

**MOVING
WORLDS**

Can Capitalism Lead a More Sustainable and Equitable Recovery?

The case for more social enterprise inclusion in
corporate supply chains and the global economy ———



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In 2011, 20% of S&P 500 companies published sustainability reports; by 2019, that number reached 90%. This dramatic increase reflects how sustainability reporting is increasingly seen as a way for companies and their stakeholders to see a changing world more clearly and create long-term value.

Business for Social Responsibility Report



Summary —

From September through December 2020, we set out to answer an important question: **How can the most potent force in the world be used to help build back better?** To answer this, we explored how companies are prioritizing sustainability and equity initiatives in 2021, and what role social enterprises play in this shift. The findings are below, as well as more information about what MovingWorlds will be doing to help spearhead this movement.

This is what we learned:



Companies are missing out on the “biggest business opportunity” of our time and exposing themselves to notable risk by not integrating sustainability and equity into their core strategy. [Read more.](#)



CSR leaders are using the 2020 crisis to build the case for more strategic social and environmental impact initiatives within their company, but they are chasing too many initiatives and losing focus on the vital importance of building executive and board-level sponsorship across their enterprise. [Read more.](#)



Social enterprise leaders are overly focused on raising money through investment and philanthropy, rather than through building sustainable and equitable revenue-based partnerships with other businesses, which would expose them to a market of \$13 trillion in business-to-business spending. [Read more.](#)



Accelerators, social enterprise investors, foundations, and other empowerment organizations overly concentrate on raising grants and next-round funding for their constituents, instead of using their connections to facilitate business-to-business revenue opportunities. [Read more.](#)



Policymakers are missing out on innovation and sector-building opportunities to incentivize social enterprise involvement as part of COVID recovery plans. [Read more.](#)

Introduction —

Rebuilding and redesigning efforts initiated as a result of the 2020 crisis provide one of the “biggest business opportunities of all time”, while also offering the potential to accelerate overdue and badly needed social and environmental reforms. And yet, we are falling far short in our goals and actions.

While many organizations are focused on recovery and short-term sustainability factors, there is a massive opportunity for those who use this time to reimagine – and help build – a more just, sustainable, and equitable economy.

In this report, MovingWorlds set out to identify how partnerships with the corporate sector and social enterprises, as well as the ecosystem of players that influence them, could be mobilized to bring out meaningful change.



The two biggest challenges that need to be addressed are climate change and inequality, and frankly they're closely related. By not addressing climate change we're actually pushing more people into poverty. And it's not us, we are well protected in our islands of prosperity, when the majority of this world lives in a sea of poverty. Achieving the Sustainable Development Goals (SDGs) is probably the biggest business opportunity that we've ever seen in the history of mankind. The cost of inaction is actually higher than the cost of action. The cost that businesses are incurring by not achieving any single goal is actually more expensive than the cost of achieving all of the goals.

Background —

Given the crises of this past year, we wanted to understand how companies are prioritizing sustainability and equity as part of their core business and operational strategies in 2021 and beyond. During our research, we were on the lookout to see if “social enterprises” were being considered a strategic stakeholder group. In this report, the term “social enterprise” means an organization that uses market-based principles to create a sustainable social and/or environmental impact, while operating in a highly ethical and sustainable way (more on this on [Page 7](#)).

As an ecosystem approach is needed to building a more sustainable, stable, and equitable economy, this report focuses on five interlinked stakeholders:



Outline —

1. What social enterprise is and why we focus on it →
2. The benefits of social enterprise inclusion in the mass-market economy →
3. Key insights, examples, and recommendations on each of the five groups:
 - a. [Corporate leaders & boards](#)
 - b. [Corporate Social Responsibility \(CSR\) leaders](#)
 - c. [Social enterprise leaders](#)
 - d. [Social enterprise support organizations and investors](#)
 - e. [Governments](#)
4. Opportunities to stay involved →
5. What we read (that we think is worth sharing) →
6. Interview summary →
7. Definitions →

