

Economics of Mutuality

*Driving Impact and Performance through Mutual Value Creation:
Leading to Place-Based Transformation, Scaled Through Education*

Impact Investing Workshop

Local Economic Development: Enabling Student Learning by Doing

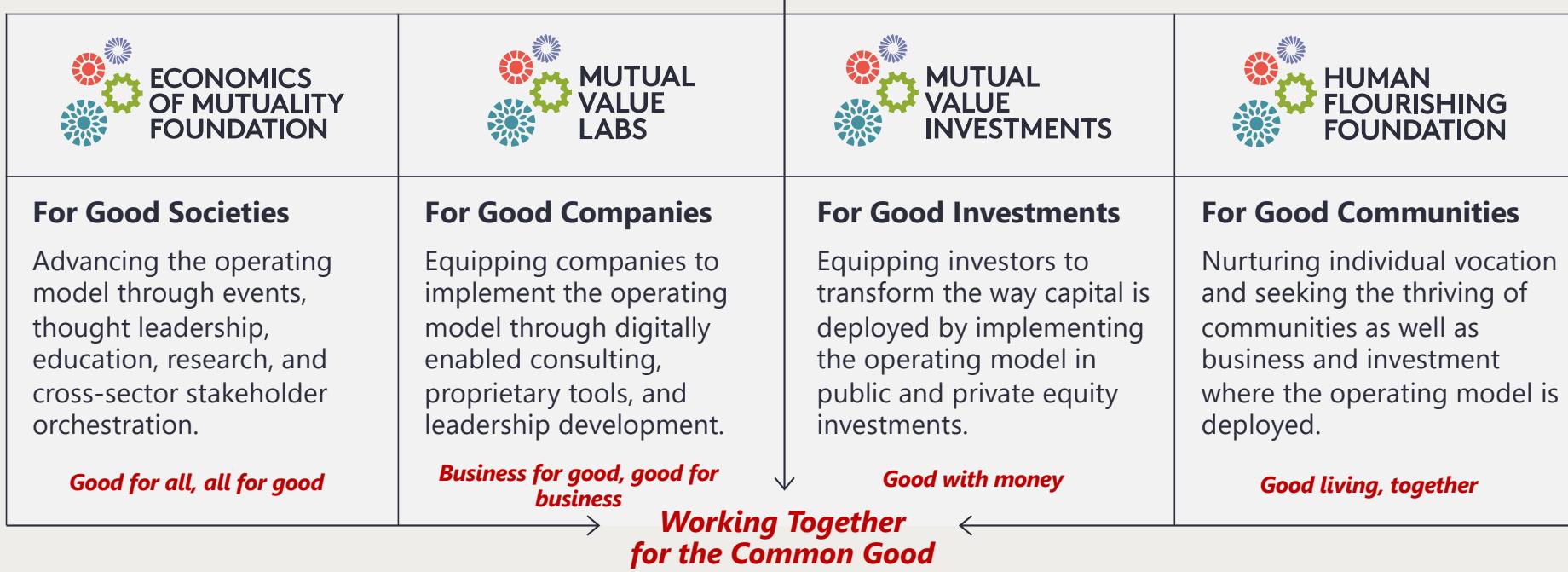
Vanderbilt University – Chelsea (New York) Campus

