

Shared Value Creation in Urban Area Development

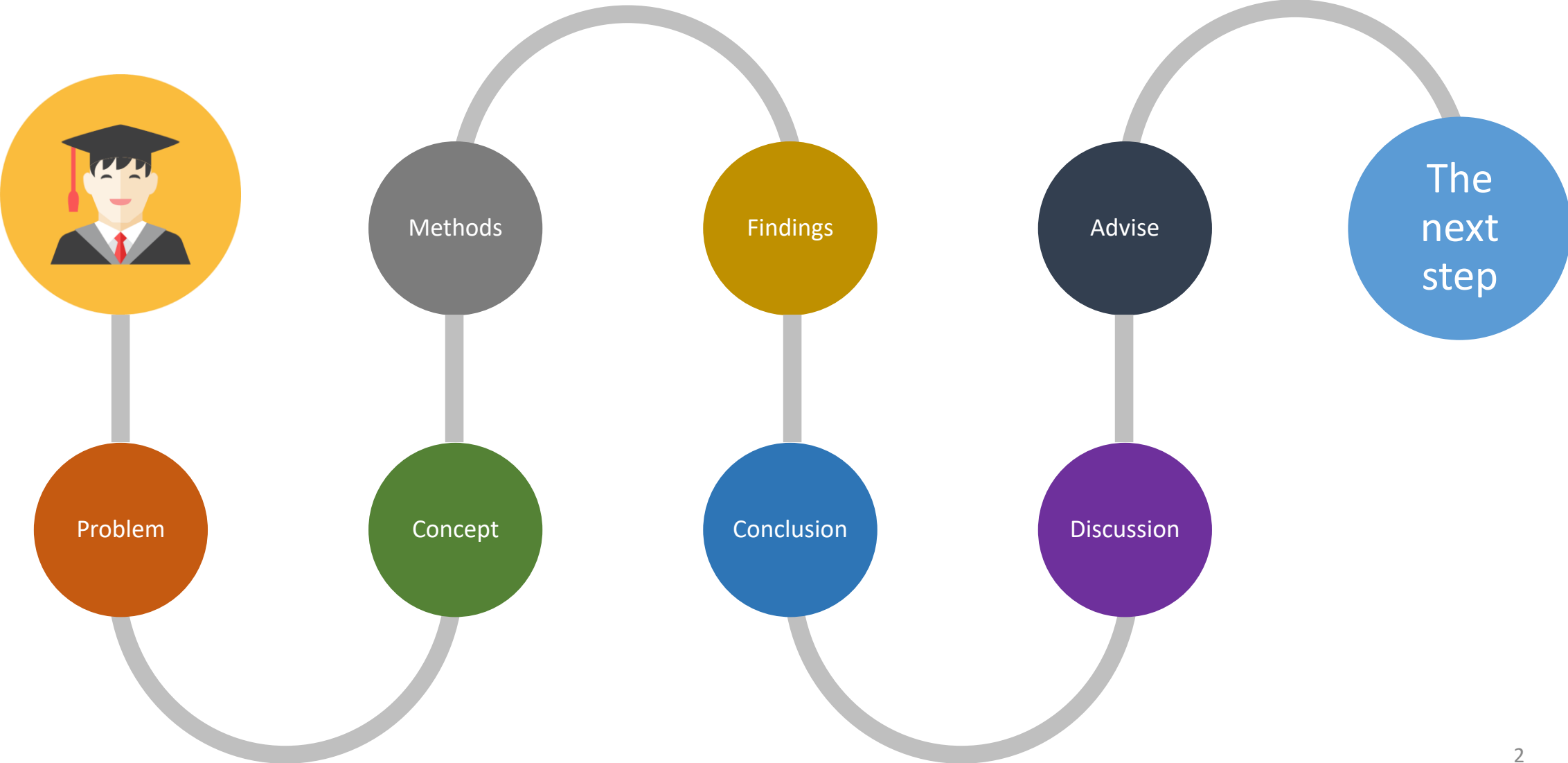
Exploration & Advice



P5 - Ricky van Honschoten - 4636945

31 January 2020

Thesis journey



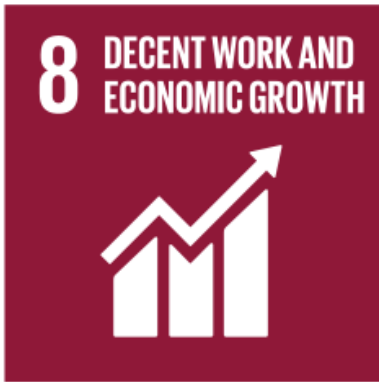
PROBLEM











Conférence sur les Changements Climatiques 2015

COP21/CMP11

Paris France



SECRETARE EXECUTIVE CCNUCC

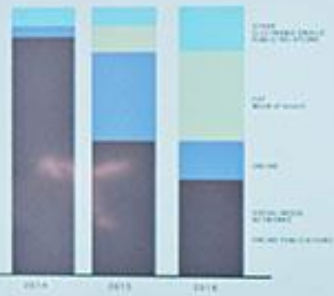
PRESIDENT

SECRETARE



B2B SALES STRATEGY & BRAND COMMUNICATION

SALES STATES



BRAND IDENTITY







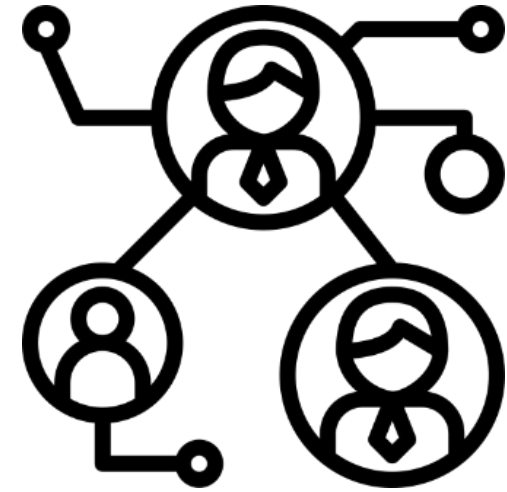
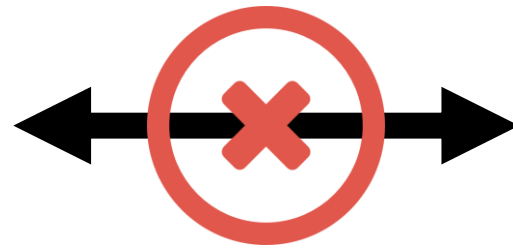
United Nations
“Act responsible”



Societal mistrust



Business



Society



Responsibility



Corporate

Social



Corporate Responsibility & Sustainability

The Deloitte network is committed to driving societal change and promoting environmental sustainability. Working in innovative ways with government, non-profit organizations, and civil society, we are designing and delivering solutions that contribute to a sustainable and prosperous future for all.

Home >

Growing a better world together

Samen werken we aan een betere wereld. Doe je mee?

Onze coöperatieve missie

De Rabobank is een coöperatieve bank met een missie. Samen met klanten, leden en partners zetten we ons in voor een sterkere leefomgeving en voor de grote maatschappelijke uitdagingen van nu. Met als uitgangspunt dat we samen meer bereiken dan alleen.

Samen versterken van lokale gemeenschappen



Heel Nederland schakelt om

Je ziet het overal om je heen: een
schone, duurzaam opgewekte wereld.
meer mensen en bedrijven met een
ook om?

Kies regio

Corporate Responsibility op Schiphol

Klaar voor de toekomst

Wat willen we bereiken? En wat hebben we al bereikt?

[Lees hoe we onze toekomst vormgeven](#) →



The need for change within urban places

- Cities host more than 50% of the world's population.
- 60% of the economic output
- Shelter, water, food and welfare must be provided to a growing urban population in a durable and future-proof manner



CSR benchmarking the solution?

AMVEST

[Over Amvest](#) [Development](#) [Investment management](#) [Actueel](#) [Contact](#)



