

Sustainable Capacity Building Solutions for SMEs

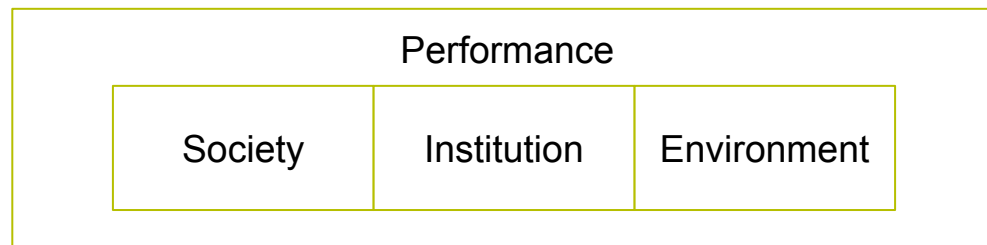
Truzaar Dordi
Ranjit Kalra
Dr. Michael Wood
October 29, 2015

Sustainability & Performance for SMEs

Can startup's pursue sustainable models of entrepreneurship?



A Sustainable Organization



Entrepreneurship in Waterloo

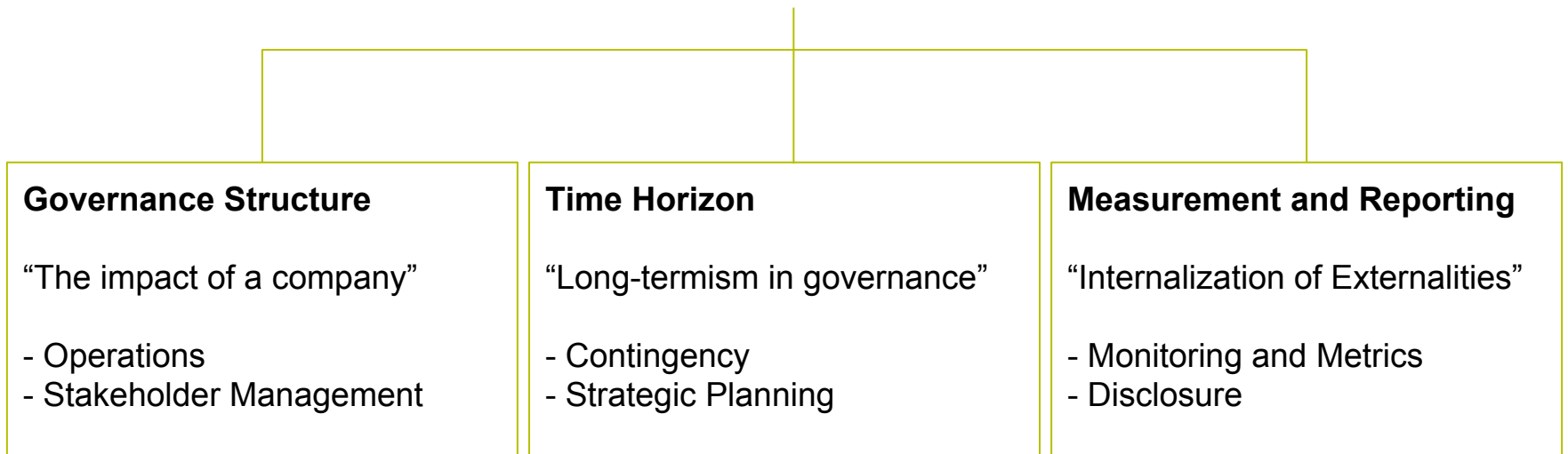
The “Silicon Valley”
of the North



Sustainable Governance

Sustainable Organizations Represent a
“fundamentally distinct type of the modern corporation”

(Eccles, Ioannou, & Serafeim, 2014, 3)



Research Question

What sorts of sustainable governance practices should accelerators and incubators advocate, to guide the proliferation of sustainable capacity building growth, for SMEs and the larger economy?

Hypothesis

There is no common framework, rather an evolution over time
Small companies should identify and pursue material considerations

Method

Close-ended Quantitative Survey

10 questions on culture, contingency, and reporting
shared on social media by @KWSMESurvey and by local clusters



SME challenges WR @KWSMESurvey · Oct 8

#Entrepreneurs, is sustainability important to you? Let us know in a short 5 minute questionnaire at tinyurl.com/qgsotlp #KWSustainable



SME challenges WR @KWSMESurvey · Sep 24

Is your SME ready for a #zombieattack? Tell us about your #contingencyplan by tweeting at us and take our survey at tinyurl.com/qgsotlp



Sarah Brown @sjaybrown · Sep 22

Hey #wr #startup community - is sustainability important to your company (or not)? Share via 5-min survey: tinyurl.com/qgsotlp



