



*Steven reimagines better businesses, with keen insights,  
practical ideas and deep humanity.*

Shamubeel Equb

LAYING  
FOUNDATIONS  
FOR  
REIMAGINING  
BUSINESS

*Essays*

Steven Moe



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REIMAGINING  
BUSINESS

Essays

**Steven Moe**

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The secret of change is to focus all of your energy not on fighting the old, but on building the new.

# INTRODUCTION

This is not the book.

The one where the future direction gets charted.

The one that explains the paradigm shifts of thinking.

The one that proposes changes.

The one that reimagines business.

But it is a starting point – laying the foundations.

The purpose is to present all the essays and other thought pieces I have written or co-written in the last few years and a special thanks to those co-authors who are all amazing. The future involves more partnerships whenever we can, which is why you will see I have worked with many on these essays and reports – let's collaborate more, not less.

I want to share these essays with you as they are important markers of thinking that then lead to what will be released next, a book called "*Reimagining Business: The Impact Paradigm*". The first chapter of that book closes out this one.

Enjoy these pieces, disagree with them, engage with them, spread the ideas, and be watching for the book that is the tree that has risen from the seeds that are in each of these essays.

Keep planting those seeds. Do not judge each day by the harvest you reap, but by the seeds that you plant.

Stay curious.

**Steven Moe**  
November 2021

## ABOUT ME

Kia ora! I'm Steven and am a Partner in the corporate and commercial team at [Parry Field Lawyers](#) helping people across Aotearoa New Zealand. I love my job as a catalyst to help people get their structures right and achieve what they are aiming for. This often involves working with impact driven entrepreneurs, charities and for purpose organisations which has caused me to think a lot about the future – which is why I'm excited to share this book of ideas with you.

While I have an accent I moved to New Zealand as a child in 1984 and grew up in Christchurch and studied at Canterbury University where I graduated in 2001 with first class honours in Law and a BA in History and Political Science. I worked for a national law firm in Wellington for 3 years before leaving New Zealand to work for 11 years at international law firm Norton Rose Fulbright in Tokyo (4 years), London (3 years) and Sydney (4 years) before returning to New Zealand in 2016.

I host [Seeds Podcast](#) with almost 300 interviews and those guests really get me thinking – these essays resulted. Like all of you I wear multiple hats most importantly as a Dad of four and Husband but also am in Cohort 7 of the [Edmund Hillary Fellowship](#), facilitator for the IOD, Chair of [Community Finance](#) which has recently raised \$60 million for social housing and coordinated the [Impact Unconference](#) held online for 350 in April 2020. In 2017 I published [the book](#) “*Social Enterprises in New Zealand: A Legal Handbook*”. If you'd like to hear me explain some of my journey in 6 minutes then [this](#) Pechakucha talk does that. You can find it at [www.theseeds.nz](http://www.theseeds.nz)

Comments and discussions are welcome on this book. I can be reached at [stevenmoe@parryfield.com](mailto:stevenmoe@parryfield.com) or 021 761 292.



## ABOUT SEEDS PODCAST

Since September 2017 I've been hosting the podcast Seeds [www.theseeds.nz](http://www.theseeds.nz) where I interview inspiring people about their lives and what has shaped them.

It's a labour of love and there are now almost 300 interviews and more than 120,000+ listens. Many of the guests are entrepreneurs who are driven by impact and so each has helped shape the ideas in this book in some way. I recently shared in 10 minutes using 10 slides why I think Stories Matter and the origins of Seeds Podcast here: <https://theseeds.nz/why-storytelling-matters/>



## ABOUT PARRY FIELD LAWYERS

Based in Christchurch we have three offices and around 70 staff who focus on three core areas – Corporate Law, Property Law and Disputes. We provide many free templates, guides, articles and videos at [www.parryfield.com](http://www.parryfield.com). We started in 1948 and since the early days have been involved in supporting impact focussed entrepreneurs and charities. We always aim to get “To the heart of what matters” with our clients.



To the heart of what matters.

## THE GIFTING TRAIL: HOW THIS BOOK WORKS ....

It's not a normal book... Please join me as an active collaborator in spreading ideas to challenge and provoke thinking and change. There are **five ways** you can help:

1. If you got a link then consider who you could send it on to and ask them to do the same?
2. If you liked the book then take a photo of the cover or a screenshot and tag me in when posting your thoughts or a quote on Linked In or social media as a way to help spread awareness of the themes set out here.
3. If you write a one line review send it to me and I will add it to the others here: <https://theseeds.nz/laying-foundations-for-reimagining-business-essays/>
4. If you received this as a physical copy then would you please read it and pass it on to someone who would benefit, and ask them to do the same? If so this book might be read by many more – and not spend its days as an orphan on a bookshelf.
5. Join me as part of a team to help promote the next book “Reimagining Business”? I need your help.

You can always get the PDF version by emailing me at [stevenmoe@parryfield.com](mailto:stevenmoe@parryfield.com). There are also a bunch of links to many other articles not in this collection at the back of this book.

Remember this mindset - you got this as a gift to hold as a steward for someone else.

## The Gifting Trail

My name is \_\_\_\_\_ and I was gifted this book by Steven Moe on \_\_\_\_\_.

I gave it to \_\_\_\_\_ on \_\_\_\_\_

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and so on, and so forth ...

And if you get a copy of this book with this page filled in please email me a photo at [stevenmoe@parryfield.com](mailto:stevenmoe@parryfield.com)



# ESSAY 1: THE BOTTOM LINE IS NOT ENOUGH, COMPANIES SHOULD BE REQUIRED TO HAVE A PURPOSE

*Published as an [Opinion piece](#) in Stuff on 26 August 2021. Thanks to Susan Edmunds the Business Editor for printing these and the other Stuff articles in this collection.*

The Institute of Directors' recent report "Stakeholder Governance: A call to review directors' duties" has caused some commentators to say that the institute is going too far by broadening who directors are accountable to.

This criticism is firmly stuck in the past. Arguing that duties for directors are fine and no other changes are needed is like standing in a house on fire while replacing the batteries in the smoke alarms.

There are too many pressing needs in society, the environment and the world to ignore this for much longer. If our house is on fire then we need to have a new understanding of the role we each play and that includes the role of companies.

While the report is a welcome move in the right direction, it doesn't go far enough. Clarity of purpose for companies should be a requirement. We expect this of other entities, which shows it is possible.

To become a charity the "charitable purpose" needs to be clearly set out as one of the key criteria to gain that status. In New Zealand however, there is no requirement that companies articulate clearly what their purpose is, or even have a constitution at all.

Having the purpose clearly stated in such a founding document would be a major step towards providing a reference point for directors to navigate their duties by.

The report correctly notes that the constitution of a company can be altered to state what the purpose of the company is. So this is really just taking it to the next logical conclusion: what if we actually advanced the game by requiring it? An articulation of purpose would help directors to know what they are ultimately there for.

Director duties should not just come back to the Milton Friedman conception that the directors are there to guide the company to maximise profit and resulting shareholder wealth.

We need to go beyond discussing stakeholders even and get to the heart of the issue: what is the purpose of the company. We need to balance profit with purpose while incorporating new ways of thinking about ownership as stewards of what we have. Requiring the purpose to be clear will mean directors have a Northern Star to refer back to and guide them.

Structures that enshrine purpose are growing worldwide and make good business sense.

Last year the biggest initial public offering in the United States was for mobile insurance tech start-up Lemonade which doubled its capitalisation to \$3 billion in the first day of trading. The difference? It is also a “public benefit corporation”, meaning it has requirements to balance the interests of many stakeholders and articulate its purposes clearly.