EDGE

**The world needs
better buildings**

—



G R E S B[®]
The ESG Benchmark
for Real Assets



BREEAM[®] NL

Doing good, looking even better



Responsible business

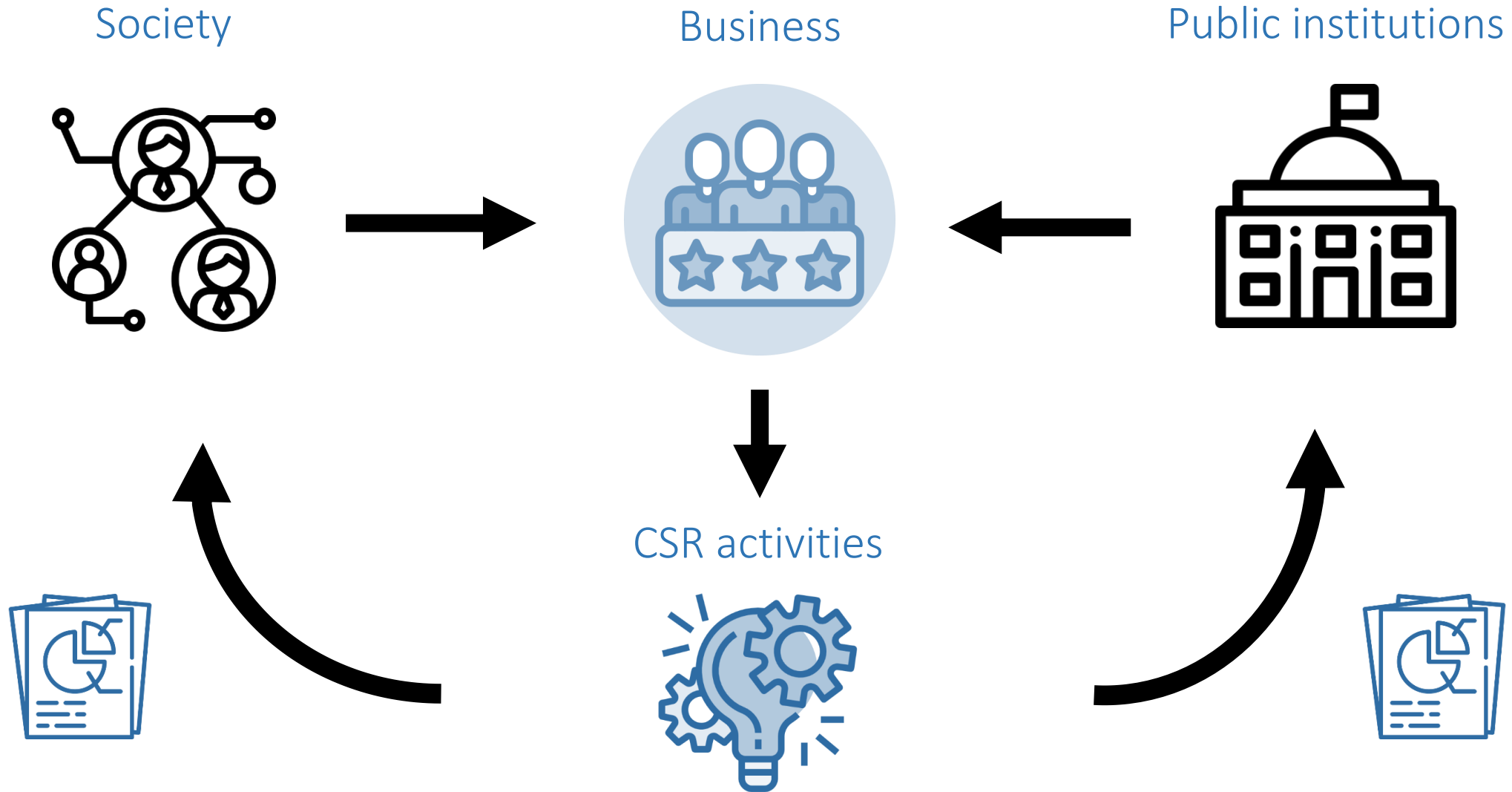
CSR
Reporting



Corporate reputation

This phenomenon is called 'greenwashing' (Lee, et al., 2018).

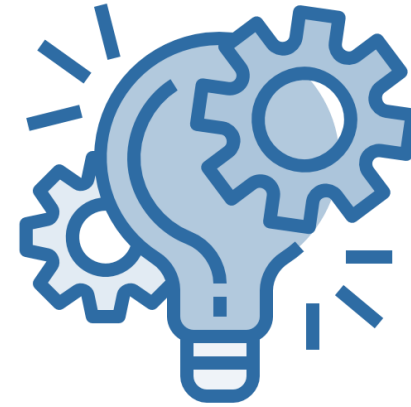
Vicious cycle



Perception of social activities



Investments



Social activities

Social activities do not live up to the commercial expectations needed for viable business (Loosemore, 2015).

OBJECTIVE

Corporate Social
Responsibility

CSR



**Business
opportunity**

Corporate Social
Opportunities

CSO

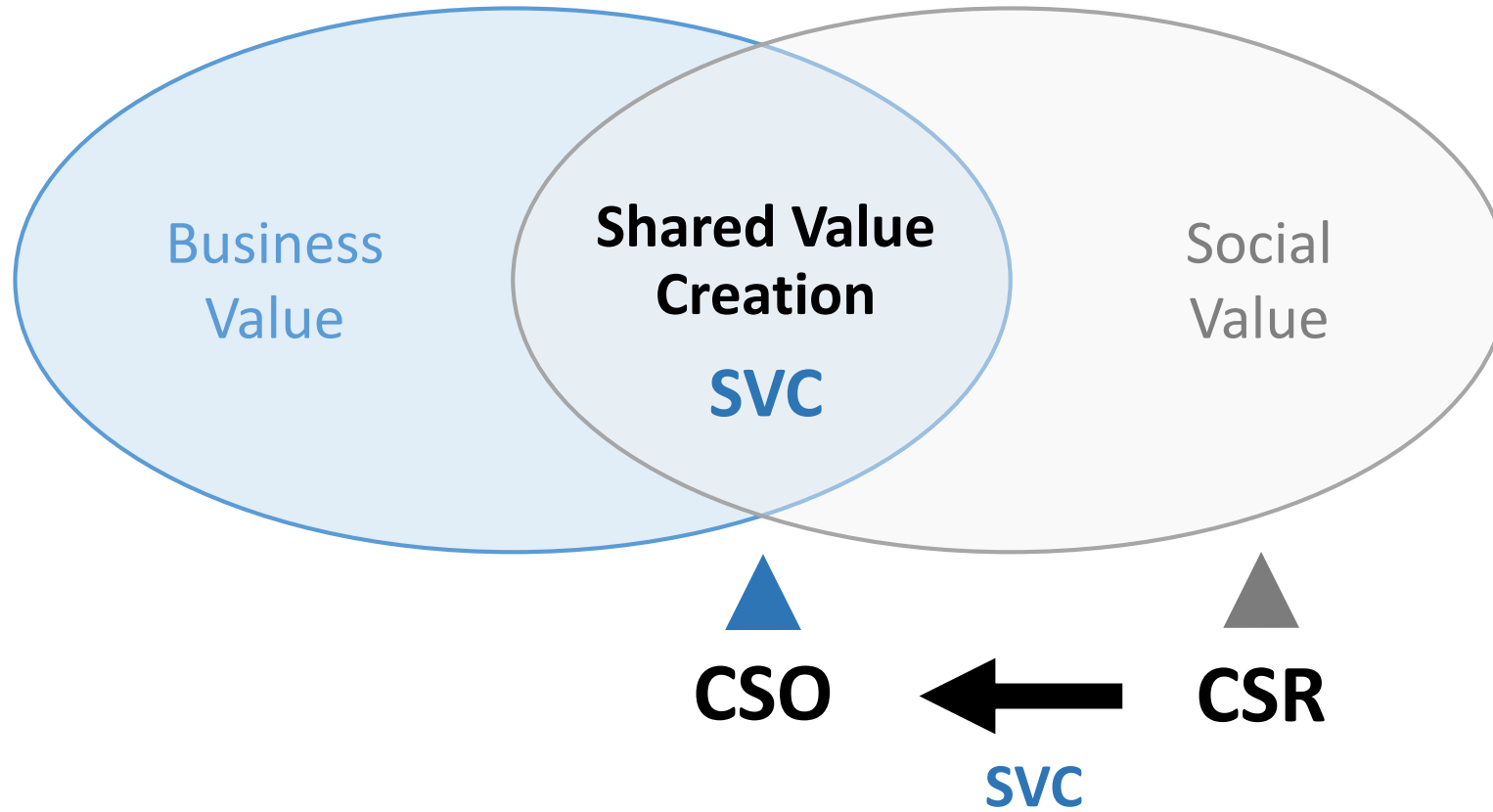


Shared Value Creation

SVC

(Porter & Kramer, 2011)

SVC, CSR, CSO

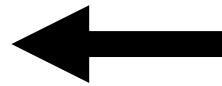


(Moon & Parc, 2019)

‘seeking business value in solving social issues’

(Porter & Kramer, 2011)

