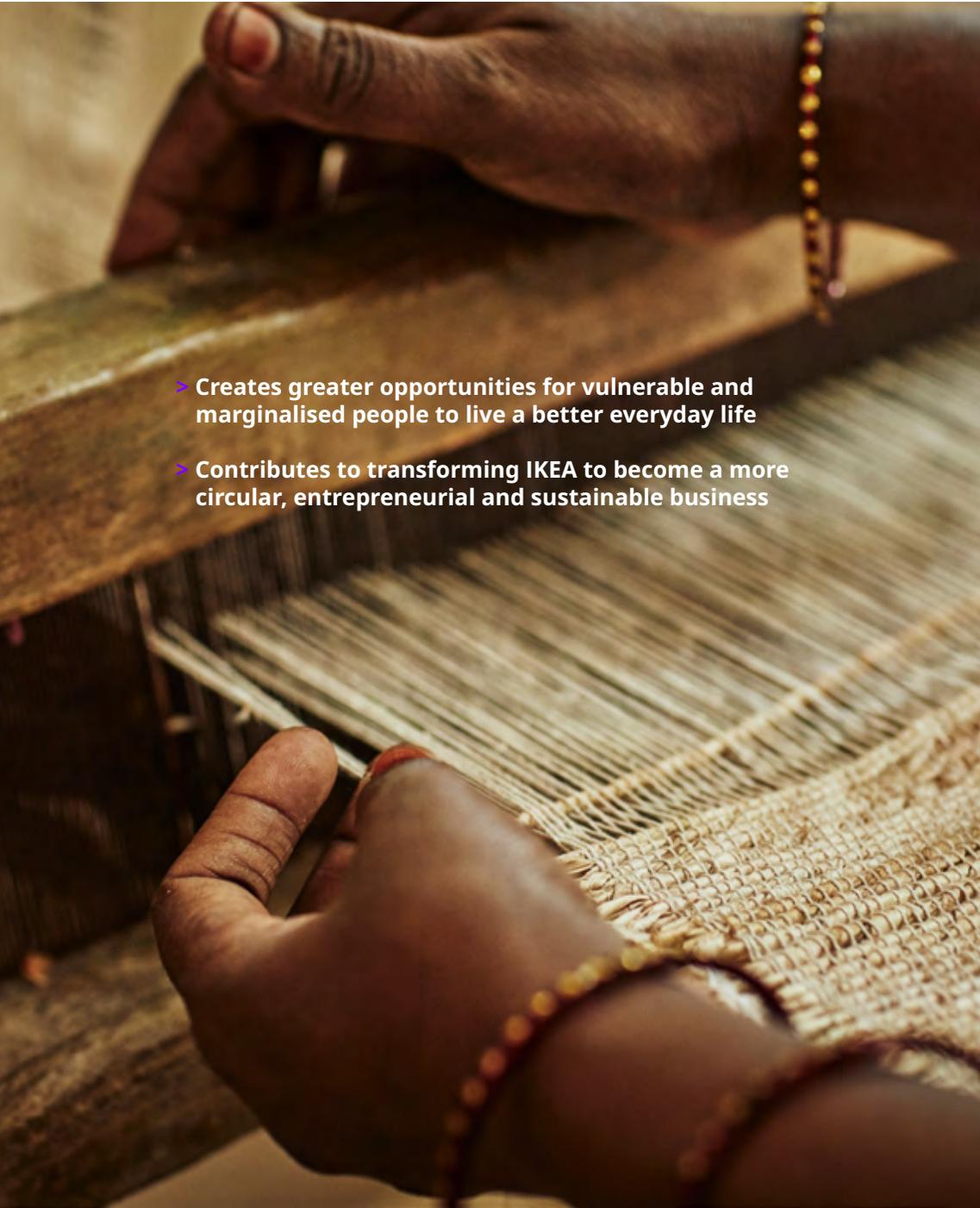


# Annual Review **FY19** IKEA Social Entrepreneurship

APRIL 2020



Social Entrepreneurship



- > **Creates greater opportunities for vulnerable and marginalised people to live a better everyday life**
- > **Contributes to transforming IKEA to become a more circular, entrepreneurial and sustainable business**

# About IKEA Social Entrepreneurship

IKEA Social Entrepreneurship is an initiative set up by Inter IKEA Group aiming to enable and accelerate social impact through the power of social entrepreneurs and social businesses. By focusing on those who are vulnerable and marginalised – that way enabling a more equal and inclusive society – we deliver to the IKEA vision of creating a better everyday life for the many people.

