



Skills for Social Innovation

The implications of integrating social impact and driving social innovation on how talent is sourced and skills are developed



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Executive summary

This report investigates the implications of integrating social impact and driving social innovation on how companies source staff and develop their skills within the core organization and throughout the supply chain. It also provides recommendations to companies interested in advancing their social impact.

The key skills and capabilities that businesses need to look for when hiring and developing talent to drive social innovation are a core aspect of business growth and profitability. These key skills include:

1. **Creativity**—taking multiple inputs to come up with new ideas to solve issues;
2. **Dealing with ambiguity**—can handle change and uncertainty;
3. **Business acumen**—wide view of business and operating environments;
4. **Motivating others**—at all levels in the business to work collectively;
5. **Interpersonal savvy**—social connectedness, open minded and adaptable;
6. **Perspective**—looks towards the broadest possible view of an issue/challenge;
7. **Listening**—practices attentive and active listening with patience to hear all sides;
8. **Dealing with paradox**—flexible and adaptable to combine seeming opposites.



Its key recommendations to companies on embedding social innovation into company culture in such a way that staff with these skill sets can thrive are:

- Define a social purpose and make it core to business activities
- Embed social innovation in leadership communications and actions
- Establish a social innovation role and create social innovation champions in departments
- Include social innovation in the learning and development plans of all functions
- Foster an environment that encourages cross-functional collaboration
- Collaborate with wider stakeholders who have skills and knowledge
- Include social impact assessment within reward frameworks
- Establish, measure and report on social innovation activities and social impact outcomes.

Beyond attracting and developing talent with the above skills in order to embed social innovation within a company, the following will help build the right culture and work environment to ensure the integration of social innovation into core business strategy:

- People—support and encouragement from the top of the organization on down, giving employees the time and space to deeply explore social issues and idea generation;
- Processes—have the framework in place to be able to collaborate internally and externally, including creating forums to frame social issues;
- Systems—define, measure and communicate performance metrics to ensure the company delivers and maintains high-impact activities.





1. Introduction

This report examines the impact of social innovation on how talent is sourced and developed. Key questions that are addressed include:

- What is social innovation?
- What skills, internally and externally, are needed to enable the innovation process? How can a company nurture these?
- What are the implications for human capital management?
- How does the need to integrate social innovation into core business strategy impact sourcing and developing talent?
- What changes would this imply for performance measurement and management going forward for companies that want to be socially innovative?

The research was conducted through interviews with various social innovation leaders as well as reviews of various published resources.

“Obtaining millennials’ loyalty and engagement is a key to successfully mining the talent potential of this generation. This digitally driven generation can increase awareness and success of a brand, its reputation, and bottom line if they share personal values and sense of purpose with the company. It is therefore more important than ever to evaluate approaches to corporate social responsibility and focus on this purpose-driven workforce. It’s imperative to go beyond simple social strategy; we need to ensure that we ‘walk the talk’ to demonstrate an authentic connectivity to the environment, our communities, customers and suppliers. That’s where social innovation and a variety of social media platforms will play the biggest role.”

Melissa Harper, Vice President, Global Talent Acquisition, Inclusion & Diversity, and HR Compliance, Monsanto Company¹

1. Quote extracted from our formal interviews.



For the purposes of this report we have defined social innovation as :

“The creation of new products, services, models or practices that primarily benefit society while simultaneously delivering business value and achieving growth”

What is social innovation?

In the past some progressive companies have focused on enhanced governance, philanthropy and social responsibility activities as their response to sustainability. However, social innovation is uniquely different from these traditional approaches as it pursues social challenges in ways that create tangible business benefits.

A review of the relevant literature concludes that social innovation leads to measurable social impact. For example, DSM NV has integrated social impact and innovation into its business strategy and measurement to ensure that any new innovation is measured along both environmental and social impact axes. We define **social impact as the societal change that an organization creates through its actions, especially its innovative social actions.**

Although the primary purpose of social innovation is to promote new products and processes and new, innovative business models that contribute to a sustainable society, it overlaps with Porter and Kramer’s concept of shared value, which involves creating economic value in a way that also creates value for society.²

As an example, Devnya Cement (a subsidiary of Italcementi Group) runs an international contest for young professionals in architecture and design. Known as the Effix Pavilion³ competition, the company invites entries for a conceptual design to enrich Varna’s urban design through the realization of a contemporary and inspiring concept for a trading pavilion constructed with Italcementi Group’s innovative materials. The goals include providing young architects, designers and architecture and design students with an opportunity for expression, promoting Italcementi’s innovative products in acknowledgement of their contribution to the enrichment of the toolkit used for the creation of contemporary urban design, and creating social value.