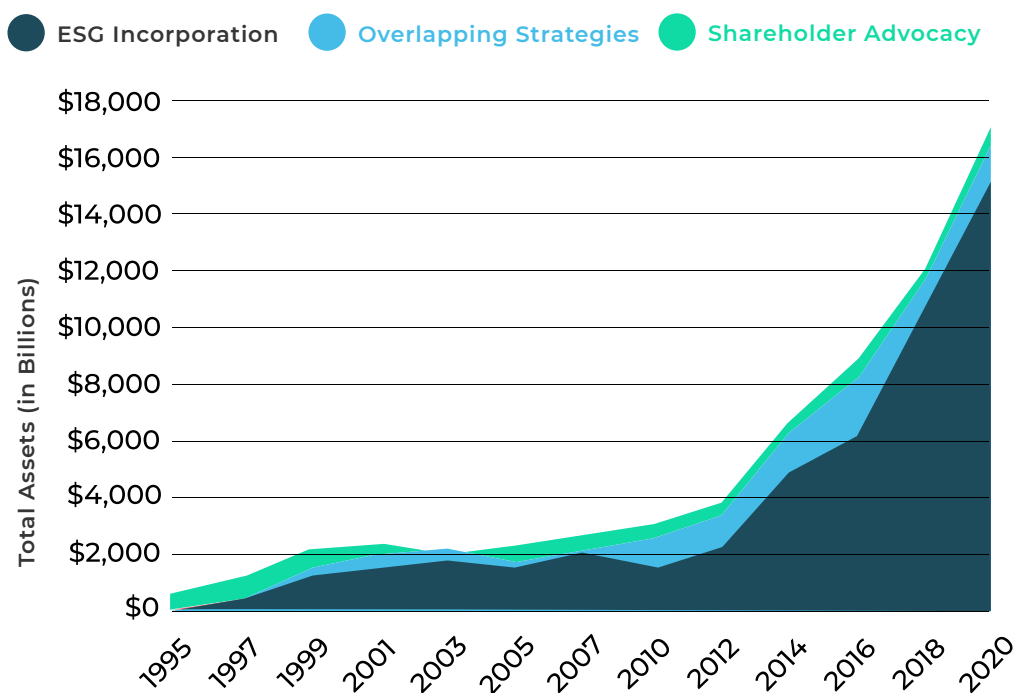
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Companies are making bigger commitments on sustainability, equity, justice, and other social factors... Most don't know how to achieve this. In order to achieve them, they will need to partner with a new type of enterprise, the social enterprise, which prioritizes and measures – sustainability, equity, and justice factors alongside profit. When these businesses with a social focus are integrated into supply and distribution chains, only then can corporations reach their increasingly audacious sustainability and equity commitments.

Strategy Consulting Firm Leader

Global investing in ESG funds is growing rapidly. This image focuses solely on U.S. investment funds.

Sustainable Investing in the United States 1995-2020



Source: US SIF Foundation

ESG investment funds experienced a record inflow in 2020, with the global total now equal to \$40 trillion – this is larger than the entire U.S. economy.

Social Enterprise —

Definition and Rationale for Focus

What is a “social enterprise”?

In 2007, Sally Osberg, the CEO of the Skoll Foundation, wrote an article titled, [Social Entrepreneurship: The Case for Definition](#). Some 14 years later we still are far from a common definition.

Out of over 70 interviews, we found just over 50% of those we spoke with had a shared definition of the term. For this paper, we will use the term “social enterprise” to define any entity that uses market-based principles to create social good (which we define as progress towards the U.N. Sustainable Development Goals) while actively managing any harm it may create (i.e. income inequality, carbon emissions).

While a non-profit can be a social enterprise, the most likely indicator of a “social enterprise” is a for-profit entity that includes a social and/or environmental mission in its articles of incorporation. It also actively measures, publicly reports, and improves on factors related to community, government, employees, customers, and the environment (in the U.S.A. a “Benefit Corporation” is an example of a social enterprise).

Why are we focused on “social enterprises” in this research?

Even the most ardent free-market capitalist acknowledges that capitalism comes at a cost to society, democratic institutions, and the environment. They will also likely acknowledge the [Tragedy of the Commons](#). Since 1920, proponents of the [Pigovian Tax](#) concept have argued that organizations should be economically liable for their external costs (a carbon tax is an example of a Pigovian Tax). These same capitalists are likely to argue that in a free market the invisible hand will correct the wrongs. Yet, no correction has taken place, and if 2020 is a guide, inequalities and environmental degradation are continuing to increase, putting democratic institutions and the planet in peril.



Investors require accounting standards that now monitor this imbalance, and for good reasons: as Bill Gates **argued**, “If you think COVID-19 is bad, climate change will be worse”. Much of the damage done to our environment is irreversible, making social enterprises relevant and critical in our current world.

Social enterprises are legal entities that are built to be positive for society and the environment from day one, which includes managing their own externalities, while forcing the larger system they work in to also become sustainable and equitable.

“Simply stated, a sustainable and equitable society is only possible if the individual entities within them are designed and managed to achieve sustainability and equity. As an example, in order for Amazon to become a sustainable company, we must ensure that the enterprises selling on the platform are also sustainable.”

The World Economic Forum has continued to spotlight and increase its focus on supporting social enterprises, including issuing a special report as a result of the 2020 crises to help facilitate social enterprise creation and growth.

Here are a few examples of social enterprises that have created meaningful partnerships, which in turn enabled big companies or municipalities to operate more sustainably and equitably:

Desolenator

A solar-powered desalination plant partnered with Carlsberg brewery to supply water in a more sustainable and climate-neutral way.

Kasha

Kasha, a women's health education platform and marketplace helps distribute and sell feminine hygiene products through partnerships with corporations like Unilever.

A-R-E-D

A-R-E-D, a solar-powered charging station and mobile hotspot, partnered with Microsoft, the United Nations, local governments, and more to bring Wi-Fi to communities that previously did not have internet access.

Seabin

Seabin, operates floating trash cans for marinas that collect waste while also gathering data on water quality which governments use for monitoring purposes.

Ikea

IKEA partners with social enterprises to bring more sustainable, ethical, and higher quality products into its stores.

SAP

SAP has committed 5% of its procurement spend with social enterprises and **partnered with MovingWorlds** to build social enterprise capacity.

Read more in our summary from the World Economic Forum.





