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Title: *Do People Centered Cultures Exist in B Corporations?*

The accompanying research report is submitted to the University of Wisconsin-Stout, Graduate School in partial completion of the requirements for the

Graduate Degree/ Major: MS Training and Human Resource Development Degree

Research Advisor: Dr. Jeanette Black, EdD, SPHR

Submission Term/Year: Fall 2019

Number of Pages: 43

Style Manual Used: American Psychological Association, 6th edition

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Borchardt, Laura A. *Do People Centered Cultures Exist in B Corporations?*

Abstract

B Corporations are growing in the United States and there is limited research on the culture of these organizations. This paper looks at how B Corp cultures are people centered and how these organizations are sustaining the culture, contributing to their communities and how the B Corp certification impacts the organization. The research explores how the people centered organizational structure of a B Corp contribute to moral fitness, ethics and corporate social responsibility in terms of their economic, legal, ethical and philanthropic contributions. The paper provides a more in-depth literature review of B Corporations and provides data from interviews completed with B Corps.

Acknowledgments

I would like to thank my family and friends for their support and encouragement throughout my master's program. To my daughter, Lita, who would tell me when I was being a procrastinator, to my husband who helped guide me when I would get off track, to my parents and sisters for providing a listening ear and to my friends who provided wine when I needed it. I would like to thank my advisor, Dr. Black, for agreeing to be my advisor and for her continued support through the years.

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Chapter I: Introduction

Benefit Corporations (B Corp) were introduced in the United States in 2010. The European B Corp movement, officially launched in 2015 with 60 companies, has now grown to 500+ B Corps (B Lab, 2019). “The aim is to harness the power of private for-profit corporations to expand the bottom line beyond profit maximization by incorporating social and environmental goals into business charters” (Flynn, 2016, p. 252). Since 2010, many states have passed laws to legalize B Corps. The focus of this study will be on B Corps in Minnesota and Wisconsin.

B Corporations have missions that are not just for profit. Organizations do not have to choose between profit and benefiting others. B Corps can be both, which is a very attractive business model. The benefit corporation gives businesses that are inclined to benefit society and the environment the option to incorporate into an entity that is prone to altruistic behavior because the business has a social and environmental conscience. Businesses that adopt principles of sustainability and a multiple stakeholder model, such as those embedded in the benefit corporation, outperform conventional peers and provide a greater rate of return for stockholders (Montgomery, 2017). Companies are now taking notice of factors outside of only those related to the financials. In a 2017 Ernest & Young survey, more than 80% of respondents who are investors agreed that generating sustainable returns over time requires a sharper focus on environmental, social and governance factors (Nelson, 2017).

“Organizational Culture is a collective experience that emerges from beliefs and social interactions of its members” (Black & La Venture, 2015, p. 2). “A high-performance organization is an organization that embodies people-first values, creates a strong and positive culture of trust among its people, and thus sustains a high level of profitability” (Black & La

Venture, 2015, p. 43). The organizational culture of a high-performance organization is shaped by employees as the employees are the core and number one value.

Statement of the Problem

There is limited research published on B Corps structured organizations as High Potential Organizations (HPOs) and sustainable employee centered cultures post economic recession.

There has been no published research applying the Blanchard (1999) HPO Scores Model to these organizations post-recession. Minimal peer reviewed literature on the B Corp organization, has been published. A more in-depth review of the literature beyond the legal publications combined with actual case studies and measurement of employee centered metrics and organizational success factors offers both original and applied research contributions currently not available.

Purpose of the Study

The scope of this project involves new and emerging research activities on the employee centeredness and sustainability of these organizational cultures. This research will also explore how the people centered organizational structure of a B Corp contribute to moral fitness, ethics and corporate social responsibility in terms of their economic, legal, ethical and philanthropic contributions. This paper will review the representation of generations in these workplaces and current employee recruitment and retention focused on diversity and inclusion strategies.

Assumptions of the Study

The assumptions of the study below are the basis of the study and need to occur for the study to be relevant.

1. Participants are employees of B Corporations.
2. Participants will answer the interview questions honestly.
3. All participants have access to a phone or email to complete the interview questions.

Definition of Terms

Listed are definitions of terms that are used in the paper. This is useful to help better understand the topics reviewed.

Benefit corporation. Benefit Corporation, a for-profit entity that is legally obligated to promote both a "specific public benefit" of its choosing and the "general public benefit." (Cummings, 2012, p. 578).

Brexit. The process of Britain exiting the European union. (Mueller, 2019).

General benefit corporation. A general benefit is a net material positive impact (Senseman, 2017).