December 5, 2025

Dr. Jay Jakub

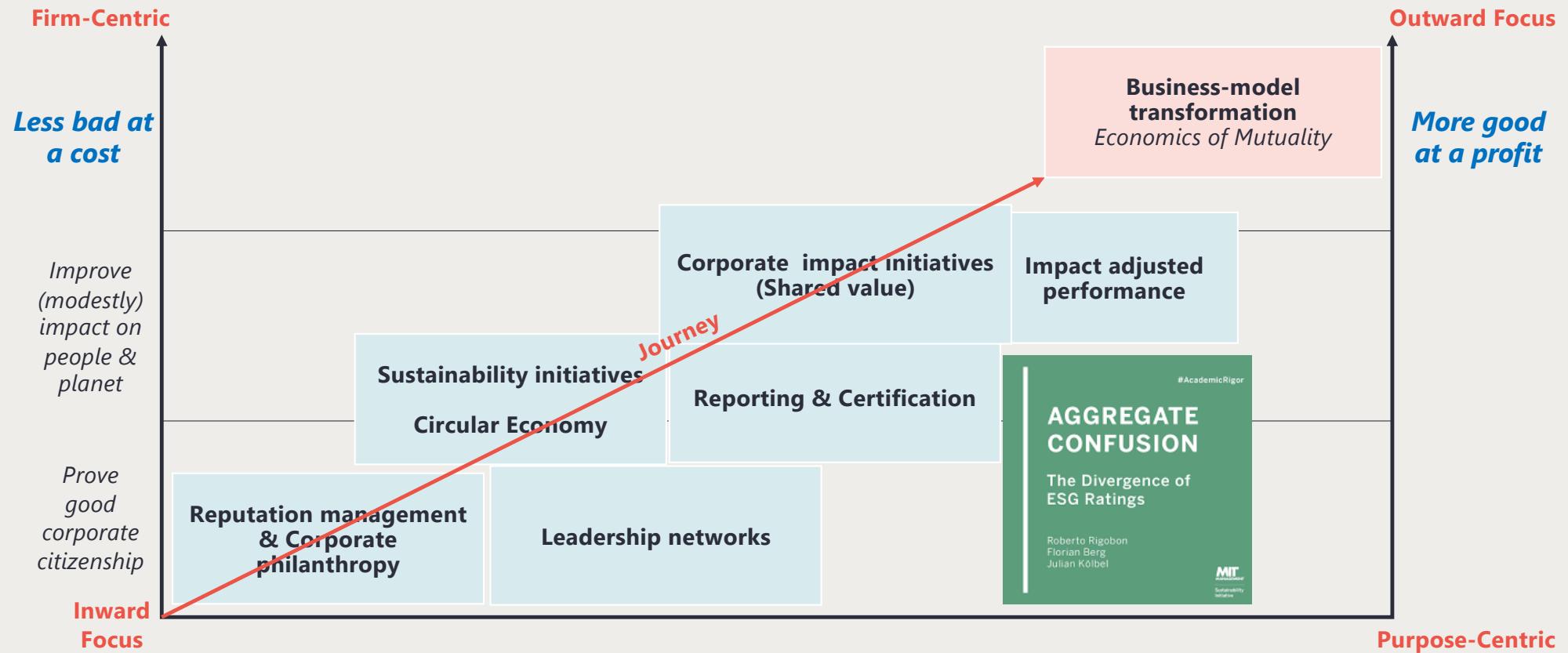
Executive Director
Economics of Mutuality Foundation
Geneva, Switzerland | South Florida, USA

A partnership of **two non-profits** that own **two for-profits**, the Alliance works across the globe to advance stakeholder capitalism through the Economics of Mutuality operating model.



Context

Fundamental Shift Underway To Stakeholder Capitalism



In late-2006 we were asked by
the family owner of Mars, Inc.



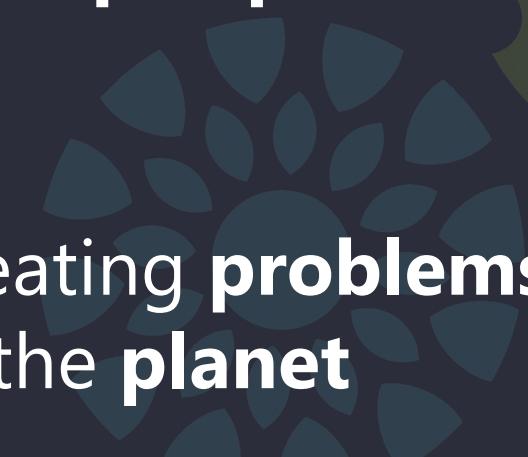
What is the right level of profit?

A new question...?



The **purpose** of business is not to make profit

The **purpose** of business is to produce **profitable solutions** to the problems of **people, place** and the **planet**

