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Kathleen M. Wilburn
St. Edward's University, kathleew@stedwards.edu

H. Ralph Wilburn
St. Edward's University, ralphw@stedwards.edu

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NEW PARTNERING OPPORTUNITIES FOR THE NONPROFIT SECTOR

Dr. Kathleen Wilburn
Dr. Ralph Wilburn

As corporations are increasingly focused away from pure philanthropy and toward corporate social responsibility projects that are strategically connected to the business purpose of the company, partnerships between for-profit and nonprofit organizations are becoming more prevalent as both groups discover that they provide added value for both partners. Although consumers demand that corporations practice social responsibility, their activist stockholders demand that excess profit be invested back into the corporation or given as dividends, so many corporations have established foundations that operate separately from the company. The foundations provide grants to nonprofits that can help the corporations fulfill their social responsibility. As far back as 1996, Andreasen saw a coming decrease in the philanthropy for nonprofits and recommended partnering. One of the values of partnering is that it allows a nonprofit to focus on its social mission, and not spend hours looking for financial support or writing grants each year that might not actually be in the nonprofit’s strengths area. Together for-profits and nonprofits can do much more good for society than either can alone.

For example, the PepsiCo Foundation provides grants to partners who will help it achieve its performance with purpose goals: access to positive nutrition, access to safe water, decrease in recycling and support for enabling girls to finish their education. PepsiCo uses water to create its products, so learning about how to decrease water use can not only save the company money, but it can help provide clean water to people that have none. “By the end of 2014, we reduced our water use per unit of production in legacy operations by 23 percent since 2006, exceeding our target of a 20 percent reduction by the end of 2015” (PepsiCo, 2014, p. 14). The foundation has provided “access to safe water to a total of 25 million people since 2006 in the world’s most at-water-risk areas” (PepsiCo, 2018, para 4).

There is another group that nonprofits can partner with that is a new type of business called a Benefit Corporation. The benefit corporation model is incorporated in thirty-two states and the District of Columbia, and they are required by law to have a general or specific public benefit as well as earning a profit. There is also a new certification called the B Corps certification that identifies a business as having a social purpose even though it is registered as a regular corporation. These two groups are usually small businesses, but they can partner with local and small nonprofits to achieve their social purposes in terms of identifying people in need of their goods and services, delivering them to underserved communities, and hiring and training to meet diversity goals.

PURPOSE OF THE PAPER

This paper will review changes in consumer views of corporations and provide examples of large corporations’ CSR projects that involve partnering with nonprofits. It will identify some of
the benefits of such partnering as well as concerns nonprofits have with such partnering. It will then explain the benefit corporation status and B Corp Certification that allows new avenues for partners for nonprofits. Finally, it will explain how to find benefit corporations and B Corps that might match a nonprofit’s mission to possible establish a partnership.

Walker (2016, June 27) reports that “giving in the corporate sector experienced a 3.9 percent increase over its 2014 totals” (para. 4). However, this giving is increasingly targeted to specific CSR initiatives, including supporting volunteerism by employees for those initiatives, which in turn creates employee engagement in the corporation (Points of Light, 2016, p. 5). Keys, Malnight, and van der Graaf (2009) rank four CSR initiatives, Pet projects, Propaganda, Philanthropy, and Partnering, on a matrix of “Benefit to business” and “Benefit to society.” Pet projects are low on both, since Pet projects usually are determined by those who occupy the C Suite, and many times come with perks such as concert tickets and invitations to galas. Propaganda is medium in “Benefit to business” but low in “Benefit to society” and Philanthropy is medium on “Benefit to society,” but low on “Benefit to business.” Only Partnering is high on both.

