Case Study: Danone North America

About Danone North America

Danone North America is a subsidiary of global food and beverage company Danone, maker of such brands as Activia®, Silk®, and Evian®. Danone North America has more than 6,500 employees, offices in both the U.S. and Canada, and manufacturing facilities across North America. In April 2018, Danone North America became a Certified B Corporation® (or B Corp™), making it the world’s largest company to earn this certification. The company is legally required to consider the impact of its decisions on a diverse set of stakeholders, including workers, customers, suppliers, and the communities in which it operates, in addition to shareholders.

One Person, One Voice, One Share: Employees as owners

A core tenet of B Corp certification is to engage employees to understand how they can drive social and environmental progress in their jobs. Educating employees about what B Corp certification means and bringing them into the certification process are often the first steps a company takes in this endeavor. For Danone North America, this means both demonstrating the “big picture” to employees on the ways in which leadership sets and measures the nine long-term strategic goals that Danone has aligned to the global Sustainable Development Goals, and what B Corp certification means individually, for day-to-day employee responsibilities.

Danone has a vision of “One Planet. One Health” — a belief that the health of people and the planet are interconnected, and that Danone has a responsibility to advance both. To help support this dual responsibility, Danone has instituted a global program, titled “One Person, One Voice, One Share,” as the means by which to give employees a vested interest and increased level of ownership in the success of the company.

This initiative is an innovative engagement program and governance model for all 100,000 global employees to co-own the Danone agenda, actively participate in defining roadmaps to achieve success with its nine strategic goals, and deepen the ownership mindset of employees by awarding each employee one share of the company. It underscores both a core tenet of B Corp — that employees are stakeholders directly involved in a company’s success as well as Danone’s belief that further fostering an ownership
mindset for all employees is the best way to align everyone’s interests for the long-term. All Danone employees were given the opportunity to opt-in to become company shareholders this year.

**Instilling a mindset of ownership of the environment**

One of Danone’s nine strategic goals is to “preserve and renew the planet’s natural resources.” Environmental issues can be complex, and B Corp certification assesses several environmental topics ranging from carbon accounting to circular economy issues to waste reduction. Integrating environmental performance into daily employee responsibilities first requires the company to translate environmental jargon into a language that employees better understand, like clean air, renewable energy, and energy efficiency. A solid understanding on these issues is essential to empower employees to drive the type of systemic change needed to meet its environmental goals.

For example, empowered by leadership, the Danone North America procurement team has integrated geography into the supplier criteria for its selection process. By including geography in the selection criteria, employees can identify and measure the environmental and economic benefits of purchasing locally, including the reduction of carbon and transportation costs as well as the strengthening of local economies. Additionally, Danone North America transportation teams work with suppliers on being more energy efficient in their operations. For example, teams are helping suppliers adopt the Sustainable Fuel Buyers’ Principles developed by the nonprofit Business for Social Responsibility (BSR) and already adopted by Danone North America.

**Greatest challenges**

With a long-term mission and purpose threaded throughout the organization and built into Danone’s “One Planet. One Health” vision, the challenge becomes how to turn these beliefs into practice day to day. B Corp certification provides a framework to embed environmental considerations throughout the company. It brings new ways to assess and measure environmental impact and to inspire collective action.

Danone North America has undertaken several internal initiatives to integrate B Corp values deep into its business. First, the company established a framework for integration workshops, leading more than 10 workshops with teams from finance to procurement departments to embed key facets of B Corp certification into those teams’ overall strategic planning and personal objectives. Another key component for integration has been hosting trainings on the meaning of being a B Corp, to continue to drive employee engagement and develop employee ambassadors as impactful advocates both internally and externally, throughout the company’s value chain.

**Measuring Success**

In B Corp workshops and training sessions, Danone North America employees receive tailored actionable and sustainable roadmap recommendations for genuine integration into their team. To ensure the success of these engagement tactics, the company tracks the quality and quantity of improvements made after workshops as well as the goals and metrics set by each team. Finally, the company utilizes B Corp’s B Impact Assessment (BIA) and its five BIA Impact Areas to highlight areas of opportunity and track continuous improvement. For employees, the BIA provides teams with a helpful roadmap to prioritize key sustainability projects and elevate expectations of what is possible.