2. Porter and Kramer 2011.

3. Effix pavilion competition official website at: <http://effixpavilion.com/english.html>



2. The business case for social innovation

Successful businesses that prioritize social innovation and deliver impact at scale have a compelling business case. Social innovation strategies within these companies are aligned with their overall business strategy. According to a World Economic Forum report,⁴ the business case goes beyond commercial viability to include other value creating categories:

Building future markets & sales	Strengthening supply chains	Top talent acquisition and retention	Ability to leverage finance
Serving new geographies or customers in emerging economies	Ensuring stable supply and prices of raw materials	Inspiring, attracting, engaging and retaining top talent	Managing impact investment funds or incubators to gain market insight and brand recognition
Expanding sales and distribution channels	Increasing product quality and price premium while retaining customer loyalty	Exploring new sources of talent and increasing levels of diversity across the company	Targeting investment to generate new business opportunities and generate financial returns
Designing new, cost-effective products that offer strong value for money	Enhancing customer engagement and company reputation	Building tomorrow's workforce	

Source: Adapted from World Economic Forum 2016, p. 7.

4. World Economic Forum 2016



Some examples:

- Unilever's Sustainable Living brands accounted for half of the company's growth in 2014 and grew at twice the rate of the rest of the business.
- Solvay increased the quality and production of guar beans in the state of Rajasthan while improving the life of farmers, teaching them agricultural best practices to preserve local resources such as water. This example illustrates how partnering with local communities provides a company with a license to operate.
- Phillips has used its woodstove corporate social responsibility initiative in India to turn social innovation into a sustainable business opportunity and enhance the company's competitive scope in emerging markets.⁵

Businesses that pursue models and strategies that invest in the economic prosperity of key stakeholders in their supply chains, including local communities, are better poised for long-term competitiveness, including benefiting from increased brand recognition and enhanced good will.

A study by Jones et al.⁶ entitled "Why Are Job Seekers Attracted by Corporate Social Performance?" opines that an organization's corporate social performance affects its attractiveness as an employer. The study found that sustainability draws job seekers because:

1. It's a source of employee pride;
2. It implies the company cares about its employees; and
3. It helps them connect specific organizational values to their own personal values.

Another example is ReWork, a progressive recruitment company that "matches mission-driven talent to the world's most socially innovative organizations."⁷ They believe that top talent, irrespective of location, are attune to the problems that are undermining society and demand to be an active part of the solution. "This generation of leaders and innovators will not settle to work for companies that can't see beyond business as usual, or that refuse to do their part."⁸

Solvay understands the importance of contributing to society and has set a strategic objective to double the number of employees engaged in activities with social impact: "Employees are proud to contribute to society, to education or any other activity with a social purpose; it's also a lever of engagement, attractiveness and retention," says Cécile Tandeau de Marsac, Solvay Group Human Resources General Manager.⁹

The traditional approach to hiring and developing talent focuses on the skills and qualifications needed to carry out specific roles, for example an accountancy qualification and relevant experience for a finance executive. While this remains relevant, additional skills are essential to help the company succeed in social innovation. The Dow Chemical Company, a leader in social innovation, uses a skills-based volunteering program to support employee development goals and to push innovation by putting employees in a fresh context, allowing them to learn new skills while serving a greater good.

A 2015 Deloitte report¹⁰ shows that Dow's program encourages the development of leadership skills, such as cross-collaboration, end-to-end strategy implementation, and team building, with the support of mentors and company resources. The intent for Dow is to enable its leaders to learn to adapt to the change and ambiguity that is a given in its business so that the leaders can lead in these circumstances and develop "an instinct to connect invisible dots within and outside of the organization."

5. Philips 2006.

6. Jones, Willness and Madey 2013

7. <http://www.rework.jobs/>

8. Deloitte 2015.

9. Quote extracted from formal interviews.

10. Deloitte 2015.



3. Methodology

To address the questions:

- What is social innovation?
- What skills, internally and externally, are needed to enable the innovation process? How can a company nurture these?
- What are the implications for human capital management?
- How does the need to integrate social innovation into core business strategy impact sourcing and developing talent?
- What changes would this imply for performance measurement and management going forward for companies that want to be socially innovative?

