

Understanding the systemic impacts of B Corps on social and economic opportunities for women and youth in Latin America
Sistema B – Do not quote – 10.2016

**UNDERSTANDING THE SYSTEMIC IMPACTS OF B CORPS ON SOCIAL AND
ECONOMIC OPPORTUNITIES FOR WOMEN AND YOUTH IN LATIN AMERICA**

Proposal for IDRC

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Santiago, Chile
October 9th, 2016

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EXECUTIVE SUMMARY

A decade of continuous growth and enhanced social investment helped reduce poverty and increased labor market opportunities in Latin America¹. The slowdown in economic growth since 2014 can reverse the gains of the past, especially for young people, women, people with disabilities and others who may be marginalized. Initial estimations put 30 million people, - many of them youth and women who work mostly in precarious employment, in low productivity and informal activities in the service sector-, in risk of sliding back into poverty or vulnerability. In order to build “resilience” - the ability to absorb external shocks such as financial crisis or natural disasters—without major social and economic setbacks,² we need to further inclusive economic growth, i.e., growth that includes marginalized groups². Governments, international agencies and civil society have supported gender and age-responsive public policies to enable women and youth to engage in productive activities, generate income, and reduce poverty³. The private sector has a key role to play; however, it has been slow in actively supporting inclusive growth.

Since 2012 Latin America is witnessing the emergence and rapid growth of a new corporate organizational form: the [Certified B Corporation](#). This is a different type of corporation that brings together business success and social good. These “impact enterprises” are for-profit companies that use the power of markets to solve social, environmental, and economic problems as the core purpose of their business. B Corps are promoted in Latin America by Sistema B, a non-profit organization operating with a systemic vision, actively advancing a regenerative and inclusive economy through promoting B Corps and their supporting ecosystems in Latin America. Between 2012 and 2016, almost 300 companies have been certified as “Empresas B” in Latin America.

B Corps have the potential to contribute solutions to women and youth economic inclusion. While the movement is growing fast, B Corps represent a small fraction of the business activity in the region. The B movement has identified a series of challenges to grow. A key challenge refers to the gap to demonstrate the social impact of B Corps. There have been very few studies on B Corps and the field is evolving through isolated efforts. Building on a growing interest from researchers, and through an active involvement of universities and research centers, this project will support “Academia B”, a platform to develop and advance a research agenda to enhance the impact of hybrid enterprises towards an inclusive and regenerative economy. This three-year

¹ According to UNDP Human Development report 2016, between 2003 and 2013 some 72 million people were taken out of poverty in Latin America. Between 2015 and 2016, however, there was an increase in the number of poor people, and some 25 to 30 million people, many of them youth and women, are at risk of returning to poverty in the region, given that women and youth work mostly in precarious employment, in low productivity and informal activities in the service sector.

² Human Development Report 2015. Work for Human Development.
<http://www.undp.org/content/undp/en/home/librarypage/hdr/2015-human-development-report/>

³ Women and youth in productive activities. UNIDO.
<http://www.unido.org/what-we-do/creating-shared-prosperity/women-and-youth-in-productive-activities.html>.

project will assess the impact of B corporations on economic opportunities for women and youth. It will help build a new field of research, and strengthen the entrepreneurial ecosystem for the expansion of impact enterprises contributing to an economy that offers opportunities for women and youth. The methodology and research questions to assess the impacts of B Corps will be developed by a senior researcher and supported by an Advisory Committee formed by world renowned experts in the field. This methodology will then inform a call for 9 research studies for senior researchers and 15 research awards for young researchers. For studies in Colombia the project would have a special focus on enhancing opportunities and social inclusion for rural youth to contribute to the peace process. Research outputs will include 9 peer reviewed papers on the potential of B Corporations to contribute to social and economic inclusion of vulnerable women and youth; a book synthesizing key research findings; practical tools specifically targeted to B Corporations to enhance their social impact. The knowledge generated will be translated into action by Sistema B, and will be widely communicated in media and through various outreach tools and events to promote new business strategies.

1. BACKGROUND: ABOUT B CORPS, SISTEMA B, THE GLOBAL B MOVEMENT, and ACADEMIA B

a) B CORPS:

B Corps are a new type of business with four characteristics:

- a) They commit to create positive social/environmental impact, including their commitment and purpose in by-laws, so it becomes legally binding for shareholders and management;
- b) Submit to the B Impact Assessment, an evaluation of the overall sustainability of the company. If the business reaches above 80 over 200 points, it is invited to become a B Corp;
- c) They commit to transparency;
- d) They join a global community of B Corps.

In Latin America, B entrepreneurs are acting to collaborate in solving social and environmental problems, such as:

- Offering decent jobs and quality employment for single mothers, first jobs for young people, jobs for different abled workers, and jobs for people coming out of conflict situations, such as ex guerrilla or paramilitary in Colombia;
- Promoting positive leaders to create a sense of community;
- Promoting trust, cooperation and peace in Colombia;
- Healthy nutrition and conscious personal care;
- Solutions to reduce impacts of industrial and urban pollution (waste, water, air);

- Supporting the economic viability of small rural and urban producers;
- Regeneration of degraded ecosystems, working to improve the resilience of communities that depend on these ecosystems;
- Support for fair and equal access to basic services: energy, education, water, health;
- Improving social and environmental performance of companies and organizations;
- Communicating positive impact;
- Inclusive financial services.

Each company that undertakes the B Certification develops an understanding of its advances towards the positive impact defined as their purpose. There is, however, no rigorous methodology to evaluate the aggregate or systemic impact of the collective that can serve as evidence for public policy and decision makers.

b) SISTEMA B: www.sistemab.org

Sistema B is an organization created in 2012 in Latin America to promote a new economy where success is valued in terms of wellbeing of people and the planet. Through building a favorable ecosystem, Sistema B has supported the rise of B Corporations, as well as collaborative movements, such as 101 solutions for social entrepreneurship in Chile and Argentina. Working via communities of practice and collective action, Sistema B is currently present in 10 countries in Latin America, working with enterprises, trade unions, NGOs, foundations and civil society to create emergent alliances towards sustainable development.

