



# INNOVATIONS IN SOCIAL BUSINESS 2021 ANNUAL REPORT

BAUMHART CENTER FOR SOCIAL ENTERPRISE AND RESPONSIBILITY  
LOYOLA UNIVERSITY CHICAGO

# WELCOME TO THE FUTURE OF BUSINESS

Our 2021 Innovations in Social Business report shares best practices from three innovative companies that are leaders in harnessing the positive power of business to build a more just, humane, and sustainable world.

This report has been developed as a companion to the Innovator Awards, the global award series that aims to set the standard for what it looks like to do well and do good, together. The Innovator Awards, hosted by Loyola's Baumhart Center, annually recognizes three companies that are at the forefront of integrating business strategy and social purpose.

Each award recognizes a company for being a leader in a specific effort: the Social Impact Award for addressing an urgent social issue, the Environmental Stewardship Award for weaving sustainability throughout the business model, and the Parkinson Award for taking a holistic approach to marrying purpose and profit.

This report examines the three 2021 awardees—Honeywell, sweetgreen, and Cleveland Avenue—in their journeys to leverage the power of business for good.



*“The Innovator Awards are a global interdisciplinary awards series that recognizes the people and organizations at the forefront of social innovation in business.”*

**JO ANN ROONEY**

President, Loyola University Chicago



# THE RISE OF PURPOSE IN BUSINESS

## 86%

agree CEOs must lead on societal issues.

Source: Edelman Trust Barometer 2021

## 2 in 3

employees expect their employers to “join them in taking action on societal issues.”

Source: Cydney Roach, “Trust and the New Employee Contract,” Edelman, May 2, 2019.

## 47%

of people now frequently invest in sustainable investment funds. (Up from 42% in 2018.)

Source: Schroders, “Global investor study 2020”

# ANNOUNCING THE INNOVATOR AWARDS

**Nominees for the 2021 awards** were invited from a group of more than 75 executives and academics who serve on one of the Baumhart Center's advisory committees. Nominated companies were then evaluated by a twelve-person judging committee on four criteria:

## THE CRITERIA

**QUALITY OF INNOVATION** Does the company's approach represent a truly new way of integrating business strategy and social purpose?

**DEPTH OF IMPACT** Has the company's approach led to deep and measurable impact?

**SCALABILITY OF INNOVATION** Does the innovation provide valuable best practices for other companies who seek to lead business for good?

**COMMITMENT OF LEADERSHIP** Does the company's leadership show a deep and authentic commitment to harnessing the positive power of business?

## THE JUDGES

*"Throughout my career, I've had the privilege of leading a global enterprise and worked with some of the nation's most promising entrepreneurs. Across these experiences, I have been struck by the power of purpose to motivate higher performance in business. The Innovator Awards shine an important light on this connection between purpose and profit, and I hope they inspire more businesses to do well and do good, together."* **GREG WASSON · JUDGE**



**1 • EMILY BARMAN**  
Vice Provost and Dean, Loyola University Chicago

**2 • JASON FEIFER**  
Editor-in-Chief, Entrepreneur Magazine

**3 • CONNIE LINDSEY**  
EVP and Head of CSR and Global DEI, Northern Trust

**4 • ROBERT PARKINSON**  
Partner, Vistria Group

**5 • SUNIL SANGHVI**  
Senior Advisor and Senior Partner Emeritus, McKinsey & Co.

**6 • SONAL SHAH**  
Founding Executive Director, Beek Center of Georgetown University

**7 • JULIA STASCH**  
Immediate Past President, MacArthur Foundation

**8 • KEVIN STEVENS**  
Dean, Quinlan School of Business, Loyola University Chicago

**9 • NANCY TUCHMAN**  
Dean, School of Environmental Sustainability, Loyola University Chicago

**10 • KEVIN WASHINGTON**  
President and CEO, YMCA of the USA

**11 • GREG WASSON**  
President, Wasson Enterprise, and Former CEO, Walgreens

**RICHARD ROBB**  
Manager, CVF, LLC  
(Not pictured)

# OUR 2021 AWARDEES

## PARKINSON AWARD FOR PURPOSE AND PROFIT

Given annually to the initiative that best embodies a holistic approach to marrying purpose and profit.

### RECIPIENT



## ENVIRONMENTAL STEWARDSHIP AWARD

Given annually to the company that best embodies business leadership for a sustainable world.

