



THINK DIFFERENT

NEW TOOLS FOR CREATING VALUE IN AN UNCERTAIN WORLD



RISK INNOVATION
NEXUS

Professor Andrew Maynard
Arizona State University Risk Innovation Nexus



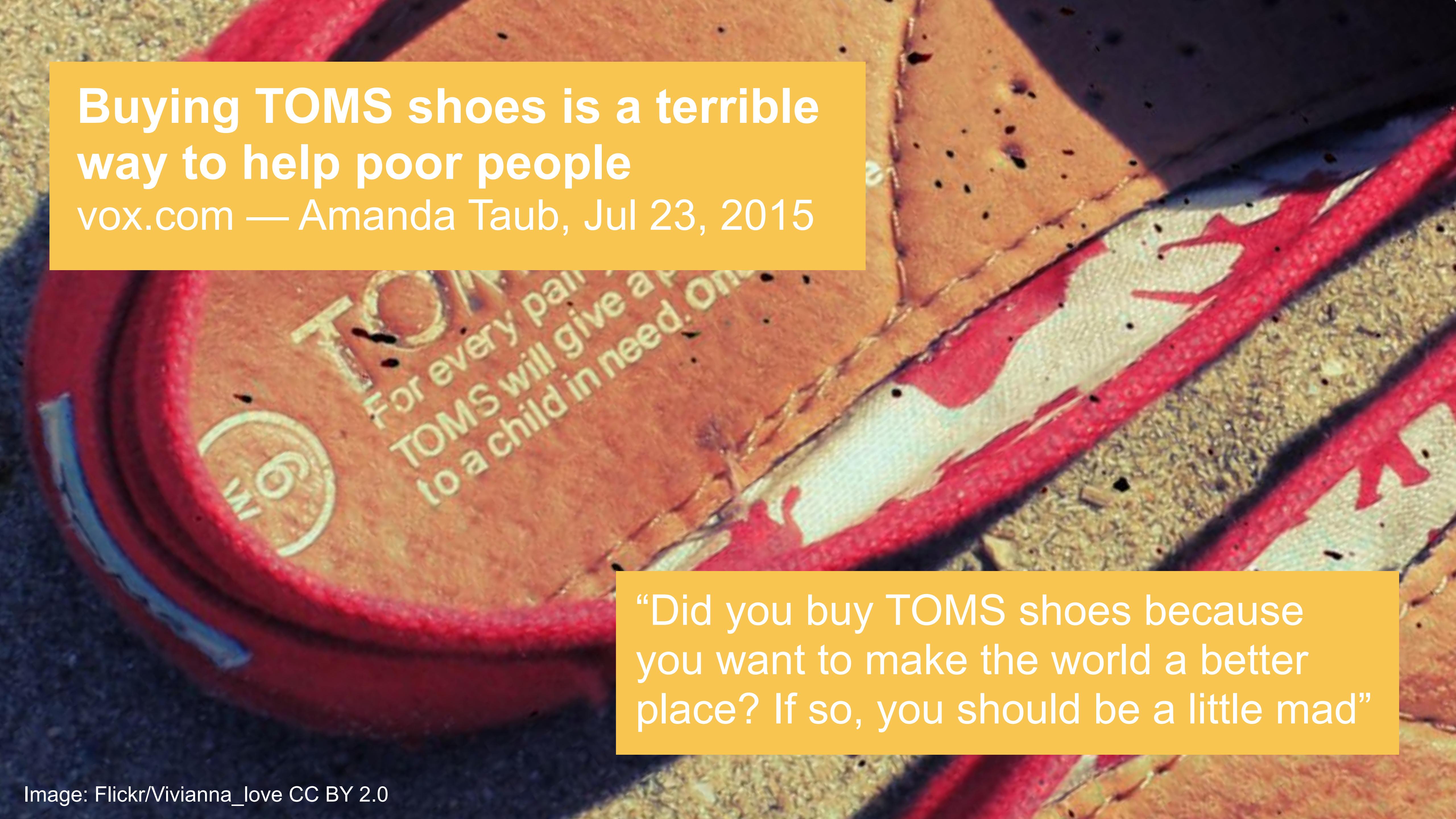
In 2006, Toms founder Blake Mycoskie created a “One-to-One” shoe business and charity: for every pair of shoes purchased, they would donate one pair of shoes to a developing country

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”