This form of entity is growing overseas, as is the B Corp movement which is already active here (certification to show a company has reached certain standards in how it conducts its business). Oxford Professor Colin Mayer’s book Prosperity dives deeper into this new way of thinking about business and it is flowing out into other areas too, like the rise of impact investing.

Not everyone will be ready for these ideas. But concepts like kaitiakitanga (in a company context, that ownership is about

being stewards) that come from Te Ao Māori just might be a superpower for New Zealand.

If we are on a journey, then a starting point would be to provide for a new class of impact-led companies that have chosen to articulate their purposes.

If we made this change in New Zealand it would echo what's already being done elsewhere and mean that sustainable businesses that articulate purpose are encouraged, as well as asking them to report on impact (to avoid social washing). That will then give directors a much clearer mandate about what to aim for as well.

Ultimately it would be good to see all companies move to set out their purpose rather than having a bespoke structure just for those willing to do so.

As we face tough issues we need to encourage solutions and provide the framework for companies to be clear on their impact. This would also ensure we are on the right side of history too - as so much crumbles around us we need to create the regulatory ecosystem where positive impact is emphasised instead of the old ways of thinking which focuses on shareholder returns.

Milton Friedman himself referred to the "rules of the game" when talking about companies focussing on generating profits.

Let's crystallise how those rules have now changed by requiring purpose to be clearly set out in a constitution to give guidance to directors as they perform their duties.

There is a broader paradigm shift of thinking that is going on here. If we can embrace that then we can choose now to do better - the next generations demand that we plant seeds today of trees that we may not sit in the shade of. Being clear on purpose is at the heart of this shift.

There is enormous inertia - a tyranny of the status quo. Only a crisis - actual or perceived - produces real change. When that crisis occurs, the actions that are taken depend on the ideas that are lying around. That, I believe, is our basic function: to develop alternatives to existing policies, to keep them alive and available until the politically impossible becomes the politically inevitable.

*Milton Friedman*



## **ESSAY 2: IMPACT INVESTING PRESENTS OPPORTUNITY TO BACK A BETTER FUTURE BEYOND JUST FINANCIAL GAIN**

*Published as [Opinion piece](#) in Stuff on 22 November 2020.*

A low interest rate environment gives the opportunity to question past assumptions about returns on investments.

Gone are the yields that came from passive term deposits and this can open up a door to new ways of thinking.

Impact investing is growing and represents a more holistic view of the world. The focus is on more than financial return as these investors are interested in additional measures as well.

A [report](#) by the Centre for Social Impact highlights the state of impact investing in Aotearoa.

In it, we set out the ingredients that set impact investing apart and also profile four real life examples to show this is not just theoretical – it's happening now.

The examples show how real financial returns are sought by investors but are measured in more than interest rates – instead social, environmental, housing or other impacts are critical as well.

Impact investing is growing and represents a more holistic view of the world. The focus is on more than financial return as these investors are interested in additional measures as well.

An example is the \$100 million set aside for the Government's New Zealand Green Investment Finance. Its remit is to accelerate investment in low emissions projects.

An example is The Tindall Foundation and their work in Northland with Amokura (a consortium of seven Taitokerau iwi chief executives) to help develop a model for bringing forward investment opportunities which are Māori-owned and led and underpinned by a tikanga framework.

These are the types of conversations we need to move from an extractive economy to a more regenerative one. Along these lines a series of [four guides](#) on “Tikanga-led impact investment” have also just been released by The Connective.

Still, others are coming to the table in a new way and not from parts of the finance sector you might expect.

Superannuation funds might be regarded as cautious investors. But for the right investment that could change too – recently [Generate Kiwisaver invested \\$20 million via Community Finance to support the building of social housing by the Salvation Army.](#)

The initial round for that has now finished with a total of \$40 million raised. The appeal is simple, there is both financial return coupled with social impact.

The best description of impact investing I’ve heard is by Esther Park, the CEO of Cienega Capital. She describes capital being like heat - if we apply it to a kettle then the water inside is the project which gets activated and then transforms into something completely new that wasn’t there before.

In the same way impact investing is about applying capital to a project to transform the ecosystem itself into a new state of being.

What would really accelerate the growth of this sector? If the Government were to embrace the change that impact

investment offers then there is the opportunity for real public/private collaboration to solve our most wicked problems.

For example, New Zealand could be a world leader in this if the Government were to stand behind and partially guarantee certain qualifying investment categories that provided both financial return and social or environmental impact. There would be other options too, like Government investing a small percentage in projects to give greater comfort for others to join.

Rather than #buildbackbetter perhaps we need to question if we want to go “back” and return to how things have been. Perhaps this is a chance not just to return to old ways but to embrace new conceptions, and it will be a shame if we miss it.

Many are considering this offshore and talking about the need to take the chance to reinvent capitalism itself: We should wrestle with this question too.

New approaches will mean collaborating more and partnering to advance the agenda around critical issues that we all know would help across our society and lift us up together on the same tide. Impact investing is not the only solution for our recovery but it will play an increasingly important role as we question our old assumptions about how investments themselves work.

*Steven Moe is a lawyer and EHF Fellow who helped co-author the Impact Investing report, is chair of Community Finance and hosts Seeds podcast.*

You never change  
things by fighting  
the existing reality.

To change  
something, build a  
new model that  
makes the existing  
model obsolete.

*Buckminster Fuller*

## **ESSAY 3: PROPOSED CHANGES TO THE COMPANIES ACT MARK THE BEGINNING OF POSITIVE CHANGE**

*Published as an [Opinion piece](#) in Stuff on 29 September 2021.*

Important change often goes unannounced and only with hindsight do we see the significance.

Last week a Member's Bill was selected which has nothing to do with the headline-grabbing news on the status of vaccinations, house prices or the economy. Instead, it addresses a core belief that is commonly held about the role of directors of companies in New Zealand.

For decades our rules have lacked clarity over the function of directors, their duties and what they should consider when making decisions. Our thinking has been influenced by the economist Milton Friedman who in 1970 declared that the primary function of a company is to generate wealth for its shareholders.

The reasoning behind that theory has been showing more and more cracks recently. Considerations like climate change, fair practises for employees and the impact a company has on its community all give cause for reflection.

Could it remain right that the duties in the Companies Act remain silent on what directors consider when making decisions? With Labour caucus support the selection of Duncan Webb's Member's Bill in the ballot means change is on the way.

Webb explains, "The spark for this little bill was an urgent debate in Parliament on the letter of expectations that the Minister sends to Air NZ every year. It set out some climate

expectations, good employer expectations etc. David Seymour thought this an outrage to divert Air NZ from a maximising profit motive. I thought it nonsensical that there was a debate at all – but thought if there is some suggestion that ‘the best interests of the company’ means ‘making as much profit as we can ...’, then we need to clear that up.”

The key amendment is to section 131 of the Companies Act and the introduction of additional “recognised environmental, social and governance factors”, which directors may bear in mind (we will come back to the use of the word “may”).

There are five factors listed: the principles of the Treaty of Waitangi; the environment; ethical behaviour, equitable employment practices and the interests of the wider community.

Before critics weigh in on how this is going too far, it is important to note that this is in line with developments overseas. For example, in the UK since 2006 the duty of directors to promote the success of the company has [included a list](#) of similar considerations which directors may have regard to such as the employees, customers, suppliers, the community and the environment.

There are recent proposals in the UK to make these duties more rigorous with a proposed “[Better Business Act](#)” that aims to put the balance of “people, profit and planet” at the core for responsibilities of directors. The [proposed amendments](#) state that it must no longer be an option for directors to benefit wider stakeholders – instead it is proposed to be a requirement to consider them.