High performance organization. An organization that embodies people-first values, creates a strong and positive culture of trust among its people, and thus sustains a high level of profitability (Black & La Venture, 2015, p. 43).

Low-profit limited liability companies (L3C). Must fulfill an educational or charitable purpose, have been formed specifically to further that purpose, have a primary purpose other than profit-earning and have no legislative or political purpose (Monson-Rosen, 2018).

Organizational culture. A collective experience that emerges from beliefs and social interactions of its members (Black & La Venture, 2015, p. 2).

Specific benefit corporation. A specific benefit corporation has a specific goal (Senseman, 2017).

Limitations

The limitations identified for this study are as follows:

1. Time constraint of the research limits the study to only one organization.

2. The interview questions will be disseminated in English, although all participants speak English, but for some English is a second language.
3. Location of the organization prohibits in person interviews.
4. This study may not be generalizable to B Corps in states other than what have been reviewed.

Methodology

The method proposed for this study are interview questions designed around the concept of people centered and high performance for B Corporations. The data will allow B Corporations to better understand how being people centered can positively impact the organization.

Chapter 1 discussed the business case for assessing the culture of B Corps. The statement of the problem for this study is the need to assess B corps regarding their current state as High Potential Organizations and sustainable employee centered cultures. Chapter 2 will provide an overview of the following categories of literature: Benefit Corporations, People-Process Culture, Recruitment and Retention, High Performing Organizations, Sustainability and Philanthropy. Chapter 3 will describe the methodology and methods used. Chapter 4 will provide a review of the analysis of results. Chapter 5 will review the findings and provide recommendations for future research.

Chapter II: Literature Review

The goal of this study was to explore how the people centered organizational structure of a Benefit Corporation contributed to moral fitness, ethics and social responsibility. The study focused on B Corps in Minnesota and Wisconsin. The literature categories reviewed for this study were Benefit Corporations, Minnesota and Wisconsin B Corp Legislation, People-Centered Cultures, Recruitment and Retention, High Performing Organizations, Sustainability and Philanthropy.

Benefit Corporation

The core purpose of a B Corp was to ensure goods and services benefit society as they continue to return profits to the shareholders (Kelly, 2009). The benefits to society that B Corps have provided attracted more consumers to the brand and mission. B Corps differed from a for-profit company as the main responsibility of a for-profit was to maximize profits and deliver shareholder returns. Benefit corporations have not been tax-exempt. Organizations were able to attain B Corp status, become B Corp certified, or both. B Corp status has been the legal process and certification through B Lab.

B Corporations were protected from legal challenges should earnings be funneled to philanthropic priorities in contrast to other for-profit organizations (Flynn, 2016). Benefit Corporations received bi-partisan support in a time of political turmoil (Honeyman, 2014). Bi-partisan support signaled that B Corps were important to all political parties. The number of B Corporations have grown over the years. In addition to the United States, there were more than thirty countries globally that had B Corporations operating for the good of others.

To become a certified B Corp, a company had to submit to an independent assessment of the organization's social and environmental performance, accountability and transparency. If the

company scored highly enough, then the company could incorporate the social or environmental mission into the governance articles in order to be certified (Giddens, 2018). There were five areas that were evaluated for B Corp certification, governance, workers, community, environment and customers. Notable in the certification process was that profit was not included in the evaluation. The largest group of certified B Corps were in professional and technical services industry sectors (Hauer, 2019). In Minnesota there were seventeen certified B Corps and in Wisconsin there were ten.

Some B Corp businesses have also been incorporated as an L3C. Low-profit limited liability companies (L3C) must fulfill an educational or charitable purpose, have been formed specifically to further that purpose, have a primary purpose other than profit-earning and have no legislative or political purpose (Monson-Rosen, 2018). Although L3Cs can operate in all 50 states, incorporation was allowed in certain states as defined by state legislation: Illinois, Kansas, Louisiana, Maine, Michigan, Missouri, Rhode Island, Utah, Vermont, Wyoming and the federal jurisdictions of the Crow Indian Nation of Montana and the Oglala Sioux Tribe (Monson-Rosen, 2018). A legal reason to become an L3C was to protect the organization should leadership change and a new leader wanted to prioritize profit, restriction of the payout of dividends would minimize the likelihood (Cummings, 2012).

