

TO: CHAIR AND MEMBERS
SOCIAL PLANNING COMMITTEE

DATE: 2021 January 13

FROM: DIRECTOR PLANNING AND BUILDING

FILE: 1400 20
Reference: United Way

SUBJECT: SOCIAL PURPOSE INSTITUTE

PURPOSE: To present information on a proposal that the City join a trilateral partnership with the Social Purpose Institute and the Burnaby Board of Trade to support social purpose in business in Burnaby.

RECOMMENDATIONS:

1. **THAT** Council approve a trilateral partnership between the City, United Way's Social Purpose Institute and the Burnaby Board of Trade to promote social purpose in business in Burnaby.
2. **THAT** a copy of this report be forwarded to the Social Purpose Institute and the Burnaby Board of Trade.

REPORT

1.0 INTRODUCTION

At its meeting on 2020 September 15, the Social Planning Committee received a delegation from Ms Mary Ellen Schaafsma, from the Social Purpose Institute of the United Way. Ms Schaafsma presented information on the Institute and requested that the City join a trilateral partnership with the Social Purpose Institute (SPI) and the Burnaby Board of Trade (BBOT) to support social purpose in business in Burnaby. According the SPI, a social purpose business is:

a company whose enduring reason for being is to create a better world. It is an engine for good, creating social benefits by the very act of conducting business. Its growth is a positive force for society.

Arising from the discussion, the Social Planning Committee referred the delegation's request to staff. This report provides more information on the social purpose business and the delegation's request.

2.0 POLICY SECTION

The proposal for the City to join a trilateral partnership with the SPI and BBOT is supported by the following policy context:

Burnaby Social Sustainability Strategy – The Strategy’s Strategic Priority 3 – Getting Involved - highlights the importance of business participation in enhancing the community’s quality of life and contains a specific action for the City on corporate social responsibility:

- *Explore additional opportunities for demonstrating corporate social responsibility (CSR) leadership through a collaborative program with local business. As an example, consider acting as a CSR role model for other local governments and organizations by further developing policies, procedures and programs to implement the City’s social sustainability.*

Economic Development Strategy – The aim of the Social Purpose Institute is also consistent with the goals of the Economic Development Strategy. Specifically, Theme 8 – Nurturing a Strong, Diverse, Welcome, Caring Society – contains the following objective:

- *Burnaby will attract workers, investors, entrepreneurs, students, and self-employed people, if it is regarded as a welcoming, safe community that is concerned about the quality of life, and believes that one aim of economic development is to enhance access to opportunities for all citizens. Helping to nurture a strong society is one of the ways to attract business.*

Theme 9 of the EDS - Working with the Burnaby Board of Trade - also aligns with the initiative of the SPI and contains the following objective:

- *Look for opportunities to encourage the business community to embrace social responsibility through awareness campaigns about social issues related to: hiring practices, wages paid, purchasing policies, and the provision of free or low-cost technology assistance to non-profits.*

The SPI initiative also aligns with a number of goals and sub-goals of the *Corporate Strategic Plan*:

- ***A Connected Community***
 - Partnership – Work collaboratively with businesses, educational institutions, associations, other communities and governments
- ***A Dynamic Community***
 - Community development – Manage change by balancing economic development with environmental protection and maintaining a sense of belonging
- ***A Thriving Organization***
 - Organizational culture – Ensure that our core values are reflected in our policies, programs and services delivery

3.0 SOCIAL PURPOSE

The United Way's SPI is working with businesses to help them develop their social purpose. As noted by the SPI, businesses are recognizing the importance of having a social purpose to define their role in society and foster business and societal success. By adopting a social purpose, businesses are able to navigate turbulent times, and attract employees, customers and investors. The SPI adds that communities that are home to social purpose businesses are more likely to thrive given the contributions these businesses make to their local communities.

According to research conducted by the SPI, there are six main business benefits of social purpose:

Customer Commitment – social purpose companies attract and retain customers and build customer brand advocacy. For example, 70 percent of North American organizations take social and environmental factors into account in their procurement practices, driving demand for suppliers to demonstrate their beneficial social impact.