There may be tweaks to the New Zealand proposal which could incorporate some of these ideas and jump over a generation of thinking to where the debate eventually leads. We could have that discussion here and now, including a

robust discussion over moving from “may” consider, to “must” consider.

Considerable thought on these issues is ready to inform that discussion, such as recent reports by the Aotearoa Circle’s [Sustainable Finance Forum roadmap](#), the IOD paper on [stakeholder governance](#) and the Ākina Foundation [structuring for impact](#) report.

Even if no changes are made to the bill, this reform is the start of a positive reframing with increased scrutiny for companies and shows a roadmap for additional changes that may flow in the future.

For example, a natural extension of what is proposed here would be to require that all companies must have a constitution in which they clearly articulate their mission and purpose. Hand in hand with that could be a requirement that companies report on how they are going about achieving that purpose, to avoid social washing. In other words, [the bottom line might no longer be enough](#).

An additional change that goes even further could be that those companies who are clearly advancing both profit goals and purpose goals could even be given special status and incentives as “impact companies” in recognition of their blending of traditional conceptions.

We have been fish in the bowl, not aware of the paradigms of thinking which we assume represent how things will always be. But our current system did not exist 100 years ago – it can be changed.

Generations to come might just look back at New Zealand as the place where moves were made first. That is why the proposed changes to these director duties are exciting.

They are the start of real change that will enable us to better conceive the place of companies in our society and positively frame the role and duties of directors. This will provide an ecosystem for the growth of the future that we want to see, where companies increasingly contribute positive impact.



If you treat an individual as they are, they will remain how they are. But if you treat a person as if they were what they ought to be and could be, they will become what they ought to be and could be.

*Johann Wolfgang von Goethe*

## **ESSAY 4: PURPOSE-DRIVEN STRUCTURES FOR IMPACT ENTREPRENEURS IN AOTEAROA NEW ZEALAND: CONSIDERING KAITIAKITANGA AND STEWARD OWNERSHIP**

*Introduction and the first part of [a report](#) published at the end of 2020 and this was co-written with some amazing people: Susan Gary, Jan Hania, Natalie Reitman-White, Murray Whyte and Phillippa Wilkie. Thank you all for your insights and chance to collaborate together on this report and to Reggie Luedtke for your connecting pieces of the puzzle together too.*

There is a paradigm shift occurring in how we think about the role of business. Impact-driven entrepreneurs launch businesses for a purpose and generate profits so they are sustainable while they also deliver products or services that add value to society.

These entrepreneurs often have an intergenerational perspective on the role that their ventures will play in solving social or environmental issues. They may frame their purpose by looking through the lens of the impact on some combination of the environment, society, their employees, customers, suppliers and other stakeholders over the long term.

While they embrace the private enterprise as a powerful vehicle to deliver and scale impact, they measure success not in maximising profits, but in maximising the advance towards the purpose. At the same time, they recognise that financial sustainability is a necessity to ensure long term viability of a private enterprise.

But what is the best structure for these future-looking entrepreneurs to adopt? The challenge faced by impact entrepreneurs is that conventional corporate vehicles, governance systems, shareholder agreements, term sheets, liquidity horizons and return expectations are framed around the presupposition of shareholder primacy. This focus means they can be misaligned with the entrepreneurs' operating models and value systems. As a result, these structures can pull the business in directions that are more suited to the needs of the investors rather than a focus on delivering maximum value and impact to the purpose.

Put simply: business of the past has often had a focus on being extractive rather than being regenerative. In response, a growing movement of impact entrepreneurs and investors are taking up the challenge of rethinking, redesigning and reorienting available legal structures of ownership and finance to ensure "purpose primacy". Some have referred to these new ideas as the "fourth sector" or "steward ownership".

Emerging models are innovating in the areas of:

- impact investor terms that focus on sustainable versus extractive returns, and creation of broader stakeholder benefit;
- multi-stakeholder inclusion in governance and/or economic rewards; and
- governance mechanisms that ensure economic viability, along with results towards, and protection of, the business purpose.

Impact-driven entrepreneurs wanting to set up business in Aotearoa New Zealand have a range of legal structures to choose from, albeit a more narrow range than in other

jurisdictions. In this short White Paper we will focus on the available legal structures in New Zealand as well as indigenous concepts of Te Ao Māori (the Māori worldview) and approaches. We will also chart some developments in thinking and legislation overseas on “steward ownership”. Our kaupapa (purpose) is that by explaining the options available in New Zealand in the context of the indigenous and stewardship models, entrepreneurs will be empowered to be creative and experiment in their choice of structure and surpass the for-purpose vs for-profit dichotomy.

We welcome your comments and feedback on this White Paper and look forward to an ongoing dialogue about the concepts and options. We also welcome your engagement around advocating for possible changes to New Zealand law that could incentivise and further catalyse the addition of more purpose primacy models. We are excited and enthusiastic about what the future could hold.

## **Part I: Ways of thinking**

Before we dive into the detail of structuring options, in this part we want to set the scene by talking about foundations – we will do that by looking at different ways of thinking. This is important because the structure options that can be chosen are best understood in the light of these ways of thinking about business, wealth generation and generational thinking.

So much can be learned from the wisdom of Te Ao Māori (the Māori worldview) in approaching stewardship of land and the environment for future generations. Systemic long-term thinking is fundamental in Te Ao Māori, offering an intergenerational, sustainable and enduring approach to life, business and investment. For Māori and many other

indigenous peoples, the cosmology and knowledge systems (matauranga) do not separate people from land, water and the environment (Te Taiao). A fundamental element of the Māori worldview is whakapapa; whakapapa in one sense is your genealogy, but the extension for Māori is that whakapapa includes lineage to your relevant mountain (maunga), river (awa), lake (moana) and land (whenua). This means that the land, water, mountains and creatures within your place are your direct relations or kin (whanaunga). And Māori have a teina/tuakana relationship with Te Taiao: we as people are the younger or junior sibling (teina) to the older or senior status of our tuakana, Te Taiao. The respect and value set of custodian or stewardship for land and water is one of caring for and nurturing our revered whānau as one of us – family, our elder, our ancient relative. This knowledge system is intergenerational, with ultimate respect for our ancestors – land and people – and for the future of those to come.

The concept of nature as an ancestor has been honoured and reflected in New Zealand law by according legal personality to nature. In 2014 the Tūhoe-Crown settlement legislation made Te Urewera, a former National Park of immeasurable value to Tūhoe, a legal person with its own identity. This personification was repeated for Te Awa Tupua (the Whanganui river) and most recently Taranaki Mounga (Mount Taranaki). In the cases of Te Urewera and Te Awa Tupua boards of persons are appointed to exercise kaitiakitanga (guardianship) over the land and water. They do not “own” it but actively act on its behalf and are responsible for promoting and protecting its health and wellbeing.

The notion of exercising guardianship of the environment and ensuring its wellbeing and regeneration for itself and future

generations can (and we would say should) be broadly applied in today's world. When constructing a board of guardians (kaitiaki) of purpose it would suggest having appointees whose role is to actively represent the environment (Te Taiao) and future generations (mokopuna). These representatives would be necessarily forward-thinking and proactive, assuring regenerative outcomes are achieved for both.

Te Ao Māori is directly relevant to the idea of “Steward ownership” which is an emerging term being used in the United States and Europe that refers to a different way (both old and new) of thinking about “ownership”. The foundational thinking is that ownership is not a commodity to simply be bought and sold, but as a responsibility to carry forward an enterprise that exists for a purpose. It derives from a constellation of principles and beliefs including shared prosperity, service and contribution, ecological regeneration, and responsibility for guardianship for the future. It can perhaps be summed up by this way of thinking: we are not inheritors of past wealth from our parents – instead, we are guardians of the future for our children.