We employed the following methodology:

1. Identify companies that are viewed by the team to be leaders in integrating social innovation into their core business strategy;
2. Source and review reference material on social innovation (see bibliography and references);
3. Develop a questionnaire (listed in the appendix) and conduct semi-structured interviews with senior human resources, sustainability and business leaders in the companies identified in step one as well as professionals from our own companies (names of companies interviewed listed in the appendix) to gain insights into the key success factors;
4. Analyze the findings from steps 1-3 above and develop a model that will help businesses integrate social innovation skills into their business operations.



While reviewing various sources of information on skills and capabilities, we found that most organizations admit that they lack the strength necessary in key management and leadership roles in order to reshape strategy and introduce new initiatives. If success were essentially a matter of IQ, time spent in job or career alone, organizations would have that talent problem solved. Long-term business success in the face of dynamic and often challenging environments rests on three aspects (shown above)¹¹:

In the general human resources management process it is the second and third aspects that can prove troublesome; and the same applies to social innovation. "Few people have the requisite experiences needed for managing and leading in the world of change and fewer still have an idea how to learn from those experiences."¹² We hypothesize that it's extremely important that organizations attract people with high learning agility skills for new and strategically important initiatives. Learning

agility is defined as "the willingness and ability to learn from experience, and subsequently apply that learning to perform successfully under new or first-time conditions."¹³ Lominger's predefined set of 22 learning agility skills¹⁴ allow us to understand which skills, internally and externally, are needed by the companies interviewed in order to enable a social innovation process and integrate social innovation into their core business strategies.

Our reference material confirmed that those with learning agility skills are able to continuously adjust and adapt strategic direction in core business and create not just new products and services, but also new business models and innovative ways to create value for a company. Our next step was to confirm our hypothesis and findings by asking our interviewees key questions.

11. Lombardo and Eichinger 2012, p.103.

12. Lombardo and Eichinger 2012, p.103.

13. Lombardo & Eichinger, 2000.

14. Leadership Architect Diagnostic Map.

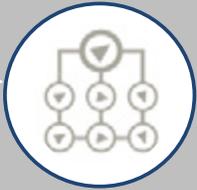
4. Findings

Most of the companies interviewed identified themselves as corporate contributors according to Deloitte's social impact archetypes model.¹⁵ They engage in social impact activities primarily to strengthen relationships with external stakeholders and mitigate external risks. But there are also those that classified themselves as impact integrator companies that include social value in their overall strategy with an eye toward new market opportunities.

We used a standard set of questions (provided in the appendix) linked to skills and capabilities during our interviews.

1. What are the most important skills and competencies for integrating social innovation into your business strategy?

The following skill clusters were identified (ranked based on number of skills listed and the depth of understanding) using interviewees responses. The skills are described using the exact wording of interviewees:

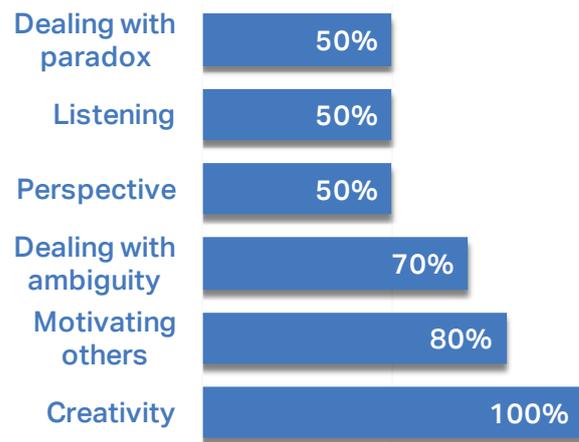
1 Creativity	2 Business acumen	3 Dealing with ambiguity	4 Interpersonal savvy
<p>thinking out of the box, having creative approaches in solving issues, being open-minded, taking inputs from everywhere to find creative and flexible solutions. Be able to act entrepreneurly to solve issues and be highly adaptive .</p> 	<p>360° degree view of the whole business, understanding the stakeholders and being able to sell things from the prospective of a stakeholder, forward looking, able to trade off short-term commercial gains for long-term sustainable business growth</p> 	<p>ability to think systematically and analytically in the unknown context, open to change, but focused on problem solving and outcomes (solution minded). Ready to be bold and engage into a project when there are no obvious answers, risk taking and learning to fail</p> 	<p>having social fiber, open mind and adaptability, good networking, collaboration, social connectedness and engagement. Good listening and influencing</p> 

15. Deloitte n.d.



2. Choose a minimum of six and a maximum of 12 skills/competencies from Lominger's Learning Agility Skills that you believe are necessary for integrating social innovation into your business strategy.