Products



Partnerships



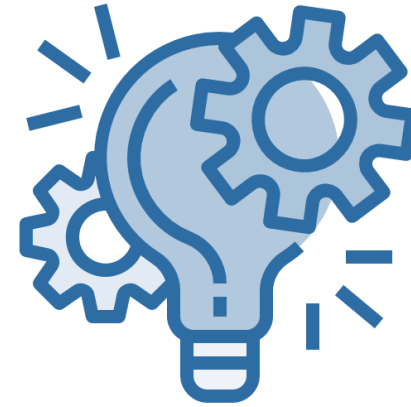
Processes



Change the perception of businesses



Investments



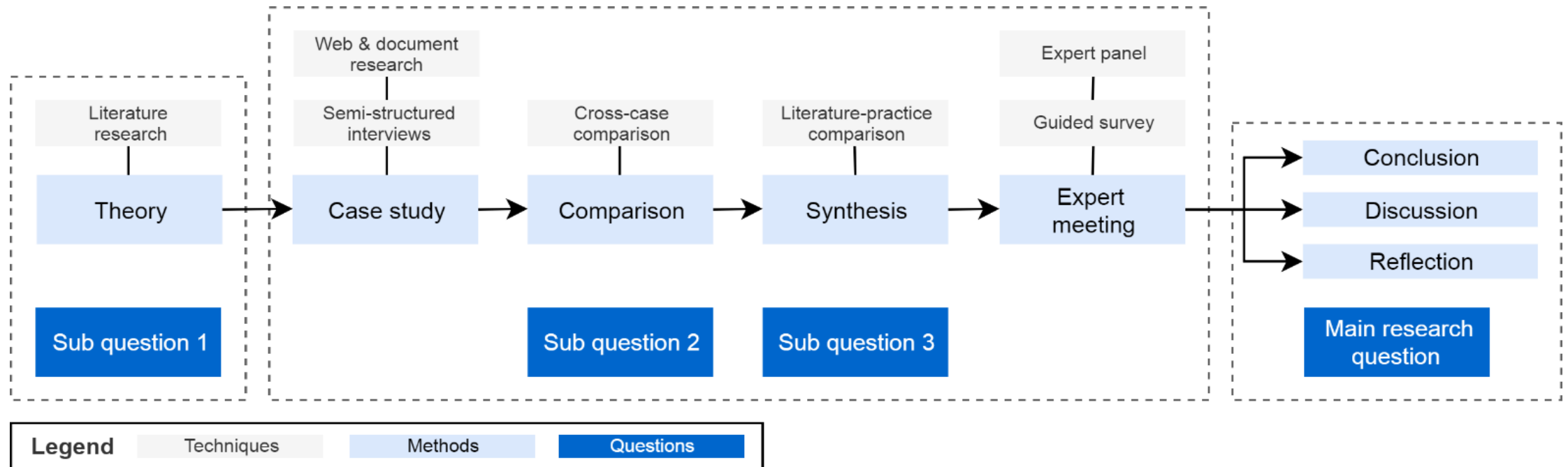
Social activities

METHODS

“How can the concept of Shared Value Creation contribute to creating sustainable urban areas?”

1. How can the Shared Value Creation concept be defined and operationalized within the context of urban area development?
2. What are the possibilities and limitations of the Shared Value Creation concept in urban area development?
3. Which public and private preconditions are needed to successfully integrate the shared value concept into urban development practice?

Exploratory research

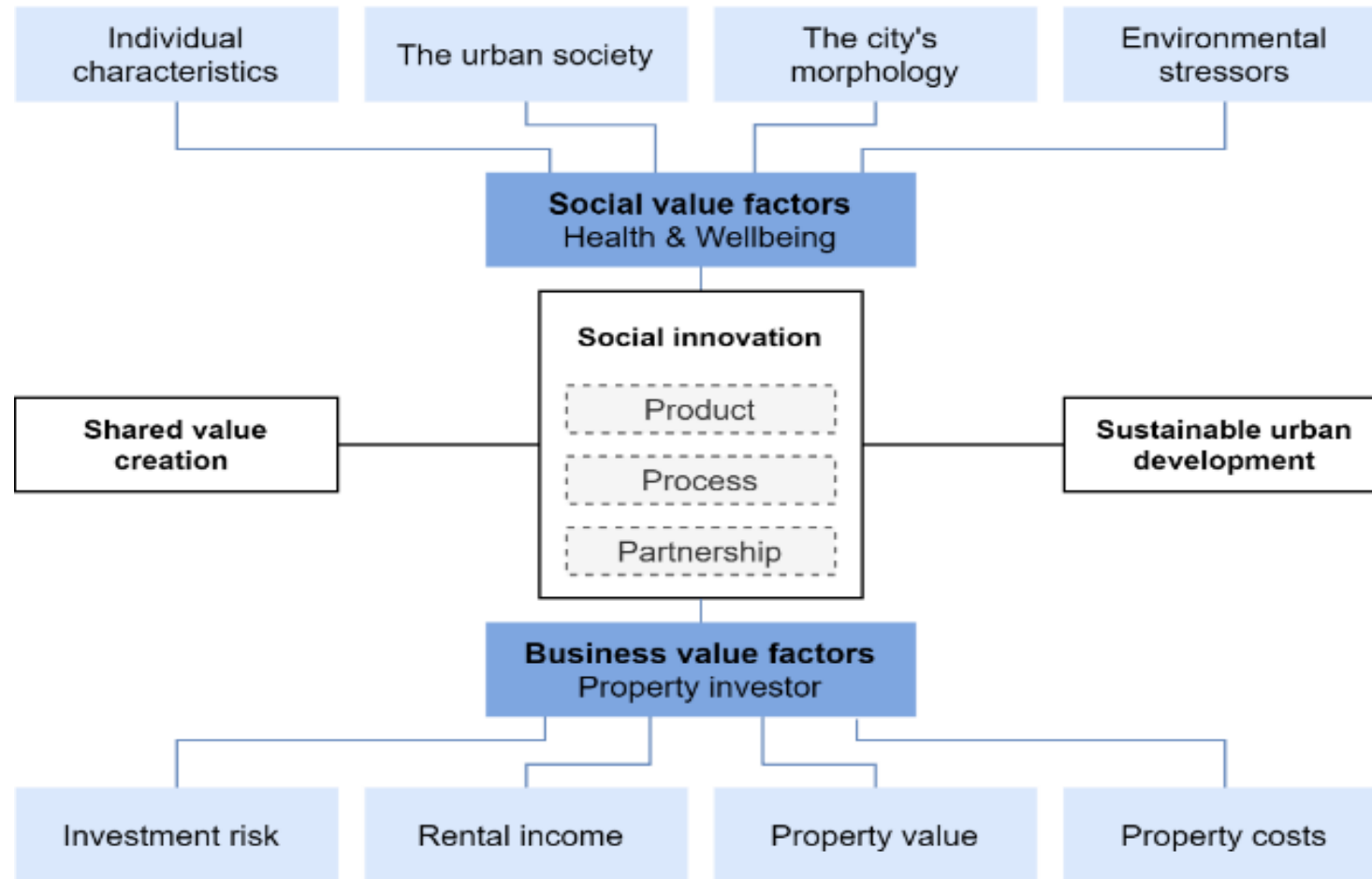


Property investor



- long-term commitment to an area
- Lever for big scale adoption solutions
 - Long-term value creation
- Should be central actor in urban development

Conceptual model



Cases

1.
Blue district
Cartesiusdriehoek
Utrecht



2.
Floriade
Floriadeterrein
Almere



FINDINGS

Urban **product** solutions



Social Interaction: initiatives that focus on community building and stimulating neighborhood interaction. **Examples:** local events, community center.



Shared use concepts: initiatives that focus on sharing. **Examples:** shared bikes and shared cars.



Mixed living: housing concepts that stimulate social interaction and connection between socio-economic groups. **Examples:** Mixed living (place2BU, Majella).



Educational facilities: initiatives that stimulate and bring about knowledge on a certain social topic. **Examples:** CABlab, Food cycle center, cancer pavilion.



Social entrepreneurship & activism: initiatives that stimulate social behavior, examples are. **Examples:** local entrepreneurship, Growing Green medals.

Urban **process** solutions



Social urban design: Interventions in the urban fabric which stimulate social purpose. **Examples:** stimulating movement through design, separating mobility streams.



Shared spaces: interventions in the urban fabric which stimulate shared use. **Examples:** shared public space, shared gardens.



Concept & community management: organizations guarding and urban concepts and enhancing neighborhood activity. **Examples:** Community center, shared facilities, active green spaces.



Neighborhood collectives: organizations formed by inhabitants of the local community to benefit the local community. **Examples:** public space management group, Board of representatives.

Urban partnership solutions



(Inter) national company: collaborations with a large company to set up local initiatives. Examples: food companies, international store chains, enterprises.



Local company/ entrepreneur: collaborations with a large company to set up local initiatives. Examples: local shops, supermarkets, social entrepreneurs.



Supply stakeholder: collaboration with other stakeholders in the real estate supply chain. Examples: contractors, developers, investors.



Neighboring industry: collaboration with another industry. Examples: Food industry, clothing industry, transport industry.



Academia & schools: collaboration with universities, schools, and other educational institutions. Examples: universities, schools, research groups.



Public institution: collaboration with public institutions. Examples: municipalities, NGO's, government.

Example: Shared spaces typology

Shared public space,

Shared gardens,

Urban farming

Design & maintain collective space



SVC urban farming

Social value

Individual characteristics

- **Nutrition:** Healthy food education through farming
- **Mental:** Sense of purpose and feeling of responsibility

The urban society

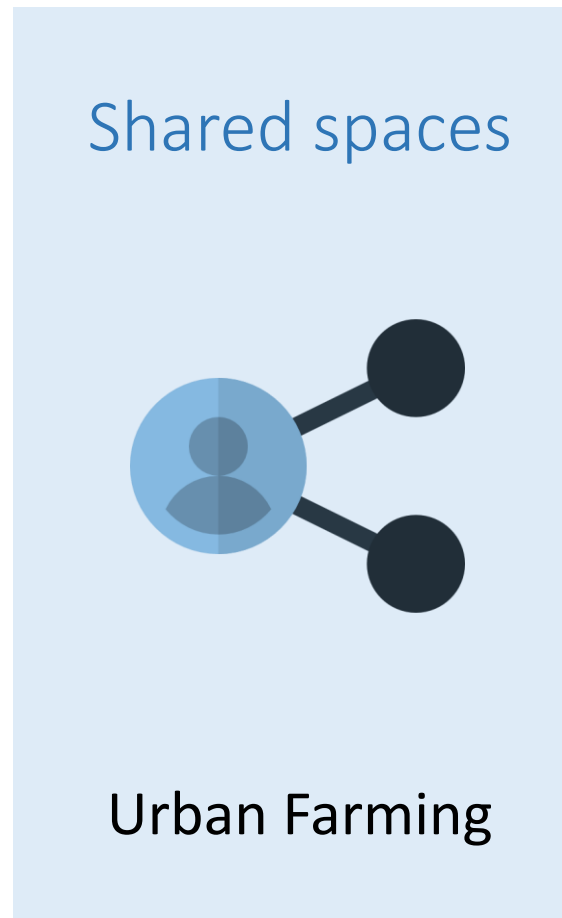
- **Social network:** place to meet and stimulate social interaction

