Appendix D: Draft Organisational Maturity Framework

Through this research we identified a number of frameworks that Aotearoa businesses are aware of, actively considering and using.

	Criteria	0	1	2	3
Impact	**Aspiration and impact** To what extent does the organisation make a social impact?	**Social impact is negative.** Business creates or benefits from negative social impact to be commercially successful.	**Social impact is neutral.** Business manages and mitigates social impact risk and issues that are created by, or impact on, the business (deficit-based).	**Social impact is positive and sustainable.** Business creates sustained social impact by maintaining wellbeing of its employees, customers and partners.	**Social impact is positive and regenerative.** Business actively restores and creates social impact by increasing the wellbeing of its employees, customers and partners, their natural communities and communities it operates in. Business takes a long-term, intergenerational lens to social impact.
Impact	**"S" Completeness.*** What groups is the business considering social impact on and for?	**Social impact is not focused on any group.** Social impact does not consider any of the groups (i.e. employees, customers, partners, suppliers, and communities it operates in).	**Social impact is focused on employees.** Social impact focus is limited to employees (and exclusive of customers, partners, suppliers, and communities it operates in).	**Social impact considers multiple possible impact groups** including customers, partners, suppliers, and communities we operate in).	**Social impact considers all impact groups** (employees, customers, partners, suppliers, and communities we operate in).
Impact	**Materiality.** To what extent is materiality assessed in the business?	**Materiality is not assessed.** There is no repeatable process in place to assess materiality.	**Materiality is partially assessed.** Materiality assessment has gaps in knowledge and/or stakeholder involvement.	**Materiality is consistently assessed.** Materiality assessment consistently considers financial- and non-financial materiality, engages all stakeholders, and is informed by context.	**Materiality is systematically assessed.** Materiality assessment considers all stakeholders and has a validated view of the organisation's levers and differentiators and the relative opportunities for impact.
Profit, people and planet alignment	**Commercial Model** To what extent are purpose and profit aligned?	**Impact is at odds.** Increased revenue and growth are at the expense of positive social impact.	**Impact is not aligned:** Increased revenue and growth do not affect positive social impact.	**Impact is loosely aligned.** Increased revenue and growth increase positive social impact.	**Impact is tightly aligned.** Increased revenue and growth increase positive social impact proportionately (or more).
Profit, people and planet alignment	**ESG interconnection.** To what extent are the E, S, and G dimensions considered in an integrated way?	**E, S & G are considered separately.** There is no coordination and alignment across E, S & G planning and activities. The tensions and trade-offs are not understood. Resource and focus may be in contention.	**E, S & G are loosely connected.** E, S & G planning and activities are coordinated and aligned on an ad-hoc basis. Tensions and trade-offs are not well understood; focus may be limited or heavily weighted to one.	**E, S & G are tightly connected.** There is clear and consistent coordination and alignment across E, S & G planning and activities. The tensions and trade-offs are understood.	**E, S & G are integrated and stacked.** Stacked value (actions that increase E, S, G and commercial outcomes) is understood and opportunities realised. Tensions and trade-offs are understood and defined.
Business model DNA	**"S" Leadership and accountability.*** To what extent are social impact leadership, expectations, and accountabilities embedded into the organisation?	**No clear leadership and accountability.** There are no social impact performance expectations or accountabilities.	**Some leadership and accountability is defined.** There are social impact performance expectations and accountabilities around easily defined 'S' factors (e.g. H&S, pay, D&I). Accountability may be held deep in the business and/or in limited parts of the business.	**Leadership and accountability is defined.** A broad set of social impact performance expectations and accountabilities are defined and measured. Accountability is held at senior levels across the business.	**Leadership and accountability is embedded.** Governance, leadership, and management have clear accountability for social impact linked to performance. All staff understand how they contribute.
Business model DNA	**"S" Measurement.*** To what extent are ESG factors measured and reported on in the business?	**S is not measured.** There is no measurement and reporting of any "S" factors.	**A narrow set of "S" factors have measurement and reporting.** There is measurement of core "S" factors within the organisation's direct levers – including H&S and diversity and inclusion.	**S is measured across multiple domains.** There is measurement and reporting of the foundational "S" factors across multiple cohorts (employees, customers, partners etc.)	**Full ESG measurement and reporting.** Performance measures are defined across all material issues and cohorts, and attribution is defined. Clear, measurable targets set and embedded in organisational KPIs for all 'S' factors material to the business.
Business model DNA	**Decision making.** To what extent is ESG considered in decision making?	**ESG is not considered in core decision making.** Investments, programmes, and operational decisions are not required to consider ESG.	**ESG is considered in decisions on an ad hoc basis.** The business identifies ESG considerations in some decisions, but these are not systematic.	**ESG is considered in key decisions with variable support.** The business identifies E, S, and G considerations in all key decisions, but not always consistently and comparably.	**ESG is embedded into decision making.** Processes and governance to assess, choose and monitor are consistent and systematic.
Business model DNA	**Funding and focus** To what extent are resources (people and money) focused on impact?	**Resource is at risk.** Resource focused on delivering social impact is at risk from other priorities.	**Resource is protected.** Resource is ringfenced over reasonable timeframes.	**Resource is aligned.** Resource is ringfenced and tied to business performance, increasing resources with revenue and profit growth.	**Resource is embedded.** Resource is ringfenced and revenue and growth increase resources proportionately (or more).

***S-specific. for these criteria there would be an equivalent definition for E and G.**