Management time and resources are limited, so the greatest opportunities will come from areas where the business significantly interacts with—and thus can have the greatest impact on—society. . . . Partnering is difficult, but when both sides see win-win potential there is greater motivation to realize substantial benefits. Relationships—particularly long-term ones that are built on a realistic understanding of the true strengths on both sides—have a greater opportunity of being successful and sustainable. (Keys, Malnight, & van der Graaf, 2009, p. 4)

CHANGES IN CONSUMER BEHAVIOR

The 2015 Cone Communications/Ebiquity Global CSR Study surveyed nearly 10,000 consumers in nine of the largest countries in the world by GDP, and found that consumers are “willing to make personal sacrifices for the greater good, including pay more or reduce how much they buy” (Cone LLC, 2015a, p. 4). Additionally, half of those surveyed said they need proof before they believe a company is socially responsible, and they pay attention to companies that are doing more than is required (Cone LLC, 2015a). Another Cone Communication study in 2015 surveyed millennials (age 18-34) in the United States and found that “more than nine-in-10 Millennials would switch brands to one associated with a cause (91% vs. 85% U.S. average) and two-thirds use social media to engage around CSR (66% vs. 53% U.S. average)” (Cone LLC, 2015b, p. 1). It also found that millennials not only say they will pay more for a product with a social benefit, but also that they would take a pay cut to work for a responsible company. The 2017 Millennial Impact Report found that millennials’ cause-engagement actions have increased since the 2016 Report, even when millennials don’t have a personal connection to or receive direct benefit from the cause they join.

With access to the Internet, consumers can easily start movements to support or boycott a company and CSR initiatives are often the target of both. For example, in 2010, Nestlé was accused by Greenpeace of using a supplier for palm oil linked to deforestation of rainforests and damaging orangutan habitats (Steel, 2010, March 29). Greenpeace targeted Nestlé because Nestlé has a reputation for strong corporate social responsibility, and Greenpeace knew Nestlé it would act. Nestlé responded by partnering with a nonprofit, Roundtable on Sustainable Palm Oil (RSPO), and by 2013 reported that 100% of its palm oil was certified by RSPO (Nestlé. 2013). The RSPO certification is now used by most companies that buy palm oil for their products.

This demand for corporations to demonstrate some benefit to society is one reason corporations have focused on corporate social responsibility (CSR). It has led to partnering with nonprofits since they have social benefit at their core mission. Reputational marketing increasingly uses examples
of the success of projects using nonprofit partners because detailed stories about individuals who have benefited can be told by the nonprofits who work with the recipients.

**PARTNERING**

As consumers demand that corporate social responsibility initiatives be part of the company’s long term strategic business strategy, the idea of philanthropy money to nonprofits is not perceived as being a serious social purpose by consumers, especially when there is no accountability records online that address how the money was used. Giving food to the hungry is not the same as being able to identify how many hungry people were fed and how the program assured that the same group was not being fed every day at the expense of others. Thus, partnering with nonprofits allows them to work with groups that share their social purpose and can actually make that social purpose happen more efficiently and effectively than the corporation can. By having the nonprofit provide stories, videos, and pictures of people or the environment actually being helped, the corporation can demonstrate its commitment to its social purpose, as well as have another party attest to its achievements.

The other important part of the new partnerships between corporations and nonprofits is that they are increasingly for the long term. This helps the corporation show the social purpose is part of its business strategy and not just a one-time initiative. For example, if a company wants to establish a presence in a developing country, it may support education so that it can develop local employees who can work for the company. If it provides money to a school or does its own training, the focus is only on helping to create more profit and if the profit does not come, it will be easy to leave. However, if it develops a long-term partnership with a nonprofit that provides education starting with early childhood and also trains teachers, then the company is communicating its commitment to the need for education that can then result in future employees and consumers.

**EXAMPLES OF LONG TERM PARTNERING WITH BIG CORPORATIONS**

*Fortune* used information on the top 500 companies in the Fortune 500 to identify the top 20 most charitable corporations by cash contributions (Preston, 2016, June 22). The list includes Gilead Sciences, Walmart, Wells Fargo, Goldman Sachs, ExxonMobil, Chevron, JPMorgan Chase, Bank of America, Alphabet (Google), Citigroup, Microsoft, Merck, Coca-Cola, AT&T, Target, General Mills, Pfizer, Kroger, PNC Financial Services, and Morgan Stanley. A review of the programs of these companies reveals that, not only are they tied to CSR initiatives, but they are accomplished with nonprofits with whom they have long-term relationships that tie to the companies’ expertise, products, and services. For example, Merck also offers a yearlong fellowship to employees to volunteer with nonprofit organizations (Preston, 2016, June 22). Whirlpool partners with United Way, Cook for the Cure, Boys and Girls Club of America, and Women’s Consulate Institute in Brazil, as well as having a Foundation that provides support for nonprofits, and Connects Volunteerism program that connects employees with volunteer opportunities. (Whirlpool, 2018).

