PARTICIPATE

The power of involving business in social impact networks

Anna Muoio and Noah Rimland Flower

About



For more than 100 years, The Rockefeller Foundation's mission has been to promote the well-being of humanity throughout the world. Today, The Rockefeller Foundation pursues this mission through dual goals: advancing inclusive economies that expand opportunities for more broadly shared prosperity, and building resilience by helping people, communities and institutions prepare for, withstand, and emerge stronger from acute shocks and chronic stresses. To achieve these goals, Rockefeller Foundation works at the intersection of four focus areas—advance health, revalue ecosystems, secure livelihoods, and transform cities—to address the root causes of emerging challenges and create systemic change. Together with partners and grantees, The Rockefeller Foundation strives to catalyze and scale transformative innovations, create unlikely partnerships that span sectors, and take risks others cannotor will not. To learn more, please visit www.rockefellerfoundation.org.

MONITOR INSTITUTE

MONITOR INSTITUTE is a social change consultancy that works with innovative leaders at nonprofits and foundations to advance social impact across a diverse range of issues. Monitor Institute strives to be a scout for social innovation, bringing new approaches to clients and contributing to the public debate on leading-edge topics such as impact investing, strategic philanthropy, and networked collaboration. As part of Deloitte Consulting's Social Impact practice, Monitor Institute pursues social impact while operating as a fully integrated unit of Deloitte Consulting LLP. For more information, about Monitor Institute and Deloitte's Social Impact Practice, please visit www.monitorinstitute.com and www. deloitte.com/us/socialimpactconsulting.

Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/ about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms. Please see www.deloitte.com/ us/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries. Certain services may not be available to attest clients under the rules and regulations of public accounting. Copyright © 2016 Deloitte Development LLC. All rights reserved. Member of Deloitte Touche Tohmatsu Limited

Acknowledgments

This handbook was completed in May 2016 by Anna Muoio and Noah Rimland Flower at Monitor Institute with input from Faizal Karmali and his colleagues at The Rockefeller Foundation.

The authors would like to thank our tremendous team of researchers and writers that helped explore these issues: Kavita Venkateswar, Ellen Murray, and Seth Crabtree.

How to use this handbook

If you are involved in a collective effort to address a large-scale social challenge and are wondering how companies could play a meaningful role, this handbook is for you.

It is a companion to *ENGAGE: How Funders Can Support* and *Leverage Networks for Social Impact*, a resource for philanthropic funders considering whether a social impact network might be the right investment; and if so, what kind of network to engage with, and what role to play.

Building on that guidance, this handbook focuses on the particular models for building social impact networks that engage the private sector. Why would a network want to include a company? Why would a company want to participate in a network? Can an effort create social impact while delivering business value? What makes network relationships durable? What are the different needs around accountability, leadership, governance and mindset? And what kinds of roles are best suited for companies to play?

This handbook describes:

- The unique opportunity today to engage business in social impact networks
- Why language matters in approaching and successfully engaging business
- Five current models of social impact networks that involve companies
- Practical steps for assessing and recruiting a potential corporate participant

Why this handbook was developed

Monitor Institute, a part of the Social Impact group within Deloitte Consulting LLP, developed this handbook with the support of The Rockefeller Foundation to investigate the growing trend of social impact networks engaging business in addressing large-scale social challenges.

Having seen many examples in our own consulting work and research, we identified and analyzed 50 social impact networks that involve both civil society and the private sector, doubtless just a fraction of those active today. The examples we found and the insights we discovered about what makes these work were the result of a comprehensive scan of current literature, interviews with 21 practitioners with direct experience leading or participating in networks that involve companies, and the direct experience of both of our organizations in supporting and facilitating these networks.

The networks we found are highly diverse in their size, social impact purpose, geographic reach, level of maturity, and the business value they deliver. Taken together, they clearly demonstrate the diversity of ways that networks have crafted attractive value exchanges with their business participants to galvanize cross-sectoral action. Only time will tell whether each will succeed at accomplishing their specific social impact goals while maintaining attractiveness to commercial participants. What can be seen quite clearly is that there are already many potent ways for networks to combine the forces of the private sector and civil society in tackling tough social challenges.

Today's opportunity to engage business

Social change innovators and business leaders have a powerful opportunity to build partnerships that address deeply-rooted systemic social and environmental challenges. The opportunity stems from the growing imperative for businesses to explore how social impact can be integrated into their core strategy. While businesses have long participated in various forms of corporate citizenship, the expectation to play a committed role in addressing externalities is intensifying. Many companies are finding their own way to seeing how "doing well by doing good" can be not only an aspirational goal but an essential way to pursue (and protect) their future growth. This handbook focuses on one way to engage businesses at the intersection of social impact and business value, where what we call "social impact" networks mobilize stakeholders from the private sector, civil society, and in some cases government, to work in concert on a complex social problem.

Why companies join networks

Social impact networks are attracting companies with opportunities to invest time, money and expertise that generate clear business value and creates social impact. They help companies to:

- Create new market opportunities
- Shape industry standards
- Attract top talent
- Enhance brand value
- Strengthen supply chains

A

What networks can achieve by working with businesses

Social impact networks strategically coordinate action to deliver social impact, while providing value to business participants in ways that could not be gained through one-off partnerships.

Why networks engage companies

Businesses bring a unique array of capabilities to social impact networks through their participation.

They allow networks to:

- Tap industry and management expertise
- Access operations that can quickly pilot new business models, products or services
- Develop standards that will be both strong and practical
- Launch joint ventures and speak to business leadership through the voices of their peers

They allow a group to:

- Set broader ambitions and tackle a larger piece of a problem than could be addressed by working in isolation
- Diversify risk and spread bets across many experiments driven by a variety of participants
- Enable innovation by building a platform where different voices can come to the table to shape new solutions
- Build a resilient problem-solving ecosystem where a dense web of relationships provides the resilience to adapt to new challenges and opportunities as they arise



The Context

Business leaders are feeling external forces...



Pushing them to respond to rising demands for corporate citizenship

Pulling them towards the new ways that social impact can align with marketplace success



- Consumers and shareholders in more developed markets are increasingly expressing support for socially responsible business practices
- The circle of stakeholders demanding accountability from business leaders is widening

- Many companies are attracted to pursuing a rising middle class in emerging markets whose consumer needs often overlap with social impact goals
- Technology is creating new ways to reach customers and address natural resource challenges
- A growing class of socially-motivated investors are backing new ventures
- Startups are road-testing new business models and legal structures that explicitly prioritize social values



A visible shift towards **prioritizing social impact** among even the largest corporations

A recent Deloitte study of the **2014 Fortune 500 global public companies**—representing companies that range from \$28 billion to \$233 billion in market cap, from 6 industries and 53 sub-industries in 40 different countries—found that over one-third of those companies saw social value as core to their strategy. Among those companies, which fall under the archetypes of "social innovator" or "impact integrator," social impact is integrated into the firm's strategy across its units and is used to pursue new market opportunities. Just 11% of companies were categorized as "shareholder maximizers," primarily motivated by short-term shareholder value with few resources devoted to social impact. See page 25 to learn how to apply these four archetypes in choosing companies to involve in a social impact network ¹.

"We're seeing companies interested in moving from chipping away at problems to solving them. If you are talking about the type of global environmental problems we are facing like climate change, over-fishing, or deforestation, no one can push solutions on their own. And these efforts are business driven, not driven by values or altruism."

Tom Murray, Environmental Defense Fund

Language matters: bridging the collaborative divide through smart conversations

To build a different kind of relationship with businesses, one that serves a core business need rather than offers an outlet for philanthropy, social change leaders need to learn how to have a different kind of conversation with business leaders. Business leaders may assume that the "ask" from social change leaders will be for a monetary donation—and hence, should be conducted with their colleagues in the Corporate Social Responsibility function. A different kind of conversation—and invitation—can be gained if social change leaders instead propose a powerful way of working together that addresses a social challenge while also contributing to the business' pursuit of success in the market.

"We need to get as close as possible to the commercial side of the business in order to see how GRP can support their efforts and get to the win-win."

Sundaa Bridgett-Jones, Global Resilience Partnership

The conversation may sound like an easy one to have. But leaders in different sectors often have different ways of talking about the basic concepts of change, impact, goals, timeframes and purpose. "Folks in the private and social sector have a different language for things," notes Sundaa Bridgett-Jones from the *Global Resilience Partnership*, a network convened by The Rockefeller Foundation and USAID that works to increase the resilience of vulnerable populations to shocks and chronic stresses. "It's important for social-sector leaders to convey their mental model in terms that business leaders can understand. Beyond that, I don't think we spend enough time understanding their business. We need to get as close as possible to the commercial line in order to see how partnership can be supportive of their efforts and get to the win-win."

Such business-savvy conversations have been that critical "X factor" in the successful launch of many of today's social impact networks that engage companies. When child labor surfaced as a concern in the West African cocoa supply chain, the Bill and Melinda Gates Foundation and USAID each joined a group of consumer brands whose products depend on cocoa to work on ways to reduce poverty among West African cocoa farmers, facilitated by the World Cocoa Foundation². When Nestlé, PepsiCo, and The Coca-Cola Company sought how to address the long-term security of water supplies, they were joined by the International Finance Corporation, the World Economic Forum, and the Swedish International Development Agency to form the 2030 Water Resources Group, a network dedicated to closing the gap between demand and supply for water worldwide by 20303. And after a group of consumer brands committed in 2010 to eliminate deforestation from their supply chains for palm oil, soy, and beef within ten years, they formed the Tropical Forest Alliance to work with governments and civil society on overcoming the technical hurdles involved in reaching that goal4. In each case, the businesses involved were selected because they had a strong vested interest in seeing the problem solved, and when they were approached, were given proposals designed to meet their needs for securing their market position and pursuing new growth. The result was an attractive opportunity that laid the groundwork for durable business involvement in the network.

It is clear from our research and interviews that these business-savvy conversations are an infrequent occurrence today. Yet the opportunity they unlock is clear to those involved. Hal Hamilton, an experienced hand at recruiting companies to participate in the Sustainable Food Lab, reflected on the importance of widening the aperture of partnership possibilities when engaging a business in a social impact network: "Frequently both NGOs and donors make the mistake of approaching companies as if companies are philanthropies. But there's a greater possibility of real partnership if the project is material to the business, and you can make deeper impact by baking the sustainability goals into procurement and strategy. There's a lot of money in the world, but there is not enough integration of sustainability and social equity goals into the way business happens. There's where the gold lies."

² Deloitte interview with Tim McCoy, Public Relations and Communications Director, World Cocoa Foundation, Nov 13, 2015

³ History and Background, 2030 Water Resources Group website, https://www.2030wrg.org/wbo-we-are/background/, accessed August 9, 2016

⁴ Tropical Forest Alliance website, https://www.tfa2020.org/about-tfa/objectives/, accessed August 9, 2016

The business value delivered by social impact networks

The entrepreneurial insight at the heart of a social impact network that involves businesses is a value exchange that gives both business leaders and social change leaders a reason to make participation a strategic priority. The motivation for companies to join a social impact network can be broken down into five kinds of potential business value, drawn from a recent quantitative study by Deloitte of the social impact orientation of the 2014 Fortune 500 global public companies: creating new market opportunities, shaping industry standards, attracting top talent, enhancing brand value, and building resilient supply chains⁵.

On the other side of the coin, there is a certain set of social impact goals that contain the most opportunity to be accelerated by the authentic participation of the private sector. Among the networks covered by this research, we found three types of goals that social impact networks can pursue that are also able to potentially directly benefit a company's core business. These networks are designed for stewarding natural resources, enabling market-based solutions, and raising industry standards.

We also found goals that tend to more indirectly benefit a company's core business. These networks are designed for aligning solutions within local communities and for mobilizing action around large-scale issues. Each of these goals can be pursued by civil society organizations working without the private sector; but the examples profiled below demonstrate the unique power of working in partnership with business through networks explicitly focused on driving social impact while delivering business value.

While there is no indisputable rule about the type of business value a certain type of network can deliver, we observed a clear pattern to how they connect. See the sections below for greater detail about each of the five kinds of networks and the value exchange that they can achieve.

Five kinds of social impact networks that deliver business value

Social impact networks...

STEWARDING NATURAL RESOURCES

Address the socially and environmentally sustainable use of natural resources, and are most often focused on the raw inputs for commercial products such as water, timber, cotton, and fish.

ENABLING MARKET-BASED SOLUTIONS

Address social or environmental issues using self-sustaining business models, either around opportunities for growth or increasing supply chain stability.

RAISING INDUSTRY STANDARDS

Tackle social and environmental issues by elevating practices of specific industries, either through voluntary commitments and precompetitive cooperation or through the development of formal standards and certification processes.

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

Place-based networks that work to elevate a particular city or region through a variety of efforts, seeking improvements in such areas as education, workforce development, housing, infrastructure, and resiliency.

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES

Gather around a particular social or environmental issue that affects a widespread population, rather than being rooted in a particular community.

...can drive business value



CREATE NEW MARKET OPPORTUNITIES

Access new populations by addressing the social or environmental barriers that prevent them from becoming customers.



SHAPE INDUSTRY STANDARDS

Set a higher bar for social and environmental responsibility that sets the company apart from its competition and can shape future regulation.



