

# **Social Impact, Organizations and Society**

The Contemporary Role  
of Corporate Social Responsibility

**Edited by Katarzyna Bachnik,  
Magdalena Kaźmierczak,  
Magdalena Rojek-Nowosielska,  
Magdalena Stefańska and  
Justyna Szumniak-Samolej**

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**14**

## **Trends and future perspectives on social impact generation**

*Katarzyna Bachnik, Magdalena Kaźmierczak,  
Magdalena Rojek-Nowosielska, Magdalena Stefańska  
and Justyna Szumniak-Samolej*

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# 14 Trends and future perspectives on social impact generation

*Katarzyna Bachnik, Magdalena Kazmierczak,  
Magdalena Rojek-Nowosielska,  
Magdalena Stefańska and  
Justyna Szumniak-Samolej*

## Introduction

An organization's social impact is one of the three dimensions of the organization's impact (social, environmental, economic) on the environment in the context of sustainable development and is also an area that generates much more difficulty in defining, categorizing, and measuring than the other two. Extensive knowledge of the economic impact of organizations and methods for measuring this impact is provided by economic science, with tools and data for measuring environmental impact provided by natural and engineering sciences. The social impact of organizations, on the other hand, seems to be much more elusive, fuzzy, interdisciplinary, as well as hitherto more overlooked in analyses. Significant difficulties in diagnosing social impact versus environmental impact are set out in the *Final report on social taxonomy* (European Commission, 2022). Firstly, it was noted that while environmental objectives can be based on science, social taxonomy should be based on international authoritative standards of topical relevance, such as the International Bill of Human Rights. Secondly, it was suggested that most economic activities have a negative impact on the environment, although at the same time by their very nature have some positive social impact (e.g., creation of decent jobs, payment of taxes, and production of socially beneficial goods and services). In measuring social impact, the challenge is therefore to distinguish such intrinsic impact from additional social benefits that directly contribute to the realization of human rights, such as improving access to quality health care or providing decent work (European Commission, 2022). Creating frameworks for the social impact of organizations as a practical tool to help investors identify opportunities to contribute to social objectives, in particular support the equitable transformation of the economy through appropriate redirection of capital, and for management and employees to confirm that the organization is moving in the right direction, is therefore an extremely difficult task.

This monograph is an attempt to understand the above challenge, our contribution to a better understanding of the determinants of social impact, how it can

be measured and, most importantly, how organizations can create better social strategies and actions.

The following chapter concludes the publication and aims to join the discussion about the future of social impact of organizations, providing conclusive observations, identifying recurring themes across the chapters, highlighting more universally applicable findings and practices, and indicating the paths for further research on social impact within the broader context of corporate social responsibility, business, and society.

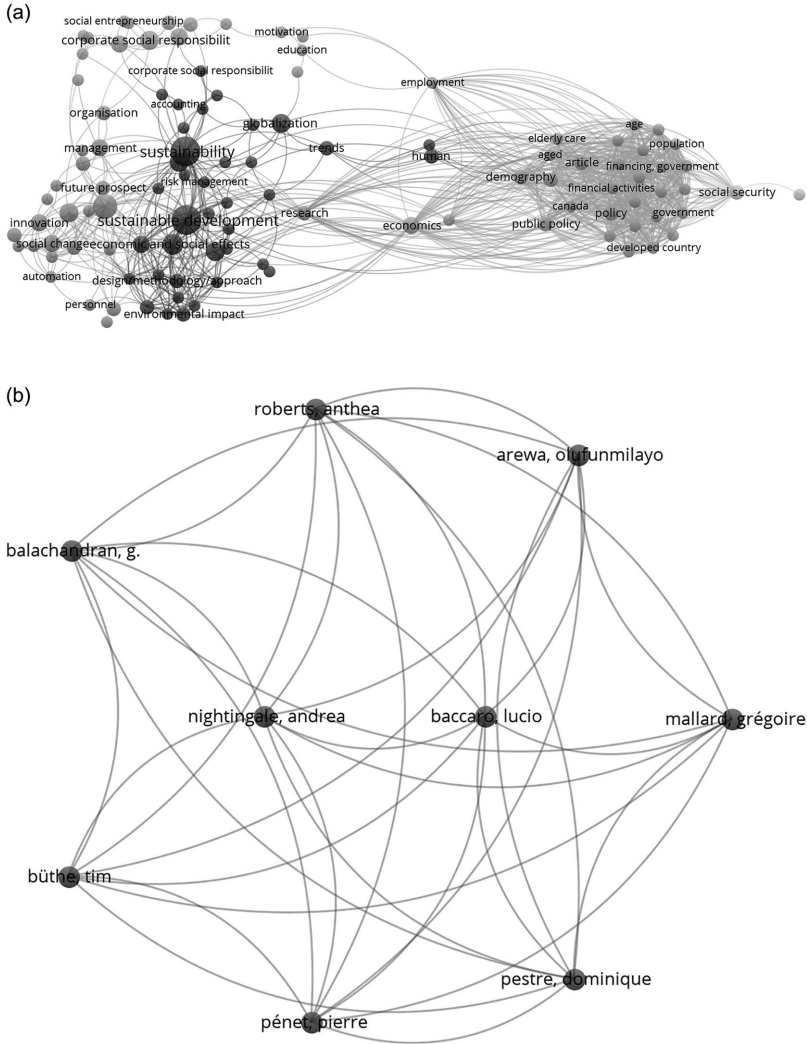
The objectives of this chapter are as follows:

