Key Takeaways

Session Title: Strategically Leveraging Corporate Resources for Social Impact

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Session Rapporteur

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Steven Serneels (CEO & Board Member, European Venture Philanthropy Association)

- Corporate foundations are rethinking how they re-align with corporations

- Corporates like Vodafone are starting social accelerators to explore technological innovations that can have social impact

GLA Note: He was probably referring to Vodafone Techstarter, which provides UK-based social tech ventures and charities the chance to secure funding and access to expertise –to help them take transformational ideas from start-up to scale-up

- He directed the audience to read an article in the Stanford Social Innovation Review titled "*The Rise of the Corporate Social Investor*", which points to data that indicate that less than half of the companies measure their impact on the SDGs. In addition, hardly any made changes to their core business activities, and only a few even changed their corporate social responsibility (CSR) efforts

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Bruno Roche (Chief Economist, Mars)

- He commenced by stating that every risk and crisis is as much a time of opportunity as it is a time of danger. It is as much a time to break down as it is a time to build up
- Business and entrepreneurship has existed before capitalism and will continue to exist after capitalism as the world knows it currently
- World will need to re-think its approach to capitalism. Financial capitalism has been a source of efficiency and value creation, but is now deteriorating and is a source of value-destruction, **as shareholder maximization leads to a net reduction in resources eventually**. **Businesses also need social capital, human capital and natural capital (i.e. natural resources)**

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- However, while businesses measure returns on financial capital, there is no firm model in place to measure the other forms of capital described above. Businesses that measure all of the above factors will end up with better financial performance

- COVID-19 offers the world an opportunity to reposition the corporation positively

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Anurag Hans (Essilor International)

- Uncorrected poor vision is the world's largest unaddressed disability. 1 in 3 people are affected by uncorrected poor vision
- Essilor set up a dedicated business division that is focused on serving the bottom of the pyramid
- It is estimated that a sum of USD 14 billion would be needed to eradicate the problem of "poor vision" by 2050
- Essilor recognizes that they cannot solve the problem alone and that they need to structure partnerships with the development sector. However, he says that a silo mentality plagues the relationship between corporates and the development sector
- There is a tension between corporates and social development sector- Need for these 2 entities to come together to create sustainable solutions- the time is ripe now

Anurag Hans (Essilor International)

- Business model innovation focused on creating sustainable access and awareness. Essilor claims to have created 15,000 microbusinesses worldwide

- There is a tension between corporates and social development sector- Need for these 2 entities to come together to create sustainable solutions- the time is ripe now

- Essilor is creating the first Development Impact Bond to foster partnerships to train vision care micro-entrepreneurs

- In times of crises, CSR investments are the first to shrink. However, if the corporate's efforts have gone into creating a sustainable infrastructure, they tend to stay on. For example, if Essilor has created 15000 micro-entrepreneurs, in a tough environment, while it may be difficult to ramp up the number of micro-entrepreneurs, the Company will continue to support those 15,000 entrepreneurs at the very least.

Jae-Ho Choi (General Manager, Corporate Social Responsibility Team, Hyundai Motor Company)

- The paradigm for Hyundai has moved from merely "giving" to "moving for social impact"

- Hyundai has made a strategic investment in H-JUMP School, which was first initiated by a Not-for-profit organization, JUMP, with the goal of providing youth from minority or disadvantaged families with opportunities for high-quality education

- In 2013, JUMP joined a tripartite PPP with Hyundai and Seoul Scholarship Foundation, a public agency fully funded by the Seoul Metropolitan Government

- JUMP oversees project operations. Hyundai plays a vital role by funding approximately 75% of the program budget, as well as advising on its overall direction as part of its CSR initiatives

Jae-Ho Choi (General Manager, Corporate Social Responsibility Team, Hyundai Motor Company)

- Hyundai also helps maintain a competent pool of professional mentors by providing its employees and college students with an opportunity to teach at a Community Children Center for 1 year and providing high quality scholarships and mentorships in return

- Hyundai becomes popular with the millennial generation. Satisfaction of employee mentors has increased.

- He concluded that no one stakeholder can solve complex social problems anymore. Cross-sector collaboration amongst stakeholders, as in this case, is key.

Disclaimer: The intent of the slides above is to merely share some of our learnings/notes from this session. We may not have covered all points touched upon by the panelists. We have also provided our own comment on certain topics discussed by the panelists. Reader discretion is advised.