Walmart works with Feeding America by donating food, providing refrigerated trucks, and allowing its logistics experts to help the nonprofit develop delivery maps. General Mills’ supports Partners in Food Solutions to help Africans produce high quality, safe food (Preston, 2016, June 22). Whirlpool partners with Habitat for Humanity in more than 45 countries. It has provided: 191,000 ranges and refrigerators to new Habitat homes, serving more than 100,000 families. Additionally, Whirlpool
has donated more than 42,000 products to Habitat ReStore retail outlets, helping raise nearly $5.7 million. The company has engaged thousands of employee volunteers, sponsored nearly 180 homes and donated products to more than 76,000 Habitat families Europe, Middle East and Africa with 100,000+ families directly impacted around the world and 9,000+ Whirlpool employees who volunteer with Habitat annually. (Whirlpool, 2018)

In 2002, The Home Depot created The Home Depot Foundation, which works with its partners and “Team Depot, our 400,000-strong army of associate volunteers, work to improve the homes and lives of U.S. veterans, train skilled tradespeople to fill the labor gap and support communities impacted by natural disasters” (The Home Depot, 2018). Google employees helped install Wi-Fi along refugee routes in Europe. Merck partnered with the Bill & Melinda Gates Foundation to develop a network of entrepreneurs to supply rural health clinics in Senegal with contraceptives. “Kroger supermarkets give local nonprofits cards that allow users to buy groceries at 5 percent off the retail price. The nonprofits then sell these cards and retain the difference” (Mycoskie, 2012, p. 165). What is noteworthy about these projects is that although they do focus on issues important to the future profitability of the corporations, they are long-term commitments to social purposes, and they have nonprofits as partners.

**BENEFITS OF PARTNERING TO NONPROFITS**

This long term partnering can help nonprofits be less reliant on grants and philanthropy. This will require fewer hours spent writing grants that may not be funded, and allow employees to spend more time actually implementing the nonprofits’ missions. It may also mean less reliance on a changing cadre of volunteers who must be trained, and who must be tracked to ensure that there are volunteers when needed. If the nonprofits partner with corporations that encourage their employees to volunteer, it can develop a trained group of volunteers who understand processes and procedures. These volunteers can then be used as leaders when there is a need for a large group of new volunteers. Habitat for Humanity uses this model.

With an experienced group of trained volunteers from a partner corporation, who are committed to a schedule, a foodbank no longer has to have employees spending an hour each Saturday training a new group of volunteers how to unpack or pack food supplies or weigh bags. This would free up the employees to do more inventory work so that shortages could be identified earlier and partners alerted that specific food is needed. Having a corporate partner provide one of its trucks and driver would mean that the nonprofit would not have to buy and maintain a truck itself or have a licensed driver when needed. The presence of a trained cadre of volunteers will also lessen the need for supervising volunteers, and free up time to manage the budget and evaluate achievement. The corporations can also help by training nonprofit staff on accounting programs and using other software, for example, that makes the nonprofit more efficient and accountable.

**FINDING A PARTNER**

Lord’s (2018) description of what corporations should look for in partnering with nonprofits is a valuable read for nonprofit leaders who are considering partnerships. Horrigan (2014) lists five areas that can help nonprofits support companies: “help them build brand visibility, recognize their generosity, offer creative approval, measure metrics and keep lines of communication open.” The first is one that needs to be clarified initially, since it may mean that a sponsor wants its corporate logo on everything a nonprofit does, including the nonprofit’s website. Thus, the cost in money and time for t-shirts and advertising for an event, or requests for an email campaign for a sponsored program must be considered in the partnership discussions. The third is one that nonprofits must recognize will be a part of any partnership. The nonprofit must have accounting metrics for measuring the benefit of the partnership: for example, how many homeless were fed per night
over how many nights, how many people attended a function and how many volunteers were enlisted to support the community program?

