

Abstract

The wicked problems of sustainable development in East Africa such as poverty, climate change, and economic exclusion require collaborative action not only from governments, bilateral institutions, and civil society but also from the private sector. The role of business as a driver of sustainable development has become recognized as essential. A movement towards a system change in how we do business is evolving through the emergence of social enterprises, led by the governance of the triple bottom line: people, planet, and profit. As this new paradigm in business is at an early stage in East Africa, SEs face challenges to measure their impact and design ways to move forward to sustain their impact. This research project focuses on strengthening social enterprises' contribution to sustainable development through impact measurement in East Africa. I collaborated with B Lab to conduct this research over the period of three months from June 2020 to September 2020.

RESEARCH QUESTIONS

- 1) What challenges, if any, constrain social enterprises in East Africa from measuring their social and environmental impact and to further certify as a B Corp?
- 2) How can we utilize the successful solutions of other partners in the B Lab Global Network, primarily Sistema B, to better support social enterprises served by B Lab East Africa?
- 3) What are the recommendations for the B Lab East Africa team and the B Lab Global team to increase the rate of certification of social enterprises in East Africa?

HOST ORGANIZATION: B Lab

B Lab is a non-profit organization headquartered in Philadelphia, Pennsylvania, USA. B Lab is recognized leader in the field of responsible business driving a global culture shift to redefine success in business and shift the focus from shareholders' interests to stakeholders' interests!

B Lab designed a rigorous tool to measure companies' performance called the B impact assessment (BIA). The BIA is divided into five stakeholder-focused: customers, community, environment, workers, governance. BIA includes around 200 questions that are determined according to the company's size, sector, and market.

B Lab has several partners around the world such as Canada, Latin America and Caribbean "Sistema B", Europe, the UK, Australia/New Zealand, and Taiwan. In 2017, B Lab launched a hub to serve East Africa (Nairobi, Kenya).

DATA COLLECTION METHODS

1. Desk review.
2. Semi-structured interviews with
 - 2.1. representatives from B Lab East Africa
 - 2.2. representatives from B Lab Latin America
 - 2.3. Businesses from East Africa

DATA ANALYSIS METHODS

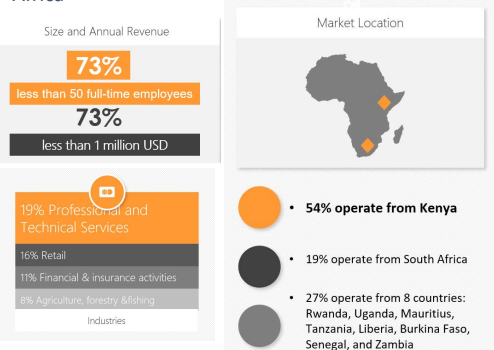
1. Thematic analysis was used to examine the qualitative data from the semi-structured interviews.
2. A cross-case analysis was conducted, guided by a literature review to shed light on similarities and differences between East Africa and Latin America.
3. Quantitative data analyze.

LOCATION



RESULTS

Common characteristics of Certified B Corps in East Africa

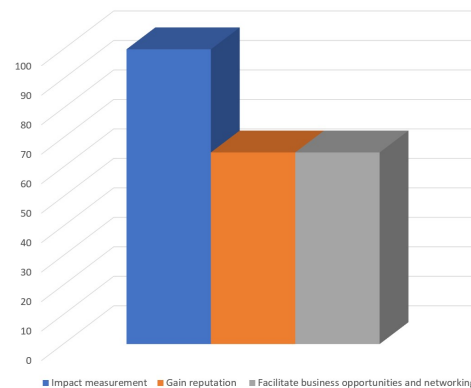


RESULTS

Common challenges that a "typical" Certified B Corp in East Africa face to measure their impact and certify as a B Corp:



Motivations to certify as a B Corp in East Africa



The research points to five differences between East Africa and the Latin America region, specifically, 1) factors affecting the rise of the B Corp movement, 2) socioeconomic factors that define the social enterprise model. 3) regional characteristics of a social enterprise, 4) social entrepreneurs' education level and career before launching a social enterprise, 5) B Lab in-country representatives.

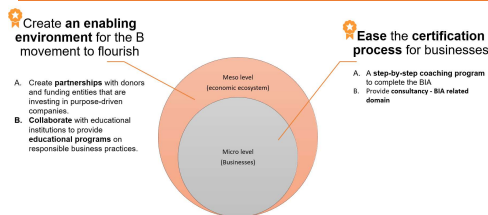
CONCLUSIONS

When considering the two systems in parallel, it appears that both B Lab East Africa and Sistema B are not only inviting companies to improve the social and environmental impact of their business practices but also are working towards fertilizing the soil for the B movement and B Corps to blossom. More particularly, both partners B Lab East Africa and Sistema B, at its early growth stage, face internal challenges related to starting a new organization as well as external challenges related to introducing the idea of B Corps to an emerging economy market and influencing the economic ecosystem. In turn, this provides an opportunity for leveraging organizational learning within the B Lab Global network and develop cross-learning, whereby B Lab East Africa could gain inspiration from the early successes of Sistema B. Nevertheless, successful practices in a region are no guarantee of success transplanted to another region. Being mindful of the differences and similarities between regions can provide a starting point for B Lab East Africa to leverage Sistema B's best practices and envision elements for their future strategy.

Conclude Similarities between B Lab East Africa and B Lab Latin American partner, Sistema B are:



RECOMMENDATIONS



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