While most of the skills were identified individually during the interviews, the following six skills were selected in a majority of the interviews:



3. What are the three biggest organizational skills/competency gaps in the area of social innovation and social impact?

Perspective, interpersonal savvy and dealing with ambiguity were identified during the interviews.

Consolidating the answers to the open-ended and Lominger-based questions as well as the answers to the question on the three biggest future organizational skills/competency gaps in the area of social innovation, we have identified the following skill set, which can be used while attracting, identifying and developing social innovators in the organization (full definitions are in the appendix):

1. **Creativity**— taking multiple inputs to come up with new ideas to solve issues;
2. **Dealing with ambiguity**—can handle change and uncertainty;
3. **Business acumen**—wide view of business and operating environments;
4. **Motivating others**—at all levels in the business to work collectively;
5. **Interpersonal savvy**— social connectedness, open minded and adaptable;
6. **Perspective**—looks towards the broadest possible view of an issue/challenge;
7. **Listening**—practices attentive and active listening with patience to hear all sides;
8. **Dealing with paradox**—flexible and adaptable to combine seeming opposites.

5. Recommendations for companies on embedding social innovation into company culture

We used our research to develop key steps to not only integrate social innovation skills into an organization but also to ensure social innovation becomes part of the company's culture. These steps are highlighted below:

a) Integrate social innovation skills into the competency model used to source and develop talent

To incorporate social innovation, companies should seek to incorporate the skills identified and recommended above into the talent profiles they recruit for and develop within the organization.

People-related activities, like competencies-based recruitment (CBR) interviews, assessment centers with both recruitment and acceleration purposes, and longer term development plans, should have those skills as a core aspect of building social innovation practices in the organization.

b) Define a strong and compelling social purpose and make it core to everything the company does

It is important that this not be separate from the business strategy as the tendency will be for it to become walled off within a department or function. It has to be a part of the core business purpose. To achieve this it is important that leaders and employees be engaged so that they feel a part of the process and can connect with this purpose once it is established.

c) Embed social innovation in the communication and behaviors of company leaders

It is important that internal and external communications from the company's leaders highlight the social innovations that are occurring. This will inspire employees to engage in this purpose. Specific objectives around communication and executive behaviors should also be established. These should clearly reflect the social purpose of the company and may be integrated into the evaluation of the required social innovation skills

needed. At Royal DSM, the Dutch-based health nutrition and materials company, the information around societal issues is flowed through internal and external communications and websites. These communications explain the company's sustainable innovation goals. Royal DSM's aim is to ensure stakeholders understand how they can contribute and how its products address social issues.

d) Have internal expertise and departmental social innovation champions

It is useful to have strategic expertise on social purpose to advise on strategy and support the measurement and evaluation of progress being made towards social innovation. To drive accelerated integration, it is advisable to have functional champions across all relevant areas of the business—from supply to finance to human resources. Such champions would act as a bridge between leaders and employees to keep the agenda alive and drive the required change. Solvay has developed a sustainable development champion role through a network of about 200 champions within the business.

e) Include social innovation in the learning and development plans of all functions

Social innovation awareness should become a part of the development curriculum beginning at employee induction and on boarding and included throughout the employee's tenure with the company. Management-level employees should understand their role in promoting social innovation in their respective organizations and should have social innovation and impact objectives included as part of their development plans. Major cross-business/ cross-functional projects should also have social innovation objectives included.



Leadership programs that include volunteering and social immersive activities may help employees develop these skills and lead to greater innovations during their daily work. Diageo has courses available via its online training portal, which helps employees better understand the company's social purpose and what role they can play to make a difference in this area.

f) Create an environment that encourages cross functional and inter-company/industry collaboration and partnerships

Creating an environment that fosters collaboration is vital. Employees should be encouraged to collaborate and have the objective to explore new ways of thinking and working.

For example, LEAN practices, which enable end-to-end thinking and motivate functions like technical, supply chain, finance, marketing and HR to collaborate across functions within an organization,¹⁶ can have even wider coverage in order to include social innovation as well.

