Now more than ever, companies are looking to meet global challenges. With a pandemic persisting into its third year, unequal health outcomes, volatile weather patterns, and substantial racial wealth and opportunity gaps, stakeholders both inside and outside of companies are asking how they can deliver better societal outcomes.

The explosion of investing in Environmental, Social, and Governance (ESG) related funds is an eye-popping proxy for the profound and rapid transformation in the expectations around companies. According to Bloomberg, money invested in sustainable mutual funds and exchange-traded funds increased by 53% globally this past year to $2.7 trillion. The desire for societal impact and financial return is no longer on the edges of financial markets.

Investors are joined by executives, community leaders, employees, and customers looking for more. According to McKinsey, 70% of employees say that their sense of purpose is “defined by their work,” raising the stakes for companies to align with broader values. Outside the office, people are increasingly looking for impact in the dollars they spend. The Economist Intelligence Unit found a 71% rise in online searches for sustainable goods over the past five years. Organizations face 24/7 expectations on impact.

This year, we celebrate three businesses that have embraced this opportunity to thrive at the intersection of profit and purpose. Patagonia, Rheaply, Inc., and Impact Shares are expanding the private sector’s contribution to delivering thriving communities in an inclusive economy on a healthy planet.

IMPACT IS THE FUTURE

86% of executives predict that employees value making an impact on a meaningful mission.


70% of employees said that their sense of purpose is defined by their work.

Source: “Help your employees find purpose – or watch them leave.” McKinsey

61% of investors believe that investments can impact inequalities through investment choices.

Source: “Think EQuilibrium” Nuveen

THE RISE OF PURPOSE IN BUSINESS
2022 INNOVATOR AWARDS

The Innovator in Social Business Awards is a nationally significant award series sponsored by the Baumhart Center at Loyola University Chicago that recognizes companies who are at the forefront of social innovation in business. The awards celebrate companies across three categories of innovation.

PARKINSON AWARD FOR PURPOSE AND PROFIT

Named after Bob L. Parkinson, Jr., this award is given annually to the organization that best embodies a holistic approach to marrying purpose and profit.

ENVIRONMENTAL STEWARDSHIP AWARD

Given annually to the company that best embodies business leadership for a sustainable world. This award is co-presented with Loyola's School of Environmental Sustainability.

SOCIAL IMPACT AWARD

Given annually to the company that best addresses an urgent social issue through its business model.

PAST AWARDEES

PARKINSON AWARD FOR PURPOSE AND PROFIT

sweetgreen, a healthy salad restaurant chain, won the Parkinson Award in 2021. They're driven by the idea that there's an intrinsic link between bridging the divide between business and community.

ENVIRONMENTAL STEWARDSHIP AWARD

Honeywell, an advanced technology company, won the Environmental Stewardship Award in 2021 for focusing on innovating for a better planet. They view businesses as a place that builds for a better society, which needs to include today and tomorrow.

SOCIAL IMPACT AWARD

Cleveland Avenue and the Cleveland Avenue Foundation for Education won the Social Impact award in 2021. They demonstrate how business can be a powerful force for good when advancing opportunity for all.

THE JUDGES

JASON FEIFER
Editor-in-Chief, Entrepreneur Magazine

ROBERT PARKINSON
Senior Partner, Investor Relations, Vistria

JENNIFER HODGES
Vice President of Whole Child Fund and Community Impact, KIPP Chicago and Baumhart Scholar Alum

NANCY TUCHMAN
Founding Dean, School of Environmental Sustainability, Loyola University Chicago

CONNIE LINDSEY
Former Executive Vice President, Northern Trust

GREG WASSON
President and Co-Founder, Wasson Enterprise

2021 RECIPIENT

sweetgreen

2020 RECIPIENT

Bain Capital

2021 RECIPIENT

Honeywell

2020 RECIPIENT

Indigo Ag

2020 RECIPIENT

Chobani

Bain Capital, an impact investing initiative, won the Parkinson Award in 2020. They work to achieve strong financial returns while driving social and environmental impact.

Indigo Ag, an agricultural technology company, won the Environmental Stewardship Award in 2020. They work to leverage scientific discoveries and digital platforms to decarbonize agriculture, increase productivity, and make healthy food more accessible.

