

#### INTRODUCTION

Creating scalable and lasting social change cannot be done by one actor alone. Some of the most progressive companies and corporate social investors (CSIs, e.g. corporate foundations, impact funds, social businesses) are therefore starting to think about how they can **complement** the unique strengths and opportunities of individual impact structures to **create more holistic impact approaches and contribute to the overall impact vision of their company**.

Companies with multiple corporate social investors can do so by aligning on a common impact vision and moving towards a <u>collective</u> <u>corporate impact strategy</u>, in which each organisation complements and enhances the work of the other. Doing so, these organisations can **broaden their impact** on society, **scale the impact** of a societal solution, or **deepen the impact** on particular communities.

This case study highlights how <u>Vodafone Germany Foundation</u>, <u>Vodafone Institute for Society & Communications</u> and <u>Vodafone</u> are adopting such a <u>collective strategy to broaden their impact on society and shape a better digital future for everyone</u>.

#### **SCOPE**



When CSIs and their related company broaden their impact on society, they realise that there are multiple social causes where corporate resources can have an impact and thus address various social challenges related to their common vision.



"When you start to look into digital transformation, you realise that it's not just about promoting skills and education. Digital transformation is also about questions like 'How do we use these new technologies in a responsible and ethical way?' It was clear that both the foundation and the company wanted to dive deeper into these topics, but we couldn't do this within the foundation without redefining its entire scope. So we decided to complement the really good work of the foundation and set up a European think tank with a slightly different scope."

INGER PAUS,
CHAIRWOMAN VODAFONE GERMANY FOUNDATION
& MANAGING DIRECTOR VODAFONE INSTITUTE
FOR SOCIETY & COMMUNICATIONS

### **ORGANISATIONS' PROFILE**



#### **Vodafone Germany Foundation**

**LEGAL STRUCTURE:** (Operational) Corporate

**ESTABLISHED IN: 2002** 

**GEOGRAPHIC FOCUS:** Germany

MISSION: Rethink education for the digital society

**FINANCIAL INSTRUMENTS:** Grants **YEARLY INVESTMENT:** € 1.5 million

#### **PROGRAMMES SUPPORTED:**

STRATEGIC ALIGNMENT WITH THE COMPANY:



#### **Vodafone Institute for Society & Communications**

**LEGAL STRUCTURE:** Think tank

**ESTABLISHED IN: 2012** 

**GEOGRAPHIC FOCUS:** Europe

MISSION: Provide better access to technology for

**FINANCIAL INSTRUMENTS: Grants** 

YEARLY INVESTMENT: € 600.000

#### PROGRAMMES SUPPORTED:

- Accelerator porgrammes

STRATEGIC ALIGNMENT WITH THE COMPANY:



#### **Vodafone**

**LEGAL STRUCTURE:** Company

**ESTABLISHED IN: 1982** 

**GEOGRAPHIC FOCUS:** Global

MISSION: We connect for a better future

**CORE BUSINESS:** Telecommunications

**SOCIAL RESPONSIBILITY STRATEGY: Vodafone's** everyone and does not come at the cost of our planet. The purpose is built around three pillars:

#### **SHARED VISION**

# THE COLLECTIVE CORPORATE IMPACT STRATEGY

#### **SOCIAL CHALLENGE**

- Digital technologies have been drastically changing the way business and society operate, e.g. making information and services easily and quickly accessible. Yet, not everyone is able to benefit from digitalisation equally.
- The use of digital technologies is seen as essential to fully participate in society, but has <u>spread unevenly and leaves</u> many <u>people digitally excluded</u>.
- While **90% of jobs** in the future <u>will require digital skills</u>, many European countries, including Germany, are currently not providing sufficient opportunities for people to attain such skills and access those new jobs. Furthermore, the spread of disinformation and hate speech via social media undermines social cohesion.
- The fast-paced digital transformation has also raised new concerns about how an <u>ethical</u> use of digital technologies, such as artificial intelligence or data, can be ensured.