B Corps in Europe started in 2015. This was five years after B Corps started in the United States. B Corps grew quickly in Europe. B Corps grew 28 times faster than United Kingdom GBP in 2017. Year on year growth across 150 United Kingdom businesses in 2017 was 14% and 35% of the companies attracted new audiences since becoming a B Corp (Tatum, 2018). The impending Brexit TM has caused uncertainty for companies in the United Kingdom. Brexit has been defined as the combination of the words Britain and exit. Brexit has been the action of

Britain exiting the European Union (Mueller, 2019). The Brexit referendum was passed in 2016. There have been many complex concerns being addressed by the European Union and British government to help ensure a proper exit from the European Union. Britain was a member of the European Union for 46 years. Ernst and Young surveyed companies in the United Kingdom since the Brexit referendum vote and found 34% of companies tracked were considered or have confirmed the move of some operations out of the United Kingdom (EY, 2018). Brexit caused uncertainty of companies and impacts include retention of workers, less attractiveness to future employees and potential issues with trade. B Corps were not immune to the impacts of Brexit and the impacts may have been negative.

Minnesota and Wisconsin B Corp Legislation

In April 2014 Minnesota passed the Minnesota Public Benefit Corporation Act (MPBCA) that made benefit corporations legal in the state. The MPBCA was not enacted until January 1, 2015. Annual reporting requirements for Minnesota depended on whether the organization was a Specific Benefit Corporation or General Benefit Corporation. A general benefit has been defined as a net material positive impact. A specific benefit had a specific goal (Senseman, 2017). All B Corporations in Minnesota have been required to submit an annual report to the Minnesota government. Each state that made B Corps legal have benefited because B corps had goals to be socially and environmentally responsible which in turn was positive for each state's environment and communities (B Lab, 2019). In November 2017, Governor Walker passed Wisconsin Act 77 that made benefit corporations legal (Feldhausen & Spott, 2017). There were two previous attempts to pass B Corp legislation in Wisconsin that failed due to inaction (DeCleene, 2017). Thirty-three states had already made B Corps legal prior to Wisconsin. Certified B Corps in Wisconsin were primarily located in the Madison and Milwaukee area.

Wisconsin Benefit Corporations were required by law to create a general public benefit, have a standard of conduct and provide an annual benefit statement to shareholders within 30 days of the fiscal year (Feldhausen & Spott, 2017).

Certified B Corporations were legally required to consider the impact of the decisions made to all stakeholders (B Lab, 2019). In order to continue operate at a B Corporation, the organization has to adhere to the mission and goals or could face the potential to lose B Corp certification status. To pass certification, companies have had to demonstrate commitment to social and environmental performance, public transparency and legal accountability (Hauer, 2019). Certification has been based on a point scale and the minimum score needed to obtain and continue as a B Corp was 80 of out a total of 200 points. B Corp certification annual fees ranged depending on company size.

People-Centered Organizational Culture

Cultures varied considerably from company to company. Culture and employee performance were linked. A culture where profit was the only driver resulted in employee performance primarily measured by the ability to deliver profit. An organization only focused on making a profit loses sight of an important part of the culture, which were the people. People-process cultures have been defined based on ideas that: all people were important, a strong belief in people shapes the organizational culture, happy people working together perform at higher levels, and all people benefit as a result (Black & La Venture, 2015, p. 9). Benefit Corporations have been determined to be an emerging people process culture organization type.

People-centered culture organizations have been built on the foundation that all people were important. In a people-centered culture, employee opinions counted and connections were demonstrated between specific work and the organization's mission (Black & La Venture, 2015,

p. 10). Happy employees performed at a higher level and were more productive than those that were disengaged (Black & La Venture, 2015, p. 9).

Recruitment and Retention

The additional benefits of a B Corp made an organization attractive to potential employees and also to those who considered starting a business such as entrepreneurs. A consideration for candidates in the hiring process or even prior to applying while in the search process was the mission and vision of the organization. The B Lab has assisted interested organizations and entrepreneurs in becoming B Corp certified and has supplied many other resources to B corporations. In the 20th century business was about shareholders and maximizing shareholder value. In the 21st century business has evolved to be focused on stakeholders and creating social and shareholder value (B Lab, 2019).

With the new generation's perspective on social responsibility, B Corps have been an interesting and attractive potential employer. By 2020, Millennials will make up almost half of the United States workforce. In a 2018 Deloitte Millennials survey, almost 40% of respondents stated that the goal of business should be to 'improve society'. In another study by the Intelligence Group, 64% of millennials said a priority was to make the world a better place – while 88% wanted work-life integration (Giddens, 2018). In the consumer decision making process, Millennials placed more importance on the mission of the company that produced an item than the price. The number of Millennials that entered the workforce combined with millennial tendency to support brands that have a cause and mission outside of profitability created a highly compatible employer and employee relationship between Millennials and B Corporations (Giddens, 2018).