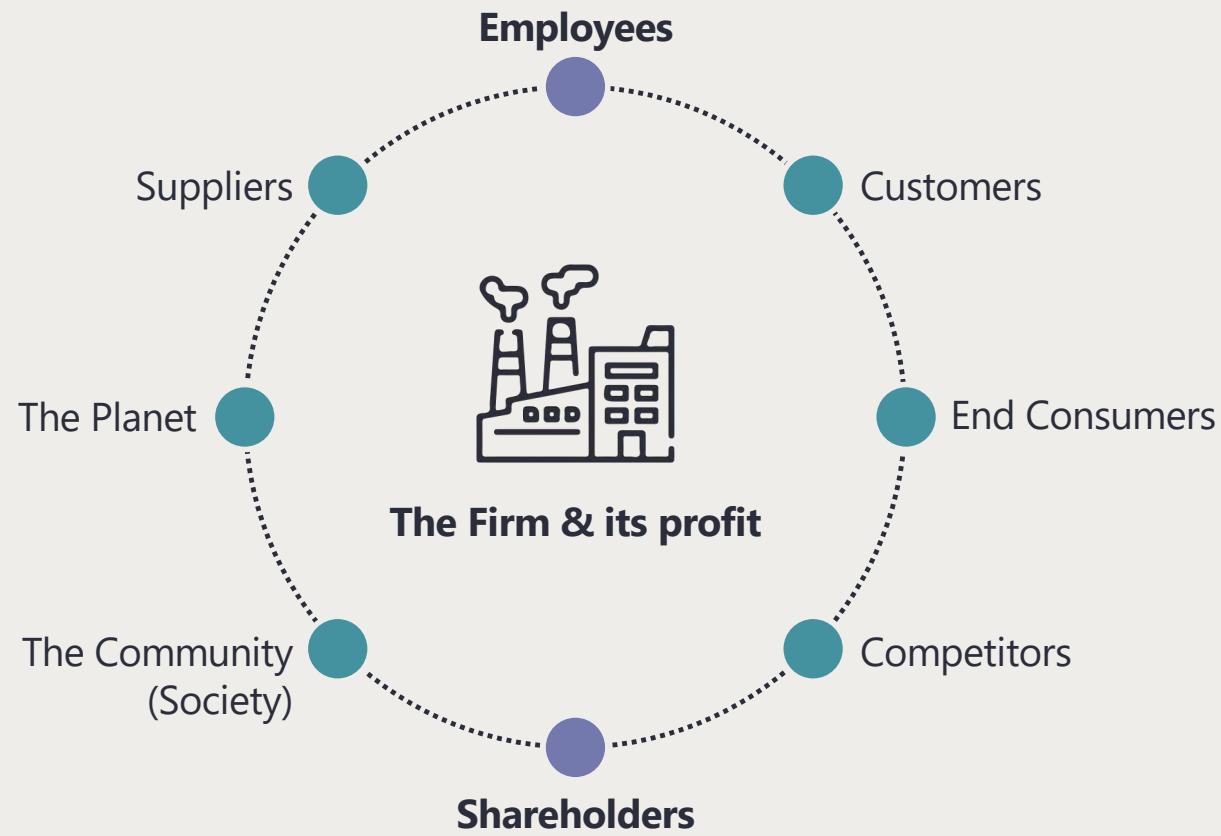


It's not about profiting by creating **problems** for **people, place** and the **planet**

