

Executive Summary

UN Global Compact

Bridging Corporate America to University Students

Currently, the US is ranked second in total emission of greenhouse gasses globally, which has laid foundation for the Sunrise movement, school strikes and a growing dissatisfaction towards the people in power. Young people are no longer waiting to be heard, however, to reach financial and societal impact, the corporate climate must be accelerated as well. This is where UNGC serves as a unique facilitator, as it is the world's largest corporate sustainability initiative, with its main priority being to pursue and advance the achievement of the SDGs as well as the 1.5 degrees strategy.

Our preliminary analysis portrayed the age group, 18-24, to be the most conscious about sustainability when buying products and choosing their workplace. More specifically, we identified a demand among university students to incorporate the sustainability agenda in their everyday lives. These findings led to the hypothesis that university students are an ideal target group in mobilizing the youth. However, equally important is also for UNGC to continue its focus on attracting businesses, such that they can increase the overall attraction of the organization.

Thus, the key elements of a youth strategy should entail how UNGC should bridge the gap between the youth and corporate America. Based on our analysis of age and sustainability, a solution should target university students in the US. In order to create a feasible strategy targeted toward the youth as well as accelerate the corporate climate in America, we propose a two-prong strategy for UNGC to implement.

Firstly, we propose for UNGC to facilitate virtual internships between its business participants and sustainably aware university students. The virtual internships will evolve around the SDGs, thus, tasks will include SDG tracking, proposal of green initiatives as well as everyday tasks such as creating presentations and writing formal emails. Virtual internships mitigate the large distances in the US while providing everyone with a fair chance to join in. Selection and application will run through the company, but the UNGC will facilitate the interaction through its website and also monitor the internship. Upon completion of the virtual internship the student will receive an UNGC and partner certificate. The virtual internship will be mutually beneficial, as the students will have the chance to create impact and obtain relevant work experience for future use, while the company will receive innovative and creative ideas and tap into a sustainably aware talent pool. UNGC will benefit from increasing awareness of its work while serving as the unique link between students and corporate America. A marketing campaign, "Make Your Voice Heard", will be implemented at selected PRME-universities in the US utilizing their intranets and SoMe channels.

Secondly, integrating the young generation also creates a need for more businesses to become participants of UNGC. Unfortunately, the growth in members is stagnating and US businesses only constitute 3% of total members. Thus, we propose the UNGC to implement two initiatives to drive awareness as well as sustainability performance. Firstly, the UNGC should implement UN100; a rating of the 100 participant companies driving the most impact in relation to the SDGs. These companies should be celebrated and acknowledged by the UNGC, so businesses are encouraged to integrate a green agenda. However, companies that are improving should also be acknowledged, and therefore the UNGC should also acknowledge a "Responsible Company of the Month". This will entail an article with interviews of a top executive including his/her advice for other companies. Through this, we can encourage more businesses to join as participants, as they will receive best practice examples from sustainably aware top executives. These will be posted on the UNGC website, local newspapers, LinkedIn and Twitter.

Conclusively, these initiatives will reach 3 key performance indicators by 2022:

1. Establish 750 virtual internships
2. Increase participants to 490 businesses
3. Turn around negative trends within 6 SDGs that have decreased since 2018

Furthermore, the solution will yield an incremental revenue of 1.1m although remaining not-for-profit.

UN Global Compact

Bridging Corporate America to Students



Case of Thrones



Axel Larsson



Laura Hönig



David Monrad



Therese Christensen

By implementing the UN-strategy, UNGC will be able to engage the youth and accelerate corporate climate action



EXECUTIVE SUMMARY



Issues

Distance between corporate America and the youth

There is a long way from thought to action among students

Stagnating growth in number of UNGC participants



Question

“What should be the key elements of a 2030 UN Global Compact youth strategy for the United States that will accelerate corporate climate action aligned with the 1.5°C target?”

Answer



Strategy

UNITE *students and corporations using virtual internships*

NURTURE *relationships to participants through sustainable rankings*



Impact

750 established virtual internships by 2022

Increase participants to **490** businesses by 2022

Incremental revenue of **USD 1.1 mio** by 2022

As the second biggest emitter of GHG, sustainability is increasingly significant among US corporations and the younger generations



INSIGHTS

Despite US being the second biggest emitter, sustainability is being undermined politically

National climate change policy index



Political dynamism presents impediments to sustainable progression

15% of global emissions stem from the US

Therefore, sustainable responsibility has shifted towards corporate America...