Benefits aligned with compensation created the employee total reward package. Employees who valued intangible benefits from work and derived value from working for a socially minded organization were willing to accept lower wages (Bishara, 2015). Benefit Corporations have offered benefits outside of compensation to be competitive such as loan forgiveness programs. Mission based organizations that may have not been able to provide salary increases at the rate of for-profit companies, which solidified the importance of alternative benefits (Bishara, 2015).

High Performing Organizations

A high performing organization has been defined as an organization that embodied people-first values, created a strong and positive culture of trust among employees, and thus sustained a high level of profitability (Black & La Venture, 2015, p. 43). There were numerous factors needed to exist to be a high performing organization. Five dimensions that resulted in sustained performance were leadership, design, people, change management, culture and engagement (Bhalla, 2011). Sole profitability was found to not achieve the goal. High performing organizations that put employees first and then profit was the result of the positive culture that was created and cultivated initially by the leaders. Leaders were important, as a leader drove decisions to propel the business forward towards the intended goals. Leaders were critical as the knowledge and conviction a leader needed to possess was that all employees matter and have a stake in the decisions that were made (Black & La Venture, 2015, p. 43).

Organizational design positioned employees in a manner that was best for the organization's strategy and priorities. In a high performing organization, the primary focus has been on the employees. Flexibility in change management was important as the speed of change was always increasing and organizations needed to be nimble to stay at the front of the change.

High performing organizations have set, managed, and monitored culture to achieve strategic objectives (Bhalla, 2011).

Sustainability

B Corporations have been a new avenue for businesses and entrepreneurs to pursue. In order to be sustainable, a B Corp needed to stay true to the mission and goals. There was also a component of meeting certification requirements to continue to be a certified B Corp.

Sustainability of a B Corp was dependent on the success of the organization. Although the main focus was not on profit, the organization was a business that needed to meet basic financial needs to continue to operate. The sustainability of a B Corp also impacted the groups and communities supported by the mission (Dowling, 2018).

Benefits Corporations have a sense of community with other B Corps and used each other's knowledge as a resource. The community of B Corps was very supportive and willing to assist other organizations to benefit the growing B Corp community. B Corps have turned the concepts of "going green" or being a good corporate citizen into something tangible and measurable that people were easily able to identify, trust, and support (Honeyman, 2014).

Through information sharing, examples of B Corps business models helped potential B Corps to be successful through other organizations successes and missteps (B Lab, 2019).

Philanthropy

Philanthropic contributions of Benefit Corporations have had a positive impact on numerous groups and were at the core of the B Corps mission. Two areas considered for B Corp certification were environment and community. The importance placed on these key areas validate the importance of philanthropic contributions. The environment and communities were a key focus for B Corporations missions. Efforts to restore the environment arose from the decades

of environmental pollution and strain on the earth's resources due to an increasing global population. Communities have struggled for financial support from the government to fund needed services such as physical and mental health care for those that do not have the means to afford it. "Benefit corporations redefined success in business by using innovation, speed, and capacity for growth not only to make money but also to help alleviate poverty, build stronger communities, restore the environment, and inspire us to work for a higher purpose" (Honeyman, 2014, p. 18). The reward was not profiting instead the reward was using philanthropy to reach groups that needed a helping hand.

Summary

Chapter 2 described the following categories of literature reviewed: Benefit Corporations, Minnesota and Wisconsin B Corp Legislation, People-centered Cultures, Recruitment and Retention, High Performing Organizations, Philanthropy and Sustainability. These categories provided the framework for the methodology. The study will provide additional data on how the people centered organizational structure of a Benefit Corporation contributes to moral fitness, ethics and social responsibility. Chapter 3 will describe the methodology and methods recommended for this study.

Chapter III: Methodology

Maintaining a people centric culture is important to B Corporations success. The goal is to assess B Corporations culture and determine if they are high performing organizations. The study will focus on four B Corporations. An Invitation to conduct study provides detail to Company A, Company B, Company C and Company D on the use of the organization's data (see Appendix A).

Subject Selection and Description

Interviews will be conducted with employees and the same questions will be used in each interview for consistency. Interviews for each company will include one employee from each B Corporation. Signed informed consent will be provided for the interviews (see Appendix B). Participants may withdraw without any adverse consequences.

Instrumentation

Participants were notified that the responses would be used in the B Corp thesis, and that no names would be associated with the responses. Participation in the interview is voluntary and all information collected will be confidential. The interview questions were developed to collect data from B Corps on culture to determine if they have a high performing organization. There are twenty questions in the interview (see Appendix C). The methodology for this research will ensure the best outcome of the interviews.