Danielle Wong @DanielleJWong · Sep 22

Entrepreneurs, is sustainability important to you? Take a short five minute survey: surveymonkey.com/r/SMEchallenge... @LaurierGreen @LaurierEship



Waterloo Environment @enwaterloo · Oct 2

.@KWSMESurvey asks KW #Entrepreneurs, is sustainability important to you? Fill out their 5 min survey tinyurl.com/qgsotlp



Accelerator Centre @AC_Waterloo · Oct 8

Entrepreneurs, @KWSMESurvey wants to know if sustainability is important to you. Take a five minute questionnaire at tinyurl.com/qgsotlp



Greater KW Chamber @GKWCC · Oct 8

Entrepreneurs, is sustainability important to you? @KWSMESurvey wants to hear from you by taking a 5 min survey - tinyurl.com/qgsotlp



Velocity @UWvelocity · Oct 15

How important are sustainability issues in entrepreneurship? UW research team needs your survey input: tinyurl.com/qgsotlp @KWSMESurvey

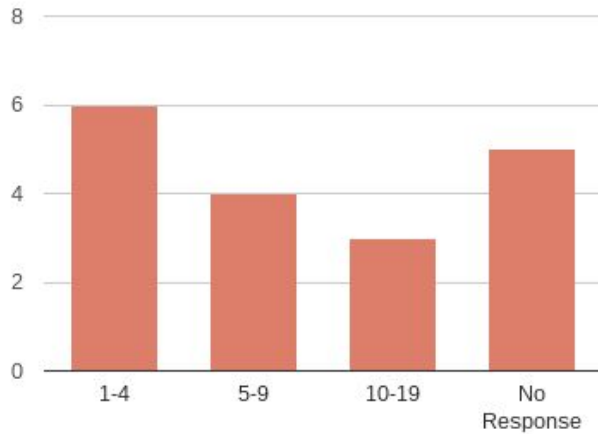


Conrad @conraduwaterloo · Oct 16

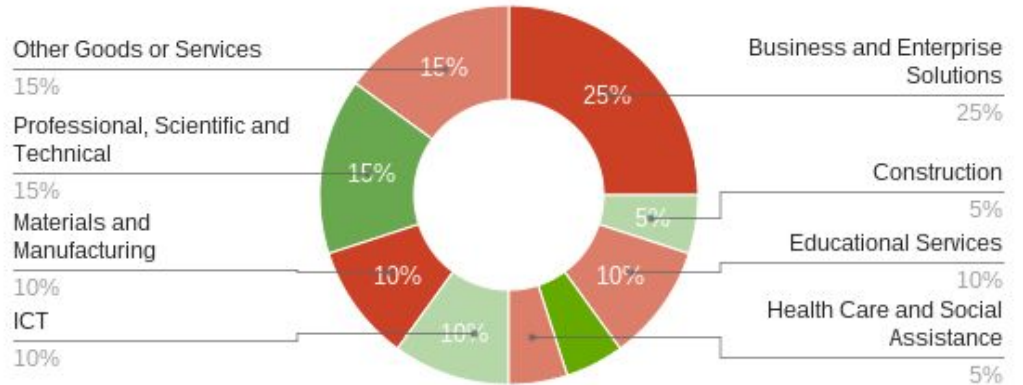
RT @KWSMESurvey: Entrepreneurs, is sustainability important to you? Let us know in a short 5 min questionnaire at tinyurl.com/qgsotlp