The city's morphology:

- **Public places:** collective garden
- **Green and blue spaces:** biodiversity, additional green space

Environmental stressors:

- **Stressors:** air pollutants, Heat island effect,



Business value

Rent levels

- **Livability:** Safer environment
- **Amenities:** Events, workshops, leisure amenity

Property costs

- **Corrective maintenance:** community responsibility and control, less vandalism
- **Mutation costs:** proudness of the area more involved to its surrounding

Property value

- **Location:** location attraction, additional services
- **Usable space:** additional outdoor space/ garden for residents

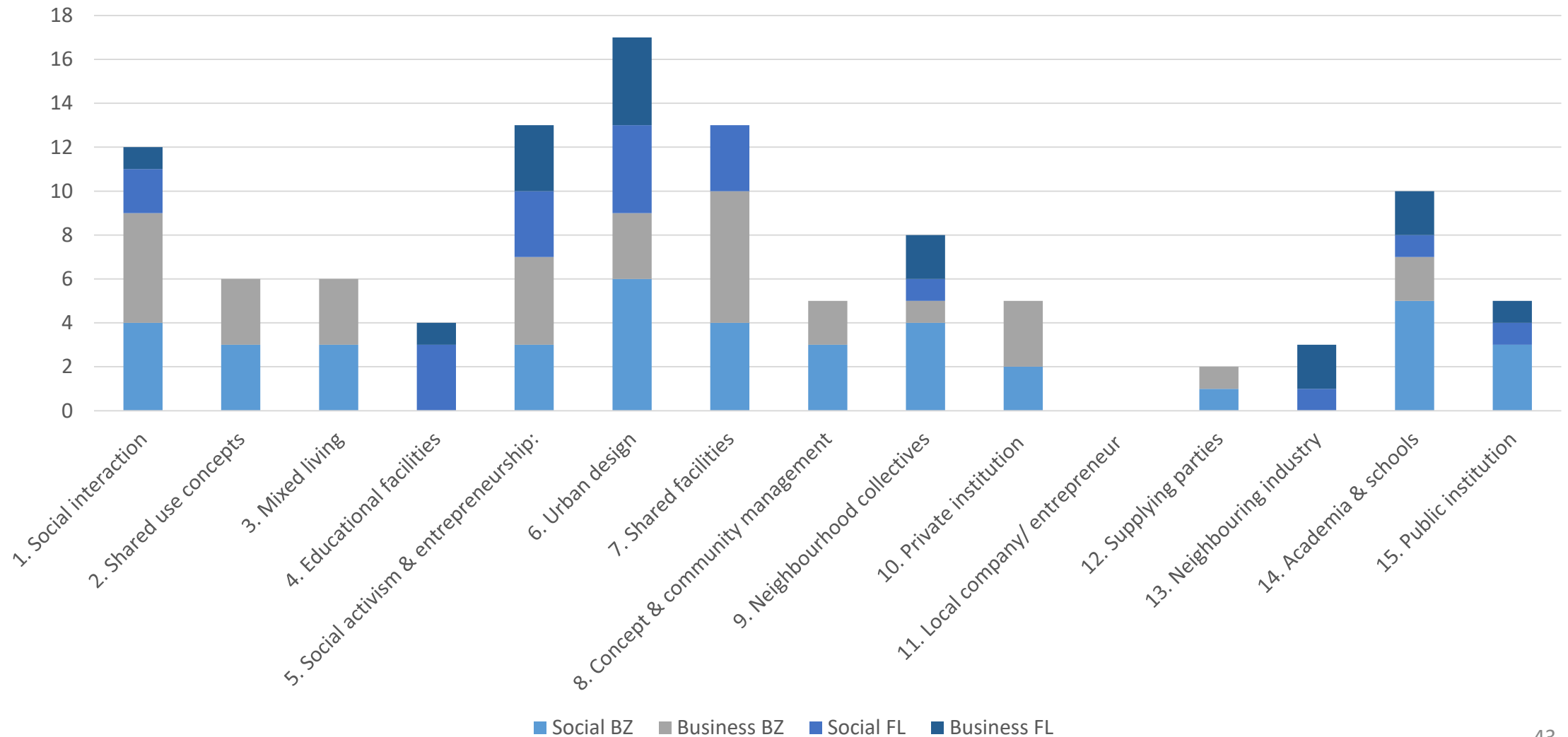
		Social solutions											Business value																	
		Individual characteristics			The urban society			The city's morphology			Environmental stressors		Rent levels		Property costs			Property value			Investment risk									
		Nutrition	Mental physical constitution	Other medical deposition	Mobility lifestyle	Social network	Green and blue spaces	Public spaces	Public & health infrastructure	Environmental stressors	Environmental stressors	Liability:	Amenities	Cost of living:	Corrective maintenance	Mutation costs	Facility management	Location	Usable space	Economic indicators	Structural risk	Development risk:	Geographical risk							
Social value	21	Product											20																	
	6	Red			Red		Red	Red				Red	Red					Red				Red	Red	6						
	3				Red				Red		Red			Red					Red	Red				3						
	3		Red	Red										Red	Red					Red				3						
	3	Red	Red																			Red		1						
	6	Red	Red		Red	Red					Red		Red	Red					Red		Red			7						
	25	Proces											18																	
	10		Blue	Blue			Blue	Blue	Blue		Blue		Blue		Blue	Blue	Blue	Blue	Blue	Blue					7					
	7		Blue	Blue			Blue	Blue	Blue						Blue	Blue	Blue	Blue	Blue						6					
	3		Blue												Blue		Blue								2					
	5			Blue			Blue	Blue					Blue												3					
	14	Partnership											11																	
	2		Green	Green										Green			Green				Green				3					
	0																							Green	0					
	1																						Green		1					
1													Green									Green		2						
6			Green			Green	Green			Green		Green						Green						4						
4			Green			Green				Green		Green						Green						1						
60	19	9	10	0	16	7	9	18	4	6	8	7	7	14	7	3	4	13	6	3	4	18	8	4	6	6	2	2	2	51

Possible value correlation

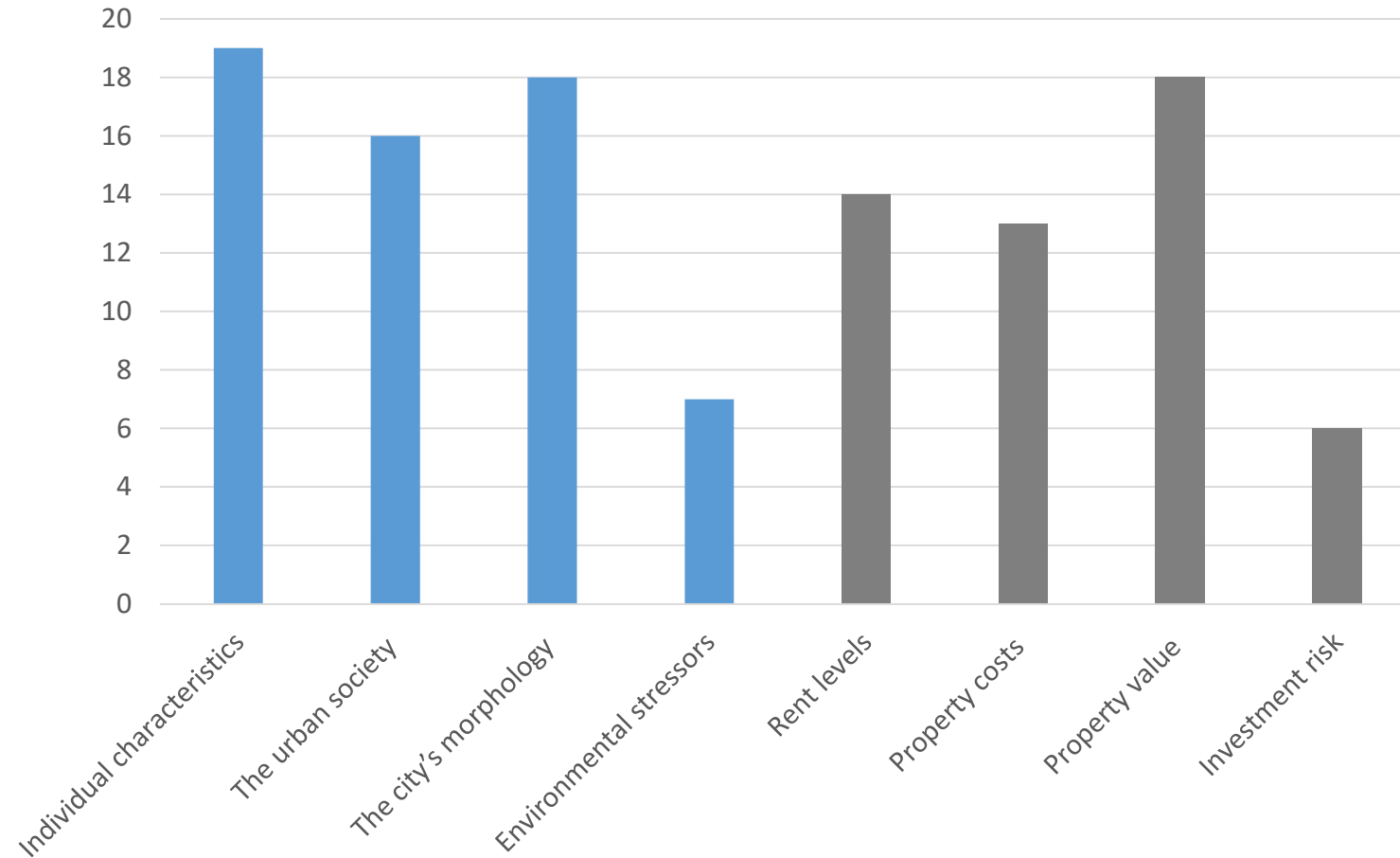
- Product
- Process
- Partnership
- No connection found
- 3 Connections per innovation
- 4 Connections per SVC pillar
- 6 Connections per value theme
- 30 Total social/ business connections