Traditional Business Thinking

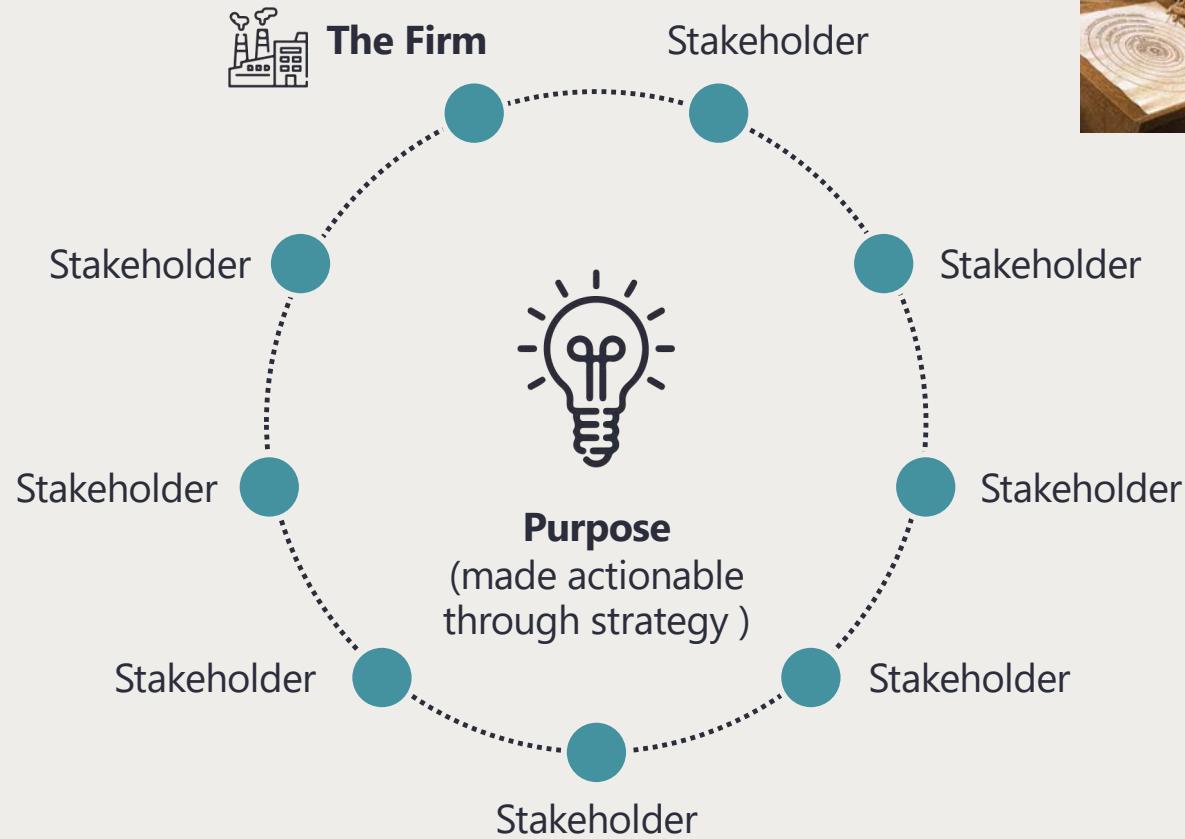
Firm Centric

Value Extraction



A 'Copernican Revolution' for Business Thinking

Purpose Centric
Value Co-Creation



Novonordisk – supplier of insulin



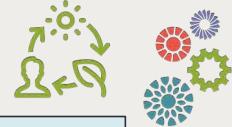
Descriptive purpose:

To sell more insulin (to treat symptoms of diabetes)

Meaningful challenge purpose: (actionable)

To solve diabetes (treating the underlying cause of the disease)

How purpose helps you see differently – Novonordisk



From – To ➔



Purpose that Drives Performance

Four forms of capital that **all** need to be measured and remunerated



Human Capital

Health, knowledge, and wellbeing of individuals

Measured through people's **skills, experience, knowledge, satisfaction at work, individual health and wellbeing.**



Social Capital

Quantity and quality of relationships in ecosystem

Measured by the quality of the relationships between people internal & external to the firm. Specifically, through **trust, social cohesion and collective actions.**



Natural Capital

Planetary resources consumed

Measured through the inputs required to produce 1 unit of product or service across 5 categories: **abiotic, biotic, water, air and top-soil erosion.**



Shared Financial Capital

Money that provides liquidity

Measured by the level of margins within the supply-chain and the degree of **financial inclusion** of the different stakeholders.

Simple, stable, and actionable proprietary metrics that drive performance

Building blocks of the economics of mutuality approach

Examples of Sector-Level Challenges Addressed



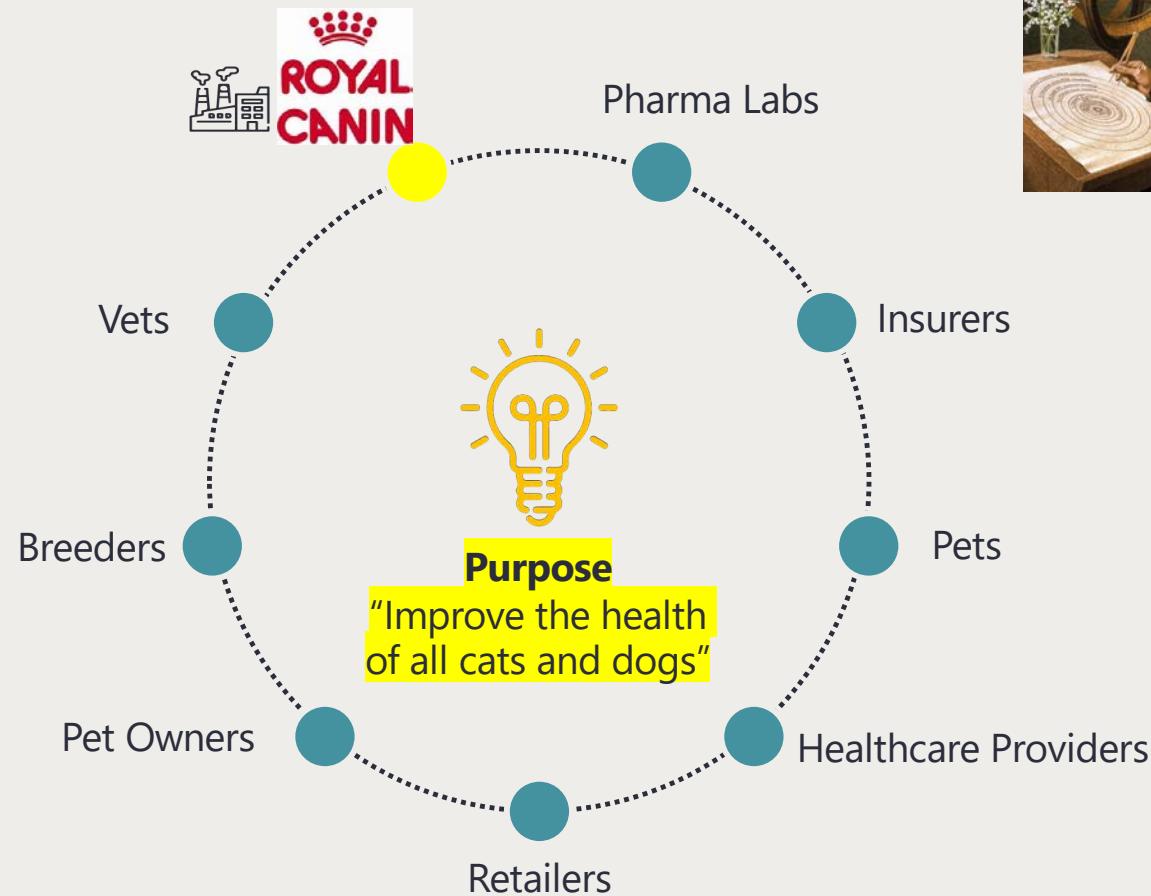
Healthcare	Public Sector	Financial Services	FMCG	Retail
Improve health/ life quality for diabetic patients				
Expand access/ quality of healthcare				
Create patient-centric care journeys				
	Improve farmers' income and wellbeing in underprivileged communities			
		Provide economic opportunities to underprivileged communities		
		Increase financial inclusion and resilience	Reduce emotional/ social loneliness and increase belonging	Make home improvement stress-free
	Improve quality of life/social cohesion within a region		Reducing plastic waste while tackling packaging issues	
			Improve employee wellbeing and organizational effectiveness	

