



**Beyond Governance**

Creating clarity, improving business

**DECISION**  
MAGAZINE



# The Responsible Business

**A meeting with:**

**Ed Gairdner**

*Chief Operating Officer*

*iplicit*

Extract from a DECISION magazine report co-commissioned by Beyond Governance

# Introduction

What we are experiencing could be described as the business equivalent of the perfect storm.

The convergence of a new generation with a distinctive mindset, the sudden realisation and acceptance that the environment clock really is now counting down, coupled with the dramatic increase in the pace of technological advances, and the impact of Covid-19 which has been to fast-forward change.

As a consequence, are we having to re-evaluate the purpose of a company its priorities, indeed the role of governance?

So how would we now define what constitutes a responsible company – and who should it be responsible to?

Arguably, being a responsible business provides the foundation for sustainability, innovation, productivity, because it establishes a culture which has the required mind-set. But what are key characteristics, and how might they change over time?

For a digital book co-commissioned by Beyond Governance, to be published by DECISION magazine, directors from across generations and market sectors share their thoughts.

This is one of the interviews to be included.

# Ed Gairdner

## Chief Operating Officer Implicit

“Let’s look at the question of the purpose of a business generically for a moment. It’s about a company having a value proposition for its target audiences because it is in a position to exploit a need others haven’t realised.

“Your people at the end of the day are the interface between you and the market so if they are really going to deliver the company’s potential, they need to identify with your vision and values and want to extol them.

“From the creation of marketing collateral to after-care service, at every stage delivery should align with values. There is another commercial imperative in that values help deliver a seamless experience to the customer.

“If you want to see evidence for the increasing requirement for companies to demonstrate ‘responsible’ credentials, just consider how virtually overnight ESG has taken over from CSR in what is quite a step change. With government procurement for example, there is a need to demonstrate the ESG piece.

“Companies of all sizes are constantly being asked about their supply chain by both b2b and b2c customers so arguably change is being driven bottom up, not just top down, as well as from the sides as well. Now job applicants and customers are asking the questions.

“Although companies need to be front foot about ESG to attract funding for growth, it is interesting that they are also being driven internally not just externally because of the need to meet the expectations of the new generation of employee. The big change is that employees are doing due diligence on a company; it’s not just potential customers and suppliers.

“I would say a company’s ESG and its P&L are interlinked already; at the very least they are aligned because how a company makes its money will have an impact on ESG.

“Part of the DNA of a responsible business is expectation management. I hate the phrase ‘the journey’, but stakeholders need to understand the vision.

“There is no point putting your head above the parapet if your people aren’t prepared to follow you, or they attempt to shoot you in the back because they can’t understand what you are doing and fear for their future because of your actions.

“You could say this is where governance has a part to play. The fear for the entrepreneur is that governance equates to a more defensive, less innovative approach.



*Ed Gairdner*

“But even the most entrepreneurial business will get to a point where it has to operate as a company. It can have a great product and growth potential, but it will also need structures and policies in place to continue to capitalise on its competitive advantage. Governance is there to sustain not retard growth.

“It’s easier to put in governance at an early stage of a company’s development because the alternative is that later on progress might have to be held so that some existing procedures can be unpicked and rebuilt. Increasingly it’s not possible to simply underpin to strengthen what is already in place. But you can’t expect to land it all at once. As with everything else in business, you have to prioritise what’s most important.

“In a simple sense, you could say customers are an indicator of the effectiveness of a company’s governance. A company can measure how many are voting with their feet if it isn’t delivering what it says it is going to.

“How do you sell governance within an organisation? Not by saying to people here are your instructions. There has to be osmosis. When an employee is required to take on a new way of working, you can sense that the first response will most probably be negative. So don’t try to wedge it in. Explain how it makes growing the business easier, the positive influence it will have on their work. If someone says this is going to make things slower, I say let’s talk it through. We’re all on the same side, so we’ll see how we can address this so that being able to review and monitor isn’t a constraint.

“Governance delivers confidence, which I think is quite a good description of its effect.

“It has been argued that ISO and B Corp accreditations mean a company can tick off governance as done. Really? I would say accreditation doesn’t necessarily address and implement your risk management level, accountability, responsibility, what transparency internally and externally really looks like.

“Accreditation does help a business to identify what good looks like, and the alternative is that it would have to mark its own homework. And accreditations help drive the right behaviours because of the procedures which have to be followed.

“I would definitely argue that diversity and inclusivity are lagging behind in ESG, which fast-growing companies will need to be able to address if they are to attract and take on the best talent.

“A problem here is that the tendering process can result in governance being applied as a tick box process. If we just look say at the diversity disclosure, a company should have the opportunity to explain the background to the statistics.

“The future? What we need to see across society, and the environmental crisis is sufficient reason, is that rather than just looking at what you can get out of life, the question for both companies and individuals is what can we do to actively give something back.”

iplicit, the mid-tier accounting software company ranked eighteenth of the fastest growing UK companies and one hundred and third on the Europe-wide FT1000 list produced by the FT and Statista.

[www.iplicit.com](http://www.iplicit.com)

Beyond Governance is a multi award-winning full service consultancy that collaborates with the c-suite, chair, board and investors to unlock value, resulting in increased shareholder and stakeholder confidence, increased share prices and achievement of business objectives.

Our three distinct service offerings, are dedicated to addressing the most critical issues and opportunities facing our clients. Our strength lies in creating value that transcends traditional boundaries and connects the silo'd elements within organisations.

Our Boardroom Advisory team specialises in strategy, organisational design, operational efficiency, technology integration, transformation initiatives, digital strategies and analytics, corporate finance and mergers & acquisitions as well as sustainability.

Our CoSec-on-demand group works with governance and secretariat teams to support them on a project basis, working with them on governance frameworks, subsidiary management, software audits, entity rationalisation as well as joining their risk registers to provide emergency cover, all done outside of IR35.

Our Training teams works with institutions big and small to help narrow the gap between theory and day-to-day practice. Industry experts had expressed concerns regarding the future outlook of the governance profession, and we felt we could help address these needs by sharing our experiences. Our training clients include members of the Big 4 and FTSE.

In 2020, Beyond Governance became the UK's first certified B-Corp consultancy in its sector.



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*The interview with Ed Gairdner was  
undertaken with Erika Eliasson-Norris,  
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## **About DECISION magazine**

First published in 1988, DECISION magazine reflects the business lifestyle, the trials and tribulations, the hopes and aspirations of business owners and directors responsible for businesses with a turnover of £5million and above across the south of England and London.

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