



INNOVATIVE SKILLS FOR
BENEFIT COMPANIES

Fine tuning of the Training needs map for the Benefit Corporations

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Work package leader:  Kaunas Science and
Technology Park

Project partners:





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ANALYSIS OF BCS EVOLUTION AND FINE TUNING OF TRAINING NEEDS MAP

The evolution of the Benefit Corporations is an absolutely innovative and recent phenomenon. Current health conditions (Covid-19) show the importance to achieve economic results by carrying out activities with a positive impact on the community. The transformation towards the new business model of Benefit Corporations can be achieved only through a deep evolution of Human Resources. However, while the skills and abilities of management roles are already being updated, there is no adequate plan for training and updating the professional figures who will have to implement the transformation within companies.

Main objective of the research is to analyse the evolution of Benefit Corporations' (BCs) business models and to define the map of training needs in two perspectives - specific for Italy, Lithuania, Spain, Portugal, Ireland and in the EU as a whole.

The Specific Objective is to identify the BCs training needs and training gaps and map the skills framework needed by the BC.

Research target group – Benefit Corporations.

The research will be implemented as a personal interview. Each Partner must have interviews with at least 5 BCs.

Reports should be clear and contain valuable content. The graphic layout will be added afterwards to keep all the reports coherent.

Make sure to add all the links or graphics that you consider relevant to the findings.

COUNTRIES AND ORGANIZATIONS INVOLVED:

Fondazione Hallgartenfranchetti Centro Studi Villa Montesca, Italy
Kaunas Science And Technology Park, Lithuania
Mancomunidad De La Ribera Alta, Spain
C.L. Adult Education & Training Limited, Ireland
Agrupamento De Escolas José Estevão, Portugal
Formazione E Ricerca Societa Cooperativa, Italy
Asociación Instituto De Técnicas Educativas - I.T.E, Spain

DEFINITION OF A BENEFIT CORPORATION:

A **Benefit Corporation (BC)** is a for-profit corporation that commits to create a material positive impact on society and the environment from the business and operations of the corporation. Like a traditional corporation, it pursues profit for the benefit of its shareholders, but a benefit corporation must also report on how it pursues a positive social, environmental impact.

DEFINITION OF AN OPERATIONAL SPECIALIST FOR A BENEFIT CORPORATION:

Operation Specialist for BC (*job title could also be Head of Sustainability*) is an operational professional figure who acts within the company and operationally directs the company's actions towards sustainability and reduction of environmental impact, social inclusion and similar areas.

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BENEFIT CORPORATIONS TRAINING GAPS AND TRAINING NEEDS IN ITALY, LITHUANIA, SPAIN, IRELAND AND PORTUGAL

1. Profile of the Companies questioned

The research was implemented as personal interviews with Company representatives. Each Partner conducted interviews with at least 5 BCs.

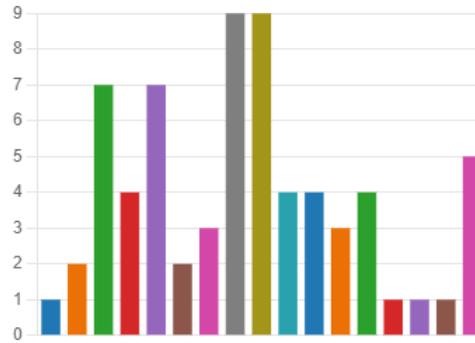
The research of Benefit Corporations started with getting to know the Companies. The vast majority are not legally a BC but has a lot of features of it. The rest of the respondents have plans to become a Benefit Corporation.

All questioned Companies are either micro, small or medium. All distributed in almost equal parts.

Companies operate in different sectors – IT, Climate tech, TeleCare, Communication and marketing, Consultancy, Circular economy, Printing, Converting, Transport and Logistics, Pre-Printing, Printing and Digital Printing, Paper industry, Multimaterial pops: durable and semi-durable, Box factory, Food sector, Industrial engineering, Real Estate, integration of people and other.

The Companies questioned cover all Sustainable Development Goals (SDGs). The most common being Goal 8 (Decent Work and Economic Growth), Goal 9 (Industry, Innovation and Infrastructure), Goal 3 (Good Health and Well-being), Goal 5 (Gender Equality) and Goal 17 (Partnerships to achieve the Goal) (Picture 1).

- GOAL 1: No Poverty 1
- GOAL 2: Zero Hunger 2
- GOAL 3: Good Health and Well-... 7
- GOAL 4: Quality Education 4
- GOAL 5: Gender Equality 7
- GOAL 6: Clean Water and Sanita... 2
- GOAL 7: Affordable and Clean E... 3
- GOAL 8: Decent Work and Econ... 9
- GOAL 9: Industry, Innovation an... 9
- GOAL 10: Reduced Inequality 4
- GOAL 11: Sustainable Cities and... 4
- GOAL 12: Responsible Consump... 3
- GOAL 13: Climate Action 4
- GOAL 14: Life Below Water 1
- GOAL 15: Life on Land 1
- GOAL 16: Peace and Justice Stro... 1
- GOAL 17: Partnerships to achiev... 5



Picture 1. Distribution of the Companies according to the SDG.

