

Using Sustainability as a Competitive Edge

Impact Area Patterns in B-Corp Assessments

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B-Corps are businesses that are primarily concerned with solving a social or environmental issue through their enterprise.

B-Corps are for-profit companies certified to meet rigorous standards of social and environmental performance, accountability, and transparency.



B-Lab assesses the impact of B-Corps by offering a free assessment to analyze the company's sustainability in terms of 5 impact areas (IA's)

Impact Area	Description
Governance	Evaluates a company's overall mission, ethics, accountability, and overall transparency.
Workers	Evaluates the company's contribution to its employees physical, financial, professional and social well-being.
Community	Evaluates a company's impact on external communities, covering topics such as diversity, economic impact, civic engagement, and supply chain impact.
Customers	Evaluates the company value to consumers of their goods or services.
Environment	Evaluates the company's overall environmental stewardship.

B-Corps receive an overall score (0-200) and scores for each of the 5 impact areas, which in totality comprise the overall score.



*Of all businesses that have completed the B Impact Assessment.

Higher scores indicate more sustainable practices.

Data from B-Assessments may provide insights for new companies looking to differentiate themselves in their respective industries, or for existing companies looking to re-vamp their business models and/or sustainability strategies.



Question 1

How do B-Corp impact area scores vary by industry?

We identified impact area patterns within industries, suggesting certain industries prioritize certain impact areas as a result of their business model or the nature of their industry.



Question 2

Is there a correlation between impact area scores?

We discovered a trade-off between customer and environment impact area scores that was consistent among all industries.

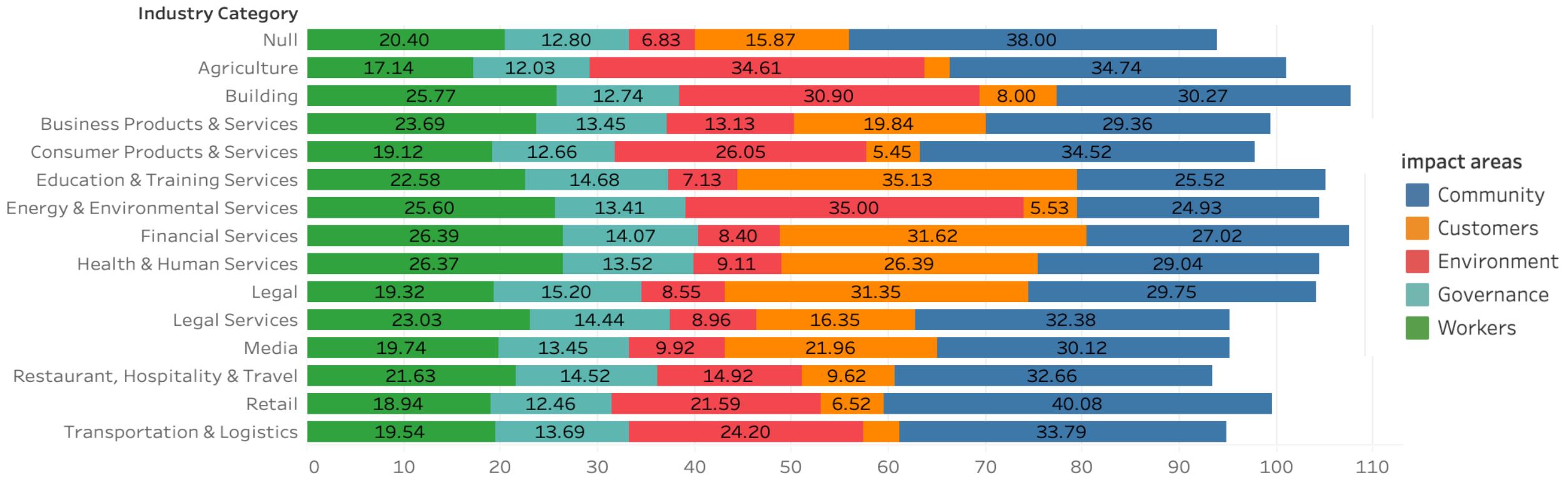


Question 3

How can up-and-coming businesses use this information to their benefit?

Companies may be able to differentiate themselves by focusing on impact areas that differ from the norm within their respective industries.