Sistema B is the Latin American expression of a global citizen movement that encourages market entrepreneurship, social leadership and community building, jointly pursuing an integrated economic, social and environmental DNA for business. In close alliance with B Lab in the US - the organization that created the B Corps for the world in 2007-, since 2012 Sistema B promotes both Certified B Corps as a new market identity and business sector, and Benefit Corporations, as a novel legal status that introduces corporate options into the law. Sistema B operates at national and local levels, with a global sharing and dissemination perspective. Its model engages and integrates six communities: B Corps, impact investors, large corporations, academia, public officials and civil society. Their engagement, interaction and joint purpose creates the ecosystem necessary for the evolution of business and the economy towards an era of sustainability.

In the last 4 years, Sistema B:

- Has promoted actions for massive public awareness, like the Festival Internacional de Innovación Social, in collaboration with 50+ different organizations;
- Has supported the collective creation of public policy solutions, such as 101 Soluciones (www.101soluciones.org) and legal communities, promoting new legislation to allow for a

new legal type of business in 5 countries (<http://www.sistemab.org/comunidad-juridica-global-b>)⁴;

- Has incorporated social and environmental management in value chains with large companies, such as the first large financial company in the world to use the B Impact Assessment- “Mide lo Importante” with Bancolombia, and for companies that work within municipalities, such as Rio+B;
- Since 212, almost 300 Latin American companies have obtained B Certification. With overall annual sales of 7 Billion US\$, they represent more than 100 industries and more than 20,000 quality jobs;
- 93% of the B Corps seek their re certification within two years, indicating that they find value in the process;
- The first publicly listed firm to obtain the B certification is the Brazilian Natura Cosmetics;
- To date more than 2000 companies have taken the B Impact Assessment in the region;
- Implemented an active media strategy with thousands of media cover stories published in papers, TV radio and social networks;
- Alongside B Lab US, Sistema B has been instrumental developing the B movement globally, now officially present in the United States, ten countries in Latin America, Canada, Great Britain, Australia, Portugal and Portuguese-speaking Africa, and nine European countries.

c) THE GLOBAL B MOVEMENT: www.bcorporation.com

The Global B movement has advanced rapidly since 2012:

- 1,854 corporations have achieved the B certification in 50 countries;
- 50,000 corporations have used the B Impact Evaluation in order to evaluate their social and environmental practices;
- B Corps are active in 120 diverse industries, and range from multimillion multinationals to smaller businesses. This prosperous community is a great hope for a more sustainable economy, both regionally and internationally;
- A very interesting trend is the call from large multinationals such as Unilever, Danone and others, to actively participate in the movement for a new economy. Given the numerous questions regarding greenwashing, and general distrust of large corporations around the world, this group is focused on developing specific tools that ensure consistency in the actions of global businesses with the values of the movement.

⁴ The usefulness of a new legal type of company is related to the need for increased legal certainty for shareholders who wish to extend fiduciary duty to include the rights of stakeholders and nature. It also allows for companies to be legally incorporated with extended fiduciary duty from inception.

d) ACADEMIA B

A very significant challenge for the credibility of the B movement is the need to offer evidence of the change we seek. To understand possible futures and plan accordingly, we must move our thinking from anecdotes to theory and rigorous empirical evidence, and from theory and empirical evidence to public policy.

Academia B is a bridge with academia to advance the B movement by promoting research, supporting public policy suggestions, and valuing the generational identity of the B movement. Thousands of young people find purpose and collective identity in the movement, but to build a new economy, young people need to learn in a new way about business, collaboration, and compassion. Academia B supports student-led networks and the development of teaching materials to offer tools and experiences for those who will lead business and the economy in the near future.

Sistema B advances by articulating the diverse actors and ecosystems that promote a new type of business and a new economy. The relationship with academia has developed in an ad-hoc way, and the opportunity to link researchers, professors and students has not been maximized either for the needs of the movement nor for the interest of researchers. This effort could lead to the consolidation of a new field of enquiry in the region, and a new generation of business leaders who learn that maximization of profits is not the unique goal of business.

More than seeking to develop internal capacity, Sistema B establishes alliances with researchers and education centers, recognizing and building on each other's expertise and looking to scale impact **without expanding the organization**. Further to answering questions that emerge from academia, we propose combining academia's contribution and students' actions to seek answers to the challenges that practitioners and B Corps face, contributing to the expansion of the movement and the consolidation of a field of inquiry.

Academia B emerges to articulate relationships with academia, develop spaces for reflection and work with these challenges, enriching Sistema B's discourse and practice with new knowledge and networks.

Academia B Advisory Board orients action and strategy for Academia B in alignment with Sistema B and the global B movement. Formed by individuals recognized for their knowledge in new economic thought, hybrid companies, leadership and social movements, including conceptual diversity, creativity and innovative visions that will help produce important contributions for Latin America and the world. The advisory council will meet face to face once a year and virtually twice a year. Once a year, the Council will present suggestions to Sistema B regarding strategic advancements, topics and relevant actions regarding actions for the upcoming years. The council will help define a research agenda that responds to the needs of Sistema B and its global partners, identifying research questions that allow the movement to expand, and will contribute to define the methodology for assessing the direct and systemic social impact of B corps. The focus of research will be Latin America, but will include topics of global interest and comparative analysis with different contexts (for example, Canada). The research agenda will be the guide the liaisons with universities; it will be used to prioritize studies and demands for thesis and internships.

2. RESEARCH PROBLEM AND JUSTIFICATION

This project aims to contribute to inclusion of women and youth in economic and social opportunities in Latin America by understanding the current and potential impact of B Corps and their ecosystems as agents for inclusion.

Large and small B Corps operate in the region with inclusion as their core business, such as Mujeres del Pacífico, promoting women entrepreneurs in 5 countries; Terrium, offering first jobs close to their homes to single mothers; Gulliver, developing entrepreneurial ecosystems in rural areas to support women and young entrepreneurs; Crepes&Waffles -one of the largest restaurant chains in Colombia- offering decent employment for thousands of single mothers; Maravill and Natura Cosmetics, offering business opportunities for low income women to work from their home; Balloon and Emprediem, supporting young entrepreneurs in rural areas; SiembraViva, supporting the return of young entrepreneurs from urban to rural activities.