Demographics

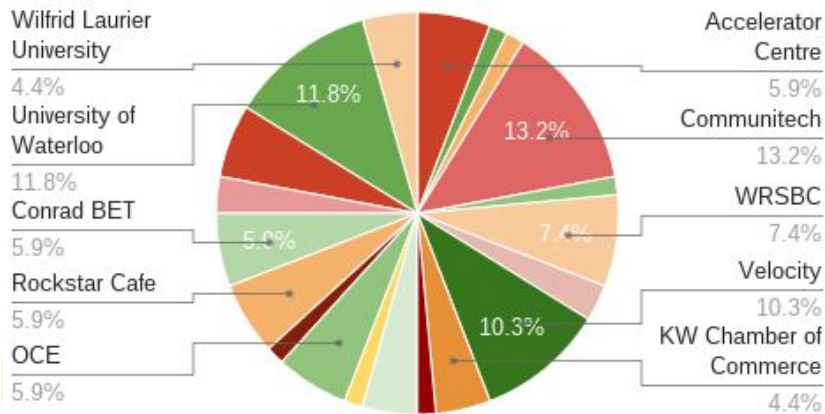
Number of Employees



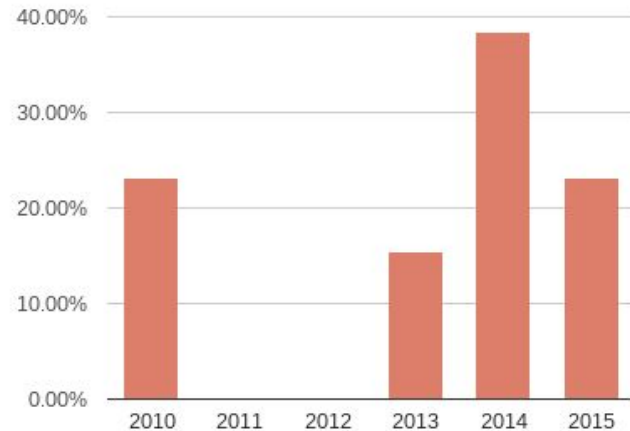
Industries



Local Entrepreneurial Clusters



Year Founded

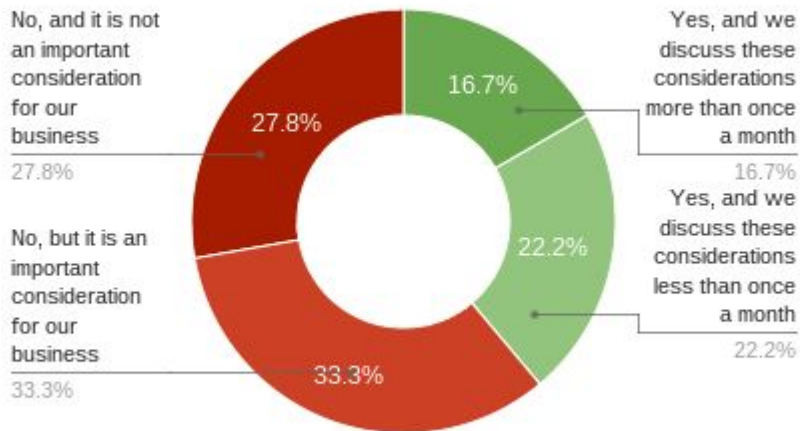


Business Culture

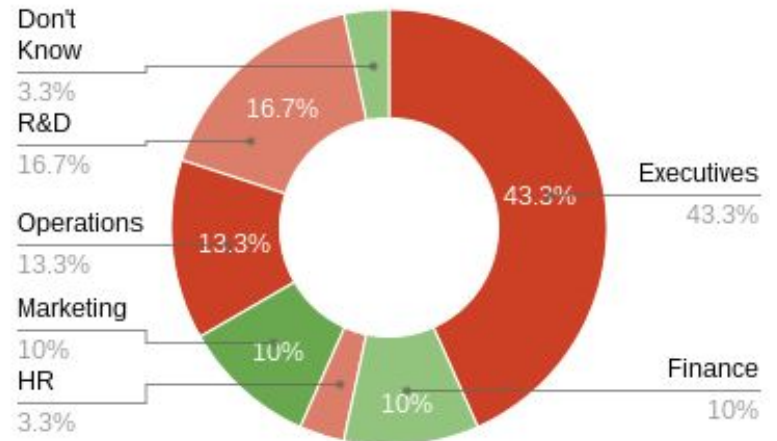
Sustainable Culture	<p>A means of decision-making that takes into consideration financial, social, and environmental risks, obligations, and opportunities. (Bertels, Papina, and Papina, 2010, 9)</p>
Departments	<p>Sustainability must be viewed as an 'umbrella' tool which helps business identify and manage risks in an integrated way. (Azapagic, 2013, 304)</p>
Sustainable Operations	<p>A set of processes to structure and manage a business, to obtain competitive returns without sacrificing the needs of stakeholders. (Kleindorfer, Singhal, and Van Wassenhove, 2005, 489)</p>
Stakeholders	<p>All persons or groups with legitimate interests in a businesses operations, may obtain benefits from their processes. (Donaldson and Preston, 1995, 68)</p>