Our core mission is to create greater opportunities for those who need it most and to have a positive impact on people and society. The social entrepreneurs we partner with are dedicated to empowering people, enabling them to get better jobs, higher incomes and access to products and services that improve their lives. They also work with systems change to address the needs and rights of vulnerable and marginalised people.

By partnering with social entrepreneurs we contribute to transforming IKEA to become more innovative and inclusive as well as generating new business opportunities in terms of products, food, services and beyond.

IKEA Social Entrepreneurship has its roots in the long-term business partnerships with social entrepreneurs and businesses that were established in 2012. This contribution to the IKEA sustainability strategy, led by IKEA of Sweden Range & Supply, grew from contributing to jobs and income for around 200 people in 2014 to almost 15 000 in 2018.

During the summer of 2018, these efforts were supplemented by the creation of the IKEA Social Entrepreneurship B.V. It added new human and financial capacity and tools for scaling up IKEA's partnerships with social entrepreneurs – while also accelerating social entrepreneurs outside IKEA through intermediaries and direct support.

This Annual Review reports on the progress and lessons learned by the IKEA Social Entrepreneurship for the fiscal year 2019 (1 September 2018 – 31 August 2019).

> Please visit our website at:  
[www.IKEAsocialentrepreneurship.org](http://www.IKEAsocialentrepreneurship.org)

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# Highlights

This year saw growing social and environmental challenges and expectations from customers, co-workers and other societal stakeholders for corporates to contribute with innovative solutions to address these challenges.

## **IKEA Social Entrepreneurship is one of a range of initiatives within IKEA that aim to have a positive impact on people and planet.**

What is unique is the way we combine the innovative energy of social entrepreneurs and businesses and other organisations with the reach and power of IKEA, to address societal challenges and provide livelihood opportunities for vulnerable and marginalised people.

This Annual Review documents the achievements and lessons learned from the

first year of operations of the IKEA Social Entrepreneurship B.V. as well as partnerships within Range & Supply. It covers both business partnerships with social entrepreneurs, acceleration of social entrepreneurs through intermediary organisations and direct support to social entrepreneurs.

During the year, we continued to develop the existing business partnerships with social entrepreneurs and businesses that produce home furnishing products and food for IKEA. We saw increased social outcomes among the partners in terms of jobs and incomes coupled with growing sales of their products. Three limited edition collections (VÄLGÖRANDE, ANNANSTANS and TILLTALANDE) were launched.

We also initiated IKEA's first global running (not time-limited) social entrepreneurship products, promising more stable and larger future incomes for our social entrepreneur partners. We see great opportunities to

considerably scale up IKEA's global and local business partnerships with social entrepreneurs and businesses.

The past year also saw the launch of our first programmes not directly linked to the IKEA business. This included our first accelerator programme in partnership with Ashoka, currently supporting 12 social entrepreneurs to increase their impact through systems change. Following intense co-creation, this unique programme successfully engages IKEA co-workers as advisors. Early evidence shows that the participating social entrepreneurs, as well as the IKEA co-workers, are positive about the experiences and learnings so far.

During the year we also signed an agreement with Acumen to run an accelerator programme in East Africa, we supported innovation on last mile delivery in France and deepened IKEA's collaboration with Dutch social enterprise i-did. We developed a pipeline of global projects and partnerships

and worked with different IKEA franchisees to develop local partnerships with social entrepreneurs in more markets.

Beyond these achievements, we put much effort into establishing the basic structures and ways of working needed for quality delivery of IKEA Social Entrepreneurship across IKEA – in areas such as connections to business and innovations, governance, strategy, project management, financial management, communication, monitoring and learning. Since we have high ambitions of scaling up social entrepreneurship, working with different business units within IKEA will be a priority for the coming year.