Purpose as an actionable meaningful challenge @ Mars Inc / Mars Petcare / Royal Canin (\$7b Pet food unit)



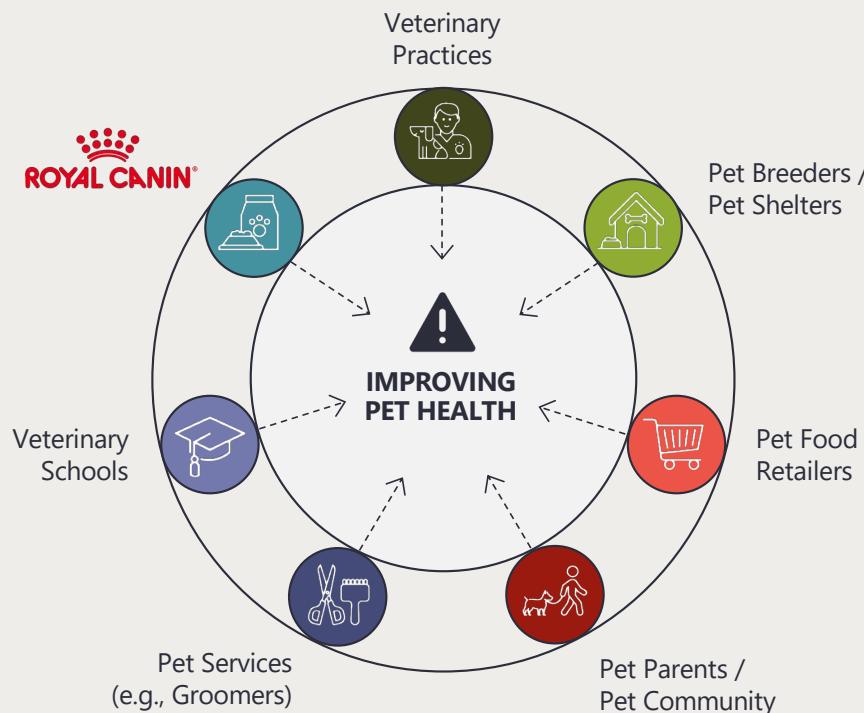
Mars - Royal Canin

Purpose Centric



How Royal Canin's Purpose Drives Mutual Value Creation

Royal Canin boosts petfood sales while creating value for other pet care stakeholders by partnering with them to tackle pet health problems



Today, Royal Canin is a company whose purpose is to transform pet health. By putting this commitment at the top of everything we do, it has inspired us to better understand the needs of our partners who share this purpose and has been a remarkable source of innovation and mutual value creation.

