

THINK DIFFERENT



RISK INNOVATION
NEXUS

NEW TOOLS FOR CREATING VALUE IN AN UNCERTAIN WORLD

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A close-up photograph of the bottom of a red TOMS shoe. The sole is made of a reddish-brown material and shows signs of wear, including scuffs and small holes. Embossed on the sole is the word "TOMS" in a large, stylized font. Below it, in a smaller font, is the text: "For every pair you purchase, TOMS will give a pair of shoes to a child in need. One for one". To the left of the main text is a small circular logo containing the word "TOMS" in a circular arrangement. The shoe is resting on a dark, textured surface.

TOMS
For every pair you purchase,
TOMS will give a pair of shoes
to a child in need. One for one

In 2006, Toms founder Blake Mycoskie created a “One-to-One” shoe business and charity: for every pair of shoes purchased, they would donate one pair of shoes to a developing country



Buying TOMS shoes is a terrible way to help poor people

vox.com — Amanda Taub, Jul 23, 2015

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“Did you buy TOMS shoes because you want to make the world a better place? If so, you should be a little mad”



RISK INNOVATION

A way of approaching risk that leads to new knowledge, understanding, and capabilities, and translates these into products, tools, or practices that protect and grow societal, environmental, economic, and other value

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CREATIVITY

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TOOLS

VALUE CREATION



RISK INNOVATION NEXUS

Connecting ethical and responsible
innovation with value growth

riskinnovation.org

The background of the image is a solid yellow color with a subtle, intricate pattern of white contour lines. These lines are irregular and wavy, resembling the topographic map lines used to represent elevation and terrain. The lines are more densely packed in some areas and more spread out in others, creating a sense of depth and texture.

VALUE

The background of the image is a solid mustard yellow color with a subtle, intricate pattern of thin, light-colored contour lines. These lines are irregular and wavy, resembling a topographic map or a wood grain texture, creating a sense of depth and movement across the entire surface.

MINDSET

The background of the image is a solid yellow color with a subtle, intricate pattern of white contour lines, resembling a topographic map. The lines are irregular and wavy, creating a textured effect across the entire surface.

TOOLS



AREAS OF VALUE

ENTERPRISE:

INVESTORS:

CUSTOMERS:

COMMUNITY:

AREAS OF VALUE

ENTERPRISE:

- + Improving lives in poor communities
- + Customers who value philanthropy

INVESTORS:

CUSTOMERS:

COMMUNITY:

AREAS OF VALUE

ENTERPRISE:

- + Improving lives in poor communities
- + Customers who value philanthropy

INVESTORS:

- + A profitable product with minimal overhead
- + A business model that is both profitable and beneficial

CUSTOMERS:

- + Products that also benefit a global community
- + Interest in addressing global poverty

COMMUNITY:

- + A need for sustainable and effective poverty solutions
- + A need for successful interventions

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Social & Ethical Factors

**Unintended Consequences of
Emerging Technologies**

Organizations & Systems

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By asking questions like “do we know how our actions affect the communities we’re serving?” and “have we engaged community members and experts in our planning process?” Toms could have better used its philanthropic model to serve communities at every stage

Identifying points of convergence between orphan risks—in this case, a lack of engagement with geopolitical and social justice issues leading to negative customer perceptions which in turn caused a blindsiding blow to a company’s reputation—can help companies like Toms make better, more informed decisions both now and as they continue to grow



Image: Glenn Fawcett, Wikimedia Commons

VALUE CREATION THROUGH INTEGRATING RISK INNOVATION INTO THE ENTREPRENEURIAL MINDSET

Identifying orphan risks

Navigating a dynamic risk landscape

Creating mutual value

Taking small steps



RISK INNOVATION NEXUS

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