- Mentioned in both cases (product)
- Mentioned in both cases (process)
- Mentioned in both cases

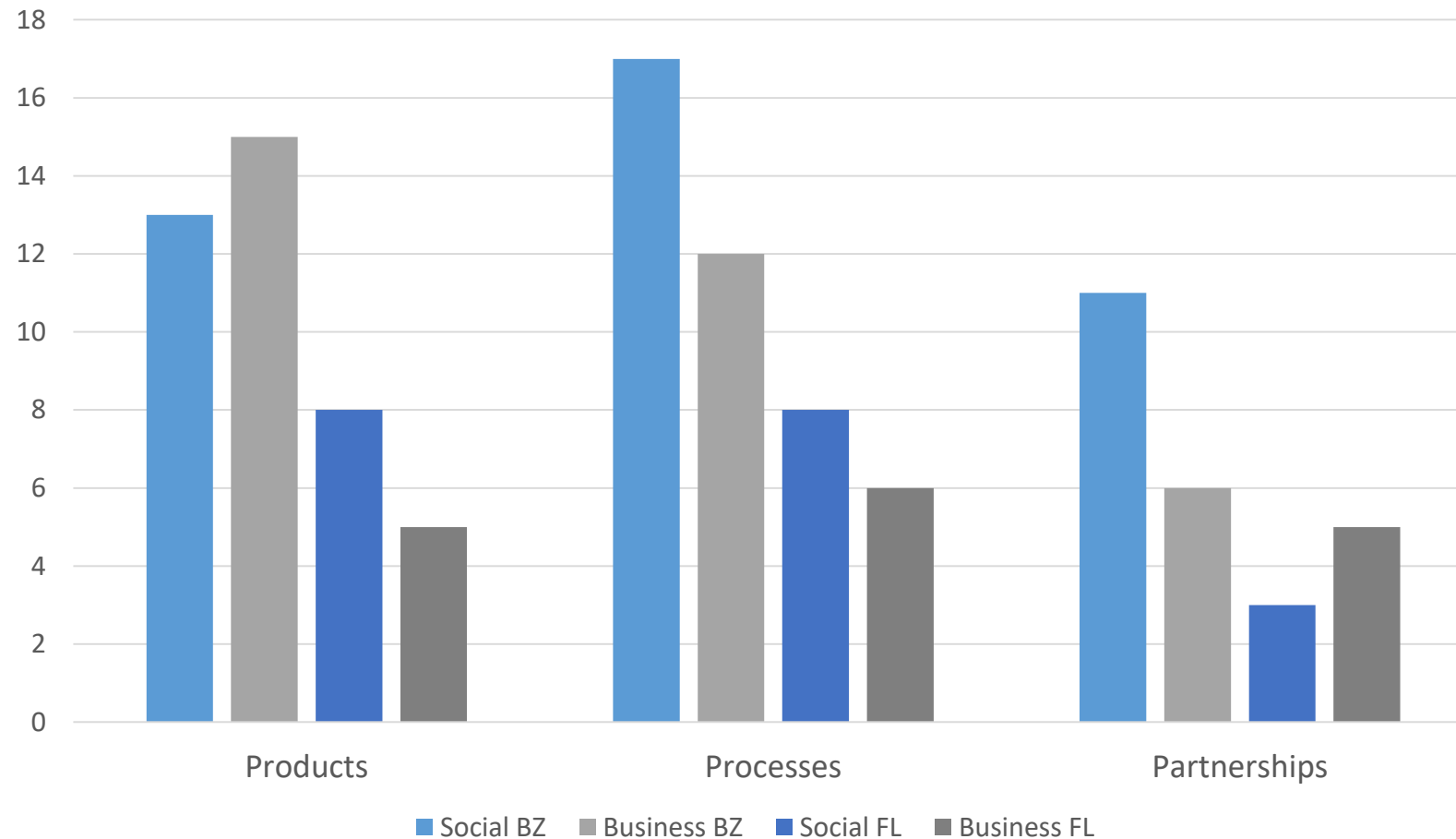
Impact distribution



Impact distribution per value



Impact distribution per pillar



Prioritization solutions

Social solutions	SVC typology	Shared value	Social value	Business value
			(Urban wellbeing)	(Property investor)
1. Social urban design	Process	17*	10	7
2. Social activism & entrepreneurship	Product	13	6	7
3. Shared spaces	Process	13	7	6
4. Social interaction	Product	12	6	6
5. Neighborhood collectives	Process	8	5	3
6. Shared use concepts	Product	6	3	3
7. Mixed living	Product	6	3	3
8. Concept & community management	Process	5	3	2
9. Educational facilities	Product	4	3	1

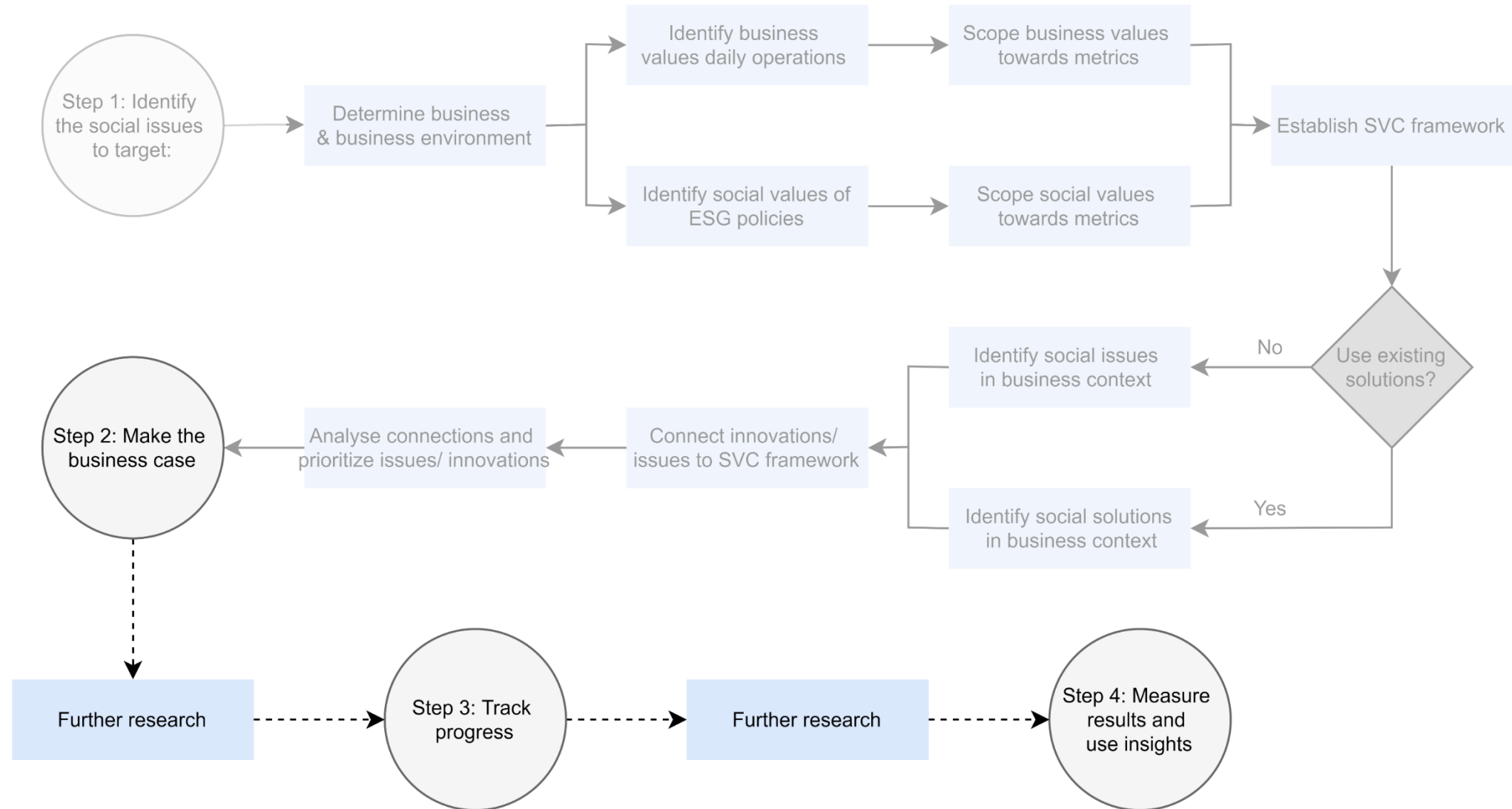
* Number of connections mentioned

Conclusion

Sub-question 1: Define and operationalize SVC



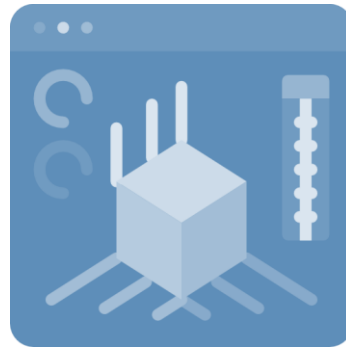
Sub-question 1: Define and operationalize SVC



Sub-question 2: Utilization SVC concept

Possibilities

1. Create insight into the overlap between social and business value.
2. Form a basis for strategic social decision-making and the creation of business case opportunities



SVC Assessment

Limitations

1. The assessment model is currently still a quick scan and need further reflection to be conclusive.
2. This study is the first step of the SVC analysis process. To validate actual business value more research is needed.