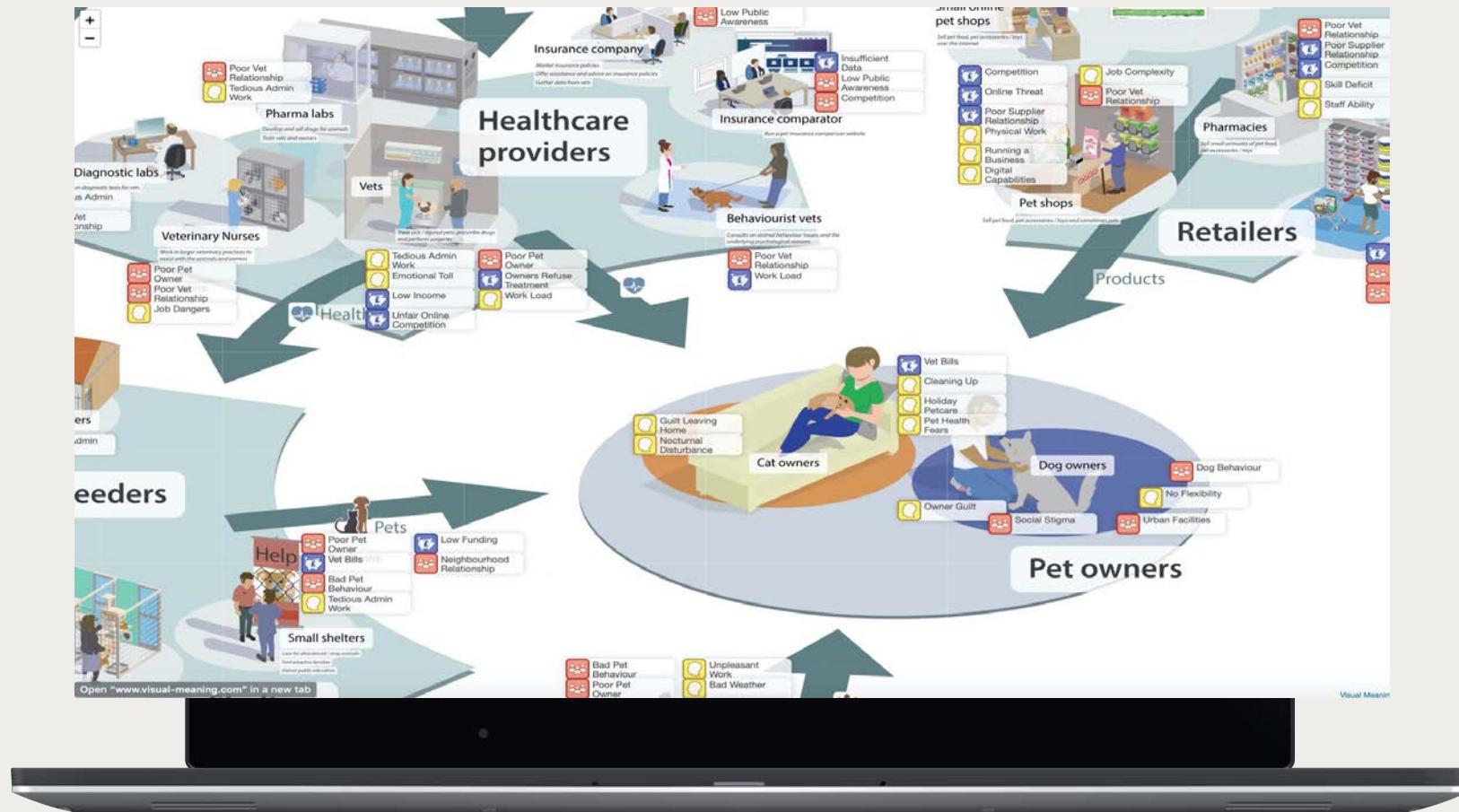
Sandra Manolescu
Royal Canin Regional President, Europe



Royal Canin operates a mutual value creation model with pet professionals – veterinarians, shelters, and breeders. For each stakeholder, the company offers active programs focused on their pet-related pain points while taking a stance to address the higher-order challenges of the industry.

Thomas W. Malnight and Ivy Buche
Harvard Business Review Article:
'How Your Company's Social Purpose Can Also Drive Profit'