Business Culture

Importance of Sustainability

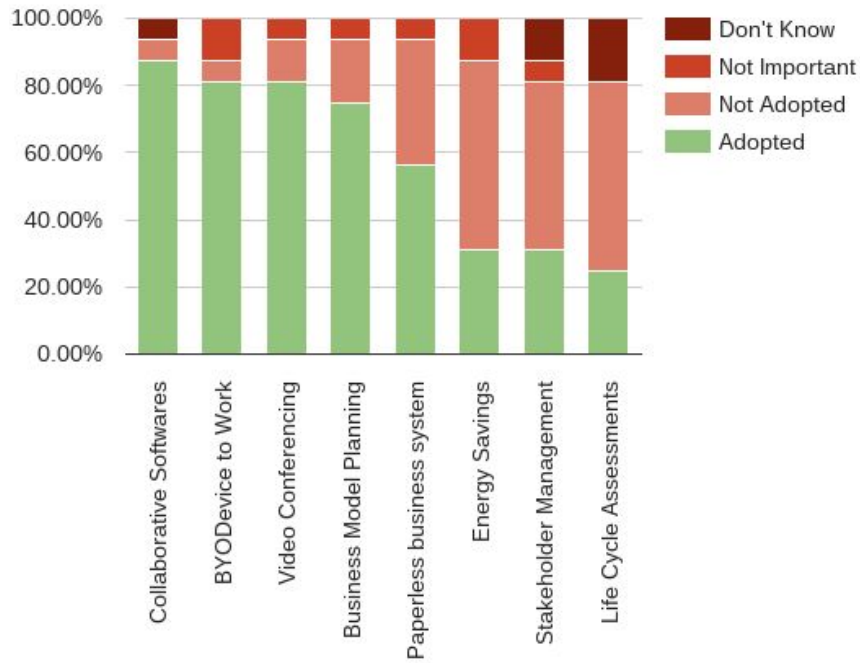


Departmental Leads and Sustainability

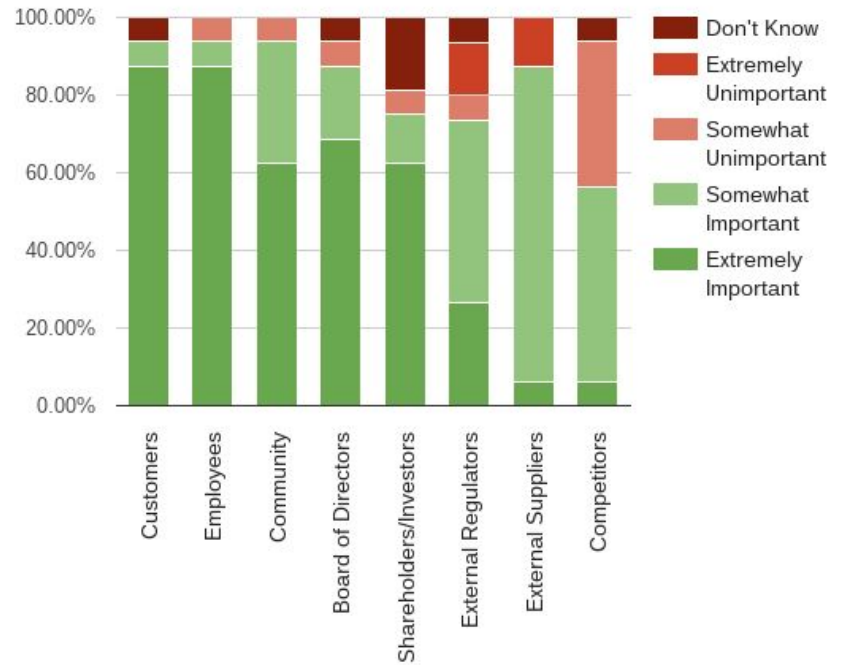


Business Culture

Consideration to Sustainability Practices



Importance of Stakeholders

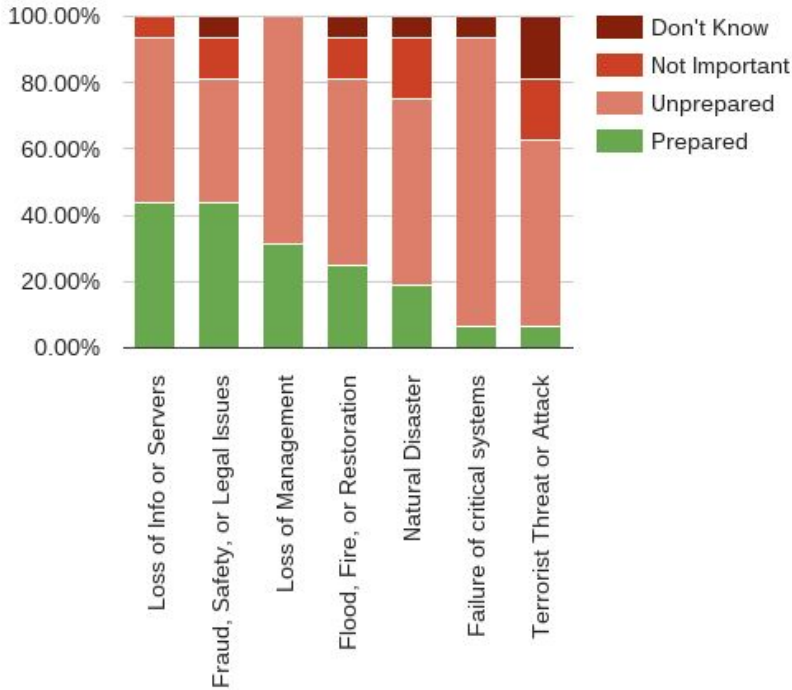


Foresight and Continuity

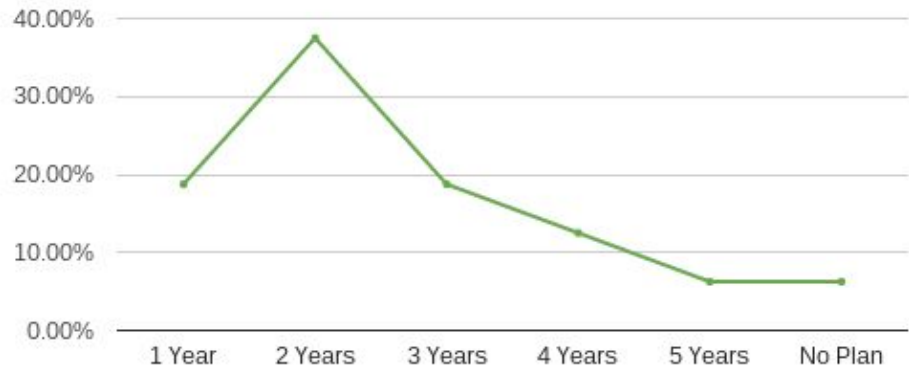
Contingency Planning	Potential causes of business interruption are multifaceted , caused not only from natural disasters, but human error, utility disruptions, and malicious threats from outsiders. <p style="text-align: right;">(Cerullo and Cerullo, 2004, 70)</p>
Business Forecast	Identifies factors that may threaten an organization and provide a framework for an effective response, safeguarding the interests of stakeholders, reputation, brand, and value creating activities. <p style="text-align: right;">Peter Speight (2011)</p>
Retention	As companies are more dependent on information technology infrastructure, companies must mitigate against interruptions. <p style="text-align: right;">(Cerullo and Cerullo, 2004, 70)</p>