Sub-question 2: Utilization SVC concept

Possibilities

1. Establish a mutual value aimed vision, which set the boundaries for the urban development process.
2. Create a flexible institutional environment fit for innovative processes



Urban
Development
Context

Limitations

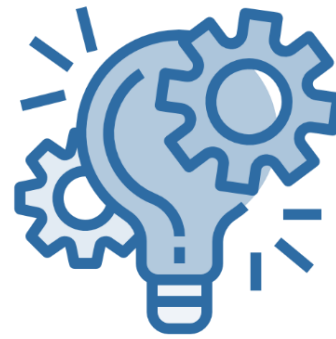
1. SVC in urban development is above all limited by the boundaries of social innovation.
 - Inflexible procedures
 - Strict planning
 - Lack of dialogue

Question 3: Precondition for success SVC

Private



Public



Social urban innovations



Business impact

Social impact

Main conclusion: Contribution to creating sustainable urban areas

The SVC concept 'could' contribute to the creation of sustainable urban areas.

Discussion

Corporate Social
Responsibility

CSR



**Business
opportunity**

Corporate Social
Opportunities

CSO



Shared Value Creation

SVC

(Porter & Kramer, 2011)

The message

- Complexity of the SVC concept burdens adoption
- Focus on the underlying message
- CSO new field for research and practice

Corporate Social Opportunities

'The art of seeking business opportunities in social solutions and problems'

Advise

Recommendations for practice

- Identifying the overlap between social and business performance
- Investor as a central actor
- Multi-phase solutions
- Rethink development procedures

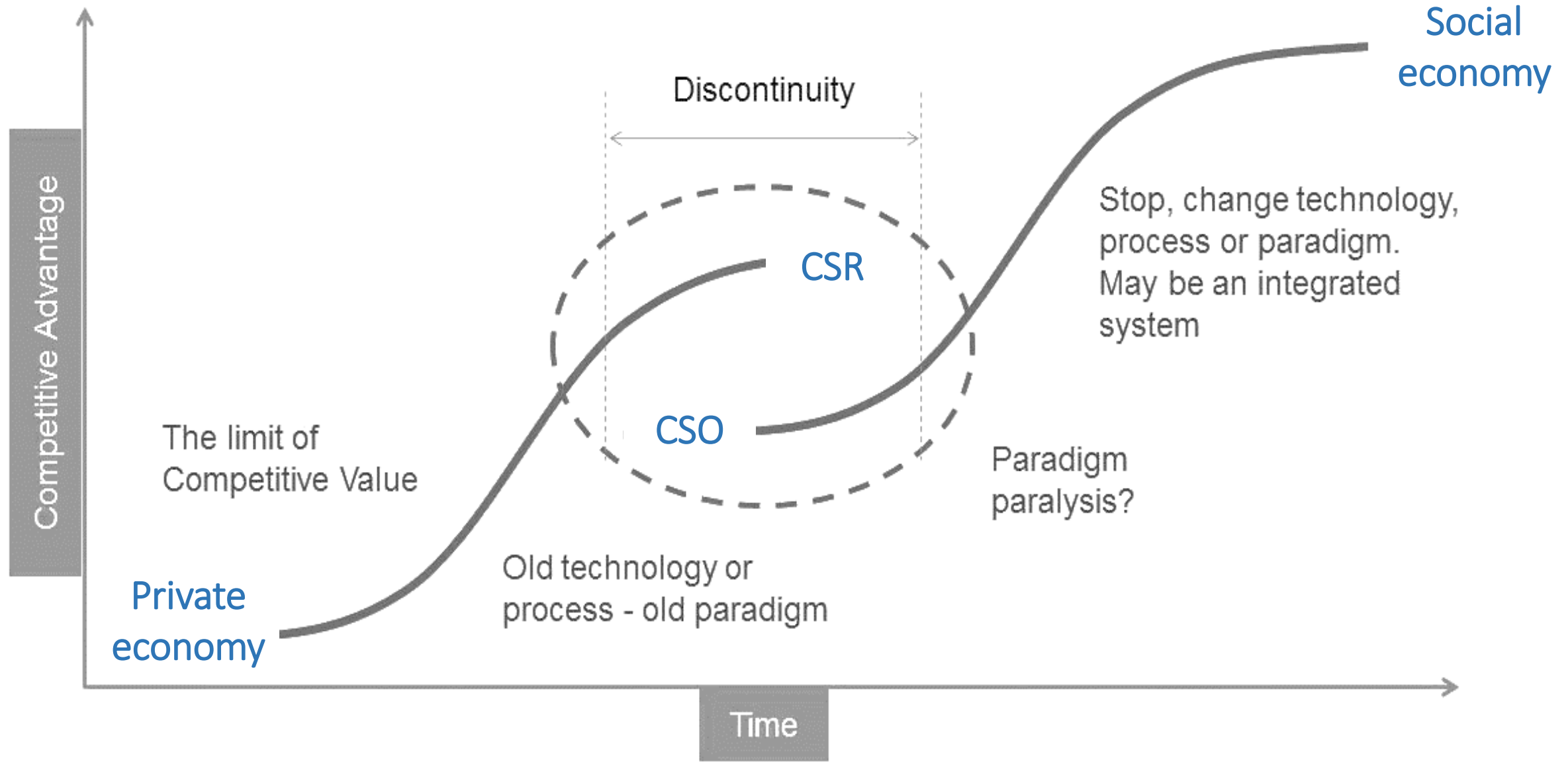
Business
impact



Social
impact

Recommendations for future research

- The rise of social enterprises
- The transition towards a social economy
- Validating SVC connections
- The field of Corporate Social Opportunities



(Pearce, J., 2003)

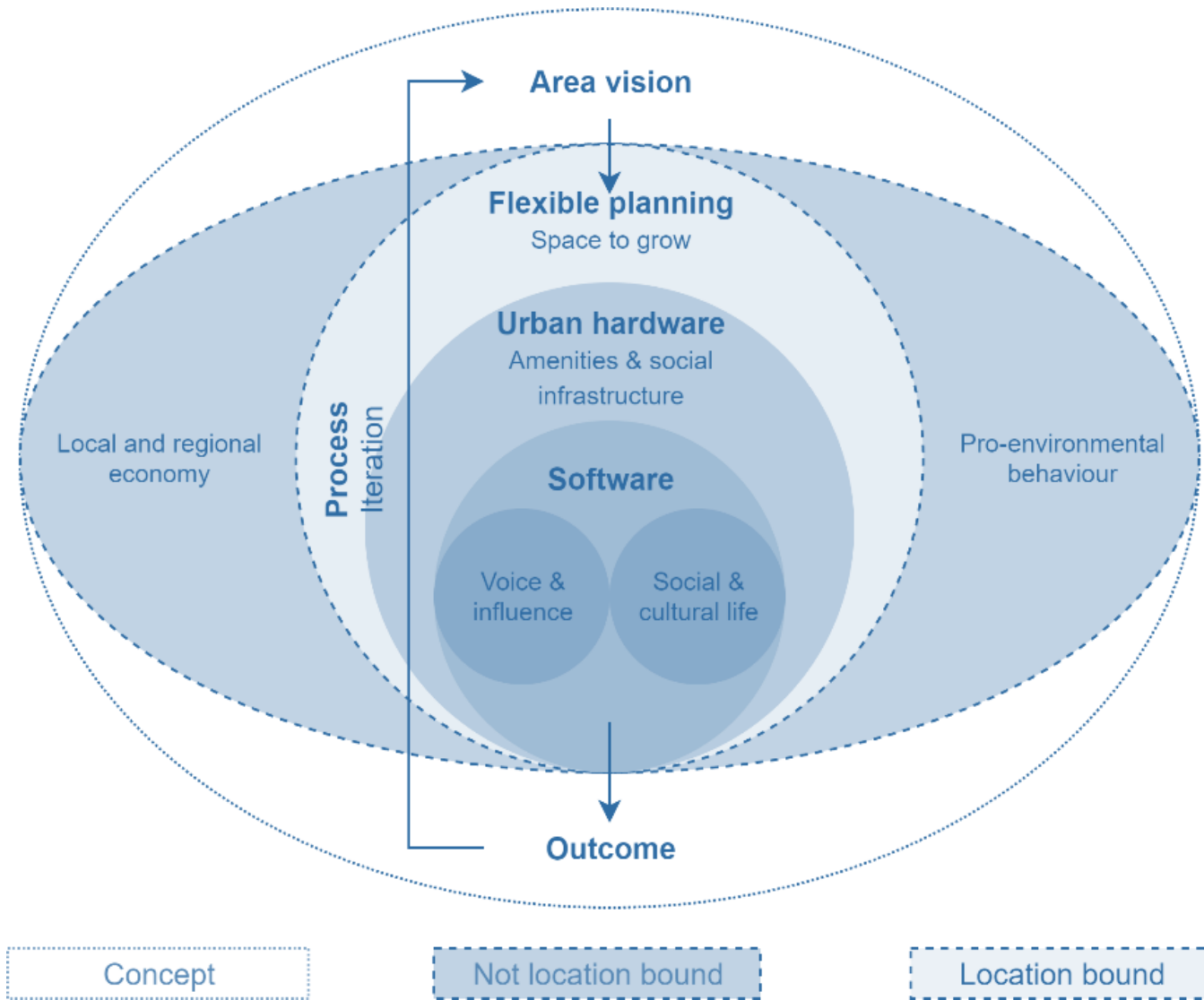
Thanks for listening!

