

ESG-Driven Innovation: A Strategic Blueprint for Corporate Leaders



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The importance of ESG goals in 2024

The ESG pillars can be considered as a method that captures corporate contributions to objectives like the United Nations' Sustainable Development Goals (SDGs). It provides a framework of metrics that helps companies implement ESG strategies with true, lasting impact.

The United Nations' 17 SDGs offer a globally shared framework for necessary change and positive ESG impact. It helps consumers, stakeholders, and investors understand sustainable development. They can now vocalize and demand higher standards and expectations.

To build a company that meets such expectations, leaders must continuously improve in alignment with a rapidly changing and change-demanding world.

Industry leaders have recognized that it calls for a change in strategy and operations. For most, such a transformation requires knowledge and technology far beyond internal capabilities.

Sustainable Development Goals



Source: United Nations

Achieving ESG goals through innovation in 2024

As organizations receive signals from all directions that change is needed, many have expanded their innovation efforts. It has become apparent that with the vast challenges presented by the SDGs, nobody can rely solely on R&D teams' ability to ideate, test, and develop new products, services, and processes. Instead, collective intelligence needs to be utilized continuously.



No single entity can drive innovation alone.



Jan Beger,
Senior Director Digital Ecosystem at *GE HealthCare*,
featured in The Innovator's Handbook

The ESG roadmap

With renewed insights into the company requiring a strong ESG proposition, creating an ESG strategy and roadmap should follow. This process starts with a thorough analysis of the status quo in relation to ESG goals to identify the performance gaps. *What is the company clearly not doing well in terms of ESG? Where are we falling short and how big are these gaps?* This step is essential and should be ongoing to adopt a mindset of continuous improvement.

Then, with a clear blueprint of goals and gaps, a roadmap to guide the journey of improvement can be drawn. *What do we want to achieve? And when do we want to achieve it.*



ESG-driven innovation: Your roadmap



How innovation supports ESG goals

A network of innovator communities built around an organization will help bridge its identified ESG gaps. You will be able to accelerate innovation efforts in better alignment with the market (and planet) by channeling their collective intelligence through structured yet agile innovation programs.

These programs help identify, assess, and develop solutions that meet specific ESG needs. Through a structured system of rankings and assessment, the organizer selects the most feasible ideas submitted by the community. Collectively, they then help talent develop those ideas into solutions that can be implemented.

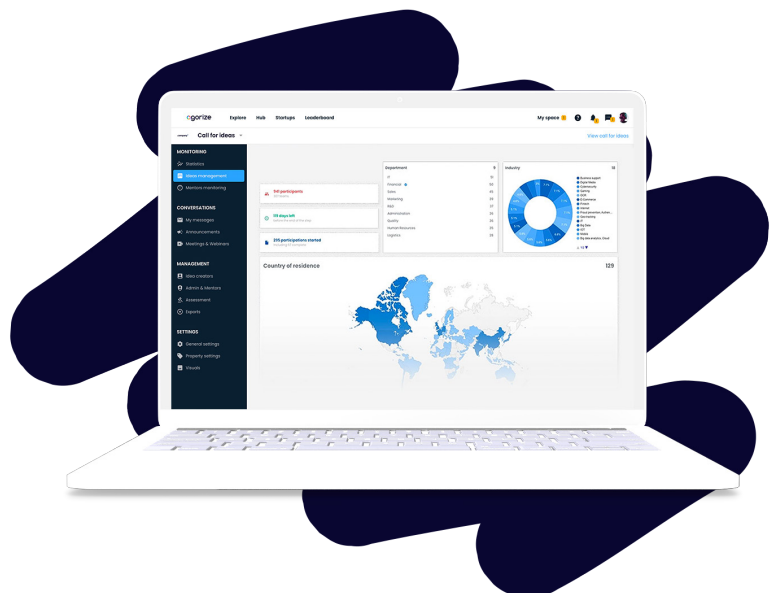
When done effectively and efficiently, the outcomes of innovation programs are true assets to the company's ESG performance and value creation.

Understanding ESG impact with clear KPIs

The ESG framework aims to quantify the efforts for each of its pillars. Therefore, it's important to set the same expectations for innovation programs that support the ESG roadmap. Real impact is measured with clear KPIs and ESG reporting. And those should be tracked using real-time data analytics and dashboards. The right [innovation management software](#) supports this on an ongoing basis.

Innovation management partners must enable the growth of innovation programs and idea collection by offering scalable software. Then, no matter the size of the project, you can build a valuable database of talent, ideas, and solutions that continue to provide value and meet the ESG goals.