> 200 CEOs take part in the Business Roundtable to promote sustainability

> 50% have increased their commitment to renewable energy in 2019



Companies want to look to things bigger than themselves

- Case material

...Which is being induced by an increasing sustainability focus among the youth



Gen. Z

is the population most concerned about sustainability

91%

of US university students wish to make a sustainable impact

Desire to create impact

Purpose-driven

UNGC faces significant potential within mobilizing the young generation, especially the students, when enforcing the sustainable agenda

Source: World Economic Forum, Deloitte, The Guardian

By leveraging mutual benefits of connecting students and corporations, virtual internships is deemed most attractive to bridge the existing gap



SOLUTION ASSESMENT

Corporations

- ✓ Experience
- ✓ Best practice and expertise
- ✓ Ability to drive the green agenda and create impact



Gap



Students

- ✓ Creativity and innovation
- ✓ Talent pool
- ✓ Passion and ambition as activist and students

	Impact	Feasibility	Fit with UNGC	Reach	Creativity
Case bidding platform			Partner	National	
Partner with Sunrise			Partner	Regional	
Virtual Internships			In house	National	
Mentorship			In house	State	

Source: Case Material, UNGC

To bridge the gap between corporations and students UNGC should facilitate virtual internships



Recommendation 1: Unite
students and corporations
using virtual internships

Facilitate virtual internships
between the UNGC participants and
sustainably aware university
students to mitigate the large
distances in the US



Recommendation 2: Nurture
relationships to participants
through sustainable rankings

Implement UN100 list to
acknowledge and celebrate the
participants doing remarkably good
as well as "Sustainable company of
the month"

UNGC should leverage its brand and network to become a key facilitator of virtual internships between corporations and students



UNITE SOLUTION

WHAT?



HOW?

- 1 UN facilitates **a list of available internships** and **redirect** applicants to the companies' websites for online application
- 2 The **companies assess** applicants based on a motivational letter and **select** the most promising students for internships
- 3 During the internship, the companies **provide SDG related tasks** to the interns using primarily **digital platforms** and communication
- 4 UNGC **ensures quality** of internships by asking for **evaluations** from students who have completed the internship



Why digital?

- ✓ Employ interns across large distances
- ✓ Less transportation = more sustainable
- ✓ Cheaper alternative for firm and students
- ✓ Firms gets access to a larger application pool

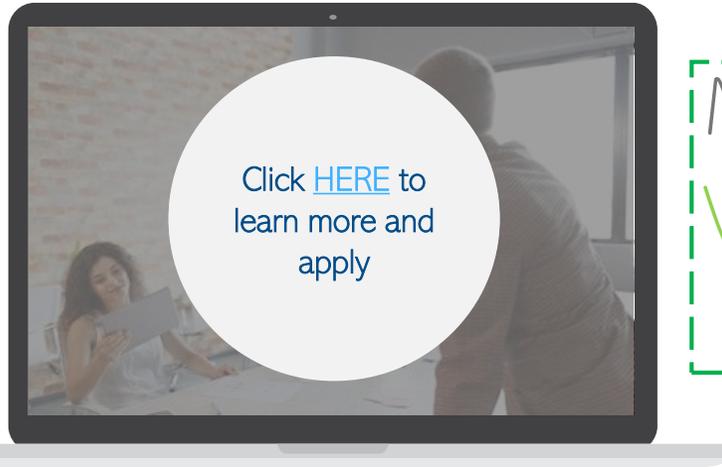
Source: Team analysis

Furthermore, UNGC should target PRME-students on their online intranets to increase awareness resulting in students being able to drive an impact



MARKETING AND MUTUAL BENEFITS OF UNITE

The marketing campaign will be executed on chosen PRME Schools



Video marketing campaign for the virtual internships

- Focus on giving students a voice and providing students with the means to make a sustainable impact



Students will be encouraged to apply for the internship

- A link to the application website will be found in the description



Distributed on PRME schools Intranet

- Leverage existing UNGC academic institutions e.g. MUN & PRME
- UNGC Instagram and UNGC Twitter will be used to increase reach

The Unite leg of the solution will drive mutual benefits

STUDENT BENEFITS



Opportunity to express sustainable opinions and ideas to **make a lasting impact**



Gain work experience with sustainable corporations despite long distances



Resume additions

CORPORATIONS BENEFITS



Access to **creative and innovative solutions** that drive impact; sustainable and financial



Access to future **talent pool**



Positive **word of mouth**

Accelerating corporate climate action relies upon having a sufficient amount of participants to meet the demands of the innovative youth



KEY PERFORMANCE INDICATORS

Our UNITE initiative will drive increased awareness among the young generation...

KPI 1 Establish 750 virtual internships by 2022

KPI 2 Increase participants to 490 businesses

KPI 3 Turning around the negative trends within the 6 SDGs

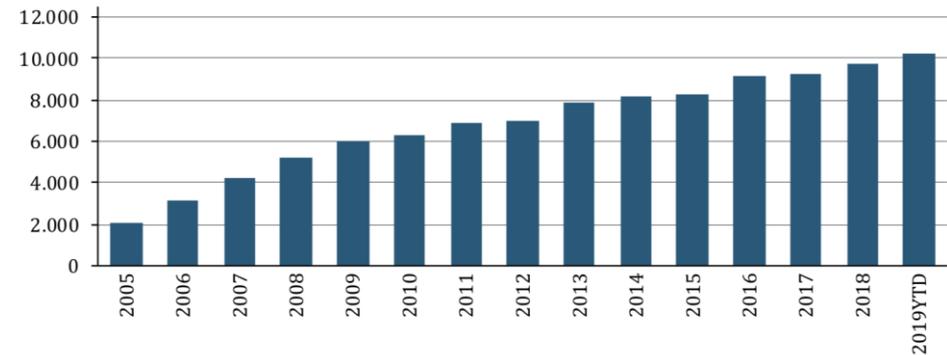
95%

of college graduates considered a sense of purpose important when applying for a job



...which leads to a need for UNGC to increase its participant tier, which is currently stagnating

TOTAL NUMBER OF PARTICIPANTS



3%

Of the UNGC businesses are American

20-30%

Larger US Cap. Companies currently targeted

Following the attraction of the young generation, how should UNGC now increase its participant tier to enforce the sustainable agenda?