As the advantages of being a BC companies mostly see the good feeling of doing something for the common good. A lot of respondents also mentioned the importance of the status for the Companies image and that it helps to establish the brand name. “It’s fair to state that the reputational aspect is taking on more importance in business because reputational harm can have a significant negative impact on your company” – says one of the respondents. Some Companies said that being or becoming a BC is profitable. That is true in the Countries where customers value sustainability in products and services.

The challenges and barriers that companies face when trying or thinking of becoming a Benefit Corporation is firstly the lack of legal framework, ignorance, determining the objectives inherent to the company, bureaucracy, fulfillment of requirements also the time it takes to apply for becoming a Benefit Company.

Some representatives of companies said that a significant barrier is the expectation of the customers to get everything for free. If a Company does something for common good, it is usually expected to be for free. So, the Companies and the Customers have different visions of the “common good” meaning.

Companies also noted that they do not know the legal and financial requirements and implications to become a BC. Also, significant cost of the audit-certification, the annual costs and lack of human

resources allocated for this purpose stops them as well. Some mentioned that it is challenging to formalize the commitments regarding ethics and sustainability and measure the process with impact indicators, balancing the interest of shareholders and the interest of the community.

Most companies haven't even heard the terms "Benefit Corporation", "Benefit Company" or "B Corp". And the ones that have heard the terms before are not sure what they define and if there is or isn't a difference between a B Corp and a Benefit Corporation.

2. Current knowledge of the Benefit Corporations

Companies claim not to be very familiar with the specific laws in regards of a Benefit Corporation in their Country. The average answer is around 2 points out of 5. Although it is worth mentioning that two Companies have said that their knowledge is at point 5 – which means very familiar.

Most interviewed companies don't have a dedicated person but have other employees to act as an Operational specialist, but there were few that already employ that kind of Specialist and say that they see are a lot of sustainability activities to cover. It is important to note that this doesn't apply to Italian Companies as most of them (66,7 percent) employ an Operational Specialist.

When asked if they would feel the need to have an employee who would be responsible for directing the company towards achieving sustainable development goals, answers varied. Some said there is no need at the moment – maybe in the future, some don't have that many staff for them to dedicate their time for the SDG, in other companies this workload is manageable by other staff and they don't see the need to have a separate person performing as an Operational specialist. "Our current employees need education to take on these roles" – says one of the respondents. And that is the way it should be – sustainability and SDGs must be in mind of everyone at a Company not only in the mind of just one person. There were a few companies that even claimed that Benefit Corporation concept is not suitable for Europe that it is tailored for legal situation in USA.

Company representatives who already employ such a person say that it's a good decision. In this way it is possible to ensure that the action plan in this matter was fulfilled and carried out. It was also said that this is a complex subject that requires professional knowledge, so there must be a dedicated person. "I would prefer to receive training and involve the entire staff. Being unaware of the requirements involved in operating as a BC, I do not have sufficient criteria to assess at this time the possible need to hire a specialist in this matter" – noted one of the respondents.

The survey focused on evaluating Companies' in Partner countries knowledge in 5 areas:

- a) Business organization of BC;
- b) Technical aspects of BC: implementation (with an outcomes-based approach), monitoring and impact evaluation;
- c) Legal aspects: juridical framework and quality standards;
- d) Strategic aspects of BCs: environmental sustainability and social inclusion, profiles and scenarios;

e) European and International dimension: development of BC model at EU level and internationalization of Operation Specialist for BCs.

Companies evaluate their knowledge about the business organization of a Benefit Corporation as average at 3,46 points out of 5.

The knowledge about the technical aspects of Benefit Corporation - implementation, monitoring, impact evaluation - were evaluated as 3,26 points, 3,18 points and 3,45 points respectively.

Companies' knowledge about the legal aspects - juridical framework, quality standards - of a Benefit Corporation were described to be at 2,97 points and 3,24 points respectively.

Companies' knowledge about the strategic aspects of Benefit Corporation - Environmental sustainability, social inclusion, profiles and scenarios - were evaluated to be 3,24 points, 3,29 points and 3,18 points respectively.

Knowledge about the internationalization possibilities on the EU level of Benefit Corporation - Legal framework of BCs in EU, BCs certification possibilities and conditions in EU – were said to be 2,61 points and 2,61 points out of 5.

It can be concluded that companies are not very familiar with all the areas researched and the training materials are very much in need. A positive conclusion can also be made – as the knowledge level is evaluated as just above 3 points out of 5 in all areas, that means that Companies are interested in the topic and are eager to learn even more.

3. Features of the Training programme in need

Trainings in Partner Countries dedicated specifically to develop skills needed for the Benefit Corporation are in need, but not yet provided. Most of the respondents said that they are not aware of such trainings in their countries.

