

What's New about NewCo?

There's little novelty in defining one's business as a force for good. Over the years we've seen the emphasis on Corporate Social Responsibility wax and wane, stagnate or mature; movements like Blueprint have blossomed and we've seen Richard Branson's B Team, Benefit Corporations and the B Corps emerge. The United Nations' Sustainable Development Goals recognise the essential role that business has in ensuring that humanity and the planet continue to have a world we can share.

NewCo has no particular claim to the moral high ground but it does provide a platform for companies to share passion and purpose. The NewCo movement is neither a legal status nor a certification scheme but a coming together of for-profit companies, of all shapes and sizes, who want to do things differently. They're enablers, collaborators, innovators, they're transparent, open-minded and nimble, connected to communities, each other and the world through the internet.

Starting in San Francisco five years ago they're in 16 cities around the world, mostly in US but including London; driven by ideas and stories they see business as an expression of identity and reject the old corporate model of 'command and control'. Most are small, all are ambitious and mission-driven but they include Google, whose goal is to make information accessible to all, P&G, Barclays, the BBC and hundreds of smaller enterprises.

On one day in May, 44 NewCos in London opened their doors and invited the world in. Many of the 300 visitors were London Business School MBA students and alumni, sharing hour-long seminars in up to five premises during the day. I visited three:

One celebrates good food and good cooking by serving up packs of ingredients for you to cook at home — with close to zero waste. 300 UK employees 'serve' customers every day across 9 countries, all coming with typical NewCo condiments of happy excitement, powerful enthusiasm and innovative flair.

Another works with major charities to develop new forms of fundraising, motivated by the fact that demand for the services that charities provide continues to grow — demand that they'll be unable to meet unless charities can find innovative new ways to fund their work. The new era they anticipate is unwaveringly online where they seek to promote commerce, extend markets and develop business strategies. Using the tools of business, as it were, to create public good.

A third is a vibrant incubator of new talent, with a good record of turning ideas into business reality. In recent years 35 of the 40 start-ups it's launched have failed — that's the way of the world. One in eight ideas succeeding is a good rate and it's been achieved by encouraging the positive attributes of innovation to go to scale.

This movement has an energy which is rare among businesses. NewCos are driven by purpose and operate within traditional business rules whilst integrating them with a positive way of life. It would be wonderful to think that a movement measured in hundreds could become mainstream within a decade.