

Examining the Beliefs of Maine Business Owners about the B Corp Certification **Caleb Adams-Hull, Class of 2024**

This summer, I conducted a research project with the objective of better understanding the Corporate Social Responsibility (CSR) movement in Maine. CSR encourages private companies to consider their impact on all parties affected by their operations, known as stakeholders, including the environment, the local community, the company's workers, and the company's shareholders, rather than simply maximizing profits and shareholder returns. Specifically, I studied the B Corp certification, one of the most popular CSR certifications that verifies a company's commitment to all stakeholders through a rigorous audit of its operations. While certified B Corps have become increasingly common worldwide, they are still fairly rare. For example, there are only 15 B Corp certified companies in Maine, a minute fraction of all businesses in the state.

I initially hypothesized several reasons for the low number of certified B Corps in Maine, including the high administrative costs of undergoing this intensive certification which must be renewed every three years, or the business costs associated with compliance with the certification. Further, business owners may not have an accurate conception of the benefits associated with the certification. I sought to answer my research question this summer by surveying owners and managers of small businesses in Southern Maine, focusing primarily on the retail and food and beverage industries.

After surveying 30 business owners, I am in a position to draw some interesting preliminary conclusions. Most respondents (62%) were completely unfamiliar with B Corps prior to our interview, while 38% were at least somewhat familiar with B Corps. Among respondents who were somewhat familiar with B Corps, 70% had at least considered becoming certified. This indicates that B Corp certification is, at least *prima facie*, an appealing proposition to business owners who are familiar with it. Amongst business owners that were first informed of B Corp certification in the interview, a sizeable plurality (44%) of respondents asserted that they did not have an interest in pursuing certification in the next few years, with the next largest group of respondents (27%) expressing a maximum of a 10% chance of pursuing certification. In light of the fact that business owners are likely to have at least considered B Corp certification if they had heard of it prior to the interview, one would expect business owners who were just informed of B Corp certification to express more interest in pursuing certification than they did. It may be the case that respondents who are more predisposed to favor B Corps are more likely to have been exposed to information about the B Corp movement in the past than respondents who are not in favor of the B Corp movement for a variety of reasons. In terms of perceived barriers to becoming certified, for 6 out of 8 potential factors that I listed that might deter respondents from getting certified, the most popular response was either, "I was aware of this factor but it did not influence my decision to not become a B Corp" or "I did not consider this factor when I decided not to become a B Corp" among business owners who already knew about B Corps before our meeting. This was only not the case for "Certification fee too costly" and "Certification process too time intensive/costly" for which the most popular response was, "This factor contributed somewhat to my decision to not become a B Corp". This indicates that the cost and time commitment of an intensive certification like B Corp is the primary deterrent to certification among Business owners who were already aware of the B Corp movement. Finally, 50% of respondents who were not previously familiar with B Corps stated that a Bowdoin student-run clinic to help them become certified would make them at least somewhat more interested in pursuing certification, while this figure is 73% for Business owners that were familiar with B Corps, indicating that Bowdoin students could play a role in expanding the B Corp Community through assisting local firms with the certification process.

Through this project, I made meaningful progress in documenting the knowledge and beliefs of Maine business owners about the B Corp certification, paving the way for a data-driven effort to expand the reach of B Corps and the CSR movement more broadly.

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