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There are many corporate social responsibility efforts that are nothing more than glorified greenwashing. We need to realize the social enterprises have figured out unit economics at the first and last mile -- this is the biggest problem that businesses struggle with, and here are social enterprises that have figured it out. They are the most innovative group. We are increasing our investment in this stakeholder group and we now have executive support to do so, which has been critical in helping align leaders from across the business partner with CSR in a more strategic fashion.

Global CSR Leader



Key Finding:

Corporations

Insight

Only about 1% of publicly traded companies have a “Chief Sustainability Officer” (or equivalent). Corporations are missing the “biggest business opportunity of all time” by ignoring this role and are exposing themselves to notable risk by not prioritizing sustainability and equity in internal operations as well as their supply, distribution, and value chains.

**This is
evidenced
through:**

1. Missed opportunities in innovation caused by not partnering with social enterprises that have figured out first and last-mile unit economics, like Unilever and women's health brand Kasha.
2. Overlooking the connection between CSR and business objectives and confusing CSR with philanthropy, which isolates it from strategic business conversations – only 10% of boards prioritize this conversation.
3. Thinking about CSR as overhead instead of a strategic asset that helps every business unit achieve its goal. This is especially important given that over 50% of CPG growth was driven by sustainably-marketed products. The WEF has researched an action plan for all stakeholders to utilize this competitive advantage.
4. Undervaluing the “purpose” and “ethical tech” crisis, and how the growth of employment and consumer preferences is already affecting their businesses. Meanwhile, the best places to work have more than doubled the performance of the S&P 500.
5. Not adequately preparing for upcoming regulatory and reporting requirements, most notably in the EU, which is likely to revise its “Non-Financial Reporting Directive” this year.
6. Undervaluing the scrutiny and power of procurement teams, and will soon cause a lag in RFP and bid opportunities, which are increasingly requiring sustainability and equity thresholds and reporting, especially in big government contracts.
7. Reputational damage and fall behind leaders, as seen in companies like Apple and Starbucks which are tying executive compensation to equity and sustainability metrics, a tactic increasingly important for winning over governmental goodwill.
8. The surprisingly low cost of deep decarbonization across supply chains which results in an increase of only 1-4% on end-consumer prices.

Example

Take Microsoft as an example... This tech giant has prioritized sustainability, declaring it will become carbon negative and water positive. Along with its accessibility initiatives, Microsoft leverages this competitive advantage to win massive contracts such as its partnership with the Canadian government and JEDI. Progress is being made and it is already paying off.



Key Finding:

Corporations

What Should Be Done

Executives and boards should:

1. Get educated on these topics with a formal committee and accountability structure, as well as certifications (i.e. through Competent Boards).
2. Develop a strategy that integrates CSR into core business units.
3. Create a CSR position at the executive level with board reporting requirements.
4. Measure executive and board performance with sustainability and equity targets (i.e. Starbucks, Apple tied compensation to diversity targets).
5. Broaden the scope of procurement teams to look beyond cheapest price, and include key metrics that map to sustainability and equity targets.

Signs of Progress

"Investors, especially in Europe, are setting higher standards and putting pressures on boards. Some executives are now even measured on achievement of ESG and/or diversity targets. Enlightened companies with sophisticated leadership realize the competitive advantage that comes with being a leader."

Thought-leader, author, research on corporate reporting

"When these [non-financial] numbers appear, I'm confident that investors are going to engage with those companies that have transition paths to better, more sustainable business models and will desert those that are blind to this need."

Ronald Cohen, Venture Capitalist

On Going Barriers

"Our board will not take action until there is a SEC reporting requirement."

Board member of U.S.-based publicly-traded company

"On account of our highly regulated industry, it is very expensive for social enterprises to adhere to all our quality control requirements."

Head of social impact, global pharmaceutical company

"Boards are obstructing ESG - at their own peril. PWC's 2020 Annual Corporate Directors Survey found that only 38% of board members think ESG issues have a financial impact on a company. A main part of the problem is that boards lack ESG expertise, according to a new study."

Tensie Whelan, Director of the NYU Stern Center for Sustainable Business

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There is a growing movement around the purpose of companies that is certainly noteworthy and many of the biggest corporate executives are thinking about this. But companies are legal entities that were incorporated for a reason, and leaders need to be careful about what they stand up for. Employee populations are increasingly diverse – racially, geographically, and politically – and corporations cannot be the moral consciousness of employees. It is an important question, but it needs to be considered carefully and with consideration of long-term implications.

Board Member





Key Finding: CSR Leaders

Insight

CSR leaders are using the crises of 2020 to build the case for more strategic social and environmental impact initiatives. But they are chasing too many initiatives and losing focus on the importance of building more strategic executive and board-level sponsorship across their enterprise, resulting in a low 10% success rate.

Today's CSR leaders are often overworked and overextended. Pressure from non-focused leadership teams and the board, as well as growing employee activism, has led to the failed attempt to take on too many programs at once. As a result, many company leaders and CSR leaders believe that CSR functions are not positioned to purposely achieve SDGs, let alone meet the demands of employees.

Another major challenge is that truly meaningful CSR programs are often sidelined by a focus on achieving certain "vanity metrics" like volunteering hours and/or employee giving/matching goals.