Cross-organization partnerships can bring in technical expertise to challenge or endorse a strategy. This can complement or even accelerate the development of internal skill sets and processes, especially in the early days of a social program.

An example of this is the "Take the future in your hands!" project initiated by Devnya Cement AD in collaboration with Solvay Sodi and Agropolychim AD to create a specialized professional technical class in the local high school in Devnya. On the one hand, considering the highly industrialized and slightly remote area where the three companies are situated and their highly specialized technical operations, they often struggle with sourcing and retaining mid-level talent with the technical skills needed to fit their business needs. On the other hand, small local communities are struggling with providing employment opportunities for citizens with low skillsets who often remain uneducated and become unemployed. Thus the project is twofold: it aims to fulfil the recruitment gap the companies are facing

and prevent them from sourcing technical talent from elsewhere; and it provides the students who have graduated with a set of skills enabling them to secure employment and income for their families.

g) Include appropriate social aspects within the rewards and recognition process

Reward and recognition systems incentivize performance and behavior. Executive and employee scorecards and rewards should therefore be linked to social innovation and impact both qualitatively and quantitatively. While some companies like Solvay include sustainable development results in their bonuses, they could even go further by asking leaders in the performance management system to demonstrate their involvement in social programs and show that they have learned new skills that can benefit the business.

h) Establish, measure and report on the social innovation and social impact goals

What gets measured gets managed. Thus it is vital to set clear target objectives and to ensure that social innovation and the resulting impacts are measurable through indicators that demonstrate value and progress through social actions. Companies will benefit from a social innovation scorecard that helps them to demonstrate that they create new business opportunities, develop new markets, secure their supply chain (e.g. partner with local farmers) and make a positive impact in the communities they operate in; this in turn will lead to strengthened reputation, improved employer branding and talent retention.

¹⁶ More on LEAN practices at <http://www.leanenterprise.org.uk/what-is-lean-thinking/what-is-lean-thinking-and-key-lean-thinking-principles.html>

Building an enabling environment

Although it is vital to attract the required talent into an organization and develop existing employees, it is imperative to recognize that culture and the overall working environment are important to retaining employees and driving a social innovation mind-set throughout the organization. An enabling environment is therefore required to successfully integrate social innovation within an organization. This can be achieved by focusing on the following three aspects of business (shown on right) that will have an impact on how both culture and an enabling environment are built.

People

An example from Monsanto's Supplier Diversity Program: Monsanto Company's Supplier Diversity Mentoring Program has been recognized by DiversityInc for its impact on the suppliers that participate in it. This 12-month development program is designed to assist in the growth and sustainability of diverse suppliers. The mentees are partnered with volunteers from members of Monsanto's executive team, who act as mentors and serve as strategic thought partners over the year. One-on-one mentoring is incorporated into the curriculum. In addition, the mentees learn from subject matter experts (SMEs) and their teams during on-site class sessions about industry best practices and effective business methodologies. These sessions provide learning opportunities in the areas of change management, environment, health and safety, finance, human resources, information technology, marketing and social media, media training, presentation skills, process improvement, procurement, sales and sustainability.

Employees, leadership and front-line business operations should be encouraged to generate innovative ideas for social impact. Comfortable spaces for idea generation should be created, coupled with sufficient time to explore issues and uncover problems to ensure they are rooted into the social problem they are trying to solve.

Businesses also need to increase their levels of diversity and collaboration as innovation is more likely to thrive in a culture that values and incorporates diverse perspectives.

"A diverse and talented workforce, representative of all the farmers, stakeholders and communities we serve, is vital to Monsanto's ability to help nourish our growing world."

Hugh Grant, Monsanto's CEO¹⁷

17. Crop Protection News Reports 2015.



Companies must be able to identify and explore opportunities to create sustainable shared business and social value to support market access, market development and license to operate, and to enhance reputation. The skill set to identify the social need and define the subsequent value may not be inherent in the organization, even when the desire to impact society in a positive way is present. Companies should be willing to collaborate and create forums for collaboration that allow a selection of stakeholders to define the problem and the potential value that can be generated. Those able to develop solutions must come together and learn from one another. Such forums should frame social issues and their causes and produce optimal solutions and the technology or processes that will enable these solutions.

Companies must be able to define, measure and communicate performance metrics to ensure they deliver and maintain high-impact activities. A method of evaluating opportunities that highlights the value proposition for both the company and society is critical. Key stakeholders, including employees, shareholders, regulators, have to understand the value proposition. In addition, a rewards system that incentivizes social innovation is key.