Agorize platform: Real-time dashboards to track program outcomes



ESG-driven innovation: From ambition to action

ESG-driven innovation starts with people and their ideas, whether it's startups, students, developers, employees, or consumers. It's why innovation programs managed through a dedicated innovation management platform have proven to be such an effective solution. They are a gateway to talent and solutions, organized through an efficient innovation funnel to accelerate the process.

What types of innovation programs are used to achieve ESG goals depends on the gaps identified earlier. Even when on track with the goals, key communities can be utilized to strengthen a company's ESG position. There are 3 key innovator communities that can support the ESG strategy through a dedicated innovation program or call for ideas.





Startup competitions

When to use it?

Why develop technological innovation internally when a startup has already done it or can do it faster for you? Partnership is an important theme in the Sustainable Development Goals framework. Transforming supply chains, providing large populations access to resources, and developing innovative technologies can be done faster and better in partnership with startups.

Startup programs help identify and implement new (sustainable) solutions and build an ecosystem that provides continuous value to the organization. With the help of innovation management software connected to a community of startups, you can scout, assess, and deploy solutions with startups effectively and efficiently.

Popular ESG topics:

Energy efficiency, sustainable mobility, circular economy, access to healthcare, green transition.

Case study: UNDP Startup Program

The United Nations Development Program (UNDP) used Agorize's innovation management solution to launch its Innovation for Sustainable Agriculture program to source startup solutions in urban agriculture, rainfed agriculture, and livestock farming & aquaculture. From 650 startups and R&D teams, the Top 30 were selected to enter into a program to further develop and test their solutions.

ESG-impact: ★★★★★



Employee idea boxes & innovation challenges

When to use it?

Are you aware of the talent you're missing out on within the company? Employees are well-informed about client needs, bottlenecks, and industry insights that you may have lost touch with over time. Therefore, it's valuable to extract this information on a continuous basis.

Employee idea boxes are the ultimate tool to reveal ideas and talent hidden inside an organization. On top of that, they support a culture of continuous improvement, as you activate employees and give them a true share of voice. Put diversity & inclusion intentions into practice by inviting all employees to share their best ideas and seeing the best ones through to implementation.

Finally, don't underestimate the value of involving teams in startup programs and student challenges. They can act as expert voters, judges, and mentors in these programs, connecting them to the company's ESG-driven innovation success.

Popular ESG topics:

Circular economy, green transition, diversity & inclusion.

Case study: PepsiCo Innovation Competition

PepsiCo launched the "Next Big Idea Challenge", an employee innovation challenge powered by Agorize to take sustainability to the next level by identifying impactful, sustainable solutions for their products and planet. They called for employees to come up with a new product to expand their portfolio. Out of 1117 employees who submitted their ideas, 3 finalist teams were selected to pitch their ideas to senior leaders as part of the Grand Finale in New York. The result? Instead of the usual 24 months to launch a product, PepsiCo released a new product at unprecedented speed: 9 months.

ESG-impact: ★★★★★



Student innovation challenges

When to use it?

Key to achieving ESG goals is excellent talent management. Today's students and young professionals are the next generation of employees, leaders, and solution providers. Talents are hard to come by, and the ESG goals call for a lot of them.

Student challenges create a link with students and graduates from top universities. Through a dedicated program, you can engage them on niche topics to innovate, brainstorm solutions, and strengthen employer branding – eventually creating a talent pool for the future.

Popular ESG topics:

Sustainable agriculture, access to healthcare, green transition, access to education.

Case study: Bayer Student Challenge

Pharmaceutical group Bayer has worked with Agorize to grow its pool of talent for years. Built around topics like data-driven farming and good digital health practice, their Digital Campus Challenge touches upon relevant topics and gains the attention of thousands of much sought-after data scientist talents. Each year, Bayer employees play an essential role in the program as mentors and voters of the ideas that student teams submit.

ESG-impact: ★★

Beyond the core of your ecosystem

Startups, students, and employees commonly make up the core of companies' innovator ecosystems. They provide a high quality and quantity of talent and ideas that can support an organization's innovation journey to ESG impact.

However, this doesn't mean those are the only communities you can engage. Our clients organize innovation competitions, idea boxes, and even awards to engage other communities as well. They enrich their innovation ecosystem with the ideas and contributions of customers, partners, vendors, researchers, fellow corporates, or the public at large.

Who could benefit from ESG-driven innovation programs?