One interviewee likened the CSR role to that of HR. Some companies will continue to look at HR (and CSR) as general overhead. Others (think Google's People Operations) look at HR as a competitive advantage where HR business partners are strategic counterparts to the business that help fuel performance and innovation (Google does not treat CSR this way). CSR leaders are most likely to find partners in marketing and people/HR functions, but are generally overlooking the revenue generating parts of their business. Innovative leaders also find ways to integrate social and environmental initiatives into the business by engaging at the board and executive level.

Increasingly, business units in charge of sales and distribution benefit from the reach and trust into previously inaccessible markets provided by partnering with the social sector. Supply chain units are also looking to diversify their supplier base and can partner with CSR leaders to accomplish this. The World Economic Forum predicts massive innovation and capital as companies race to net-zero.

Example

Take this business-to-consumer marketplace as an example... One CSR leader was trying to make it easier for customers to filter its marketplace offerings so they could find socially responsible options. Somehow her request never made it on the priority list. The racial equity movement in 2020 gave this idea new momentum and in 2020, the firm added a filter for identifying a black-owned businesses. There remains no buy-in (yet) for adding a similar filter for identifying sustainable business filters, despite the rapid growth of social enterprises, and other entities that strive for sustainability. This is despite the rapid growth of the social enterprise: 1 in 3 new organizations exist for a higher purpose.



Key Finding: CSR Leaders

What Should Be Done

Successful CSR strategies need to be integrated with the core business. This can be achieved with the following steps:

1. Set a long-term vision for your company's CSR that integrates into the core operations of the business.
2. Measure and report on your impact using key indicators related to employee satisfaction and retention, innovation, impact on the core business, and impact on society. Ditch metrics related to volunteer hours and donation amounts.
3. Be relentless about getting C-level and board exposure.
4. Build value for other key business leaders by helping them achieve their own goals. Measure how CSR is a contributing factor in this.
5. Stay focused on the strategy. Avoid the distraction trap of "shiny" new initiatives and meaningless targets.
6. Invest in educating employees and managers about the benefits of partnering with social enterprises, especially within procurement teams.
7. Partner with procurement teams to understand how to source from social enterprises and invest in building their capacity.

Signs of Progress

"We must start by asking... 'what will citizenship look like in 5 years?' Our strategy was to be positioned as responsible business leaders - this was pushed by our owners, our HR leader, and our business opportunities - and this is in-line with our CEOs vision to have a purpose driven organization."

CSR leader of international professional services company

On Going Barriers

"We are trying to engage in meaningful conversations with our leadership about changes to our core business and operations to create less harm and include social enterprises, but the short-term 'profit maximization' mantra blocks us again and again and again..."

CSR leader of Direct to consumer marketplace

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CSR leaders need to pat themselves on the back for encouraging the growth of this role but now we need to work even harder to take advantage of the opportunity for the CSR profession that has risen on account of the crises of 2020.

Corporate foundation leader of publicly traded company

Like many companies, we have gone virtual and this has proven to be a great move. That said, we are very concerned about how we can build a strong corporate culture with limited face to face interaction. Engaging employees in social impact activities is a key part of both how we want to share our purpose, and also a very important recruiting tool.

Head of social impact at high-growth Silicon Valley tech firm





Key Finding: Social Enterprise —

Insight

Social enterprise leaders are overly focused on raising money through investment and philanthropy, rather than through building sustainable and equitable revenue-based partnerships with other businesses, which would expose them to a market of \$13 trillion in business-to-business spending that is actively spending to increase sustainability and equity.

Social enterprises are not investing in the right long-term strategies to build partnerships where their unique skills sets and innovations can solve market-based needs of large institutions. We did see some that are excited about the chance to accelerate their growth and impact. These companies are increasing their focus on tapping into the over \$13 trillion dollars' worth of B2B spending that occurs every year between small and growing businesses that connect into global supply chains.

However, they consistently attempt to sell to the wrong buyer at the wrong company with the wrong value proposition. And they give up too early. Social enterprises tend to target the big brands without understanding the value they can provide and/ or the concerns companies might have about supply chain risk. What they should be doing instead is looking at full value chains and identifying the most realistic buyer, given their size and scope.

Example

Take this ocean plastic social enterprise as an example... After one sales miss at Gucci, it gave up on trying to sell its waste to enterprises. Through the S-GRID program, it learned that other buyers are better targets, like local manufactures and fabric producers who are equipped to work with smaller businesses. Meanwhile, Change Please, a cafe that employs people experiencing homelessness, pivoted to wholesale B2B (instead of a B2C cafe) through office, catering, and events. It now generates 80% of its revenues through B2B and has been able to develop international distribution channels.



Key Finding: Social Enterprise

What Should Be Done

Social enterprises need to focus on building positioning, sales, and customer success models to tap into the \$13 trillion market opportunity of business-to-business transactions. This is done by:

1. A thorough analysis of the full value chain they operate in, followed by a strategic customer discovery process to realize the highest potential opportunity.
2. Recognition that a long-term investment is needed to build lasting partnerships.
3. Investing in B2B sales efforts directed toward the most realistic buyer (most likely local, also other SGBs).
4. Planning for the complexity of business to business contracts by building out the capacity of your team, contracts, legal, and customer success models.
5. Communicating with accelerators, investors, and other network partners to make them aware of capacity-building needs.