- To verify, based on an analysis of the literature, the areas of research within the scope of management and economics that can be identified as future trends in the social impact of organizations;
- To analyze and synthesize the content of the chapters of this monograph, identifying the main conclusions and resulting areas for further research in the field of the social impact of organizations.

### **Literature review**

The first purpose of this chapter is to try to identify directions for future research on the social impact of organizations within the management sciences, with a particular focus on the issue of corporate social responsibility based on literature review. For this purpose, the scientific literature cataloged in Scopus and Web of Science (WoS) databases was reviewed. The social impact of organizations and future trends were taken as keywords. In addition, it was limited to Business, Management and Accounting and Economics, Econometrics and Finance, with the years 2000–2023 adopted as the timeframe. The result is the selection of 144 publications in the Scopus database.

The selection of publications allowed for a very interesting research review, leading to the following conclusions. Firstly, Figure 14.1 indicates the current and future five areas of interest to researchers – two focus on macro issues, and three indicate researchers' grasp of the micro, organizational perspective. The first two clusters include social security and demographic phenomena, related to structural changes in societies, particularly the aging population. Another three clusters, with which the bridges (integrators) are the topics of employment and the economy, concern sustainable development and sustainability, followed by social responsibility. It can be noted that the database of 144 publications includes 366 authors who are united by the study of the following issues: sustainable development and sustainability, decision-making, social impact, corporate social responsibility, artificial intelligence, globalization, and pandemics. These publications, usually compiled by several authors, cover narrow issues, and the analysis indicates poor keyword repetition, in addition to those mentioned. The most



*Figure 14.1* Scopus – results of analysis

*Source:* Own elaboration.

cited publications covered issues of human resource management, logistics, product innovation, and crisis management in the tourism services sector.

Slightly different results were obtained from the analysis of the WoS database – assuming the same restrictions as for the literature review in the Scopus database, it resulted in 163 publications (see Figure 14.2), with six overlapping research areas emerging. These were:

