

ADVANCING GOOD GOVERNANCE in International Development

Making Market-based Approaches to Development Work for the Poor

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Rhodes House, Oxford

Breakout: New York Law School: “Intrapreneurship” in the Private Sector: Praxis, Process and Potential

“Social” issues such as the lack of clean water in Africa, childhood malnutrition in Bangladesh, and lack of employment opportunities in parts of rural India, are examples of problems that are generally thought of as being in the domain of governments, non-profits, NGOs, and the philanthropic sectors, and not in the domain of the large for-profit corporation. The problem with this general understanding, however, is that increasingly it is the large for-profit corporation that may be best suited (whether in terms of existing know-how, financial wherewithal, or network access) for developing meaningful solutions for many of today’s global problems, aka “social intrapreneurship.” This session examined the role of social intrapreneurship as a practice that has the potential to, and in many ways does, help a for-profit corporation navigate between the axiomatic concepts of profit and social good. The panel was made up of Lionel Bodin, Senior Manager, Accenture Development Partnerships and Alice Korngold, President and Chief Executive Officer, Korngold Consulting LLC. The discussion was moderated by Tamara Belinfanti, Professor, New York Law School.

Key Points from the Session

- 1. “Social intrapreneurs” are people within companies that use innovative techniques and the resources of their company to achieve positive social ends.** The most difficult challenge for social intrapreneurs is convincing their company that the proposed program is worth expending the time and resources of the organization. There can be a backlash against these efforts, particularly if the proposed program is not as effective as was expected. Effective social intrapreneurs are able to articulate the business case for the proposal, navigate the politics and other challenges of their organization, unlock scarce resources in the company, create a community of support for the initiative within the company and share the personal attributes of strong social entrepreneurs.
- 2. Companies that are better at supporting social intrapreneurship tend to have strong board level engagement and are effective at working with stakeholders and local non profits on the ground.** Company support programs may include dedicated funds, volunteering programs and innovation labs. These companies also tend to have a diverse board, which is proudly exhibited on their websites.
- 3. Businesses are particularly well placed to address a range of development issues.** Multinational companies may have greater resources than the local government and are better at scaling operations quickly. Businesses may also be particularly good at evaluating problems or obstacles in a particular setting and establishing organizational cultures where employees can find creative solutions to problems.
- 4. Social intrapreneurship is a way to align profit motives and social good.** The very best examples of social intrapreneurship (e.g. Vodafone’s M-PESA) contribute both to the company’s bottom line and to social good. In comparison with CSR (which tends to focus more on grant-making), social intrapreneurship places the focus on commercial sustainability. Furthermore, major investors (including pension funds) are linking substantial sums of money to the achievement of ESG goals.

Emerging Questions

1. How can companies improve the diversity of their boards and take other actions to facilitate social intrapreneurship?
2. Are there particular types of issues that business may be better placed to solve?
3. How does the development of social intrapreneurship within traditional c-corporations sit alongside the rise of alternative business structures, such a b-corporations?
4. Does social intrapreneurship provide a better alternative to CSR initiatives and other corporate philanthropic efforts?