Women and youth face significant challenges to insert themselves in the economy, but when there is favorable ecosystem and support, many young people and women find innovative ways to create a future for themselves and contribute to their communities⁵. Instead of considering them as “vulnerable and poor”, which diminishes their perception of themselves and undervalues their capacities, we see them to as their own force for solutions, potential actors of development in their communities.

Although women and youth face distinct challenges in participating in the economy, it is widely acknowledged that youth unemployment and persistent discrimination on women, unequal access to and control over assets and services, are significant risks for multidimensional progress. Some 30 million people, mostly youth and women, are in risk of returning to poverty in Latin America. Economic deceleration and the limits of fiscal expansion partially explain this risk, but there is an important impact of the significant number of precarious and informal jobs where women and youth are employed, such as low productivity and informal activities in the services sector. More than half of the 300 million workers in Latin America and the Caribbean work in informal jobs. 70% of SMEs are informal, and more than half of people are employed in micro enterprises.⁶

On the other hand, inclusive economic growth, i.e., growth that includes marginalized groups such as women and youth, is increasingly recognized worldwide as fundamental for sustainable development. Governments, international agencies and civil society have supported gender and age-responsive public policies to enable women and youth to engage in productive activities, generate income, and reduce poverty⁷. The private sector has a key role to play; however, it has been slow in actively supporting inclusive growth.

⁵ Human Development Report 2015. Work for Human Development.
<http://www.undp.org/content/undp/en/home/librarypage/hdr/2015-human-development-report/>

⁶ Women and youth in productive activities. UNIDO.
<http://www.unido.org/what-we-do/creating-shared-prosperity/women-and-youth-in-productive-activities.html>

⁷ Human Development Report 2015. Work for Human Development.
<http://www.undp.org/content/undp/en/home/librarypage/hdr/2015-human-development-report/>

B Corps or Empresas B, hybrid corporations are redefining success in business. They are for-profit companies that use the power of markets to solve social, environmental, and economic problems -such as inclusion and creation of decent jobs- as the core of their business. B Corps are promoted by Sistema B as part of the movement for a new inclusive and regenerative economy in Latin America. Inclusive growth requires effective action by private sector, and B Corps can contribute to inclusion, not only within the companies themselves, their value chain suppliers and customers, but also as the purpose of their business activities.

The organic growth of Sistema B and of the global B movement in four years has been significant, and the expectations for growth are very positive. We need, however, to develop a truly global vision, and deal with three key challenges to scale up the movement with consistency and integrity.

3. CHALLENGES TO ADVANCE THE B CORPS MOVEMENT

3.1. Develop rigorous evidence on the impact of B Corps in the construction of a more inclusive and regenerative economy: what difference do B corps make in terms of social good?

Sistema B is a part of, and has ample visibility over, the emerging phenomena of entrepreneurial ecosystems and businesses for a new economy .

We recognize the need to participate in the public sphere in a more effective way, offering evidence of the change we propose to inform policy and legal frameworks for hybrid enterprises to flourish, It is necessary to complement an “activist” discourse, based on enthusiasm and anecdotes, with evidence and conceptual frameworks that can promote the development of public policy, as well as enrich the actions of Sistema B in the construction of an inclusive and regenerative economy.

Instead of developing the internal capacity, Sistema B created **Academia B** to build a bridge between researchers and practitioners to produce new knowledge that advances systemic change, as well as to offer arguments and rigorous evidence of change that can contribute to a new economy. With support from IDRC, in 1st of May 2016 Sistema B started the research “B Corporations and Climate Change in Latin America,” a 3-year project based on action-research methodology, under the direction of an Academic Committee (dr. Pablo Muñoz, Leeds U., dr. Oana Branzei and dr. Garima Sharma, Ivey Business School Canada, and dr. Bhim Adhikari, IDRC). With support from Sistema B, research teams from 3 Universities are working in Colombia, Chile and Peru on this project. The current project builds on this experience and will consolidate Academia B and help Sistema B to develop a rigorous methodology to measure the

⁸ Sistema B is part of a group of actors who promote a New Economy and social entrepreneurship from diverse platforms, such as Conscious Capitalism, Socialab, The New Economy Coalition in the U.S.A with 153 organizations, Ellen MacArthur Foundation, Ashoka and many others. This movement is advancing rapidly in the whole world, and finds a concrete tool in the B toolkit to support the change many entrepreneurs want to effect by building social and public good on top of profits for their stakeholders.

systematic impact of B corps with a focus on its social and economic impact for women and youth. This is a good complement to IDRC's support to Sistema B to measure the environmental and social impact of B Corps and collective actors supporting the movement.

Academia B is also being supported by CAF for the development of formation programs for businesses and law schools. In addition to this efforts, the Multilateral Investment Fund (MIF) will finance the "Call for Proposals" of two investigations and the price for two thesis about topics related to Empresas B. All the results will be disseminated on the academic network that this project seeks to consolidate providing Academia B more academic tools to enhance the work with the academia and scale the impact of the project.

3.2. Ensure that the B movement grows with integrity and consistency with the values we propose, in particular promoting diversity and gender inclusion within our own community.

The B movement has a generational identity: most B Corps are led or founded by young people, who find purpose and collective identity in the movement for a new economy. While diversity and inclusion are key values of the the B community, women are underrepresented in the leadership of B corps, and the current B Corps are not representative of the diversity in the regions where they operate. For example, most B Corps operate in large urban areas and are led by university educated business people, and less than 20% of all certified B Corps are managed or founded by women, compared to 36% in the U.S. economy (*2012 Census*), or 26% in Latin American economy (*BID*).

