



USING

BUSINESS

AS A

FORCE FOR GOOD

"GOOD"



BUSINESS: Examining the Benefits of B-corps in Portland

Jhana Taylor Valentine. ENVS Thesis. Spring 2016

1. What makes

BUSINESS

In capitalist economies, businesses are primarily privately-owned and provide goods and services. Business laws and norms vary across cultures. Of the 100 largest economies in the world, 51 are corporations. (1)

GOOD ?

Success in business is most commonly equated with profits, yet there has been a longstanding debate about the social responsibility of business, which expands the discussion of success in business to include a company's social and environmental impacts. (2)

2. What are

B-CORPS?

B-corps are for-profit companies certified by the nonprofit B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency.

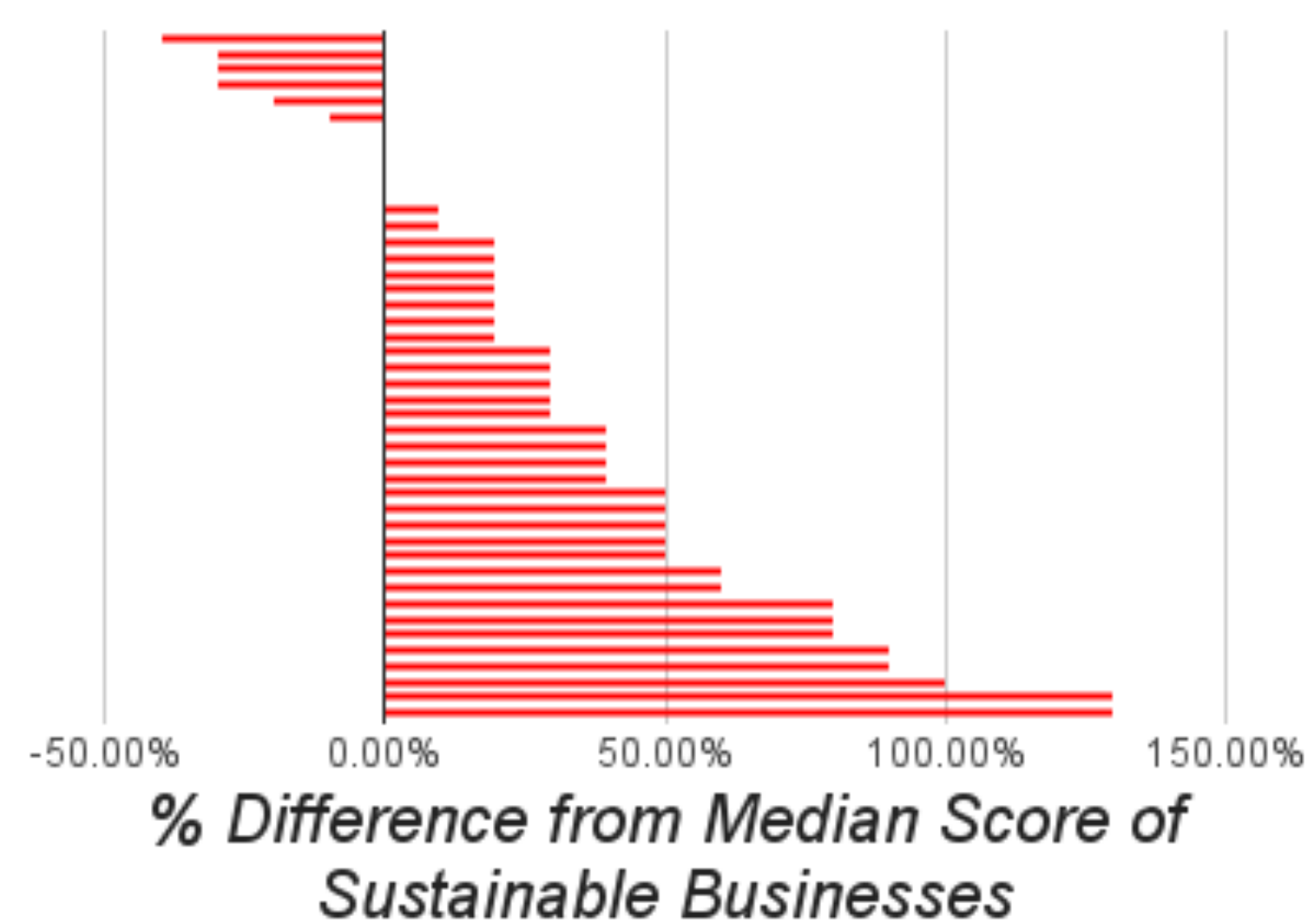
Green Capitalism

The idea that by harnessing market forces and technological innovation capitalism can shift from an exploitative system focused on short-term profits to one that justly values natural and human capital. (4)

