

Research Workshop on Sustainability & Impact Challenges at the Base of the Pyramid

What do we know after 15 years? Entrepreneurial challenges and societal changes

Organized by

Ecole Polytechnique, Chairs FDIR, EDF Sustainable Development, and Business Sustainability Initiative, Research Project at Europlace Institute of Finance
ESSEC Business School, Institut de l'Innovation et l'entrepreneuriat Social
HEC Paris, Social Business / Enterprise and Poverty Chair

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MACIF, 17-21 Place Etienne Pernet – Paris XV

Presentation

In 1998, C. K. Prahalad released "The Fortune at the Bottom of the Pyramid". Ever since, academics and business have developed this approach. Protocols were created, academic proposals were criticized, and numerous projects were launched, few reaching full success. However, for many reasons, BoP ventures seem to be relevant field for Companies experiments and learning for poverty alleviation and towards a sustainable economy. 15 years later, this workshop will concentrate on two issues:

- What are the entrepreneurial challenges multinationals must take into account to develop BoP strategies?
- How Multinationals involved in BoP strategies are experimenting broader societal changes?

A keynote presentation will be given by Erik Simanis (Cornell University), one of the authors of the BOP Protocol™. It will be followed by presentations of worldwide academics and contributions of each of the inviting institutions for which practitioners from multinationals will provide their insights.

The organizers would like to thank the Group MACIF for its support in the organization of this workshop.

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Organizing committee

Jean-Pierre Ponssard (Ecole Polytechnique)
Thierry Sibieude (ESSEC Business School)
Frédéric Dalsace (HEC Paris)

Program

9:00 – 9:30	Registration
9:30 – 9:45	Introduction <ul style="list-style-type: none"> • Jean-Pierre Ponssard, (Ecole Polytechnique) • Emmanuel Soulias (Group MACIF)
9:45 – 10:30	Keynote by Erik Simanis (Cornell University) <i>Followed by Q&A</i>
10:30 – 13:00	Session 1: Entrepreneurial challenges of BoP practices <ul style="list-style-type: none"> • Moderator: Frédéric Dalsace (HEC Paris) • <i>Building Inclusive Markets in Rural Bangladesh: How intermediaries work institutional voids</i> by Ignasi Marti Lanuza (EM Lyon Business School) • <i>A Strategic Framework of the Firm's engagement with the BOP</i> by François Perrot (Lafarge & Ecole Polytechnique) <i>Coffee Break</i> <ul style="list-style-type: none"> • <i>Innovation for Inclusive Business: Intrapreneurial Bricolage in Multinational Corporations</i> by Sara Lindeman (Hanken School of Economics) • <i>Exploring the Link between Products and Services in Low Income Markets – Evidence from Solar Home Systems</i> by Christian Friebe (EBS University for Business and Law and Sustainable Business Institute) <ul style="list-style-type: none"> • Discussants: Gilles Vermot Desroches (Schneider Electric), Jean-Claude Houssou (EDF) <i>Followed by Q&A</i> <ul style="list-style-type: none"> • Mid-time reactions by Erik Simanis
13:00 – 14:30	Lunch
14:30 – 16:30	Session 2: BoP practices – experiments of societal change? <ul style="list-style-type: none"> • Moderator: Thierry Sibieude (ESSEC) • <i>Bridging the institutional divide: Partnerships in subsistence markets</i> by Miguel Rivera Santos (EM Lyon Business School & Babson College) • <i>Leveraging BoP Markets for Strategic renewal: a longitudinal study of Danone</i> by Bénédicte Faivre Tavignot (HEC Paris) • <i>The making of a BoP market: stakeholders value creation and social construction of a sustainable business</i> by Rodolphe Vidal (ESSEC and REEDS UVSQ) <ul style="list-style-type: none"> • Discussants: Eric Lesueur (Veolia Environnement), François Colombar (Danone), (Group Macif) <i>Followed by Q&A</i>
16 :30 – 16 :45	Conclusion by Erik Simanis <i>Followed by Q&A</i>

