



Creating Social Impact

The University of Western Australia Joins CSI

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The Centre for Social Impact (CSI) is a partnership between the business schools of the University of New South Wales, the University of Melbourne, Swinburne University of Technology and The University of Western Australia. It brings together the committed hearts and business heads of the philanthropic, not-for-profit, private and government sectors in pursuit of social innovation. It provides socially responsible business management education and research in the common cause of building a stronger civil society for Australia.

Opinions expressed in these papers are those of the individual authors and do not necessarily represent the views of the Centre for Social Impact.

I am honoured to greet you today on behalf of the Centre for Social Impact (CSI), an organisation with a short history but an inspiring future. I am delighted to welcome our new partner, the University of Western Australia (UWA), both to share and shape the role that we are building.

The Centre is firmly founded on academic tradition. It values intellectual discourse, scholarly inquiry, empirical research and critical insight. The Business School of UWA, with its fine traditions and contemporary vigour, will contribute much to that endeavour.

Nevertheless it is important to understand that the study of social impact, whilst necessary, is not sufficient. The spirit and resolve of CSI is that through our activities we will have social impact. Academic excellence needs to be fit for and directed to social purpose. In part we can do this within university lecture halls and seminar rooms by influencing the character of business education provided to the next generation of leaders.

Never has this been more important. We come together this week on the first anniversary of the collapse of Lehmann Bros, a debacle which symbolised the unexpected fragility of modern financial capitalism. One day the full economic history of the causes of the global financial crisis will be written but already the broad outlines are clear: the under-pricing of risk; the savagery wreaked by the brutal two-edged swords of margin and leverage; the opacity of the complex financial derivatives by which equity and debt were bundled, collateralised, hedged and traded; the inadequacy of capital reserves and the prevalence of short-term managerial behaviours driven by narrow definitions of profit and shareholder value. We see all-too-clearly the manifest inadequacy of corporate governance arrangements (internally) and the weaknesses – and misdirection – of the regulatory environment (externally).

These structural and systemic failures have been simplified in the public mind into personal narrative. The GFC has become a thoroughly modern morality play, a tale of individual greed and avarice, driven by irrational exuberance and excessive remuneration. Beyond the celebrity economics – who got paid what - lies a more profound concern. There has emerged a renewed sense of the importance of the role of ethical standards in underpinning socially responsible and accountable business conduct.

The business schools of the four partner universities that comprise CSI (New South Wales, Melbourne, Swinburne and now Western Australia) will be assisted by the Centre's activities to deliver a broad-ranging management education that extends beyond narrow technocratic skills directed exclusively to the training of 'grey pinstripes'. Through the programs delivered by CSI, graduate students will be encouraged to lift their gaze and widen their vision.

Students will have opportunity to study the distinctive challenges faced by social enterprises that are driven not by profit but by social and environmental mission. These challenges are not just a pale reflection of the issues that confront small to medium companies in the private sector. Community organisations have to manage a diversity of stakeholders, harness volunteer support and attract the income to match their ambitions. They have to build organisational capacity and scale-up initiatives in a capital market that has failed to provide nonprofits with adequate access to development funds.

Through the Graduate Certificate in Social Impact students will also consider how businesses can best restore the public trust that provides them with an implicit license to operate. They will come to understand not only the beneficial social impact underpinned by forms of corporate 'citizenship' but to consider how such initiatives can be fully integrated into business strategies directed to reputational advantage and long-term sustainability.

Students will consider, too, how governments can provide state-funded community support without, through the delivery of their programs, stifling the initiative and self-reliance of individual citizens or dampening the flame of social purpose that burns in community enterprise.

Finally students will be directed to the challenges for philanthropists as they seek to support nonprofit organisations not as a form of charitable benevolence but as a well-considered investment in public good – and, conversely, how the organisations which receive their support can measure the social returns on the investment that is made in them.

These are complex and arguable matters. They are as exciting as they are important. Their discussion should not take place only in the pages of learned journals or academic conferences. The heart of CSI lies in its ability to engage in public discussion of these issues. Our ambition is to increase the recognition and influence of the ‘third sector’, promote cross-sectoral collaboration and inform the development of public policy. The CSI will do this (and UWA will contribute mightily) through its events, executive programs and action-oriented research. It will become a keeper of knowledge, a disseminator of best practice and a facilitator of community participation. CSI’s role is both to inform and to provoke.

I cannot say with certainty how the priorities of CSI will evolve or the precise manner in which they will be pursued. What I can affirm with confidence is that this bold partnership of university centres will be matched by an ongoing cooperation with social enterprises, philanthropists, businesses and governments. This commitment to collaboration is not just a matter of good intent. It reflects the firm belief of CSI that social entrepreneurship can be displayed in any sector; that social innovation nearly always emerges at the contested interstices between the roles of the state, the market and the community and that social capital is built-up in the networks of civic engagement.

Finally, supporters, colleagues: I’m delighted that UWA is now the home of CSI in Western Australia. It joins the Centre as a full and equal partner, with autonomy over its own activities, able to provide a distinctive perspective and set its particular directions, but also part of a national institution whose whole is much greater than the sum of the individual parts.

the Centre for Social Impact

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