Chobani, a U.S. Greek yogurt brand, won the Social Impact Award in 2020. The company is driven by producing good food and using it as a mechanism to be a “powerful source for good.”
WHY PATAGONIA IS OUR Awardee

QUALITY OF INNOVATION
Patagonia is focused on minimizing its environmental impact in the long term, going so far as to ending its decades-old practice of adding corporate logos to its clothing to encourage its continued circulation. 88% of their fabrics were made of recycled materials this season, and 100% of the virgin cotton they use is organically grown or being converted to organic. Their innovative efforts aim to stop tons of textiles from ending up in landfills.

SCALABILITY OF INNOVATION
Patagonia continues to increase, expand, and innovate its impact. They became a Certified B Corporation and are quick to respond when issues are identified with their supply chain. Patagonia sets an example for clothing retailers and companies by being “in business to save our home planet,” following a critical vision of using all their resources to protect life on earth.

DEPTH OF IMPACT
Patagonia puts their money to work, committing 1% of total sales to environmental groups. They’ve worked to set a positive example and rise to the occasion; most notably, in 2018, when the federal government lowered the corporate tax rate, they donated the entire sum to organizations fighting climate change. Patagonia also works to further its impact by improving technology and merchandise to be more environmentally friendly and sourced and continuing to build out their Worn Wear program, better facilitating the circular exchange of their products.

COMMITMENT OF LEADERSHIP
Founder Yvon Chouinard has a long history of merging profit and purpose. Before starting Patagonia, he taught himself to be a blacksmith so he could make his reusable climbing hardware; though he no longer runs day-to-day operations, his desire to be more sustainable led to what we now recognize as Patagonia. Executive leadership continues to build on this tradition and culture, using profits toward broader values, creating an activism platform, and using its influence outside the private sector to push for social and environmental impact.

3 TAKEAWAYS FOR YOUR BUSINESS

EXPAND YOUR IMPACT
Since Patagonia changed its reason for being to “Patagonia is in business to save our home planet,” the company has amplified its frame of impact. They continue to innovate products to minimize environmental impact, and they drive transformation beyond. They led over 400 companies in giving employees the day off to vote and have supported civic and political engagement, linking sports to activism.

BE UNCONVENTIONAL
Patagonia celebrates and seeks out employees who can improve the company, not just fit in. They celebrate individual interests, what makes their team unique, and embrace a flexible work culture. Their “unofficial” employee handbook title is “Let My People Go Surfing.” Employees are encouraged to take advantage of the fresh snowfall or good surfing day, and Patagonia continues to innovate to provide them with that opportunity.

MEET EMPLOYEE NEEDS
Patagonia understands employees’ ever-changing and unique needs, and that understanding has always been at the core of its operations. They’ve offered childcare since 1983 and see almost all new parents return to work. Their benefits and commitment to their employees’ unique and sometimes unconventional needs have led to a turnover rate of just 4% each year.
WHY RHEAPLY IS OUR AWARDEE

QUALITY OF INNOVATION
Technological developments have created the opportunity to drastically change how society interacts with the world. Rheaply builds technology to help organizations and corporations to utilize their physical assets (e.g. furniture, fixtures and equipment) fully and efficiently. The increased efficiency allows valuable resources to stay in circulation, reducing both the cost of disposal and the need to buy additional materials.

DEPTH OF IMPACT
Transitioning to a more circular economy is crucial to reduce carbon footprints and waste throughout the economy. Rheaply aims to help organizations, such as corporations, universities, and governments accelerate their transitions to the circular economy. Their impact extends beyond sustainability efforts: in 2020, Rheaply applied its technology to launch its Emergency Resource Exchange (ERx) to address shortages in personal protective equipment (PPE) and medical supplies.

SCALABILITY OF INNOVATION
Improving materials efficiency and enhancing building utilization together can account for 44% emissions reduction by 2050. As of February 2021, Rheaply has helped organizations divert over 14.5 metric tons of waste and produce $1.6 million in cost savings. To provide a local example: the University of Chicago saved about $300,000 when clearing out an endocrinology lab with the help of Rheaply.

COMMITMENT OF LEADERSHIP
Dr. Garry Cooper is the Co-Founder and CEO of Rheaply. He saw firsthand how underfunded university research departments were at Northwestern University and noted how much waste and unused equipment there was. Cooper wanted to empower professionals even beyond the lab to save money and the environment, efforts which have landed him a feature on the cover of Entrepreneur’s “Pandemic Response” issue and places on Crain’s “40 Under 40,” Forbes’ “Next 1000” list.

3 TAKEAWAYS FOR YOUR BUSINESS

BE TRANSFORMATIVE
Rheaply has transformed the way companies and organizations like Google, AbbVie, MIT, and Nicor enter the circular economy by focusing on local exchange and creating an internal culture that embraces reuse.

