

A nighttime photograph of a city skyline, likely New York City, viewed from an elevated park area. In the foreground, there are lush green trees and a wooden staircase leading down. The city lights are visible in the background, with several skyscrapers illuminated. A large, bold title is overlaid on the top half of the image.

# WHY SOCIAL PROGRESS IS CRITICAL TO THRIVING SOCIETIES AND BUSINESSES

An Ipsos White Paper

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**GAME CHANGERS**





## THE CONTEXT

In 2015, 193 world leaders agreed to the Sustainable Development Goals (SDGs), an ambitious set of 17 objectives to achieve a more prosperous, inclusive, and sustainable world by 2030. Since the SDGs were first adopted, the concept of sustainability has been elevated in the discourse of governments, businesses, and consumers.

Five years on, the 2020 Social Progress Index, a comprehensive measure of social and environmental outcomes aligned to the SDGs, estimates that if current trends hold we will not achieve the SDGs until 2082, over half a century late. The Covid-19 pandemic is projected to delay progress by at least another 10 years, unless urgent actions are taken.

Never has progress towards a more equitable and sustainable world been more important than it is right now as the Covid-19 pandemic continues to wreak havoc on communities and economies around the world, overturning progress and increasing inequality. Covid-19 has exposed deep vulnerabilities in societies around the world, revealing once again that wealth alone does not guarantee superior wellbeing.

We have an opportunity—and a responsibility—to build back better. Old models of success that focus on economic outcomes at the cost of inclusive and resilient societies will fail, regardless of what the numbers say. We need to redefine—and use new methods to measure—success.



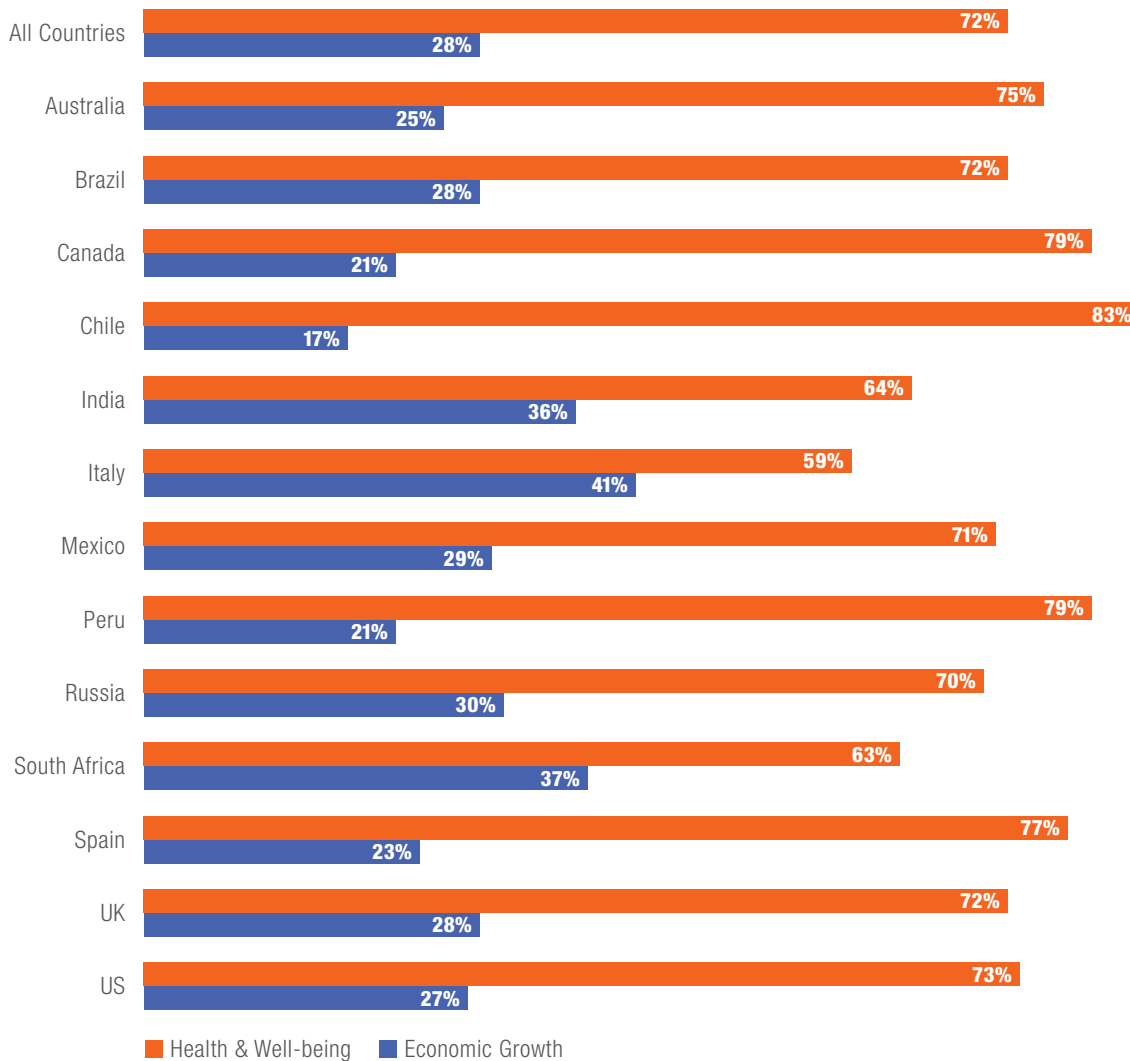
## COVID-19 AND THE CALL FOR SOCIAL PROGRESS