In some respects this is a translation of the Māori spiritual concept of kaitiakitanga into a Western legal structure in that its stewards use the tangible rights attached to share ownership as the tools to vote and protect purpose. The specific legal structures can vary across organisations and countries. At their core, they embed the premise that corporations should contribute to some purpose beyond generating profits for shareholders and should consider holistic long-term impacts. Since conventional corporate and investment structures are more geared towards shorter term

profit maximisation and shareholder primacy, it often involves thoughtful redesign of existing legal structures.

The “Structuring for Impact” report is worth reading for more details and depth on this area. See Horan, Rowland, Wilkie, Hosking and Moe, “Structuring for Impact: Evolving Legal Structures for Business in New Zealand”

To reset the goals and incentives that drive decision making in companies to guide them towards the inherent value of two key principles:

**1. Profits Serve Purpose:** Profits are used primarily as an engine to support a company’s purpose/mission. In other words, profits are not an end in themselves, but a means by which the purpose is furthered. Profits are needed to make the organisation sustainable but that is just one factor to be aware of. Practically, this means the profits are reinvested in the business, shared with stakeholders who are contributing to the purpose (e.g. employees, suppliers, community, customers), and/or donated to purpose-aligned charities. Both founders and investors are fairly compensated with capped or non-extractive returns/dividends.

**2. Self-Governance:** While investment can come and go over the company lifecycle, control of the company is not sold, it is kept with “stewards” – people who are actively engaged in, or connected to, the business and are responsible for ensuring it delivers impact to benefit and further the purpose. This typically begins with Founders and is then passed on through natural growth of the company culture and through formal governance structures that over time enhance the stewardship ethos. As such, the business is not seen as a manager for

short-term private wealth generation, but as a living system of people working towards a shared purpose.

**Social Enterprise:** This is a label which has been helpful to distinguish purpose driven initiatives from traditional business. Ākina have been helping empower this ecosystem of purpose driven initiatives for many years and have many resources available. Back in February 2014 the Government statement still is accurate in summarising some of the key elements, where they said:

*“Social enterprises use commercial methods to support social or environmental goals. They principally reinvest surpluses in the social/ environmental purpose rather than maximising profit for shareholders and owners. Potential benefits of social enterprise include innovative responses to societal issues, new employment opportunities, and sustainable income generation.”*

In our view, and the view of Ākina, the terminology is evolving very quickly and shifting towards the word “Impact” to best describe the concepts we are dealing with. We prefer the term ‘Impact Enterprise’ because that covers more than just the ‘social’ impact implied by the term social enterprise. For that reason we will mainly be talking about impact enterprises rather than social enterprises.



Don't judge  
each day by the  
harvest  
you reap,  
but by  
the seeds  
that you plant.

*Robert Louis Stevenson*

## **ESSAY 5: WHAT SOCIAL ENTERPRISES IN AOTEAROA CAN LEARN FROM MĀORITANGA**

*Published as [Opinion piece](#) in Spinoff on 21 August 2018 co-written with Wayne Tukiri of RSM. Thank you Wayne for collaborating on this piece with me.*

Until recently, not many people knew what a social enterprise even was. But in the last few years there's been a growing awareness of companies that pursue "for purpose" objectives beyond the traditional profit motive. Often, these companies are able to reinforce and grow the communities they operate in, often meeting social needs which might otherwise have resulted in state-sponsored intervention or social programmes. Simply put, they do good.

While the term 'social enterprise' itself is relatively new, the fundamental concepts behind it are not. We are still at the early stages of the growth of the social enterprise sector here in Aotearoa. What better time to think about how Māoritanga – Māori culture, practices and beliefs and way of life – can help flavour our particular recipe?

By examining some of the key principles of Māoritanga, we can better understand what social enterprises are – and what they could be. Here are some examples:

### **Kaitiakitanga**

Kaitiakitanga is the guarding of treasures and the concept of reciprocity and giving back. When creating a social enterprise it is vital that the purpose is well defined, understood and articulated for others. That purpose then needs to be closely guarded so that there is not a slow creep away from the core

values in the midst of either success or failure – either extreme lends itself to a reframing of what the entity stands for. Keeping a sharp focus on the purpose of a social enterprise is a discipline: guarding the treasure.

### **Mōhiotanga**

Mōhiotanga is the sharing of information, the building up of knowledge, and the provision of new information and strategies. In order for a business to succeed there is a lot of information which needs to be absorbed – and this is particularly true of social enterprise, which challenges the traditional way of doing things. The early days of a social enterprise are critical as the right structures are chosen, the team is assembled and the vision cast.

### **Tuakana/Teina**

Tuakana/teina refers to relationships between older and younger people, and in particular the experienced helping those who are less experienced. This is reflected in many social enterprises with community elements where more experienced people work alongside – and support the career growth of – those who have less experience.

### **Manaakitanga**

Hospitality, kindness, generosity and support. The process of showing respect and care for others directly relates to the altruistic and community focus of social enterprises. Often these social enterprises exist to meet some need in society through the business operation itself – for example, the type of person who is employed or the kind of product made.

### **Wairua**

Wairua is spiritual well-being that involves a connection to our whenua (land), ngahere (forests), moana (sea), maunga (mountains) and awa (rivers). Many social enterprises consider natural resources and how they use them (or don't). From the first, they focus on their impact on the environment and how they can operate in a sustainable way.

## **Mātātoa**

Mātātoa is the Māori concept of being fearless, courageous and energetic. In a similar way, social enterprises need to be open to embracing new and innovative ideas that generally go against an established way of doing things. They often challenge the inbuilt assumption that a business is all about making a profit as they strive to also fulfil their purpose, which is usually the real driver.

Social enterprises have a unique opportunity to do something different here in Aotearoa; embracing the perspectives of Māoritanga and understanding their full breadth and impact could help us achieve just that. Instead of doing things the same way as every other country, we should try a new way of operating. The result could be a truly homegrown version of social enterprise which acknowledges and learns from our own rich cultural heritage and embraces it fully as a means to explain what we do and why we do it.

Tihei mauri ora!

Alice: Would you tell me,  
please, which way I  
ought to go from here?

The Cheshire Cat: That  
depends a good deal on  
where you want to get to.

Alice: I don't much care  
where.

The Cheshire Cat: Then  
it doesn't much matter  
which way you go.

*Lewis Carroll*

## **ESSAY 6: A CASE FOR BRINGING CREATIVES TO THE GOVERNANCE TABLE**

*Published as [Opinion piece](#) in Spinoff on 22 June 2020 about a white paper co-written with arts advocate Anne Rodda called "[Tomorrow's Board Diversity: The Role of Creatives](#)". Definitely read the whole paper if this sparks an interest and thank you Anne for collaborating on the idea to write it after our seeds podcast episode – a great example of collaboration that can result if we open ourselves up to opportunities!*

*On the back of co-authoring a white paper on the subject, Steven Moe explores how artists and poets can bring colour and creativity onto boards.*

The Covid-19 crisis has shown us that we need new paradigms of thinking. We have all been impacted by the pandemic which has challenged us to think and act more creatively than ever before. Businesses needs blue skies thinkers and creatives might help find new solutions.

We need to look again at the roads on which we had been travelling and ask if they are the right ones. One aspect of this might be looking at the role of boards to govern businesses. While we rightly talk about addressing imbalances when it comes to age, ethnicity and gender, what might happen if we also focused on divergent thinking that comes from having creatives involved?