REIMAGINE OPERATIONS
The Rheaply Resource Exchange platform helps users better visualize and track available resources, share and exchange resources internally, and make more informed disposition decisions (remanufacturing, repair and recycling) through a connected ecosystem of partners. Their platform facilitates the circular economy by bringing all stakeholders and information together: users and groups posting updates, batch processing, bulk inventory uploading, and even resources for large facility clear-outs.

EMBRACE INCLUSIVITY
Fostering a circular economy has economic and environmental benefits, and Rheaply is also working to further social benefits by connecting vulnerable groups back to the broader community. The COVID-19 pandemic created many pressures for Black and Hispanic business owners, and Rheaply is using its technology to facilitate better participation in local marketplaces. Rheaply is working to push the circular economy beyond economic and environmental benefits, using it to foster a culture of inclusion, equality, and belonging.
**WHY IMPACT SHARES IS OUR Awardee**

**QUALITY OF INNOVATION**
Partnering with nonprofit organizations with deep content expertise, Impact Shares translates social values into investible products. They have four ETFs traded on the NYSE: NACP, WOMN, SDGA, and OWNS, the profits of which go directly back to their clients to facilitate the ability of their capital to make an impact.

**DEPTH OF IMPACT**
Fund profits help to further the missions and goals of Impact Share’s different partnerships. NACP profits go to the NAACP and help provide market exposure to companies with strong racial and ethnic diversity policies. WOMN provides the YWCA the opportunity to increase exposure to companies worldwide with solid policies and practices supporting women’s empowerment and gender equality. The SDGA ETF provides an additional source for risk capital, and the profits go towards furthering the United Nations Sustainability Development Goals. Profits from OWNS aim to reduce the racial wealth gap, supporting affordable housing options for underserved communities.

**SCALABILITY OF INNOVATION**
ETFs are a multi trillion-dollar industry, and Impact Shares has $185.90 million in assets under management. ETFs are a targeted way to invest in the stock market, and a direct path for the public to engage in impact investing; offering the public the opportunity to invest with purpose.

**COMMITMENT OF LEADERSHIP**
With over 25 years of experience, Ethan Powell has a strong reputation as an innovator and leader. In founding Impact Shares, he wanted to create opportunities for the private sector to be leaders on social and environmental issues through public advocacy.

**3 TAKEAWAYS FOR YOUR BUSINESS**

**BE BOLD**
Ethan Powell saw a gap that needed to be closed: individual investors losing confidence in Wall Street and wanting to be more socially conscious with their investments. He saw a large pool of retail investors looking to invest funds in what they felt mattered, and he worked to provide that opportunity. Impact Shares caters to this unique and growing demographic of investors while taking advantage of a rapidly growing market.

**INVEST WITH PURPOSE**
Impact Shares create opportunities for investors to invest in issues they care about in society. With their expanding investment opportunities, there is the potential for a future where a fund could reflect any social problem. Investors can manage their finances in a way that gives back to their communities and the world, a norm that is becoming more apparent across financial markets.

**MODERNIZE FINANCING**
Public perception is changing, and financial markets are working to keep up. According to Ernst & Young LLP, “millennial investors are nearly twice as likely to invest in companies or funds that target specific social or environmental outcomes.” Impact Shares keeps up with the curve and ensures that investment opportunities exist for impact investors. As the landscape of financial markets continues to change, Impact Shares is continuing to cater to investors’ unique and changing interests.
The Baumhart Center for Social Enterprise and Responsibility supports leaders who thrive at the intersection of profit and purpose. Through education, engagement, and research the Center works to build a more just, humane, and sustainable world. We’re driven by our five core values of courage, collaboration, diversity, service, and innovation to build on the vision of Loyola’s longest-serving President, Raymond Baumhart, S.J.

A central pillar of our work is the Baumhart Scholars MBA program, a cohort-based MBA 100% focused on social impact. This selective program seeks out transformational leaders who are committed to social impact and leveraging business skills in the private, government, or social sectors. We provide scholars with an impact-driven curriculum, individualized mentorship program, wide-reaching networks, and international recognition through the Baumhart Center and the Quinlan School of Business at Loyola University Chicago.

Karen Weigert
Director, Baumhart Center for Social Enterprise and Responsibility

Paul Fisher
Chairman, Advisory Board, Baumhart Center for Social Enterprise and Responsibility

BAUMHART CENTER FOR SOCIAL ENTERPRISE AND RESPONSIBILITY
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