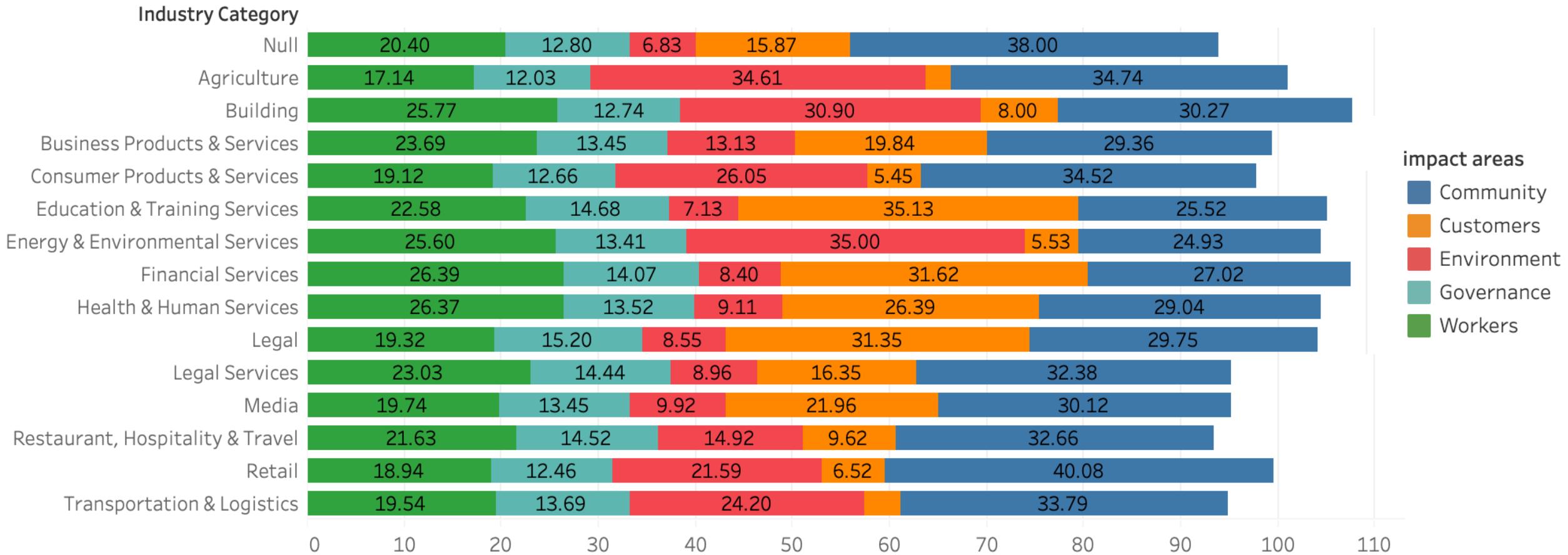
Companies entering industries wishing to differentiate themselves from other companies should consider straying from that industry's Impact Area (IA) pattern.