This call to build back better echoes throughout all sectors of society—public and private—to match the collective aspiration for sustainable, inclusive growth with fundamental changes to the way we develop policies, target investments, and do business.

Indeed, a [new Ipsos/Social Progress Imperative survey](#) indicates that a majority across countries hit hardest by the

Covid-19 pandemic want social progress—rather than economic growth—to be at the fore not only during the crisis, but also once it ends. This is not to say that economic recovery is completely irrelevant, but rather that economic recovery can no longer come at the expense of social progress.

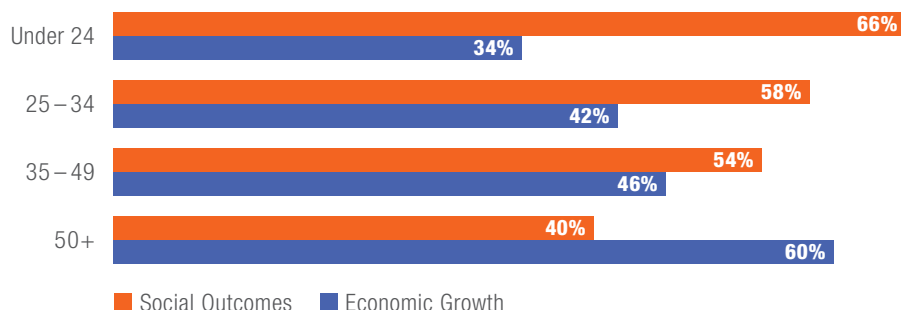
**Figure 1** Current Covid-19 Priorities by Country



The findings are clear: as the world rebuilds after Covid-19, the youngest cohorts in particular—those that are the employees and consumers of tomorrow—want to see economic growth that is accompanied by a strong focus on social and environmental

progress. Businesses must adapt to this new reality and make sustainability and inclusion core elements of their growth strategies in order to meet consumer expectations.

**Figure 2** Post Covid-19 Priorities by Age

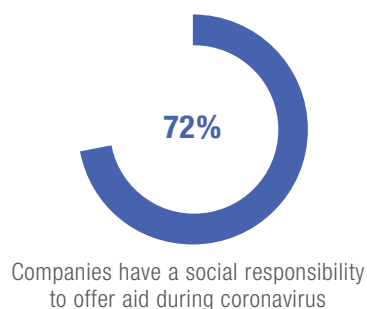


## A SUSTAINABILITY IMPERATIVE FOR BUSINESS

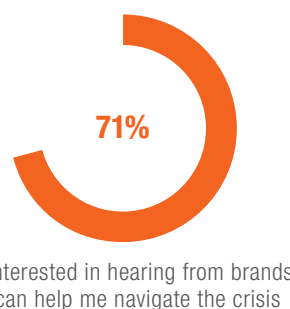
This expectation has been set not only for governments, but also for business. However, where businesses land on the spectrum of sustainability largely depends on the direct pressures that they face. Are their supply chains threatened by resource

depletion or geopolitical upheaval? Are their stakeholders demanding accountability so that business practices align with social values? Are their customers shifting towards more mission-driven products and services?