Austin and Seitanidi (2014) developed a model for developing partnerships based on the value proposition; the model provides excellent steps to help in deciding which partner is the right partner. It looks at Value Creation, Collaboration, Partnering Processes, and Collaboration Outcomes. A nonprofit must be clear about its own mission to enable it to identify for-profit businesses that have products or services that it needs. DeVita (2018) quotes Burt Burch as recommending that after understanding its own mission and goals to impact the greater good, a nonprofit conduct research to find a for-profit that has a “brand fit as it’s important to align partners with an appropriate association between two partners that is intellectually, emotionally and practically compatible.” For partnerships to work, there must be shared mission and shared value.

Gupta (2014, June 26) found that “Nonprofits don’t always hold corporations accountable for their promises because they’re just happy to have the corporation give whatever they can, and corporations have little incentive to stay invested since the relationship doesn’t always benefit them.”

For example, Habitat for Humanity uses building materials and appliances so it partners with Home Depot, Lowes, Whirlpool, and Sears. Particularly for nonprofits in the sustainability areas, most corporations have CSR or sustainability reports that identify goals in water, renewable energy, and education. Shumate, Hsieh, & O’Connor (2016, April 26) conducted a study of over 2,000 nonprofits that had partnerships with corporations that found that nonprofits do not partner with companies exclusively in one industry.

If a nonprofit is working to help farmers irrigate more efficiently, or increase the use of solar or wind power, a match to a partner can be found in the CSR report. In this case, the data and information the company may have to share may be very valuable to the nonprofit’s work. If the nonprofit has developed a solar lamp for children to study by, or a small solar panel to provide electricity for developing countries, a for-profit company can help the nonprofit develop and market the product and perhaps buy from the nonprofit, which then might become a benefit corporation. A nonprofit that is providing used goods for resale can check CSR reports of apparel companies to partner with one so it can sell clothing that does not meet its standards because a seam is poorly sewn or buttons are missing.

One of the benefits of long-term partnerships is that it may be less likely that a middle-person will enter the process, and, for example, buy produce from grocery stores that it had been giving to a nonprofit, and then sell it at his or her own store at a cheaper price.

Moreover, very large companies seldom have giving programs that resonate with the public—too often, they look like tax write-offs or publicity gimmicks. But by partnering with smaller companies or nonprofits that are more hands-on, these large companies are able to help people better understand their brand’s giving efforts while also raising employee morale. They need us as much as we need them, and that is what makes these partnerships so great. (Mycoskie, 2012, p. 162)

**PARTNERSHIPS FOR SMALL NONPROFITS**

While large nonprofits, like those in the examples above, can easily find a corporate partner, small nonprofits may have more difficulty. There is a new opportunity in the benefit corporation that has been spearheaded by a 501(c)(3) nonprofit, called B Lab. B Lab “serves a global movement of people using business as a force for good™” and has created two new for-profit entities that will provide partnership possibilities for small nonprofits (B Corp, 2018a). One of its goals is: “Promoting Mission Alignment using innovative corporate structures like the benefit corporation to align the interests of business with those of society and to help high impact businesses be built to last” (B Corp, 2018a). Both benefit corporations and Certified B Corporations are for-profit companies whose numbers are growing. Because they are smaller companies, they are good candidates for
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small nonprofits who want partners.