In our 30-page report, "Tomorrow's Board Diversity: The role of creatives," we consider the unique skills that creatives might bring to governance tables. Would boardroom discussions be enhanced and activated if they had the added perspective of

film producers, designers, artists, poets and curators? We think so.

But what do we actually mean by the term “creative”? Well, as an adjective it refers to “having the ability or power to create... characterised by originality of thought or inventiveness; tending to stimulate the imagination or invention”. As a noun it is “having or showing an ability to make new things or think of new ideas”. Those sound like valuable attributes to include in any boardroom. We use the word to emphasise that these individuals are characterised by bringing an originality of thought and inventiveness. As social-entrepreneur Jacob Lennheden said: “Creativity can play a vital role in enhancing all aspects of business performance and is in many ways considered the raw material of innovation.”

And for the purpose of the paper, we acknowledge that “creatives” most often have their foundations in the arts. This could be from the visual, performing and literary arts – and are guided and driven by an originality of thought. As the writer Jeff Goins explains: “The truth is that we need more creatives in positions of influence – to colour the world with beauty and life. Creatives craft poetry in a world that is otherwise content with prose. They bring art to areas where there is only architecture. Creatives help us see life in a new light – to perceive a new dimension, a deeper way of encountering what we know. And we need more of those kinds of leaders.”

In preparing this paper we were surprised at how little has been written on this point. There was a lot on other forms of diversity, but not on creatives. We think Aotearoa has the chance to lead the way here. Certainly we know there is a need for greater diversity of thought at board level, and

creative arts are both acknowledged and valued. Let's join the dots and connect up these points.

Already our paper has been well-received, with Kirsten Patterson, chief executive of the New Zealand Institute of Directors saying it “brings to light a topic which is often neglected: the role that creatives can play on boards. In our experience, directors who have a range of diverse and creative talent, capabilities and knowledge bring different perspectives to decision-making, planning and board culture – that will likely enhance an organisation’s performance, as well as better represent the stakeholders.”

In the end we conclude that one of the key elements is not just having creatives at the table: it's also about developing an environment that invites and welcomes diverse perspectives. So as well as board composition it is also all about board culture. Some of our conclusions argue that boards should begin to review and discuss their composition, rebalancing the accountants, lawyers and business minds with those who can bring a different type of thinking to the table.

We should all seek to raise awareness about diversity of thought and the role creatives can bring, identify pathways for creatives to join boards and provide training when they do. If this can be done it will help our businesses to be more ready to face the challenges that are coming up as the true impact of Covid-19 starts to play out.



One of the things I know about writing is this: spend it all, shoot it, play it, lose it, all, right away, every time. Do not hoard what seems good for a later place in the book or for another book; give it, give it all, give it now. The impulse to save something good for a better place later is the signal to spend it now. Something more will arise for later, something better. These things fill from behind, from beneath, like well water. Anything you do not give freely and abundantly becomes lost to you. You open your safe and find ashes.

*Annie Dillard*

## ESSAY 7: THE HARD QUESTIONS WE NEED TO BE ASKING

*Extract from the white paper [“Charting the Future: A Framework for thinking about Change”](#) co-written with Craig Fisher in July 2020. While written with charities and NFPs in mind the principles apply to all. Thank you Craig for the chance to collaborate on this.*

The legacy of the past and our investment in the current can hold us back from achieving the future. When one is in the trenches consumed by how much needs to be done and the busyness of today we don't always stop and reflect objectively on our organisation as we perhaps should.

When asked to look at any organisation from an independent consultant perspective we often use the phrase of “flying in from Mars”. This helps to explain the approach that a good consulting professional will usually take and their absolute level of objectivity in looking at all aspects of an organisation. In other words, if I were flying in from Mars today and wanted to set up an organisation to address your particular cause with the most impact, would I set up your organisation? And would I set it up like you currently operate and are currently structured and organised?

Unsurprisingly the answer is usually no. And this is understandable and explainable as new innovations continue to occur. Sometimes this can be a result of sunk costs or legacy ways of operating or thinking that came from a different paradigm when the situation was different.

Take cloud computing versus an organisation set up in the past that had to buy expensive computer servers and software to run on these in-house machines. Yet for the organisation that already has deeply invested in the legacy system it can

then be harder to justify writing off that past investment to change to something new and possibly more efficient.

Likewise, the national federation of separate incorporated society branches of the same organisation. This structure probably made sense when transport and communications were not as easy as they are today, and more people had more time to take on board and committee roles in their spare time. However today that structure can curse a national organisation with duplicated costs, organisational sustainability issues, and unnecessary petty politics – all things which detract from whatever the good cause the organisation exists to address. We know of other organisations which have structure charts that stretch like an octopus across the full range of legal forms: companies, charitable trusts, incorporated societies. There are often valid historical reasons for why they exist that way: But is it the best way?

And if we were designing the most effective, efficient and impactful organisation today; would we design it like that?

So, here are some hard questions that we think all boards and senior management need to be asking. We appreciate that some of these questions may result in an instant reaction in many people in the sector that is likely to border on outrage.

## **1. What is our purpose?**

Some organisations have forgotten what the original purpose was that they were set up to try and solve. Not perpetuate the provision of ambulances at the bottom of the cliff, but actually solve the issues with fences at the top. We often see organisations who are surprised when reading the actual purpose to realise how far mission drift has led them. The current leaders need to be clear on what the purpose actually is before anything else.

Organisations with laser like clarity on their purpose are those that generally tend to achieve it.

## **2. Do we have a right to exist?**

Quite simply; does the positive impact of our organisation justify the cost and effort of all the things necessary to operate the organisation? i.e. are we delivering enough positive impact? Or are we just taking up sector oxygen?

While we have impressively low barriers to entry for NFPs and charities and community organisations in Aotearoa that doesn't mean that all have an automatic right to exist.

The pass mark should not be simply an intention to do good – we need to ask these questions in order to work out if this organisation is actually being effective. In our view, a sufficient level of positive impact must be the lens through which this hard question needs to be answered.

## **3. Do we still need to exist?**

Many organisations have morphed over time in terms of what they do. Often to follow the available funding. Sometimes this has led organisations away from what they were really unique at and expert at, and into other areas where they may be competing with other better, more specialist organisations. And competing for the same limited funding and other resources pool.

Would the wider society be better served if resources were focused on those organisations that were really unique and expert in an area? Would a governing body and management be able to admit that? If it is a new organisation then is it trying to replicate what someone else already does – entrepreneurship is lifted up as a high value in our society, but even more admirable might be sacrificing your ego to get in behind and really support someone else's dream which happens to match yours. And in doing this eliminate unnecessary administration duplication and resources being diverted from creating more impact.

#### **4. Should we have an end date?**

While this may not work for all charities – if you consider it deeply it should for many - if they are being truly honest and committed to their cause.

Arguably one of the most noble measures of success of any charity that exists to address a social or environmental need is that they should no longer be needed.

Because the job is done. We have a feeling there will always be other issues that need addressing – hopefully they can be solved as well but not continued and perpetuated with an eye on continuing a legacy of having existed in the past.

For example, if your charity were set up to eliminate avoidable blindness, or to eliminate all pests in Aotearoa's forests, when could this be achieved by? Set that challenging and motivating date.