Signs of Progress

"If you're a social enterprise looking for short-term revenue, help solve the distribution gap."

Social innovation leader at an international pharma company

"We see social enterprises try to integrate into supply chains, but this is risky and takes a long time. The most prevalent success stories are social enterprises connecting to revenue via sales and distribution."

Author and business executive

On Going Barriers

"I refuse to partner with a corporation that has shareholders."

Social enterprise founder and CEO

"Too often, we see founder egos keep them from realizing a better market and impact opportunity."

Director at impact investing institution
Direct to consumer marketplace CSR leader

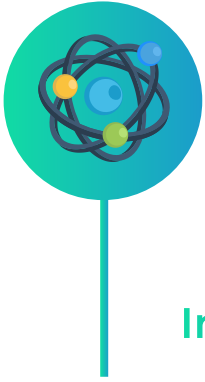
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Profitable companies built in questionable ways and employing reckless means engage in corporate social responsibility, and some rich people make a splash by “giving back”—regardless of the fact that they may have caused serious societal problems as they built their fortunes. By refusing to risk its way of life, by rejecting the idea that the powerful might have to sacrifice for the common good, it clings to a set of social arrangements that allow it to monopolize progress and then give symbolic scraps to the forsaken—many of whom wouldn’t need the scraps if the society were working right. Are we ready to hand over our future to the elite, one supposedly world-changing initiative at a time? Is the decrepit state of American self-government an excuse to work around it and let it further atrophy? Or is meaningful democracy, in which we all potentially have a voice, worth fighting for?

Anand Giridharadas, *Winners Take All:*
The Elite Charade of Changing the World



Key Finding:

Capacity Building —

Partners & Impact Investors

Insight

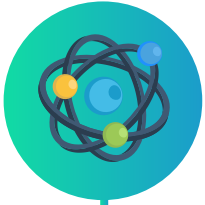
Accelerators, social enterprise investors, foundations, and other empowerment organizations are overly focused on grants and next-round funding, instead of using their connections to facilitate business-to-business revenue opportunities.

These organizations are needed now more than ever before. Though philanthropy still plays an important role, much of its spending is misdirected. Our research shows that social enterprises are overly focused on raising investment via impact investors or grants. This focus on “growth through investment” has social enterprises competing for impact investment dollars, which cap at \$715 billion.

Meanwhile, over \$13 trillion worth of transactions occur between businesses in the small and growing business sector every year, which represents a very real and repeatable market opportunity. However, social enterprises struggle with the more complicated B2B sales process, customer success models, and legal requirements. We did not find one impact investor accelerator that

Example

Take a direct-to-consumer coffee mail order service as an example... After a new corporate contract, it failed to submit an invoice for over 6 months on account of its systems not being set up for bulk sales – this is an award-winning venture backed by a very popular accelerator and investors. Another social enterprise offering to deliver masks from a female artisans community asked for 4 weeks of lead time to produce enough masks for a corporate partner, yet even with a sales opportunity and partnership for funding, it could only fulfill 5% of the demand.



Key Finding: Capacity Building — Partners & Impact Investors

What Should Be Done

Social enterprise support organizations can do much more than help accelerate growth through fundraising and investment efforts. They should equally prioritize building networks and sales opportunities through actions that require them to:

1. Connect alumni of programs in bigger networks – maintaining an alumni community with customized programming is challenging and costly, so partner with others.
2. Help source sales opportunities. Instead of demo days for investors, bring in governmental, corporate, and other large entities to hear pitches from social enterprise to support business connections.
3. Invest in training and support on B2B sales and customer success models, including support in navigating legal requirements.
4. Build more effective sales and delivery operational standards so that they can more strategically tap into global procurement opportunities.

Signs of Progress —

"We have seen some progressive companies – IKEA, J&J, Unilever – take active steps in including social enterprises in supply and distribution chains. It takes a long-term commitment, sometimes two or three years, but it shows that the investment works and is in the benefit of all partners."

Social enterprise accelerator leader

On Going Barriers —

"Oftentimes, CSR or corporate foundations pay our bills – when they require us to support publicity efforts for projects that don't move our mission forward, we are compelled to still support it."

Sworn to secrecy

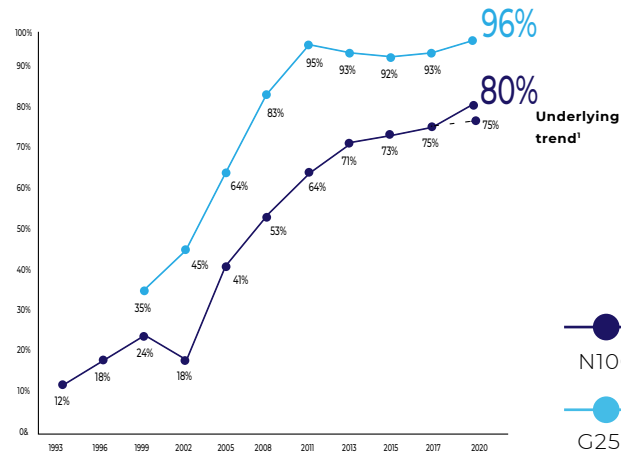
"We can't rely on companies to make a meaningful investment, including social enterprises in their supply chains."