Any questions?



P5 - Ricky van Honschoten - 4636945

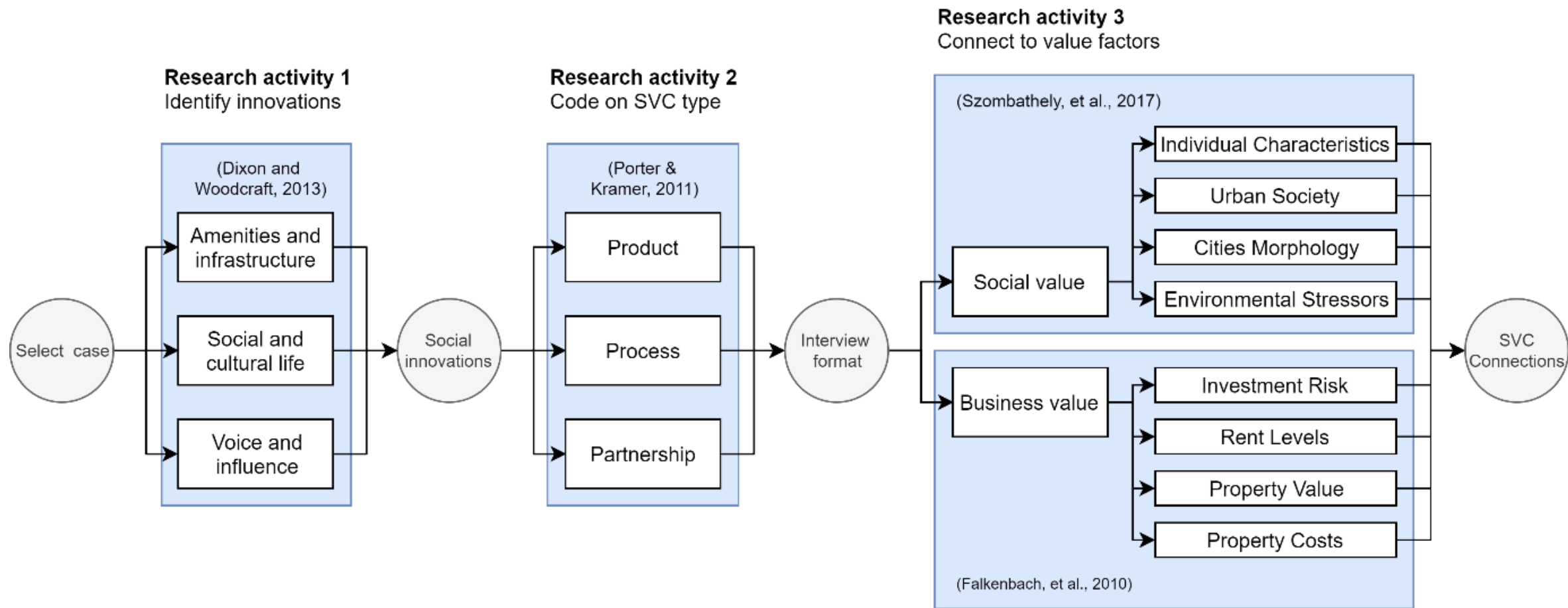
31 January 2020

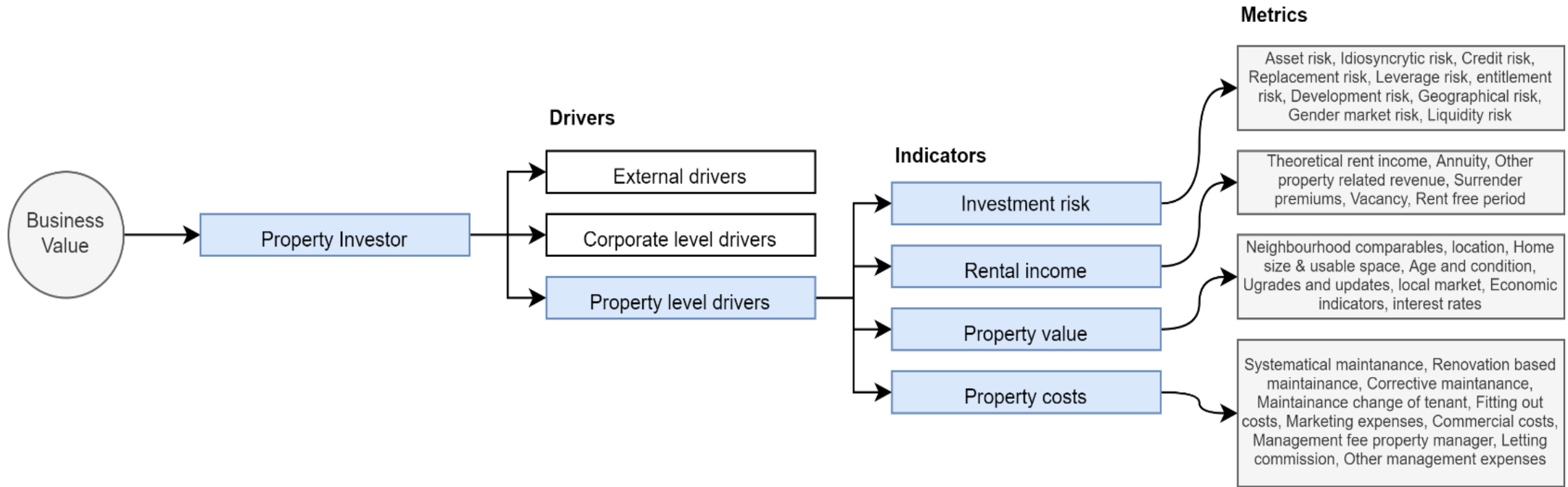


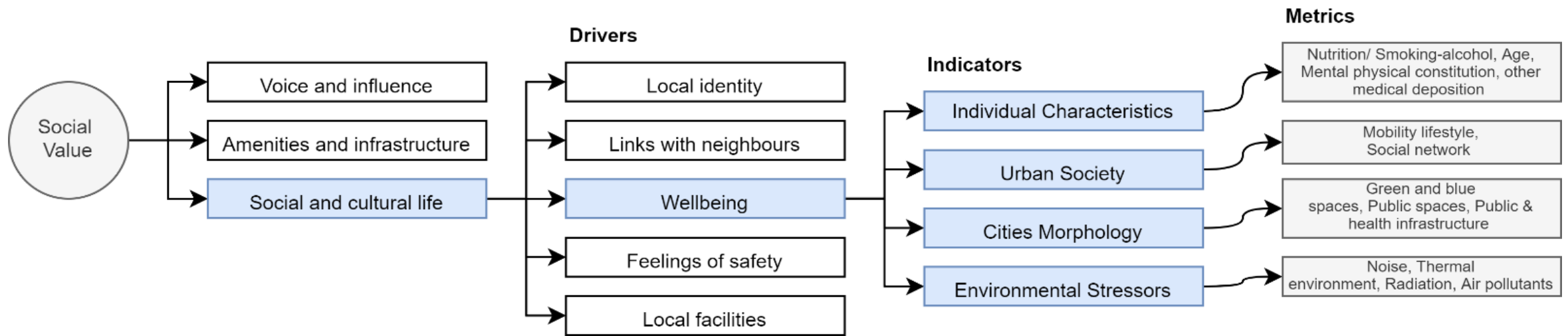
Main question	How can the concept of Shared Value Creation contribute to creating sustainable urban areas?
Scientific objective	Broaden the view on corporate social activities in urban studies
Social objective	Advising urban development practice on the utility of the concept of Shared Value Creation
Sub question 1	How can Shared Value Creation be defined and operationalized within the context of urban development management?
Objective	Create an understanding of the concept of Shared Value Creation and what this concept means within the context of urban development management
Sub question 2	What are the possibilities and limitations of the shared value assessment in urban development management?
Objective	Defining the possibilities and limitation of the conceptualized model of the SVC concept and the urban context
Sub question 3	Which public and private preconditions are needed to successfully implement SVC into the urban development context
Objective	Defining the conditions needed for both public and private institutions in urban development concerning the shared value concept