INSPIRE, ATTRACT, AND RETAIN TOP TALENT

Augment the company's appeal to talent, addressing the desire to work for an organization that has a positive impact on society and the environment.



ENHANCE BRAND VALUE

Create a positive reputation for the company in the eyes of its stakeholders.



BUILD RESILIENT, SUSTAINABLE SUPPLY CHAINS

Ensure reliable long-term access to critical sources of raw materials and labor.

Delivering Direct Business Value

Our research found that there is a certain set of social impact goals that can be accelerated by the authentic participation of the private sector—goals that can also potentially directly benefit a company's core business. Social impact networks that deliver these goals are those which are designed for stewarding natural resources, enabling market-based solutions, and raising industry standards. All three network types tend to address some type of pre-competitive challenge, and can provide companies a common ground through which to collaborate.

These pre-competitive challenges typically emerge when external forces either create a new market or substantially change an existing market, presenting the companies across that market with a new set of hurdles to overcome. While most major shifts in a market result in competition, some result in challenges that are better addressed through a group effort, where a solution can provide equal advantage across the marketplace rather than giving an edge to any one company. These pre-competitive challenges typically provide the common ground for a social impact network to form that can provide companies with direct value to their core business. In the following sections we offer a more detailed description of the three types of social impact networks we mention, the social impact goals they can achieve, and the business value they can provide.

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES

Stewarding natural resources

What these networks do

The central focus of the networks we studied that steward natural resources is on the use of the raw inputs for commercial products such as water, timber, cotton, palm oil, and fish. Some address issues on a global scale, such as the 2030 Water Resources Group, a network striving to close the gap between global water demand and supply by 2030. Other networks focus on a specific region, such as the Santa Cruz Mountains Stewardship Network, a cross-sector group dedicated to the management of local redwood forests. In many cases, they address not only the use of the natural resources themselves, but also the needs of the people who harvest them and the people who value them for recreation or cultural purposes.

"Getting involved [in the network] was more concern-driven than anything else. We're hoping to change the paradigm around smart resource management. We feel strongly that responsible resource utilization is a critical component of region-wide land policy and that there are significant environmental benefits to procuring local products for local markets. If we do not participate, this perspective may be left out of these important discussions entirely."

Janet Webb, CEO, Big Creek Lumber

The value businesses can gain

The networks are often created in response to a clear and sometimes imminent threat to a natural resource that companies and many others rely on. The pressure galvanizes action both from civil society organizations on behalf of the public interest and from companies who rely on that resource for raw inputs . Global firms are highly attuned to their own ability to secure future supplies, but avoiding a tragedy of the commons often requires collaborative action across sectors and industries that is typically too time-consuming for any one company to lead.

Social Impact Goal

Address the socially and environmentally sustainable use of natural resources, most often by focusing on the raw inputs for commercial products such as water, timber, cotton, and fish.

Business Value



BUILD RESILIENT, SUSTAINABLE SUPPLY CHAINS

Ensure reliable long-term access to critical sources of raw materials and labor.



ENHANCE BRAND VALUE

Create a positive reputation for the company in the eyes of its stakeholders.



SHAPE INDUSTRY STANDARDS

Set a higher bar for social and environmental responsibility that sets the company apart from its competition and can shape future regulation.

One well-known example of this tragedy of the commons at work is found in our world's fisheries. Fisheries often become over-stressed in spite of the fact that many smallscale fishermen and fishing companies understand that collapse of the fishery means their own economic ruin. Often even those who know still lack the resources knowledge, equipment, and training—to transition to more sustainable fishing practices. One network actively working on this wicked problem is the Sustainable Fisheries Partnership (SFP), which circumvents the tragedy of the commons with an approach that works across sectors and at multiple levels. For every fishery it works on, it builds a partnership that involves active participation from smallscale fishermen, large-scale fish distributors and retailers, government agencies, and local non-profits. First, they establish financial incentives to support fishermen in two ways, both through financing their transition to sustainable practices and through building stronger relationships with major commercial seafood buyers. The result is intended to

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES be tangible: higher incomes and more predictable purchase prices. At the same time, the network also works closely with local and regional governing bodies to enact and enforce appropriate regulations to level the playing field and ensure these sustainable practices will be continued in the long run. This structure provides the critical connective tissue among the many commercial, public, and civil society actors whose involvement is required to sustainably manage these fisheries for current and future generations. (See page 32 for more detail on the SFP.)

Another approach can be seen in the newly-formed Santa Cruz Mountains Stewardship Network, which tackles the difficult question of how to manage the use of a half- million acres of redwood forests that are owned by a diverse group of land conservancies, tribal groups, private landowners, and government agencies. After tensions had simmered for years between various stakeholders with different, sometimes conflicting, interests around how to steward the land, the network came together around a new proposal for land stewardship. Being part of the conversation was seen as smart business and a key way to help shift the paradigm around what "good stewardship" looks like, by Janet Webb, CEO of the local timber company Big Creek Lumber, a family owned and operated business that has been working in the region for generations. "Getting involved was more concern-driven than anything else," she said. "We're hoping to change the paradigm around smart resource management. We feel strongly that responsible resource utilization is a critical component of region-wide land policy and that there are significant environmental benefits to procuring local products for local markets. If we do not participate, this perspective may be left out of these important discussions entirely."

Even when there is no imminent threat to companies' critical supplies, consumer and civil society pressure for sustainably-produced goods can also be a compelling motivator for companies, especially those with consumer-

facing brands . For example, it was rising consumer concerns about deforestation that prompted many of the companies of the Consumer Goods Forum to make a public commitment to eliminating deforestation from their supply chains by 2020. That spurred the 2012 launch of the cross-sector *Tropical Forest Alliance 2020* (TFA2020), where those companies could compare notes on the technical challenges of achieving zero deforestation and develop leading practices to recommend to others.

How companies participate

The peer learning that is central to TFA2020 is a common format among these networks. Implementing sustainable practices into supply chains can be a daunting task to attempt alone, and participating in these networks can provide invaluable opportunities to share leading practices on pre-competitive topics. The choice of those precompetitive topics is key, since business leaders often have reason to default to secrecy about their internal challenges, and need to ensure that they can participate in the dialogue without concern for their competitive advantage. How a given company participates in these groups can vary widely and may include actively participating in working groups, providing strategic direction on programs, funding, and making specific sustainability commitments subject to third-party verification, such as the commitment by Unilever (a TFA2020 member) to sustainably source 100% of its palm oil, a goal that will drive both social impact while supporting business value.

Hal Hamilton of the Sustainable Food Lab has worked with many groups of companies to use peer learning as the starting-point for overcoming the hurdles involved in forging pre-competitive collaboration, frequently on the issue of water. As he points out, "You can be as efficient as possible in your own operations, but if you are tied to a locale for a key input, like barley or cocoa, and the net of all the water usage is greater than the recharge, you can't solve that problem on your own."

Examples

•		
Santa Cruz Mountains Stewardship Network	Collaborating with conservation groups, land-owners, and timber companies to effectively steward the forests of California's Santa Cruz mountains	
2030 Water Resources Group	Closing the gap between global water demand and supply by 2030 through collaboration across industry, civil society, and government	
Sustainable Fisheries Partnership	Engaging and catalyzing global seafood supply chains in rebuilding depleted fish stocks and reducing the environmental impacts of fishing and fish farming	
Tropical Forest Alliance 2020	Bringing together governments, private sector, and civil society organizations to remove deforestation from palm oil, beef, soy, pulp, and paper	

Enabling market-based solutions

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES

What these networks do

One way networks can drive change is by supporting the development of new self-supporting business models that serve a commercial goal while also addressing a social challenge. Such opportunities to create "market-based solutions" are currently being found across a wide spectrum of issues that include sustainable agriculture, healthcare, employment, and many others. These networks tend to be rooted in the belief that the issues they seek to remedy can be addressed most effectively by creating environments in which socially and environmentally responsible businesses can grow and sustain themselves over time. While their issue focus and internal structure vary widely, they share a goal of shaping markets to incentivize business growth that advances the public good.

"When working together creates something people can do on Monday morning as well as contributing to some larger, longer-term goal, you pump your fist a little bit!"

Hal Hamilton, SFL, Co-director

The value businesses can gain

Participating in these networks can help companies create new market opportunities, often in a more direct manner than the other networks we describe. This is often achieved by involving government and civil society actors to reduce the risk of entering challenging markets by providing capital, training, infrastructure, and other forms of support. This is what happened with Gavi, a vaccine-delivery network which provides low-cost vaccines in the countries that need them the most. They do this by coordinating a network of civil society organizations, governments, vaccine research labs, manufacturers, and distributors—an essential mechanism to overcoming the challenges of providing these vaccines. The most significant barrier the network was designed to overcome is a financial one. The high costs of drug development would normally require market prices far above what the target population could afford. Besides the financial challenges, reaching these populations can be a major logistical barrier, since they often reside outside the reach

Social Impact Goal

Address social or environmental issues using self-sustaining business models, either around opportunities for growth or increasing supply chain stability.

Business Value



CREATE NEW MARKET OPPORTUNITIES

Access new populations by addressing the social or environmental barriers that prevent them from becoming customers.



BUILD RESILIENT, SUSTAINABLE SUPPLY CHAINS

Ensure reliable long-term access to critical sources of raw materials and labor.



ENHANCE BRAND VALUE

Create a positive reputation for the company in the eyes of its stakeholders.

of modern infrastructure. Gavi helps member companies like Pfizer and GlaxoSmithKline overcome these hurdles by pooling demand for major purchases from international nonprofit members like UNICEF; securing long-term financial support from philanthropic members like the Gates Foundation; and using the reach of on-the-ground civil society organizations to enable vaccine markets in hard-to-reach areas. These coordinated efforts allow the pharmaceutical companies to provide the vaccines for little to no cost while still making enough profit to sustain their operations. As an added bonus, participating in these efforts can generate significant goodwill for these companies among the public and other key stakeholders such as government regulators .

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES Networks that enable market based solutions are also often focused on increasing market opportunities for businesses at the base of the supply chain, which in turn strengthens the supply chains of their purchasers . Grow Africa, for example, develops innovative business models that bring together large and small business partners, such as Unilever and smallholder tea farmers in Nigeria, in relationships that are structured to mitigate risks and increase supply chain efficiency.

How companies participate

Some networks help companies develop market-based solutions by helping members collectively pilot innovative tools, methods, or products. This is what the Sustainable Food Lab (SFL) has often engineered by recruiting companies to get involved in networks that help address pre-competitive challenges in the supply chains for sustainable food. A key to SFL's success has been spotting those pre-competitive challenges, which typically emerge when external forces either create a new market or change an existing market, presenting the companies in that market with a common set of hurdles to overcome. While most of those hurdles are a chance for each company to compete against the others, some of them are puzzles that are better solved through a group effort, where a solution provides equal advantage across the marketplace rather than giving any one company an edge.

One of the many specific pre-competitive challenges addressed by the SFL was visibility into the carbon footprint of farms at the base of a company's supply chain, which participants were able to address by developing a new kind of carbon calculator for farms called the "Cool Farm Tool." That calculator was piloted by several network participants and is now being used throughout the supply chains of Unilever, Mars, and PepsiCo, among others⁶. Hal Hamilton, SFL's co-director, sees it as particularly attractive for groups to focus on a pre-competitive challenge where a solution not only helps the participants as a group but also provides them each with immediate business value. As he put it, "When working together creates something people can do on Monday morning as well as contributing to some larger, longer-term goal, you pump your fist a little bit!"

In other cases, networks may support social entrepreneurs in the same ways a startup incubator supports companies: creating a nurturing environment for fledgling ideas by providing mentorship, access to potential partners and clients, and coordination of efforts to address intractable issues facing the larger industry. For a deeper dive on these "incubator-like" networks, see the case study of *Future of Fish* on page 33.

Civil society and government actors are often involved more peripherally in these networks. Finding and capitalizing on the opportunities for market-based solutions requires deep industry expertise, so their main emphasis is typically on providing a space where those with an industry insider's understanding can help one another by pooling their knowledge and resources. Non-industry actors often play more of a role once solutions have been developed, when companies incorporate them into their business models as new service offerings or supply chain enhancements.

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES

Examples

Litamples		
Sustainable Food Lab	Surfacing new market-based solutions for building a healthy and sustainable food system worldwide	
Sustainable Agriculture Platform	Developing tools and guidance to support sustainable agriculture throughout the global food supply chain	
Southern Africa Food Lab	Bringing together diverse stakeholders with influence in the regional food system to identify and pilot innovative means of acting within agro-food value chains to enhance long-term food security	
Grow Africa	Increasing private sector investment in agriculture and accelerating the execution and impact of investment commitments	
Future of Fish	Creating business solutions to ocean challenges by working with entrepreneurs, industry players, and investors	
The Climate Group	Helping leaders transition to a prosperous low carbon economy, driven by the rapid scale-up of clean and renewable energy	
Digital Jobs Africa	Connecting Africa's rapidly growing youth population with sustainable employment opportunities, with a focus on the information communications technology sector	
Global Alliance for TB Drug Development	Coordinating the development of tuberculosis drugs that are available to those who need them	
Gavi - The Vaccine Alliance	Improving access to new and underused vaccines for children living in the world's poorest countries	
Medicines for Malaria Venture	Reducing the burden of malaria in disease-endemic countries by discovering, developing and delivering new, effective and affordable antimalarial drugs	
International Partnership for Microbicides	Working to prevent HIV transmission by accelerating the development and availability of safe and effective microbicides for use by women in developing countries	

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES

Raising industry standards

What these networks do

These networks tackle social and environmental issues by working to elevate business practices across an industry through pre-competitive cooperation that can lead to voluntary commitments and often to formal standardsetting and certification. Some networks are focused around the use of a particular natural resource, such as the Better Cotton Initiative or the Center for Sustainable Shale Development, but use a standard-setting approach rather than the stewardship approach described above under Stewarding natural resources. Other efforts cut across markets to shape businesses' impact on broader natural or social systems, such as the work that the Global Impact Investing Network (GIIN) pursues to increase the scale and effectiveness of impact investing, including its development of the IRIS database to provide a single set of generally-accepted standards for measuring the social impact of an investment. By standardizing measurement practices, IRIS helps individual investors and enterprises with the challenging task of quantifying the social benefit being achieved by a particular allocation of capital, aiding the spread of leading practices and increasing the industry's public credibility.