### RECIPIENT



## SOCIAL IMPACT AWARD

Given annually to the company that best addresses an urgent social issue through its business model.

### RECIPIENT



# IN MEMORIAM

The Parkinson Award for Purpose and Profit is named for Robert (Bob) L. Parkinson, Jr., an extraordinary individual who believed in the positive power of business. Bob served as Chairman and CEO of Baxter from 2004 to 2015. During his tenure, Baxter enhanced its status as a leader in corporate social responsibility and environmental stewardship, earning recognition in the Dow Jones Sustainability Index and the Global 100. Baxter simultaneously generated shareholder returns that significantly outperformed benchmark indices.

Prior to Baxter, Bob was Dean of Loyola's School of Business, where he championed the importance of ethics in business education. Bob also had a distinguished 25-year career at Abbott Laboratories, culminating in the role of President and COO. At Baxter and Abbott, Bob passionately applied his business acumen to improve human health.

A double Loyola alumnus (BA '73, MBA '75), Bob served as Chairman of Loyola's Board of Trustees from 2013 to 2019, leaving a legacy that will continue to energize the university's Jesuit mission for generations to come.



# PARKINSON AWARD FOR PURPOSE AND PROFIT

## sweetgreen

sweetgreen is a fast-casual salad chain committed to supporting small and mid-size growers who farm sustainably; being transparent around what is in consumer's food and making healthy food more accessible.

- **~4,000** EMPLOYEES
- COMMITTED TO BEING **CARBON NEUTRAL** BY THE END OF 2027



**JONATHAN NEMAN**  
Co-Founder and CEO

*“At sweetgreen, we believe that there is no such thing as a successful business and an unsuccessful community.”*

## WHY SWEETGREEN IS OUR AWARDEE

### QUALITY OF INNOVATION

sweetgreen embodies a holistic approach to marrying profit and purpose through multiple social and environmental practices. sweetgreen creates innovation for the environment by continuously improving its “no landfill” practices through plastic-free packaging and composting. Additionally, the company’s innovations in the fast-food sector offer consumers a healthier eating option. For its employees, sweetgreen’s innovative policies include providing five months of paid parental leave to all employees, as well as an emergency-cash fund for line workers. During the COVID-19 pandemic, sweetgreen committed to expanding healthy food access to front-line workers through its partnership with World Central Kitchen.

### DEPTH OF IMPACT

sweetgreen is deeply impacting its employees through its innovative human resources practices. Meanwhile, sweetgreen diverts 60% of waste from landfills and composts 75% of food scraps.

### SCALABILITY OF INNOVATION

sweetgreen is an innovator in an industry that saw revenues of over \$273 billion in the U.S. in 2019. sweetgreen’s innovations in human resources and its environmental practices have the potential to be disruptive and to drive the entire industry upward, especially at a time where the service labor market is tightening. With more than 60 million tons (or \$160 billion worth) of fruits and vegetables going to landfills in the United States every year, sweetgreen’s innovative practices for composting can also be utilized to dramatically reduce landfill waste.

### COMMITMENT OF LEADERSHIP

sweetgreen’s three founders, Jonathan Neman, Nicolas Jammet and Nathaniel Ru, are passionate about having a positive impact through their business and about “leaving people better than they found them”, as sweetgreen’s mantra states. This philosophy is applied throughout the company’s value chain, with its customers, employees, and communities. sweetgreen is a brand structured around social impact with the founders believing that “higher purpose makes a more successful business.”

# ENVIRONMENTAL STEWARDSHIP AWARD

## Honeywell

Honeywell is a Fortune 100 company that invents and manufactures technologies to address tough challenges linked to global macro trends such as safety, security, and energy.

- **\$32.6 BILLION** REVENUE
- **103,000** EMPLOYEES
- COMMITMENT TO **REDUCING 200 MILLION METRIC TONS OF CO2** FROM THE ATMOSPHERE



**SHANE TEDJARATI**  
President and CEO,  
High Growth Regions

*“Honeywell uses technology to make human life better, safer, more secure, and more environmentally sustainable.”*

## WHY HONEYWELL IS OUR AWARDEE

### QUALITY OF INNOVATION

The company focuses half of its new product research and development on solutions that improve energy, the environment, and social outcomes. This includes groundbreaking efforts to harness AI to measure sustainability initiatives and to increase the productivity and efficiency of energy grids.