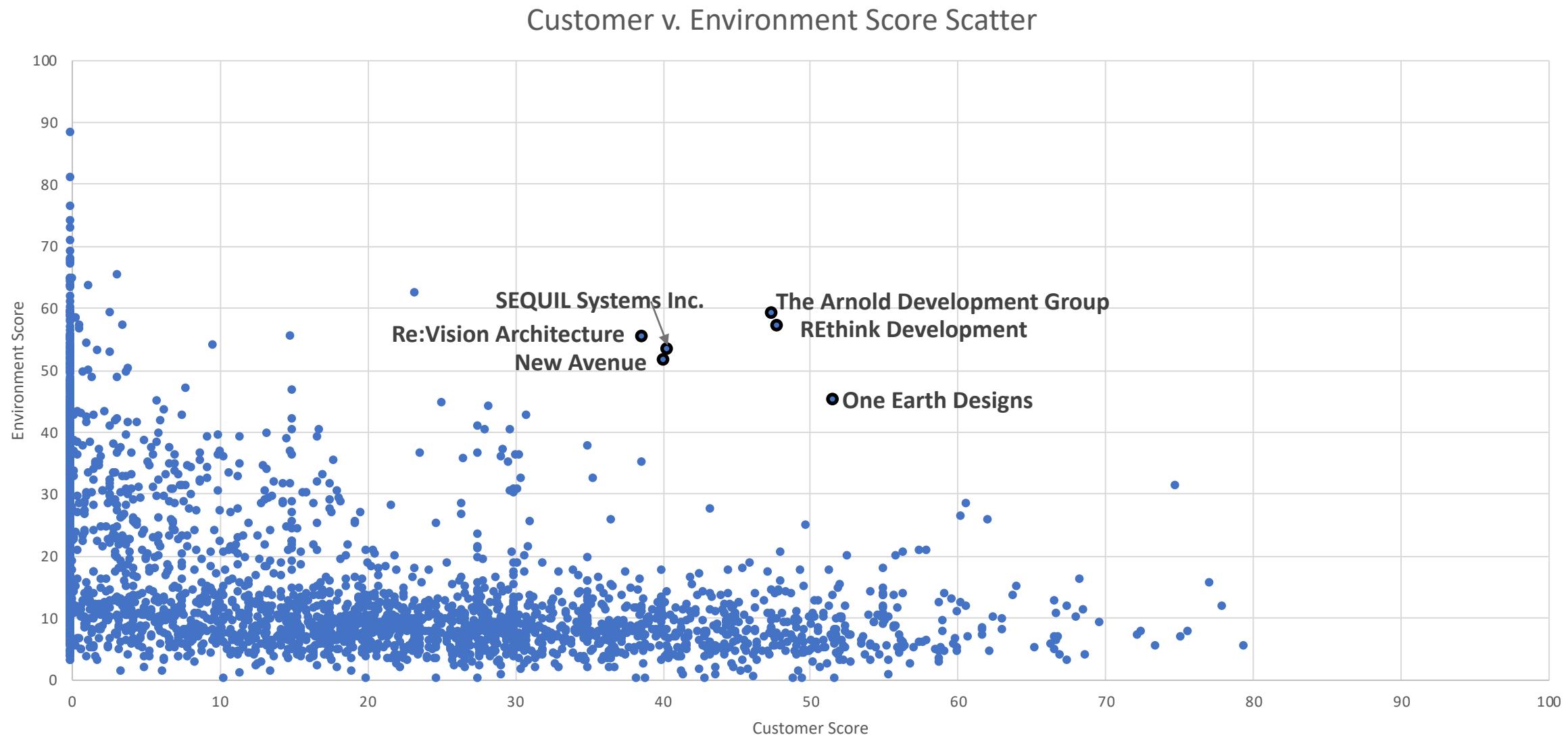
Key Insights

- 1) National averages for impact area scores remain relatively even by industry, with the exception of the Environment and Customers IAs, which vary greatly.
- 2) Correlation analysis revealed that Environment/Customers IAs are negatively correlated: As one goes up, the other goes down.
- 3) New companies looking to differentiate themselves in their respective industries, or existing companies looking to re-vamp their business models and/or sustainability strategies should consider straying from the patterns detailed above. This may offer these businesses an angle to stand out from their competitors.