"A company often seeks membership when FSC becomes important enough to their business to warrant direct involvement in standard setting and governance."

Corey Brinkema, Forest Stewardship Council

The value businesses can gain

Whether a company will see value in participating in a network aimed at raising industry standards depends a great deal on its circumstances, such as its market positioning, the strength of its competitors, the state of consumer demand, civil society pressure, and the threat of government regulation. For networks based around voluntary commitments and pre-competitive collaboration, companies are typically attracted because they are wrestling with a set of knotty technical challenges with few established best practices to follow. These companies frequently appreciate having a venue to network with

Social Impact Goal

Tackle social and environmental issues by elevating practices of entire industries, either through voluntary commitments and pre-competitive cooperation or through the development of formal standards and certification processes.

Business Value



CREATE NEW MARKET OPPORTUNITIES

Access new populations by addressing the social or environmental barriers that prevent them from becoming customers.



BUILD RESILIENT, SUSTAINABLE SUPPLY CHAINS

Ensure reliable long-term access to critical sources of raw materials and labor.



ENHANCE BRAND VALUE

Create a positive reputation for the company in the eyes of its stakeholders.



SHAPE INDUSTRY STANDARDS

Set a higher bar for social and environmental responsibility that sets the company apart from its competition and can shape future regulation.

and learn from industry peers, which can provide critical information for spotting and pursuing new business opportunities as well as help establish a company's reputation as a leader in the industry . Members of the GIIN, for example, are financial institutions looking to their peers to see the current state of this nascent market more clearly, learn about particular investment funds, understand how to structure investments, and identify leading measurement practices.

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES vvvFor networks focused on developing formal industry standards, participation can be attractive for companies that are looking to use the standard as a means of differentiating themselves from their competitors . While the majority of an industry may not have a strong business reason to be involved, those companies that feel they stand to gain or lose the most tend to have a natural interest in shaping how the standard is defined. Corey Brinkema at the Forest Stewardship Council has seen this many times in his network's efforts work to maintain a standard for responsible forest management. "A company often seeks membership when FSC becomes important enough to their business to warrant direct involvement in standard setting and governance. That's when a business leader feels the need to be at the table, expressing the company's interests and concerns and fighting for a balanced outcome." Additionally, when industry activity is beginning to attract the attention of policymakers, participation in these networks can help maintain a company's license to operate, as well as setting a voluntary standard that can provide a template for future policymaking 📽. Finally, both types of networks typically involve a wide variety of actors - from supply chain members, to advocacy nonprofits to consumer groups- providing the opportunity for strengthening strategic relationships with suppliers 🥝 and building general goodwill with other important stakeholders 🛜.

How companies participate

Company involvement in these networks can range widely and typically depends on the relevance of the issue at hand to the companies' core business. At a minimum, company members of these networks generally participate in network gatherings and events and may provide consultations on the impacts of proposed changes to standards and key initiatives. In standard-setting networks, when the topic is particularly pertinent to their business, a company may go so far as to sponsor a motion, which in the case of FSC may take upwards of a quarter of the participating business leader's time in the months leading up to a general assembly. Among networks focused on pre-competitive cooperation, companies with a strong interest in a given topic are often leaders or highly active participants in the working groups organized around network initiatives.

These networks can vary widely in the rigidity of their governance structures. Networks built around precompetitive learning and cooperation may tend to form more flexible coalitions, such as the *World Cocoa Foundation*, where most of the activity is driven by cross-sector steering committees that lead its initiatives. By contrast, those that work to develop formal standards and offer certification may have a higher-stakes process to manage, because they function as decision-making bodies that have material impact on how a business can operate that would benefit from being certified.

Standards have to walk a fine line between being tough to achieve social impact yet still practical to implement in the current marketplace. This is important, so that the industry's customers and other stakeholders see the standard as trustworthy. It is not uncommon to see such networks put more substantial governance structures in place to balance these power dynamics, such as the FSC, which consists of an equally-weighted three-chamber legislature (environmental, economic, and social) with parliamentary- style formal procedures.

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES

Examples

Examples		
Extractive Industries Transparency Initiative	Promoting open and accountable management of natural resources by strengthening government and company systems, informing public debate, and enhancing trust	
Forest Stewardship Council	Promotes environmentally sound, socially beneficial and economically prosperous management of the world's forests	
Center for Sustainable Shale Development	Supporting continuous improvement and innovative shale development practices through performance standards and third-party certification	
Global Impact Investing Network	Addressing systemic barriers to effective impact investing by building critical infrastructure and developing activities, education, and research that attract more investment capital to poverty alleviation and environmental solutions	
Better Cotton Initiative	Working to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector's future	
The Round Table on Responsible Soy	Encouraging responsible production of soybeans to reduce social and environmental impacts while maintaining or improving the economic status of producers	
Roundtable on Sustainable Palm Oil	Transforming markets to make sustainable palm oil the norm	
Global Footprint Network	Measuring human impact on the earth to enable a sustainable future where all people have the opportunity to live satisfying lives within the means of one planet	
Ethical Trading Initiative	Promoting respect for workers' rights around the globe to create a world where all workers are free from exploitation and discrimination, and enjoy conditions of freedom, security and equity	
Textile Exchange	Inspiring and equips people to accelerate sustainable practices in the textile value chain	
World Cocoa Foundation	Promoting a sustainable cocoa economy through economic and social development and environmental stewardship in cocoa-growing communities	

Delivering indirect business value

While the three types of social impact networks described above may contain the most opportunity for involving the private sector – by virtue of being designed to provide direct benefit to companies' core business - there are many other ways that networks can involve companies by providing indirect benefits. Where networks that provide direct benefits are typically constructed to serve companies' marketplace needs by overcoming a pre-competitive challenge, those that provide indirect benefits are constructed primarily around addressing a difficult social issue. In these networks, the social issue sits at the center, and companies are typically one of many kinds of actors that are brought in to contribute to a solution. The indirect benefits they can provide – particularly around talent and brand - may not contribute as immediately to a business' bottom line but can be equally important to a company in the long term. See the sections below for a more detailed description of the two types of social impact networks we mention, the social impact goals they can achieve and the business value they can provide.

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES

Aligning solutions within local communities

What these networks do

These networks focus on a specific geographic area typically a city, metro area, or region—by building alignment among the local organizations and driving for coordinated action around issues such as education, workforce development, housing, infrastructure, or resilience. Some networks may cover a broad range of these issues, such as Memphis Fast Forward in Tennessee, which runs initiatives on governance, economic development, education, public safety, and health. Others have a more specific focus but connect multiple areas, such as the Sustainable Mobility Project 2.0, a cross-sectoral initiative of the World Business Council for Sustainable Development that links the efforts of six cities spread around the globe in their work to provide access to mobility that is not only safe, reliable, and affordable, but also environmentally sustainable and energy-efficnt.

The value businesses can gain

While these place-based networks tend to draw the most support from companies with a major presence in the target community, they can also solicit participation from companies with virtually no presence in the area, especially if the network operates on a global scale. For example, the worldwide network 100 Resilient Cities helps city governments develop resilience strategies in part through the pro bono assistance of companies, which typically join the network out of a general interest in working with cities whether or not they are located there.

The attraction of businesses to participate in 100 Resilient Cities is a good example of what tends to draw companies to these types of networks. It often serves no immediate business need for a company to give pro bono work to one of the participating city governments, such as Swiss Re's contribution of a proprietary tool that allows cities to better understand their hazard exposure. What it does provide is an opportunity to make a corporate citizenship investment that also helps to enhance their public image by promoting their work on the high-profile topic of urban resilience and attract top talent through the chance to work on the compelling challenges that cities face. And in some cases, especially with 100 Resilient Cities, the most important value is often an opportunity to build relationships with cities as future clients.

Social Impact Goal

Place-based networks that work to elevate a particular city or region through a variety of efforts, seeking improvements in such areas as education, workforce development, housing, infrastructure, and resiliency.

Business Value



CREATE NEW MARKET OPPORTUNITIES

Access new populations by addressing the social or environmental barriers that prevent them from becoming customers.



INSPIRE, ATTRACT, AND RETAIN TOP TALENT

Augment the company's appeal to talent, addressing the desire to work for an organization that has a positive impact on society and the environment.



ENHANCE BRAND VALUE

Create a positive reputation for the company in the eyes of its stakeholders.

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES

How companies participate

Partially because they don't provide direct business value, it is common for these networks to put a heavy emphasis on getting to action, achieving short-term outcomes, and meeting measurable milestones, in order to give the privatesector participants a compelling story to tell about what their involvement is helping to accomplish. Contributions from private companies to these networks tend to come in the form of expertise, staff time, and pro bono services. Such is the case in Bottrop, Germany, where the InnovationCity *Ruhr* network is working to reduce the carbon emissions of the city 50 percent by 2020. To meet this ambitious goal, the network is coordinating 370 urban development projects that include building refurbishments, mobility solutions, energy production optimization, and water management Businesses of many scales are involved: large scale projects are generally led by a regional company while smaller scale efforts are spearheaded by a collaboration between local craftsmen, architects, and energy advisors.

In Cincinnati, Ohio, StrivePartnership followed a similar path by leveraging support from engineers from General Electric, a major employer in the city. To provide Cincinnati's education system with a process for continuous learning, these engineers developed a modified Six Sigma process for the education sector and trained local educators how to use the system. In many cases, business executives also use their general leadership skills to guide organizations and initiatives to better results. Jennifer Blatz of Strive Together, the national network that spreads the StrivePartnership approach, sees privatesector participants as integral to networks seeking systemic change. "Our ultimate goal isn't to run another program, but to change an entire system. Business leaders often have experience managing systems change and their involvement is often of great value."

Examples

Aligning community resources in support of public school strategies to raise student achievement, improve the health and happiness of our children, and advance the economic and social well-being of our community	
Enabling communities to create local education ecosystems to support children and youth from cradle to career	
Creating good jobs, a better-educated workforce, a safer community, a healthier citizenry and fiscally strong government in Memphis and Shelby County, TN	
Building more resilient societies with robust functions and flows - societies with the ability to quickly overcome and recover from societal pressures	
Helping cities around the world become more resilient to the physical, social, and economic challenges that are a growing part of the 21st century	
Helping millions of vulnerable people in the Sahel, the Horn of Africa, and South and Southeast Asia better adapt to shocks and chronic stresses and invest in a more resilient future	
Exploring how companies can support urban and infrastructure planning by engaging with cities to implement more effective and affordable solutions to manage interconnected challenges	
Accelerating progress towards delivering universal access to safe and low-impact mobility for both goods and people	
Creating a climate-adapted urban redevelopment by cutting CO2 emissions in half while safeguarding the industrial productivity of the area	
Working with cross-sector leaders in cities to build a new type of urban practice aimed at dramatically improving the economic well-being of low-income people	
	strategies to raise student achievement, improve the health and happiness of our children, and advance the economic and social well-being of our community Enabling communities to create local education ecosystems to support children and youth from cradle to career Creating good jobs, a better-educated workforce, a safer community, a healthier citizenry and fiscally strong government in Memphis and Shelby County, TN Building more resilient societies with robust functions and flows - societies with the ability to quickly overcome and recover from societal pressures Helping cities around the world become more resilient to the physical, social, and economic challenges that are a growing part of the 21st century Helping millions of vulnerable people in the Sahel, the Horn of Africa, and South and Southeast Asia better adapt to shocks and chronic stresses and invest in a more resilient future Exploring how companies can support urban and infrastructure planning by engaging with cities to implement more effective and affordable solutions to manage interconnected challenges Accelerating progress towards delivering universal access to safe and low-impact mobility for both goods and people Creating a climate-adapted urban redevelopment by cutting CO2 emissions in half while safeguarding the industrial productivity of the area Working with cross-sector leaders in cities to build a new type of urban practice aimed at dramatically improving the

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES

Mobilizing action around large-scale issues

What these networks do

Rather than being rooted in a particular community, these networks mobilize around one or more social or environmental issues that affect a widespread population. They may address a broad range of issues, such as the *B Team*, which mobilizes business leaders to join a movement towards a more responsible way of doing business. Or they may have a more specific focus, such as the *Digital Humanitarians Network* (DHN), which coordinates techsavvy volunteers globally to respond to humanitarian crises.