Source: Gallup, Case Material

To increase attractiveness of having SDGs on corporate agendas, a key element entails publishing sustainable rankings of their participants



SOLUTION

Yearly published UN 100 list of the most sustainable American UNGC companies



Utilize data generated from GC reporting

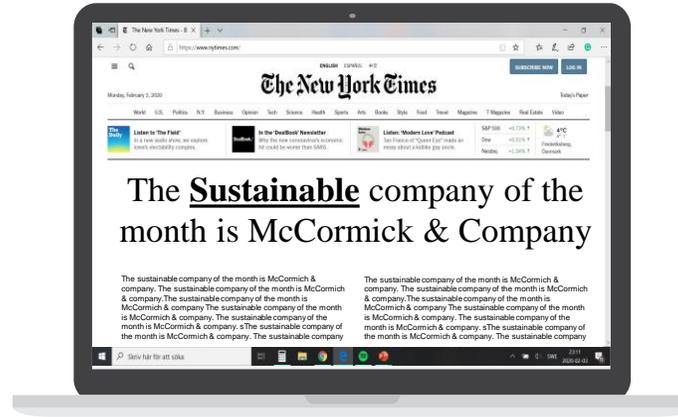


Provide recognition to companies that are implementing sustainable measures



Acknowledge key UNGC participants

Special initiatives will be awarded Sustainable company of the month



An **interview** with the CEO will be shared in newspapers and on LinkedIn



CEO gives 3 key **relatable initiatives** and 3 **key benefits** being a UNGC participant



Celebrate sustainable improvements and generate best practice

Increased attractiveness will generate additional UNGC members



Incentivize and attract business to join UNGC



Ease the process of joining through best practice and relatability



Businesses who live up to this responsibility see reduced risk in turnover, deeper employee engagement, and attract investment, especially among the millennial generation"

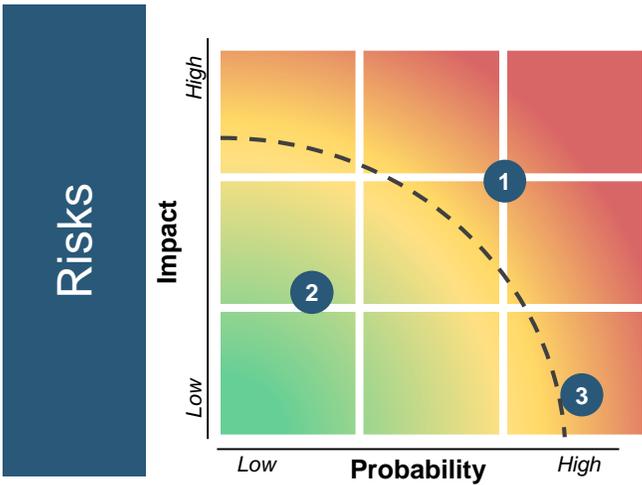
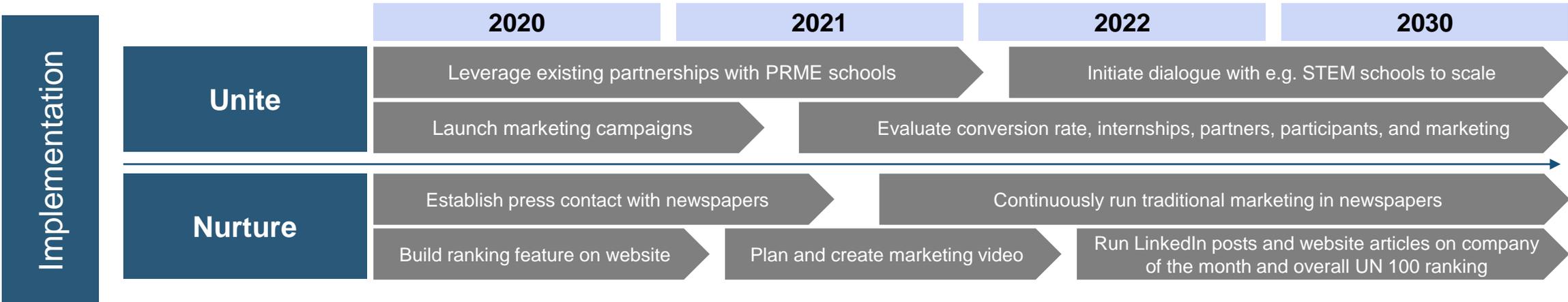
- Lise Kingo, CEO & Executive Director, UNGC