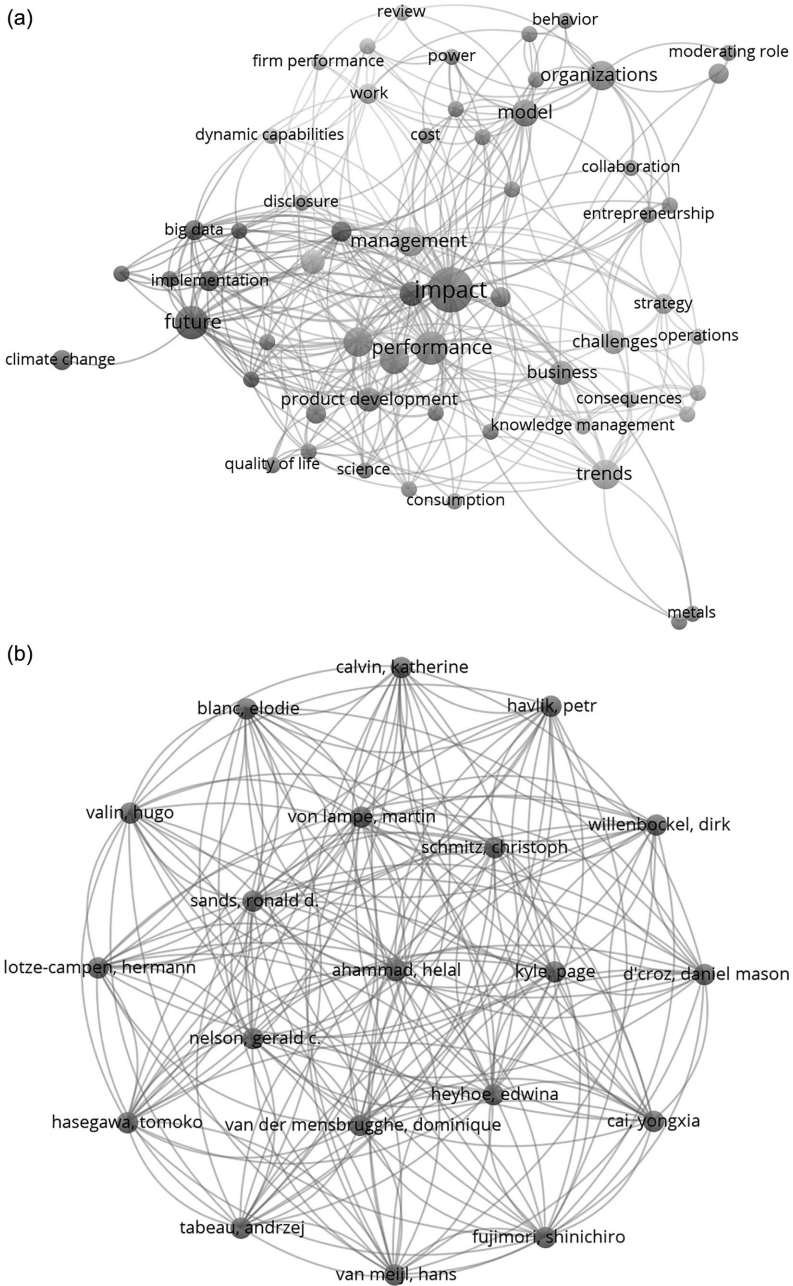


Figure 14.2 Web of Science – results of analysis

Source: Own elaboration.

- Cooperation and entrepreneurship. In the future, increasing social impact will require a creative approach to doing business, especially in NGOs, as third-sector entities have a special role in social impact that stems from their organizational culture and mission;
- Dynamic capabilities of the organization – understood in the context of social impact as the ability of the organization to adapt to changes in the environment, especially of a social nature, by pursuing goals that foster the creation of value and well-being of employees;
- The future (including big data, industry 4.0) – is a direction of changes involving the use of modern technology in identifying and implementing solutions to improve the quality of life. They can be related to the operation of public institutions that provide services to residents, the creation of sustainable cities and their infrastructure, or the introduction of solutions that improve the quality of life of individuals. Undoubtedly, in the technological field, huge social consequences, both positive and negative, but not entirely predictable, are brought by the development and increasingly widespread use of artificial intelligence;
- Change and quality of life, strategies and consequences – adaptation of the organization's strategies and development of offers in response to changing social needs, such as caring for the well-being of employees, or taking into account the needs of an aging population;
- Corporate social responsibility, including related costs, organizational behavior, and business models – the increase in emphasis on activities in accordance with the CSR concept is due to the fact that the next few years will see increased interest in sustainable human resource management. Advancing demographic processes, growing awareness of the diversity of people in various aspects, and unprecedented intergenerational differences due to technological changes, among other factors, will drive organizations to develop new solutions for ensuring Diversity, Equity and Inclusion, or Equity, Diversity and Inclusion (DEI/EDI);
- Consumption and its social and environmental impact – in the future, organizations operating in supply and distribution chains will come under increasing pressure from stakeholders to report social impact, although based on more precise measurements, and to document the declarations made with actual results.

Of the 153 selected authors of WoS publications, those that are most often mentioned are those concerning industry 4.0 and its impact on the environment, followed by those concerning the relevance to agriculture of the impact of climate change on water circulation, and those concerning product innovation.

Summarizing the conducted analysis of two bibliographic databases, with rather narrowly defined subject areas, it can be noted that there are not many publications focusing directly on social impact. The issues mentioned indicate

that researchers conduct analyses in rather narrow areas, that they note the social impact of the issues they study but it is not the direct focus of the researchers. Social impact happens indirectly, through activities in organizations in the area of human resource management or the development of innovative products, or by introducing new solutions in logistics.

In addition, the research does not indicate cooperation between them, except in a small number of bodies. However, it would undoubtedly be valuable for researchers to join forces in revealing social influence and its implications as one of the many outcomes of an organization's behavior under study.

In general terms, such issues as demographic trends and social security, impact on an organization's human resources, impact on the economy, sustainable development and sustainability, and measurement of social impact are emerging as the main directions for further research in scientific work. The authors of the analyzed publications highlight the existence of an ecosystem – the intertwining of economy, society, and environment and the need to look to the future.