The Royal Canin petcare ecosystem – part of interactive map





Project Deep Dive

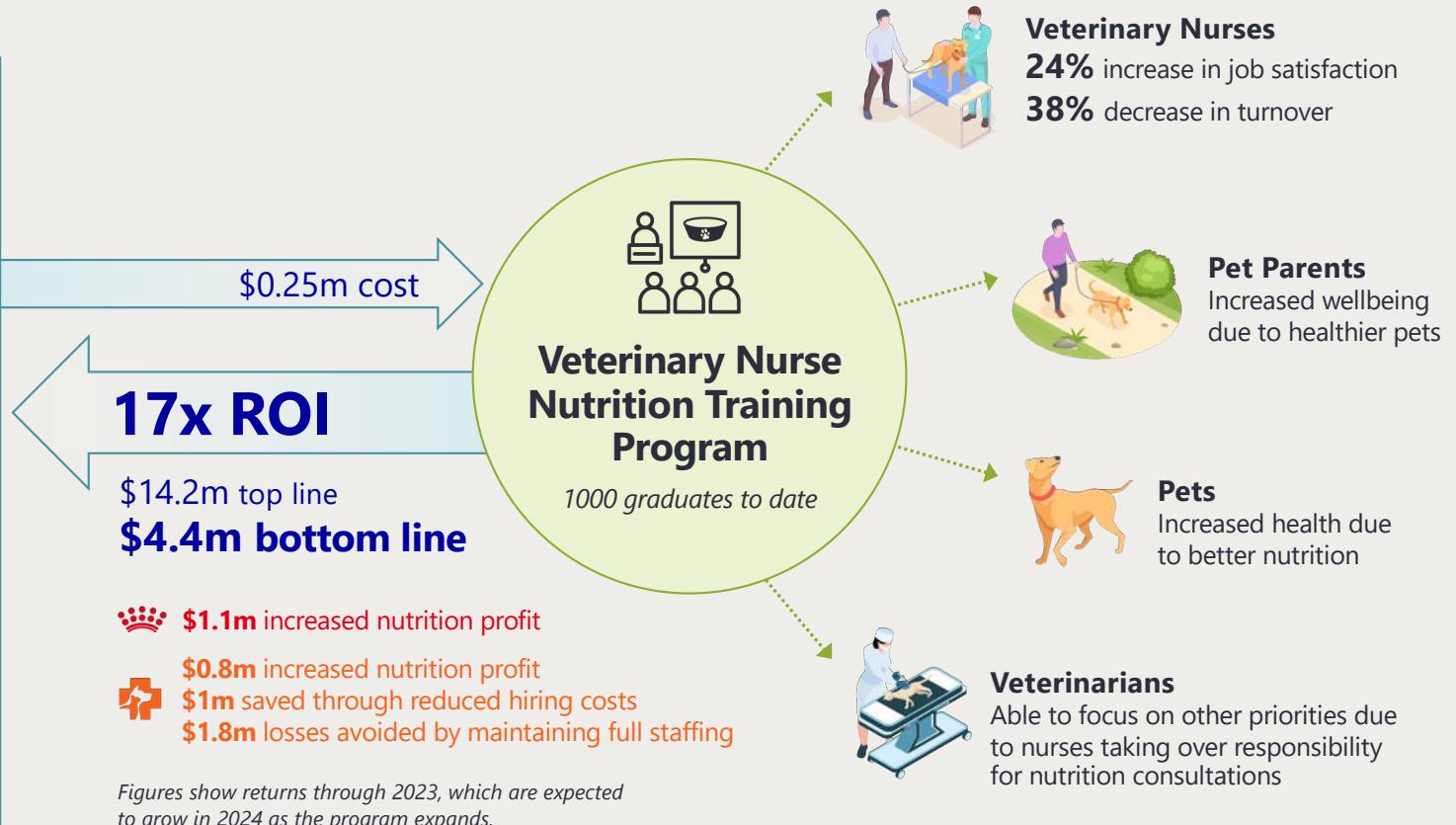
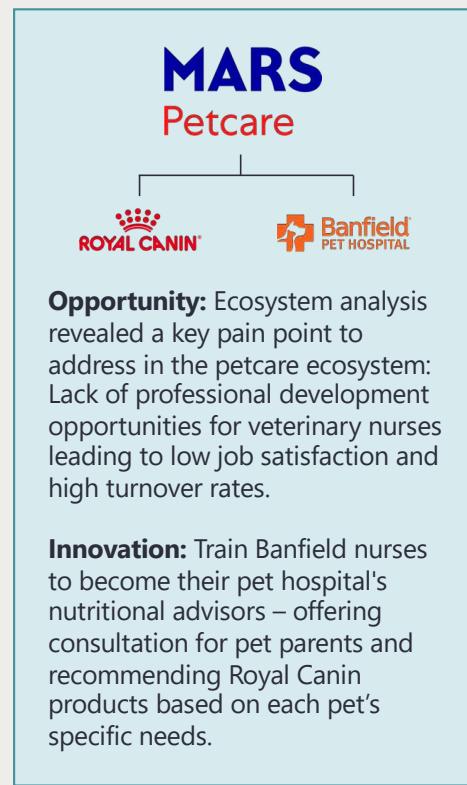
Veterinary Nurse Nutrition Training Program

How Royal Canin partnered with a chain of veterinary practices to create mutual value in the pet care ecosystem – delivering benefits to multiple stakeholders while boosting their own petfood sales.



Creating Mutual Value in the Petcare Ecosystem

For the Benefit of Mars Petcare and Other Petcare Stakeholders



EoM Foundation Mission



Place-Based Transformation

Cities will prosper when companies **shift from extractive to mutual business models** — where success comes from nurturing, not depleting, their local communities and natural ecosystems.

The Economics of Mutuality operating model enables companies to make that shift.

