community, which will in turn boost the economy and help the community thrive.





# A cup of wisdom from the changemakers

Following the evaluative SROI analyses, Social Change UK offered its ‘cup of wisdom’, sharing advice on how British Gypsum can continue to create value for colleagues and local communities.

It is clear through its many activities that British Gypsum is successfully creating positive impact for colleagues and within local communities. This is demonstrated by the largely positive outcomes that these audience groups are experiencing, in addition to the positive SROI ratios. However, poor awareness of how British Gypsum supports colleagues and local communities is limiting the potential to create positive impact and value.

Key outcomes and their value are identified through an audience-led methodology. If audiences are not aware of what British Gypsum is doing and how it impacts the community, it's unlikely that any changes resulting from these activities will be attributed to the organisation. This means audiences won't associate the value created from these changes and outcomes with British Gypsum, which limits the social value British Gypsum can claim to have created.

A simple fix for this is to communicate the good British Gypsum does. Showcasing not only the activities themselves, but also how they help colleagues and communities and the positive changes they bring, will help to raise awareness of the impact the organisation is having. This will subsequently help audiences attribute impact to British Gypsum, increasing social value and ultimately optimising the overall SROI ratio.

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Local community-SROI (28 February 2022)

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