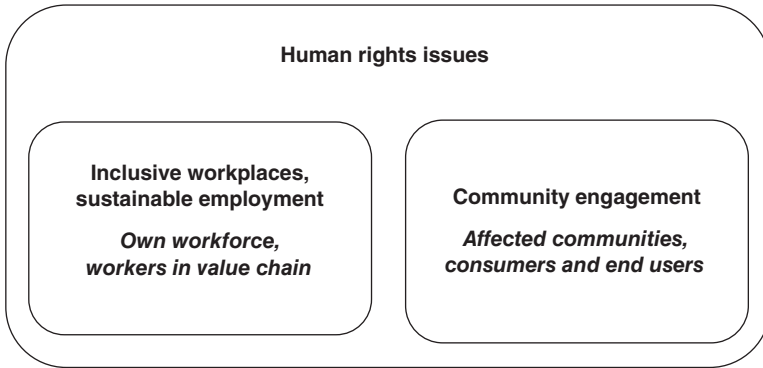
To conclude this part of the analysis, it is worth referring to the FSG report,<sup>1</sup> which indicates trends for the upcoming year. According to the report, the future of SI in 2024 means (FSG, 2023):

- Corporate changemakers will be key to advancing impact;
- Ensuring job quality in the future of work;
- A rising commitment to place;
- Leveraging government action and regulations for climate justice;
- Advancing health equity in a post-pandemic world.

## **Methods**

The analysis and synthesis of the content of the chapters collected in this monograph, the identification of the main conclusions of the research presented, and the resulting further development of concepts in the social impact of organizations are the second issue addressed in this chapter. After Ritchey (1991), we assume that analysis and synthesis, as scientific methods, always go hand in hand, that they complement one another. Each synthesis is built upon the results of the preceding analysis, and every analysis requires a subsequent synthesis to verify and correct its results.

In order to present them clearly, reference was made to the division of the chapters into three main parts made by the monograph editors: identification of the social impact scope, social impact on internal stakeholders, and social impact on external stakeholders. Part 1 introduces the reader to the issue of social impact, while Part 2 and Part 3 analyze the various areas of social impact (toward a wide range of stakeholders) of an organization. In order to summarize the main conclusions of the chapters and at the same time embed them in a broader framework for social impact, the authors created a framework indicating possible



*Figure 14.3* Framework of possible areas of an organization’s social impact

*Source:* Own elaboration, based on Business in the Community Ireland, 2023; European Commission, 2023a.

dimensions of an organization’s social impact activities (see Figure 14.3). The framework is the result of a compilation of the European Union’s Sustainability Reporting Standards (ESRS), and social metrics and key themes under the social pillar proposed by a non-profit advisory body, Business in the Community Ireland.

## **ESRS**

In our monograph, Part 2 and Part 3 explicitly refer to the areas of social impact metrics that are in place in the EU, with the European Union’s aspiration to be the first climate-neutral continent being unprecedented in the world (European Commission, n.d.c), resulting in a number of legislative solutions covering entities operating in the EU and also cooperating with them. The solutions being implemented also address the measurement and reporting of environmental, social, and governance impacts.

In the area of social impact in the EU, an important document was the report on social taxonomy published in February 2022 by the EU Platform on Sustainable Finance (European Commission, n.d.b).<sup>2</sup> Based on the public consultation carried out, it was proposed to create a classification system for economic activities that contribute significantly to social objectives, along the lines of the existing environmental taxonomy (European Commission, 2022). This study became the starting point for the formulation of the EU social impact metrics published on 31 July 2023 by the European Commission, called European Union’s Sustainability Reporting Standards (ESRS) (European Commission, 2023b).

Among the ESRS were 12 metrics covering the range of sustainability issues. The first two are cross-cutting: General Requirements (ESRS1) and General Disclosures (ESRS2). Then, there are five environmental ones (ESRS E1 to E5):

climate; pollution; water and marine resources; biodiversity and ecosystems; resource use and circular economy. The other four concern social issues (ESRS S1 to S4): own workforce, workers in the value chain, affected communities, consumers and end users, and one on governance (ESRS G1): business conduct (European Commission, 2023a).

ESRS are extremely important, as they must be applied by all companies affected by the Corporate Sustainability Reporting Directive (CSRD), i.e., a legislative document implementing ESG reporting obligations by EU businesses (including qualifying EU subsidiaries of non-EU companies) starting from 1 January 2024 (IBM, n.d.).

In our monograph Part 2 overlaps with the areas of ESRS metrics S1 and S2 (own workforce, workers in the value chain), while Part 3 overlaps with ESRS metrics S3 and S4 (affected communities, consumers, and end users).