These types of networks range widely in the activities they pursue, from providing operational coordination of on-the-ground action to facilitating networking and peer learning. For example, the *Roll Back Malaria Project* coordinates eight active working groups to drive on-the-ground work designed to fight malaria, whereas *Global Washington* serves as a platform for business and social sector leaders in the state of Washington to share ideas, build relationships, and form partnerships.

The value businesses can gain

Companies often participate in these networks to elevate their brand among external stakeholders and talent @ 49, rather than looking for immediate ways to serve their core business. They tend to select networks whose efforts are connected thematically to the work that they do and provide a way to achieve larger-scale impact than they could support alone. Google and the mapping software company ESRI both participate in DHN, and in addition to being a part of the network's decision-making conversations, Google uses its Crisis Response team to develop supporting tools while ESRI provides software licenses. In the hands of the DHN's carefully coordinated teams of volunteer software engineers, what those companies provide can create significant social impact. And in exchange for their involvement, Google gains a compelling pro bono opportunity to provide to its staff, ESRI gains exposure to sophisticated users for its flagship mapping tool, and both companies gain the opportunity to tell a meaningful story about their contribution to humanitarian crisis response. That story can provide the companies with a way to potentially elevate their brand with both external stakeholders and the companies' talent.

Social Impact Goal

Gather around a particular social or environmental issue that affects a widespread population.

Business Value



INSPIRE, ATTRACT, AND RETAIN TOP TALENT

Augment the company's appeal to talent, addressing the desire to work for an organization that has a positive impact on society and the environment.



ENHANCE BRAND VALUE

Create a positive reputation for the company in the eyes of its stakeholders.

DELIVERING **DIRECT**BUSINESS VALUE

STEWARDING NATURAL RESOURCES

ENABLING MARKET-BASED SOLUTIONS

RAISING INDUSTRY STANDARDS

DELIVERING **INDIRECT**BUSINESS VALUE

ALIGNING SOLUTIONS WITHIN INDIVIDUAL COMMUNITIES

MOBILIZING ACTION AROUND LARGE-SCALE ISSUES

How companies participate

Participation in these types of networks can take a variety of forms. In some cases, such as ESRI and Google's participation in DHN, private sector involvement is primarily providing services or products pro bono. In many other networks, participation includes a commitment to driving internal change in their own companies as well as collaborating in working groups to address specific issues. Business leaders in the B Team, for example, commit to ensuring that their own organizations adhere

to a set of B-Corp-inspired principles – such as "Drive full transparency," "Restore nature," and "Create thriving communities" – and are also involved in broader working groups like the 2015 B20 Anti-Corruption Task Force. Likewise, members of the 100,000 Opportunities Initiative commit to addressing the youth employment crisis in the US through their hiring practices and also participate in specific working groups to share best practices and drive action around issues like recruitment and retention.

Examples

B Team	Working toward a better way of doing business, for the wellbeing of people and the planet	
Global Washington	Supporting the global development community in Washington state that is working to create a healthier and more equitable world	
Digital Humanitarians network	Leveraging digital networks in support of 21st century humanitarian response	
100,000 Opportunities Coalition	Engaging employers to increase job opportunities for the next generation of U.S. workers	
100 Resilient Cities	Helping cities around the world become more resilient to the physical, social, and economic challenges that are a growing part of the 21st century	
Bhavishya Alliance	Developing a cohesive response to child under nutrition in the State of Maharashtra	
Roll Back Malaria Project	Implementing global coordinated action against malaria	

Finding direct business value in unlikely places

Although networks that could be categorized as "Aligning solutions within local communities" or "Mobilizing action around large-scale issues" may not generally present obvious opportunities to provide direct value to the core business of companies, these networks should not be discouraged from creatively seeking this overlap. In fact, in our research we identified several networks in these categories that were able to identify and leverage opportunities for direct business value:

- Living Cities began with the goal to provide access to housing in low-income neighborhoods by using philanthropic foundations to subsidize loans made by major financial institutions who would otherwise never be able to serve such a risky market. Through that effort the participating financial institutions realized that they could use the network to do valuable R&D on financial instruments for under-served urban populations.
- In the economic development initiative within *Memphis Fast Forward*, the local banks that participate are more directly dependent on the economic health of Memphis communities than the other private-sector members. For those banks, participation is likely in their long-term self-interest.
- The 100,000 Opportunities Initiative, which works to address the problem of youth underemployment in the US. Building on groundwork laid by The Rockefeller Foundation's U.S. Youth Employment Initiative, the network is now working with these companies to develop new HR models that address the companies' entry-level talent challenges and generate more and better employment opportunities for youth. They also work directly with talent acquisition middlemen such as Manpower and Knack to pilot new services targeted at youth that, if successful, may become part of these companies' core business offerings.

Building the business case

When a network begins recruiting a company, crafting a business case that clearly articulates the value for engaging becomes essential. A business leader needs to see a clear path to participation, sense how that participation will serve a high-priority business need, and feel confident that the commitment involved is both well-defined and tightly bounded. This was underscored by Sundaa Bridgett-Jones, a Senior Associate Director at The Rockefeller Foundation, when she shared her experience courting a large multinational: "We had almost a year of conversation with them, and in the end the value proposition still was not hitting the mark. While it may sound engaging to have an open white-boarding session about how to partner, we have learned that with business it does not work as well as having a focused ask underpinned by a clear understanding of why that ask would be valuable to us and the partner."

As important as it is to outline a clear path for participation, it is also critical for social change leaders to bridge the "language divide." Framing the importance of the problem and the value of a solution primarily in terms of its moral imperative may seem an ironclad approach; but without making it clear how a solution would benefit the business, taking this tack risks falling on busy and deaf ears. Likewise, it is key to communicate the plans to run a tightly-managed and goal-oriented process that will move quickly, all of which can help to allay common concerns among business leaders. "If you're coming from civil society you are almost always walking in [to a company] at a deficit to talk about what to do," says Ryan Whalen, director of initiatives and strategy at The Rockefeller Foundation. "You need to crawl out of the hole of skepticism that you're going to be facing. You will be in such a different position than a supplier would be, where companies know 'I need your product to do my business.' In fact, a business leader's first thought will probably be, 'You should be talking to someone in corporate social responsibility.'"

We have identified four components of preparing a focused ask:



Describe the business value this network can deliver



Discover the companies and individuals who would bring value as participants



Define how a company can contribute



Craft the network's story for a business audience

These four components are all equally important as you work iteratively to refine your thinking about what companies to approach. When ready, the next step to build on this thinking is to conduct deeper research on that particular organization (ideally with an industry insider) in order to develop as targeted a pitch as possible. A strong business case can leave the company impressed with the social impact that the network could achieve—and clear on both what participation will require and what business value it can deliver.

Describe the business value this network can deliver



Identify the network's opportunities for providing value to companies, both directly to their core lines of business and indirectly by addressing their broader needs.

How can the network provide direct business value?

Look for specific ways that a network's chosen problem impacts commercial markets and the core business of various companies. For instance, how could working collaboratively to steward a region's watershed serve a company's interest? How could providing access to quality education for disadvantaged youth address the talent needs of a local business? Investigate the market to find ways the network can help those companies, such as through pre-competitive collaboration to create new market opportunities 2, shape industry standards 3, or build resilient supply chains 3, three of the five types of business value described on page 8. (Note: Take care to fully game out the potential impacts that an intervention might have on the market's competitive dynamics.)



"Before you approach a company, ask: 'Are we ready to approach them and do we have the right pitch for the right person?' You don't have endless bites at the apple. So make sure you make your case in an honest and serious way, not in an aspirational way. It demands a much colder calculus than much of what we do in social impact work."

Ryan Whalen, Director for Initiatives and Strategy at The Rockefeller Foundation



"Because impact sourcing is so new, there is a lot of interest in understanding how to operationalize it. The companies involved had been forging their own path but began to see a lot of value in exchanging information and tools."

Sarah Troup, former Associate Director at The Rockefeller Foundation



As part of how it encourages companies to commit to providing jobs for America's under-employed youth, the *100,000 Opportunities Coalition* offers large employers a peer-learning forum for airing their most difficult talent management challenges. While most networks that help companies with talent do so through the indirect approach of strengthening their brand, this peer group aids the participating companies with the immediate tactical issues of improving attraction and retention, issues that are particularly pressing for this group of employers that each have a very large retail staff to maintain.

How can the network provide indirect business value?

When there is not an opportunity to address a core business need, look for ways that the network can provide indirect business value. This most commonly takes the form of helping companies inspire, attract, and retain top talent or enhance brand value of, two of the five types of business value described on page 8. Indirect value is provided by influencing an important audience for the company, so consider what will make the network's social impact story compelling to the audiences the company is most concerned with.



For the private-sector participants in StrivePartnership, a network in Cincinnati designed to raise student achievement by integrating the metro area's many disparate educational enrichment programs, being involved in the network's efforts can provide the valuable indirect benefit of improving the companies' talent pool over the long term as well as improving their public standing by contributing to an effort that is considered important by many in the local community.

Discover the companies and individuals who would bring value as participants



Hone in on what you're looking for in corporate participants and map the path to finding them.

What is the "right" kind of company to have involved?

Beyond being relevant to the network's work and interested in the business value the network can offer, nearly any company could potentially be "right" for participating in a social impact network. But some are more likely than others to step back from the short-term mentality that tends to pervade business culture to look at the longer-term benefit that network involvement can provide. Two useful questions to ask are: Can you see any signs of pressure the company may be under to focus exclusively on the near-term, such as a scandal or a major acquisition? And, what examples can you find of the firm making investments in social impact work or other initiatives that reap long-term rewards?



• A 2015 Deloitte survey of the Fortune 500 mapped the distribution of firms across four typical ways that large companies relate to social impact—shareholder maximizers (11% of the Fortune 500), corporate contributors (53%), impact integrators (33%), and social innovators (3%). Each of these four "archetypes" has a unique pattern of market positioning and stumbling blocks, described below. (Note that these are descriptions relative to the Fortune 500; many smaller companies place social impact even more central to their strategy than the "social innovators" named here.) As you assess a company's particular situation, if you see indications that it is an example of one of the four archetypes, the traits of that archetype can help to fill in the picture of its motivations and interests. Alternatively, you can use the four archetypes as a screen, by deciding which archetypes could make good candidates and comparing potential companies against them. For more details, see *Driving corporate growth through social impact* 7.

Shareholder maximizer

Primary motivation is short-term shareholder value. Not many resources are applied to social impact. Strategy emphasizes risk mitigation.

Positioning to win

- Maximizes short-term financial returns to shareholders
- Possesses clear mission and business success metrics
- Empowers shareholders to use returns to promote social causes

Stumbling blocks

- Risks "blind spots" due to narrow stakeholder considerations
- Includes potentially costly regulatory affairs and PR functions
- Risks negative reputation for being "socially irresponsible"

<u>Impact integrator</u>

Social impact is integrated within financial strategy, across business units, and is used as input to explore new market opportunities. Possesses positive customer perception.

Positioning to win

Stumbling blocks

- Drives new business opportunities, aligns social and business strategies
- Possesses positive public recognition
- Integrates across functions, reinforces impact programs
- May add additional costs to business
- Difficulty in securing leadership and shareholder buy-in
- Social impact metrics complicate business success metrics

Corporate contributor

Social impact is driven by external factors and focused on key stakeholder relationships; strategy is siloed within firm.

Positioning to win

Enhances brand value with key stakeholders

- Shifts regulatory/compliance from reactive to proactive
- Benefits employees recruitment/retention

Stumbling blocks

- Reacts to changing external pressures
- Impact strategy lacks focus, fails to enhance reputation
- Cautious impact strategy equals missed market opportunities

Social innovater

Social impact is integral to strategy, embedded in processes and across business units. Business creates socially conscious goods/ services and markets. Social mission perceived as authentic.

Positioning to win

Stumbling blocks

- May add additional costs to business
- Difficulty in securing leadership and shareholder buy-in
- Social impact metrics complicate business success metrics
- May inspire "fast followers" at lower cost
- Social impact and business metrics may compete
- May be difficult to extract value and measure social dimension

Below are examples that illustrate how a company can embody one of the four archetypes⁸:



Shareholder maximizer

ING Group concentrates on its core capabilities to protect and create wealth for its clients; it does not include social impact in its mission/strategic plan. Christopher Steane, ING Commercial Bank's global head of lending, articulates this philosophy, "Our primary stakeholders are the depositors who have entrusted their money to us – and we have to make sure they are going to get it back." Instead, ING integrates social issues into investment decisions – such as a climate change or resource scarcity – to protect against business risk.



Corporate contributor

The transportation /logistics industry produces 25% of the world's CO2 emissions. *DHL* understands that green shipping matters, especially for businesses keen to ship products in more environmentally friendly ways. Though its GoGreen program, DHL is reducing fuel usage and total energy consumption and giving customers greener shipping methods. DHL is walking-the-talk on environmental stewardship to enhance its brand value among ever more environmentally conscious consumers.



Impact integrator

Novartis, the global pharmaceuticals company, aims to both solve society's biggest health challenges and deliver superior returns to shareholders. As part of its social commitment, through programs like "Arogya Parivar" in India, the company is piloting new business models to expand access to healthcare and treatment to underserved, largely rural patients, and is replicating the model in Kenya, Indonesia, and Vietnam. Through this work the company has served 6.6 million people to date.