**BENEFIT CORPORATIONS**

The benefit corporation is a legal entity created by state statute. The first Benefit Corporation law was passed by Maryland in 2010, so it is a relatively new entity; as of January 2018 thirty-four states and the District of Columbia had passed the legislation: Maryland, 2010; Hawaii (Sustainability Business Corporation), New Jersey, Vermont, and Virginia in 2011; California, Louisiana, Massachusetts, New York, and South Carolina in 2012; Arkansas, Delaware, Illinois, Oregon, Pennsylvania, and Washington, D.C. in 2013; Arizona, Colorado, Connecticut, Florida, Nebraska, Nevada, Rhode Island, Utah, and West Virginia in 2014; Idaho, Indiana, Minnesota, Montana, New Hampshire in 2015, Tennessee, in 2016; Kansas, Kentucky, Texas and Wisconsin, in 2017.

Washington passed a social purpose corporation provision in 2012. Statutes are pending in Alaska, Georgia, Iowa, Mississippi, New Mexico, and Oklahoma.

Benefit corporations 1) have an expanded purpose beyond maximizing share value to explicitly include general and specific public benefit; 2) are required to consider/balance the impact of their decisions not only on shareholders but also on their stakeholders; and 3) are required to make available to the public, except in Delaware, an annual benefit report that assesses their overall social and environmental performance against a third party standard. (Benefit Corporation, 2018b)

By requiring that a social mission be tied to fiduciary responsibility, the new law “redefines fiduciary duty, governance, ownership, and stakeholder relationships” so that “limitations on investment returns protect the organization’s ability to achieve its mission” (Sabeti, 2011, p. 103). Raskin (2011) provides examples such as “bringing a local river back to life, providing affordable housing, facilitating animal adoptions or promoting adult literacy” that have an impact on society and the environment that could also match nonprofits’ missions.

Muhammad Yunus proposed a new business structure that allows a for-profit company to maximize its profit and still meet social and environmental goals. This new structure would offer “a defined legal and regulatory structure for social business—preferably one with consistent rules in countries around the world” that would make it easier “for entrepreneurs and corporations to create a multitude of social businesses to tackle the human problems that are plaguing society” and could be used by for-profit companies as well as nonprofit organizations (Yunus, 2010, p. 117). The benefit corporation fits this purpose.

In May 2013, Harvard University’s summit on Growing the Impact Economy explored creating “a more coherent and comprehensive national approach to developing the for-benefit sector” that “can create quality jobs and promote economic growth, contribute to the tax base, drive new resources to the nonprofit sector, and tackle a wide range of social and environmental issues that would otherwise fall on the shoulders of government and nonprofits” (Harvard University, 2013). For Brodwin (2013, June 3), benefit corporations can bridge the gap between for-profit corporations and nonprofits and contribute to a sector called the Impact Economy in which companies pursue both social goals and profit.

A benefit corporation does not compete with nonprofits because it does not have the nonprofit structure’s tax, investment, or procurement exemptions for social programs. According to B Lab, this restriction is intentional so that benefit corporations may help nonprofits:
Based on our analysis of mission-driven businesses, and because they are legally obligated to create a material positive impact on society and the environment and to consider the impact of their decisions on all stakeholders, there are three primary ways benefit corporations help nonprofits: more charity; more volunteerism; and fewer problems. Again because of the imperative to create general public benefit, benefit corporations will be more likely to donate a higher percentage of their profits than ordinary corporations to support nonprofits; and more likely to create more opportunities than ordinary corporations for their employees to volunteer for nonprofit organizations. Also, benefit corporations are less likely than ordinary corporations to create or exacerbate social or environmental problems as a result of their business practices. (Benefit Corporation, 2018b)

Additionally B Lab has an investment arm that attracts such groups as Rockefeller Foundation, USAID, Deloitte, Prudential and Halloran Philanthropies, that provides funding for benefit corporations, and although nonprofits cannot be benefit corporations, they could create one. Because of the public benefit purpose provisions, expanded fiduciary duties of directors, and additional shareholder rights created within the model benefit corporation legislation, this structure could be useful to operate and scale the earned-income activities of a nonprofit. (Benefit Corporation, 2018b)