### ***Social pillars***

Business in the Community Ireland (BITCI) published a *2023 Sustainability handbook* (Business in the Community Ireland, 2023), which is a part of a wider project to identify and take the necessary steps toward transformation to a low-carbon and inclusive society. In compiling this handbook, an extensive range of relevant resources was used. For the BITCI network to measure progress toward true sustainability, it is necessary to focus on three basic pillars: economic, environmental, and social, which will be underpinned by governance. All of these pillars make up BITCI's proposed EESG framework.

Given the subject matter of this monograph, we will focus on the social pillar only. BITCI addressed four key themes under the social pillar: inclusive workplaces, sustainable employment, community engagement, and human rights.

### ***Framework of possible dimensions of an organization's social impact activities***

Overlaying the key themes under the social pillar according to BITCI and social ESRS, we obtain the following framework indicating possible areas of social impact in an organization's activities (see Figure 14.3):

- Inclusive workplaces and sustainable employment in the context of own workforce and workers in the value chain;
- Community engagement in the context of affected communities, consumers, and end users.

Human rights is a cross-cutting issue – it affects both internal and external stakeholders and relates to all previously mentioned social pillar themes. We therefore decided to address human rights in the context of each dimension. Human right issues in business are distinguished according to the Business & Human

Rights Navigator UN Global Compact: child labor, forced labor, discrimination, freedom of association, occupational safety and health, living wage, working time, gender equality, migrant workers, indigenous people (UN Global Compact, n.d.).

The vast majority of human right issues in business relate to the workplace (own and in the value chain), although companies also have the opportunity to play an important role in coping with human rights issues in the context of affected communities, consumers, and end users. This includes cooperation with NGOs and international organizations in the area of social projects focused on solving human rights issues, responsible communication strategies and campaigns (including social marketing), or designing and offering socially responsible products and services that address human rights challenges. With regard to consumers and end users, the human rights aspect also refers to a responsible and social impact-oriented corporate response to social expectations resulting from increasingly conscious and sustainable consumption (Edelman Trust Institute, 2023).

## **Results**

The main conclusion concerning social impact that resounds both from the literature review conducted in Chapter 1 and from virtually all the other chapters in this monograph is that social impact is a topic that is still new, presenting researchers and organizations with many challenges that are still to be discovered. There are many definitions and ambiguities and no common approaches or methods of measurement. Organizations are only just learning how to measure, report, and thus better create this impact.

The conclusions of the opening Chapter 1, which attempts to define and classify social impact as the key term for the publication, clearly indicate that this is a hard task. The recurring observation is that it is very difficult to find articles talking about this concept in general (without reference to a sector or specific context) and that there is currently a lack of consensus on the meaning of social impact, which results in a lack of a single and commonly accepted definition. The multiplicity of definitions consequently leads to a variety of approaches to assessing and measuring social impact and consequently a variety of measurement methods. Finally, reflecting on the areas of changes resulting from the social initiatives undertaken by enterprises, the authors propose a classification of the changes in terms of their focus and scale of potential impact distinguishing: micro-scale and inward-focused, meso-scale and outward focus, and macro-scale with an outward focus.

In Chapter 2, the authors address the topic of measuring social impact from the perspective of startups. They point out that in the literature the main focus is given to startup activity, and still little is known about the ways and tools to assess their factual performance with regard to social impact. As a result of

their research, they propose an impact assessing framework for startups, a set of metrics to assess startup outcomes with regard to the implementation of UN Sustainable Development Goals.

In contrast, the author of the next chapter (Chapter 3) draws attention to the new category of social impact, which looks at its negative facet, i.e., the negative consequences of companies' actions. They distinguish between the concepts of social irresponsibility and negative impact, which, although complimentary to some extent, are also disconnected. While social irresponsibility implies the decision-making process and all stages of irresponsible action, negative social impact focuses more on the effect that negative actions bring. Making small enterprises measure the two will transmit into uncovering opportunities and challenges that might enormously impact their development in the long term.

From Part 2, which is devoted to social impact on internal stakeholders, it clearly resounds that the next years will bring an increased interest in responsible leadership, sustainable human resource management, as well as the topics of equity, diversity, and inclusion, which dovetails perfectly with the area of inclusive workplaces and sustainable employment (own workforce and workers in the value chain) on our framework (see Figure 14.3). According to BITCI, sustainable employment consists of strategic workforce planning, organizational change management, compelling employee proposition, and enhancing employee engagement (Business in the Community Ireland, 2023).

