

Integrated Value vs. Shared Value and CSR 2.0

AMS Sustainable Transformation Briefing Series, No.4

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The two questions I have been asked most since I began developing the theory of integrated value (IV) in 2014 are:

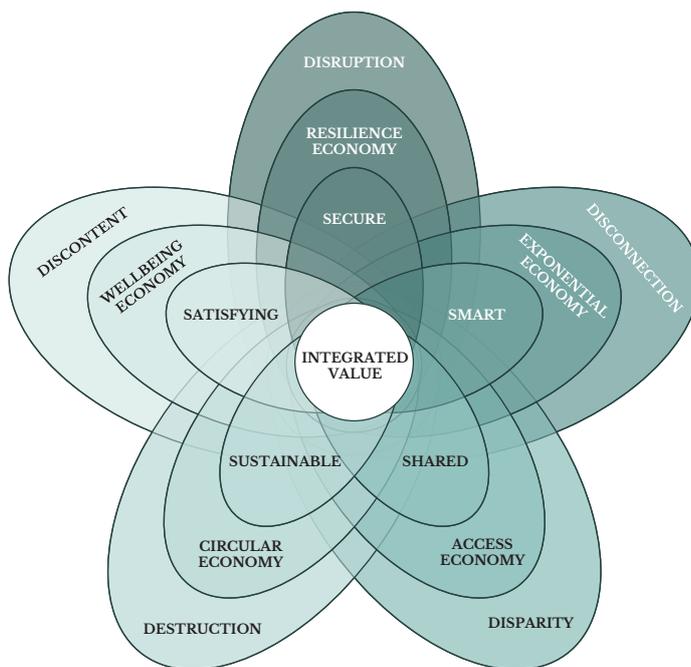
1. How is this different to Michael Porter and Mark Kramer's concept of shared value? (popularised in *Harvard Business Review* in 2011)
2. And does this replace your CSR 2.0 model (popularised in my books *The Age of Responsibility* and *CSR 2.0* in 2011 and 2014)?

In this article, I will try to make these differences clear. Unlike John Elkington's recent *management concept recall of the triple bottom line*, I am not trying to retract or replace shared value and CSR 2.0, but rather to build on and complement their ideas.

Integrated Value vs. Shared Value

I have written elsewhere *at length on Integrated Value* (and the book version is in the pipeline), but for those not yet familiar with the concept, you can read a summary of *Integrated Value: What it is, what it's not and why it is important* and get a sense of its essence from the diagram below. Here I will only distill the essential elements and compare these to Shared Value. A summary table is also included at the end of the section.

A Summary of Visser's Integrated Value Model



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- **Premise:** Integrated value uses the healthy functioning of complex ecological and social systems as the contextual premise, while shared value uses the advancement of capitalism and economic competitiveness.
- **Synergies:** Integrated value looks for synergies between social, ecological, human, technological, infrastructural and financial value, while shared value looks for synergies between economic and social value as drivers of competitiveness.
- **Solutions:** Integrated value focuses on innovative solutions that are secure, smart, shared, sustainable and satisfying, while shared value focuses on innovative solutions that improve efficiency, productivity and profitability.

- **Means:** Integrated value sees values orientation, economic redesign, new metrics and innovation as the means for achieving integrated value, while shared value sees products and markets, value chains and local clusters as the means for achieving shared value.
- **CSR:** Integrated value reframes corporate social responsibility, fair trade and sustainable business as value creation, while shared value dismisses corporate social responsibility and fair trade as ineffective ‘redistribution’ of wealth.
- **Positioning:** Integrated value claims to be a contribution to the rich and evolving debate on value creation in society, the economy and business, while shared value claims to be a new and novel idea that will lead to the reformation of capitalism.
- **Benefits:** Integrated value refers to the benefits of this approach as a ‘values dividend’ to society, while shared value refers to the benefits of creating shared value as ‘profits involving a social purpose’.