Social innovater

Danone, the French food company, is committed to both business success and social progress. It takes a holistic view of its stakeholders that includes its investors, people, suppliers, and the planet. Danone integrates a variety of social initiatives into its operations, for example, to strengthen smaller partners in its supply chain, conserve water, and educate young parents on proper nutrition. In addition, the company's focus on producing healthy food for consumers is at the core of its "health through food" strategy.

Who are the "right" people to have involved?

Certain criteria are useful in finding and vetting potential participants within a given company: they have a personal stake in the business value (even if they are not a senior decision-maker), other participants are likely to value their relationship, and they have a collaborative temperament. For networks focused on innovation, vet also for an entrepreneurial mindset. You may find these people through existing relationships or through working with someone who can play a matchmaking role.



"There is a bar for the integrity required to be part of a network, because you need to cultivate an atmosphere of trust. And there are some people who will hamper the ability of any group to co-design a solution. Some of those people might be the most famous experts on the topic, but if you don't vet them out, you can put the group's productivity at risk."

Cheryl Dable, founder of Future of Fish



"Business for Social Responsibility has opened doors for us to the right people at companies who are really willing to talk about collaboration. Yes, you can always get a hold of someone on the company's CSR team, but it might take you six months to get as far as you could if you started by working with the right person in the heart of the business."

Ryan Whalen, Director for Initiatives and Strategy at The Rockefeller Foundation



"I don't think we spend enough time understanding their business. We need to figure out how we can get as close as possible to the commercial line in order to get to the win-win. CSR is not necessarily the best entry point for us; we really need to get to the beehive. We need to get to what they are trying to do and how this partnership can be supportive of their efforts."

Sundaa Bridgett-Jones, Global Resilience Partnership

Define how a company can participate



Be specific about what a participating company will need to commit of its financial and non-financial resources, including how it will be involved in the network's governance, in an effort to gain the business value that this network can provide.

What does a company's participation involve?

Set clear expectations of the minimum a company will need to bring to the table as a participant, keeping in mind that deeper involvement must be earned but can also open the door to providing greater value. That typically begins with a senior leader's time, with a couple of hours a month being a significant commitment. Consider whether you need the leader to come to each meeting having prepared something, and, if the meetings are in-person, whether being physically present is a requirement. Also consider whether companies will be asked to find creative ways to put their organization's non-financial resources to use, such as loaning their staff to provide technical expertise or to use their operations to pilot a new idea. Even if that level of involvement is not required, you may want to seek out companies that have assets that the network could use. Even these non-financial contributions will be seen by business leaders as having financial value, so it helps to be both conservative and specific in defining the ask.



"We are always trying to earn our entrepreneurs' time. We want them to leave every meeting feeling that their time was well spent and they got something out of it." *Cheryl Dahle, the founder of Future of Fish.*



The Sustainable Food Lab has convened many working groups where the group's ideas were turned into pilot programs that a participating company has run as an experiment within their own operations and supply chains , later reporting back to the group with observations on what worked.



In Toledo, Owens Corning joined a local StriveTogether network called Aspire, where its involvement in the network's improvement of the city's educational pipeline included substantial contributions of Six Sigma training and data analytics.

Will a company need to pay?

Choosing whether to ask for funding is an important decision in part because of its implications on the network's business model, but more importantly because of how it can color the relationship by playing into the typical expectation that a nonprofit will be asking for funding. Few of the networks we studied relied on companies for a substantial portion of their funding, but it was also not uncommon to ask for support in the thousands to low tens of thousands of dollars, sometimes as a partial match to earn support from more substantial donors. Think of money alongside non-financial contributions as another part of what a company brings to the table: if the network can offer enough to earn a deep relationship, the company may be willing to offer a small amount of resources back, which may be financial and/or non-financial in nature.



"The companies involved in the World Cocoa Foundation see the benefit of being able to leverage their funds with what's being put on the table by a major donor. It's attractive to see major donors interested in addressing challenges that are fundamental to these companies' survival." *Tim McCoy, World Cocoa Foundation*



Global Washington asks all of its members (corporate and otherwise) to pay an annual fee on a sliding scale from \$350 to \$10,000, with promotion through its channels being the reward for paying higher-end dues. This approach to pricing squares with the network's purpose of providing Washington State leaders with an opportunity to learn about one another's work on global development, offering both an affordable starting-point and an opportunity to purchase marketing for companies that are looking to build their brand.



Companies aren't asked to pay to be "platform partners" in the 100 Resilient Cities network. Becoming a platform partner already means making a commitment to provide services pro bono.

How will a company be involved in running the network?

Design the management and administration of the network to reflect what input is needed from companies, what level of leadership involvement companies may be likely to provide, and any important ways for business input to be balanced by input from civil society and other key groups of participants.



A helpful list of the most common leadership roles in for participants to play in a network can be found in the online guide *ENGAGE: How Funders Can Support and Leverage Networks for Social Impact* under *What forms of support will I provide?*.



The Center for Sustainable Shale Development develops standards for extracting shale gas which have to be practical for industry to implement in order to be effective. Industry has input into the standards development both through working groups and seats on the Board, but its influence is checked by having just a third of the votes and by a requirement for decisions to be reached by consensus.



Companies can be involved in governance in relatively unstructured ways, as they are in the Digital Humanitarians Network, which coordinates requests for volunteer assistance with humanitarian crises. Consistent with the network's small number of participants and informal structure, the companies that participate have the same opportunity as any of the humanitarian volunteer groups to make proposals and weigh in on decision making. To date, this has given the participating business leaders an opportunity to be part of the dialogue without placing any significant demands on their time.

Craft the network's story for a business audience



Clarify the story of the network's reason to exist and approach to achieving social impact, using terms and concepts familiar to a business reader and making no assumptions that the reader already understands the issue at stake.

What is the challenge and what do you want to achieve?

Frame the nature of the problem the network will address, the barriers to a solution, the stakes for overcoming those barriers, how the problem impacts commercial markets (such as its effect on talent pools, natural resources, supply chains, consumer attitudes, or government policies), and what changes the network can achieve.



Future of Fish addresses the challenge that many fisheries are on the path to collapse. If a given fishery collapses, the result can not only entail significant environmental problems but may also include lost livelihoods for the fishermen, fish brokers who lose a major source of supply, and grocery stores and restaurants who have to pay more \mathfrak{S} .

Why are you building a network?

Address why a network makes more sense than a standalone organization, what activities the network will pursue, and how it will be structured and governed.



Language and frameworks for addressing these questions can be found in the online guide ENGAGE: How Funders Can Support and Leverage Networks for Social Impact. See the sections on Is my challenge a good fit for engaging with a social impact network?, What can a network do?, and What network design would be the most useful?



"The driving belief behind Future of Fish was that it was going to take more than one idea and one business to change a global supply chain. We needed a platform that is a machine to continually invent new ideas and continually launch new businesses." *Cheryl Dahle, Future of Fish*

How will you measure success?

Show that the network has a strong commitment to outcomes and the structures in place to reach them. Name the metrics, early indicators, and other forms of accountability that will be in place to ensure that the group has clear goals and will be moving as quickly as possible.



"Businesses' biggest fear [in joining a StriveTogether network] is that the outcomes won't improve. We address that concern by emphasizing our focus on results, metrics, and holding one another accountable. This resonates."

Jennifer Blatz, Senior Director of Strategy and Operations at StriveTogether



Getting started

To put these ideas into action as you explore the potential for a new network or the need to transform one that already exists, we suggest moving through the following stages in your planning. This process combines the general guidance provided in *ENGAGE: How Funders Can Support and Leverage Networks for Social Impact* with the more specific methods described above designed for building networks that engage businesses.

1

Begin by making sure that a social impact network is truly the right approach for the problem you're trying to solve. Look for the particular qualities that make a problem a likely or unlikely fit.

(See ENGAGE: Is my challenge a good fit for engaging with a social impact network? and What are the alternatives to a network?)

2

Co-create a definition of the need that a social impact network can filland what kind of a network would respond to that need. Address its overall size and shape, and the specific functions it will serve. Use the five types of social impact networks described here, and the five types of business value they deliver, to arrive at a high-level concept of what the value exchange will look like with the businesses that participate.

(See ENGAGE: What network design would be the most useful?, What can a network do? and the options described above under "The business value delivered by social impact networks" on page 7.)

3

Further develop the concept by building the business case using the four steps described above: describing the business value, discovering who would be valuable business participants, crafting the network's story, and defining a company's contribution. Test and evolve this concept by reaching out to potential business participants.

(See the steps described above under "Building the business case" on page 23.)

4

As the concept takes clearer form, and the network gets underway, build out a more specific plan for who will fill the network's key leadership roles. If you are a funder, define what kind of a relationship you want to have with the network, and choose your own leadership roles accordingly.

(See ENGAGE: What forms of financial and backbone support do networks need? and What type of a network funder could I be?)

We hope the ideas offered here will be valuable to foundation funders, nonprofit leaders, and other network entrepreneurs who see the potential of involving companies as true participants in their work. If we have inspired you to take advantage of the new opening that today's trends present, find new ways to work with business leaders on social impact, and broker true partnerships that provide value on both sides, then we have done our job.



Sustainable Fisheries Partnership

The global seafood supply chain is highly fragmented and fraught with a range of complex challenges: major fishery collapse due to destructive harvesting methods and overfishing, mislabeling due to lack of traceability (some estimates indicate that as much as 75% of the fish sold in North America could be mislabeled¹⁰), and the prevalence of slave labor in fishing vessels operating on the high seas.

One way to cut into this thicket is to work with the businesses who would be affected by the collapse of fisheries, which is the strategy employed by a social impact network called the Sustainable Fisheries Partnership (SFP). It is a global network of experts that engages with companies along the entire seafood supply chain to achieve the vision of "healthy marine and aquatic environments, secure seafood supplies, and a thriving seafood economy." While some marine nonprofits focus on identifying overfished areas and placing them on "red lists" to discourage major buyers from sourcing fish from these fisheries, SFP appeals to the companies whose businesses face an imminent threat from fishery collapse to encourage them to play an active role in solving the problem.

John Thomas led The Rockefeller Foundation's work with SFP and sees it as enabling a mindset shift in the industry that has been a long time in the making. "If you know anything about the crab industry," he says, using crab as an example of what has happened with many seafood stocks, "it is a history of doing the same thing over and over again and expecting a different outcome. They started with the Chesapeake Bay, which originally had hundreds or thousands of crab boats in operation, now there are only two or three on the whole bay. The same thing happened in Louisiana. Then the industry went overseas to the Philippines and crashed those fisheries. Now in Indonesia the same thing is happening. The industry has reached a point where they're saying, 'We can either go to Sri Lanka or we can put a stake in the ground and figure out a way to make this work here for the long term."

In order to address the threat of collapse for a particularly stressed fishery, SFP has to mobilize stakeholders from throughout the ecosystem, rather than working one by one with individual organizations. To do this, they developed a "Fishery Improvement Plan" (FIP) which brings together fish retailers and distributors with the local fishermen, as well as relevant government agencies and members of civil society. Working together, these actors reshape the system to incentivize the adoption of sustainable fishing practices. For example, Mexico's most valuable fishery is the shrimp catch in the Gulf of

California, worth US\$260 million each year¹¹. In 2009, reports indicated that heavy trawling activity and high levels of wasteful bycatch were jeopardizing the health of the entire ecosystem¹². To address the crisis, a FIP was launched with support from a large number of seafood companies, non-profit organizations, academic institutions, and the Mexican government. The group intervened in a few key areas: first, they raised regulatory standards to reduce bycatch and habitat loss, in effect changing the "rules of the game" by which everyone had to play. They then hosted a series of workshops for fishermen to receive training on these new regulations and the use and maintenance of new bycatch reduction technology. The influence of the purchasers—not to mention their implementation of systems to ensure supplier compliance with the new standards—drove high adoption rates of the new practices. The impact of the network's efforts are significant: Today the trawling fleet has been reduced by 50%, while improving its economic performance, and recovery trends in stock status have been noted in several regions of the fishery.

Forging cross-sector partnerships such as these requires a tremendous level of trust between parties, which can often be quite challenging for network leaders in civil society to build with the private sector. It is not uncommon for network leaders to encounter a significant level of skepticism when approaching potential partners from the business community, who often think of civil society as purely charitable and will not expect a social impact network to have business value to offer. Even more difficult can be the task of identifying the right individuals to bring on board from these companies, who need to have both enough passion and enough access to power to create the change required. "Companies are like governments," says John Thomas. "You need to figure out who the right person is who has the leverage to make those kinds of changes or else you are wasting your time." To help mitigate both of these challenges, SFP has built its internal team by hiring many former members of the fishing industry whose expertise, background, and relationships are critical for gaining access to and winning over the right business participants. "There is no substitute for the reformed industry side player," says Thomas. "You want the person who can say, I used to do this too, but here is why I think we need to change."

Their strategy has paid off. Today, over 35 major companies are involved in FIPs around the world, including Walmart, Nestle, McDonald's, Disney, High Liner, Sam's Club, Tesco, and Aldi.