# Overview of IKEA Social Entrepreneurship in FY19

Progress	Business partnerships	Programmes and direct support	Geographic focus
<b>People indirectly benefitting</b> <i>through products, services and household incomes</i>	<b>151,559</b>	<b>977,797</b>	
<b>People directly benefitting</b> <i>through jobs and income</i>	<b>19,912</b>	–	
<b>Social entrepreneurs and business supported</b>	<b>7</b>	<b>13</b>	
<b>IKEA co-workers engaged</b> <i>as advisors to social entrepreneurs</i>	–	<b>13</b>	

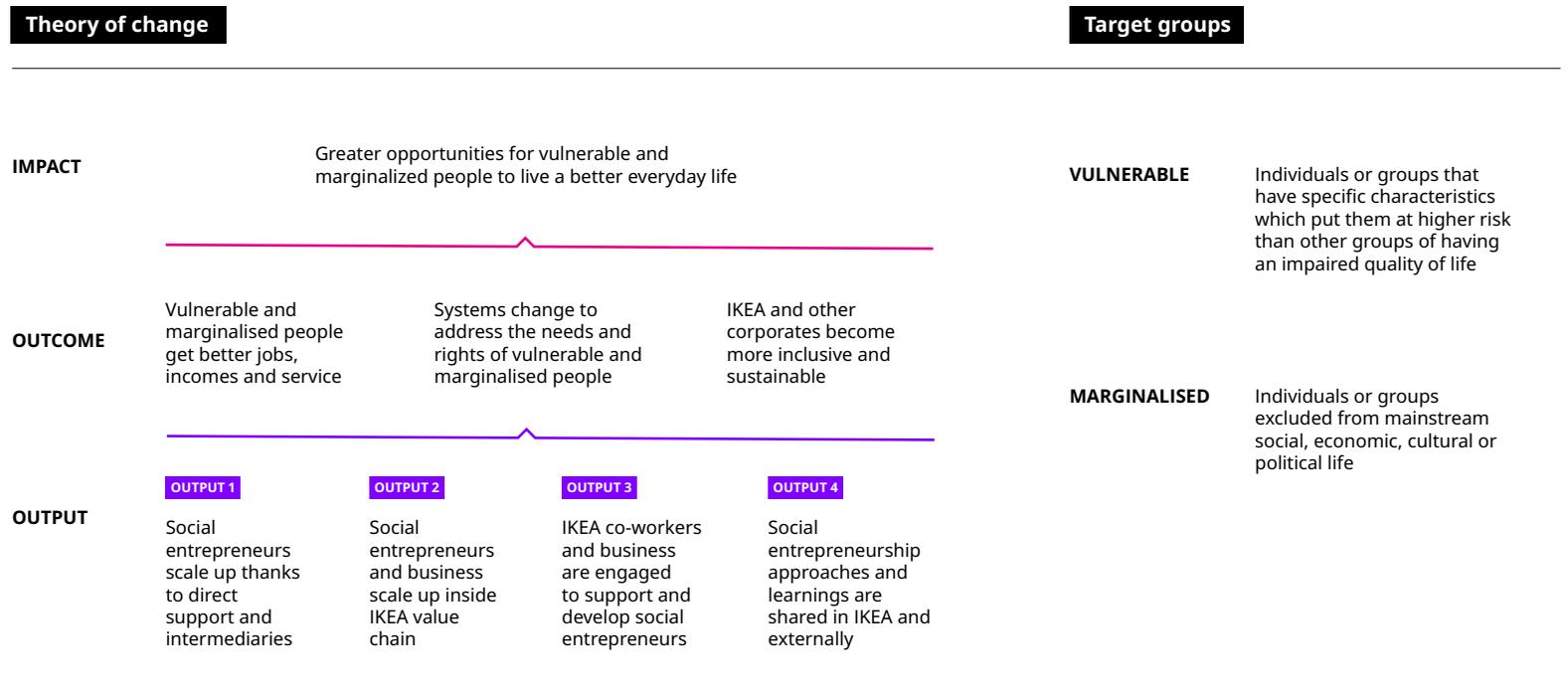
*Note: The numbers on people benefitting and reached are estimates based on the latest data provided by global social entrepreneurs and businesses that partner with IKEA Social Entrepreneurship. These numbers should be considered indicative as they are sensitive to the definitions used and the point in time they were collected.*

- Reducing poverty
- Women and indigenous people's empowerment
- Supporting smallholder farmers
- Supporting refugees and people who are disadvantaged

# Progress during the year

During the year, we have worked to realise the goals and ambitions laid out in our theory of change. It firmly establishes that we are aiming for social impact by contributing to greater opportunities for vulnerable and marginalised people enabling them to live a better everyday life (see table).