Data Collection Procedures

The data collection process for the interviews utilized a qualitative collection tool. The qualitative collection tool is the interview portion of the research. Qualitative is done using the views of people who conduct, participate in, or read and review a study and does not use metrics or scores (Creswell, 2000). Employees will be interviewed regarding the B Corporation.

Identification of participants was done through B Corp public data for Wisconsin and Minnesota. Once the participants were identified, an email was sent to determine interest and availability to participate. The data collected will be shared in aggregate to give anonymity.

Limitations

The limitations identified for this study are as follows:

1. Time constraint of the research limits the study to only one organization.
2. The interview questions will be disseminated in English, although all participants speak English, but for some English is a second language.
3. Location of the organization prohibits in person interviews.
4. This study may not be generalizable to B Corps in states other than what have been reviewed.

Chapter 3 described the methodology and methods recommended for this study. The study will review B Corp culture and gain insight into high performing cultures and the link between B Corporations and high performing cultures. Chapter 4 will describe the results of the study.

Chapter IV: Results

The desired outcome of this study of B Corps is to determine employee centeredness and sustainability of these organizational cultures. In addition, the study is to explore how the people centered organizational structure of a B Corp contribute to moral fitness, ethics and corporate social responsibility in terms of their economic, legal, ethical and philanthropic contributions. Employees at B Corporations were interviewed for this study. The data collected was analyzed by interview question to show similarities and differences. Participation in the interview process was significantly lower than anticipated. Over thirty requests to participate were delivered via email or phone and four B Corps elected to participate.

Demographics

Four B Corporations participated in the qualitative study. The interviews were conducted via telephone. Demographic information was collected from the following interview questions:

- How many people does your organization employ?
- How many locations do you have?
- How long has the organization been a B Corp?
- What generations are represented?

Four participants consented to be interviewed and four completed the interview. The number of employees that are employed at the B Corporations that participated in the study range from five to sixty. The number of locations for each B Corp ranged from one to four. The year each organization became a certified B Corp ranged from 2015 to 2019. Generations represented in the study include Traditionalists, Baby Boomers, Generation X, Millennials and Generation Z employees. The recency of all participant organizations becoming B Corp certified is in line with the originality of B Corporations only being introduced in the United States in 2010 with one B

Corp just becoming certified in 2019. Due to some of the participant organizations being so recently certified some of the interview questions were difficult to answer.

Results

The results from the interviews with B Corporation employees are broken out by questions below.

Table 1

What are the Formal and Informal Communication Processes in Your Organization?

Response	Frequency	Percentage
Email	4	44.44%
Meetings	2	22.22%
Online tool	2	22.22%
Texting	1	11.11%
Total	9	100%

During the interviews the type of formal and informal communication processes that are used were discussed. All participants use email as a form of communication. Twenty two percent of the participants use an online tool to communicate with employees.

Table 2

How are They Aligned with Each Generation?

Response	Frequency	Percentage
Same	3	75%
Younger generations bring new ways of communication	1	25%
Total	4	100%

Communication methods aligned by generation could not be substantiated. Three of four participants indicated communication processes were the same across generations. One participant indicated the younger generations bring new ways of communicating forward to leadership.

Table 3

In what Ways has Being a B Corp had an Impact on Recruiting?

Response	Frequency	Percentage
None	2	50%
Impact after candidate has applied	1	25%
Sought out because of designation	1	25%
Total	4	100%

The impact of being a B Corp on recruiting for the organizations is nominal. Two of the four participants indicated there was no impact on recruiting. One participant indicated the designation of B Corp was only important after the candidates applied. Another participant indicated that some candidates were attracted to the organization because of the B Corp designation and were willing to accept a role with the B Corp for less pay because of the B Corp values.

Table 4

In what Ways has Becoming a B Corp Created a Competitive Advantage?

Response	Frequency	Percentage
Marketplace differentiation	1	16.66%
Hiring	1	16.66%
Makes product more relatable to customer base	1	16.66%
Marketing tool	3	50%
Total	6	100%

There are numerous competitive advantages to becoming a B Corporation that were discussed in the interviews. The study revealed that all of the participants reported that the designation drives competitive advantage in different ways. An example of a competitive advantage is enabling the organization stand out amongst competitors with their brand value proposition (Bhalla, 2011). Another was in the hiring process as previously mentioned in the recruiting impact results. The B Corp designation is used as a marketing tool for 50% of the participants.

Table 5

What Made Leadership want to Become a B Corp?