Benefit corporations are represented in industries like “retail, manufacturing, tech, service, professional services, private education, and food and beverage production. Benefit corporations also come in all sizes, from small one-person service companies to large-scale international brands with many employees” (Benefit Corporation, 2018b). “Sustained by sales, not donations, benefit corporations may well be a lasting model to help solve some of today’s most persistent social problems” (Henderson, 2013, August 1). All benefit corporations are required to use a third party to identify assessment standards. These reports, which are usually on the benefit corporation’s Website or on B Lab’s Website can be useful in matching missions and goals of benefit corporations to what the nonprofit needs (Benefit Corporation, 2018d). B Lab has the requirements for benefit corporations and reports of selected benefit corporations on its Website (Benefit Corporation, 2018a). Nonprofits can search the Website by state to find benefit corporations that might become good partners (Benefit Corporation, 2016c).

**EXAMPLES OF BENEFIT CORPORATIONS**

Patagonia, King Arthur Flour, Greyston Bakery, Taharka Brothers Ice Cream Corporation, Outlier Inc., Hawaiian Electric Vehicle Network, Global Sustainable Ecosystem Innovation, Inc., Scientific Certification Systems, Solar Works, Sun Light & Power, The Big Bad Woof, Inc., Blessed Coffee, and Emory Knoll Farms are a few of the benefit corporations in the United States. The owner of Farm Community Consulting, which helps small farmers connect with wholesalers, supermarkets, and distributors became the first benefit corporation in Virginia because “[b]eing a benefit corporation adds an extra layer of legitimacy” to his business since it is “a public declaration” about the firm’s commitment to both profit and social benefit (O’Brien, 2012, May 20). Matt Kavanagh, co-founder of a diving company named Blue Planet in Washington, D.C, argued that the new benefit corporation structure would help his company find new investors who support its commitment to ocean conservation (O’Brien, 2012, May 20). Many of these benefit corporations work through nonprofit organizations.

Patagonia uses environmentally friendly materials and has a Reduce, Repair, Reuse, Recycle process, through which it commits to reducing the environmental footprint. Patagonia works with suppliers who commit to ensuring fair labor practices and good working conditions. Since 1985, it has pledged 1% of sales to the
preservation and restoration of the natural environment, and has awarded over $46 million in cash and in-kind donations to domestic and international grassroots environmental groups. It provides internships and grants for environmental causes (Patagonia, 2018b). It partners with B Lab, bluesign® System, The Conservation Alliance, Fair Factories Clearinghouse (FFC), Fair Labor Association (FLA), Outdoor Industry Association Eco Working Group, 1% for the Planet, Sustainable Apparel Coalition, and Textile Exchange (Patagonia, 2018a).

UncommonGoods is an online and catalog retailer in New York that sells local and global crafts, mostly from independent artists. It gives preference to local, sustainable, and fair trade suppliers. It uses 100% recycled paper for its catalogues and uses renewable sources for 15% of its energy. Three-fourths of its employees own stock options, and two-thirds of the owners are from underrepresented populations. It offers health, wellness, and counseling services and onsite childcare and pays 80% of insurance premiums (B Corp, 2018d). UncommonGoods donates 15% of its net profits to nonprofit organizations. It started the Better to Give program twelve years ago, and has donated over $1,000,000. The program allows customers to identify one of the listed nonprofits and UncommonGoods will give one dollar to that cause for every purchase. As of March 2018, it has raised $407,774 for Rape, Abuse, and Incest National Network, $485,219 for American Forests, $43,753 for the 826 network, and $147,494 for International Rescue Committee it recently added to the partner list (UncommonGoods, 2018).

King Arthur Flour, founded in Vermont 220 years ago, is the oldest flour company in the United States and is 100% employee owned. It is designated an Environmental Partner by the Vermont Department of Environmental Conservation and the Vermont Small Business Development Center. It has a free nation-wide baking program for schools; it has reached 400,000 middle school children in forty-four states who have used their mathematics and reading skills to bake bread, which is then given to the local food pantries. Students are also sent home with ingredients to encourage healthy eating (King Arthur Flour, 2018a).