We have identified three outcomes related to providing better jobs, incomes and services to these people, working with changing systems (such as legislation and organisational arrangements) and making IKEA and other corporates more inclusive and sustainable. Our contribution is divided into four outputs covering programmes and direct support aimed at scaling up social entrepreneurs, business partnerships with social entrepreneurs, engaging IKEA co-workers and sharing what we do in IKEA and externally.



Progress on our key KPIs is summarised in the overview section on the previous page. Based on data from the social entrepreneurs, it principally shows the total number of people reached by, and benefitting from, our business partnerships and the Ashoka acceleration programme. The rest of this section centres on the progress and learnings of the past year per our four outputs.



## OUTPUT 1

# Scaling up social entrepreneurs through intermediaries and direct support

This output includes programmes and partnerships not directly related to the IKEA business. Our focus during FY19 has been on exploring ways of supporting social entrepreneurs to scale up – by testing, piloting and learning from different types of partners (their tools, resources and methods), programmes (development and effectiveness in terms of reaching targets

and desired impact) and ways of working (capacity building, direct investments and product development). We have been striving to engage co-workers in different ways, and identifying relevant tools and approaches within IKEA that can be useful for social entrepreneurs.

We worked with two types of programmes

during FY19 – accelerator programmes and direct impact investments in social entrepreneurs. We initiated two accelerator programmes with Ashoka and Acumen (implementation planned to start in FY20) and made two impact investments with Yunus Social Business and Dutch social enterprise i-did (see table for a summary of the four programmes).

**Table: Programmes through intermediaries and direct support**

Programme	Yunus - Last mile delivery	i-did - local felt production	Ashoka - Acceleration programme	Acumen - Acceleration programme
<b>Status</b>	Running	Running	Running	Start-up
<b>Type</b>	Impact investment	Impact investment	Accelerator	Accelerator
<b>Geography</b>	France	Netherlands	Global	East Africa
<b>Start date</b>	January 2019	January 2019	January 2019	July 2019
<b>Planned end date</b>	August 2020	tbd	March 2020	September 2020
<b>Short description</b>	Spurring innovation in IKEA's last mile delivery services with social entrepreneurs in Paris	Investment in small textile recycling plant run mainly by people far from the labour market	Supporting three new and 12 existing Ashoka Fellows on systems change	Equipping social entrepreneurs across Ethiopia, Kenya, Rwanda and Uganda to scale up their businesses



## CASE: Ashoka

The Ashoka partnership entails a co-created one year global accelerator programme for 12 social entrepreneurs (see table), focused on systems change. The programme is divided into two phases: a strategy phase (April – October 2019) and an implementation phase (October 2019 – April 2020). A Summit was organised to mark the transition between the two phases in October 2019 at Inter IKEA in Delft.

Eleven social entrepreneurs completed the strategy phase supported by advisors from IKEA and other organisations. One social entrepreneur left the programme because of other priorities. The remaining social entrepreneurs presented their systems change strategies at the Summit in October and then moved on to the implementation phase with support of a new set of IKEA advisors.

Together the twelve social entrepreneurs reported that they directly served approximately 980 000 clients with a potential reach of almost

19 million people, including client households and community members. It is important to note that these numbers vary considerably between individual entrepreneurs since their objectives, ways of working and contexts are very different.

It is too early to make firm assumptions about how the social entrepreneurs have benefitted from the programme. However, a comparison of the original strategies to the ones developed during the programme indicates that most social entrepreneurs have increased the focus on systems change as opposed to mere

organisational growth as an objective in the mid- to long-term.

Other achievements within the programme include the engagement of high-level Thought Partners for the Summit, co-creation of the programme's implementation phase, selection of one new Ashoka fellow (Pranshu Singhal, from India), and piloting the use of a digital platform – Dela Connect – as a collaborative space for the different individuals and teams.