Making organizational changes toward a better future requires responsible and committed leaders. As shown in Chapter 4, leadership is important, as it inspires, motivates, and sets an example for people to accomplish positive changes in the company and therefore in the world. Leaders, while running their businesses, should seek to tackle the world's most difficult challenges in order to create a positive social impact. This means that the focus on social impact requires a good leader with an ethical mindset. But unfortunately, as the analysis shows, for the moment, there is lack of quantitative research, comparative studies and long-run analyses, investigating the role of ethical leadership for social impact.

Chapter 5 refers to another element of sustainable employment, which is the compelling employee proposition, and deals with the inclusion of employee interests, discussing them in the context of the company's social impact for the benefit of workforce. This is an important aspect of social impact, since, as the authors of the BITCI report referenced in the design of our framework write, the employee proposition goes beyond compensation and rewards. "It's about: being respected and valued, having equal opportunities for personal and professional development, having a sense of purpose achieved through work and engagement with colleagues" (Business in the Community Ireland, 2023).

Chapters 6 and 7 analyze the impact on employees of the Covid-19 pandemic and the actions taken by managers in response to it. Chapter 6 assesses work-life balance and job security in the context of the pandemic and discusses the evolution of the terms over time. In contrast, Chapter 7 analyzes the effects of solutions

implemented by managers in response to the pandemic on employee well-being and work performance. Given that an organization's environment is characterized by increasing levels of volatility, uncertainty, complexity, and ambiguity (VUCA) (Bennett & Lemoine, 2014), the ability to spot sudden and unexpected phenomena (such as the next pandemic, war, or groundbreaking technology), respond to them, and measure the social impact of actions taken is undoubtedly an extremely important area for improving the organization in the future.

The topic discussed in Chapters 8 and 9 within the context of the inclusive workplace is DEI management. DEI/EDI concerns (diversity, equity, and inclusion or equality, diversity, and inclusion) are also some of the most important issues addressed by the UN in the context of human rights (Global Compact Network Poland, n.d.b) and are reflected in the Sustainable Development Goals (SDGs). Openness to diversity encompasses all differences that exist between people, including but not limited to gender, age, nationality, language, race, ethnicity, religion, and socioeconomic status, as well as those that have been talked about relatively recently such as neurodiversity, or sexual orientation and/or gender identity (LGBTQIA). It is through the active inclusion of all employees in the organizational structures of companies that the scale of inequality and prejudice in societies can be reduced (Kostrzewa et al., 2023). This may sound promising, but according to the Global Gender Gap Report (2023) published by the World Economic Forum, at the current rate of DEI/EDI development by companies, it will still take 131 years to achieve full equality in work environments (Kostrzewa et al., 2023). There is no doubt, therefore, that this is a key topic for organizations consciously creating their social impact.

In Chapter 8, it is set out that companies and organizations' DEI/EDI/D&I/I&D policies can lead them to growth and success. However, in order to properly utilize diversity, the organization must be inclusive with the Management by Values (MBV) strategy embedded in the company culture. In order to benefit from differences in the workplace, people must feel included, as such inclusion creates a well-being environment and open atmosphere where everyone feels important and their opinion matters. What might be surprising is the fact that one of the most significant advantages of a diverse workforce is the increased creativity and innovation in the workplace – two key skills and mindsets both sought after in the job market and applicable in any dimension of organizational operations.

Gender equality is a basic human right. According to the Global Gender Gap Index, the global gap defining the level of equality of opportunity between men and women in 2022 was 68.1%, with the global share of women in leadership positions at only 31% (Global Compact Network Poland, n.d.a). Achieving gender equality and empowerment of women is undoubtedly an important area for social impact, as results from the wording of SDG No. 5. Nevertheless, Chapter 9 raises an issue that is not obvious in this context. The authors try to determine the perception of gender equity management in the workplace by

men, with the study suggesting the surprising conclusion that there are salient needs among men who have been discriminated against in the workplace or feel threatened by practices solely oriented at women that should be addressed in diversity management practice. From the practical perspective, HR experts would be well advised to look for ways to make diversity management more attractive to men by communicating the advantages of diversity management and gender equality for them.

The content discussed in Part 2 of this monograph refers specifically to the aspects of social impact (inclusive workplaces and sustainable employment) in the area of own workforce. Undoubtedly, the topic of social impact in the value chain needs further analysis, with particular focus on social impact in key areas of human rights in the value chain. This is undoubtedly a trend of the future, as indicated, among other things, by the fact that the EU is in the process of drafting the final version of the Corporate Sustainability Due Diligence Directive (CSDD), which will require EU and non-EU companies to conduct environmental and human rights due diligence across their operations, subsidiaries, and value chains. As the European Commission states:

The aim of this Directive is to foster sustainable and responsible corporate behavior and to anchor human rights and environmental considerations in companies' operations and corporate governance. The new rules will ensure that businesses address adverse impacts of their actions, including in their value chains inside and outside Europe.