According to research carried out by BID in Latin America⁹, companies that have one or more women on their executive committees achieve a capital performance 44% higher than those that do not, and the presence of women in higher positions of power in work groups allows for a better combination of abilities and leadership. Women tend to place more emphasis on the development of people and on collaborative decision making processes, while men tend to feel more comfortable making decisions individually. Only 23% of women in the region lead small businesses and a 9% do so in large corporations, and there are women in only 8% of executive committee positions and 5% in board of directors. This data is lower than Europe (10% and 17%) and the United States (14% and 15%). The "Global Gender Breach Report"¹⁰ once again manifests the importance of gender equality for sustainable development and competition in the economy, promoting the support of women entrepreneurs to contribute to the reduction of poverty and social wellbeing.

Female leadership in B Corps could allow us to study and learn from a type of leadership that is more focused on collaboration and less on competition, more on co-construction and less on individual leadership, essentially, a more holistic and inclusive leadership. There is much work to

⁹ Women Leadership In Latin America And The Caribbean
<http://blogs.iadb.org/integration-trade/2016/05/16/women-leadership-in-latin-america-and-the-caribbean/>

¹⁰ The Global Gender Gap Report: World Economic Forum
2011http://www3.weforum.org/docs/WEF_GenderGap_Report_2011.pdf

be done if we want to have meaningful change in the long term in impact business directed by women. We need to better understand their leadership styles, and of course, have a better understanding of the obstacles they face in empowerment and development, which we must address in order to facilitate their participation in the B community. What is female impact leadership like? What benefits do businesses report from such leadership? How are women impact-business leaders perceived by their counterparts? A specific research stream under this project will examine B corps “inward” to answer these questions. Through this project, Academia B will help build a methodology and a set of tools to strengthen the global B entrepreneur community to become more inclusive. This will inform global advocacy efforts towards fostering the role of women in entrepreneurship with a purpose.

3.3. Value and strengthen the enthusiasm of thousands of researchers, students and future entrepreneurs who wish to participate in the movement, and who want to know more, but cannot find the adequate resources in their Universities or education centers.

In the past four years the B movement has been accompanied by thousands of students and future entrepreneurs who reach out to look for information regarding B Corps. A great challenge for Sistema B has been to adequately answer to this interest.

We have developed on-line and off-line tools, such as “B Multipliers” (www.relatob.org), fellowship programs, workshops and short courses, internships with B Corps, and tools to include B Corps in incubators and accelerators. Some academics already offer courses and have expressed interest in B Corps, but there are still few academic spaces that offer training on these subjects, and above all, that offer new ways of training future entrepreneurs to design and build corporations with the purpose of building public goods, beyond simply generating profits for investors. This new generation will build the businesses of tomorrow!

Through research and new knowledge this project will help consolidate Academia B and a new field of research in the region, offering an opportunity to students and researchers to work on business with a purpose -such as B Corps- and their social impact, and embed this work on their courses and universities through the work with the academics on the network that this project seeks to develop and the alliances established with universities to the implementation of the generated knowledge.

4. PROJECT OBJECTIVES

This project will support the consolidation of Academia B to examine how B Corps can generate economic opportunities for women and youth at the firm level and at a systemic level. The research project will examine the social impact of B corps in three levels of analysis: the direct impact of B Corps, the institutional role of B Corps as market disruptors, and the potential of scale in the synergies of collective actions and partnerships.

It will do so by assessing B Corps impacts “inwards”: to increase diversity and inclusion in the B movement: the impact of inclusive leadership, learning from leadership of women and youth; and

“outwards”: the impact of B Corps on economic and social inclusion of women and youth, both at the individual firm level but also at the systemic level. The methodology and research questions to assess the direct and systemic impact of B corps will be developed by the project lead researcher and supported by a select group of researchers in the Academia B Advisory Council and this methodology will then inform a call for research for senior and young researchers.

4.1. GENERAL OBJECTIVE:

Enhance the social contribution of impact enterprises through supporting Academia B to advance knowledge about the impact of B Corps on social and economic opportunities for women and youth.

4.2. SPECIFIC OBJECTIVES:

1. Through the support of Academia B, develop a community of practice in Latin America to advance knowledge on the social impact of purpose corporations and embed this knowledge in universities to train business leaders;
2. Develop methodologies, knowledge and tools to measure direct and systemic impact of B Corps on social and economic opportunities for women and youth (both “inwards” and “outwards”);
3. Share and disseminate knowledge, best practices and policy recommendations on the social impact of B Corps and the movement for an inclusive economy among students, academics, entrepreneurs, and policy makers, and raise awareness with key stakeholders on the role of innovative economic actors such as B Corp and Sistema B in contributing to women and youth inclusion and economic empowerment.

5. ACTIVITIES AND METHODOLOGY:

5.1. CONSOLIDATING ACADEMIA B BY ESTABLISHING RELATIONSHIPS WITH UNIVERSITIES, RESEARCH CENTERS AND STUDENT-LED NETWORKS:

i. BUILD A NETWORK OF RESEARCHERS AND TEACHERS:

Improve the data-base, which currently includes 224 academics and 43 universities in Latin America, in order to identify academic partners who share vision and values with options to participate in research, training or support of student networks. The initial mapping will help identify successful experiences and build alliances with universities and actors with an interest in promoting student networks, training tools and rigorous evidence on impact of B Corps. This network will participate in and disseminate the research activities to be undertaken in this project.

Activities:

- Map potential researchers and teachers and other academic actors; at least 50 new researchers and 15 universities mapped.
- Invite participation and develop activities to advance collaboration, including at least 5 agreements with universities to become leaders in Academia B
- Coordinate meetings and presentations in universities and research centers to promote interest, participating of at least 10 presentations/meetings every year.
- Curate and facilitate the space and platform for the network of academics.
- Promote academic workshops to discuss and disseminate methodologies and results – at least 3 workshops through the project years.
- Online Platform for events, communication channel and document repository
- Disseminate calls for papers, thesis and academic seminars.

ii. STRENGTHEN THE EXPERT ADVISORY COUNCIL AND DEFINE A RESEARCH AGENDA FOR ACADEMIA B:

The Advisory Board orients action and strategy for Academia B in alignment with Sistema B and the global B movement. Formed by individuals recognized for their knowledge in new economic thought, hybrid companies, leadership and social movements, including conceptual diversity, creativity and innovative visions that will help produce important contributions for Latin America and the world. The advisory council will meet face to face once a year and virtually twice a year. Once a year, the Council will present suggestions to Sistema B regarding strategic advancements, topics and relevant actions regarding actions for the upcoming years.

