

# SustainAbility

## Executive Summary\*

### The Social *Intrapreneur*: A Field Guide for Corporate Changemakers

#### Introduction

SustainAbility's second Skoll Program report investigates the challenges and opportunities faced by an emerging force for positive change within business – the social *intrapreneur*. Much like their social entrepreneur counterparts who typically toil on the edge of the mainstream, social *intrapreneurs* share a vision for the future where business value and societal needs are aligned, where companies are champions of change rather than obstacles to progress. This newly discovered breed of change agent is signalling how markets, business models and technologies will develop in the future.

**Social intrapreneur**, *n.* **1.** Someone who works inside major corporations or organizations to develop and promote practical solutions to social or environmental challenges where progress is currently stalled by market failures. **2.** Someone who applies the principles of social entrepreneurship inside a major organization. **3.** Characterised by an insider-outsider mindset and approach.

Social intrapreneurs are creating and delivering new products, services and business models that not only generate business value, but address some of society's most pressing challenges, including poverty, climate change and human rights. They compel their host corporations to look outside their comfort zones – to see both the strategic risks and profound opportunities that exist beyond the purview of traditional business units. Here are a few examples of how social intrapreneurs are pursuing business as *unusual*:

- David Berdish of **Ford** has launched a Megacity Mobility project designed to address transportation needs among swelling urban populations in South Africa, India and Brazil;
- Santiago Gowland is driving sustainability thinking across **Unilever's** diverse brands. He has pioneered an innovative 'Brand Imprint' assessment to identify and measure social, economic and environmental impacts. The company has recently partnered with Rainforest Action Network to certify all of its tea as fair trade;
- Gib Bulloch at **Accenture** has developed an internal consultancy, Accenture Development Partnerships, which advises citizen sector organizations. This entity was originally created as a talent recruitment and leadership development opportunity but is increasingly engaging with its corporate clients to create strategies that address sustainability-related challenges. ADP is currently working on the Phones for Health Partnership – a coalition to use wireless technology to track diseases across 10 African countries.

\*A full copy of the report can be accessed at [www.sustainability.com](http://www.sustainability.com) from 17 April 2008

## **A Evolution of the intrapreneur**

The social intrapreneur arguably represents the next wave of corporate evolution. Just as animals change their behaviors and evolve to respond to shifts in external contexts, so too do corporations. There are a number of “ecosystem pressures” driving this evolution:

- **Increased expectations on business to be socially and environmentally accountable.** 93 per cent of American consumers believe companies have a responsibility to help preserve the environment (2007 Cone Consumer Environmental Survey). Companies are believed to be key players – more so than governments and NGOs – in providing leadership on sustainable development over the next ten years, according to a recent Globescan/SustainAbility survey of corporations, academics, NGOs and sustainable development experts.
- **Global market failures present urgent opportunities for scaleable innovation.** Take literacy as an example; two-thirds of the world’s 1 billion illiterate people are women and 984 million of the illiterate live in the developing world. This educational gap is perceived by some companies as an opportunity space – to leverage core competencies in technology to empower women, enable development and build community trust and future markets. Or climate change – which, according to Sir Nicholas Stern – represents not only the greatest market failure in human history, but also a huge market opportunity.
- **The rise of the ‘creative class’ and a shift in personal motivations as employees are less likely to check their values at the door.** In North America, 44 percent of MBA students said they were likely to reject a job offer if a company did not have a “useful” role in society, while 27 percent would reject an offer if a company did not support local communities (Hill and Knowlton, 2007).

## **B Corporate habitat**

Social intrapreneurs are cropping up in the most unlikely places. While some start out squarely in the Corporate Responsibility camp, many are emerging in core business units such as product development and marketing. Others are creating entirely new divisions, like Orlando Ayala who championed Microsoft’s Unlimited Potential Group or Bob Annibale who launched Citi’s Microfinance Group. Intrapreneurship is not limited to industry or geography. The 20 individuals interviewed for this report are inspiration to others – regardless of position or location, you can *make change from where you are*.

## **C Identifying characteristics**

Social intrapreneurs are more ambitious for social change than for personal wealth and advancement. They are willing and able to take risks, including moving across and between organizations and sectors to reach the locale where they can realize their vision. They combine tactical and strategic skill-sets with qualities of perseverance and strength, independence and teamwork, far-sightedness and practicality – all of which enable them to get the basics right, earn trust and deliver real results, both for business and society.

## **D New forms of business value**

While intrapreneurship as a concept isn’t new, the approaches being taken by *social* intrapreneurs represent radical departures from the traditional ways that companies consider value creation:

- “The profit is not obvious right away, but it’s important to have a presence in these [emerging] markets....The focus is on laying the foundations for business in the next ten years.” Orlando Ayala, **Microsoft**

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*Ayala heads Microsoft's Unlimited Potential program that is working to bridge the 'digital divide' to enable greater access to technology for low-income individuals as a tool for education, development and, ultimately, an enhanced marketplace.*

- “We had a very outside-in approach to the issue—what is the state of water resources? How will stakeholders be affected? And only then, did we ask what was the company’s role and opportunity?” Dan Vermeer, **Coca-Cola**  
*Vermeer heads Coca-Cola's 'Global Water Initiative', which works with communities to develop proactive solutions to water challenges. The company aims to make its manufacturing and bottling operations 'water-neutral'.*
- “We’re not just selling cement. We’re delivering patrimony [wealth] accumulation and construction services.” Luis Sota, Vision (working as a consultant to **CEMEX**)  
*Sota spearheaded CEMEX's Patrimonio Hoy initiative, which developed an innovative and profitable solution to low-income housing in Latin America.*

These sentiments represent fundamental shifts in the way companies consider markets. This is not simply about driving efficiency into existing processes and products; it is about building trust with communities, developing new markets and, ultimately, creating entirely new forms of value.

## **E Future pathways**

To get traction for these initiatives, social intrapreneurs have to bring people along to a radically different vision of the future. They have to help shift people’s perceptions about the opportunity landscapes that exist for their organizations. As Mary Harmon at Trium Group, an organizational transformation consultancy, puts it, “You need to provide people with a line of sight. It’s not good enough to simply articulate a mission.”

While still emergent players on the corporate scene, social intrapreneurs are building on good business and management practices to pioneer new pathways to success (and long-term survival). Social intrapreneurs are adept at fighting and surviving cynicism, caution and the status quo in large corporations. Nonetheless, healthy corporate curiosity and support (including financial and human capital), along with an enabling appetite for exploration and experimentation, will encourage this species to thrive.

## **F Top ten tips for corporate changemakers**

Social intrapreneurs offer advice for aspiring corporate changemakers:

1. Focus on solving a problem, not selling a solution.
2. Use storytelling to sell your idea, but develop a robust business case.
3. Align your work with the best of your company culture and values.
4. Go to the top – senior management champions are critical.
5. Tap into existing business processes and language.
6. Make sure you’re funded.
7. Create a guiding internal coalition – and engage external stakeholders.
8. Pilot and execute!
9. Maintain your integrity, and be patient.
10. Share ownership of your idea – and above all, HAVE FUN!

ENDS

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