**Figure 3** Expectations of Brands during Covid-19



Regardless of whether businesses are making a proactive attempt to become more sustainable or simply being carried along with the tide of change, now more than ever the private sector is being challenged to address sustainability problems



head-on and offer solutions that show real impact. But to do so they must work in partnership with communities and governments to understand and impact social progress within the context of their business.

## THE IMPORTANCE OF SOCIAL PROGRESS TO SUSTAINABLE BUSINESS

Though the private sector is the primary driver of economic growth, businesses (and therefore economies) cannot thrive without healthy and educated citizens, adequate infrastructure, effective regulatory and governance systems, and peace and security.

In 2020 we have seen the toll that global events, from Covid-19 to drastic climate shifts and beyond, can take as an increasingly unstable, unpredictable, and unequal world exposes businesses and their supply chains to heightened market risks. Take, for instance, the examples presented below.

Smart companies have realized that doing business better—investing in the social wellbeing of communities—generates

increased returns and boosts their competitiveness. This sentiment has been echoed throughout the sector—in 2019 [the Business Roundtable](#) overturned a 22-year-old policy and re-defined the Statement on the Purpose of a Corporation. By this new definition, companies should not only serve their shareholders, but also deliver value to their customers, invest in employees, deal fairly with suppliers, and support the communities in which they operate. To invest wisely, however, companies need to make decisions rooted in business reality and guided by data that provides a clear picture of the unique context, needs, and priorities of each community in which they operate.

***The Covid-19 pandemic has caused significant disruptions to business continuity and growth across nearly every industry. In industries such as manufacturing and construction, where workers are required to be on-site and work in close proximity to each other, increased emphasis on workplace health, safety, and availability of healthcare has become critically important. Meanwhile, industries such as hospitality have been faced with shifting consumer behaviors that prioritize health and safety, forcing them to adapt to entirely new ways of doing business.***

***Widespread and systemic injustice in the U.S. has led to a series of mass protests, effectively shutting down cities (and businesses) around the country. As part of this movement, Consumers and stakeholders alike have become more openly and deeply invested in social justice, not only ideologically but also in terms of their purchasing decisions. As a result, companies have been spurred towards immediate and radical transparency about the diversity and inclusion at all points of their value chain in order to maintain sales as well as investment.***

## SOCIAL PROGRESS INDEX: A TOOL TO ASSESS NEEDS AND TRACK IMPACT

As the first comprehensive framework for measuring social progress that is independent of economic indicators such as GDP, the Social Progress Index provides unique data-driven insights to better illustrate how people are really living and who is being left behind across communities, societies, and nations.

The Index aggregates and analyzes data across 12 SDG-aligned core components of quality of life, including health, education, safety, rights, and environmental quality, based on people's lived experience. By measuring these factors directly, without reliance on economic proxies, the Index makes it possible to disentangle social and economic progress and analyze the relationship between the two. Through this analysis, the Index can reveal areas where progress follows directly from investment, and others where more direct interventions are required.

This rigorous, globally validated framework collects and organizes thousands of pieces of social and environmental data to help leaders across sectors pinpoint the specific needs of the communities where they operate, ensuring local engagement and investments are responsive to people's real needs and priorities, as well as identifying operational risks and market opportunities. Since it is updated over time and utilizes trusted pre-existing data, the Index makes it possible to assess trends and track what works and where investments and actions are failing.

As such, the Index has already been adopted in [over 45 countries around the world](#) to equip leaders from government and business with the data and insights necessary to support the SDGs by promoting thriving, equitable societies.

**Figure 4** Social Progress Index



## SOCIAL PROGRESS INDEX FOR UNDERSTANDING MARKETS

The Social Progress Index is used to drive impact and competitiveness by guiding investments, providing market insight, assessing business risks, and strengthening sustainability strategies. Using existing and tailored Indexes, solutions can be designed to:

- **Guide and assess business investments:** The Index can be applied at the national and local levels to reveal a country or community's social and environmental performance and needs. This allows for better management of community investments to make the greatest impact.
- **Strengthen communities to support growth:** The Index provides actionable intelligence to decision-makers on the

everyday challenges faced by their employees and suppliers in strategic geographies. This can be used to guide public-private collaboration and prioritize investments to advance social wellbeing in these communities to help safeguard supply chains.