Source: case material, team analysis, Corporate Knights

The success of the UN strategy relies upon a thorough implementation plan and extensive risk management



IMPLEMENTATION PLAN AND RISK SCENARIOS



- Risk scenarios**
- 1 Competition from other virtual internship providers
 - 2 Not enough impact is realized through internships
 - 3 Green washing in terms of internships not involving sustainability



- Mitigation strategy**
- Leveraging UNGC's strong brand value by offering UN powered certificates
 - Selection criteria of students and companies include their ability/willingness to engage in knowledge transfer
 - Conduct reviews of interns after each internship, to ensure quality and sustainable focus

Proof of concept

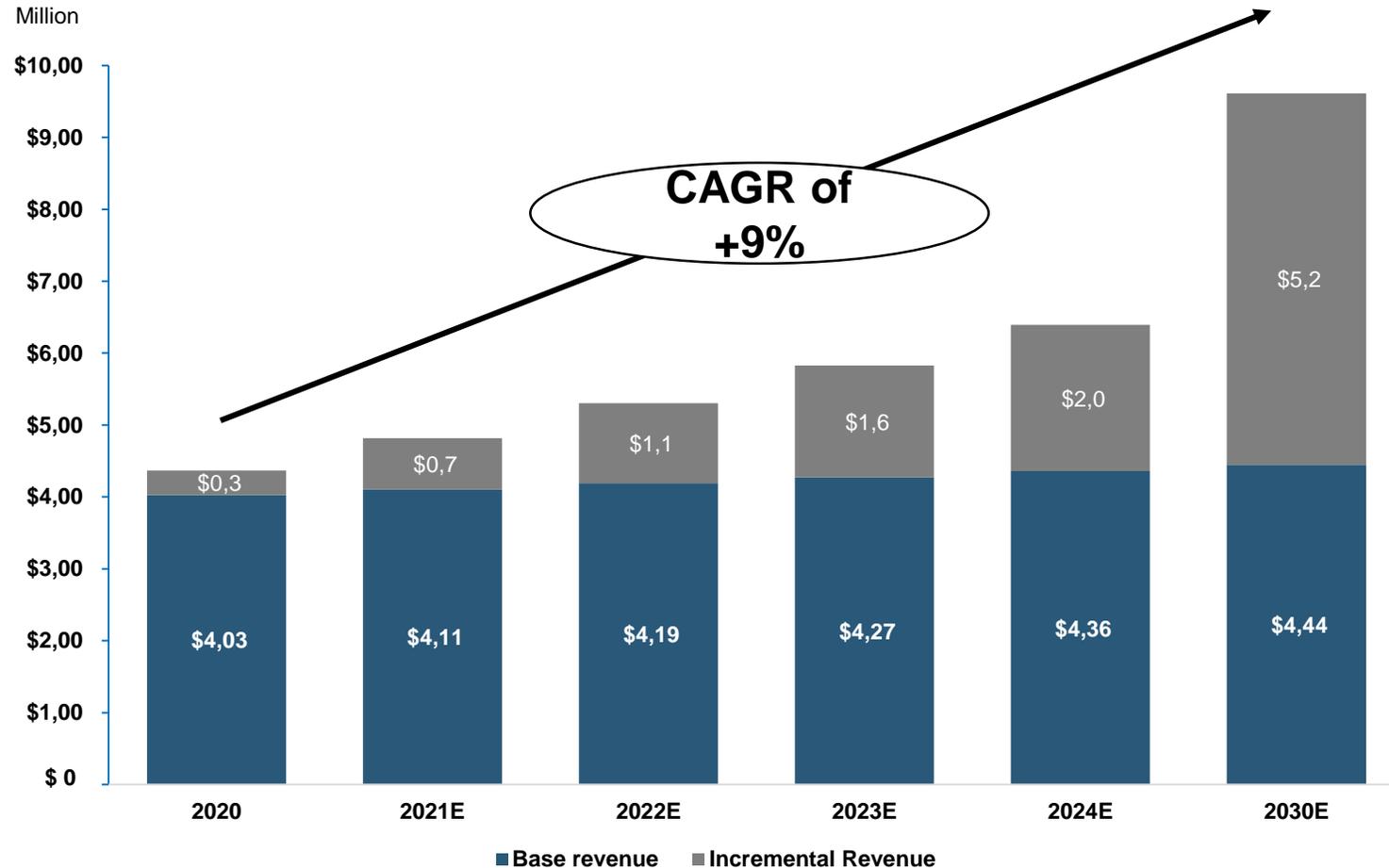
Copenhagen Business School
HANDELSHØJSKOLEN

The UN initiative will yield a positive revenue whilst still remaining not-for-profit



FINANCIAL ANALYSIS WITH FOCUS ON REVENUE STREAMS

This yields an incremental revenue of USD 1.1 million by 2022



Key Assumptions

- Average contribution of 10,000 USD per participant
- 378 and 10,119 US and global participants respectively
- 9% annual participation growth and 2% base growth rate
- Revenue and expenses scaled to US level from case material
- 5 internships hosted per participant
- 12,500 companies with +1,000 employees in the US

Source: Team analysis, Case Material, UNGlobalCompact, Hoovers.com, MarketResearch

Slide overview



UN Global Compact

Enabling Corporate America to Thrive

Case of Thrones

U Virtual internships will provide students with the opportunity to gain practical experience and develop their skills.