Employee Engagement – social purpose companies recruit, retain and motivate employees and build employee brand advocacy. For example, employees of social purpose companies are considerably more likely to recommend the company's products and services to others and are more likely to recommend their company as an employer.

Stakeholder Relationships – social purpose companies strengthen third-party relationships and enable collaboration. For example, businesses that demonstrate social purpose build trust, reputation and loyalty with their stakeholders, opening up opportunities for new and deeper partnerships.

Social Capital – social purpose companies strengthen operating context and increase trust. For example, communities with strong social bonds are healthier and more resilient, and their members are better able to work together to solve problems.

Financial Performance – social purpose companies enhance financial performance, increase access to capital and manage risk. For example, 58 percent of companies with a social purpose experienced growth of 10 percent or more versus 42 percent of companies not prioritizing purpose.

Innovation Generation – social purpose companies increase innovation, enable business transformation and enhance resiliency. For example, 75 percent of executives of social purpose companies report that it gives their company the agility to innovate in times of disruption and the ability to drive transformational change.

The SPI notes that through the pandemic, companies with a defined social purpose have performed better than average. It further notes that 70 percent of Canadian consumers believe companies should show how their products and services make the world better.

4.0 SOCIAL PURPOSE IN BURNABY

The SPI is headquartered in Burnaby. The BBOT has entered a strategic partnership with the SPI to create a centre for excellence for the growth and development of social purpose-led organizations in Burnaby. To date, a number of leading Burnaby-based companies are participating in the SPI's programs to embed social purpose in their business models. The SPI provides mentorship and education for these businesses by: 1) helping them to articulate their social purpose; 2) guiding them in implementing and integrating social purpose in their business practices; and, 3) providing professional development for staff. The BBOT believes its partnership with the SPI will allow it to support a growing movement of social purpose businesses and assist with Burnaby's recovery plan.

The SPI has requested that the City join its partnership with the BBOT to help build momentum for social purpose businesses in Burnaby and Metro Vancouver and to be a role model for other municipalities. In 2019 October, the SPI, BBOT and City, represented by the Mayor and City Manager, co-hosted a CEO and Business Leader Consultation to seek feedback on the SPI's social purpose initiative. Participants expressed positive feedback on social purpose and support for the trilateral partnership.

As a partner in the trilateral partnership, the City's role would be to:

- Declare support for and a commitment to social purpose in business – this support could include messaging in the City communication channels that reinforce the value of social purpose in business in Burnaby and beyond.
- Support and promote the development of social purpose businesses – this support could include promotion of the programs and services of the SPI, joint hosting of events with the SPI and BBOT, advocacy to other orders of government on relevant initiatives and issues pertaining to social purpose; and working with partners to develop social purpose procurement guidelines.

It is anticipated that the financial implications for the City regarding its involvement in the trilateral partnership would be minimal. The level of investment (time and resources) in the partnership would be at the City's discretion with the SPI and BBOT taking the lead roles in developing social purpose businesses in Burnaby. That said, should the City agree to participate in the trilateral partnership, staff would seek specific approval from Council for any requests of the partnership that are more time or resource intensive.

5.0 CONCLUSION AND RECOMMENDATIONS

This report provides information on the United Way's Social Purpose Institute (SPI) and its request that the City join a trilateral partnership with it and the Burnaby Board of Trade. As noted in the policy section above, the SPI's social purpose in business initiative is consistent with the corporate social responsibility actions of the City's Social Sustainability and Economic Development Strategies as well as the Corporate Strategic Plan.

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It is recommended that Council approve a trilateral partnership between the City, Social Purpose Institute and the Burnaby Board of Trade to promote social purpose in business in Burnaby.

It is further recommended that a copy of this report be forwarded to the Social Purpose Institute and the Burnaby Board of Trade.



E. W. Kozak, Director
PLANNING AND BUILDING

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Copied to: City Manager
Director Finance
Director Corporate Services

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