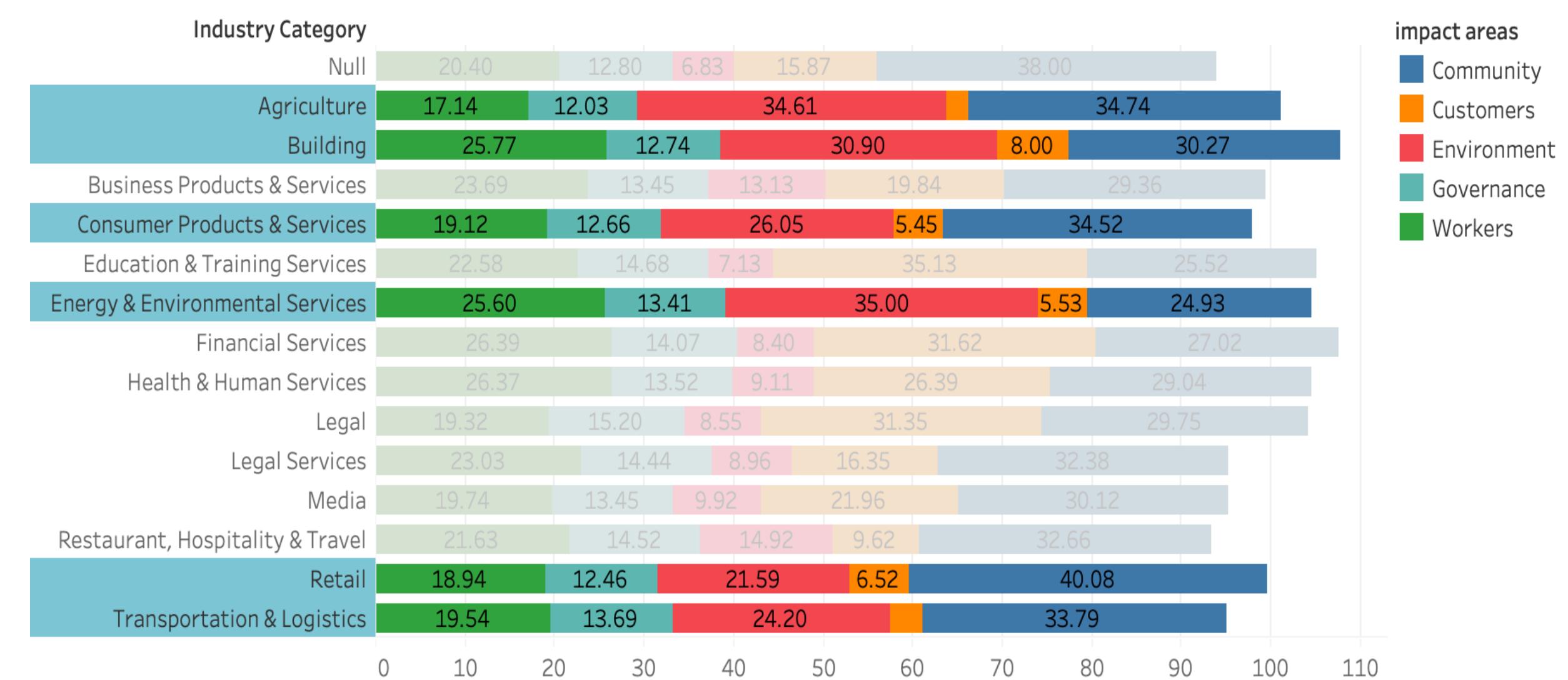
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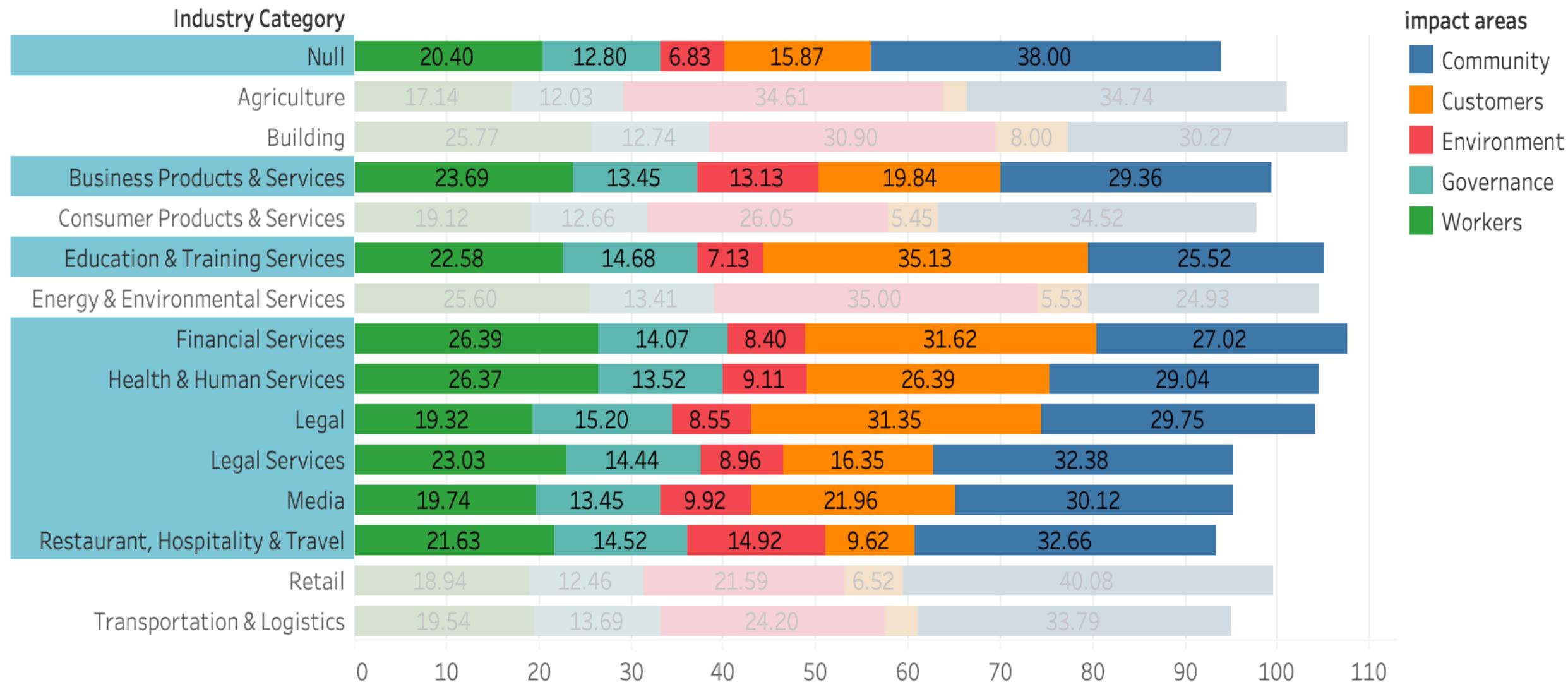
A correlation analysis between all impact area scores revealed that a high correlation exists between Environment and Customer Impact Areas ($r=-.53$). This indicates a strong relationship between the two areas; as the score for one goes up, the score for the other goes down. The companies who experienced this trade-off to a lesser degree are all members of the building industry.