Speakers

François Colombar got into Danone Dairy division in 1985, after agronomic and dairy food industry studies. After 10 years on industrial and quality missions, both on the field and in headquarters, he joined the Danone dairy R&D in 1994 to take responsibility of Dairy Desserts Development for France before managing the whole R&D for France during 7 years. In 2007, he asked for creating a new metier, that he named Food Design. This metier consists in designing, with a very small, agile and creative team, Danone new foods "not for tomorrow but for the day after tomorrow". He has been extensively working in Europe, Asia, Africa, as well as for top or base of the Pyramid population projects. Objective have consisted in integrating , as much as possible best nutrition for best cost, social and nature aspects within a high respect of local food habits and taste. He is now trying to work on the way a better agronomy could serve these smarter foods.

Frédéric Dalsace is Associate Professor of Marketing at HEC Paris and the holder of the Social Business Chair. A HEC graduate, he also holds an MBA with honors from the Harvard Business School and both an M.Sc. and a Ph.D. in Management from INSEAD. Most of his research concentrates on inter-organizational issues such as outsourcing, product development, and buyer-seller relationships, but Frédéric is also working on non-traditional branding strategies. He has published in academic journals such as the *Strategic Management Journal*, *Harvard Business Review* and *Business Horizons*, *Journal of Social Business*, or *Revue Française de Gestion*.

Bénédicte Faivre Tavignot is the Executive Director of the HEC Chair "Social Business / Enterprise and Poverty", and Academic Director of the HEC Paris Master of Science in Sustainable Development, which she co-created in 2003. She is in charge of developing and implementing sustainability in learning and research within HEC Paris. Her research focus is on reverse innovation; she's studying the processes through which social businesses and Base of the Pyramid business models can be a lever for innovation and strategic renewal. She will receive her PhD in Management Sciences at the end of 2012. Prior to her present responsibilities, she worked 15 years in consulting and training, in Eurequip Consulting Group, and in Philips as controller. She graduated from HEC in 1988.

Christian Friebe is a PhD student at the EBS University for Business and Law, Strascheg Institute of Innovation and Entrepreneurship, in Wiesbaden, Germany. He is conducting his studies as part of the public funded research project "Climate Change Financial Markets and Innovation" lead by the Sustainable Business Institute (SBI). His main research focus is the public private interaction for the diffusion of renewable energy technologies in emerging and developing countries.

Prior to his PhD studies, Christian worked for one year in the field of renewable energy policies with a regional focus on Arab countries. Work assignments include for example the Renewable Energy Division at the International Energy Agency (IEA) in Paris and RCREEE, an independent regional think tank based in Cairo that is dedicated to the promotion of renewable energies in North Africa and the Middle East.

Christian holds a degree in mechanical engineering (German diploma) from the University of Siegen, Germany, as well as a Masters degree in European Business from the University ESCP Europe. The latter studies allowed him to study business not only in Paris but also in New Delhi.

Jean-Claude Houssou is Access to Energy Group Manager in the Africa and Access to Energy Department of International Development of EDF (Electricité de France). He joined EDF in 1991 where he worked successively in 4 different power plants as Trainer, Deputy Operations Manager, Instrumentation & control Manager and Plant Manager.

He recently joined the International Direction as Manager of the Access to Energy Group. Prior to his present responsibilities, Jean-Claude Houssou managed the Nuclear Safety Management Branch from 2005 to 2008 and then was Operations Director in French West Indies from 2008 to 2012.

Eric Lesueur graduated from Ecole Polytechnique, started his career in engineering and industrial chemistry. He joined Veolia Environnement in 1993, as Director of the consultancy in charge of the management of municipal waste. After having held various responsibilities within the company, he was appointed Deputy Director of R&D and the Group's Environmental Director. In 2006, he joined the General Management of Veolia Water where he developed new activities in the field of social business and sustainable cities. Strongly involved in sustainable solutions for Veolia, he is Director for the Grameen Veolia Water project which aims at social business solutions in Bangladesh with Pr. Mohamad Yunus. Eric Lesueur reports directly to Veolia Environnement executive committee