The council will help define a research agenda that responds to the needs of Sistema B and its global partners, identifying research questions that allow the movement to expand, and will contribute to define the methodology for assessing the direct and systemic social impact of B corps. The focus of research will be Latin America, but will include topics of global interest and comparative analysis with different contexts (for example, Canada). The research agenda will be the guide the liaisons with universities; it will be used to prioritize studies and demands for thesis and internships. A short poll will be carried out (on and off line) in order to analyze interests to allow refining the agenda. The expert advisory council will monitor the development of the agenda and contribute to the process, follow on implementation and advances, provide support to research, assess progress and help prioritize lines of research and relevant reflection, needs for training and academic publications, and will offer suggestions to advance.

ACADEMIA B ADVISORY BOARD:

1. Prof. Oana Branzei, Donald F. Hunter Professor of International Business and Associate Professor of Strategy, Richard Ivey School of Business, University of Western Ontario,

- London, Canada. Director, Sustainability Certificate program, founder, convener and host faculty, Ivey/ARCS PhD Sustainability Academy
2. Prof. Baltazar Caravedo, Director, Centro de Liderazgo, Escuela de Negocios, Universidad del Pacífico Perú
 3. Prof. Roberto Gutiérrez, Director, Social Enterprise Knowledge Network (SEKN), Director Iniciativa de Empresas Sociales, Facultad de Administración de Empresas, Universidad de los Andes, Colombia
 4. Prof. Pedro Jacobi, Escuela de Educación, Programa de Pos Grado Ciencia Ambiental, (PROCAM), GovAmb USP – Laboratorio de Gobierno socioambiental, Universidad de Sao Paulo, Brasil
 5. Charmian Love, Co-founder and Director, Volans UK, BMW Foundation’s Responsible Leaders Network, Trustee of Shared Impact and 3D Investment Foundation, G8 Social Impact Investment Taskforce, United Way Centraide Canada, Global Ambassador, CityWorks Toronto (tbc)
 6. Prof. Lawrence Pratt, Senior, Professor, ex director CLADS, INCAE Business School, Costa Rica

Activities:

- Coordinate and facilitate one annual face to face meeting, and 2 virtual meetings every year for 3 years
- Register and publish resolutions and suggestions
- Implement agenda, resolutions and agreed actions
- Prepare report with Advisory Boards’ contributions to define the methodology for assessing the direct and systemic social impact of B corps (the Advisory board will meet in Medellin –see below- and the project methodology developed by the project lead researcher – Oana Branzei- will be refined).

iii. ACADEMIC EVENTS:

To discuss research papers and foster peer learning and review, advance interest and motivate research and teaching, Academia B will host annual academic meetings in different cities in Latin America, inviting the researchers selected by their proposals, academics participating on the conformed network and new academics and researchers mapped, especially the ones located in the same area that the academic meetings are taking place.

The first event will be hosted together with EAFIT University in Medellín in November 30th 2016, on the topic of “NEW ECONOMY IN LATIN AMERICA: OPPORTUNITIES FOR YOUTH AND WOMEN IN B CORPS IN RURAL AREAS”. Academia B will be announced and launched in the academic meeting in Medellín, as well as calls for research and young researchers’ awards.

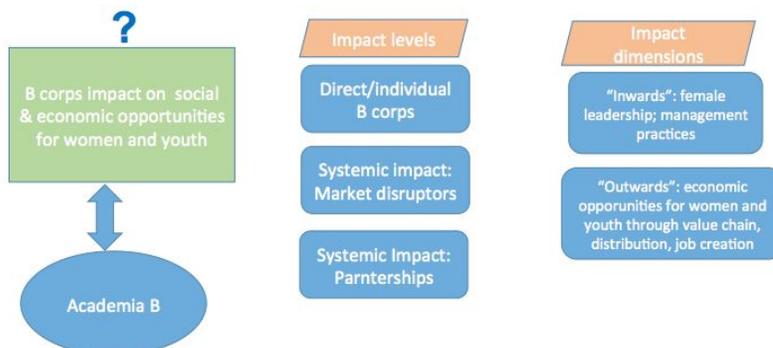
Activities:

- Coordination and implementation of annual Academic Seminars (3) to advance communication and support research and knowledge exchange
- Issue calls for papers and research
- Deliver awards and support calls for papers

5.2. ADVANCING RESEARCH THROUGH ACADEMIA B: MEASURING THE DIRECT AND SYSTEMIC IMPACT OF B CORPS ON SOCIAL AND ECONOMIC INCLUSION FOR WOMEN AND YOUTH

Researchers will be invited to assess the direct and systemic impact of B Corps with a focus on social inclusion and economic opportunities for women and youth. Building upon the experience of the current research project on “Understanding the impact of B Corps and Climate Change”, the research project will examine the social impact of B corps in three levels of analysis: the direct impact of B Corps, the institutional role of B Corps as market disruptors, and the potential of scale in the synergies of collective actions and partnerships.

The project will build a methodology and base of rigorous evidence concerning the direct and systemic impact of B Corps on social and economic inclusion for women and youth, both “outwards” (impact of B corps on social and economic inclusion of women and youth) and “inwards” (to increase diversity and inclusion in the global escalation of the B movement).



