

Sustainable Innovation 2021

Accelerating Sustainability in Fashion, Clothing, Sportswear & Accessories

23rd International Conference

Online Conference: 15th-21st March 2021

Business School for the Creative Industries

University for the Creative Arts

Epsom, Surrey, UK

The Impact Demonstration Challenge

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As consumers' expectations and preferences keep shifting towards more transparency, more sustainability, and less negative social impacts when choosing a product within an extremely competitive field, there is a true opportunity and necessity for fashion businesses to create products with demonstrated social and ecological benefits, and equal pressure to back up their narratives with coherent and holistic facts, metrics and numbers. Fashion businesses tend to create increasingly more downward accountability programs, creating transparent processes in coordination with communities it serves, and looking for a way to emphasize and present the process to their investors and customers. Further, measuring social and sustainable impact means gaining access to precise and extensive data about the entirety of the value chain which proves to be a powerful tool directed towards strategic leadership in order to better inform business decisions and optimize investments and logistics. In the "Playbook for designing social impact measurement" by the Stanford for Social Innovation Review 1, the use of data is deemed central to better decide where to put resources towards solving social and ecological problems, emphasizing that making social progress means using the right data to evaluate outcomes in order to separate correlation from causation. It is thus crucial for brands to measure the social and ecological impacts along their whole apparel and accessories value chain. In that way, the creation and application of a theory of change and consequential measurement of its impacts is necessary. As defined by the OECD 2, measuring social impact means measuring the social value produced by organizations, including social value creation and social return. However, there is a lack of consensus surrounding the exact definition, and about the perspective, market and scale for the social impact programs, creating variations in a very hybrid space that induces many challenges ahead. For instance, The European Commission's GECES 3 1 Reynolds, G. & al, (2018) A Playbook for Designing Social Impact Measurement, Stanford Social Innovation Review 2 Noya, A. (2015) OECD, Policy Brief on Social Impact Measurement for Social Enterprises counters the "one size fits all approach" to social impact measurement, deeming that "no single set of indicators can be divided top-down to measure social impact on all cases". Additionally, the vast majority of the research regarding social impact measurement was made to clarify and strengthen the action of philanthropic actors, social businesses and public actors creating social impact-related programs, which creates further difficulties for fashion businesses 45678. Despite the challenges, a plurality of investigative methodologies have been developed including impact measurement tools. The Harvard Business School Review 9 and the Stanford for Social Innovation Review 10 have published a plethora of work regarding social innovation measurement, including experimental tools, and The European Commission as well as the OECD have done propositions to simplify and optimize social impact tools and measurement. The OECD Policy Brief on Social Impact Measurement 11 lists three main approaches to social impact measurement: positivist, critical and interpretive, or in practice cost-benefit analysis, rating methods and auditing depending on the public concerned. Other methods and research work focus on return of investment, to appraise financial contribution and assess their impact via integrated approaches focusing on corporate social responsibility. A few social impact measurement tools have been developed, including Stanford's Spectrum of Impact Measurement Tool 12, which includes a business analysis process and the assessment by control groups, Social Capital's SIMM (Social Impact Measurement Model) 13, which measures the impact of corporate investment and aims to translate financial investment into social outcomes, and the Centre for social impact's 3 European Commission, (2014) Proposed approaches to social impact measurement

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in European Commission legislation and in practice relating to EuSEFs and the EaSI, GECES sub-group on impact measurement 4 Grimes, M. (2010) Strategic sensemaking within funding relationships: The effects of performance measurement on organizational identity in the social sector. *Entrepreneurship Theory and Practice* 34(4): 763–783 5 Stevens, R., Moray, N., Bruneel, J. (2015) The social and economic mission of social enterprises: Dimensions, measurement, validation, and relation. *Entrepreneurship Theory and Practice* 39(5): 1051–1082 6 Mc Loughlin, J. & al (2009) A strategic approach to social impact measurement of social enterprises : the SIMPLE methodology, *Social Enterprise Journal*, Volume 5 issue 2 7 Miller, T. L., Wesley II, C. L. (2010) Assessing mission and resources for social change: An organizational identity perspective on social venture capitalists' decision criteria. *Entrepreneurship Theory and Practice* 34(4): 705–733 8 Lim, T. (2010) Measuring the Value of Corporate Philanthropy : Social Impact, Business Benefits and Investor Returns, *Committee Encouraging Corporate Philanthropy (CECP)* 9 Hanna, J. (2010) The hard work of measuring social impact, *Harvard Business School Review* 10 Reynolds, G. & al, (2018) *Playbook* 11 Noya, A. (2015) *Policy Brief* 12 Reynolds, G. & al, (2018) 13 Ellis, S. & al, (2019) *Social capital : Measuring the community impact of corporate spending*, *Deloitte Review*, issue 24 decision-making tool for social impact measurement 14 which lists a question map to create tailor-made methods and approaches. With this research, our goal is hence to investigate and analyze the existing research and findings on sustainability-related measurement and social impact-related measurement within the fashion production scope. Some research work has been done to catalog social impact measurement initiatives, including a catalog of approaches of impact measurement by The Rockefeller Foundation 15 , and a classification of thirty contemporary social impact measurement methods by Karen Maas 16 . However, no classification or specific analysis has been done regarding the measurement of social and ecological impact related to the fashion business scope. With this research and by leading a literature review through an analysis framework we aim to emphasize tools that can be used by fashion businesses, and to evaluate the tools and rationales which can enable fashion businesses to best present, translate and communicate their social and sustainable actions and perspectives.