**Table: Social entrepreneurs participating in the Ashoka accelerator programme**

Social entrepreneur	F/M	Geography	Description
Allison Silva – Fundacion Emprender Futuro	F	Bolivia	Improving the social mobility of vulnerable people by democratising access to business information and services
Dan Driscoll – Anou Cooperative	M	Morocco	Artisan-owned marketplace in Morocco (now left the programme)
Daniel Kerber – More than Shelters	M	Germany	Tackles a refugee's journey holistically, improving arrival centres, transit zones and refugee camps
Fernando Assad – Programa Vivenda	M	Brazil	Enabling affordable home renovations targeting the alarming housing situation in Brazil
John John – Grassroot Tea Corporation	M	India	Enabling small tea growers to organise, manufacture and sell tea directly while influencing policy
Liisa Smits – Ignitia	F	West Africa	Sending climate data sets to small farmers in Ghana, Mali and Nigeria allowing them to increase their yields
Mabel Torres – Bioinnova	F	Colombia	Combining science and entrepreneurship to launch a growing ecosystem of successful businesses
Nani Zuminarni – Pekka	F	Indonesia	Reducing discrimination against women by educating and enabling women to provide for their families
Neelkanth Mishra – Jaljeevika	M	India	Building the inland fisheries industry in India spurring growth in these communities
Scott Stilles – Fair Employment Foundation	M	Hong Kong	Shifting traditional domestic worker agency models, removing fees and improving the recruitment chain
Suraiya Haque – Phuki	F	Bangladesh	Addressing the issue of work place based day care enabling the economic emancipation of women
Wietse van der Werf – Sea Ranger Service	M	Netherlands	Utilising navy veterans and unemployed youth to monitor marine protection areas



## > Learnings

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Based on the first year of operations developing programmes and partnerships not directly related to the IKEA business we have accumulated a first set of learnings:

- Different intermediary partners have very different approaches to working with social entrepreneurs in different phases of their development. This means we will continue working with a diverse range of tools depending on the type of social entrepreneurs, the development phase they are in, the sector they are operating in and the geographical context.
- Social entrepreneurs have very different approaches and needs, which means that a balance is needed between standardised frameworks and tailor-made support.
- It is important to identify common objectives with partnering organisations and social entrepreneurs, underpinned by shared visions and principles of work. Developing a common theory of change is a useful tool to support a shared agenda.
- A variety of factors outside our control influence the development and implementation of programmes, which means that an agile approach is valuable to secure meaningful and impactful programmes.
- Co-creating our accelerator programmes with intermediaries such as Ashoka is a very valuable way to explore how partner approaches can be combined with IKEA's tools and experiences related to business development. The tools, resources and learnings that are the results can then be included in our knowledge hub allowing us to create wider impact.
- Co-creation has given us a much deeper knowledge of the field – an understanding of what works and what the remaining challenges are. However, for us to be able to reach our impact goals, that level of engagement is not possible for all partnerships. Deep co-creation is time consuming and requires significant internal resources.



## OUTPUT 2

# Developing business partnerships with social entrepreneurs and businesses

This output includes IKEA's business partnerships with social entrepreneurs and businesses that produce products and services for IKEA. These partnerships aim to be mutually beneficial – IKEA dedicates resources to develop the businesses and the ability to meet the IKEA requirements, the partners showcase different approaches to

engaging with vulnerable and marginalised groups and producing innovative products and services. We have been involved in seven global partnerships with social entrepreneurs and business during FY19. We also collaborated with local partner i-did in the Netherlands. These partnerships are summarised in the table below.

There are several other local social entrepreneur partners that deliver products and services to IKEA in different markets, such as Yalla Trappan in Sweden, Ellos lo Bordan in Spain and Open Arms in the USA. These projects are led by IKEA franchisees and are not covered by this Annual Review.