### DEPTH OF IMPACT

In the last two decades, Honeywell has reduced its greenhouse gas intensity by more than 90% and completed more than 5,700 greenhouse gas and energy efficiency projects. Its Forge Energy Optimization, which focuses on decreasing energy consumption, has also helped building owners achieve double-digit energy savings and decrease buildings carbon footprints. Honeywell's innovations in water efficiency, meanwhile, have helped save 128 million gallons of water in water-stressed regions since 2013.

### SCALABILITY OF INNOVATION

Through Honeywell's innovations, the greenhouse emissions of buildings have been dramatically reduced — which account for the largest single source of emissions today. By being a global organization, Honeywell is empowering other large companies around the world to innovate locally, as well to create innovation that help thousands of clients be better environmental stewards.

### COMMITMENT OF LEADERSHIP

As President of Honeywell's Global High Growth Regions, Shane Tedjarati has extensive global experience in carrying out sustainable growth strategies. Through Tedjarati's commitment towards community building and technology development, Honeywell continues to drive sustainable, responsible, and humanitarian growth in emerging countries across Asia, Africa, Middle East, and Latin America.

# SOCIAL IMPACT AWARD

## Cleveland Avenue & Cleveland Avenue Foundation for Education

Cleveland Avenue is a venture capital fund established in 2017 which supports and strategically invests in innovative restaurant, food, and beverage concepts. Cleveland Avenue supports entrepreneurs in the industry by providing financial resources, expertise, and individual growth support.

- **40** EMPLOYEES
- **PRIVATELY OWNED**



*“When you invest in educating a young person, you are contributing to society for the next several decades.”*

**LIZ THOMPSON**  
President, CAFE and Co-founder, Cleveland Avenue



*“Our relationships try to bring communities together for mutual success in a world where large and small companies can coexist.”*

**DON THOMPSON**  
CEO and Co-founder, Cleveland Avenue

## WHY CLEVELAND AVENUE IS OUR AWARDEE

### QUALITY OF INNOVATION

Cleveland Avenue focuses on creating viable long-term businesses that will benefit their investors, entrepreneurs, and communities where the businesses operate. The firm has supported several food and beverage ventures including Chicago-based Farmer’s Fridge, Food Boss, and Bartesian. In association with the Illinois State Treasurer, Cleveland Avenue has developed a fund to invest in startups and small businesses in typically disinvested communities. Cleveland aims to generate wealth and employment inclusively, and to address the systemic barriers facing the Black, Latinx, and women-owned entrepreneurs on the South and West sides of Chicago.

### DEPTH OF IMPACT

Even if it is just the beginning, Cleveland Avenue has a long and promising road ahead. It currently holds an important investment in Beyond Meat. Such investment is fuel for the growth in alternatives meats, which also implies a significant environmental benefit. With its association with the Cleveland Avenue Foundation for Education (CAFE), Cleveland Avenue extends its impact to support other social causes. The CAFE recently launched the 1954 Project, a \$100 million philanthropic initiative to support Black leaders in education by providing them with access to capital and resources necessary to create long-term impact.

### SCALABILITY OF INNOVATION

With the foodservice industry valued at nearly \$1 trillion in the U.S., the innovations Cleveland Avenue is leading by investing in new entrepreneurs and technologies has the potential to help diversify and transform a large and growing sector of the economy.

### COMMITMENT OF LEADERSHIP

Cleveland Avenue is named after the street where founder and former McDonald’s CEO, Don Thompson and his wife, Liz Thompson, grew up in Chicago’s Cabrini-Green community. Their experiences growing up have shaped their deep care for creating stable businesses and strong communities. Don brings an important restaurant and engineering experience, as well as his passion for innovation, tech in service, and startups. Liz is committed to making an impact in the education space and is a leader in the non-profit community. The Cleveland Avenue team reflects its values with a diverse team leading impact and strategies forward.



## BAUMHART CENTER FOR SOCIAL ENTERPRISE AND RESPONSIBILITY

A PROUD MEMBER OF THE LOYOLA BUSINESS LEADERSHIP HUB

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*“I honestly believe that business can change the world and that maybe business is the only catalyst that can — because business touches all of our lives.”*

**PAUL FISHER**

BAUMHART CENTER BOARD MEMBER