Response	Frequency	Percentage
To measure progress against the B Corp mission	1	16.66%
Meet and exceed the B Corp standards	1	16.66%
Embed the organization's purpose into the culture	1	16.66%
Draw attention to the organization and its values	1	16.66%
Hold organization to same standards they require of their investments	1	16.66%
To be a leader instead of a follower	1	16.66%
Total	6	100%

All participants responded that leadership supported the B Corp certification process.

Varied reasons were provided why leadership wanted to become a B Corp. Reasons included: 1) to hold themselves to the B Corp standards, 2) to attract attention to their organization, 3) the designation would contribute to success and to embed the organization's purpose into the culture.

Table 6

What are the Benefits of Being a B Corp?

Response	Frequency	Percentage
A mission-employees are drawn to helps them work	1	8.33%
Pay equity	2	16.66%
Unlimited PTO	1	8.33%
Pro bono work	2	16.66%
Volunteering	3	25.00%
Unable to answer	1	8.33%
Flexible work arrangements	1	8.33%
Give percent of profit to charity	1	8.33%
Total	12	100%

A key theme of the interviews was that all of the participating B Corps provide volunteer time for employees to give back to communities. Most of the organizations also provided pro bono work in said communities. Additional benefits shared were that employees were happier knowing there was pay equity because pay was transparent in the organization. One B Corp provides unlimited PTO to employees as an additional benefit.

Table 7

Describe any Drawbacks

Response	Frequency	Percentage
Time investment in B Corp application and recertification	2	50%
Lack of education on B Corps	1	25%
Authenticity of the certification	1	25%
Total	4	100%

Drawbacks to being a B Corp included the time investment to become a B Corp and to recertify. One organization that has been a B Corp for less than a year indicated uncertainty if the number of B Corps continues to increase if the designation would be as authentic in the future. Another drawback shared was that B Corps are not fully understood by consumers and organizations, so more education is needed to help more consumers and organizations understand the importance from both a purchasing decision standpoint and also the decision-making process to become a B Corp.

Table 8

In what Ways do You Measure Employee Engagement?

Response	Frequency	Percentage
Track volunteer hours	2	40%
Track pro bono work	1	20%
Survey	1	20%
Assessment	1	20%
Total	5	100%

Employee engagement was measured by 40% of participants through a survey or assessment. Sixty percent also track employee engagement through the amount of time

employees utilize the opportunity to volunteer in their community. A positive impact was noticed by a majority of participants on employee engagement. The positive impact was due to the employee belief in the purpose of the B Corp.

Table 9

What is the Return on Investment (ROI) of Being a B Corp Regarding the Impact on Employee Retention?

Response	Frequency	Percentage
Unable to answer	3	75%
Would not measure results by ROI	1	25%
Total	4	100%

A majority of participants indicated a lack of ability to measure the return on investment of being a B Corp. One participant indicated they would not want to measure the return on investment of becoming a B Corp. The participant felt ROI should not have any ties to making the decision to become a B Corp as the mission is the most important measurable.

Table 10

In what Ways are the Engagement, Benefit and Competitive Advantage Measures Sustainable for the Short and Long Term?

Response	Frequency	Percentage
Close alignment with the mission	2	20%
Track sales because that determines how much is donated back into the community	1	10%
Unable to answer	1	10%
More awareness of B Corps will help sustainability	1	10%
Be mindful of employees	1	10%
Measure carbon footprint	1	10%
Continue to provide current benefits	1	10%
Keep the mission as the number one priority	2	20%
Total	10	100%

The major theme when discussing short- and long-term sustainability of the competitive advantages, employee engagement and benefits of B Corps was commitment to the mission. The mission always needs to be at the forefront of organization. One of the B Corps indicated reading the mission out loud as a group weekly ensured the mission was always the priority of the organization.

Table 11

In what Ways does Your Organization Contribute to Moral Fitness?

Response	Frequency	Percentage
Support fair pricing	1	25%
Enable communities to start sustainable businesses	1	25%
Do not sell anything that people do not need or is harmful to the environment	1	25%
Unable to answer	1	25%
Total	4	100%

Participants described the organizations' contribution to moral fitness through various sustainability efforts. These efforts were both for the own organization's sustainability initiatives and also for the respective communities supported. The responsibility to minimize the impact on the environment was also important.

Table 12

In what Ways does Your Leadership Demonstrate Ethical Behaviors?

Response	Frequency	Percentage
Mission is to do best for the world	1	14.285%
Turn down work that does not align with mission	1	14.285%
Treat people fairly	2	28.575%
Ensure pay equity	1	14.285%
Abide by laws	1	14.285%
Unable to answer	1	14.285%
Total	7	100%

Participants responded that leadership demonstrates ethical behaviors through a variety of ways which were similar because they all tie to the mission. Another theme is treating people fairly. This positively correlates to having people centered cultures.