**Table: Social entrepreneurs and businesses producing products for IKEA**

Name	Country	Sales start	Product area	Scope
<b>Doi Tung</b>	Thailand	2012	Handicraft – ceramics, textiles, paper	Global
<b>Industree</b>	India	2014	Handicraft – natural fibres	Global
<b>Rangsuatra</b>	India	2014	Handicraft – embroidered and woven textiles	Global
<b>MBQ</b>	Romania	2016	Handicraft – wood	Global
<b>Jordan River Foundation</b>	Jordan	2017	Handicraft – embroidered textiles	Global
<b>Kawacom-White Nile</b>	Uganda	2017	Food – coffee	Global
<b>i-did</b>	Netherlands	2016	Felt products made locally in the Netherlands of recycled IKEA textiles	Local



*Akanksha Deo, IKEA designer, with Rangсутra artisans Dhinya (middle) and Teeja (right)*

## > Social outcomes

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These partners' production for IKEA contributed to the following social outcomes (according to data from our partners):

- Almost 20 000 jobs and incomes for vulnerable and marginalised people were created or sustained in FY19 compared to approximately 15 000 in FY18. This includes people directly and indirectly involved in production for IKEA.
- The share of women directly involved in IKEA production was 86% in handicraft and 10% in coffee in FY19.
- The number of household members of the people involved in IKEA production was around 150 000 in FY19. This estimate is based on the average size of households for artisans and farmers involved in IKEA production.
- A notable outcome is that our partner Rangсутra was able to share dividends with the artisans.

We have seen in social audits that have been conducted for Industree and Rangсутra that these jobs and incomes lead to better everyday lives for the people involved in IKEA production. During the year, Jordan River Foundation conducted a survey among the women involved. The result showed that the women generally reported very positive effects of their work (see previous page).

## CASE: Monitoring social outcomes at Jordan River Foundation

The partnership between IKEA and Jordan River Foundation (JRF) started in 2017. In spring 2019, a common theory of change was developed – capturing both the social and business dimensions of the collaboration. In August 2019, JRF conducted a survey among a majority of the women working for them. The survey aimed to assess sustainability, financial aspects, coping strategies and relational wellbeing.



The main survey results were:

**89%** of the women reported an increase in their income after they began working with JRF (from 376 JOD to 501 JOD on average)

**21%** of the women were able to save money from their income with JRF, indicating the income increase was not always enough to generate a surplus

**96%** reported an improved perception of other community members after they started working with JRF and 98% had made friends from different nationalities (Jordanian, Syrian and others), which indicates increased social cohesion

**62%** reported reduced tension within the household after having started working

**91%** reported higher overall quality of life since they started working. The women highlighted a number of positive aspects, among them improved self-confidence, help in getting over the trauma from Syria, the build-up of social networks and the ability to offer their children better education

The survey also highlighted the importance of working towards providing sustainable income opportunities and professional development for the women.

Source: JRF, Social Enterprise Program – IKEA Project M&E Report, September 2019

*Jordanian weaver Amneh Al Gawanmeh, one of the artisans behind TILLTALANDE Collection, made in collaboration with Jordan River Foundation.*



## > Products and markets

The positive social outcomes are dependent on IKEA's ability to sell the social entrepreneurship products to our customers. The main developments in terms of product and market development of social entrepreneurship products were as follows:

- Three time-limited social entrepreneurs collections were launched in 25 markets, accessible in more than 200 stores and online on the IKEA website:

**VÄLGÖRANDE OCT 2018** – from the social enterprise Doi Tung/Thailand

**ANNANSTANS MARCH & JUNE 2019** – from the social enterprises Rangсутra & Industree/India, MBQ/Romania and Doi Tung/Thailand

**TILLTALANDE JUNE 2019** – from the social enterprise Jordan River Foundation/Jordan

- IKEA's first running global article for social entrepreneurship products was launched in the form of the cushion cover **INNEHÅLLSRIK** produced by

Rangсутra and the banana fibre basket **HEMGJORD** produced by Industree.

- Two new cushion covers produced by Rangсутra, **KLARASTINA** and **MOAKAJSA**, will be launched in FY20. Industree in India started up the production of **BOTANISK** pots made from banana fibres for regional reach in Europe, for launch in FY20.
- Only two years into the partnership with IKEA, it was decided that Jordan River Foundation will produce a global, mandatory product for IKEA. A cushion cover from the **TILLTALANDE** collection was selected to be part of textiles running range with launch in October FY21.
- A contribution to IKEA's circularity ambitions was made through the **TILLVERKA** felt collection made from textiles that have been written off from IKEA stores in the Netherlands. **TILLVERKA** was developed together with IKEA Netherlands and our partner i-did. The collection fulfils circular and

social impact principles and will be piloted in Netherlands during spring 2020 to be evaluated as a concept for scale.