Foresight and Continuity

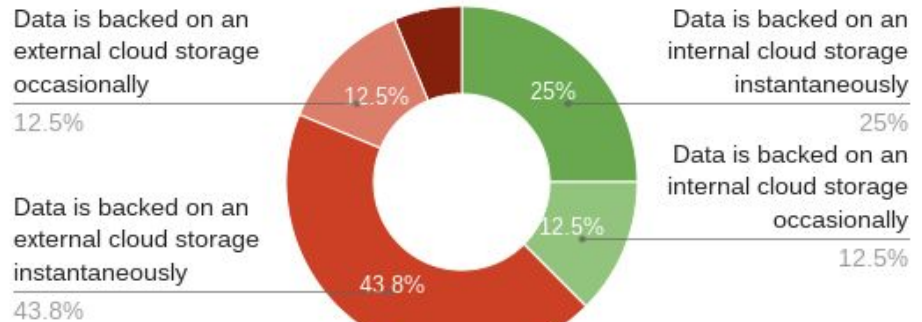
Contingency Planning



Business Forecast



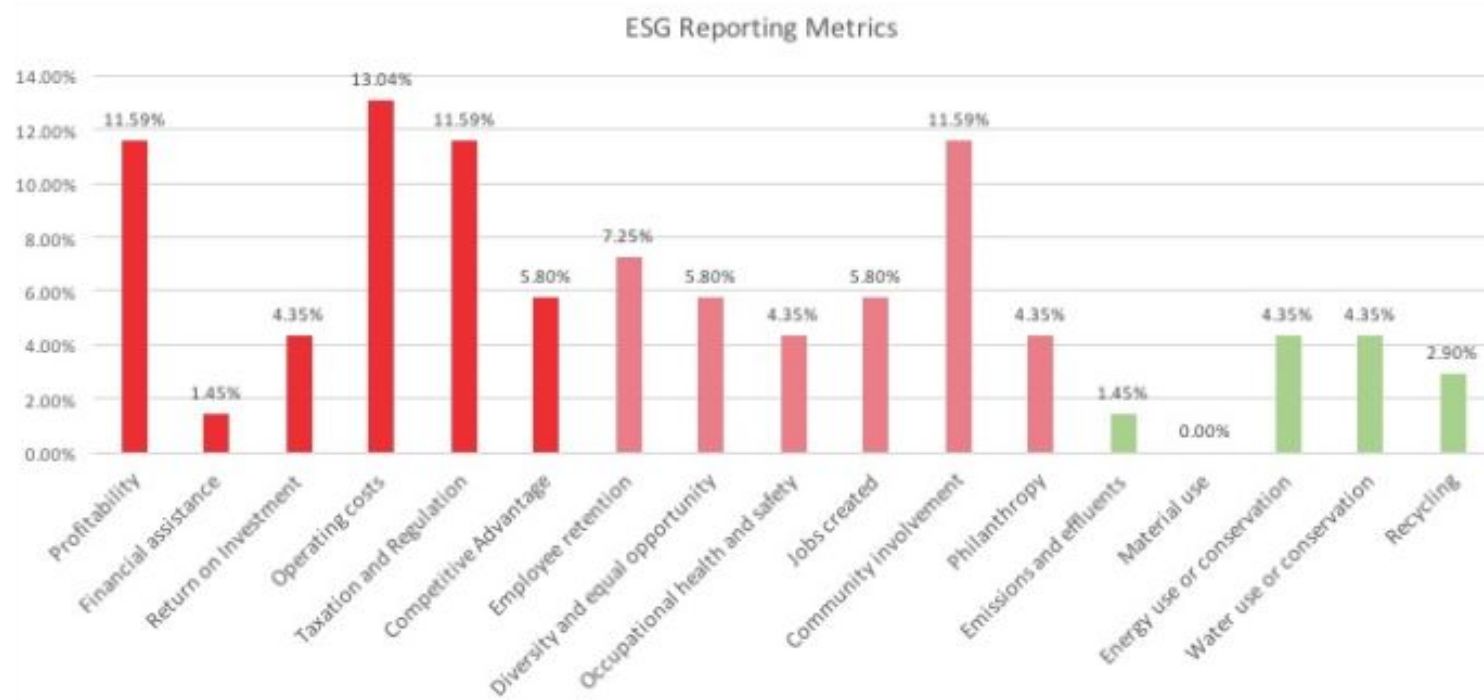
Data Retention



Measurement and Reporting

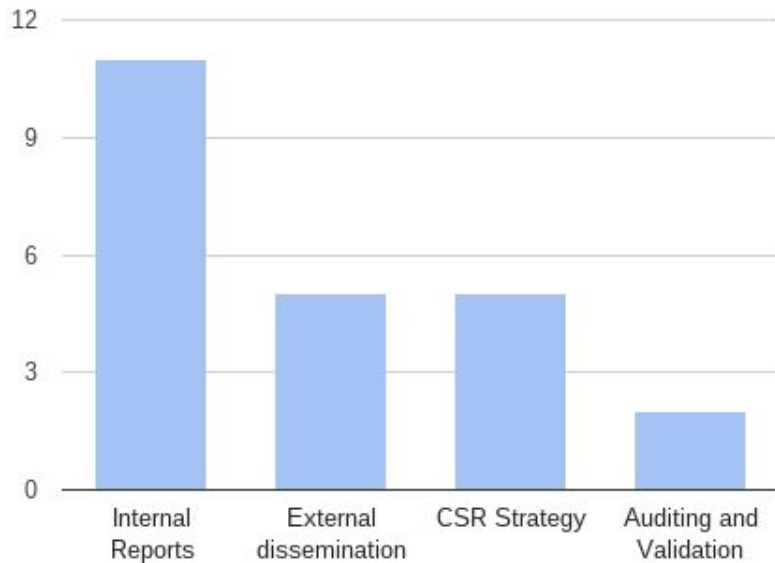
TBL Reporting	Boost financial and ESG performance by focusing internal efforts on the most 'material' indicators and prioritizing those concerns. (Eccles and Serafeim, 2013)
Internal Reporting	Internal stakeholders use sustainability reports as a means of incorporating material ESG principles into business operations. Wheeler, D., & Elkington, J. (2001)
External Reporting	External audiences express an interest in both financial and non-financial information, but poor or inadequate reporting practices can lead to a negative image for the company. (Schönbohm and Hofmann, 2012) (Deegan and Rankin, 1997)
Corporate Social Responsibility	CSR guidelines help corporations learn about themselves , to see what is being done within the organization. (Guthrie and Farneti, 2008)
Audit and Validation	Auditing and validation measure performance against stated objectives, as a means to achieve continuous improvement. (Annandale et al., 2004) (Livesey & Kearins, 2002)