- Develop methodology to assess the systemic and the individual impact of B Corps on social/economic inclusion for women and youth
- Implement research (individual and systemic impact levels) and women leadership study
- + through:
 - 10 research awards selected through annual competitions for researchers in key prioritized themes under the topic of assessing the impact of B corps on economic opportunities for women and youth (eg value chains, practices of B Corps incubators, etc)
 - 15 thesis for students
- Strengthen research networks through:
 - Agreements with universities, academic multipliers, annual competition, students awards, internship program

ACCESS TO B IMPACT ASSESMENT DATA

The B Impact Assessment-BIA is a proprietary tool developed by B Lab US to measure and manage impact for small and medium sized enterprises. Companies use the BIA to assess their company's overall social and environmental performance across a range of factors including a company's impact on workers, the environment, and their communities. To date, over 35,000 companies have accessed the B Impact Assessment, some 2000 of them in Latin America. Individual data from companies is protected by non disclosure agreements. B Lab also developed "B Analytics", a tool for investors to compare social/environmental performance for portfolio companies.

Companies that access the B Impact Assessment can take a "quick assessment" of their performance, a comprehensive assessment of their performance, or a version of the quick or comprehensive assessment that has been customized by to track specific data. Questionnaires vary according to number of employees, industry, country, and impact of business model. Wherever possible, the data in the B Impact Assessment is IRIS compliant and covers topics that relate both to how the companies operate and what their impact business model is (the core intent of their business and the impact that follows from that intent). Furthermore, the BIA is improved at least every 2 years, so there are many challenges for comparability and aggregation of data.

B Lab US partnered with the Center for Advancement of Social Entrepreneurship (CASE) at Duke's Fuqua School of Business to support research using BIA data, and realized that further work is required to make the data accessible and useful for research purposes. BIA is designed as an individual management tool, and there are significant challenges for comparability and statistical analysis. Code books were developed to address the challenges encountered, but even with these code books the amount of time required by individual researchers is significant. Currently data has to be pulled from B Analytics and provided to researchers through an excel spreadsheet, and it is not yet possible to export relevant data out to a statistical platform. Researchers are looking for additional counterfactual information and for financial data that is not presently available. B Lab US is currently engaged in an internal process to identify gaps and figure out ways to bring external data sources into B Analytics platform. B Lab would also like to develop a model for researchers to be able to add data to the data set.

Sistema B requires an agreement with B Lab US in order to access BIA data for researchers working on Latin American companies, in compliance with non disclosure agreement of individual data. Until improvements are made by B Lab US, data has to be pulled from B Analytics and provided to researchers through an excel spreadsheet, according to the questions posed by researchers.

This project will work with B Analytics aggregated data (from at least 5 companies), through an intermediary person from Sistema B team, that will look through the data, evaluate possibilities and generate the respective reports on excel sheets that will help to the development of the research of the selected proposals. The B Analytics platform for Sistema B will be available on January 2017, and before that we will only be able to work with the isolates data of the BIA of every company that signs a disclosure agreement.

The characteristics of the data and access to it will be explained in the bases for the call for proposals, and the intermediary person will programate reunions with the researchers to explain the possibilities and capabilities of the platforms where the data is obtained and analyze the best way to advance the research through the available information.

One of the goals of Academia B and B Lab is to develop a platform for researchers, this will be a 2017-2018 project, and the work of this IDRC project with the actual data will inform the development of the platform. A first version B-Analytics for researchers may be available on 2018 and the second call for proposal selected researchers may have access to it.

i. Study to assess individual B Corps and their social impact on inclusion of women and youth.

B Corps contribute to inclusion in their value chain -suppliers and customers-, but also as the purpose of their business activities. There are many examples in Latin America, and there is a need for analysis and rigorous evidence to develop teaching, management tools, and raise awareness of the social impact of B corps through these cases that can be inspiring to others and a relevant policy advocacy tool.

- Maravill, a small company in Chile, and Natura Cosméticos, a large Brazilian company, operate with direct sales distribution business models. Their products are sold by a large number of women: Natura works with almost 2 million women in 6 countries, and Maravill with 1,200 women in Chile. Maravill and Natura offer economic opportunities and autonomy for women with barriers for employment (for example, those who are taking care of small children or sick relatives, who in Chile are around 10% of working age women¹¹).
- Paloma y Angostura is a company created in Colombia to offer decent jobs for women who leave guerrillas or paramilitary forces. They sell organic tshirts and other design products in order to support reintegration.
- Fruandes was created to offer decent jobs for women who are displaced by violence, and sells organic dehydrated fruit, offering also a commercial channel for small producers.
- Crepes&Waffles, a large restaurant chain in Colombia with some 7000 employees, has defined as their purpose to support women. They hire mostly single mothers, offering not only decent jobs and health insurance, but also supporting women to acquire their homes and educate their children.
- Crepes&Waffles and Natura Cosméticos are sourcing products from other B Corps, creating new sales channels for smaller companies and increasing the positive impact of their value chains.

This stream of work will support case studies of individual B corps and assessment of their social impact. Good practice cases, and teaching tools for universities will be developed based on these studies. The evidence generated will also help develop management tools to improve such

¹¹ Estructura de Restricciones a la Participación Laboral y a la Autonomía Económica de las Mujeres: Estudio orientado a Mejorar las Políticas de Equidad de Género. Departamento de Estudios y Capacitación Servicio Nacional de la Mujer, SERNAM Diciembre 2014, Santiago de Chile

positive impacts - such as business guides. Case studies will be selected through a call for proposals. Researchers will have to deliver their results with teaching notes making them suitable for the development of the following products:

- good practices cases
- teaching tools for universities
- business guides
- suggestions to improve the B Impact Assessment on inclusion

This products will be validated and disseminated through the academics network conformed on this project.

ii. Inwards impact: A specific study will be developed to characterize female leadership in B Corps, comparing results with non B Corps in diverse economies and cultures. This study will seek to highlight the particularities of women entrepreneurs who have decided to re-define the purpose of their business in order to generate positive impacts for nature and society, their motivations, and the conditions that are required for inclusion in order to increase women participation in the B Community.

The organizations associated to Sistema B all over the world share the need for proactive actions to improve diversity and inclusion in the B Corporation Community, setting gender as a starting point. A result from this study will be the proposal for a methodology to compare the conditions for diversity and gender inclusion in B Corps in various regions of the world, including amongst these variables, the results of the B Impact Evaluations. This will allow us to determine potential areas where female management is highlighted.