^{10 &}quot;Storied Fish Pod: The Challenge," Future of Fish website, http://futureoffish.org/pods, Accessed August 8, 2016

^{11 &}quot;Gulf of California Shrimp FIP," Sustainable Fisheries Partnership Website

^{12 &}quot;Gulf of California Shrimp FIP." Sustainable Fisheries Partnership website: http://www.sustainablefish.org/fisheries-improvement/fisheries-improvement/fip-stories/gulf-of-california-shrimp-fip

Future of Fish

A different approach to tackling the problem of overfishing can be seen in Future of Fish, which incubates entrepreneurs whose new business models could take the industry in better direction. When the network was founded in 2010, a common belief was that pressuring retailers to buy sustainable fish would ultimately drive change through the rest of the supply chain. While a laudable idea, it was an ineffective strategy in light of a more pressing set of obstacles. Retailers may have committed to sustainability goals, but they were often unable to fulfill them because of seemingly intractable challenges in the middle of the supply chain-the many "middlemen" between the original fishermen and the final retailer. "The insight was not a particularly welcome one," says Future of Fish co-founder Cheryl Dahle. "There was a lot of energy and momentum and money going behind a different theory of change. But we weren't suggesting something necessarily at odds with that theory, rather something that would complement and amplify its ability to actually take effect."

Rather than trying to influence the dominant players in the fish industry, Future of Fish supports entrepreneurs whose business models are disrupting the middle of the seafood supply chain by driving sustainable fishing practices. These small companies are developing a variety of innovations with potential for major impact, from traceability technology that tracks every fish from "catch to table" to next-generation aquaculture techniques designed to restore rather than deplete underwater ecosystems. These young businesses need even more support than the average startup in order to thrive because of the resistance they face from traditional industry players. Some also face the additional hurdle of gaining agreement from government agencies in order to implement their model. Not only are these entrepreneurs operating in very nascent markets, but often there is a large segment of the industry that benefits from the problem they are trying to solve, such as the lack of traceability that makes it easy for illegal catch to enter the supply chain without being noticed. Future of Fish uses a rather unconventional network model to provide these entrepreneurs with relationships, guidance, and resources that can help them succeed.

First, Future of Fish groups entrepreneurs into issue-based working groups called "pods." It currently hosts four: Technology for Transparency, Storied Fish, Breakthrough Aquaculture, and Oyster Restoration. To assemble these pods, the network conducts an extensive research effort to map the landscape of organizations working on a particular problem – such as oyster reef restoration, a linchpin species in many fish habitats – to assess where the aggregate energy currently goes and what aspects of the problem remain unaddressed. This map is used to identify entrepreneurs at key leverage points in the system whose innovative business models have the potential to disrupt their segment of the market. Once the entrepreneurs are identified, the network meticulously studies the barriers to

success each company is facing in their market and how they can overcome them through cooperation. "Because we had done our homework," says Dahle, "we helped our entrepreneurs realize that while they are in some respects competitors, they also have major incentives to collaborate. We showed them exactly how their particular products could actually complement each other and how together they might be able to overcome some of the significant barriers to growing their entire market." That concept of how the pod's success could influence the industry is then part of the fundraising pitch that Future of Fish can use to gain financial support from foundations.

For example, one member of the oyster restoration pod is the owner of Thimble Island Oyster Co., a pioneering "3D" ocean farm which uses the full water column to cultivate a self-sustaining ecosystem that also produces shellfish and seaweed for harvesting. While this method of farming has tremendous environmental and social benefits, many oyster farmers are struggling due to an overall decline in consumer demand in recent years. To address this industry-wide problem, Future of Fish is working with Thimble Island, other oyster farms, and an outside media firm, to rebuild demand through a national branding campaign encouraging the public to eat more oysters.

Once entrepreneurs coalesce into a pod, Future of Fish kicks in to play a set of critical roles in gaining network traction. For a period of 22 months, the network provides entrepreneurs with business advisory and strategy coaching, aids in partnership development, and hosts co-design workshops with pod members and experts from academia and the social sector to generate new solutions and approaches. "We become a lifeline for these entrepreneurs, the ones they call at 11pm when a huge deal just went south, asking what they should do. We're a way for them to not feel so alone in this journey. That increases their staying power and their ability to keep moving," says Dahle. "Other organizations do this as well, we're just doing it for a segment of players who really need our support, because their ideas are harder, and because their markets haven't yet coalesced."

The goal of each pod is to reach a certain "tipping point" in their area of the supply chain—a point where the pod can dissolve and the momentum in the industry will carry the desired change through the rest of the system. The pod focused on traceability technology has the goal to achieve 13% adoption of traceability technology across all companies in the supply chain, the point at which the standard technology adoption curve predicts that the technology will have moved from reaching early adopters into serving the mainstream market. "If you're trying to innovate and disrupt a system, entrepreneurs are almost always the right partners," Dahle says. "They are quick, nimble, willing to take risks, willing to take on a whole system and disrupt it, the perfect laboratory to prove that these ideas have merit. They are the tip of the spear."

Living Cities

Living Cities is an example of a social impact network that has evolved over time and is now able to build on its past success to provide a more complex, nuanced, and powerful value proposition to its business members. Founded in 1990, Living Cities organized around a straightforward value exchange: making it attractive for financial institutions to finance the construction of low-income housing by partnering with foundations who took on the majority of the lending risk. That narrow value exchange proved durable for a decade and a half, during which the network invested \$174 million, but then a number of circumstances changed and the members began to ask if they should simply declare victory and dissolve.

The fact that Living Cities did not dissolve is a powerful example of how social impact networks can evolve even their core value exchange to shift with the times. When the participants reflected on whether Living Cities should continue, what emerged was a realization that many people involved were getting value out the network far beyond what it was intentionally designed to provide. The meetings were valued on both sides of the table for the insightful conversations about the state of the country and urban issues, and the relationships built at Living Cities were already resulting in a wide variety of side partnerships between pairs of foundations and financial institutions. Most importantly, financial institutions had started to see the network as a source of a new kind of business value: it had become a place to learn how to reach low- and middle-income urban populations through pre-competitive information-gathering, business model innovation, and experimentation. This realization resulted in the network making a strategic pivot in 2007 to take on a broader social mission: addressing the many underlying drivers of urban poverty.

This broader mandate gives Living Cities far greater flexibility but also the tougher challenge of reinventing a fresh bargain with every new initiative. As the CEO of Living Cities since shortly after the strategic pivot, Ben Hecht has had to master that art. He sees that challenge primarily as an opportunity: "Once we moved beyond housing and got involved in a broader range of activities, we were able to work with many other parts of financial institutions," Hecht reflected. "For example, our work with local governments opened up the opportunity to work with the people providing municipal finance, and our work on pay-for-success gave us a way to connect with the private wealth managers who were looking for impact investment opportunities." Trading off focus against the promise of a broader range of relationships is

a common strategic choice in designing a network that includes companies. Some networks opt for the simplicity of a single durable value exchange while others create a container for continuously developing new ones.

tThis new approach has since led Living Cities to pursue a wide range of initiatives that each have their own unique value exchange between the foundations and financial institutions involved:

- Pay-for-success. The network was an early investor in "pay for success," also known as social impact bonds, a relatively new arrangement where private investors fund a nonprofit to achieve a social impact outcome, and are paid a return by the government if that outcome successfully saves government money. For example, Living Cities became a junior lender in the 2014 pay-for-success deal that funded the nonprofit Roca to implement its Boston-based program designed to keep young people from ending up back in jail. As a junior lender, Living Cities will receive a return but will be paid out after the senior lender (Goldman Sachs)13. By pooling investment from both financial institutions and foundations, Living Cities was able to take risks that individual financial institutions could not have taken themselves, providing a critical backstop for this creative but as-yet-unproven approach.
- · Community healthcare. Showcasing the power of the Living Cities network in building leader-to-leader relationships, the connection that formed between the heads of Kresge Foundation and Morgan Stanley that began when their respective heads were both chairs of Living Cities committees led to a partnership that pioneered a new way of addressing healthcare and housing needs together: building affordable housing units with integrated on-site health services. In early 2013, the two organizations announced that they would partner with LISC to create a \$100 million investment fund for the purpose. Morgan Stanley invested \$63 million through the Low Income Housing and New Markets Tax credits, and the remaining \$37 million was provided through loans and grants from the three partners. A second \$100 million was then invested in late 201514.

¹³ For more information, see the Living Cities collection of material on pay-for-success and the Stanford Social Innovation Review article "The Payoff of Pay-for-Success" from the fall 2015 issue.

¹⁴ For more information, see the launch announcement from the Kresge Foundation and the announcement of the second \$100 million in the Philanthropy News Digest.

• Racial equity. . Networks can be particularly powerful in providing the capacity for rapid response, and that is what Living Cities has been able to facilitate on the topic of racial equity. Freddy Gray was killed in Baltimore just two weeks before the 2015 Living Cities board meeting, and his death prompted the start of a special initiative focused on racial equity and inclusion. Eleven institutions joined, almost evenly split between foundations and financial institutions. At the time of this writing, the capital raise is underway and the financial institutions are committing as much in grant dollars as the foundations, and all of the participants are actively engaged in co-creating the strategy. The existing relationships that the network had fostered were the only reason that this group was able to coalesce, develop an approach that incorporated insights from both foundations and financial institutions, and mobilize a large-scale response¹⁵.

Hecht has found this new approach to be highly engaging for his members. He also credits the success of Living Cities to its ability to internalize two other points that are universal in the art of engaging companies in a network: first, that it is important to make a clear case for the business value of doing social impact work, and second, that it is crucial for the time commitment to be fairly light. Both speak to the divide between civil society's big-picture view and the short-term mentality that tends to pervade business. In his words, "Companies tend to like narrow technical solutions that deliver outcomes quickly. If they can't see the work resulting in a clear business proposition, it's hard to keep them at the table. We can give them that, but we also want to be a patient institution, so we're always working with companies to help them buy in to the patience."



ACUMEN BUSINESS FIGHTS POVERTY

Social Enterprises and Global Corporations Collaborating for Growth Impact.

SOCIAL ENTERPRISES AND GLOBAL CORPORATIONS COLLABORATING FOR GROWTH IMPACT

This Acumen report describes three types of collective action partnerships between large corporations, such as Unilever, The Coca-Cola Company, and EY, and social enterprises. It provides best practice insight about private sector partnerships through case studies of large corporations successfully engaged in social-impact minded work. The final section of the report also contains relevant writing about developing and maintaining a clear business case for social impact collaboration on both sides of the partnership.

BITZER

Partnering for Change in Chains: The Capacity of Partnerships to Promote Sustainable Change in Global Agrifood Chains.

PARTNERING FOR CHANGE IN CHAINS: THE CAPACITY OF PARTNERSHIP TO PROMOTE SUSTAINABLE CHANGE IN AGRIFOOD CHAINS

Published in Part 1 of the International Food and Agribusiness Reviews' special issue, "Managing Wicked Problems in Agribusiness." Bitzer's article examines the capacity of collaboration and partnerships in different commodity chains to promote sustainable change. In particular, the article focuses its analysis on the global coffee, cotton and cocoa chains and the various players, ranging from private sector companies to farmers, who have the potential for collaborating to affect change.

BOCKSTETTE AND STAMP

Creating Shared Value: A How-To Guide for the New Corporate Revolution.

CREATING SHARED VALUE: A HOW-TO GUIDE FOR THE NEW CORPORATE (R)EVOLUTION

This FSG paper defines ten "building blocks" which are intended to serve as a framework for maximizing shared value. By using informative case studies and relevant examples of shared value collaborations with companies (including HP, Cisco, GE, Alcoa, Nestle) to better illustrate each of these ten blocks, the report aims to provide insight regarding how to engage the private sector in more than just traditional CSR efforts and to create shared value.

BOREN

Cultivating Common Group for a Healthy Environment.

BUSINESS ALIGNING FOR STUDENTS: THE PROMISE OF COLLECTIVE IMPACT

Boren, an executive director of Sustainable Conservation (SC), focuses her commentary in this SSIR article on the networks and initiatives led by this California-based organization dedicated to addressing many of California's most challenging environmental issues. In particular, Boren discusses PlantRight, a new initiative that SC recently launched in collaboration local Home Depot retailers.

BOYEA-ROBINSON

Nonprofit-Corporate Partnerships: A New Framework.

NONPROFIT-CORPORATE PARTNERSHIPS: A NEW FRAMEWORK

Director of collective impact at Living Cities Tynesia Boyea-Robinson provides commentary in this article about a collection of frameworks for helping nonprofits to better understand the mindset of a potential corporate partner. Rather than just considering the general "value exchange," Boyea-Robinson tries to explain at a deeper level what defines a corporate partner's mindset and gives specific examples of companies participating in collective-impact networks.

CHARY, CICCARONE, SEEMAN AND SELDON

Needle-Moving Community Collaboratives Revisited: Profiles in Persistence and Progress.

NEEDLE-MOVING COMMUNITY COLLABORATIVES REVISITED: PROFILES IN PERSISTENCE AND PROGRESS

In this Bridgespan follow-up article to an earlier 2012 report on local communities involved in collective impact, eleven of the communities discussed in the previous report are re-examined. The analysis provides interesting commentary and conclusions relevant to the topic of not just establishing collective action networks, but best practices for and examples of communities that have ensured the longevity and continued success of these collaborations.

EGGERS, WONG AND COONEY

The Purpose-Driven Professional: Harnessing the Power of Corporate Social Impact for Talent Development.