A comparison of Porter & Kramer’s Shared Value and Visser’s Integrated Value

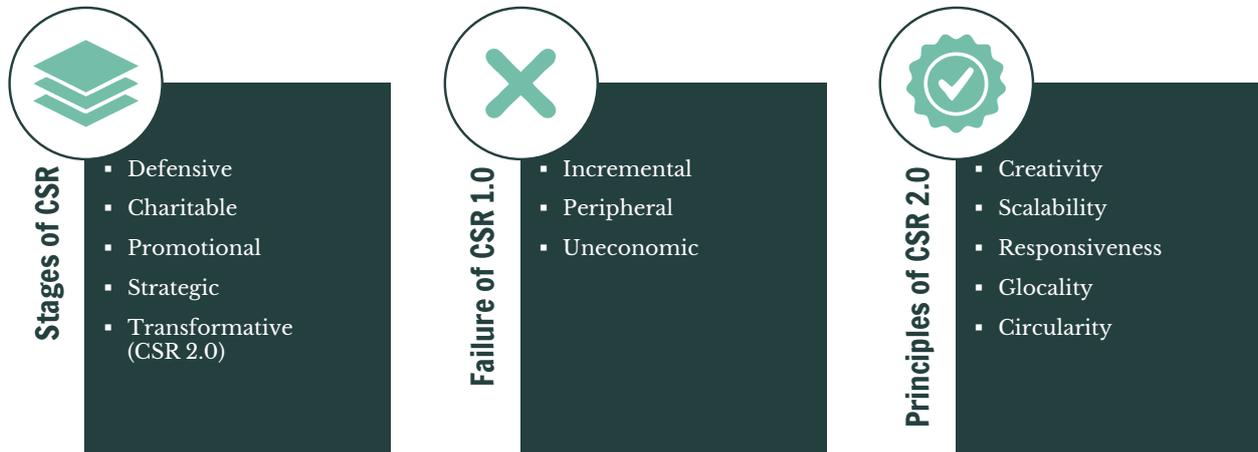
Shared Value	Integrated Value
Premise: Uses the advancement of capitalism and economic competitiveness as the contextual premise	Premise: Uses the healthy functioning of complex ecological and social systems as the contextual frame of reference
Synergies: Looks for synergies between economic and social value as drivers of competitiveness	Synergies: Looks for synergies between social, ecological, human, technological, infrastructural and financial value
Solutions: Focuses on innovative solutions that improve efficiency, productivity and profitability	Solutions: Focuses on innovative solutions that are secure, smart, shared, sustainable and satisfying
Means: Sees products and markets, value chains and local clusters as the means for achieving shared value	Means: Sees values orientation, economic redesign, new metrics and innovation as the means for achieving integrated value
CSR: Dismisses corporate social responsibility and fair trade as ineffective ‘redistribution’ of wealth	CSR: Reframes corporate social responsibility, fair trade and sustainable business as value creation
Positioning: Claims to be a new and novel idea that will lead to the reformation of capitalism	Positioning: Claims to be a contribution to the rich and evolving debate on value creation in society, the economy and business
Benefits: Refers to the benefits of creating shared value as ‘profits involving a social purpose’	Benefits: Refers to the benefits of integrated value creation as a ‘values dividend’ to society

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Integrated Value vs. CSR 2.0

I have written elsewhere [at length on CSR 2.0](#), but you can read a [summary of CSR 2.0](#) and get a sense of its essence from the diagram below. Here I will only distill the essential elements and compare these to Integrated Value. A summary table is also included at the end of the section.