Products:

- a study on women leadership
- a replicable methodology to study and compare women leadership on B Corps
- new communication strategies and tools to promote participation of women on B Corps

iii. The transformative role of B Corps: new entrants in the market such as B Corps have individual impacts, but they are not large enough to produce changes relevant to the scale needed to impact on an inclusive economy. However, as a collective supported by organizations such as Sistema B, they may have a role as market disruptors, furthering innovation and influencing change in traditional private sector actors. This research stream wants to understand such role and offer public policy suggestions to scale impact of this new sector of the economy, which considers inclusion as it business goal.

- Cerco, a construction company in Chile, is working to reduce recidivism by hiring 20% of their work force from people who are in jail, mostly young immigrants. 75% of those who participate in this program are still employed and out of jail. Given the success, the founder of the company invited Cámara Chilena de la Construcción (the building trade association) to promote the program, and in few months the demand for workers in jail was larger than people with jail benefits. Impact was furthered by supporting changes in legislation to increase the number of people in jail with working permits.
- Gulliver, a Chilean company, is successfully supporting the development of ecosystems to promote entrepreneurship in areas distant from large urban centers. Their work in Antofagasta has promoted many women and young entrepreneurs, as well as the development of new public policy directed to advance entrepreneurial ecosystems in various areas of the country.

Studies to understand and track the market disruptive effect of the B Corps movement will be developed. Researchers will be selected through call for studies of the impact of B Corps as market disruptive actors.

Products:

- A study on the impact of B Corps as market disruptive actors for women and youth inclusion
- A short document/synthesis piece with public policy recommendations to advance women and youth inclusion based on papers developed.

iii. Working together towards social and economic inclusion for women and youth: poverty, inequality, including gender inequality, and lack of gainful employment are complex challenges (“wicked problems”), and no single actor is able to produce all changes required. Further to individual impact of B Corps, and to their collective impact as market entrants, actors like Sistema B promote participation in atypical partnerships with varied actors from civil society, Governments, and even traditional companies, in order to promote social impact. This research stream wants to understand how these partnerships are formed and the actual and potential impact of this interactions, to suggest tools for Sistema B, and other impact enterprises and actors to scale impact as well as public policy recommendations to further such partnerships and support inclusion of women and youth.

- Bancolombia, the largest commercial bank in Colombia, is not a Certified B Corps, but together with Sistema B, created a program called “Mide lo Importante” (Measure what Matters) to invite suppliers to use the B Impact Assessment as a requisite to enter their supply chain. The bank is evaluating resulting data (via B Analytics) to design products and programs to support

- improvement in social/environmental impact, and will soon invite their SMEs customers to use the B Impact Assessment. Bancolombia has some 5,000 suppliers and around 1 million SMEs customers, so the impact of this program can significantly help scale the B movement. This program is now promoted by Sistema B in Argentina, Chile, Brazil, Uruguay and Mexico with diverse partners
- Legal frameworks to support entrepreneurship with a purpose are not yet in place in Latin America. Shareholders who decide to extend fiduciary duty to include stakeholders and nature, particularly in large companies and those that are publicly traded, would benefit from legal certainty, especially in relation to the responsibility of boards and managers. Sistema B is supporting legislation to create new legal types in Brazil, Colombia, Chile and Argentina, together with a group of “B Lawyers”, corporate lawyers who joined Sistema B and are promoting research and new practices. The group met in Argentina in 2015 and will hold their international seminar in Lima in 2017.
 - Sistema B promoted “101 soluciones” (101soluciones.org), an initiative to invite citizens in Chile and Argentina to offer public policy suggestions to advance entrepreneurship with a purpose. Working with some 30 diverse organizations, (civil society, business, government, individuals), the initiative has received hundreds of suggestions, and results have been presented to governments and are currently included in economic policy in both countries.
 - Sistema B supported fiiS, the International Social innovation Festival (fiis.org), an open space to invite citizens to join in the movement for a better world. fiiS began in Santiago Chile in 2013, and in 2015 received some 40,000 people. In 2016 fiiS will happen in 7 cities in Latin America, and is supported by some 50 diverse organizations.

A methodological paper to track the systemic impact of the B movement will be developed. Studies will be selected via a competitive process.

Products:

- Studies on systemic impact of Sistema B and the B movement in Latin America
- Short document / synthesis piece with public policy recommendations to advance women and youth inclusion based on papers developed.

Final Product: Research studies supported during the 3-year project will be edited and published as a book where all the evidence generated will be made available. The book will be edited by the project lead researcher in collaboration with Academia B Advisory Board.

5.2.1. RESEARCH DESIGN

Following the experience with the IDRC project on B Corps and Climate change, this project will start with a 2-month period to identify research questions and define methodology. Dr. Oana Branzei (Donald F. Hunter Professor of International Business, Associate Professor of Strategy, and Director of the Sustainability Certificate program at the Richard Ivey School of Business, University of Western Ontario, London, Canada, founder, convener and host faculty of the Ivey/ARCS PhD Sustainability Academy)¹², has agreed to support the academic and methodological design of the research project in order to develop a rigorous methodology to assess the B Corps individual and systemic impacts on inclusion of women and youth.

The 3-year project will engage local researchers in Latin America, via 2 annual call for papers issued via the network and platform of Academia B. The project will advance in a rolling model, issuing a calls for papers in years 1 and 2, inviting researchers to work in multidisciplinary groups. Every year advances will be evaluated, and research questions and disciplines required will be updated. Call for papers will be issued in 10 countries, and the selection criteria will consider regional diversity. In Colombia, studies will be encourage to assess how B corps can contribute to peace through women and youth inclusion in rural areas.

Researchers will be able to apply for funding in order to carry out research projects according to the agenda defined on the impacts of B Corps on social inclusion and economic opportunities for women and youth and will follow the methodological design developed at the inception of the project. Selected studies will be monitored from the project lead researcher to ensure methodological consistency.

A selection committee, supported by the Academia B advisory board will receive and evaluate proposals.