Measurement and Reporting

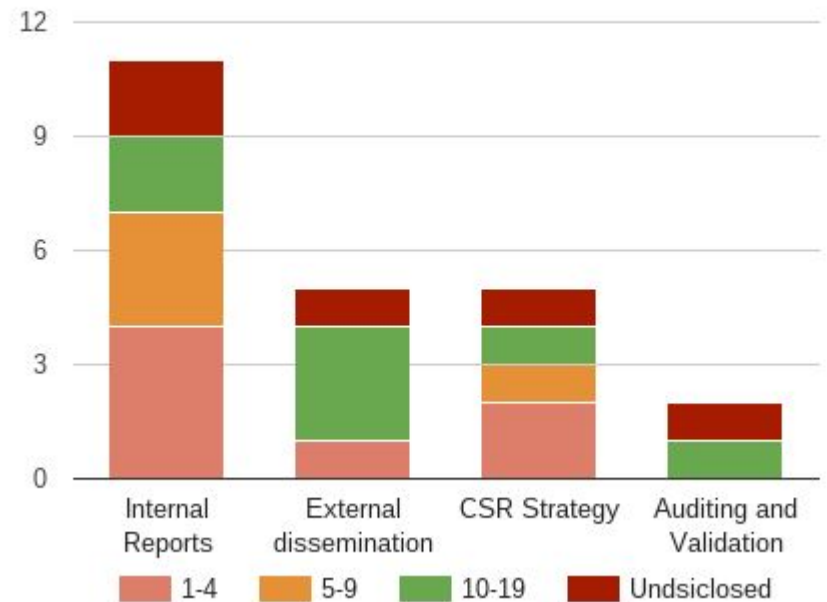


Measurement and Reporting

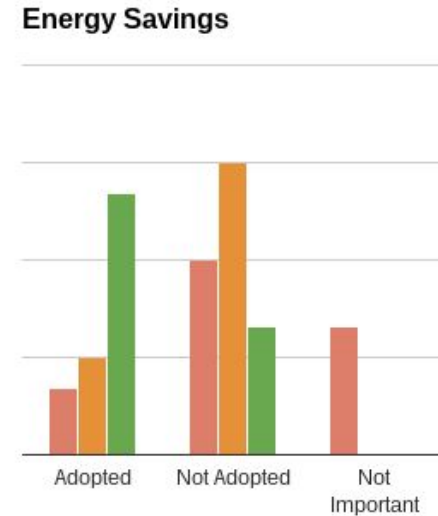
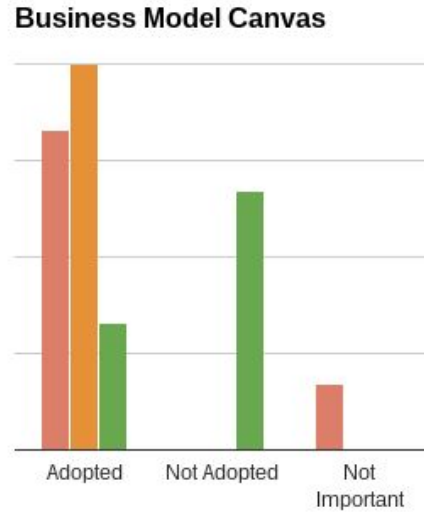
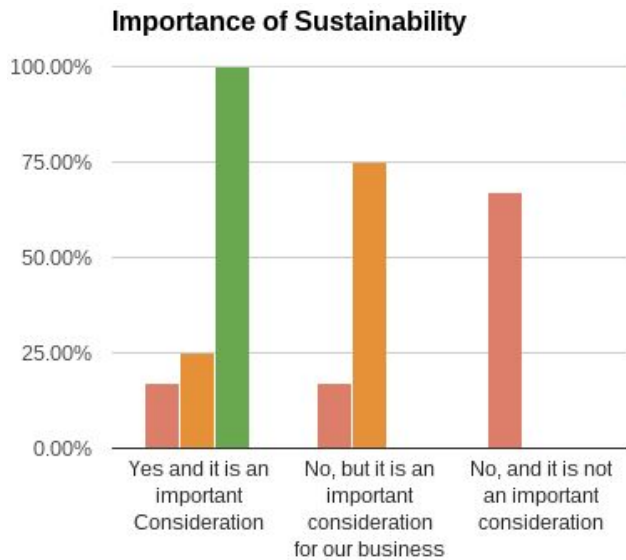
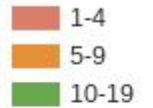
Purpose of Reporting



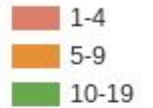
Purpose of Reporting (By Company Size)