Impact investor

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ESG reporting is growing rapidly: The KPMG Survey of Sustainability Reporting 2020

Growth in global sustainability reporting rates since 1993: N100 and G250



Base: 5,200 N100 companies and 250 G250 companies
Source: KPMG Survey of Sustainability Reporting 2020
1. The N100 underlying trend reflects the global sustainability reporting rate when analyzing reporting by the top 100 companies in the same group of countries and jurisdictions in both 2017 and 2020.

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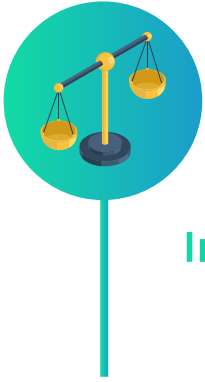
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In August 2019, more than 181 US CEOs signed a statement committing themselves to a new understanding of businesses' role in society—investing in employees, supporting communities, and dealing ethically with suppliers in addition to shareholder value. The idea of the “triple bottom line” profit, people, and planet has become mainstream, as have socially responsible investment funds.

McKinsey

Policymakers are increasingly requiring ESG disclosure around the world. For example, the European Union (EU) will tighten its “Non-Financial Reporting Directive” in 2021, which requires environmental, social and governance (ESG) disclosure from companies with more than 500 employees doing business in the EU. And it’s likely that the incoming U.S. administration will introduce new ESG mandates as well.

Tim Mohin in article, Can we finally standardize ESG standards?



Key Finding:

Government —

Insight

Policy makers are missing out on innovation and sector-building opportunities by not incentivizing social enterprise involvement as part of COVID recovery plans.

There is a slowly emerging trend of passing legislation to support social enterprise growth, including formalizing the “Benefit Corporation” as a legal entity and adding ESG reporting to requirements (this is already happening in India, expanding in the U.K., and becoming more rigorous in the European Union).

One-third of new businesses are incorporated with a commitment to social impact. In addition, governments are increasingly adding more stringent requirements in big spending projects (i.e. infrastructure, technology) that require levels of carbon reporting, ESG factors, equity factors, and more.

Over \$500 billion in “Green” or “Sustainable Development” bonds are already in the market and are expected to increase rapidly. However, governments have been slow to provide other acceleration. A tax system that anticipates a binary world of charities and capitalism may be unable to accommodate this. Consequently it may function as a constraint on the contribution of social enterprise to the common good.

But there is hope. Some countries like the UK are innovating ways to implement the Social Investment Tax Relief to benefit those who invest in social enterprises by giving 30% of the investment as a tax reduction for that tax year. Other city governments, like the Hague (Netherlands) are focused on building an ecosystem that supports the start of social startups (not just tech startups).

Example

Take one international development bank as an example... For any new infrastructure projects that it funds, it will require governments and the contractors to account for social and environmental factors, such as carbon reporting, pay parity across genders, gender safe bathrooms, and more. For companies seeking to win government bids, providing this data will soon become critical.



Key Finding: Government —

What Should Be Done

Analyze assets, not just legislation. Governmental spending can go to social enterprises, and contracts and subcontractors can be pressured to report on important ESG factors.

Follow the five recommendations from Catalyst 2030:

- Leverage the power of open information
- Build capabilities among civil servants and systems social entrepreneurs
- Develop funding models that recognize the characteristics of systems social entrepreneurs
- Promote collaboration within and across sectors
- Foster institutionalization by co-creating or adopting successful innovation

In addition, on account of social enterprises having a strong understanding of local constituents, they are valuable partners for data gathering, research, innovation, and implementation of new programs.

Signs of Progress —

"We will see more government spending, which is typically massive in size, require vendors and suppliers – and therefore their subcontractors – to report on important factors like environmental impact, gender equality, and inclusion."

Leader at international development bank

'We missed social entrepreneurs in the first two crises of this decade; we cannot afford to miss them again.'

Chantal Line Carpentier, Chief of the New York Office of the Secretary General at UNCTAD, USA

On Going Barriers —

"We are unlikely to pass any legislation in the U.S... Europe is much more forward-thinking on this."

Sworn to secrecy



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Corporate action is essential to achieve the SDGs, however corporate leaders struggle to align their efforts to these goals. The more enlightened companies view this as a dynamic business opportunity that will engage employees and foster innovation. Other leaders view it as a cost that should be deferred as long as possible.

Corporate Foundation Leader of Publicly Traded Company

Support the movement —

by partnering with MovingWorlds and S-GRID

The MOVINGWORLDS S-GRID program was launched in 2020, with generous support from SAP, to help build a more sustainable and equitable global economy by supporting social enterprises in building business-to-business partnerships with the corporate sector.

Over 75 social enterprises have already benefited from this program. We are currently increasing our investment to help more social enterprises grow and create jobs, while also integrating more sustainability and equity into the global economy.

Stay Involved



Sponsor the S-GRID program for international recognition on contributing to rebuild, recover, and reimagine efforts.



Partner with MovingWorlds S-GRID via our **S-GRID Corporate Platform** to scale your impact by engaging and empowering more of your employees and partners.



Apply to S-GRID to benefit from an expanding network, the development of your skills and the skills of your team, and the ability to find expert pro bono support to overcome any challenge.