15 students (PhD and Masters) will be supported to participate in research through an incentive fund within the framework of the call for research with small incentives/scholarships for their field work – “B student award”.

Products:

- Call for research: research questions and methodology
- 2 Annual call for research: 9 research projects, 4 the first year and 5 the second one
- 3 Annual young researchers awards competition: 15 students Awards
- A book to disseminate papers and results of the 3 year project
- Academic network and platform, document repository and communications via www.academiab.org

5.2.2 – Research Ethics

The researches that take place in this study must act with integrity and will follow international ethics standards taking care about the confidentiality and integrity of the persons and

¹² <http://www.ivey.uwo.ca/faculty/directory/oana-branzei/>

organizations involved in the researches. Every research will have to follow the ethic code determined by their respective University or Centre of Studies and the research monitor and designer will be monitoring the accomplishment of this codes.

Aggregated data obtained by the researchers must be taken from a minimum of 5 enterprises and their names can not be revealed without consented permission, researchers will have to develop the studies working with figures and information that not reveal the identity of the studied organizations at least that they sign a disclosure agreement. The researches will have to study and understand the terms of confidentiality of the BIA and of the B Analytics. And every requested data will have to be validated by the person in charge at the B Lab and Sistema B team.

About intellectual property, the studies, researchers and information obtained by this project will have public access and will not be attributed to any specific university.

Before any publication the advisory board and the Academia B team will determine if the studies, researches and information meet the ethical standard code.

The research coordinator, researchers and other members of Sistema B commit to respect Canada's Tri-Council granting agencies' policy on 'Integrity in Research and Scholarship' (found at www.sshrc.ca/web/apply/policies/integrity_e.asp) as well as their institution's policies on research ethics and integrity.

5.3 – Dissemination and Outreach strategy:

All the products and information generated and collected during this project will be divulged through the academics network, the university alliances and the networks with relevant actors already developed by Sistema B and its partnerships. Academiab.org will be the official site for the publications of the results, convocatorias and events, but the communication for the project will use all the social networks that belongs to Sistema B. For the dissemination and outreach strategy the project will develop the following products.

- Grey Literature like informational videos, short reports and infographics will be developed to share the results with not academic audience.
- Academic Publications corresponding to the researches.
- A short document / synthesis piece with public policy recommendations to advance women and youth inclusion based on papers developed.
- Edition and publication of the research studies as a book where all the evidence generated on the social impact of B corps will be made available.

The book will be edited by the project lead researcher in collaboration with Academia B Advisory Board.

- Systematization document developed by the project coordinator to share and scale the initiative with Sistema B partners.

This documents and media will be divulged through the following activities:

- Empresas B annual Latin America encounters will serve to disseminate the literature generated and the results between the Empresas B and the alliances of the movement with different relevant actors for the movement to advance .
- Organization of Academic Seminars will be the appropriate instances to discuss and share results, investigation proposals and new study fields with academic peers to enhance the B Corps movement.
- Workshops, meetings and presentations in universities and with academics to reach young students.

6. EXPECTED RESULTS:

1. Depth and Reach: The B movement will facilitate access to researchers, students and potential entrepreneurs to develop knowledge about B Corps and the movement for an inclusive economy, based both on tools directed to teachers and on student-led networks, and through research competitions and awards.
2. Inclusion: The B movement, supported by Sistema B and global partners, will develop tools, practices and actions meant to build a more diverse and inclusive global B community, promoting women inclusion in B Corps and in other areas in the economy. Percentage of women led B Corps should increase at least to levels similar to the country's economies.
3. Impact: enhanced understanding and evidence of the individual and systemic contribution of B Corps to social inclusion of women and youth will support the growth of the B movement. Thanks to the joint work carried out by B entrepreneurs, researchers and academics, Sistema B will have rigorous evidence to advance on proposals for business and public policy. Methodologies to increase inclusion will be produced and delivered to individual business by the Academia B team and the research designer and monitor (some 300 Certified B Corps in Latin America) and to collective actors such as Sistema B. Public policy suggestions will be presented to Governments in 10 countries in Latin America.

6. PRODUCTS:

1. A research agenda that defines priorities in Latin America for the B Corps movement and motivates the interest of academics and students, guiding Academia B activities and research;
2. An Advisory Council for Academia B;
3. Alliances with at least 5 reputable universities in Latin America and Canada, in order to promote the incorporation of social entrepreneurship and B Corps in the curricula;
4. A methodology developed to assess the social impact of B Corps at systemic level in terms of social and economic opportunities for women and youth;
5. Methodology which allows for a better understanding concerning diversity and gender inclusion in the B Corps community;
6. At least 9 papers developed through academic awards; these will be published in peer reviewed journals, and 15 students will receive awards;
7. One academic paper on women leadership sent to academic journals at an international level;
8. One book bringing together the evidence generated in the project on impact of B corps on inclusion for women and youth;
9. Grey literature: The impact of B corps on economic inclusion of women and youth, summary of process and findings. A short document with recommendations for public policy and a printed version of the study will be delivered among public and private entities that have incidence in public policy, nationally and internationally;
10. On-line resource library for students and teachers;
11. 3 International Academic Seminars with academic and relevant ecosystem actors;
12. Audiovisual content, info graphics and videos that facilitate access to knowledge produced;
13. A document with recommendations for Sistema B to better communicate and advance on women and youth inclusion;
14. A guide/recommendation report with suggestions to improve the B Impact Assessment in relation to inclusion of women and youth.

7. PROJECT MONITORING AND EVALUATION

Annex 1: excel file: activities products indicators

8. INSTITUTIONS AND KEY PROJECT PERSONNEL:

- ACADEMIA B ADVISORY BOARD
- Network coordinator: Verónica Diaz
- Academic Coordinator: Oana Branzei

Understanding the systemic impacts of B Corps on social and economic opportunities for women and youth in Latin America
Sistema B – Do not quote – 10.2016

- Selected local researchers - 9
- 15 students will receive an award
- Overall Project coordinator: Maria Emilia Correa

9. BUDGET IN CAD