## SHARED VISION

Building inclusive digital societies where nobody is left behind.

#### **SOCIETAL SOLUTION**

- Creating an <u>inclusive digital society</u> that serves everyone equally, requires <u>digital access</u> through affordable technologies, <u>digital competencies</u> delivered through proper education, and <u>digital empowerment</u> ensured by a digitalisation process that enhances the social position of citizens.
- **Vodafone** develops digital products and services that foster connectivity between people and organisations, and thereby provides access to digital technologies.
- Vodafone Germany Foundation develops new, innovative education programmes for primary and secondary education that equip educators and students with the necessary skills and competences for an increasingly digital society, democracy and workforce.
- As a think tank, Vodafone Institute for Society and Communications researches and promotes the responsible use of digital technologies among key stakeholders from science, business and politics.



### THE ROLE OF **Vodafone**

Digital societies embrace digital technologies to increase people's livelihoods, e.g. by providing access to better health, information, education and financial services. As a leading telecommunications company, Vodafone contributes to a more digital society by developing **digital technologies and services that connect people and organisations** e.g. through mobile devices, fixed broadband and Wi-Fi.

While the stock-listed company seeks to maximise its shareholder value, it aims to generate profits with a purpose by enabling **inclusive and sustainable digital societies**. As Vodafone's services enable connectivity, the company plays a vital role in keeping economies running and critical sectors like education and healthcare functioning. In addition, Vodafone contributes to the inclusiveness of digital societies e.g. by aiming to connect an additional 20 million women living in Africa and Turkey to mobile technology by 2025.

Approximately 1.7 billion people in the world still have no access to banking facilities. Aligned with Vodafone's goal to connect 50 million people and their families to mobile financial services by 2025, the company developed the first mobile money transfer service called M.Pesa. Its affordable design allows people on low incomes across seven markets in Africa to use this service. Through its business activities, Vodafone is able to give people more control over their financial affairs and make digitalisation more inclusive.

## THE ROLE OF **Vodafone Germany Foundation**

An increasingly digital society places new demands on the skills and competences people need. It is therefore important that the education sector is also able to adjust to such new demands and offer students **opportunities to learn digital skills**, such as coding, early on. Yet this challenge transcends the scope of Vodafone. Therefore, Vodafone Germany Foundation, as one of the company's 27 local foundations worldwide, aims to meet the specific needs of the education sector in Germany.

Vodafone Germany Foundation focuses particularly on helping the German education system adjust to and stay abreast with the new demands of a digital society. The foundation works together with local stakeholders from politics, science and civil society to discuss changing needs for the education sector within a digital society. Based on these insights, the foundation **develops innovative educational programmes** with local NGOs that help children and young adults develop their digital skills and navigate through a new digital age.

In 2017, Vodafone Foundation Germany launched the initiative "Coding For Tomorrow" to teach children and young people coding, creative problem solving and the critical use of digital technologies. As these skills are increasingly relevant for future jobs, having such learning opportunities can be a vital first experience to be exposed to such new demands. To ensure the long-term impact of the initiative, over 3,200 teachers from across 700 schools have received specific training and so far, delivered the programme nationwide to over 180,000 students.

#### THE ROLE OF

## **Vodafone Institute for Society & Communications**

With rapidly growing digitalisation, the company and the foundation have also observed new societal challenges emerging e.g. increasing concerns about the ethical and safe use of artificial intelligence or data, or the disproportionately low representation of women in the tech industry. As the company and the foundation wanted to contribute to these new challenges, Vodafone Institute for Society & Communications was set up to complement their focus.