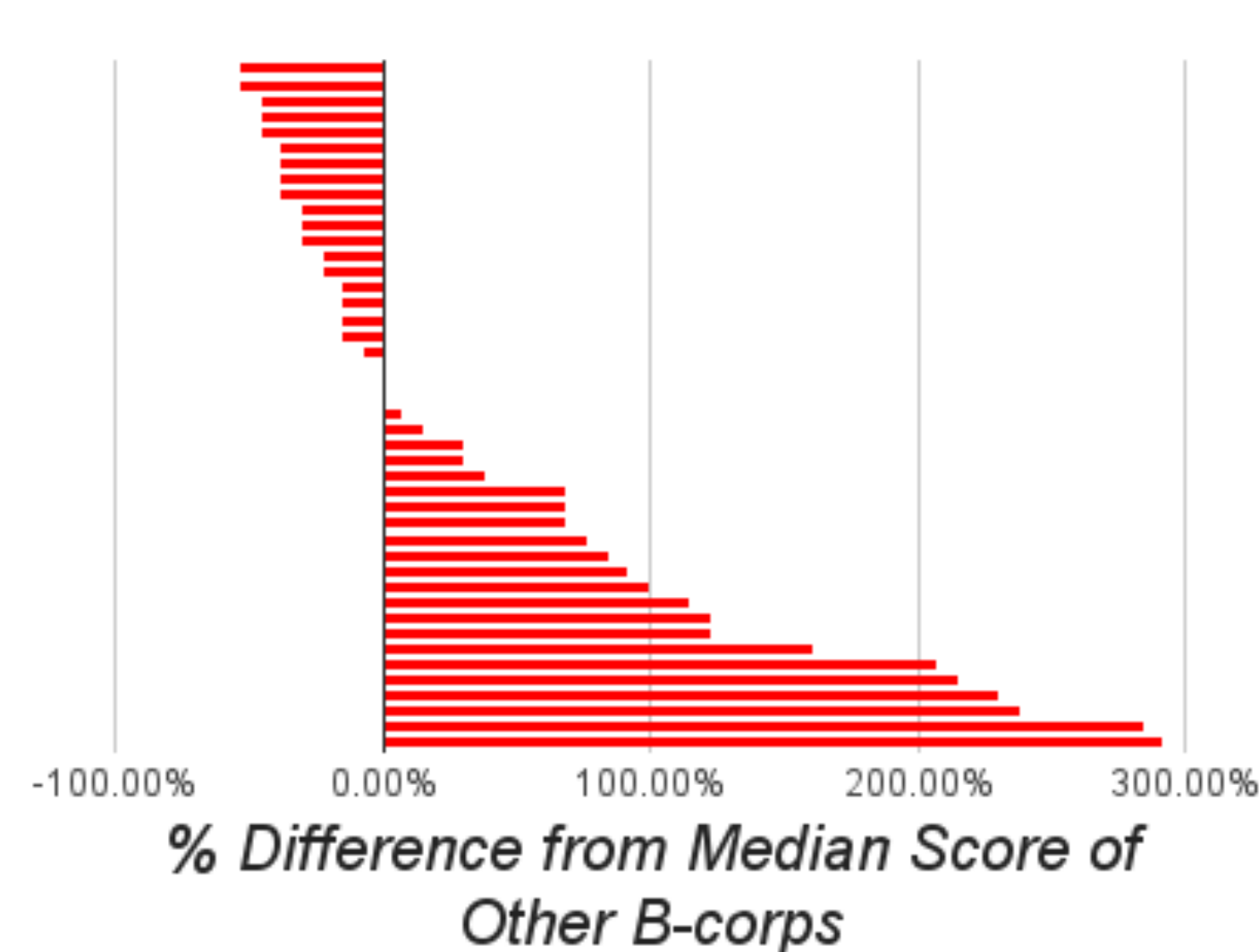
GRAPHS

Comparing Portland B-corps to other B-corps and Other Sustainable Businesses. Data supplied by B-corp, from the results of thousands of businesses taking their Business Impact Assessment (BIA).

Governance Score



Environment Score



Customer Score



Sustainable Business

Disconnecting Scales

Sustainable Development

Portland Findings

Primarily Firm-Level Benefits

Uneven Development

3. Methodology

- 1. Comparison between the B-corp certification and Portland's Sustainability at Work Certification.
2. Profile of Portland B-corps (partially shown above) comparing performance in different sections to other B-corps and other sustainable businesses.
3. Semi-structured interviews with leaders of Portland B-corps.

4. A Breakdown of the Benefits:

Internal Benefits

- 1. Communicating a Mission
a. Within the company
b. To customers & business partners
2. The B-corp Community
a. Co-marketing
b. Information sharing
3. Attracting & Retaining Talent
4. Guidance and Inspiration from the Business Impact Assessment (BIA)

External Benefits

- 1. Portland B-corps excel in the environmental category of the BIA compared to other B-corps.
2. Compared to Other Sustainable Businesses, they excel in their governance practices.
3. Their weak points are the Customers and Community sections, indicating more could be done to promote diversity and serve underrepresented populations.

Benefits Across Scales

Certified B-corps are held to very high and comprehensive business standards. Additionally, to remain certified, they must continually be improving. At the scale of the firm, the benefits are significant. Yet at the local or national level, the benefits are still in question. In Portland, for example, B-corps reinforce uneven development: green infrastructure is concentrated in the city center, leading to racialized poverty and disinvestment in outer

neighborhoods. A one-size-fits-all interpretation of "good" is problematic. One way the movement could achieve its goal of making "business a force for good" and create large-scale benefits is to mobilize the community of B-corps around locally or nationally defined sustainable development goals. Whether efforts and organization at the level of the firm has the potential to ameliorate structural, global challenges remains to be seen.

Resources:

(1)http://www.unesco.org/education/tlst/mods/theme\_c/popup/mod18t04s01.html (2) Elkington, John. Cannibals with Forks: The Triple Bottom Line of 21st Century Business. 1998. (3) http://www.investopedia.com/terms/c/corp-social-responsibility.asp (4) Hawken, Paul, Amory B. Lovins, and Hunter Lovins. Natural Capitalism: Creating the Next Industrial Revolution. 1999. (5) bcorporation.net