Processes—collaborating

One example of this is the World Business Council for Sustainable Development (WBCSD), a CEO-led organization of forward-thinking companies that galvanizes the global business community to create a sustainable future for business, society and the environment. Members work together across sectors, geographies and value chains to explore, develop and scale up business solutions to address the world's most pressing sustainability challenges.¹⁸

Another example on collaboration from Nestlé's Rural Development Program: Nestlé has a large presence in rural areas, with 400 factories, employing 205,000 people located in rural areas and making significant contributions to rural communities. Nestlé sources from 4.1 million farmers, including directly from almost 700,000 farmers across more than 50 countries. Most of these are family farmers. It is therefore important for Nestlé that rural areas be attractive places to live, work and invest in. The overall well-being of farmers and their families, rural communities, small entrepreneurs and suppliers is intrinsic to the long-term success of this business. As a result, Nestlé has identified areas of focus where shareholders' and society's interests intersect, and where value creation can be jointly optimized.

Systems measurement/reward

An example from the WBCSD's Social Capital Program initiative: The WBCSD understands that, while there is a push for integrated reporting, companies struggle to identify fit-for-purpose methodologies to help them measure and report on their social impacts. As many tools exist and more are emerging, the WBCSD called for collaboration to jointly develop a Social Capital Protocol—"a harmonized solution for businesses to measure and value their interactions with people and society."¹⁹ In April 2016 the WBCSD released the first draft of the Social Capital Protocol, which has been developed based on leading practices in the measurement and valuation of employment, skills and safety. With the release of the pilot project a month later, the WBCSD called on its members to test its application on the subjects of employment, skills and safety within their own organizations.

18. WBCSD official website at: <http://www.wbcds.org/home.aspx>

19. WBCSD call for collaboration, <http://www.wbcds.org/SocialCapital.aspx>.

6. Conclusions

Successful businesses that are prioritizing social innovation and delivering impact at scale are doing this because they realize the compelling business case. Social innovation strategies within these companies are now directly aligned with their overall business strategy. Through our interviews with companies and associated research, we have identified the following 8 skills required to drive social innovation. We recommend that these be incorporated into the talent profiles that HR recruits for and developed within the organization:

1. **Creativity**— taking multiple inputs to come up with new ideas to solve issues;
2. **Dealing with ambiguity**—can handle change and uncertainty;
3. **Business acumen**—wide view of business and operating environments;
4. **Motivating others**—at all levels in the business to work collectively;
5. **Interpersonal savvy**—social connectedness, open minded and adaptable;
6. **Perspective**—looks towards the broadest possible view of an issue/challenge;
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In addition to developing these skills in an organization, we believe it is important for the company to create a framework and culture where social innovation is widely accepted and becomes the norm. Without leadership, collaboration and effective measurement of impact, social innovation cannot be integrated into an organization's strategy. We have identified the following steps for companies to successfully integrate social innovation:

- Define a social purpose and make it core to business activities
- Embed social innovation in leadership communications and actions
- Establish a social innovation role and create social innovation champions in departments
- Include social innovation in the learning and development plans of all functions
- Foster an environment that encourages cross-functional collaboration
- Collaborate with wider stakeholders who have skills and knowledge
- Include social impact assessment within reward frameworks
- Establish, measure and report on social innovation activities and social impact outcomes.

Beyond attracting and developing talent with the above skills in order to embed social innovation within a company, the following will help build the right culture and work environment to ensure the integration of social innovation into core business strategy:

- **People**—support and encouragement from the top of the organization on down, giving employees the time and space to deeply explore social issues and idea generation;
- **Processes**—have the framework in place to be able to collaborate internally and externally, including creating forums to frame social issues;
- **Systems**—define, measure and communicate performance metrics to ensure the company delivers and maintains high-impact activities.