In the 2016-2017 school year, the program reached 37,000 students in 200 schools. It offers free baking classes to benefit a local shelter/food pantry. It sponsors events, like Pizza on the Patio to benefit nonprofits, like the Upper Valley Haven, Hunger Free Vermont, Vermont Foodbank, Willing Hands, Feeding America, and “1% For The Planet.” It allows all full and part time employees 40 hours of volunteer time a year. In 2009, it began a zero-sort recycling system and food scraps are now used by local farmers to feed their animals (King Arthur Flour, 2017). The company encourages its farmers to use environmentally responsible farming practices, and leftover baked goods from baking class are donated to local hunger relief efforts (King Arthur Flour, 2018b). Each time a registered volunteer bakes something at home and gives it to someone else, King Arthur Flour donates a meal to Feeding America. It has donated 41,394 meals to date (King Arthur Flour, 2018a).

Better World Books has saved landfills by reusing or recycling over 250 million books and reclaimed more than 900,000 pounds of metal shelving from libraries across the United States. It sells books that libraries and colleges are discarding and sets aside part of each book sale for its nonprofit literacy partners; it donates one book for each book it sells. It partners with Books For Africa, The National Center for Families Learning, Room to Read, The Robinson Community Learning Center, and The Prison Book Program who receive funding from the books that are sold (Better World Books, 2018a). As of April 2018, Better World Books had donated over twenty-five million books, and raised over twenty-seven million dollars for literacy and libraries. It purchased Renewable Energy Certificates to better its carbon balance; it also diverts a few cents from each customer purchase to support wind projects (Better World Books, 2018b).

CERTIFIED B CORPORATION
Begun in 2007, the certification for a Certified B Corporation is available to all businesses in all fifty states and in thirty-three countries. The certification has no legal standing, and is similar to LEED certification for construction, USDA Organic certification for dairy products, or Fair Trade certification for coffee.

When compared to other sustainable businesses, Certified B Corps are 68% more likely to donate at least 10% of profits to charity, 47% more likely to use on-site renewable energy, 18% more likely to use suppliers from low-income communities, 55% more likely to cover some of health insurance costs for employees, 28% more likely to have women and minorities in management, and 2.5x more likely to give employees at least 20 hours per year paid time off to volunteer in their community. (B Corp, 2018b)

In 2018, there were more than 2,500 Certified B Corporations in more than 50 countries (B Corp, 2018e). Becoming a Certified B Corporation requires that the company use B Lab’s B Impact Assessment categories to identify its social goals and how it will meet social and environmental performance standards, accountability, and transparency. Corporate documents are amended to say that the company considers social and economic effects on employees, customers, suppliers, the environment, the community, and the society in its decisions, thus declaring its corporate social responsibility mission to all, including outside capital if the company decides to grow. B Impact Assessment reports are required every two years, and ten percent of all certified companies are subject to an unannounced audit each year.

The certification requires companies to have goals in five impact areas: accountability, employees, consumers, community, and the environment. Accountability focuses governance metrics, corporate accountability and transparency, mission and engagement, board, and anti-corruption mechanisms. Employees includes such factors as compensation, benefits and training, work environment, worker ownership (stock or stock equivalents), management and worker communication, job flexibility, and corporate culture. Consumer includes producing beneficial products, using beneficial methods of production, and serving those in need. Community includes jobs created, clients served, diversity, social and environment performance of suppliers and distributors, civic engagement and giving, and community service policy. Environment includes environment metrics, energy use, emissions, reduction in environmental impact of activities, toxic/hazardous substance reduction, pollution prevention and remediation, environmental management system, LEED certification for facilities, evaluation of supply chain for environmental impact, as well as using socially and environmentally focused business model (Honeyman, 2016). Certified Corporations can be found on the B Corporation website (B Corp, 2018c).

EXAMPLES OF CERTIFIED B CORPORATIONS.