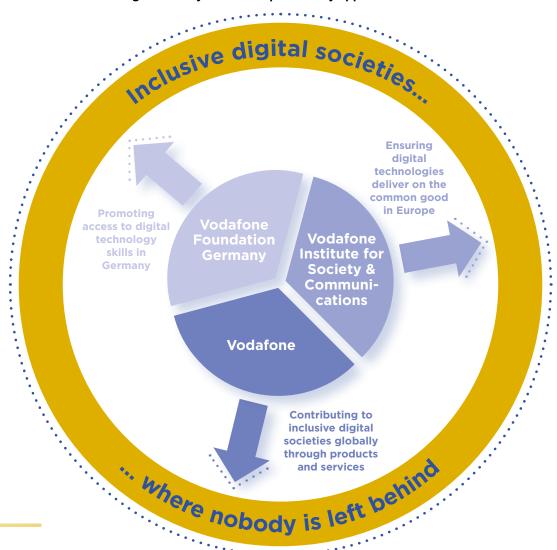
The institute analyses **digitalisation trends with a broader, European lens** and aims to ensure that digital technologies are used for the common good. The institute does so by fostering dialogue between academia, business and politics in Europe, initiating projects and research, and producing reports to give practical recommendations to decision makers to **build an inclusive digital society**.

As female start-up founders perceive a significant disadvantage within the male-dominated digital sector, Vodafone institute launched the E-Lane Accelerator programme to support technology start-ups founded by women. The six-week programme provides advice, training, networking opportunities and start-up funding to female business founders. The objective of F-Lane is to address gender inequality in the digital sector while incubating innovative solutions to societal challenges.

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#### THE COLLECTIVE STRATEGY IN A NUTSHELL

By aligning on a common vision while focusing on different stakeholder groups and thematic areas, Vodafone, Vodafone Germany Foundation and Vodafone Institute for Society & Communications are able to design a collective strategy that helps the organisations **tackle broader societal challenges related to their vision of an inclusive digital society with a complementary approach.** 



#### **OPPORTUNITIES**

#### **IMPACT BENEFITS**

Pioneering innovations and societal solutions in various areas



The bigger the social challenge, the larger the number of **societal** solutions that need to be **developed** to drive sustainable progress. The process of digitalisation impacts many areas, from education to health, technology or climate. Vodafone, Vodafone Institute and Vodafone Germany Foundation focus on their unique domain and can identify and support the most promising societal solutions within their attributed scope. This way, corporate resources can tackle various societal challenges related to the common vision.

Maintaining stability while demonstrating agility

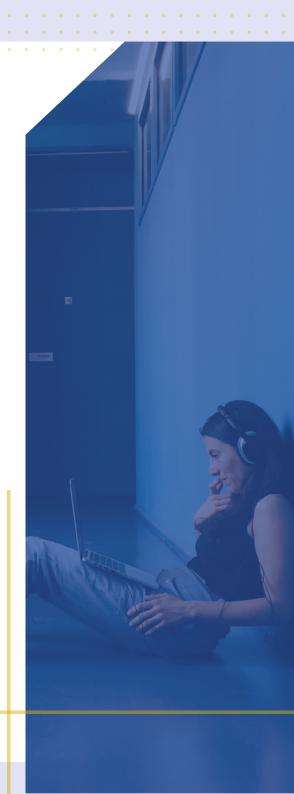


Social progress is multifaceted and requires organisations to keep a long-term perspective on existing challenges while, at the same time, be ready to address emerging needs. By setting up multiple corporate social investors, Vodafone is able to maintain the existing scope of the foundations and create another impact structure complementing the foundations' role and that is agile enough to respond to new topics relevant for an inclusive digital society.

**Engaging a broader** range of stakeholders



Transformative change can only be initiated by a variety of **stakeholders from different sectors**. By having a company, a think tank and 27 foundations operating on a global, European and national level respectively, the organisations expand their geographic coverage. They are also able to engage a mix of stakeholders from policy makers at national and international level to actors within the private and social sectors.



#### **BUSINESS RELEVANCE**

Contributing to a holistic corporate purpose



Companies are increasingly defining a larger purpose within society, by using their core business to address societal issues. Corporate social investors are ideally positioned to contribute to these new ambitions. Vodafone for instance built its purpose around the three pillars of digital society, inclusion for all, and planet. Vodafone Institute contributes to the company's impact on all three pillars, while Vodafone Germany Foundation adds new dimensions particularly to the inclusion pillar.