N Sustainability is a key element of the UN strategy, and virtual internships will help to address the challenges of climate change.

To increase attractiveness of having SDGs on corporate agendas, a key element entails publishing sustainable rankings of their participants

- Virtual internships will provide students with the opportunity to gain practical experience and develop their skills.
- Sustainability is a key element of the UN strategy, and virtual internships will help to address the challenges of climate change.

Which traditional media are most beneficial for UNGC to advertise their UN 100 rating list through?

Media	Reach	Engagement	Cost	Flexibility	Measurability
Broadsheet	High	Low	High	Low	Low
Tabloid	High	Low	High	Low	Low
School newspapers	Low	High	Low	High	High
Community newspaper	Low	High	Low	High	High
Trade newspapers	Low	High	Low	High	High

Financial Statement

Revenue	Cost of Sales	Gross Profit	Operating Expenses	Operating Profit	Other Income	Other Expenses	Net Profit
1,100,000	600,000	500,000	300,000	200,000	50,000	100,000	150,000

By implementing the UN-strategy, UNGC will be able to engage the youth and accelerate corporate climate action

Issue: Decision between corporate America and the youth

Question: What should be the key elements of a 2023 UN Global Compact youth strategy for the United States that will accelerate corporate climate action aligned with the 1.5C target?

Answer:

Strategy: UNITE (universities and corporations) and NURTURE (nurturing to participants through available activities)

Impact: 700 worldwide virtual internships by 2022, 400 businesses by 2022, incremental revenue of USD 1.1 million by 2022

UNGC should leverage its brand and network to become a key facilitator of virtual internships between corporations and students

- UN Global Compact of virtual internships will provide students with the opportunity to gain practical experience and develop their skills.
- The program will be implemented in a way that is aligned with the UN strategy and the 1.5C target.
- Using the network, the program will provide virtual internships to a wide range of students.
- UNGC will continue to work with its partners to ensure the program is successful.

The success of the UN strategy relies upon a thorough implementation plan and extensive risk management

Implementation Plan:

- Identify key stakeholders and their roles.
- Develop a detailed implementation plan.
- Monitor progress and adjust the plan as needed.
- Communicate the plan to all stakeholders.

Risk Matrix:

Risk	Impact	Probability
Low participation	Low	Low
High participation	High	High

Which segment should UNGC target in the climate battle?

Segment	Reach	Engagement	Cost	Flexibility	Measurability
Business schools	High	High	High	Low	Low
Trade schools	Low	Low	Low	High	High
Community colleges	Low	Low	Low	High	High
Technical schools	Low	Low	Low	High	High

Participation and internship overview

Year	Participants	Internships
2022	700	400
2023	1,400	800

As the second biggest emitter of GHG, sustainability is increasingly significant among US corporations and the younger generations

Issue: National climate change policy

Question: How can UNGC leverage its brand and network to become a key facilitator of virtual internships between corporations and students?

Answer: UNITE (universities and corporations) and NURTURE (nurturing to participants through available activities)

Impact: 700 worldwide virtual internships by 2022, 400 businesses by 2022, incremental revenue of USD 1.1 million by 2022

Furthermore, UNGC should target P/F/M/E students on their online intranets to increase awareness resulting in students being able to drive an impact

- Virtual internships will provide students with the opportunity to gain practical experience and develop their skills.
- Sustainability is a key element of the UN strategy, and virtual internships will help to address the challenges of climate change.

The UN initiative will yield a positive revenue whilst still remaining not-for-profit

Revenue Growth:

Year	Revenue (USD)
2022	100,000
2023	150,000
2024	225,000
2025	337,500
2026	506,250

Key Assumptions:

- Average contribution of 10,000 USD per participant
- 270 and 30,119 US and global participants respectively
- 2% annual participation growth and 2% time growth rate
- Revenue and expenses scaled to US based case material
- 5 internships hosted per participant
- 12,300 companies with +1,000 employees in the US

The UN solution is feasible globally, as it can target all university students due to the diverse member group in regard to sector and size

Global Reach:

- UNGC has members across 12 different sectors.
- The program is designed to be scalable and adaptable to different contexts.
- Virtual internships will provide students with the opportunity to gain practical experience and develop their skills.



By leveraging mutual benefits of connecting students and corporations, virtual internships is deemed most attractive to bridge the existing gap

Corporations: Experience, Best practices and expertise, Ability to drive the green agenda and create impact.

Students: Creativity and innovation, Talent pool, Passion and ambition to advance our students.

Bridge: Virtual internships.

Accelerating corporate climate action relies upon having a sufficient amount of participants to meet the demands of the innovative youth

KPI 1: Increase the virtual internships by 2022

KPI 2: Increase participants to 100,000

KPI 3: Increase the number of companies to 400

Impact: 95% of participants will be from the US, 20-30% of participants will be from the EU.

