

Co-Creation: A Key Lever to Build New Business Models that Support Sustainability and Society

Michael Wong 29 November 2015

Every year, REED places hundreds of thousands of people into permanent and temporary employment across a number of disciplines around the world. REED's website (reed.co.uk) has grown to become the number one job site in the United Kingdom, and the biggest in Europe. The site now receives more than 50 million job applications a year. This Q&A features James Reed, chairman of REED, on his inspiration in creating his company and the opportunity for this model to be replicated in the United States. Reed is a graduate of the Harvard Business School, Oxford and St. Paul's.

Q. Many of the business school cases that we study often focus on protagonists who were streamlining operations, which is sometimes a euphemism for cutting positions. So, I'm wondering what was the inspiration for you to help people secure new jobs?

The opportunity originally came about for REED to use its recruitment expertise to help people who have been long-term unemployed, through a government-funded program

in 1998. We have since successfully delivered welfare-to-work programs that have helped more than 140,000 people who had been long-term unemployed get back into work. Unemployment is a very serious problem and anything we can do to reduce it is a help to society. For the individuals, they are able to recapture a sense of self-esteem that was often lost many years earlier. I have heard many uplifting stories over the years, one I remember in particular was a man who was able to buy his children Christmas presents for the first time in many years.

Q. Well, I'm wondering how you were able to build such a large welfare-to-work program. I can't imagine that these long-term, unemployed people had the resources to pay for such support, compared to the typical REED customer?

The employer receives the REED service for free. That's an important thing to make clear – the program is completely funded by the government who pay REED when we place the individual in sustainable work. This is usually defined as any period of employment of at least six months. Of course for the people we help, our recruitment service is completely free. Our business offers many different forms of support to people who have found it difficult to secure work. This ranges from giving them a greater understanding of the job market to transforming their resume, interview coaching and most importantly, building their confidence. One particular

example that springs to mind is when someone came into our office in East London and told us he had nothing presentable to wear to an interview that afternoon. One of our team, to his eternal credit, responded by taking off his own suit and giving it to him.

Q. Well, while your program has been very successful across the United Kingdom, I'm wondering what are the top three recommendations that you have for US-based leaders to consider as they strive to help build their sustainability as well as to support society?

My advice would be make sure your organization is open to hiring people from all sections of society. Do not arbitrarily exclude people who have employment gaps. Many of these people have just been unfortunate in some reason or other. Our experience is that people who come from tough realities turn out to be very loyal and dependable team members over the long term. This is something that all employers can do and there is an obvious benefit to society.

It is also worth exploring whether there are opportunities to work with local or regional government to help people transition back into work. There may be grants that you could take advantage of. Working in this way could be financially beneficial to your business as well as strengthen relationships with your local community.

Even if you are not able to provide these services yourself,

there are probably companies already working in the welfare-to-work space who you can partner with. By partnering with these companies you can reinforce positive brand recognition and extend your reach within the community you serve.

About the author: Michael Wong has over twenty-five years of sales, marketing and strategy consulting experience working directly for Apple, AstraZeneca, IBM and Merck. His insights have been shared in publications including the *Harvard Business Review*, *MIT Sloan Management Review*, *Philadelphia Social Innovations Journal*, and PM360. Mike can be reached at mwong@mba1990.hbs.edu.