(European Commission, n.d.a)

As announced, implementation of the directive is expected to bring benefits for citizens (e.g. increased trust in businesses), for companies (e.g. better awareness of companies' negative environmental and human rights impacts, higher attention to innovation, better access to finance), and for developing countries (e.g. better protection of human rights and the environment, improved sustainability-related practices, or improved living conditions for people) (European Commission, n.d.a).

Part 3 analyzes the social impact of an organization on external stakeholders. In the framework in question (see Figure 14.3), this area is called "community engagement (affected communities, consumers and end users)."

In Chapter 10, the authors highlight the role that retail chains play in shaping consumption. In the future, organizations operating in supply and distribution chains might come under increasing pressure from stakeholders to report social impact, but based on more precise measurements, and also evidence the declarations made with actual results. Purchasers' attitudes indicate that they consciously shape their consumption, which retail chains can facilitate. However, the narrative used in communication often creates a false picture of what is good for the consumer. Therefore, greater transparency in communications is

necessary for creating both a strong reputation as a responsible organization and a positive social impact on consumers.

The chapter's conclusions are consistent with analyses of global changes in consumer behavior, such as that consumers are putting brands under more scrutiny, are more concerned about a brand's impact, reward brands they trust with purchase, loyalty, and advocacy, and are more likely to buy brands that take action. The latter observation is particularly interesting in the context of the social impact, as consumers indicate that they are more likely to buy from brands that commit to such issues as improving healthcare access, addressing climate change, ending racism, promoting gender equality, retraining workers, and combating misinformation (Edelman Trust Institute, 2023). The relevance of community engagement to consumers and end users was also confirmed in the studies cited above, with a conclusion that consumers want ongoing engagement with brands, and that brand engagement builds trust in the product and the brand. Consumers indicate that through their interactions with the brand, they gain confidence that the brand is competent, ethical, and relevant (Edelman Trust Institute, 2023).

The area of affected communities from the framework in question is referred to in Chapters 11, 12, and 13 of this monograph.

Chapters 11 and 12 emphasize the importance of universities – both as places to educate managers who will be responsible in the future for decisions that result in social and environmental changes brought about by organizations, and also as a place to create value for people who have left the labor market but still want to develop and continue their education. The trend of developing offers for those who have left the labor market will intensify in the Global North as a consequence of aging populations and declining birth rates. Concern for the well-being of seniors will be expressed with offers tailored to the capabilities of both intellectual and physical representatives of this age group. Ensuring the inclusiveness of seniors, their longer professional and social activity brings a number of psychological, as well as social and economic benefits.

The last chapter deals with entities from the third sector, whose importance in creating social impact (including in the area of human rights) is indisputable. These organizations usually have social and environmental objectives incorporated in the core of their activities, and they are of paramount importance. Chapter 13 aims to indicate the theoretical foundation and identification of added value, both social and economic, realized by entities from the third sector – NGOs/SPOs. The author claims that it is important for these organizations to develop a learning culture, where impact measurement is truly integrated into their operations, producing data that matters and is inclusive of the voices of the people who are impacted. Additionally, available frameworks can immediately help organizations working on similar social issues or with similar goal areas to better understand how to aggregate social impacts of their work and collaborate to achieve better outcomes.

The need for a partnership indicated in Chapter 13 relates to the “cooperation and entrepreneurship” research area that emerged from the analysis of the WoS base conducted at the outset of this chapter and also clearly overlaps with SDG No. 17: Revitalize the global partnership for sustainable development. The pursuit of sustainable development, including greater positive social impact, requires inclusive and collaborative partnerships between governments, the private sector, and civil society at the global, regional, national, and local level (UN, n.d.).

### **Discussion and conclusion**

The analysis carried out shows that the future of the social impact concept seems to be extremely promising, with the topic of corporate social impact increasingly resonating in the consciousness of the public, although it must be clearly emphasized that it is still in the early stages of development. This is particularly evident in the area of research, where there is still a lack of consistency in approach, definitions, and especially the research itself on the social impact of business, which all the more reinforces our belief that this monograph is needed and fits into an apparent research gap.