The implementation of virtual internships will provide students with the opportunity to work for a sustainability driven company, thus enhancing the customer journey

Customer Journey:

- Identify key stakeholders and their roles.
- Develop a detailed implementation plan.
- Monitor progress and adjust the plan as needed.
- Communicate the plan to all stakeholders.

The initiative will have an approximate total cost of USD 840,000

Breakdown of the key cost drivers:

Category	Cost (USD)
Revenue	100,000
Marketing & IT	150,000
Marketing	170,000
Total costs	420,000
Gross costs	840,000

Key Assumptions:

- Initial ratio in expenses from current financial statement
- 5% annual increase in personnel and IT expenses
- 5% of gross revenue for marketing costs
- Internships are free, as it is mutually beneficial for all parties

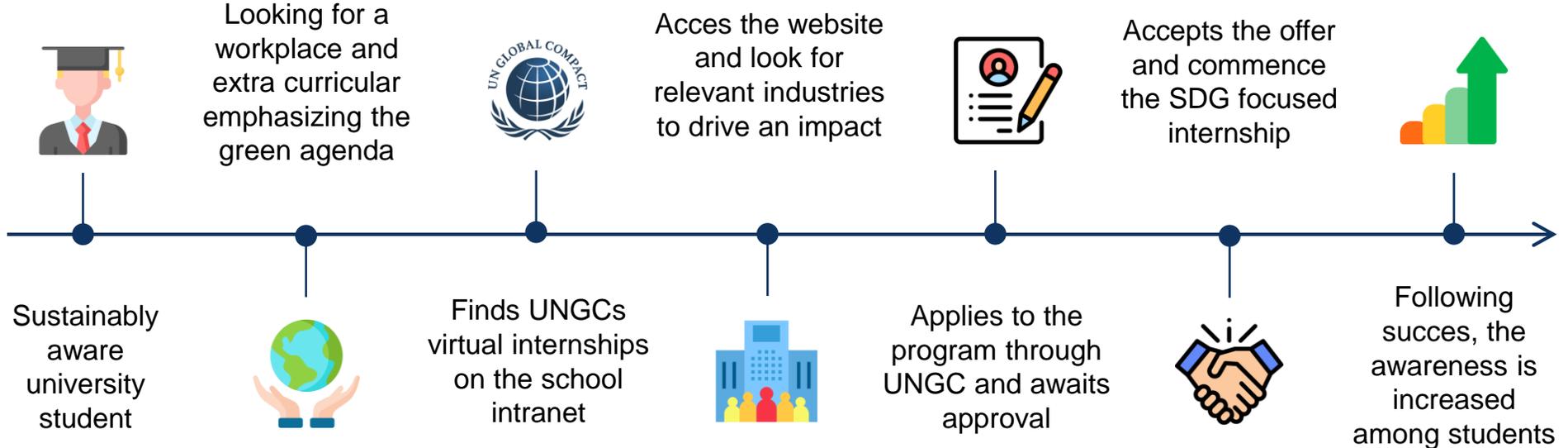
The implementation of virtual internships will provide students with the opportunity to work for a sustainability driven company, thus enhancing the customer journey



CUSTOMER JOURNEY



Name: Laura
Age: 22
profession: University Student at USC



Moments of Truth



Which traditional media are most beneficial for UNGC to advertise their UN 100 rating list through?



CHANNEL ASSESMENET

	<u>Reach</u>	<u>Audience</u>	<u>Focus</u>	<u>Feasibility</u>	<u>Objectivity</u>
Broadsheet	National	Broad	Information		
Tabloids	National	Broad	Sensation		
School newspapers	Local	Narrow	Actuality		
Community newspaper	Local/state	Broad	Actuality		
Niche newspapers	National	Narrow	Information		

Source: Metropolitan State University (Husted, Bill)

Which segment should UNGC target in the climate battle?



SEGMENT ASSESMENT

	Year span	Sustainable awareness	Sustainable action	Drive for impact	Adaption to change
 Generation X	Before 1980s	High	Mediocre	57%	Low
 Generation Y	1984-1996	High	High	61%	Medium
 Generation Z	1997-2004	High	High	61%	High
 Generation Alpha	2005-	Mediocre	Low	47%	High