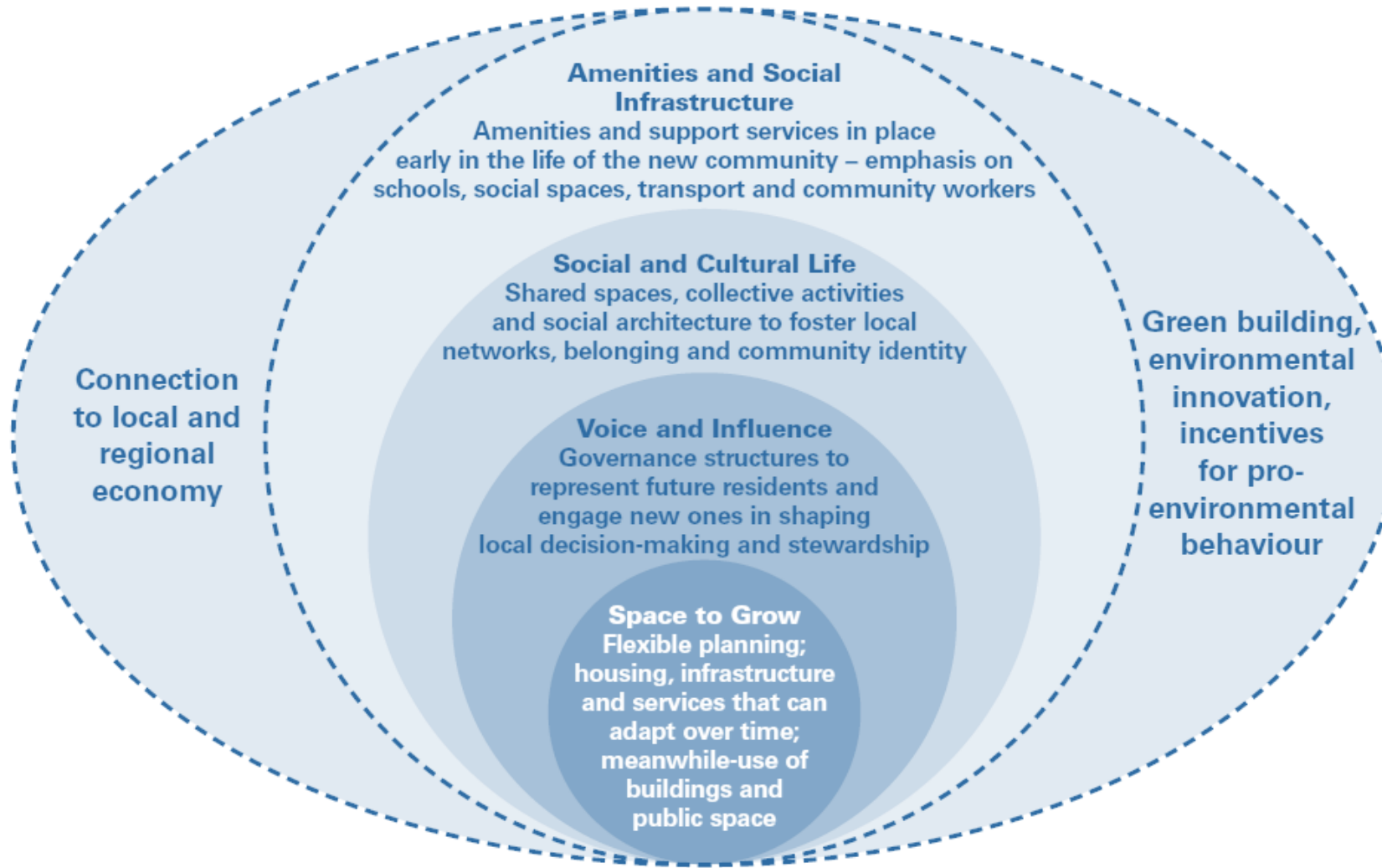
□

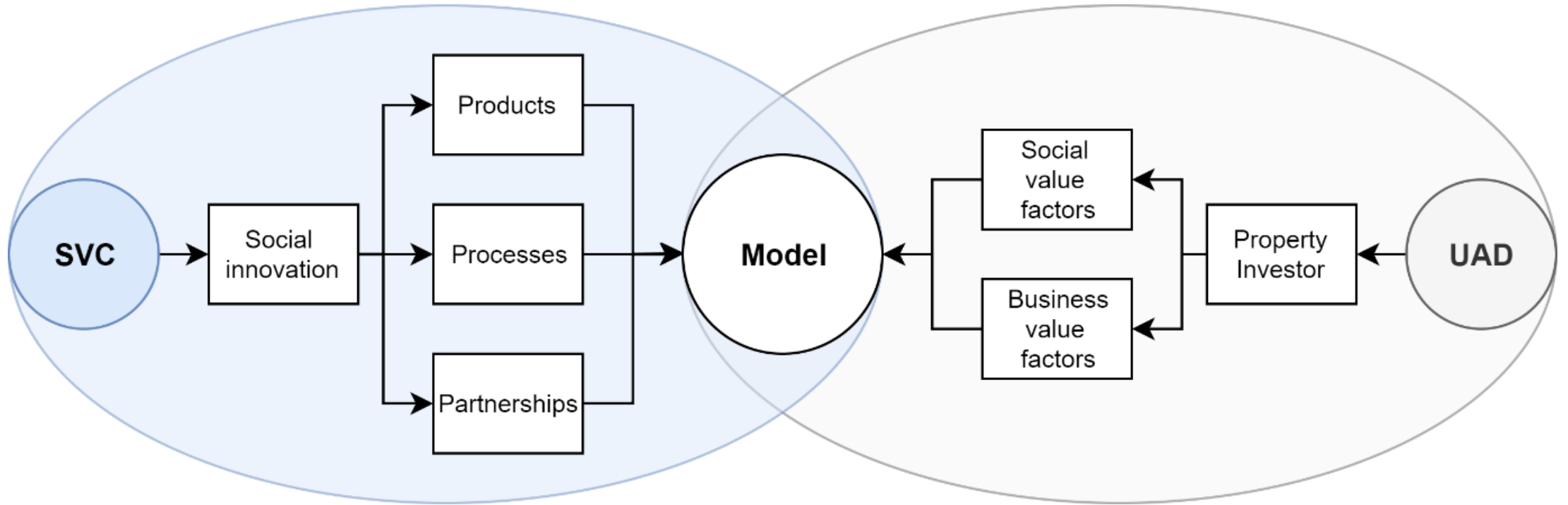
TABLE 1: RESEARCH QUESTIONS AND RELATED OBJECTIVES











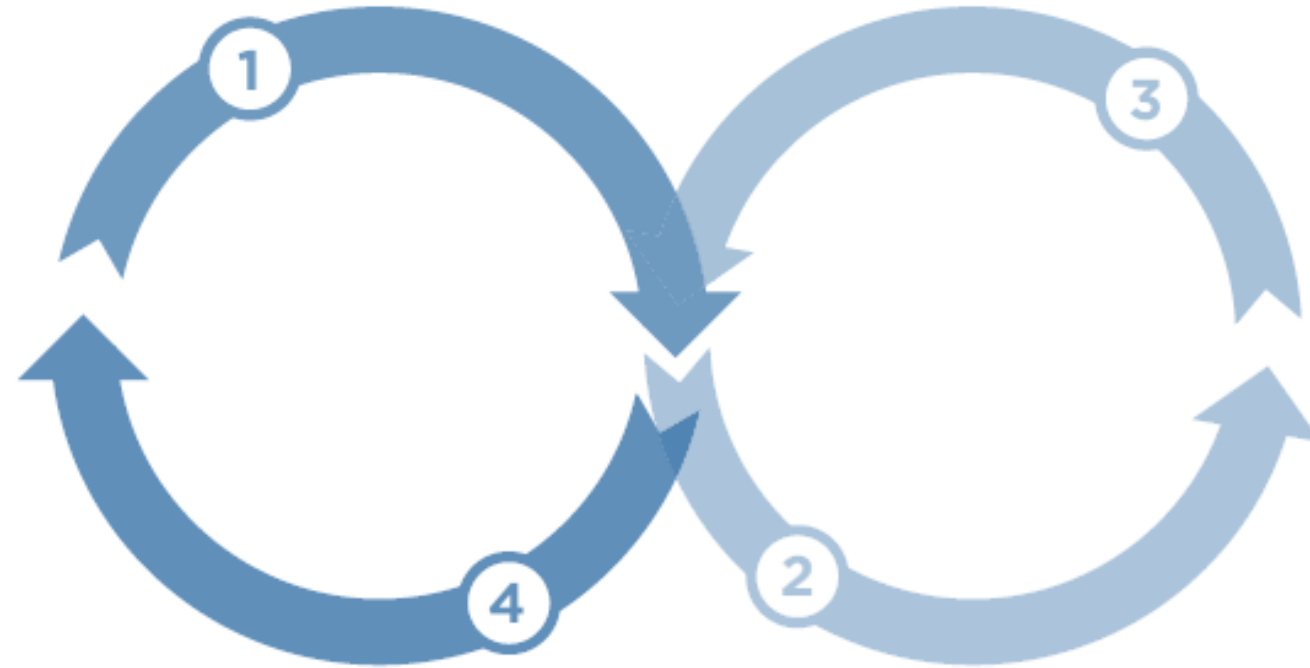
Strategy



Measurement



Identify the social issues
to target



Track progress

Measure results and use
insights to unlock new value

Make the business case

