

## NESI Track 2 report

### "Reshaping organisations for the common good"

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*Málaga, April 2017*

#### **Workshop summaries**

Across the workshops of track 2, participants considered how to reshape 'the organisation' from a number of perspectives. These included:

- The direction an organisation charts, both in terms of its purpose and what it measures as its success factors. Can a business truly change and reshape itself for the common good with quarterly profit figures as its key metric?
- The purchasing power of both the public sector as well as the private consumer in driving change of organisations. The state, through its purchasing decisions and criteria has significant 'buying power' to affect behaviour change among companies from which it secures services. Much has been made of consumer power and its ability to change organisations.
- All that is required to support collaboration and networking between organisations to more effectively scale new economy organisational approaches.

The conversations in each of these areas were rich and geared towards looking for actions to bring about the desired changes across all of these angles.

#### **Great stuff already happening / challenges**

While there are many challenges and much work still to do to re-orientate organisations towards the common good, participants across the workshops found cause to celebrate what was already under way. Organic cotton purchasing of Patagonia and Fairphone were held up as examples of successful social purpose business, while it was noted that awareness is higher than it has ever been and social indicators have grown nearly as important as environmental ones. Co-working spaces, accelerators, creative mornings and start up weekends were all given a shout-out as great examples of collaboration and community supported organisations and direct consumer-producer exchanges were held up as successes for new forms of conscious consumption - of course built on the early ideas of the cooperative movement.

Of the many challenges highlighted across the workshops, poor governance and / or non-ethical behaviour often being behind business failure was highlighted in the plenary



session pre-ceding the track workshops. Within the workshops, the challenge of educating both consumers as well as investors was brought to the fore.

## Key themes/insights

Stemming from the conversations around the challenges faced, participants really found the issue of changing governance resonated with them. There was a strong desire to understand better the potential that participatory democratic processes within organisations could offer and examples of expanded participation in the governance process.

In addition to governance being a touch stone issue, many found the concept of re-educating and re-imagining the role of different actors in relation to organisations as providing huge potential to change things. For example, turning on its head, the way we normally view consumers of electricity to also consider them as possible future producers of electricity. Consumers need not simply be passive recipients of products/services but could become investors in organisations etc.

A third insight for participants, based on circular economy principles, was around the use and re-use of materials, ranging from repairing of consumer goods to re-use and re-purposing of existing buildings...why knock something down and start again when you can work with what is already there and adapt.

## New ideas/possible actions

All these conversations, challenges, insights and celebrations led participants to a range of future actions they felt inspired to take forward.

### Measuring the performance of organisations differently:

- **Making an index of methods to evaluate impact** by sharing what we are working on. Much work has already gone into ways of measuring the impact of organisations from the economy for the common good framework, social return on investment framework, B-Corps, Global Reporting Initiative and a myriad of full cost accounting methodologies. To be able to understand the coherence between these approaches was viewed as a valuable aim by participants.
- **Communities deciding on local KPIs.** Much like track 1's suggestion of building a monetary constitution through local assemblies, the idea emerged that local stakeholders would set the KPIs (and by default, the priorities) for businesses in an area. This nucleus of an idea may well be able to learn from the 'participatory budgeting' approach of certain municipalities around the world.

- **Creating jobs around safeguarding and regeneration** and identify metrics for such safeguarding. A project that examined how we could reframe work as one of stewardship rather than ownership was considered a project worth investigating.

#### Public power for the common good

- **Public Procurement of products and services with positive triple impact.** Exchange good practices of different local governments and supporting many local governments to do the same.

#### Social entrepreneurship

- **Creating local "new economy and social innovation ecosystems" and/or "Social entrepreneurship ecosystems"** where local entrepreneurs, NGOs, local governments, universities and other stakeholders contribute to the creation of a favourable ecosystem to promote the new economy and the social entrepreneurship. This programme would include actions such as training, incubators, accelerators, monitoring, social investment resources and others.

#### Collaboration and networking

- **Create working group to look at legal framework required for a collaborative economy.** One example of this type of work is a project by the FairTrade Foundation examining how retailers can work together to encourage more sustainable agriculture practices without falling foul of EU competition law.
- **Create a platform for ethical start-ups to be able to apply for funding.** Present at this track was the head of the social stock exchange in Madrid (La Bolsa Social), for which any new platform idea should look to for guidance.
- **Create a network of platforms for cooperatives at local level to meet basic needs.**
- **Engaging municipal authorities to support local micro-energy production** but also do, learn and create own renewable energy cooperatives.
- **Training more people in the concept of innovative cooperatives.**

#### Conscious consumption

- **Support the development of more producer-consumer groups to re-localise production/consumption.**