- **Track contribution to the SDGs:** The Social Progress Index measures outcomes rather than inputs, which means it is an effective tool to capture real progress towards the SDGs at the national and local levels. Aligning the Index to the SDGs supports effective planning, monitoring, and reporting, even when official SDG indicators do not exist.





## THE SOCIAL PROGRESS INDEX IN USE

The framework offered by the Index can be developed and structured for specific use cases—to understand supply chain risk, guide investment, measure impact, or improve procurement—as demonstrated in the case studies below.

### Understanding Cargill's Value Chain

In Central America, for example, Cargill has applied a survey-based Social Progress Index to better understand how their local supply chain interacts with co-ops, small and large businesses and how these dynamics affect social progress in the communities in which they operate. From a single pilot project, Cargill have expanded this initiative to three countries, using it to engage with community members and local government to set priorities and undertake collaborative development projects. The adaptive flexibility of the Index framework, coupled with its ability to capture universal values, makes it an invaluable tool for businesses seeking a common language to engage with their communities and the public sector.

### Improving Coca-Cola and Natura Communities

Faced with risk to their supply of acai and oilseeds from the remote rainforest of Brazil, Coca-Cola and cosmetic company Natura used the Social Progress Index, with data provided by Ipsos, to understand and address supply chain risk caused by the large scale rural-urban migration of farmers spurred by poor living conditions and a lack of opportunities in the Brazilian Amazon. Using a local Social Progress Index pinpointed a lack of clean water and limited educational opportunities as major challenges.

In response, Coca-Cola and Natura partnered with government and local civic groups to construct new systems for collecting and distributing rainwater, build modern bathrooms with showers and toilets, train rural teachers, and establish new training programs in forestry and land management. Using regular Index updates to track the progress of their initiative, the companies found a 27% improvement in access to clean water and a 6% increase in access to basic education in just two years.

### Guiding Socially-Driven Procurement in East London

The Borough of Barking and Dagenham is developed and uses a ward-level Social Progress Index to measure inclusive growth to ensure that no resident is left behind. The Index is designed to make local government accountable to its citizens—committing to the borough's development plan and evaluating impact. Using the Index as a guide, the Council was able to develop more proactive policies and preventative measures leading to some £3m in annual savings due to better service and resource allocation.

The use of the Social Progress Index also led the Council to adopt a new procurement policy that evaluates vendors based on their contribution to the borough's social progress priorities, as each tender for a contract over £100,000 must commit to improve a specific area of the Social Progress Index in the borough.

These cases demonstrate that businesses and government alike can harness the power of hard data and the conceptual rigor of the Social Progress Index to identify how best to improve the communities they operate in, secure their supply chains, and build a sustainable future for both their operations and the broader society by integrating the Index to ensure they are contributing social value to the surrounding communities and society as a whole.

***Social Progress Index data was extremely important for us to provide visibility on the real needs of the region.***

—Renata Puchala, former director,  
Programa Amazônia, Natura

***The approach of bringing together the index into one consumable framework meant that we were able to easily spot a multitude of problems in a specific area.***

—Pye Nyunt, Head of Insight & Innovation,  
London Borough of Barking & Dagenham



## ABOUT IPSOS

At Ipsos we are passionately curious about people, markets, brands, and society. We deliver information and analysis that makes our complex world easier and faster to navigate and inspires our clients to make smarter decisions. With a strong presence in 90 countries, Ipsos employs more than 18,000 people and conducts research programs in more than 100 countries. Founded in France in 1975, Ipsos is controlled and managed by research professionals.

## ABOUT SOCIAL PROGRESS IMPERATIVE

The Social Progress Index is an initiative of the Social Progress Imperative, a Washington DC-based nonprofit exclusively focused on redefining how the world measures success, putting things that matter to people's lives at the top of the agenda. Established in 2012 with support through initial investments by the Skoll Foundation, Deloitte, Avina Foundation, Cisco and others, the Social Progress Imperative strives to improve the lives of people around the world by fostering research and knowledge sharing on social progress and using data to catalyze action.

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