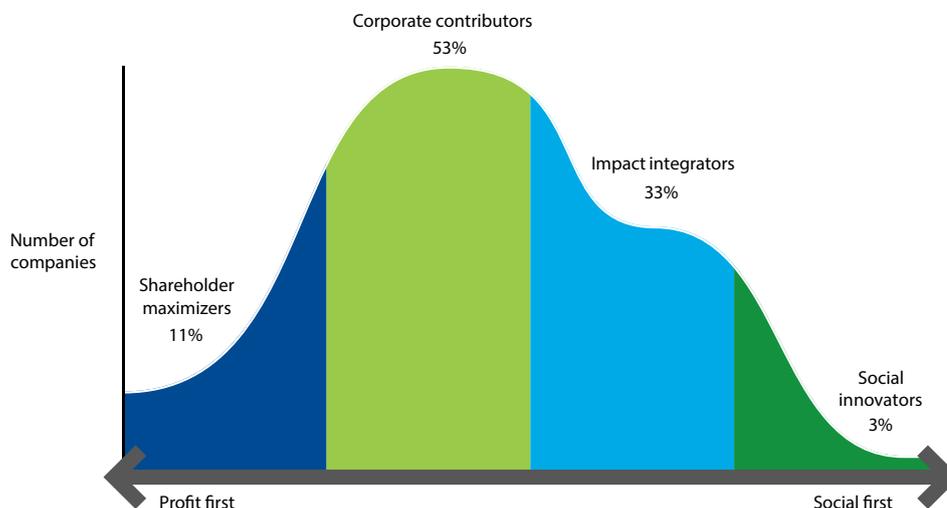
Appendix

Interview questions

1. How well do your leaders understand the importance of social innovation? How well versed are your leaders in social innovation?
2. What are the most important skills and competencies for integrating social innovation into your business strategy; translate further into your operational activity.
 - a. Please list minimum six (6) and maximum 12 skills/competencies.
3. Do you believe internal company enablers are necessary to ensure the above mentioned skills/competencies would really drive social innovation? What enablers do you have in your company or would you recommend others to incorporate?
4. Thinking about the future of the business from a sustainability perspective, what do you see as being the three (3) biggest organizational skills/competency gaps in the area of social innovation and social impact that we will need to fill?
5. What recommendations would you give to companies that are looking to incorporate social innovation into their capabilities?
6. For companies that have not yet looked into incorporating social innovation into their business strategy, what would your three (3) messages to them be?
7. Looking at the Deloitte graph with four corporate archetypes [see next page], where would you place your company and where you are inspired to be? (please have a print out of the graph)
 - a. What conditions have you created within your organization that have enabled you to source and retain the right talent for social innovation?
 - a. What internal barriers/issues have you come across to prevent social innovation succeeding among your workforce?
 - b. How have you navigated these challenges to be successful?
8. How does your company evaluate the impact of attracting and retaining talent with the right skills?

Which one are you?

Percentages represent share of the Fortune 500 companies that fit the archetype criteria



Shareholder maximizer. This is the most “traditional” of the archetypes. As the name suggests, these companies prioritize maximizing shareholder value. They often do not include social impact in their strategic plan, though they may use it tactically for risk mitigation. This archetype represents 11% of Fortune 500 companies and is highly represented in particular industries like Financial Services and Oil and Gas.



Corporate contributor. This is the most common archetype, representing 53% of Fortune 500 companies. Corporate Contributors engage in social impact activities primarily to strengthen relationships with external stakeholders and mitigate external risk. While social impact may receive significant investment, it may operate independently and outside the purview of senior leadership—most commonly in a Corporate Social Responsibility or Sustainability function. This archetype characterizes what some call “long-term capitalism” wherein corporations pursue shareholder value but within a stakeholder framework that considers longer-term risks and investments. For some firms, this can be a transitional state en route to the Impact Integrator.



Impact integrator. Impact Integrators include social value in their overall strategy, with an eye toward new market opportunities. Impact is internally motivated by a desire to achieve social progress through business activities and is integrated across processes and business units. Often companies that fall in this archetype actively align and measure both business and social value and have reinforcing metrics that keep business units and functions accountable. One-third of Fortune 500 companies fall into this archetype.



Social innovator. This archetype represents companies where social impact is an intrinsic part of the business strategy to such an extent that it may be difficult to explain one without the other. Social impact metrics are elevated and considered alongside financial metrics. These companies leverage social impact to build new socially conscious markets and create differentiated products or services. Social Innovators represent only 3% of the Fortune 500. But interestingly preliminary research indicates that a significantly larger percentage of smaller, high-growth companies are Social Innovators. For example, over one-third of Fast Company’s Most Innovative companies fall into the Social Innovator archetype.

Source: Deloitte n.d.