Table 13

In what Ways does Your Leadership Demonstrate Corporate Social Responsibility?

Response	Frequency	Percentage
New equipment to enhance employee safety and be more energy efficient	1	16.66%
Only take work that supports the ethos	1	16.66%
Only source organic materials	1	16.66%
Ensure pesticides do not go into the environment	1	16.66%
Sell services that do well for the economy and society	2	33.33%
Total	6	100%

Corporate social responsibility is demonstrated by leadership in various ways depending on the industry. In the case that equipment is involved in the supply chain process the B Corp invests in equipment that enhances safety for employees and is energy efficient. Participants responded that social responsibility entails the responsibility to only provide services that are good for our society.

Table 14

In what Ways does Your Organization Contribute to Philanthropic Initiatives?

Response	Frequency	Percentage
Goal is not to make money all the time	1	20%
Give a percent of time to pro bono work	1	20%
Recycling	1	20%
Volunteering	2	40%
Total	5	100%

Responses provided to philanthropic initiatives were similar to the prior question about the benefits of being a B Corp. This shows a close tie between B Corp philanthropy and the benefits a B Corp is able to provide to employees. The majority of responses are about giving back to the community.

Table 15

In what Ways does the B Corp Designation Impact Innovation in Your Organization?

Response	Frequency	Percentage
Unable to answer	2	40%
Added a café in the office to help with connecting employees	1	20%
Helped to be deliberate in investments	1	20%
Be a force for good	1	20%
Total	5	100%

Although the results do not show that B Corp status has a significant impact on innovation, the designation has helped some of the organization's look at innovation differently. Innovation is not just the products or services. Innovation includes new ways to bring employees together and new ways to help the world.

Table 16

In what Ways is Your Organization a People Centered Culture?

Response	Frequency	Percentage
Open door policy	1	11.11%
Encourage challenges	1	11.11%
Encourage employees to be themselves	1	11.11%
Do not use top down approach	1	11.11%
Continually check in with employees	1	11.11%
Learn how to grow and invest	1	11.11%
Embed a people centered design in the culture	1	11.11%
Be respectful of employee time and thoughts	1	11.11%
Value each employee	1	11.11%
Total	9	100%

All participants defined the organization's culture of the B Corp as a people centered culture. Ways that make the culture people centered included: 1) open door policy, 2) encouraging challenges, 3) encouraging employees to be themselves, not using a top down approach, 4) continually checking in with employees, being respectful of each other's time and thoughts, and 5) value each employee for their differences. All responses contribute to a people centered culture that leadership is striving to further develop and make better for employees.

Summary of Results

The results collected in Chapter 4 show that all B Corp participants have a people centered culture. The purpose of the study to gather more data on B Corp cultures. The data shows that there is a correlation between B Corporations and people centered cultures. People centered cultures have many advantages and are beneficial to employees and contribute to the

success of the B Corporations. Drawbacks of B Corporations were few and the main drawback was the lack of knowledge about B Corporations. Chapter 5 will provide discussion, conclusion and recommendations for further research on B Corporations.

Chapter V: Discussion, Conclusion and Recommendation

The planned research on B Corps has concluded and accomplished the intended purpose of the study which was increasing the amount of research on Benefit Corporations and employee centered cultures. The scope of this paper involved new and emerging research activities on the employee centeredness and sustainability of these organizational cultures. The research explored how the people centered organizational structure of a B Corp contribute to moral fitness, ethics and corporate social responsibility in terms of their economic, legal, ethical and philanthropic contributions. The lack of willingness of B Corps to participate in this study was unfortunate and more participation would have yielded greater learnings to be shared with the B Corp participants and other readers.

Conclusion

People-centered culture organizations have been built on the foundation that all people were important. In people-centered cultures, employee opinions counted and connections were demonstrated between specific work and the organization's mission (Black & La Venture, 2015, p. 10). The data collected and analyzed confirms that the participants interviewed from B Corps have People Centered Cultures.

A high performing organization has been defined an organization that embodied people-first values, created a strong and positive culture of trust among employees, and thus sustained a high level of profitability (Black & La Venture, 2015, p. 43). The data collected and analyzed also closely matches the definition of high performing organizations. All participants shared that the culture at their B Corps is positive and have people-first values.

Participants indicated that the organization's mission and the work in their applicable field are connected which is also a part of a people-centered culture. The mission is the most

important for these B Corps, instead of the profit. This is a big difference between a B Corporation and a solely for-profit company. Participants were passionate about the fact that helping others is more important than profit. The enthusiasm of participants around the B Corp certification was contagious. Certification enabled these B Corps to hold themselves to a higher standard than before which was the intended outcome.