Sara Lindeman is a researcher at the Center for Relationship Marketing and Service Management at the Hanken School of Economics in Helsinki, Finland and at the Corporate Environmental and Social Responsibility research group at Aalto University School of Economics. Her ethnographic research focuses mainly on East-Africa, and conceptually the focus is on how organizing into markets happens in contexts of poverty and informal economy, through e.g. efforts of inclusive business. The overall research interest seeks at understanding how the economy could be revived and reorganized through supporting well-being and sustainability in innovative ways. Sara has worked closely with Finnish corporate actors on innovation projects in the fields of renewable energy, forestry and ICT. She teaches multidisciplinary student teams (design, technology and business) in field work, slum upgrading and inclusive business development. Before becoming involved in research, Sara worked with international human rights negotiations for the EU, with her family company and with development aid at the Finnish Ministry of Foreign Affairs.

Ignasi Martí Lanuza is Associate Professor at EMLYON Business School (Strategy and Organization department), where he is director of the OCE Research Center. He received his Ph.D. from the IESE Business School at the University of Navarra. He earned his Ph.D. at the IESE Business School (Spain). Originally from Catalonia (Spain), where he graduated in Philosophy and in Economics at University of Barcelona (UB), he was also a visiting scholar at the Said Business School, University of Oxford.

His research lies at the intersection of organization theory, economic sociology and entrepreneurship research. More specifically, his research focuses on exclusion, dignity, entrepreneurship, power and politics, in how markets get built and the role of 'non-traditional' actors (e.g., social entrepreneurs, social movements) in this process, and other institutional processes... He has published articles in journals such as Academy of Management Journal, Journal of Management Inquiry, Journal of Business Venturing, Journal of World Business and Revue Française de Gestion.

François Perrot works in the Innovation Department of Lafarge, a global leader in building materials, where he develops 'Affordable Housing' business programs addressing the needs of low income families in several emerging countries. In 2011, he received a Ph.D. in Economics from the Ecole Polytechnique. Building on an action-research collaboration with Lafarge, which included the development of pilot initiatives in Indonesia, his dissertation analyses multinational corporations' strategies to address Base-of-the-Pyramid markets. He also holds a Master in Management (Grande Ecole) from ESSEC Business School and a Master in Sociology from Sciences-Po Paris. He is associate research fellow in the Economics Department of the Ecole Polytechnique.

Jean-Pierre Ponsard is emeritus research director at CNRS and associate research fellow at CIRANO. His fields of research concern economics of environment, industrial organization, game theory. He published numerous articles and co-edited two books on Corporate Social Responsibility: *The Growing Impacts of Institutional Investment Funds on the Strategy of Firms* (with Dominique Plihon, La Documentation Française, 2002) and *Corporate Social Responsibility: from Compliance to Opportunity* (with Patricia Crifo, Editions de l'Ecole Polytechnique 2010). Jean-Pierre Ponsard was professor of economics at Ecole Polytechnique and the head of the Laboratoire d'économétrie. He currently leads the "Business Sustainability" Research Project at Europlace Institute of Finance (EIF). In 2010 he received the excellence award from CNRS. He holds a PhD from Stanford University, California, and an engineer degree from Ecole Polytechnique.

Miguel Rivera-Santos is an Associate Professor at EM Lyon Business School in France and at Babson College in the US. His current research focuses on cross-partnerships for poverty alleviation. These are partnerships involving firms, NGOs, and government which combine the goals of poverty alleviation and profitability. Research projects include: the interaction between formal and informal environments in subsistence markets; the assessment of the impact on local communities of business-led initiatives at the Base of the Pyramid; the differences between business-driven and social innovations; a theory-driven literature review of the Base of the Pyramid literature; and differences of value and cost drivers across markets. His work has been published in a variety of academic journals, including *Strategic Management Journal*, *Journal of Management*, *Journal of Business Ethics*, *International Business Review*, and *Journal of Economic Behavior and Organization*. Previously, he was on the faculty at Babson University in Boston, MA. He is a member of the Academy of Management, the Academy of International Business, and Strategic Management Society.

