

## Going **BEYOND** Awards

# EMBA “SOCIAL INNOVATION AND IMPACT INVESTMENT PROGRAM”

IMD’s EMBA “Social Innovation and Impact Investment Program” is an innovative EMBA executive development degree module, designed and led by *elea* Professor for Social Innovation Vanina Farber.



The three-month course--offered for the first time in fall 2019 and currently being offered again this fall 2021--culminates in an intensive one-week trip to Peru by the EMBA students to learn about the Peruvian business landscape and to conduct on-site investment due diligence on carefully-selected Peruvian social enterprises. As the capstone activity, the EMBA students are charged with making evidence-based investment recommendations on these social enterprises to local and international impact investors. Before traveling to Peru, the EMBA participants work for two months to gain an understanding of social innovation, impact investment, and economic, political and cultural characteristics of Peru, along with the realities of establishing and scaling social enterprises in that environment.

The goal of the program is to promote and increase understanding of the topic, to challenge assumptions around the economic benefits of impact investing and social enterprises, to inspire the EMBA students to approach their careers and business activities with a refreshed mindset, and to build bridges between social enterprises in Peru and impact investors worldwide.

The 2019 "Social Innovation and Impact Investment Program" engaged 34 EMBA participants. The program and the Peru Discovery Expedition are made possible via collaborative partnerships.

On the impact investment side, the first edition of the program partnered with the *elea* Foundation for Ethics in Globalization and the Bellerive Seed Fund (both Swiss-based) as well as Vicente de Leon, an independent impact venture capitalist, and Grupo Palmas (both Peru-based).

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On the social enterprise side, the featured Peruvian social enterprises were Eeva EcoFashion, Hoseg, Empanacombi, Shiwi, Recidar, Escuela D1, Quma Chocolate, and Qaira Environmental drones.

In terms of empowering and enabling people, the program supports and facilitates investment in viable and scalable social enterprises, which have a direct positive impact on societal and environmental challenges in Peru.

It develops in the EMBA students a deeper understanding and appreciation for the possibilities of social enterprises and impact investing, which they may then carry forward in their own careers and business decisions.

In terms of catalyzing inclusive and sustainable development, the Peruvian social enterprises involved in the due diligence and investment recommendation phase of the program span areas such as fashion, air quality monitoring, community food production, retail, dance education, and organic chocolate. The program supports investment in social enterprises with scalable, sustainable and credible business models.

In terms of demonstrating contextual relevance, the program is built around providing informed, in-context and experiential learning in Peru, immersing EMBA students in the Peruvian context and the realities of social innovation and impact investment.

Finally, regarding international connectivity and collaboration, the program actively builds bridges between Peruvian social entrepreneurs, international mid-career business executives, and the local and international impact investment community.

The program cultivates in the IMD EMBA participants intercultural understanding and global business networks. Fundamentally, the program is designed to inspire EMBA students to deliver positive impact in society by presenting the opportunities that abound in the social enterprise space and giving them the tools and knowledge to act with confidence, either in their existing professional contexts or in new environments.

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## PROGRAM IMPACT AND SUCCESS

At its core, the program positively impacts the lives and world views of 34 mid-career executives, improving their understanding of impact investing and the opportunities open to them in the social enterprise space.

This can result in direct financial investment in program-featured social enterprises, as two of the EMBA's who took part in the 2019 Discovery Expedition made decisions to invest in featured social enterprises. It also can result in the EMBA's providing resources to support featured social enterprises, such as with time and expertise; one EMBA followed this path in 2019.

The program and similar activities run by Professor Farber, including online modules taught during the pandemic period, also function as an invaluable foil to the historic core elements of an EMBA degree, which tend to focus on traditional models of business.

Professor Farber's attention to impact investing and sustainable finance provide food for thought on viable approaches to investing and financing that combine purpose and impact with profit. The subject matter further broadens horizons and opens minds through an immersive introduction to the culture and business environment of Peru.

Official feedback from the EMBA participants has been positive, with the Peru Discovery Expedition scoring an average of 4.81 out of 5 on final participant assessment surveys of learning and satisfaction. Some participants cite the program as the best part of their EMBA experience.

**"The Expedition is incredibly special. It was an opportunity for us to clarify the buzzwords of sustainability, impact and impact investing. Professor Farber put together an amazing line-up of speakers. The speakers addressed topics from the most macro level level to the most micro level."**

- Hermance de Bastide, one participant interviewed by IMD News

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## PROGRAM IMPACT AND SUCCESS

Beyond the impacts on the EMBA learners, the program positively impacts the destinies and capacities of eight Peruvian social enterprises: providing valuable lessons in the process of attracting investors; creating credible investment opportunities to scale their businesses; preparing them for future investment pitches; raising awareness among the investment and business community of their brand; and enhancing their networks in the impact investment and social innovation space.

The program positively impacts the quality of investment decisions that are possible for local and international impact investors, as well as improving their knowledge of the social innovation enterprise ecosystem in Peru.

This is because the investors are provided with detailed due diligence on eight social enterprises, yielding a clear picture of the scalability and credibility of their business models and the impact of their social innovation products or services. In addition, impact investors benefit from a growing network of professional relationships with mid-career executives participating in IMD's EMBA degree.

Watch this [seven-minute video](#) presenting the aims and objectives of the program.

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## SDG IMPACT

Through the social enterprises featured and the wide spectrum of impact investing, the EMBA Discovery Expedition to Peru program actively supports a broad range of UN SDGs, with a particular focus on:

### GOAL 4: Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

### GOAL 4: Gender Equality

Achieve gender equality and empower all women and girls

### GOAL 8: Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

### GOAL 9: Industry Innovation and Infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

### GOAL 10: Reduced Inequalities

Reduce inequality within and among countries

### GOAL 11: Sustainable Cities and Communities

Make cities and human settlements inclusive, safe, resilient and sustainable

### GOAL 12: Responsible Consumption and Production

Ensure sustainable consumption and production patterns

### GOAL 17: Partnerships for the Goals

Strengthen the means of implementation and revitalize the global partnership for sustainable development



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## LOOKING FORWARD

The next iteration of the EMBA “Social Innovation and Impact Investment Program” will take place in fall 2021. It will culminate with a December 2021 Peru Discovery Expedition.

The program will build upon the 2019 experience and also an online 3 ECTS virtually-delivered module “A Primer on Impact Investing and Sustainable Finance” offered by Professor Farber in November 2020 and again in March 2021, enrolling 87 and 102 participants respectively.

The future goals of the work--whether on-the-ground in Peru or virtually delivered--are to continue to support social enterprises in emerging economies, to enhance understanding and knowledge of impact investing and emerging economies among mid-career executives participating in IMD’s EMBA degree program, to build bridges between the social enterprise, corporate and investment spaces, and to improve the quality of information available about potential social innovation investments for impact investors.

One key goal for the future is to diversity and broaden the range of impact investors and social enterprises involved in the program to further build bridges and raise awareness of the potential within the Peruvian social enterprise landscape.