Companies interviewed

Company	Description	FY15 Revenue	Number of Employees
BT	BT is one of the world's leading communications services companies, serving the needs of customers in the UK and across 180 countries worldwide.	31.4B	125K
Devnya Cement AD	Devnya Cement, a Bulgarian subsidiary of Italcementi Group, produces cement and dry mortars. The company became part of HeidelbergCement Group in July 2016.	\$100.6M	300
Italcementi Group	Italcementi is an Italian multinational company producing cement, ready-mix concrete and construction aggregates. The company became part of HeidelbergCement Group in July 2016.	\$4.9B	17.5K
Dow Chemical Company	Dow combines the power of science and technology to passionately innovate what is essential to human progress.	\$48.8B	49.5K
Diageo	Diageo PLC is a British multinational manufacturer of alcoholic beverages. It is the world's largest producer of spirits and a major producer of beer.	\$14.2B	33K
DSM	DSM uses unique competencies in health, nutrition and materials to create solutions that nourish, protect and improve performance. DSM uses its Bright Science to create Brighter Living for people today and generations to come.	\$8.7B	20.5K
ERM	ERM is a leading global provider of environmental, health, safety, risk and social consulting services.	\$945M	4.5K
KPMG	KPMG is a professional services company with main lines of service in audit, tax and advisory.	\$24.44B	174K
Monsanto	Monsanto is a sustainable agriculture company that delivers agricultural products that support farmers all around the world.	\$15B	22.5K
Nestlé	Nestlé is one of the leading food companies globally focusing on delighting consumers, developing responsible partnerships, respecting the environment, and caring about people	\$92B	335K
RSA (Royal Society of Arts)	RSA is a charity that encourages the development of a principled and prosperous society.	NGO	NGO
Solvay	An international chemical and advanced materials company, Solvay assists its customers in innovating, developing and delivering high-value, sustainable products and solutions that consume less energy and reduce CO2 emissions, optimize the use of resources and improve the quality of life.	\$14.04B	31K
Unilever	Unilever is a British-Dutch multinational consumer goods company co-headquartered in Rotterdam, Netherlands, and London, United Kingdom. Its products include food, beverages, cleaning agents and personal care products. One of the oldest multinational companies, its products are available in around 190 countries.	\$60.2B	172K

22 Lominger Learning Agility Skills

- Dealing with ambiguity
- Problem solving
- Learning on the fly
- Perspective
- Conflict management
- Sizing up people
- Listening
- Dealing with paradox
- Standing alone
- Personal learning
- Patience
- Process management
- Creativity
- Understanding others
- Composure
- Motivating others
- Organizing
- Self-knowledge
- Command skills
- Political savvy
- Managing diversity
- Timely decision-making

Recommended skills set for social innovation

Skills recommended for use when attracting, identifying and developing social innovators in the organization (Source: Leadership Architect Diagnostic Map):

1. **Creativity**—Comes up with a lot of new and unique ideas, easily makes connections among previously unrelated notions, and tends to be seen as original and value-added in brainstorming settings.
2. **Dealing with ambiguity**—Can effectively cope with change, can shift gears comfortably, can decide and act without having the total picture, isn't upset when things are up in the air, doesn't have to finish things before moving on, can comfortably handle risk and uncertainty.
3. **Business acumen**—Knows how business work; knowledgeable in current and possible future policies, practices, trends, and information affecting his/her business and organization; knows the competition; is aware of how strategies and tactics work in the marketplace.
4. **Motivating others**—Creates a climate in which people want to do their best, can motivate many kinds of direct reports and team or project members, can assess each person's hot button and use it to get the best out of him/her, pushes tasks and decisions down, empowers others, invites input from each person and shares ownership and visibility, makes each individual feel his/her work is important, is someone people like working for and with.
5. **Interpersonal savvy**—Relates well to all kinds of people—up, down, and sideways, inside and outside the organization, builds appropriate rapport, builds constructive and effective relationships. Uses diplomacy and tact, can diffuse even high-tension situations comfortably.
6. **Perspective**—Looks toward the broadest possible view of an issue/challenge, has broad-ranging personal and business interests and pursuits, can easily pose future scenarios, can think globally.
7. **Listening**—Practices attentive and active listening, has the patience to hear people out, can accurately restate the opinions of others even when he/she disagrees.
8. **Dealing with paradox**—Can act in ways that seem contradictory, is very flexible and adaptable when facing tough calls, can combine seeming opposites like being compassionately tough, stand up for self without trampling others, set strong but flexible standards, can act differently depending upon the situation, is seen as balanced despite the conflicting demands of the situation.

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