- Two new retail countries, Russia and Slovakia, started up collaboration with local social enterprises for production of the upcycling collection **ÅTERSTÄLLA**. With these two new markets, ten retail countries have contributed to the collection, developed for local upcycling of IKEA textile waste.
- The Uganda coffee **PÅTÅR** was relaunched with vitalised sales and communication packages in February FY19. A learning case was produced based on the results and learnings from the first launch in FY18. The findings are summarised on next page.



## CASE: Learnings from the Uganda coffee project

The Uganda coffee was launched in partnership with Ahold Coffee Company and KAWACOM in October 2017 to further vitalise the IKEA coffee range, PÅTÅR, with a high-quality coffee that could expand the story around UTZ & Organic and go “beyond certification”.

The product stands out with its high social impact potential, given that the coffee currently is produced by around 14 500 smallholder farmers in the White Nile region in North-Western Uganda. At the same time, the business results have been below expectations.

Three main lessons have come out of this project:

1. Social impact products need to be integrated into the overall business planning cycle
2. Such projects also require rigorous social and business objectives, frameworks, ways of working and follow-up
3. Customers need to be told the story and understand the value of this kind of products to buy them, which requires efforts and ownership across the IKEA value chain including product development, design, merchandising, sales and communication

Source: IKEA Social Entrepreneurship, Uganda coffee learning case, Final report, 1 October 2019



## > Learnings

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During FY20 the learnings from the business partnerships will be summarised with a view to develop a handbook for IKEA co-workers and social entrepreneurship partners. Some preliminary learnings include:

- Social entrepreneurs can develop the capability to deliver to IKEA and scale up their social impact, but achieving the required volume, quality and efficiency calls for considerable investments in time and resources from both IKEA and partners.
- Social entrepreneurs have particular challenges in securing the required financing for the investments and working capital needed to scale up and start delivering to IKEA.
- Variability in IKEA orders combined with IKEA's low-cost ambitions are challenging for the social entrepreneurs to deal with and put the social outcomes at risk. Specific support tools may need to be developed to handle these as well as the financial challenges mentioned in the previous point.
- While becoming a supplier to IKEA is a significant benefit for social entrepreneurs, they encounter challenges securing other customers that value the social ambitions as highly as IKEA.
- Scaling up IKEA's business partnerships with social entrepreneurs requires integrating the partnerships in the IKEA business planning, steering, sales and communication. A prerequisite for this is to secure commitment from management and co-workers.



### OUTPUT 3

## Engaging IKEA co-workers and business to support social entrepreneurs

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This output is focused on creating opportunities for IKEA co-workers to engage with social entrepreneurs. Within the business partnerships with social entrepreneurs, IKEA is contributing with co-worker competence in the areas of design, product development, business operations and supply. This past year, the focus has been on scaling up the Jordan River Foundation (JRF), which is the newest IKEA partner. This support allowed JRF to enhance its capacity to produce quality products that meet IKEA's various requirements.

Co-worker engagement within an acceleration programme was piloted within the Ashoka programme (see first box below). As already mentioned several different parts of IKEA connected with our partners i-did (see second box below).

Overall, we have received very positive feedback from both social entrepreneurs and IKEA co-workers on this type of engagement. Going forward we will continue working on developing frameworks and tools for co-worker engagement with social entrepreneurs.



## CASE: Co-worker engagement within the Ashoka programme

The co-worker engagement within the Ashoka programme involves a total of around 24 IKEA employees as advisors for the participating social entrepreneurs in the strategy (April – Oct 2019) and implementation phases (Nov 2019 – May 2020). An additional seven (7) IKEA managers and 14 external experts participated as Thought Partners in the Summit in October.

For the strategy phase 13 co-workers were recruited from the 30 that had been nominated by their managers. Albeit successful, the nomination process is time-consuming and it is crucial to have a very good understanding of the IKEA network to be in charge of the selection process.

To open up for more co-workers to express interest, a combination of nomination and open recruitment was used for the implementation phase. A news article with a link to IKEA's application tool – job portal – was published. This resulted in 96 co-workers applying, of which 30 were nominated by a manager/leader. 26 co-workers were invited to an interview with the Ashoka team to secure commitment, interest and match their competence with the needs of the social entrepreneurs during the implementation phase. In the end, eleven co-workers were engaged to support the eleven remaining social entrepreneurs during the implementation phase.