Having an end date target in your strategic plan can be a very powerful motivating force to focus attention on the most efficient means of achieving the aim. Interestingly, having such a target and a goal of society no longer needing your organisation can also make those involved much less precious about how they achieve the target. The alternative is the building of a strong NFP/charity brand. Without clear focus on getting the job done, this can unfortunately (and often almost unconsciously) lead to more focus on the brand and protecting the ongoing nature of it - rather than why the brand actually exists in the first place. This is just human nature to protect what we have built. To be proud of our organisation doing good and our legacy. But are we being truly objectively honest towards our cause?

#### **5. Should we continue to try and go it alone?**

By any relative measure compared to many other countries we have a large number of charities and NFP's in Aotearoa.

However, we are a small country with a small population and as a result by having a large number it means that the vast majority of these charities and NFP's are also very small.

We are not saying that big is beautiful. However, we cannot ignore the fact that the existence of many very small entities results in a lot of duplication and administration that detracts from the amount of impact that can be achieved. As one example, think about governance boards and how many volunteers are needed to help operate so many entities. In any organisation there are critical size points below which even basic administration can seriously detract from the positive impact that can be created.

Do a search of the Charities Register or have a look on the internet and you will also quickly find that there are many NFP's and charities existing to address the same or a similar issue and often even in a similar geographic area. As such they are usually competing for the limited resources available.

Again, if we are truly seeking to create the most positive impact for society at large, is this a sensible approach? Merging like organisations is at the extreme end of the spectrum to addressing this issue. We are not advocating that it always represents an appropriate solution because it has its own complexities. That can also be a bridge too far for many to contemplate, unless they are forced to by funders or legislation.

However, we are starting to see, and expect to see more of, an increasing pressure from funders wanting groups to work better together and for there to be better collaboration to achieve greater positive impact with the limited available resources. Hence even if a merger may be just too hard, there is still significant positive potential to be gained by closer collaborations. One example of this could be creating hubs where many entities can access and share common resources rather than needing to duplicate all – that can be a very effective option.

## **6. Are we thinking broadly enough about who we can collaborate with?**

We believe we are headed into a much more global and interconnected future. It will be one where more and more businesses are waking up to for-purpose and social licence, and more enlightened Governments are waking up to holistically measuring wellbeing rather than just economic busy-ness. For your charity or NFP to remain relevant and impactful in such an environment are you thinking widely enough about who you could partner and collaborate with to create more impact?

Sometimes 1+1 can equal 3 if you get the mix right. But this takes inspired leadership skills to leave ego behind, to truly think openly and creatively, to expand your networks into perhaps surprising areas, to put yourselves in someone else's shoes to understand how it can help them as well as wider society, to explore the unusual and untested.

## **7. Can we reimagine the future?**

In the midst of uncertainty, people are re-evaluating what they support, so we suggest it may be time to look at our messaging and how we convey why our organisations exist. This is a time to have stronger communication to our stakeholders and the general public around what we do, and why.

Is this an opportunity to reimagine how we fulfil our purpose in order to be successful and as impactful as possible?

Those that can imagine the future can create it.





A society grows  
great when the  
old plant trees  
whose shade  
they know they  
shall never sit in

*Greek Proverb*

## ESSAY 8: STRUCTURING FOR IMPACT

*This is the introduction and conclusion of the paper: "[Structuring for Impact: Evolving legal structures for business in New Zealand](#)". It was released in April 2019 and was co-written with some amazing people: Dr Jane Horan, Amber Hosking, Jackson Rowland and Phillippa Wilkie.*

### **The Introduction**

Social enterprise is about prioritising impact as well as profit. While New Zealand has legal structures which enable organisations who prioritise one or the other (i.e. charity or traditional business), Social enterprise does not fit neatly within these models, and often has only a passing resemblance to them. Instead, social enterprises operate with a different logic. The social entrepreneurs behind social enterprise pursue a different set of values from traditional business, with profit being only one factor in the mix, and often only as a means to achieving more impact. Based on the growth and contributions of social enterprise to New Zealand to date, it is clear that organisations who prioritise more than profit have significant potential to positively grow New Zealand's economy in a broad sense, solving significant societal challenges along the way. Because of this, New Zealand needs a legal and policy environment that enables and encourages businesses that are trading for impact.

For the most part, however, operating a social enterprise in this country is more challenging than running a purely profit driven business. This report finds that the legal structures currently available in New Zealand are acting as barriers for, and disadvantage to, social enterprises. The array of issues and challenges social enterprises face using limited liability

company structures, or any other legal structure in New Zealand, stems from the reality that these structures developed from a perspective that ‘doing good’ is separate from ‘doing business’. The distinction between doing good as charity on the one hand and doing business on the other is cemented in the prevailing attitudes of what charity as a way of doing good is allowed to be, and what doing business is required to be. This context makes doing business with impact far more difficult than standard for-profit business.

This report sets out evidence from social enterprises about the perceived challenges associated with the current legal structures and argues that evolving legal structures to remove some of those challenges will unlock the potential of business to generate social and environmental impact at scale that grows the wellbeing of New Zealand. Doing so would also support organisations underpinned by Te Ao Māori in a way that really honours Te Tiriti o Waitangi.

All but one of the social enterprises we spoke with in this research found that their legal structure created hurdles for their organisation. These hurdles appear to be most commonly centred around the enterprises’ inability to convey and protect their mission, and the consequential challenges that any workarounds to this create. Funding was the other key disadvantage, with many social enterprises finding accessing funding very difficult because of their structures, a hurdle which is having significant implications on the ability of these organisations, and their impact, to scale.

The world is changing. Businesses that exist for profit and purpose are now commonplace. Social enterprises prioritise people and the environment, ensuring they are looked after through business – rather than as collateral of profit-making.

The way social enterprises operate has the potential to generate significant value for New Zealand and to deliver the Government's social and environmental outcomes, and embodies the ethos of the Living Standards Framework. By making minor amendments to the Companies Act 1993, this report argues that New Zealand has the capacity to create a world first model for business that enables organisations to trade for impact. And in doing so catalyse the extraordinary entrepreneurship that is happening in the social enterprise sector in New Zealand to unlock innovation that will create greater wellbeing for generations of New Zealanders to come.

### **From the Conclusion**

If New Zealand really does want to be “on the right side of history” (Prime Minister Jacinda Ardern, Davos, Feb, 2019), evolving the legal structures in this country to help foster and support social enterprise is imperative. The social enterprise sector has the potential to lead the way for all businesses in this country to increase financial capital and to provide for the wellbeing of the people and the environment of New Zealand for generations to come.

The current array of legal structures available to social enterprises in New Zealand are not helping the sector thrive. At best, these structures are neutral for social enterprises, but for most social enterprises, the legal structures available create an array of barriers, or reflect broader structural forces that deny the different ways that social enterprises operate in the business space, despite that way being for the greater good of New Zealand.

In line with the Living Standards Framework being developed by Treasury and the Government as a whole, Michelle Sharp of Kilmarnock said,

*“the tools of business are critical to solving some of our most challenging social and environmental issues.”*

This is about combining financial, social, cultural, and environmental capital in a way that is sustainable and viable. In a way that enables the entrepreneurial spirit that is so strong in New Zealand to combine with the efficiencies of business to tackle some of our most pressing challenges. Social enterprise has created a model that demonstrates that this is possible, despite the challenges the current structures pose. The potential for New Zealand if a more enabling environment is created for organisations to pursue impact through business cannot be underestimated.

Simply by  
sailing in a  
new direction,  
you could  
enlarge the  
world.