Thierry Sibieude is the Co-Director of the Institut des Villes du Territoire (Territorial Town Institute) and Co-Founder of the Chair along with Anne-Claire Pache. Thierry Sibieude specialises in environmental and sustainable development issues. He is also involved in local life through charitable works (President of “La clé pour l’autisme” (key to autism), Director of FEGAPEI) and politics (General Councillor for Val d’Oise). He is a member of the National Sustainable Development Council (CNDD). As a tenured Professor of the Chair, he supervises and coordinates all actions carried out and is in charge of raising the funds required for its development.

Erik Simanis is Managing Director of Market Creation Strategies at the Center for Sustainable Global Enterprise at Cornell University's Johnson School of Management. His applied research is focused on advancing business development and go-to-market strategies for new product categories, particularly in emerging market settings. Erik has led and consulted to new business ventures in India, Africa, Mexico, the former Soviet Union, and the U.S., and has held management positions in the wood products and transportation industries. His recent work is published in the *Harvard Business Review*, *The Wall Street Journal*, *Sloan Management Review*, and the journal *Innovations*. Erik holds a PhD in Management from Cornell, an MBA from the University of North Carolina at Chapel Hill, where he received the Norman Block Award for highest academic achievement, and a BA magna cum laude from Wake Forest University.

Emmanuel Soulias is Director of Corporate Social Responsibility (CSR) of Macif since 2008 after joining the Group Macif in 2006. Telecom Engineer, graduated from the Institut d'Etudes Politiques de Paris, Emmanuel Soulias has served as project management and development in various companies in the telecommunications industry before joining in 2002 the extra-financial rating agency Vigeo. Emmanuel Soulias contributes, on behalf of Macif, to the work of the Sustainable Development Commission of the French Association of Insurance or to reflections of Paris Europlace and MEEDDM on Responsible Finance.

Gilles Vermot Desroches joined Schneider Electric in 1998, after first experiences as president of an NGO and within a Minister cabinet in France. His primary mission was to create and develop the Schneider Electric Foundation around the professional integration of unprivileged young people. Three years later, Gilles takes over the role of the new global Sustainable development department. This new entity defines and deploys the environmental, ethical and social policies of the company, as well as developing the awareness of Schneider Electric employees and other stakeholders to sustainable development issues. Since 2001, Gilles has participated into projects such as the creation of the ethical guidelines of the company, « *Our Principles of Responsibility* » (2001), the signature of the United Nations Global Compact (2002), the creation of the sustainability performance score card (Planet & Society – 2005) or the access to energy programme (BipBop – 2008). Gilles Vermot Desroches is a member of the board of the French forum of the « Global compact friends », member of the ORSE (Observatoire de la responsabilité sociétale des entreprises), of the International Social Observatory (*OSI- Observatoire Social International*), also member of the *Conseil National du développement durable du Grenelle de l'environnement*, and master of conference at Sciences Po Paris University.

Rodolphe Vidal received a research master degree in economics from Toulouse University. He holds an ESSEC Business School professional master degree in urban planning, urban services and environmental management. He has been working in the field of environmental management, sustainable development and corporate social responsibility for 15 years, for local and public authorities as well as for private companies and NGOs. Since 2006 he is Research Officer for ESSEC Chair of Social Entrepreneurship and Institute of Social Innovation and Social Entrepreneurship (IIES), in charge of the CSR/BoP axis. He is also PhD candidate in economics at REEDS (Research in Ecological Economics, Eco-Innovation & Tool Development for Sustainability) Laboratory at Versailles Saint Quentin University. His research concerns encompass CSR in the large social economy companies (mainly Mutual Insurance and Cooperative Bank), transition management towards sustainability and BoP. His theoretical approaches are pluri-disciplinary, with socioeconomics as umbrella and epistemic framework. Since 2006, he has been managing several action researches projects on CSR and BoP issues with ESSEC IIES partner companies including Macif Insurance, SNCF, Caisse d'Épargne Ile de France and Veolia.