THE PURPOSE-DRIVEN PROFESSIONAL: HARNESSING THE POWER OF CORPORATE SOCIAL IMPACT FOR TALENT DEVELOPMENT

This article discusses the growth of social impact-minded efforts across all generations of businessmen and women as well as the case for connecting corporate social impact efforts to areas of talent development, including recruiting and engagement / retention. Particularly relevant material includes specific references to networks and organizations which seek to connect public and private sector groups.

DETONI AND VELDHUIZEN

Building Capabilities for Multi-Stakeholder Interactions at Global and Local Level: Executive Interviews with Unilever Manager.

EXECUTIVE INTERVIEWS WITH UNILEVER MANAGERS

This article features a number of interviews with managers at Unilever which focus on the multinational company's sustainability efforts and multistakeholder partnerships. It provides insight into the mindset of leaders as a private sector company with regards to what helps to develop and maintain a successful social-impact minded collaboration or partnership.

DETONI, HOSPES AND ROSS

Managing Wicked Problems in Agribusiness: The Role of Multi-Stakeholder Engagements in Value Creation: Editor's Introduction.

MANAGING WICKED PROBLEMS IN AGRIBUSINESS...EDITOR'S INTRODUCTION

This editor's introduction to a compilation of articles relating to multi-stakeholder collaborations and networks includes a framework on resources, processes and the effects of multistakeholder engagements. In addition to the more theoretical discussion of the authors' framework, the intro also includes informative graphics on the framework and multistakeholder collaborations.

EVANS AND CHEN

Public-Private Partnerships in Global Health.

PUBLIC-PRIVATE PARTNERSHIPS IN GLOBAL HEALTH

This Rockefeller Foundation supported article expands in detail on the topic of two particular types of "global partnerships": international agency operated partnerships (such as GAVI and the Roll Back Malaria Partnership) and independent non-profit entities. The former operates under the administrative and financial control of a major government or formal entity, while the latter are independent entities which often have the co-funding and endorsement of large companies and organizations.

GARFUNKEL

Healthy Communities, Healthy Companies: Engaging the Private Sector in Collective Imp act.

HEALTHY COMMUNITIES, HEALTH COMPANIES: ENGAGING THE PRIVATE SECTOR IN COLLECTIVE IMPACT

Garfunkel's article is a brief piece which discusses the opportunity for collective impact efforts – with a focus on strong corporate involvement – to have high impact in the health sector. Due to the systemic nature of many health / healthcare related issues, Garfunkel presents a case for why better engaging corporate actors in health-related social impact efforts and collective action initiatives more quickly help to address and mitigate many of these issues.

GLASBERGEN

Global Action Networks: Agents for Collective Action.

GLOBAL ACTION NETWORKS: AGENTS FOR COLLECTIVE ACTION

Glasbergen's article is a theory-heavy piece which provides an overview to what Steve Waddell coined as "global action networks" (GANs). In addition to describing the theory behind GANs and why they serve as successful agents for collective action, the article offers case studies about a number of networks and collaborations, such as the Fair Labor Association (FLA) and Global Partnership for the Prevention of Armed Conflict (GPPAC).

GLOBAL SOLUTION NETWORK

Research Reports and Case Studies.

GLOBAL SOLUTION NETWORKS: CASE STUDIES

The Global Solution Networks case studies includes a compilation of relevant research and articles regarding global platforms and initiatives. Many of these case studies present more detailed views of the development and successes of major networks, such as the Digital Humanitarians Network (DHNetwork).

GLTE, ROYAL DUTCH SHELL, AND XYNTEO

Collaboration for new growth: learning from leaders.

COLLABORATION FOR NEW GROWTH: LEARNING FROM LEADERS

Through case study analyses of private sector collaborations, this paper focuses its discussion on the type of leadership required for public-private collaboration. Specifically, it contains commentary regarding the ideal mindset of a leader for social impact-minded collaboration, the helpful skills and knowledge he or she must possess, and the incentives which can help to support their efforts.

GROSSMAN AND LOMBARD

Business Aligning for Students: The Promise of Collective Impact.

BUSINESS ALIGNING FOR STUDENTS: THE PROMISE OF COLLECTIVE IMPACT

This Harvard Business School study analyzes the growing trend amongst business leaders to improve K-12 education in America through collective impact efforts through which the businesses collaborate with other stakeholders to contribute their expertise and capabilities in addition to financial assistance. The second half of this study features a number of particularly relevant survey results and charts which include data about what types of business leaders are involved in collective impact initiatives, what type of activities in which they are engaged, common concerns from business leaders, and reasons for business involvement.

GROSSMAN AND LOMBARD

The Role of Business in Collective Impact.

THE ROLE OF BUSINESS IN COLLECTIVE IMPACT

This article focuses on the positive impact that collective impact efforts which involve businesses can have on communities, and in particular, on their education systems. Grossman and Lombard reference StriveTogether and some of the city-specific "cradle-to-career" StriveTogether sites throughout the article.

HAMILTON

Sustainable Food Lab Learning Systems for Inclusive Business Models Worldwide.

SUSTAINABLE FOOD LAB LEARNING SYSTEMS FOR INCLUSIVE BUSINESS MODELS WORLDWIDE

Hal Hamilton, the founder of the Sustainable Food Lab (SFL), offers a more detailed description of SFL's founding, developing, and experiences in engaging cross-sector actors in his paper. In addition to discussing the work done by Hamilton's multistakeholder, sustainability-focused network, the article also includes Hamilton's thoughts on general network-building theory regarding best practices for engaging a variety of stakeholders to successfully achieve network goals.

HASSAN

The Social Labs Revolution.

THE SOCIAL LABS REVOLUTION

In this book, Hassan argues that solutions to complex social challenges, such as poverty, ethnic conflict, and climate change, require a more adaptive approach, which he refers to as "social labs." These labs are multistakeholder meetings in which attendees collaborate to develop potential solutions. The book includes examples of what Hassan calls "first generation" social labs and includes case studies on networks such as the Bhavishya Alliance and the Sustainable Food Lab (SFL).

HECHT

Collaboration is the New Competition.

COLLABORATION IS THE NEW COMPETITION

By learning from the examples of other "non-traditional partners" – including private, public, philanthropic and nonprofit – who have come together to address some of society's toughest problems, Ben Hecht highlights five lessons for driving large-scale social change through collaboration. His five lessons stress how collective impact has proven to yield promising results and can be broken down into various ingredients in an overall recipe for success.

HERMAN, PFITZER, STAMP, MEIER AND BARMETTLER

Private Enterprise for Public Health.

PRIVATE ENTERPRISE FOR PUBLIC HEALTH

This FSG guide focuses on private sector collaboration in partnerships and networks which are focused on women's and children's health. The authors argue that private sector actors have abilities which, through partnerships with others, can improve women and children's health in four keys ways while simultaneously strengthening their own business.

HILLS, RUSSELL, BORGONOVI, DOTY AND IYER

Shared Value in Emerging Markets.

SHARED VALUE IN EMERGING MARKETS

A deep analysis of more than thirty case studies helps to support this FSG report's argument that companies do have the ability to lead social change on a large scale for at-risk or impoverished people around the globe. This piece contains specific suggestions for companies based on their geography and sector which can help to maximize their potential impact in emerging, underserved markets.

HOSPES, VALK AND MHEEN-SLUIJER

Parallel development of five partnerships to promote sustainable soy in Brazil: Solution or part of wicked problems?

PARALLEL DEVELOPMENT OF FIVE PARTERNSHIPS TO PROMOTE SUSTAINABLE SOY IN BRAZIL

This article, featured in the International Food and Agribusiness Review special issue titled "Managing Wicked Problems in Agribusiness (Part One)," is focused on understanding and describing the extent to which the parallel development of collaborations and partnerships can help address the "wicked problem" of sustainability for a global commodity. It discusses theoretical frameworks for multistakeholder networks and gives examples of these networks, including the Round Table on Responsible Soy (RTRS).

JOLIN, SCHMITZ AND SELDON

Needle-Moving Community Collaboratives: A Promising Approach to Addressing America's Biggest Challenges.

NEEDLE-MOVING COMMUNITY COLLABORATIVES

This article describes the collaboration between Bridgespan and the White House Council for Community Solutions to identify the most effective "needle-moving collaboratives" in local communities, particularly those focused on helping disconnected youth. This piece includes Bridgespan the Council's conclusions regarding keys to success and provides recommendations on how to encourage more, effective networks and communities which engage in collective action efforts.

KANIA AND KRAMER

Collective Impact. Article by John Kania and Mark Kramer in Stanford Social Innovation Review, Winter 2011. Pages 38–41.

COLLECTIVE IMPACT

This article is the foundational piece which coined the term "collective impact" to describe a particular, cross-sector type of a social impact network. It argues for the value of these networks, outlines "Five Conditions of Collective Success," and illustrates how they can effectively function through a number of successful examples, such as the StrivePartnership.

KANIA, KRAMER AND RUSSELL

Strategic Philanthropy for a Complex World.

STRATEGIC PHILANTHROPY FOR A COMPLEX WORLD

Kania, Kramer and Russell's article defines a few new, network-related terms, including "emergent strategy," "relational trust," and "system fitness." The article also focuses on major shifts that are occurring within the model of social impact oriented philanthropy and uses the Global Impact Investing Network (GIIN) and its particular collaboration efforts and networks as a model example of success.

KOH, KARAMCHANDANI AND KATZ

From Blueprint to Scale: The Case for Philanthropy in Impact Investing.

FROM BLUEPRINT TO SCALE: THE CASE FOR PHILANTHROPY IN IMPACT INVESTING

This Monitor and Acumen Fund collaboration article gains much of its material from an in depth study of companies in the Acumen Fund portfolio regarding the effects of impact investors and other funders. Of specific relevance to readers interested in private sector engagement and potential investment in networks may be the final two chapters of the piece, which outline key recommendations for funders and investors as well as an "Enterprise Philanthropy Playbook" which shares an initial set of ideas for what to fund and how to apply best investing practices.

LOPEZ AND SARNI

Water as a shared challenge: From societal expectations to collective action.

WATER AS A SHARED CHALLENGE: FROM SOCIETAL EXPECTATIONS TO COLLECTIVE ACTION

This Deloitte article describes how companies, companies, NGOs, governments and other cross-sector actors can work together to derive new partnerships and improved abilities to deal with water shortages. It discusses the Sustainable Agriculture Initiative Platform as an example of a successful cross-sector network focused on addressing a shared, environmental challenge.

MCKINSEY & CO.

Beyond Corporate Social Responsibility: Integrated External Engagement.

BEYOND CORPORATE SOCIAL RESPONSIBILITY: INTEGRATED EXTERNAL ENGAGEMENT

This McKinsey article discusses a term which they refer to as "integrated external engagement" (IEE) as an alternative to the traditional, increasingly less successful corporate social responsibility (CSR) efforts of many companies and societies. By incorporating interactions and discussions with stakeholders into decision making processes at every level of an organization, the authors argue that a company can better apply their management abilities and other unique competencies to more successfully engage with the external environment.

MCKINSEY & CO.

Business and Society in the coming decades.

BUSINESS AND SOCIETY IN THE COMING DECADES

Walmart CEO Doug McMillon and SVP of Sustainability Kathleen McLaughlin the authors of this McKinsey commentary which highlights the convergence of public and private interests with that of society as a whole as well as the unique abilities of large companies to use their size and expertise to address societal challenges and affect major ecosystems. The commentary includes a small section which focuses on engaging partners and collaborations to transform systems and refers to a few successful partnerships and cross-sector initiatives.

MCKINSEY & CO.

Creating Partnerships for Sustainability.

CREATING PARTNERSHIPS FOR SUSTAINABILITY

After interviewing a number of business, government, and NGO leaders, the authors of this article identified seven principles which make alliances and partnerships between companies and other public and private organizations successful. The article references a number of social and environmental minded organizations and companies, including Grow Africa and the Marine Stewardship Council.

MCKINSEY & CO.

Public-Private Partnerships: Harnessing the Private Sector's Unique Ability to Enhance Social Impact.

PUBLIC-PRIVATE PARTNERSHIPS: HARNESSING THE PRIVATE SECTOR'S UNIQUE ABILITY TO ENHANCE SOCIAL IMPACT

After initially defining four archetypes in the emerging public-private partnership (PPP) landscape, this McKinsey article continues to suggest five ways for the private sector to contribute in an impactful way to PPPs. The study also includes an argument for how the private sector can benefit from PPP engagement, as well as a summarized table of nine best practices for maximizing private sector engagement.

MENNEL, MENDELSON, MCELHANEY AND MARQUARD

The roadmap toward effective strategic social partnerships.

THE ROADMAP TOWARD EFFECTIVE STRATEGIC SOCIAL PARTNERSHIPS

This Deloitte publication references and explains the concept of "strategic social partnerships" (SSPs) in great detail. The article explains these partnerships, which are often joint efforts between a corporate social responsibility department and a businesses' philanthropy function as well as core business functions, as well as the development of them and benefits they can provide.

NEE & JOLIN

SSIR Collective Impact Round Table Discussion.

ROUNDTABLE ON COLLECTIVE IMPACT

This features actual text from a round table discussion with a number of social sector leaders regarding different communities that are engaging in successful collective impact. There are a number of comments regarding StriveTogether and other general ideas about how to best balance the time aspect of a relationship between different network members, with a particular focus on the often very busy private sector clients.