With 1 in 2 innovation initiatives focused on environmental impact and a third of all programs aiming for social change, it's clear that ESG-driven innovation programs are recognized as a solution by many. At Agorize, which has operated globally and across sectors for the last 12 years, we see some sectors jump out. The top five consists of:



IT Services



**Beverages
& Food**



Banking



**Public
Organizations**



Construction

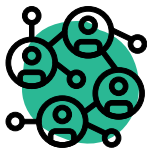
Other industries that are widely represented include the Energy, Pharmaceutical, Real Estate, Retail, and Transportation sectors.

ESG-driven innovation programs can be custom-built to fit the needs identified by an organization and then deployed at scale. With an end-to-end innovation management platform fueled by a community of 10 million innovators, our team has helped corporates like Bayer, L'Oréal, PepsiCo, Renault, Hitachi, and NEC find solutions that support their transformation.

How to manage ESG-driven innovation

The ESG roadmap, like innovation management, is ongoing. It requires more than just a team of executives to be on board to drive these efforts. Opening up, through innovation programs and idea boxes, cultivates a shared sense of responsibility and agency that will motivate key communities to contribute their ideas and energy to achieving ESG goals.

To do this, it's essential to use an innovation management solution that:



Connects to any community of innovators, including startups, students, consumers, and employees.



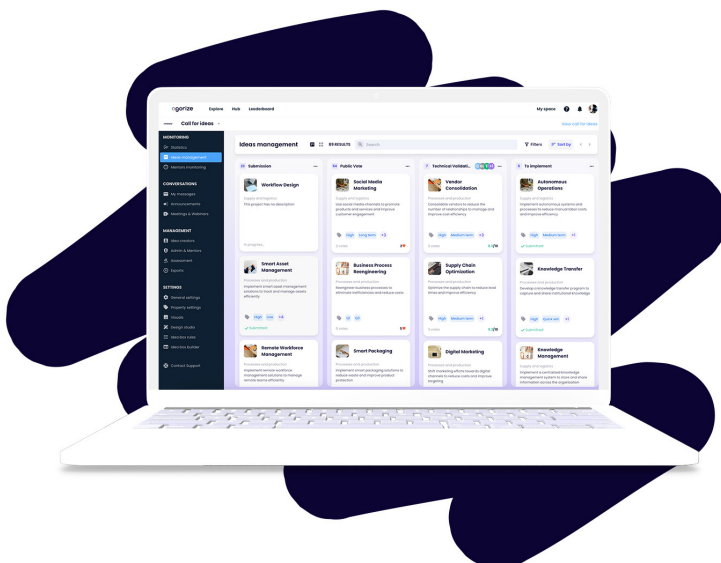
Accelerates each step of the innovation process (scouting, assessment, deployment).



Fosters co-creation and collaboration.

With a solution like this in place, ESG-driven innovation is managed more effectively and efficiently. Instead of wasting time and resources on tedious processes hindered by siloed working and lacking innovation infrastructures, teams can focus on what matters and deploy innovation projects at scale.

Agorize platform: Accelerate processes with efficient innovation management workflows



Hundreds of enterprise companies have benefitted from Agorize's innovation management software fueled by a community of 10 million innovators and a team of experts. Their innovation programs result in social impact including access to health, security, education, and financial services. Environment-focused programs contributed to domains such as sustainable mobility, green energy, circular economies, and reducing air pollution.

ESG-driven innovation in 2024: Don't wait

Any company that wants to last must develop a solid path to achieving ambitious ESG goals. It is a differentiator that helps create value and address important stakeholder needs.

As the ESG framework centers around quantifying impact, finding measurable ways to bridge ESG gaps and achieve goals is key to its success. The time is now to launch ESG-driven innovation programs that develop concrete solutions. Leverage collective intelligence with an innovation program that engages key communities. Let's accelerate your transformation and create impact, together.



About agorize

Agorize is a leader in innovation management software fueled by a community of 10 million startups & innovators and a team of experts. We've helped launch 7,000+ innovation programs for enterprise companies and G2 has named us as the software with the 'best-estimated ROI'. Organizations like L'Oréal, Huawei, PepsiCo, Hitachi, and Bayer use Agorize to turn transformational ideas into tangible outcomes.

Founded in France in 2011, Agorize is now known for helping enterprises worldwide accelerate their transformation at scale. Our clients scout and deploy ideas from students, startups, developers, and employees on a secure, ISO27001-certified platform.





Send us a message to learn more about our solutions:

Contact us at emma@agorize.com

Or visit get.agorize.com



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