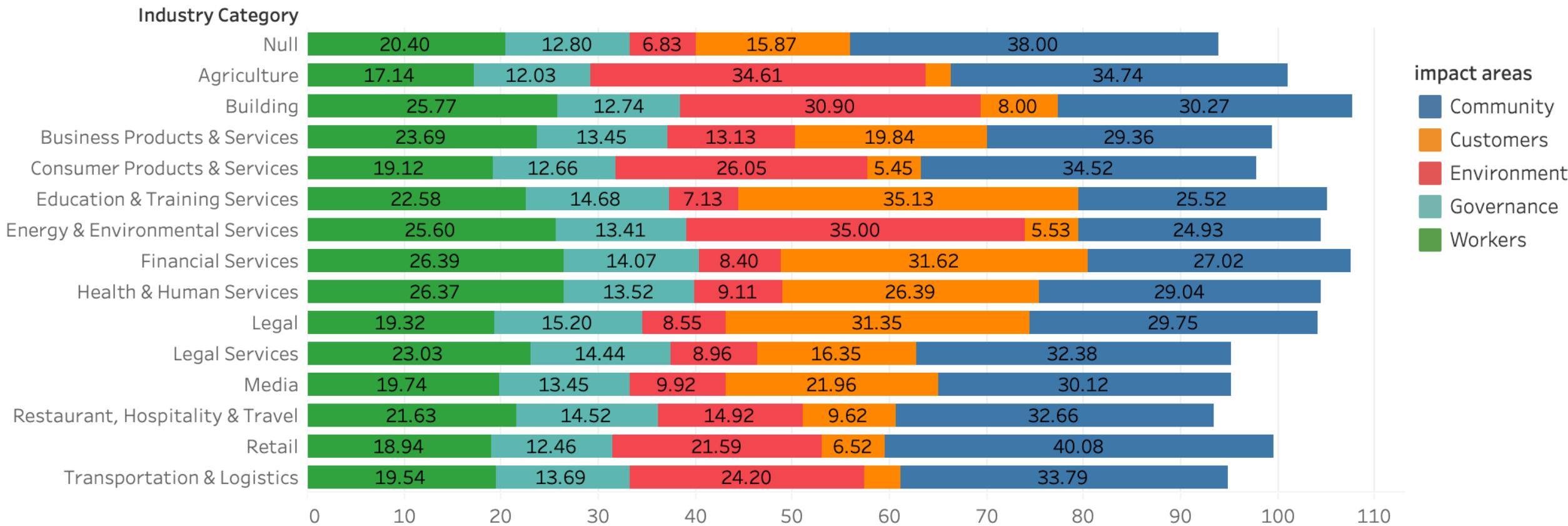
Agriculture, Building, Consumer Products and Services, Energy and Environmental Services, Retail, and Transportation and Logistics have the highest Environmental impact area scores, with lower Customer impact area scores as a result.



The opposite is true for remaining industries.



We suspect that the next Ben and Jerry's, Patagonia, Seventh Generation, or the like will score high in both the Customer and Environment AIs, disrupting IA patterns and separating themselves from the rest, all while participating in global sustainability initiatives.



Navigate to the B Analytics [Standards Navigator](#) to understand how your company can focus on different impact areas.