Partner with us in promotion, insight sharing, and partnership building to better support social enterprises:

csr@movingworlds.org



Work with our network or corporate partners and social enterprises to help build the social enterprise movement: **csr@movingworlds.org**

Continuing the research —

All good research projects often yield as many new questions as they do answers. In 2021, we will be focusing on:

- How to build the case with executives and boards for more executive sponsorship and ownership of key performance indicators
- How to best partner with key business and operational units across the company and breakdown the silos between the different units.
- How to more effectively include social enterprises in corporate value chains (innovation, supply, distribution, people, and finance).
- How to integrate sustainable and equitable thinking into more layers of the organization, including the level of managers and individual contributors.
- How to position CSR as a value-add to all other business units so that these units approach CSR with requests for help and even provide additional funding to CSR programs and funding.



We will be sharing findings in periodic calls, and we will invite a closed network of corporate leaders with social responsibility ownership to attend and contribute.

If you want to stay on the mail list for these calls, [please complete this form](#). If you want to invite anyone that you think would benefit, please share this report and link with them.

Want to further explore these ideas and see how they relate to your organization? Let's talk! Schedule a time with us [here](#).



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Social entrepreneurs are the R&D engine for society and government. They design, test and debug new approaches that tackle the root causes of social problems. Once shown to work, their innovations inform better policies that increase prosperity, participation and equity for citizens from all walks of life.

Catalyst 2030 Report: How governments can unlock the potential of social entrepreneurs for the common good

What We Read —

(That We Think Is Worth Sharing)

Corporate Social Responsibility / CSR

- [Making Stakeholder Capitalism a Reality](#)
- [Corporate Social Impact: An Analysis of the Movement](#)
- [Accenture Data for Good Report](#)
- [CSR Salary Report](#)
- [Coronavirus Is Putting Corporate Social Responsibility to the Test](#)
- [Stop Talking About How CSR Helps Your Bottom Line](#)
- [Why Corporate Social Responsibility Doesn't Work](#)

Diversity and Inclusion

- [Starbucks Ties D&I to Comp. Will Others Follow?](#)
- [What I learned from talking to 20 diversity, equity, and inclusion experts](#)
- [Tech's attempts to diversify are failing. Here's what to do instead](#)
- [Employers asked to do more on racial inequality](#)

Employee Engagement

- [Ben & Jerry's: Don't expect instant gratification on purpose work](#)
- [In the past 12 years, Glassdoor's Best Places to Work have more than doubled the returns of the S&P 500 with consistency](#)

Corporate Sustainability & ESG

- [Boards Are Obstructing ESG - at Their Own Peril](#)
- [A \\$7 trillion climate change warning to the stock market from its biggest shareholder](#)
- [Corporate Sustainability Officers: Looking for a Seat at the Table](#)
- [Where Are Environmental, Social, and Governance \(ESG\) Considerations Heading in 2021?](#)
- [The 'Scope 3' Secret to Global Emissions Reduction](#)
- [We mustn't miss this crucial moment to create a global Sustainability Standards Board](#)
- [What if carbon removal becomes the new Big Oil?](#)
- [Next-Gen Sustainable Leadership: Changing the Way the World is Led](#)
- [Here's how companies factor in environmental, social and corporate governance concerns](#)
- [2020: The Year the Narrative Changed for Sustainability Reporting](#)
- [Science must determine company climate targets, say executives](#)
- [Center for Sustainable Business | Return on Sustainability Investment \(ROSI™\)](#)
- [IKEA's guide to developing and collaborating with social businesses producing products for IKEA](#)
- [How to Talk to Your CFO About Sustainability](#)
- [Apple will modify executive bonuses based on environmental values in 2021](#)
- [Five Steps to Good Sustainability Reporting](#)
- [Can we finally standardize ESG standards?](#)
- [Big data helps put numbers on sustainability](#)

Corporate Supply Chain, Procurement, and Distribution

- [State of Fluxx supplier report](#)

- [Early lessons from Wal-Mart's sourcing from women entrepreneurs](#)
- [Vulnerable Workers in Global Value Chains - Ambitious Collaboration Needed](#)
- [WEF: Decarbonizing Supply Chains Would Be Game-Changer for Fighting Climate Change](#)

Corporate Strategy and Shared Value

- [More than a mission statement: How the 5Ps embed purpose to deliver value](#)
- [CEO Activism Will Likely Continue in New Biden Era](#)
- [Most Executives Believe in the Business Case for CSR. So Why Don't They Invest More in It?](#)
- [Driving corporate growth through social impact](#)
- [Going Beyond ESG Scores: Putting Purpose at the Heart of Corporate Decision-Making](#)
- [10 Companies That Met the Urgency of 2020](#)
- [Responsible Business Summit - Keynotes from Apple, PayPal, and more](#)
- [Danone Creates New Yogurt Brand Using Ugly, Rejected Fruit](#)
- [Strategy is dead](#)
- [OECD | B4IG takes action for an inclusive recovery](#)
- [Why investors like socially responsible companies](#)
- [2020 Corporate Citizenship Conference: Business Solves conference](#)
- [How Business Can and Should Solve Social Problems](#)