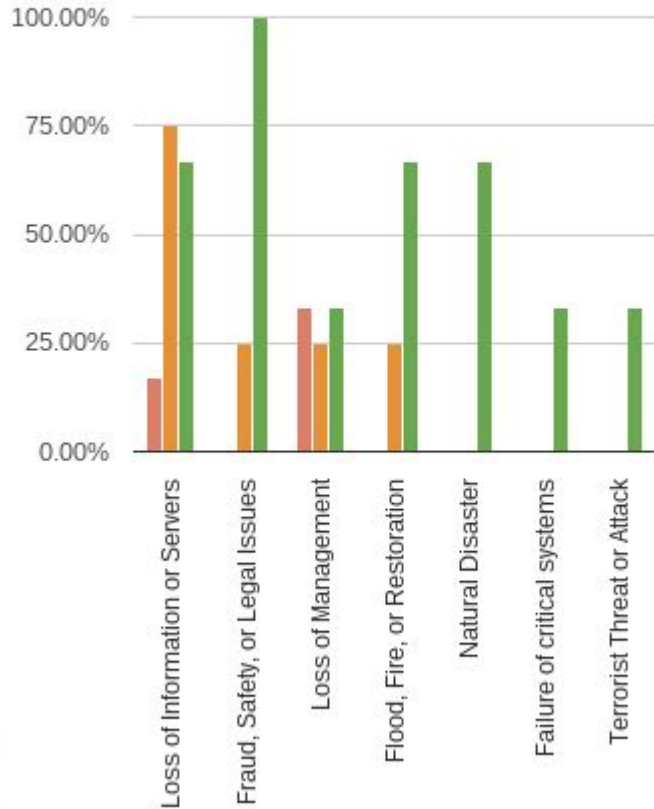
Size Trends



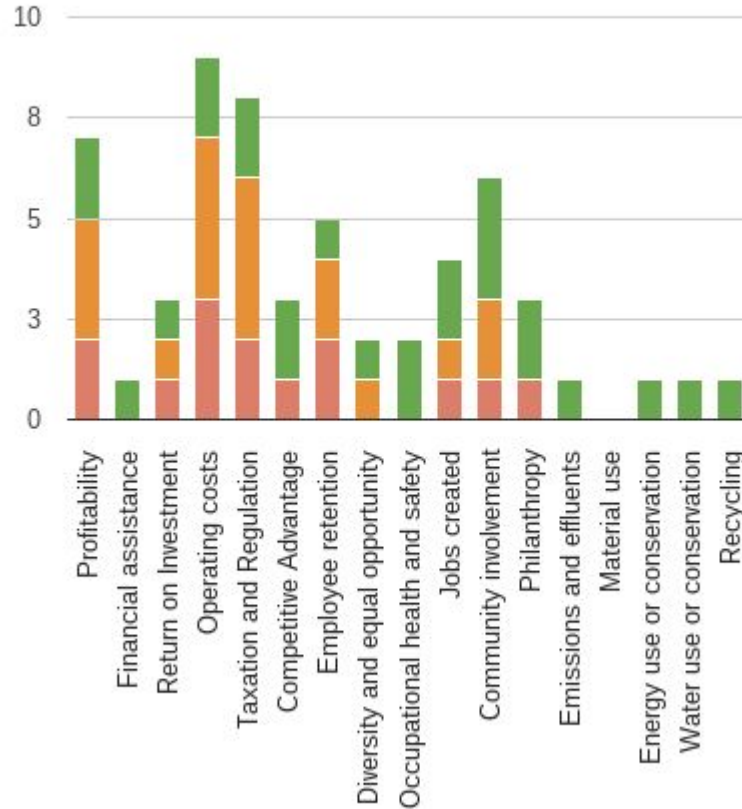
Size Trends



Contingency Planning



ESG Reporting Metrics



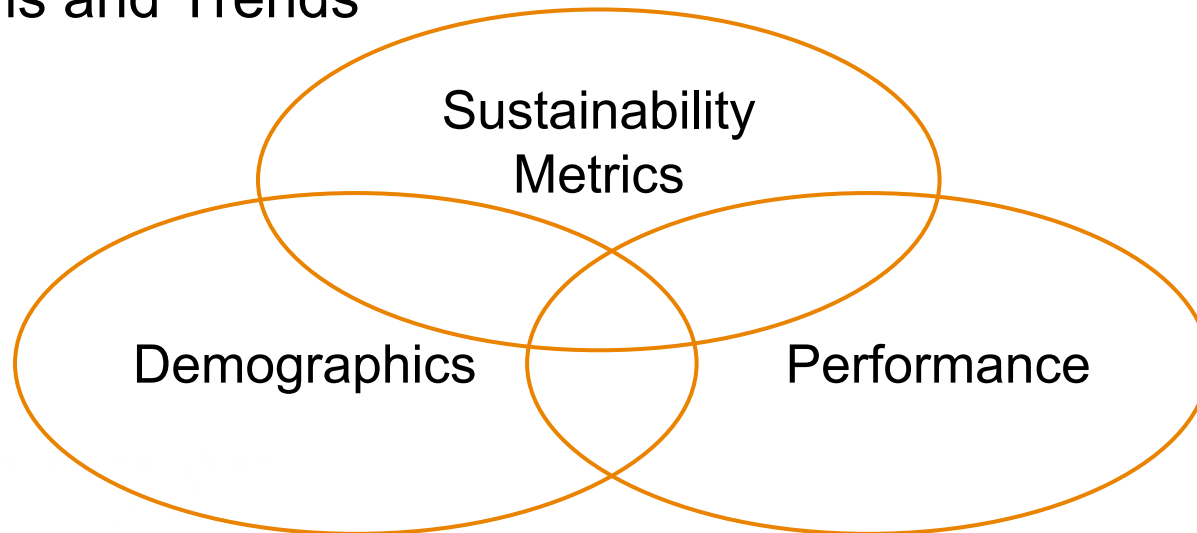
Next Steps

Data collection

In person at accelerator locations

Through personalized emails to local startups

Correlations and Trends



Thank You!

Acknowledgments



Ranjit Kalra, Dr. Michael Wood, Dr. Geoff Malleck, Graham Whiting, Kenyon Nisbett,
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