A Summary of Visser's CSR 2.0 Model



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- **Premise:** Integrated value uses the healthy functioning of complex ecological and social systems as the contextual premise, while CSR 2.0 uses the failure of CSR to reverse negative social, economic, ethical and ecological trends.
- **Foundations:** Integrated value presents an evolution in the conception of value creation by business, from shareholder-, stakeholder-, blended-, sustainable- and shared-value to integrated value, while CSR 2.0 presents CSR as a maturity stage model, from defensive, charitable, promotional and strategic CSR (all CSR 1.0) to transformative or systemic or radical CSR (CSR 2.0).
- **Narrative:** Integrated value uses the dynamics of living systems as a metaphor for the changes needed in value conception and creation in society, while CSR 2.0 uses the transition from Web 1.0 to Web 2.0 as a metaphor for the changes needed in CSR, from CSR 1.0 to CSR 2.0.
- **Problems:** Integrated value explains breakdown in society as the 5 forces of fragmentation: disruption, disconnection, disparity, destruction and discontent, while CSR 2.0 explains the failure of CSR 1.0 as due to CSR still being incremental, peripheral and uneconomic within most business organisations.
- **Activity:** Integrated value frames areas of essential activity in terms of 5 components of the nexus economy: the resilience, exponential, access, circular and wellbeing economies, while CSR 2.0 frames areas of essential activity in terms of 4 DNA elements: value creation, good governance, societal contribution and ecological integrity.
- **Solutions:** Integrated value focuses on innovative solutions that are secure, smart, shared, sustainable and satisfying (the 5-S integration framework), while CSR 2.0 focuses on innovative solutions that come from eco- and social innovation, entrepreneurship and enterprise.
- **Means:** Integrated value sees values orientation, economic redesign, new metrics and innovation as the means for achieving value creation, while CSR 2.0 sees creativity, scalability, responsiveness, glocality and circularity as the means for achieving transformative CSR.
- **Positioning:** Integrated value claims to be a contribution to the rich debate on value creation (and destruction) in society, the economy and business, while CSR 2.0 claims to be a call for the reinvention of corporate social responsibility to be more effective in creating positive impacts.
- **Benefits:** Integrated value refers to the benefits of this approach as a 'values dividend', while CSR 2.0 refers to the benefits as the building of 'purpose-inspired capitalism'.

A Comparison of Visser's CSR 2.0 and Integrated Value

CSR 2.0	Integrated Value
Premise: Uses the failure of CSR to reverse negative social, economic, ethical and ecological trends as the contextual premise	Premise: Uses the healthy functioning of complex ecological and social systems as the contextual premise
Foundations: Presents CSR as a maturity stage model, from defensive, charitable, promotional and strategic CSR (all CSR 1.0) to transformative or systemic or radical CSR (CSR 2.0)	Foundations: Presents integrated value as an evolution in the conception of value creation, from shareholder-, stakeholder-, blended-, sustainable- and shared-value to integrated value
Narrative: Uses the transition from Web 1.0 to Web 2.0 as a metaphor for the changes needed in CSR, from CSR 1.0 to CSR 2.0	Narrative: Uses the dynamics of living systems as a metaphor for the changes needed in value conception and creation in society
Problems: Explains the failure of CSR 1.0 as due to CSR still being incremental, peripheral and uneconomic within most business organisations	Problems: Explains breakdown in society as the 5 forces of fragmentation: disruption, disconnection, disparity, destruction and discontent
Activity: Frames areas of essential activity in terms of 4 DNA elements of CSR 2.0: value creation, good governance, societal contribution and ecological integrity	Activity: Frames areas of essential activity in terms of 5 components of the nexus economy: the resilience, exponential, access, circular and wellbeing economies
Solutions: Focuses on innovative solutions that come from eco-and social innovation, entrepreneurship and enterprise	Solutions: Focuses on innovative solutions that are secure, smart, shared, sustainable and satisfying (the 5-S integration framework)
Means: Sees creativity, scalability, responsiveness, glocality and circularity as the mean for achieving transformative CSR	Means: Sees values orientation, economic redesign, new metrics and innovation as the means for achieving integrated value
CSR: Reframes corporate social responsibility as corporate sustainability and responsibility and CSR 2.0	CSR: Reframes corporate social responsibility and sustainable business as integrated value creation (IVC)
Positioning: Claims to be a call for the reinvention of corporate social responsibility to be more effective in creating positive impacts	Positioning: Claims to be a contribution to the rich debate on value creation (and destruction) in society, the economy and business
Benefits: Refers to the benefits of CSR 2.0 as the building of 'purpose-inspired capitalism'	Benefits: Refers to the benefits of integrated value creation as a 'values dividend'

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Citation

Visser, W. (2018). Integrated Value vs. Shared Value and CSR 2.0. *AMS Sustainable Transformation Briefing Series*, No. 4, Antwerp: Antwerp Management School.



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