*Allen Curnow*

## EXCERPT FROM “REIMAGINING BUSINESS”

*This is the opening chapter of “Reimagining Business: The Impact Paradigm”. It offers a sneak peek although it may alter further between now and finalising it. I hope it gives a flavour of what that book will be about, and you get as excited to read the full book as I have been to write it.*

In this book we are going to be talking a lot about paradigms and shifts in ways of thinking. To do that we need to take some time to set the scene and understand where we are and what we are talking about. What do we mean by the Impact Paradigm? It is bigger than any one example of the change in thinking which is going on now. The cumulative effect of all those changes are what combine together to lay the case that this is a truly fundamental shift.

One example is a term which is used to describe this new paradigm at present which is ‘social enterprise’. This book is not focussed on that label as that is just one symptom of these greater societal changes which are occurring. Instead, this book is concerned with the new focus on impact – and understanding what that impact is – through business. Related to that is the impact that each of us can have through what we do, buy and support in our own lives. We will focus on the term ‘impact enterprises’ as a term that describes this shift as it embodies the change in thinking so well.

Until recently, not many people knew what was meant when the conversation shifted to talk about combining purpose and profit. That is changing and although what is actually meant by different people may not be the same thing, in the last few years there has been a growing awareness of this new breed of organisations that pursue “for purpose” objectives and yet are motivated by something beyond the traditional profit motive.

This new paradigm involves a fundamental re-imagining of the future of business as a means to not only provide incomes for employees and generate profit for owners, but also to shift a focus on to how a business addresses other needs in society. These companies reinforce and strengthen the communities they operate in with deliberate choices about who they employ and what they do, while meeting environmental, social or cultural needs which might otherwise have resulted in state-sponsored intervention or social programmes. In short, these organisations act 'for purpose' and through advancing their missions, they do good.

So, where are we on this journey towards companies having greater impact? Is it even right to start describing this as a sector, and where does this sort of conception for companies fit on the spectrum between charity on the one side and entrepreneurial profit driven upstarts on the other? These are some of the questions we need to consider.

My view is that we are now sailing into new territory as it charts a fresh course between the two extremes of charity on one side and for profit business on the other. As a result, this is worthy of deeper examination and reflection as this conception seeks to "enlarge the world" by sailing in a new direction in a way that could also provide a blueprint for what changes are needed to catalyse this paradigm shift for the impact focussed future.

If we keep in mind the analogy of a sea voyage then the aim of this book is to chart our progress against certain indicators on the map. This is important because we are talking about more than a passing trend. Those seeking impact are growing and this provides an alternative way of thinking about doing business. While sometimes the term 'social enterprise' is associated with this shift what we are talking about is a shift which is rooted deeper than terminology.



The new name of 'social enterprise' is used with the new paradigm but it is only a label that we might not even need one day as our understanding of what it is ushering in grows. Over time the principles that sit behind impact driven enterprises will be adopted and begin to have broader application to all businesses that look to have an increasingly active role and positive impact on the world. In that sense we can imagine a world where the term 'social enterprise' is looked back on with fondness, but only as a necessary intermediate step that we have moved beyond needing because its primary role was to start a much deeper conversation about change. For these reasons I will not be using that term in the rest of this book. Instead I will use the more inclusive term of impact enterprise.

Building on new foundations will take time and this is all a starting point. The way forward that impact driven organisations offer is as a stepping stone from one side of the river to the other. Moving from 'for profit' conceptions of business on one side over to 'for purpose' structures that still emphasise the need for profit but primarily are motivated by other, deeper, drivers.

To get back to our voyage analogy, the points on the map that we will be looking at in this book are examples that show the overall shift. These symptoms of the paradigm shift are evident but we may not have realised or articulated the cumulative shift in thinking that they are pointing to yet.

We will also look at the different structuring options that impact driven entrepreneurs are using and in particular seek to explain the unique challenges that they face. This will also involve a better understanding that choosing impact driven entrepreneurship is in no way the easy path to be taking. It will also be important to discuss the weaknesses associated with trying to be an impact driven enterprise. This will be shown by an examination of some real life examples of the approaches that others have adopted and the resulting challenges that they face.

An important aspect of the analysis when we consider the past and the present will also be considering what it is that is distinctive here in Aotearoa, New Zealand. In particular, what could be gained through a deeper understanding of Te Ao Maori and the perspective that view provides on the concept of impact driven approaches. Is that the unique ingredient that could flavour all that we do if properly understood and incorporated? I believe it is something which is worth considering and embracing because it is distinctive.

Finally we will consider the future and what potential there is for impact driven enterprise to become. In doing that we will also reflect on how the sector could be encouraged by looking at what has been done overseas where they are further along in the journey. The question is whether we could potentially skip the hard lessons learned in those other jurisdictions by understanding what has not worked and adopting a second generation ecosystem here right away. In particular, do we need a new legal structure which is bespoke, like those adopted in other countries, or do we need a tweaking of existing structures to empower impact driven entrepreneurs here. What particular needs might be addressed by creating a 'brand' for impact driven enterprise in New Zealand that was trusted and understood. In 1893 New Zealand led the way by giving Women the right to vote. Perhaps in the arena of impact driven enterprise there is a new opportunity for New Zealand to be a world leader.

I personally sit in a place of uneasy tension which has agitated in my mind for long enough and has now formed itself into what you are reading now. You see, I have talked with hundreds of impact enterprises through hosting seeds podcast and have heard first-hand about the challenges they face in creating these new forms of businesses. As well as this in my work as a practising lawyer I am advising people on the structures they could adopt to best fulfil their dreams. Yet at the same time as promoting impact enterprises my great fear is that this work becomes isolated from the mainstream as

something that “they” do over there, outside of the light of “normal” business, which remain stuck in the old paradigm. We need all businesses to achieve the pivot to impact.

What we need is that the ethos and underlying principles behind the term ‘impact’ must be encouraged to permeate through the mainstream business world and culture as well, like a deep rain soaking into parched and dry land. It is heartening to see that business in general is becoming more aware of impact concepts. It may be that more organisations will self-identify as impact driven enterprises in the near future. Enabling organisations (whatever their legal form) to act with purpose and helping them articulate, clearly communicate and report on their purpose will be increasingly important in the new paradigm.

The key theme that will keep echoing here is that the rise of impact enterprise is the outworking of something more fundamental – a paradigm shift – as the next generation turns away from the old paradigm of the profit motive being the central driver for business and instead looks for deeper impact and meaning in the work they do and the businesses they start.

It is tempting to think that we are far down the track of impact and all it might become. However, in reality what has been done to date is really only the start of the first chapter of the book. Perhaps we are only in the first paragraph of the introduction even. I hope that the thoughts here can help add to that book's introduction, if our reimagining of business eventually becomes all that there is the potential for it to grow into. The changes outlined here will stay. I hope that all those on the journey will continue to sail in new directions and in doing so the world will keep enlarging as we push out further and discover more about the power of doing business that also does good.

The Coronavirus outbreak has taught us that we are all interconnected as it jumps from person to person without regard. Then have come nationwide lockdowns and border closures. These are all changes that would have been unthinkable before they were announced. Perhaps it is also a sign that we can also make major change when it is really needed. In the coming chapters we will be fully exploring what it is that make impact driven companies unique. In order to set the scene we need to first understand the current assumptions around the role of business and charity in our world. Without understanding that first, the framing of what impact driven companies are will not make sense in isolation.

So let's explore what that paradigm has looked like in the past. In particular, we want to better understand the binary conception (either/or) of "not for profit" and "for profit" forms of entity with which we have traditionally thought when structuring a business or charity. It is important to understand what the old paradigms have been in order to better understand what the new paradigm is that we are moving into.

If you like this and would be willing to join the team to help promote the full book "*Reimagining Business*" then please let me know – I need you!