PATSCHEKE, BARMETTLER, HERMAN, OVERDYKE AND PFITZER

Shaping Global Partnerships for a Post-2015 World.

SHAPING GLOBAL PARTNERSHIPS FOR A POST-2015 WORLD

This Stanford Social Innovation Review (SSIR) article references the Roll Back Malaria Partnership and a number of other initiatives through its analysis of collective impact efforts relating to a number of global partnerships. It discusses key differences between global and local collective impact efforts and the varying degrees and types of backbone support and funding required for each.

PETERSON

What's Holding Back Social Enterprise and Multinational Partnerships.

WHAT'S HOLDING BACK SOCIAL ENTERPRISE AND MULTINATIONAL PARTNERSHIPS

This short blog post starts by acknowledging a couple recent pieces including Acumen's report Social Enterprises and Global Corporations: Collaborating for Growth with Impact. Peterson views the examples in the report as promising examples of shared value innovation, and shares a couple learnings from FSG's work with large NGOs. The piece ends on an optimistic note that FSG is looking to do more of this work: "Perhaps there's a way for Acumen and FSG and the Shared Value Initiative to work together to bring about more social enterprise – multinational mash-ups."

PFITZER, BOCKSTETTE, STAMP AND BARMETTLER

Innovating for Shared Value.

INNOVATING FOR SHARED VALUE

Through a study of thirty companies that have a shared value approach, the authors of this article Review developed a framework of five key elements which are required to create shared value which successfully engages the private sector. The article also acknowledges the background difficulties which a company faces in attempting to move from idea to action and dives deep into explaining what specific factors cause these challenges.

PFITZER AND KRISHNASWAMY

 $\label{the condition} \textit{The Role of the Food and Beverage Sector in Expanding Economic Opportunity.}$

THE ROLE OF THE FOOD AND BEVERAGE SECTOR IN EXPANDING ECONOMIC OPPORTUNITY

This FSG article focuses its analysis and discussion on the innovative work being done by some private sector actors in the food and beverage value chains in order to have a positive impact on agriculture in developing countries. In particular, Pfitzer and Krishnawamy emphasize how supply chain concerns can drive private companies and firms to partner and join in networks with other cross-sector actors, an action which enables the private sector to capitalize on its core capabilities and strengths to drive its own business value and to create value for other members along the supply chain.

PLASTRIK, TAYLOR, AND CLEVELAND

Connecting to Change the World: Harnessing the Power of Networks for Social Impact. Book by Peter Plastrik, Madeleine Taylor, and John Cleveland. Published September 29, 2014 by Island Press.

CONNECTING TO CHANGE THE WORLD

This book describes the role of networks in solving social problems, including a chapter providing roles and lessons for "network engineers." The authors argue that networks are "managed chaos," which can be a source of vitality when approached with the proper mindset.

POLMAN AND CHRISTENSON

Thought Leader Interview: Paul Polman.

THOUGHT LEADER INTERVIEW: PAUL POLMAN

Karen Christensen interviews Unilever CEO Paul Polman about how Unilever integrates social impact minded activities across its global brands and many business units. Polman references a number of initiatives that Unilever has spearheaded and networks it has joined, and also spends time discussing the importance of strong executive leadership in driving forward a company's social impact efforts and socially conscious business development.

PORTER AND KRAMER

Creating Shared Value.

CREATING SHARED VALUE

This 2011 article by Michael Porter and John Kramer focuses its thesis around the idea that a company's success and social progress are codependent. Porter and Kramer write that shared value is different from traditional CSR or philanthropy efforts; it stems from creating economic value that is at the core of a company's business strategy and also seeks to tackle some of society's toughest problems and needs.

PRESKILL, PARKHURST, AND JUSTER

Guide to Evaluating Collective Impact.

GUIDE TO EVALUATING COLLECTIVE IMPACT

This guide functions as a handbook which includes a framework for evaluating collective impact efforts. In order to assist the reader, the authors present a sampling of relevant questions, outcomes and indicators that can be utilized into the process of evaluating a collective impact initiative in order fully understand the initiative's progress and areas for potential growth.

REOS PARTNERS

The Bhavishya Alliance – Learning and Legacy.

THE BHAVISHYA ALLIANCE – LEARNING AND LEGACY

This Reos Partners case study include details on and learnings from the Bhavishya Alliance, a cross-sector partnership in India focused on reducing child malnutrition. The paper describes the development of the alliance starting with the initial goal development and "lab meetings" up through the actual on-the-ground engagement between stakeholders which enabled much of the initiative's successes and achievements.

THE ROCKEFELLER FOUNDATION

Health Innovation Networks to Help Developing Countries Address Neglected Diseases.

HEALTH INNOVATION NETWORKS TO HELP DEVELOPIN COUNTRIES ADDRESS NEGLECTED DISEASES

This 2005 article published by The Rockefeller Foundation discusses a number of networks that are collaborations between public and private donors with the intent of accelerating the developing of new health products and to procure and distribute drugs and vaccines.

THE ROCKEFELLER FOUNDATION

Partnering to Develop New Products for Diseases of Poverty.

PARTNERING TO DEVELOP NEW PRODUCTS FOR DISEASES OF POVERTY

This 2004 report is a summary of public-private partnerships (PPPs) established by The Rockefeller Foundation with the focus of collaborating for the development of critical health products. These partnerships, referred to as product-development PPPs, include large public sector organizations such as the Bill & Melinda Gates Foundation as well as many major governments, as well as a number of pharmaceutical and biotechnology industries on the private sector side.

THE ROCKEFELLER FOUNDATION, RESULTS FOR DEVELOPMENT, AND THE INTERNATIONAL HEALTH POLICY PROGRAM (THAILAND)

The Role of the Private Sector in Health Systems: Challenges and Opportunities.

THE ROLE OF THE PRIVATE SECTOR IN HEALTH SYSTEMS: CHALLENGES AND OPPORTUNITIES

This jointly produced article discusses major challenges for healthcare systems in the developing world. It uses first-hand experience and knowledge from the contributing author foundations and groups to describe and illustrate examples of how the private sector and its unique capabilities and strengths can be harnessed to help address many of these challenges in healthcare.

ROLL BACK MALARIA PARTNERSHIP AND JOHNS HOPKINS CENTER FOR COMMUNICATION PROGRAMS

Advocacy for Resource Mobilization (ARM) for Malaria Guide.

ADVOCACY FOR RESOURCE MOBILIZATION (ARM) FOR MALARIA GUIDE

This Roll Back Malaria Partnership (RBMP) publication focuses on building relationships with private sector actors who may have an interest in the health sector, with a particular focus on those whose businesses have a connection to malaria. It includes a number of frameworks and structures which are intended to guide NGOs and other non-profit organizations, networks, etc. in the process of crafting and sustaining relationships with companies that provide incentives and value to both the social impact organization and network and to the private company.

RYAN

Power Dynamics in Collective Impact.

POWER DYNAMICS IN COLLECTIVE IMPACT

Ryan's article expands on the discussion of collective impact with a focus on her "cradle to college and career" collective impact effort in Washington State called the Road Map Project. After a brief explanation of the initiative, Ryan shares six lessons she learned from the growth, development and success of her own collective impact efforts.

SCHOUTEN AND GLASBERGEN

Private Multi-Stakeholder Governance in the Agricultural Marketplace: An Analysis of Legitimization Processes of the Roundtables on Sustainable Palm Oil and Responsible Soy.

AN ANALYSIS OF LEGITIMIZATION PROCESSES OF THE ROUNDTABLES ON SUSTAINABLE PALM OIL AND RESPONSIBLE SOY

This article by Schouten and Glasbergen discusses the legitimacy of two large networks focused on improving the sustainability of global commodity chains: the Roundtables for Responsible Soy (RTRS) and Palm Oil (RSPO). In addition to its discussion of the legitimacy with particular reference to involved stakeholders, the paper also offers detailed insight into the cross-sectoral aspects of the roundtables and how their distinct governance structures enables multi-stakeholder collaboration.

SISODIA, SHETH, AND WOLFE

Firms of Endearment.

FIRMS OF ENDEARMENT

This book discusses modern companies who drive their business and profits with the governing thought that "doing good" is good business and generates the most value. Such companies, called firms on endearment, are explored in this book's case studies and examples, many of which also reference global networks and organizations in which these firms participate, such as the Textile Exchange.

SPLANSKY JUSTER

The Types of Problems Suited for Collective Impact.

THE TYPES OF PROBLEMS SUITED FOR COLLECTIVE IMPACT

Splansky Juster, a director at FSG, discusses four situations in which collective impact initiatives may be well-suited to address a particular societal or environmental challenge. This blog post also includes some references to the particular interest a private sector actor may have in one of these challenges as well as the potential role they might play in a collective impact effort.

TAPSCOTT AND GEGENHUBER

Global Solution Networks: A Literature Review.

GLOBAL SOLUTION NETWORKS: A LITERATURE REVIEW

This GSN publication provides clear language regarding the definition of a network. It also offers a high-level discussion of multistakeholder networks, public-private partnerships (PPPs) and other types of multisector collaboratives. The review's extensive footnotes also might provide further sources for research and insight regarding networks and PPPs.

WADDELL

Global Action Networks: Creating Our Future Together.

GLOBAL ACTION NETWORKS: CREATING OUR FUTURE TOGETHER

Waddell's book dives into a specific type of network which he defines as a "Global Action Network," or (GAN). He provides numerous examples of GANs which have developed over the past couple of decades and how these unique, multistakeholder collaborations are showing increasing success and positive results in addressing and tackling many global challenges.

WADDELL

Societal Learning and Change: How Governments, Business and Civil Society are Creating Solutions to Complex Multi-Stakeholder Problems.

SOCIETAL LEARNING AND CHANGE: HOW GOVERNMENTS, BUSINESS AND CIVIL SOCIETY ARE CREATING SOLUTIONS TO COMPLEX MULTI-STAKEHOLDER PROBLEMS

This book includes six case studies of multi-stakeholder collaboratives which are having a positive impact on addressing global challenges, such as the Global Reporting Initiative (GRI). In addition to the case studies, the book also contains a number of relevant charts, graphs and other theoretical support regarding potential resources, strengths and weaknesses, and other aspects to consider regarding a potential partnership with various actors (i.e. state, market and civil society). Waddell also creates his own "network topology" which he uses to categorize the different types of multistakeholder collaborations.

WADDELL ET AL.

Large Systems Change: An Emerging Field of Transformation and Transitions.

LARGE SYSTEMS CHANGE: AN EMERGING FIELD OF TRANSFORMATION AND TRANSITIONS

This is a formally-published version of Steve Waddell's paper on the field of systems change. The content is primarily high-level theory which defines and explains the topic of "large systems change" (LSC) and offers a holistic picture of LSC knowledge, methods and strategies.

WADDELL, MCLACHLAN AND DENTONI

Learning & Transformative Networks to Address Wicked Problems: A GOLDEN Invitation.

LEARNING & TRANSFORMATIVE NETWORKS TO ADDRESS WICKED PROBLEMS: A GOLDEN INVITATION

This article, published in the International Food and Agribusiness Review special issue titled "Managing Wicked Problems in Agribusiness (Part Two)," focuses on how GANs can be involved in addressing problems in the agribusiness and food sectors. It focuses on a new, emerging GAN called GOLDEN for Sustainability, which Waddell describes as "developing outside the agricultural and food sector, but with the ambition of including the agro-food sector."

WEAVER

The Promise and Peril of Collective Impact.

THE PROMISE AND PERIL OF COLLECTIVE IMPACT

Distinct from much of the current literature which focuses solely on the growing successes of collective impact initiatives, Liz Weaver's article also includes commentary regarding certain missteps to avoid due to certain perils which can arise with the misapplication of these collective impact efforts. Weaver, who works for Tamarack, an organization which has serve the collective impact role of backbone support for various networks, uses Tamarack's hands-on experience with the successes and shortcomings of collective impact initiatives throughout her article.

WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT

Innovative City - Business Collaboration.

INNOVATIVE CITY – BUSINESS COLLABORATION

This World Business Council for Sustainable Development report provides a detailed explanation of the Urban Infrastructure Initiatives – including their development, progress and outcomes. Of particular interest and focus was the InnovationCity Ruhr (Bottrop) case study, which examines a unique place-based network that involved a number of cross-sector actors working towards greater environmental sustainability in the German town of Bottrop.

WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT

Sustainable Mobility Project 2.0.

SUSTAINABLE MOBILITY PROJECT 2.0

This summary PDF on the World Business Council for Sustainable Development's website gives a brief overview of the Sustainable Mobility Project 2.0 project – a cross-sector network between mobility related companies and other stakeholders in selected key cities around the globe. The overview provides more information about the Sustainable Mobility Project 2.0's goals and general plan for the project's intended 2-3 years of existence.

WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT

The Urban Infrastructure Initiative - Final Report.

THE URBAN INFRASTRUCTURE INITIATIVE – FINAL REPORT

This World Business Council for Sustainable Development summary presents the results of the Urban Infrastructure Initiative – a network through 14 global companies collaborated with ten cities around the world to promote specified WBCSD goals for urban sustainability. The report provides extensive detail on the overall initiative and network itself, a thorough review of the progress made in each city, and a series of lessons, outcomes, and recommendations for future reference, research and potential network development.