Source: Harvard Business review

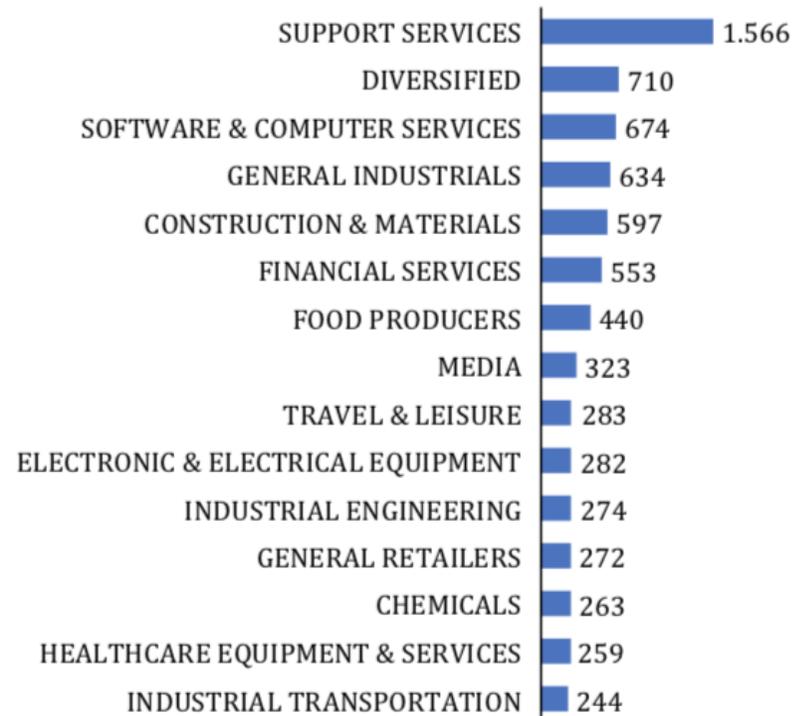
The UN solution is feasible globally, as it can target all university students due to the diverse member group in regard to sector and size



APPENDIX

The UNGC have members across 15 different sectors..

COMPANIES BY SECTOR



.. Thus, providing opportunities to all university students

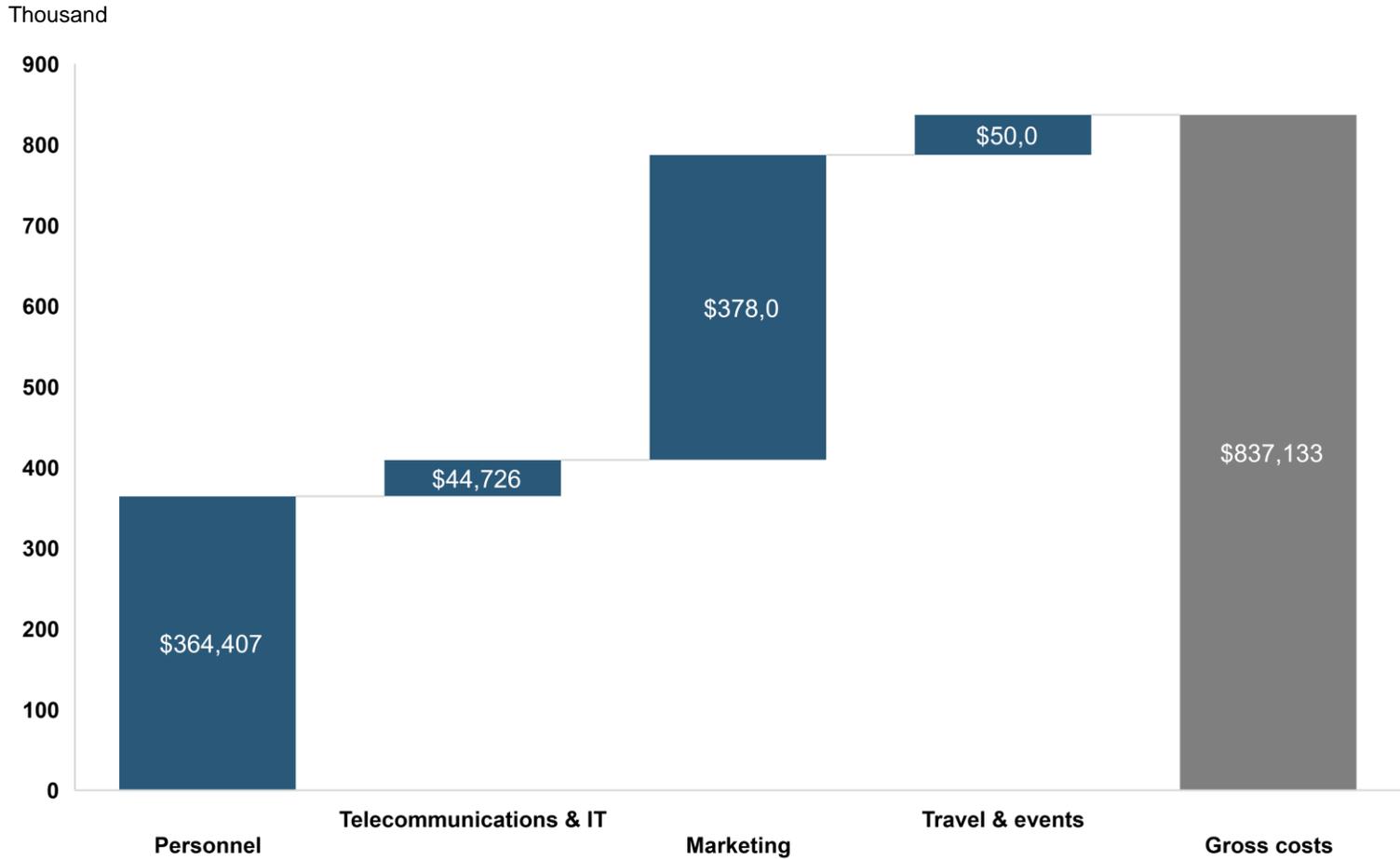
- 1** **Diversity and inclusion** is emphasized through the various sectors of UNGC
- 2** **Mobilization** is enabled by having virtual internships instead of physical
- 3** **Individual needs** are met by allowing students to focus on specific SDGs they deem most significant