To promote learning during the strategy phase, the IKEA advisors were invited to three learning sessions ('circles') where they shared their experiences. The sessions were based on practicing the art of listening and asking powerful questions as a tool for advising/coaching. It became clear that the onboarding and programme start were overwhelming for the IKEA advisors and they had a feeling of not being able to contribute. The learning circles helped to clarify roles and expectations and led to the realisation that others faced similar issues. A majority of advisors have subsequently expressed an interest in continuing to work with the social entrepreneurs.



## CASE: i-did – connecting with multiple parts of IKEA

i-did's collaboration with IKEA started in 2016. i-did has together with IKEA designed and produced two local temporary collections – ÅTERSTÄLLA 1 and 2 – sold in all IKEA stores in the Netherlands.

The textiles used in the collections manufactured by i-did are surplus IKEA fabrics that have been redesigned into new products, such as cushion covers and table mats. Going forward, i-did hopes to realise its vision of establishing 'mini production plants' in which locally sourced textile waste is upcycled and turned into sellable products.

i-did has connected with IKEA in several ways:

- IKEA Netherlands sells the products locally
- IKEA of Sweden provides support to product development
- Core Business Franchise supports with concept and business development
- IKEA Social Entrepreneurship B.V. supports with developing a theory of change and financing a pre-study and the purchase of the mini production plant



## OUTPUT 4

# Sharing social entrepreneurship approaches and learnings

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As we develop our learnings, our ambition is to share them both inside IKEA and externally. During the year we worked on defining the purposes, objectives, target audiences and overall structure for disseminating such content. The aim is to develop a digital platform – “Knowledge Hub” – for both internal and external audiences during FY20.

As part of a growing movement of social entrepreneurship we participated as speakers and in panels at international and national events and meetings, such as the

Social Innovation Summit in Malmö and the European Investment Bank European Summit in Copenhagen, to name but a few.

We provided several external partners and units within IKEA with support in developing theories of change. The feedback indicates that the support has enabled the organisations to develop strategic clarity and organisational buy-in. In return, we were able to promote the IKEA Social Entrepreneurship, learning from what others are doing and accessing their networks.

# Operations

During the year, much effort was put into establishing the framework and ways of working for scaling up IKEA Social Entrepreneurship – including developing the existing partnerships within Range & Supply, making the newly established IKEA Social Entrepreneurship B.V. operational and engaging with franchisees on social entrepreneurship.

We want to arrive at alignment within IKEA, that way securing a holistic approach to social entrepreneurship across the organisation. Initial steps were taken to agree on common ambitions, governance, ways of working and instruments for social entrepreneurship. This work will continue during FY20.

## > Monitoring, evaluation and learning

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Since the start, the business partnerships with social entrepreneurs have been monitored for social outcomes and impact connected to incomes and sustainable jobs of people and household members involved in IKEA production. In addition, the partners' business KPIs relating to turnover, compliance, and overall performance have been monitored. This allows us to identify the collections with strongest potential to become global running range products. It also helps us identify areas of improvement – in order for collections and products to succeed. This, in turn, ensures more stable, sustainable long-term employment for vulnerable and marginalised people.

Building on this work, the past year saw us focus on establishing a strategic and performance framework for IKEA Social Entrepreneurship – covering both business partnerships and support provided through intermediaries and directly. The process included developing vision/potentials, strategy, theory of change, results matrix and indicators. Partners have received support in developing theories of change and performance frameworks. Efforts have

been made to link up with various initiatives and performance frameworks within IKEA both on the business and the sustainability side.

In terms of learnings, the past year strongly validated the usefulness of working with theories of change for IKEA Social Entrepreneurship. This was at an organisational and project level, but also with our partners and within IKEA. The theory of change provides common understanding and clarity on goals and scope of work and can provide the basis for developing performance frameworks, indicators and activity planning. Going forward, more work is needed to establish mechanisms for continuous learning among ourselves, ensure consistent data collection and steering across our different types of partnerships. There's also a need to further explore approaches to assess social impact and livelihoods, and produce content that can be shared in a future knowledge hub.