One can clearly see a growing interest in the topic of social impact among academics and practitioners, as shown in the literature analysis conducted in Chapter 1 of this monograph. This can also be seen in publications issued by international organizations (EU, UN), NGOs, research agencies, or consulting firms. In part, this is likely due to the high level of interest in the SDGs, and now, in particular, in trying to account for progress on their implementation. In addition, there is growing legislative pressure on enterprises (particularly without precedence within the EU) in the area of the need for ESG reporting, including, most definitely, social impact. The purpose is to encourage informed measurement of current social impact and ultimately design processes, projects, and activities that are more thoughtful, responsible, and will have a greater positive impact in the future. Undoubtedly, this is and will present a major challenge for enterprises given the complexity and holistic nature of the topic of social impact, or the difficulties associated with measuring the right impact (research methods, access to data). This is certainly a very important area for future cross-sector research and cooperation between the university, business, and the third sector.

Not only the study of social impact but also the implementation of real social change requires extremely urgent action, as the outlook for the world is not optimistic. In terms of achieving the objectives of Agenda 2030, all SDGs are currently “off track” (Sustainable Development Report, n.d.). Over the past three years, following the Covid-19 pandemic and subsequent crises (e.g., the war in Ukraine, commodity crisis, inflation), SDG progress has stalled globally (Sustainable Development Report, n.d.). According to research analyzing the impact of megatrends and trends on the SDGs (Hatalaska, 2022), the megatrends

slowing down the realization of the SDGs the most are: health crises, loss of social cohesion, and a mirror world.<sup>3</sup> And within the trends having the biggest negative impact on the realization of the SDGs, they are techno-power accumulation, digital inequality, the commodity crisis, disrupted supply chains, disillusionment with democracy, polarization, and anti-science. However, there are also positive aspects. Trends such as invisible technology, giga-connectivity, clean energy, conscious consumption, closed-loop economy, social economy, inclusivity and diversity, and women's empowerment have the greatest positive impact on the realization of the SDGs. The area with the greatest chance of realization as envisioned by Agenda 2030 is related to economic growth, which includes such SDGs as economic growth, decent work and innovation, industry, and infrastructure. The lowest indicator in terms of the chance of implementation as envisioned by the Agenda was given to the area of dignity, which includes such goals as an end to poverty, zero hunger, less inequality, and gender equality. This is a clear signal that humanity, including business, still has plenty of work to do in these social areas.

According to the author of the cited research, today simply undertaking activities to support or counter trends in order to achieve the SDGs is insufficient. What is needed is a change at a deeper socio-cultural level that includes: the ability to think about the future, the ability to think systemically, cooperation and solidarity, and a change in the understanding of the definition of progress (Hatalaska, 2022). The recipients and creators of this change must all become important participants in socioeconomic life, among others: business, policy makers, social activists, scientists, or educators. As Hutchinson, Novacek, Chin, and Falco (2023) argue, it is possible for a business to become socially transformative, that is, one that will build smart social impact that nurtures resilience and long-term advantage (Hutchinson, Novacek, Chin & Falco, 2023). Crucial elements of a successful approach to socially transformative business include dedicated leadership, substantive authenticity, clear communication, and innovation. (Hutchinson, Novacek, Chin & Falco, 2023). In order to design and implement the necessary changes as humanity, we need conscious, responsible, ambitious, and courageous leaders who are ready to challenge existing patterns. Educating such leaders today is a huge task and responsibility for universities, among others. The role of universities in the context of social impact seems to be invaluable, as they not only shape the attitudes and values of future leaders and participants in socioeconomic life, but through their research projects, they point out areas in need of urgent action, propose tools and methods, and themselves exert a social impact locally.

In conclusion, we trust that in a polarized world, where clickbait wins, algorithms lock us into bubbles, and bad news sells far better than good news, at a time of constantly emerging new and global threats, doubt and depression (including climate-related one), an organization's measurable and communicated social impact in the public space is proof that positive social and environmental

change is possible, meaning that there is hope for a better future. And hope is extremely important, as it gives significance to our activities and motivates us to continue despite uncertainties (Solnit, 2022). Thus understood, social impact, in addition to describing the positive effects of actions taken by organizations in the present, provides an impetus for innovation and activity in changes for a better future. By monitoring social impact trends and implementing innovative and socially engaged organizational management strategies, it is possible to create a more just and sustainable world that serves everyone.

## Notes

- 1 FSG is a global nonprofit consulting firm that partners with foundations and corporations to create equitable systems change.
- 2 The EU Platform on Sustainable Finance gathers preeminent sustainability experts representing diverse stakeholder groups, including private entities from financial, non-financial, and business sectors, NGOs and civil society, academia and think tanks, individual experts, as well as public and international institutions.
- 3 The mirror world means the intensive and constant transfer of life at all possible levels to the digital world (Hatalaska, n.d.).

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