Social Enterprise Support & Global Development

- [Social enterprises can change entire industries. This is how](#)
- [World Economic Forum COVID Response](#)
- [We can now see the true cost of globalisation](#)
- [Practical Steps Large Companies Can Take to Support their MSME Partners through the COVID-19 Crisis](#)
- [Buy Social Corporate Challenge](#)
- [Scaling Through Mass Disruption](#)
- [People Matter: Evolving Talent to Drive Impact at Scale](#)
- [A third of start-ups aim for social good](#)

Global Society & Trends

- [How governments can unlock the potential of social entrepreneurs for the common good](#)
- [Rebecca Henderson's Reimagining Capitalism in a World on Fire: Injecting Social Consciousness Into Once Forbidden Territory](#)
- [Leveraging Government Partnerships for Scaled Impact](#)
- [Human-made materials now outweigh Earth's entire biomass - study](#)
- [Capitalism Needs a Redesign, but Where Do We Start?](#)
- [The future is not what it used to be: Thoughts on the shape of the next normal](#)
- [Policies Drive Public Pension Divestments of Over \\$12 Trillion](#)
- [Harvard didn't divest from fossil fuels. So what does its 'net-zero' pledge mean](#)



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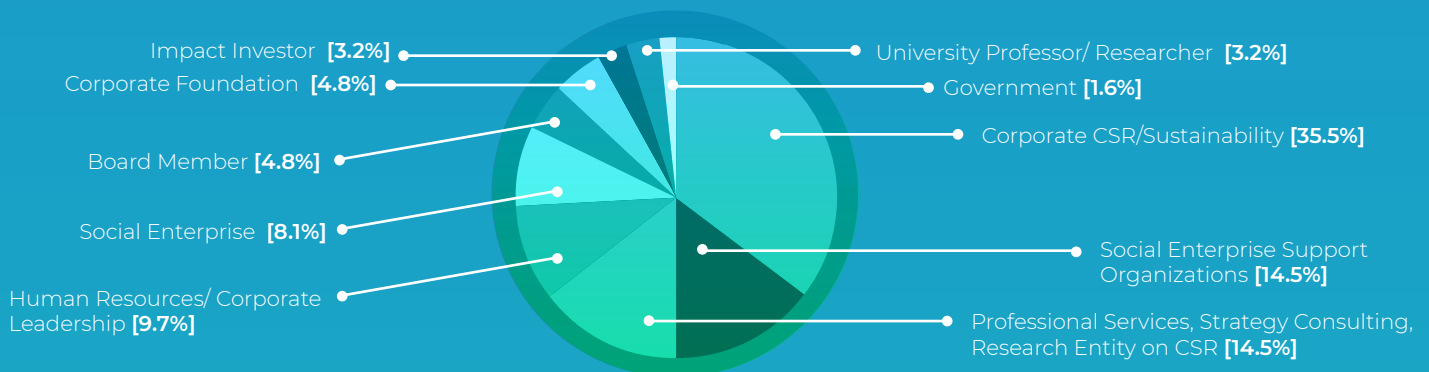
On the heels of the World Economic Forum's release of its annual Global Risks Report – of which the biggest long-term risk remains a failure to act on climate change – comes another report that shows how eliminating supply chain emissions would be a game changer in the global fight against climate change.

Sustainable Brands

Interview Summary —

We interviewed over 70 people across 50 different entities, representing 6 different continents across 10 different time zones. We supplemented our interviews by reviewing over 25 corporate CSR reports and forward-looking statements and by reading over 50 different **articles and research reports.**

Breakdown of Organizations Interviewed



1. Corporate Social Responsibility (CSR): Sometimes referred to as sustainability, social responsibility, social impact, or citizenship leader (amongst others). This role is designed to create a social license to operate and often involves employee mobilization for volunteering and fundraising.

2. Sustainable Development Goals (SDGs): The Sustainable Development Goals are a collection of 17 interlinked goals designed to be a “blueprint to achieve a better and more sustainable future for all”. The SDGs were set in 2015 by the United Nations General Assembly and are intended to be achieved by 2030.

3. Social Enterprise: An organization that utilizes business principles and highly ethical internal operations to solve social and environmental challenges through the creation of sustainable revenue streams – while also influencing the larger systems around it.

4. Environmental and Social Governance (ESG): Environmental, Social, and Corporate Governance refers to the three central factors in measuring the sustainability and societal impact of a company, its operations, and the impact it has on its employees and communities where it operates.

5. Capacity Building: Capacity building is the process by which individuals and organizations obtain, improve, and retain the skills, knowledge, tools, equipment, and other resources needed to do their jobs competently. It allows individuals and organizations to perform at a greater capacity.

6. Small and Growing Businesses (SGBs): Sometimes referred to as small and medium businesses (SMBs) or SMEs (Small and Medium Enterprises) are responsible for the majority of new jobs, and in developing countries, for the vast majority of total jobs.

MOVING WORLDS

Can Capitalism Lead a More Sustainable and Equitable Recovery?

This paper was developed by MovingWorlds.

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**Special thanks to the group of over 70 people that
generously spent time sharing insights, research,
summaries, connections, and more. Names and
organizations are omitted on account of the interview
format and commitment to de-identification.**

**Learn more about the MovingWorlds
S-GRID Corporate Platform**

**Get in touch:
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