The initiative will have an approximate total cost of USD 840,000



FINANCIAL ANALYSIS WITH FOCUS ON COST DRIVERS

Breakdown of the key cost drivers



Source: Team analysis, UNGlobalCompact, BCG

Key Assumptions



Initial ratio in expenses from current financial statement



5% annual increase in personnel and IT expenses



5% of gross revenue for marketing costs



Internships are free, as it is mutually beneficial for all parties

Financial Statement



FINANCIAL STATEMENT

Years	Current			Forecast				
	Now	2020E	2021E	2022E	2023E	2024E	2030E	
Revenue								
US Participants	378	412	449	490	534	582	895	
Average contribution per participant	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	
Total Revenue in contribution	\$ 3,780,000	\$ 4,120,200	\$ 4,491,018	\$ 4,895,210	\$ 5,335,778	\$ 5,815,999	\$ 8,948,635	
Other Income	\$ 4,025,971	\$ 4,106,491	\$ 4,188,620	\$ 4,272,393	\$ 4,357,841	\$ 4,444,997	\$ 4,533,897	
Incremental Revenue	\$ -	\$ 340,200	\$ 711,018	\$ 1,115,210	\$ 1,555,778	\$ 2,035,999	\$ 5,168,635	
Gross profit	\$ 7,805,971	\$ 8,226,691	\$ 8,679,638	\$ 9,167,602	\$ 9,693,619	\$ 10,260,996	\$ 13,482,532	
Personnel	\$ 4,555,086	\$ 4,782,840	\$ 5,021,982	\$ 5,273,081	\$ 5,536,735	\$ 5,813,572	\$ 7,419,755	
Consultants & Experts	\$ 1,177,782	\$ 1,177,782	\$ 1,177,782	\$ 1,177,782	\$ 1,177,782	\$ 1,177,782	\$ 1,177,782	
Event & Conference Services	\$ 161,999	\$ 161,999	\$ 161,999	\$ 161,999	\$ 161,999	\$ 161,999	\$ 161,999	
Travel	\$ 390,632	\$ 410,164	\$ 430,672	\$ 435,672	\$ 435,672	\$ 435,672	\$ 435,672	
Occupancy & Office Expenses	\$ 785,306	\$ 785,306	\$ 785,306	\$ 785,306	\$ 785,306	\$ 785,306	\$ 785,306	
Telecommunications & IT	\$ 357,805	\$ 375,695	\$ 394,480	\$ 414,204	\$ 434,914	\$ 456,660	\$ 582,827	
Communcations & Outreach	\$ 100,244	\$ 100,244	\$ 100,244	\$ 100,244	\$ 100,244	\$ 100,244	\$ 100,244	
Other Expenses	\$ 276,973	\$ 276,973	\$ 276,973	\$ 276,973	\$ 276,973	\$ 276,973	\$ 276,973	
Marketing	\$ 189,000	\$ 206,010	\$ 224,551	\$ 244,760	\$ 266,789	\$ 290,800	\$ 447,432	
Gross costs	\$ 7,994,827	\$ 8,277,013	\$ 8,573,989	\$ 8,870,022	\$ 9,176,414	\$ 9,499,008	\$ 11,387,989	
EBITDA	\$ -188,856	\$ -50,322	\$ 105,649	\$ 297,581	\$ 517,205	\$ 761,988	\$ 2,094,543	
Tax	\$ -	\$ -	\$ 22,186	\$ 62,492	\$ 108,613	\$ 160,018	\$ 439,854	
Profit after tax	\$ -188,856	\$ -50,322	\$ 83,463	\$ 235,089	\$ 408,592	\$ 601,971	\$ 1,654,689	
Operating Cash Flow	\$ -188,856	\$ -50,322	\$ 105,649	\$ 297,581	\$ 517,205	\$ 761,988	\$ 2,094,543	
PV at 8% discount rate	\$ -188,856	\$ -46,595	\$ 90,577	\$ 236,229	\$ 380,161	\$ 518,596	\$ 831,772	
Cumulative Cash Flow		\$ -46,595	\$ 43,983	\$ 280,212	\$ 660,373	\$ 1,178,969	\$ 2,010,741	
Total NPV to 2024	\$ 990,113							

Source: Team analysis, UNGlobalCompact Case Material, MarketReport, BCG

Participation and internship overview



BREAK-DOWN OF PARTICIPATIONS

Years	Current		Forecast				
	Now	2020E	2021E	2022E	2023E	2024E	2030E
US Participants	378	412	449	481	517	558	748
%Sign-up rate	20.0%	25.0%	30.0%	32.5%	35.0%	37.5%	45.0%
#Signed up participants	76	103	135	156	181	209	336
#Internships per participant	5	5	5	5	5	5	5
#Total internships	378	515	674	781	904	1,046	1,682

Source: Team analysis, UNGlobalCompact Case, Deloitte