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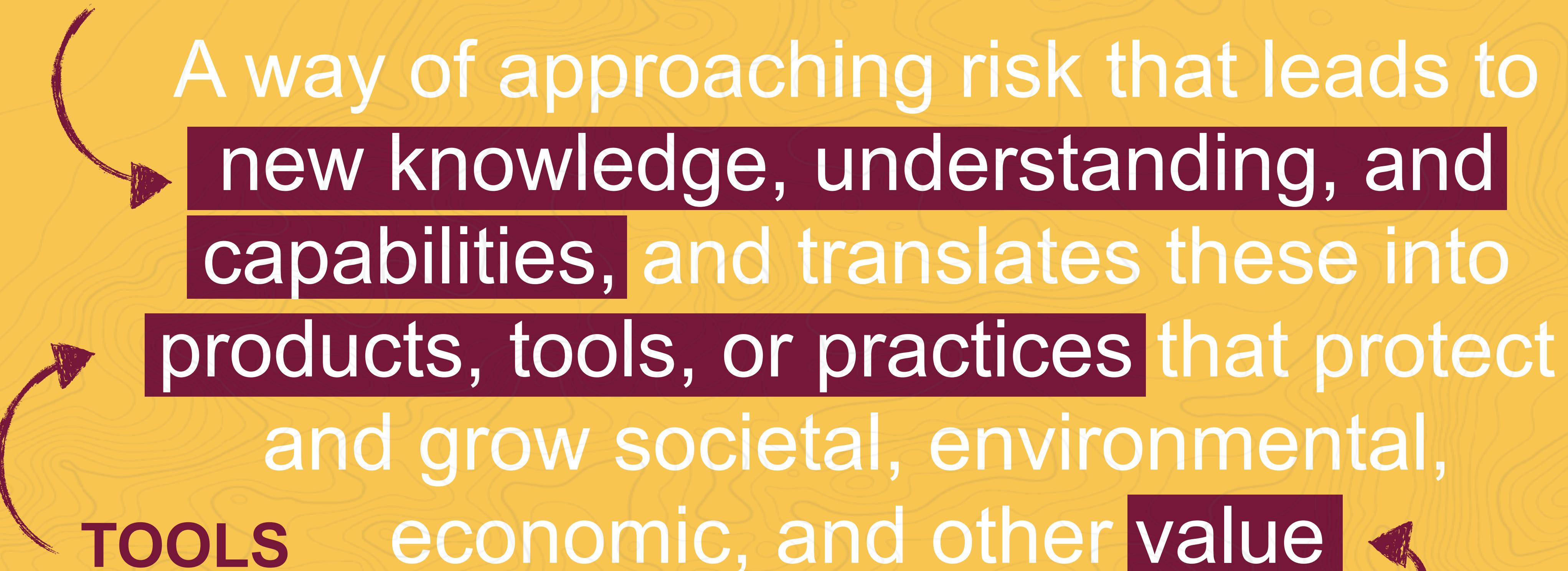
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CREATIVITY



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RISK INNOVATION NEXUS

Connecting ethical and responsible
innovation with value growth

riskinnovation.org

VALUE

The background of the image is a solid yellow color with a subtle, organic pattern of thin, light gray wavy lines. These lines create a sense of depth and movement, resembling ripples in water or contour lines on a map. The wavy lines are more concentrated in the center of the image, where the text is placed, and spread out towards the edges.

MINDSET



TOOLS



AREAS OF VALUE

ENTERPRISE:

INVESTORS:

CUSTOMERS:

COMMUNITY:



AREAS OF VALUE

ENTERPRISE:

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

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ENTERPRISE:

- + Improving lives in poor communities
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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

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Organizations & Systems

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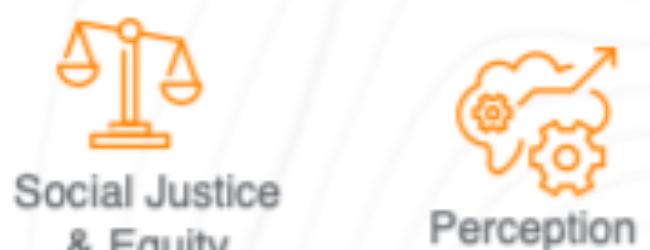
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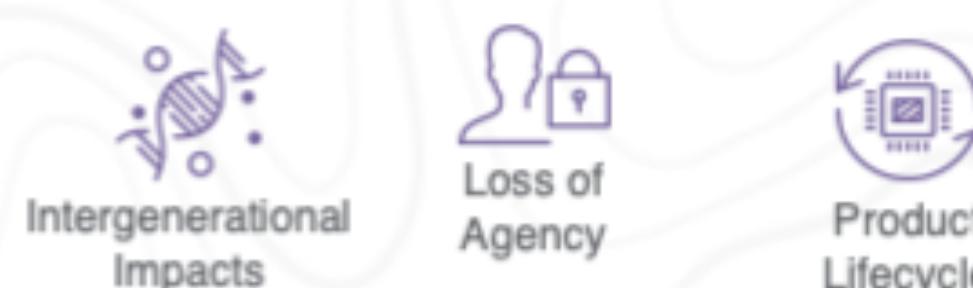
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By asking questions like “do we know how our actions affect the communities we’re serving?” and “have we engaged community members and experts in our planning process?” Toms could have better used its philanthropic model to serve communities at every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



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