Addressing issues beyond the core business through different degrees of alignment with the company

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While corporate foundations are in many countries legally and ethically prevented from operating in domains close to the business, setting up a new type of corporate social investor (e.g. an impact fund, accelerator, or institute) that is allowed to align closer with the company can be an opportunity to explore societal challenges that are more closely related to the core business. Vodafone Institute for instance can tackle challenges with direct business relevance, such as digital solutions with social impact through the F Lane accelerator programme, thereby spearheading the company's expertise on relevant trends and innovations.

Consolidating corporate purpose by signalling a farreaching commitment



By setting up multiple corporate social investors, a company can signal to stakeholders an authentic commitment towards societal progress. As a telecommunications company, Vodafone is an inherent part of the digitalisation process. Yet the company wants to go beyond profit seeking motives by allocating part of its resources to Vodafone Institute and Vodafone Germany Foundation. This longterm commitment enhances Vodafone's credibility with regards to its purpose of building an inclusive digital society.

Building learning labs for the business identifying long-term trends



A company needs to be ready to rethink its core business as the expectations of customers are constantly changing over time. Therefore, corporate assets can be allocated to corporate social investors which focus on and observe long-term developments in certain societal areas. Thanks to the insights of its foundations and the Institute, Vodafone is aware of societal trends that are potentially relevant to its core business and can adapt accordingly.

## 05 KEY SUCCESS FACTORS

## TOP LEADERSHIP

**SUPPORT** 

Vodafone has a strong commitment towards societal progress which it demonstrates by supporting 27 national Vodafone foundations, of which the Vodafone Germany Foundation is one example. As new challenges emerged that transcended the company's and the foundations' scope, Vodafone allocated further corporate resources to set up a new impact structure, namely the Vodafone Institute. A **strong corporate commitment** is necessary to mobilise the resources needed to build inclusive digital societies.

### CLEAR MANDATES

Each vehicle has a specific mandate that defines its geographical lens as well as its thematic area(s). While Vodafone Germany Foundation addresses digital education on a local level, Vodafone Institute focuses on digital transformation from a European perspective, and Vodafone leverages its core business globally. Clear mandates are necessary to ensure each organisation contributes with something new to the common vision as well as to clarify who is responsible for which stakeholder group.

## COLLABORATION WITH STRONG PARTNERS

As each vehicle has a different scope, they rely on **strong external partners** to effectively contribute to an inclusive digital society within their respective areas. For instance, Yunus Social Business, Impact Hub and Social Entrepreneurship Academy were vital to establish F-LANE as a global social entrepreneurship programme. Furthermore, the work of the foundation and the Institute is grounded in research to understand the pre-requisites to generate impact and contribute to societal debates. They have therefore built **academic alliances** with thought leaders on issues such as social inclusion and digital ethics.

## D AHEAD **Testimony: Renewing Societal Relevance** "I see the foundation and the institute as seismographs of societal transformation processes and catalysts for the business to adapt to these processes. To stay relevant even when the company is following a societal purpose, we make sure that we always think one step ahead. A multinational needs these kinds of agile speedboats that try to understand what's happening in society, and help the company navigate in the right direction for society."

INGER PAUS,

CHAIRWOMAN VODAFONE GERMANY FOUNDATION

& MANAGING DIRECTOR VODAFONE INSTITUTE FOR SOCIETY & COMMUNICATIONS

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#### **FURTHER RESOURCES**

Interested to know more about collective corporate impact strategies? We have a range of materials available for you:



- A short, comprehensive <u>leaflet</u> on **collective corporate impact strategies**
- A video on collective corporate impact strategies
- A video session (Danone) on the scope strategy
- A case study (Rabobank) and a video session (Rabobank) on the scale strategy
- A case study (Schneider Electric) and a video session (ING) on the depth strategy
- A video on top tips to convince your corporate leaders to set up a social impact fund

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Laudes — Foundation