In this section of the research, it was important for us to understand the main criteria for the Training programme that will be developed during S4BC project. In this section we wanted to know more about how the Companies envision the perfect training programme according to their preferences and past experiences. Companies were asked about their preferable learning provider, learning environment, learning tools, learning structure, learning duration, expectations after the Training. The results are expected to allow us to create a Training programme that would be most in-line with Company's needs.

As the most preferred type of LEARNING PROVIDER when undertaking training (rating out of 5 with 1 being a least favoured option and 5 being a most favoured option) the companies mostly preferred private trainers, consultants, mentors and training Companies:

Universities / Business Schools	3,32
Professional Institutions	2,89
Private Trainers / Consultants / Mentors Private Trainers / Training Companies	3,57
Internal Training	3,11

The reasoning for private trainers and Training companies to have a minor lead could be that Universities and Professional Institutions are seen as not being up-to-date with the latest trends. And Internal training - not possible because there is not yet much knowledge on the topic to learn from one another. Nevertheless, as one can see there is no clear „winner“ in this section.

The most desired LEARNING ENVIRONMENT when undertaking training (on a rating of 1 to 5 with 1 being a least favoured option and 5 being a most favoured option) were as follows:

On-site / At your place of work	3,78
Networking Events / 1-to-1 discussions with your Peer (Offsite)	3,32
Methods to support self-learning of prescribed material (Offsite)	3,53
Via Management Literature / Books	2,16
Lecture-type setting (Offsite)	3,07
Online (Including Discussion Forums)	3,42

Company representatives would want to be learning at their place of work and have support for self-learning by a prescribed material.

The LEARNING TOOLS when undertaking training (on a rating of 1 to 5 with 1 being a least favored option and 5 being a most favored option) were rated as follows:

E-Learning / Online Learning	3,98
Use of textbooks / reading material	2,57
Case Studies	3,84
Practical tools	3,94
Discussions / Networking with Peers	3,42
Workshops (full-day)	3,74
Individual Coaching / Mentoring (on-site)	3,32
Self-Tests / Self Analysis / Quizzes	2,95
Combination	4,05

Then describing the possible learning tools to be used the clear leaders were e-learning with having case studies and practical tools. Selection of online learning option shows that companies prefer learning at their own pace and at their own place. For the content Companies need up-to-date action-oriented information, less theory and more practical examples, they need practical tools that they could use. Quite

a lot of companies expressed a strong need for a possibility to have a mentor or a coach on-line to guide them and to answer questions. Some wanted the possibility to have an opportunity to work in groups.

The preferred LEARNING STRUCTURE when undertaking training (on a rating of 1 to 5 with 1 being a least favoured option and 5 being a most favoured option) was rated as follows:

Online Short Modular Self Study	3,73
Lessons (30 min-1 hour duration)	3,42
Paper-based Short Modular Self Study	2,89
Task specific, short-term training	3,11
Training tailored to our specific needs	3,94

The most preferable learning structure was identified as short online self study possibility. It is important to point out that the requirements for the quality of the training programme are quite high. Companies don't need just an abstract information on the topic, but need trainings to be as tailored for their specific needs as possible.

The duration of the training programme that would companies consider optimal is an hour per module. They want chapters to be concrete and on the point. To have revision questions after each topic would also be much appreciated. A pass rate could be implied, for example roughly eight out of ten questions must be answered correctly to pass, otherwise the module should be repeated.

Companies were also asked about their expectations after the trainings. Here are some that were expressed:

- To be able to form and organize Benefit Companies' strategy and implement it;
- To be able to conduct training for colleagues;
- To have tools that allow the method to be applied to concrete realities
- To know where to find information about the legal requirements;
- To be able to influence the top manager;
- To gain more knowledge on the topic or to deepen the knowledge that they now have;
- To know more about the possibilities, opportunities;
- To acquire knowledge to be able to certify the company;
- To obtain the means for distinguishing oneself on the market, compared to all other forms of company, in a virtuous and innovative manner;
- To be able to use what you have learned in practice and meet experts and peers with whom you can further develop and share what you have learned;
- To be able to define and set clear objectives, goal driven outcomes.

The ADVANTAGES of an on-line training tool for **Operation Specialist for BCs Career Profile and related vocational training Course** according to the companies questioned are:

- Easier access to the Trainings;
- Ability to conduct training from the comfort of the workplace;
- More companies would be aware of the topic and would include sustainability in their work;
- Getting new insights;
- Continuous training;
- Ability to select specific, most relevant topics;
- Flexibility;
- Ability to learn at the time that suits you the best;
- If the content is bad, it is easier to stop using it.

The CONSTRAINTS of an on-line training tool for **Operation Specialist for BCs Career Profile and related vocational training Course** identified:

- Some trainings tend to be formal and not useful;
- Lack of a live mentor or consultant;
- Information might get old very quickly;
- Difficulty in tailoring the training tool to the individual company reality
- Lack of interaction with other people.

Vast majority of the companies would consider taking part in such trainings.