Inspired by Mark Prain who knew Sir Edmund Hillary and how they came up with a new venture together, episode 19 of seeds podcast.

## **Moving Mountains**

Mountains cast long shadows across the land,  
those who conquer them even more.  
That day you shook a very mountain's hand  
deciding together to take a stand.  
Creating something unseen before.

Throw out your plan that's 'crazy'  
for all at this table to see.  
Don't worry if the vision is hazy  
(unless you're a little bit lazy).  
open their eyes to all it can be.

Consequences unseen wait round river bends,  
as hope and hard work give birth.  
For as yet unknown allies and future friends  
all help as time, the future lends  
Starting something of worth.

So don't be afraid of that half waking thought,  
for all may not be what it seems.  
Grab the idea tight, show what you've caught,  
it may be exactly what they've also sought,  
and become more than an echo of dreams.

# RESOURCES

## Books and White Papers

“*Social Enterprises in New Zealand: A Legal Handbook*” published September 2017 by Steven Moe

[https://www.parryfield.com/wp-content/uploads/2019/11/Social-Enterprises-in-NZ\\_Steven-Moe\\_978-0-473-41351-4.pdf](https://www.parryfield.com/wp-content/uploads/2019/11/Social-Enterprises-in-NZ_Steven-Moe_978-0-473-41351-4.pdf)

“*Purpose Driven Structures for Impact Driven Entrepreneurs in Aotearoa New Zealand: Considering Kaitiakitanga and Steward Ownership*”. White paper published November 2019 by Susan Gary, Jan Hania, Steven Moe, Natalie Reitman-White, Murray Whyte and Phillippa Wilkie

<https://chapmantripp.com/media/yeemzo01/stewardship-models-new-zealand-2020.pdf>

“*Structuring for Impact: Evolving Legal Structures for Business in New Zealand*”, April 2019, Amber Hosking, Jackson Rowland, Dr Jane Horan, Phillippa Wilkie & Steven Moe

<https://www.theimpactinitiative.org.nz/publications/structuring-for-impact>

“*Overview of Impact Investing in Aotearoa*” published November 2019 by Steven Moe & the Centre for Social Impact

<https://www.centreforsocialimpact.org.nz/te-puaha-o-te-ako/2020/november/overview-of-impact-investing-in-aotearoa>

“*Tomorrow’s Board Diversity: The Role of Creatives*” written with Anne Rodda published June 2019

<https://www.parryfield.com/tomorrows-board-diversity-the-role-of-creatives/>

“*Charting the Future: A Framework for thinking about Change*” written with Craig Fisher published June 2020

<https://www.parryfield.com/charting-the-future/>

## Articles

*“Proposed changes to the Companies Act mark the beginning of positive change”*, Published as an Opinion piece in Stuff on 29 September 2021

<https://www.stuff.co.nz/business/126154370/the-bottom-line-is-not-enough-companies-should-be-required-to-have-a-purpose>

*“Ghost Enterprises: How the Government penalises Companies who do good”*. An article about the “Structuring for Impact Report” published April 2019 by Spinoff

<https://thespinoff.co.nz/business/18-04-2019/ghost-enterprises-how-the-government-penalises-companies-who-do-good/>

*“The Social Enterprise Sector Comes of Age”* published October 2018 by Spinoff

<https://www.thespinoff.co.nz/business/18-10-2018/the-social-enterprise-sector-comes-of-age/>

*“Why Social Enterprises need new Clothes”* published October 2017 by Spinoff

<https://thespinoff.co.nz/business/12-10-2017/why-social-enterprises-need-new-clothes/>

*“Social Enterprises and Legal Structure Options in NZ”* published September 2017 by the NZ Law Society

<https://www.lawsociety.org.nz/news/lawtalk/issue-910/social-enterprises-and-legal-structure-options-in-nz/>

*“What is a Social Enterprise and why does it matter”* published April 2018 by Idealog

<https://idealogue.co.nz/venture/2018/04/what-social-enterprise-and-why-does-it-matter>

*“Five Key Questions for Social Enterprises”* published November 2017 by Spinoff

<https://thespinoff.co.nz/business/05-11-2017/five-key-questions-for-kiwi-social-enterprises/>

*“Are all Businesses Social Enterprises? It’s a question of definition”* published February 2018 by Spinoff

<https://thespinoff.co.nz/business/17-02-2018/are-all-businesses-social-enterprises-its-a-question-of-definition/>

*“What Social Enterprises in Aotearoa can learn from Maoritanga”* published August 2018 by Spinoff (co-written with Wayne Tukiri)

<https://thespinoff.co.nz/business/21-08-2018/what-social-enterprises-in-aotearoa-can-learn-from-maoritanga/>

*“Charities are Essential yet often Forgotten”* published May 2019 by Stuff

<https://www.stuff.co.nz/business/opinion-analysis/300022484/charities-are-essential-yet-often-forgotten>

*“Impact Investing presents opportunity to back a better future beyond just financial gain”* published November 2019 by Stuff

<https://www.stuff.co.nz/business/opinion-analysis/300169514/impact-investing-presents-opportunity-to-back-a-better-future-beyond-just-financial-gain>

*“Remembering Captain Planet 30 years on”* published November 2019 by Spinoff

<https://thespinoff.co.nz/tv/18-11-2020/remembering-captain-planet-30-years-on/>

*“A Case for Bringing Creatives to the Governance Table”*

published June 2019 by Spinoff

<https://thespinoff.co.nz/business/22-06-2020/a-case-for-bringing-creatives-to-the-governance-table/>

*“The new Christchurch Style: Old Boys Out, Entrepreneurs In”*

published November 2018 by Spinoff

<https://thespinoff.co.nz/business/13-11-2018/the-new-christchurch-style-old-boys-out-entrepreneurs-in/>

*“Organisational Resilience: Surfing through Turbulent Times”*

published August 2018 by Idealog

<https://idealogue.co.nz/workplace/2018/08/organisational-resilience-surfing-through-turbulent-times>



## Videos

Many videos on diverse range of topics are at the Seeds site here so have not listed them individually as you can scroll through there. <https://theseeds.nz/meanwhile/>

32 sessions recorded at the Impact Unconference held April 2020. <https://www.impactunconference.nz/>

If you'd like to hear me explain some of my journey in 6 minutes then this Pechakucha talk does that.

<https://www.pechakucha.com/presentations/global-citizenship--generational-legacy-and-kaitiakitanga>

SDG Talk on Storytelling – 10 minutes, 10 slides:

<https://www.youtube.com/watch?v=CAhvOxM1dAM>

## Podcast

Seeds Podcast now has hundreds of interviews – check them out in podcasting apps or by visiting [www.theseeds.nz](http://www.theseeds.nz)

An interview I did with Ian Harvey on my journey. It is episode 238 of Seeds here <https://seeds.libsyn.com/steven-moe-interviewed-by-ian-harvey>

A 6 minute talk on my journey

<https://www.pechakucha.com/presentations/global-citizenship--generational-legacy-and-kaitiakitanga>

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**Stay curious.**





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“Reimagining Business: The Impact Paradigm”

# Essays to lay the foundation for how thinking with an impact paradigm lens about business just might change the world.

Steven Moe is a Partner at Parry Field Lawyers working across New Zealand with impact driven entrepreneurs and purpose led organisations. He spent more than a decade overseas before returning in 2016 with a change in focus. He started a podcast and this book is the first printing from *Seeds Press*, devoted to expanding ideas and planting seeds of thinking.



This book compiles together recent essays in one place in order to set the scene and lay the foundations for a more in depth book to come in 2022 called “*Reimagining Business: The Impact Paradigm*”.

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