Dansko sells all types of shoes. It matches employee donations and allows them to volunteer on work time; employees have logged more than 1,000 hours in the community. Dansko operates a foundation staffed by its employees to fund not-for-profit initiatives from proceeds from shoe sales in its West Grove company store, which has provided over half a million dollars to more than 80 not-for-profit organizations in and around the Delaware Valley. This funding provides meals, shelter, clothing, household goods and animal rescue services as well as educational, therapeutic, and recreational programs for children and adults. Additionally, employees are able to double the value of their charitable donations through the Foundation’s matching grants program (Dansko, 2018).
The Evergreen Lodge is a tourist resort featuring cabins, dining, and tours at Yosemite National Park. Its specific social mission is to support at-risk San Francisco Bay Area youth ages 18-24 in developing stable, rewarding careers and lives. They provide “an integrated program of meaningful career-oriented training and work experience, intensive social service support, and exposure to a rich set of outdoor and recreational life experiences” (B Corp, 2018b). More than 30% of its employees come from low-income communities. All of its services are focused on providing economic opportunity (B Corp, 2018b).

“Behind the scenes at the lodge, we operate and fully self-fund an employment program serving high-potential young adults from urban backgrounds who work in various departments at the lodge as paid seasonal interns” (Evergreen Lodge, 2018).

Certified B Corporations provide another excellent source of partnering for nonprofits because there is a web site on which to search the B Corps in each state, and then see the web page that tells about the company and its social purpose initiatives, as well as having a link to the company’s website and its B Impact Assessment reports. Using the assessments can provide a nonprofit information about shared areas of concern that might foster a partnership. Reading the reports that are on the website can provide a nonprofit information about the work the company does and its social purpose to find a match for a partnership.

**CONCLUSION**

Partnering with corporations that have corporate social responsibility initiatives, but particularly with benefit corporations and Certified B Corporations, allows a nonprofit to secure a budget that will allow it to serve its mission without spending time and money competing for grants and philanthropy donations. Partnerships are for the long term, and thus allow nonprofits to plan for the future. Nonprofits can tell their success stories as a part of a corporation’s CSR assessment or report. As the stories reach more people through that report, it becomes easier for the nonprofit to grow its services. Since benefit corporations and Certified B Corporations are required to have social missions, being an extension of that mission is a value for the nonprofit.

Additionally, the corporation’s willingness to allow its employees time for volunteering means that nonprofits can have a trained, secure group of volunteers who are totally committed to their nonprofit goals since they are aligned with the corporation’s goals. It is obvious that that the need for global, social and environmental programs is growing as a result of conflicts that destroy cities and force people to flee their own countries to find safe havens in others, of people living in poverty and homelessness, and of pollution that destroys water supplies and increases illness in people who breathe polluted air. Governments are increasingly finding it difficult to fund solutions for such problems. To increase the exceptional good that is done by nonprofits, not only are more funds needed, but also more efficiency in the use of those funds. Partnerships in the name of social purpose can help. Benefit corporations and Certified B Corporations can be those partners, as well as corporations.

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ABOUT THE AUTHORS
Dr. Kathleen M. Wilburn, a professor of management at St. Edward’s University, teaches courses in Corporate Social Responsibility at the undergraduate and graduate level as well as courses in social enterprise and in international management. She has 25 years of management experience in the private and public sectors. She holds two master’s degrees, and a doctorate from the University of Southern California.

Dr. H. Ralph Wilburn, an assistant professor of management at St. Edward’s University, teaches Social Responsibility of Business and Managerial...
Problem Solving. He holds a Ph.D. from The University of Texas at Austin. His work experience includes managing training functions in the USAF as well as consulting work.

They have presented at conferences and published papers on Corporate Social Responsibility, Stakeholder Theory and Global Problem Solving, Social License to Operate, Benefit Corporations, and Certified B Corps. Their paper “The double bottom line: Profit and social benefit” in *Business Horizons, 57*(1) has been cited 30 times in the past two years.

“Using Global Reporting Initiative indicators for CSR programs” is among the most frequently downloaded in *Journal of Global Responsibility*. On invitation, they wrote the introductory chapter “Corporate Social Responsibility: Journey into the Mainstream” in *Corporate Social Responsibility: Challenges, Benefits and Impact on Business Performance*. 