This study has shown that there are a multitude of unrealized learnings regarding B Corps. Benefit Corporations are relatively still new in the United States so the limited amount of research is understandable. The number of B Corps continues to rise so further research will be important. B Corp certification is becoming of interest to organizations as more education is provided on certification. Further education on B Corps to organizations and consumers will also be valuable.

Recommendations

Further research can better define benefits and validate the reasons that B Corps are good for not only business but more importantly for employees and communities.

Recommendations for further research include:

1. Continued data collection of B Corporation cultures to bolster the amount of data for analysis.
2. Further research into the sustainability of people centered cultures will be important to provide better data on how to improve a culture to ensure sustainability (Nelson, 2017).
3. Further research on B Corps and how different generations work within the culture would be beneficial (Giddens, 2018).

4. Exploration on better methods to collect data apart from interviews would be beneficial since completing interviews with B Corporations was a roadblock for this research.
5. B Corporations that have become decertified. Further research on why organizations have decertified would also benefit organizations that are considering certification or are currently certified and could use as learnings or watch-outs for their own organization.

Summary

The B Corporations interviewed provide benefits to their employees that only people centered cultures can provide. These benefits are not always tangible. A positive work environment, knowing employee's thoughts and opinion are truly heard and considered in decisions and the belief that all employees are important are all examples of the intangibles.

Chapter one introduced B Corps and the purpose of the research which was to determine employee centeredness and sustainability of B Corp cultures. Chapter two reviewed current literature on B Corps. Chapter three described the methodology of the B Corp research. Chapter four summarized the results of the B Corp interviews. Chapter five concluded the research and provided recommendations for further research.

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Appendix A: Invitation to Participate

Email Sent to Participants: I am a student at UW-Stout and I am working on a paper about B Corps. More specifically, the culture of B Corps and how a people centric culture is important to an organization's success. I was wondering if you or another team member would have some time in the upcoming month to answer some questions? I understand you have many responsibilities running a business and I appreciate you considering my request. All data collected will be kept confidential.

Appendix B: Consent to Participate

Description: We are trying to understand if people centered cultures exist in B Corporations to determine if they are considered high performance organizations.

Risks: There is a chance your data could be seen someone who should have access to it. We are minimizing the risk by keeping data anonymous and removing all personal identifiers. You do not need to answer any questions you do not want to answer.

Benefits: You may benefit by contributing to our understanding of B Corporations as well as by providing insights that could lead to future research.

Confidentiality: No identifying information will be publicized during this study. Your name and any information regarding the study will be stored in the researcher's computer and will be permanently deleted upon completion of the research project.

Future Use: Any information collected for this research project will be stripped of identifiers and will not be used in other research in the future.

Time Commitment: The standard interview will likely last between 20-30 minutes.

Right to Withdraw:

Your participation in this study is entirely voluntary. You may choose not to participate without any adverse consequences to you. You have the right to stop the survey at any time. However, should you choose to participate and later wish to withdraw from the study, there is no way to identify your anonymous document after it has been turned into the investigator. If you are participating in an anonymous online survey, once you submit your response, the data cannot be linked to you and cannot be withdrawn.

IRB Approval: This study has been reviewed and approved by The University of Wisconsin-Stout's Institutional Review Board (IRB). The IRB has determined that this study meets the ethical obligations required by federal law and University policies. If you have questions or concerns regarding this study, please contact the Investigator or Advisor. If you have any questions, concerns, or reports regarding your rights as a research subject, please contact the IRB Administrator.

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Date:

Appendix C: Interview Questions

Questions
How many people does your organization employ?
How many locations do you have?
How long has the organization been a B Corp?
What generations are represented?
a. What are the formal and informal communication processes in your organization?
a. How are they aligned with each generation?
In what ways has being a B Corp had an impact on recruiting?
In what ways has this created competitive advantage?
What made leadership want to become a B Corp?
What are the benefits of being a B Corp?
Describe any drawbacks.
In what ways do you measure employee engagement? In what ways has B Corp designation impacted employee engagement?
What is the Return on Investment (ROI) of being a B Corp regarding impact on employee retention?
In what ways are the engagement, benefit and competitive advantage measures sustainable for the short and long term?
In what ways does your organization contribute to moral fitness?
In what ways does your leadership demonstrate ethical behaviors?
In what ways does your leadership demonstrate corporate social responsibility?
In what ways does your organization contribute to philanthropic initiatives?
In what ways does B Corp designation impact innovation in your organization?
In what ways is your organization a People Centered Culture.