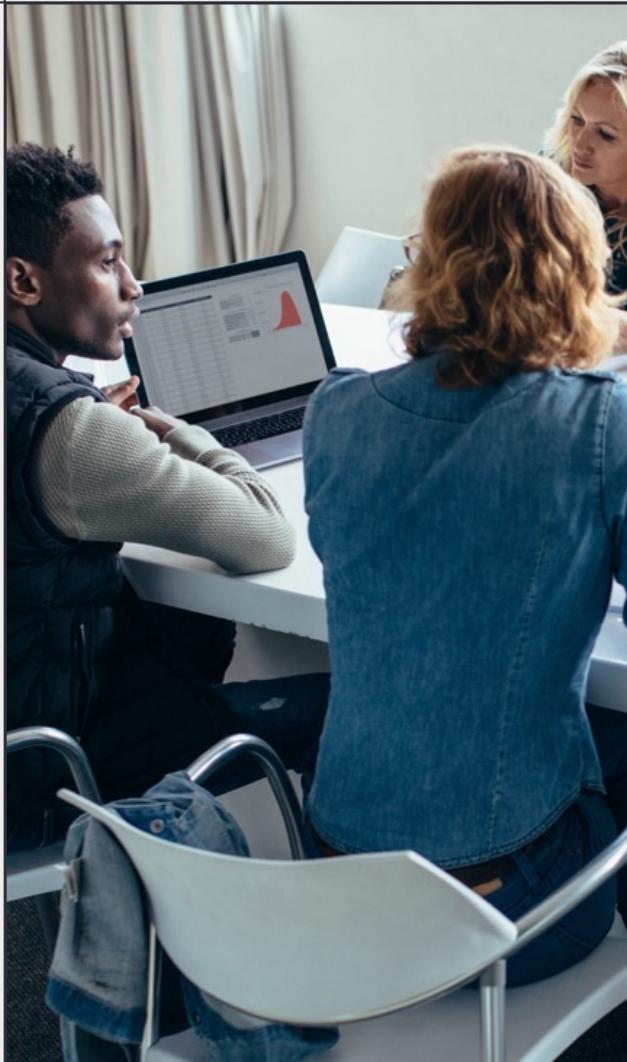
Case Studies



Scaled Through Education

Local transformations will have global impact if the approach is **replicated and contextualised** across cities.

Teaching the the Economics of Mutuality operating model in management schools and executive education programs will enable this — leveraging real world case studies to inspire and inform action among current and future business leaders.



Strategy



- **Meaningful challenge:** Businesses and their leaders deliver profitable and enduring solutions for the wellbeing of people and planet
 - **Revitalized Management Education** (*EoM Foundation*): Management schools co-create and adopt new case studies, methodologies, and curricula to equip current and future leaders with the practical application knowledge, capabilities, and conviction to drive transformational change through mutual value creation.
 - **Empowered Leaders** (*EoM Foundation / Mutual Value Labs shared*): Leaders today, and in the future, have the knowledge, capabilities, courage and conviction to transform organizations for purpose using mutual value creation led business models.
 - **Flourishing Communities** (*EoM Foundation*): Communities are transformed and regenerated through multistakeholder collaboration. As learnings are shared, they catalyze similar efforts in other regions, where they are further adapted to local contexts.



Core Focus Areas

- **Proof-of-Concept Pilots**. A critical starting point already underway is a community-driven focus on two proof of concept pilots: 1) Louisville, Kentucky; and 2) Grimsby, England; selected for issues relevant to EoM modeling for scale. Via a new partnership with NY-based SecondMuse, a more ambitious regional, place-based, blended finance platform will be launched – first in Indonesia – to move away from traditional 1:1 investments in unrelated businesses to investments in clusters of businesses across different landscapes to drive aggregation of outcomes, economies of scale, holistic growth.
- **Incubators for Scaling**. These locations and others will serve as incubators for further testing and learnings, measured and adapted for rapid scaling to positively impact businesses that then help communities to flourish.
- **Centers of Excellence (CoEs)**. EoM CoEs are launching at leading management schools – Erasmus University in Rotterdam since 2022, Hanyang University in Seoul since Nov 2025, the Norwegian School of Economics (NHH) in Bergen in 2026, and a US-hosted CoE planned for 2026/27. These EoM forward operating bases help add context via local cases, develop curricula and utilize EoM train-the-educator courses.
- **Partnerships**. Through core partnerships such as the Global Alliance for Conscious Business Education, we are seeding EoM learnings into management school curriculum, training educators and advancing practical application teaching that will help scale the EoM mutual value creation approach globally.

Vision impact of scaling

A world where:

Social and environmental flourishing (alongside financial) are at the heart of value creation and are our key metrics for business success ...

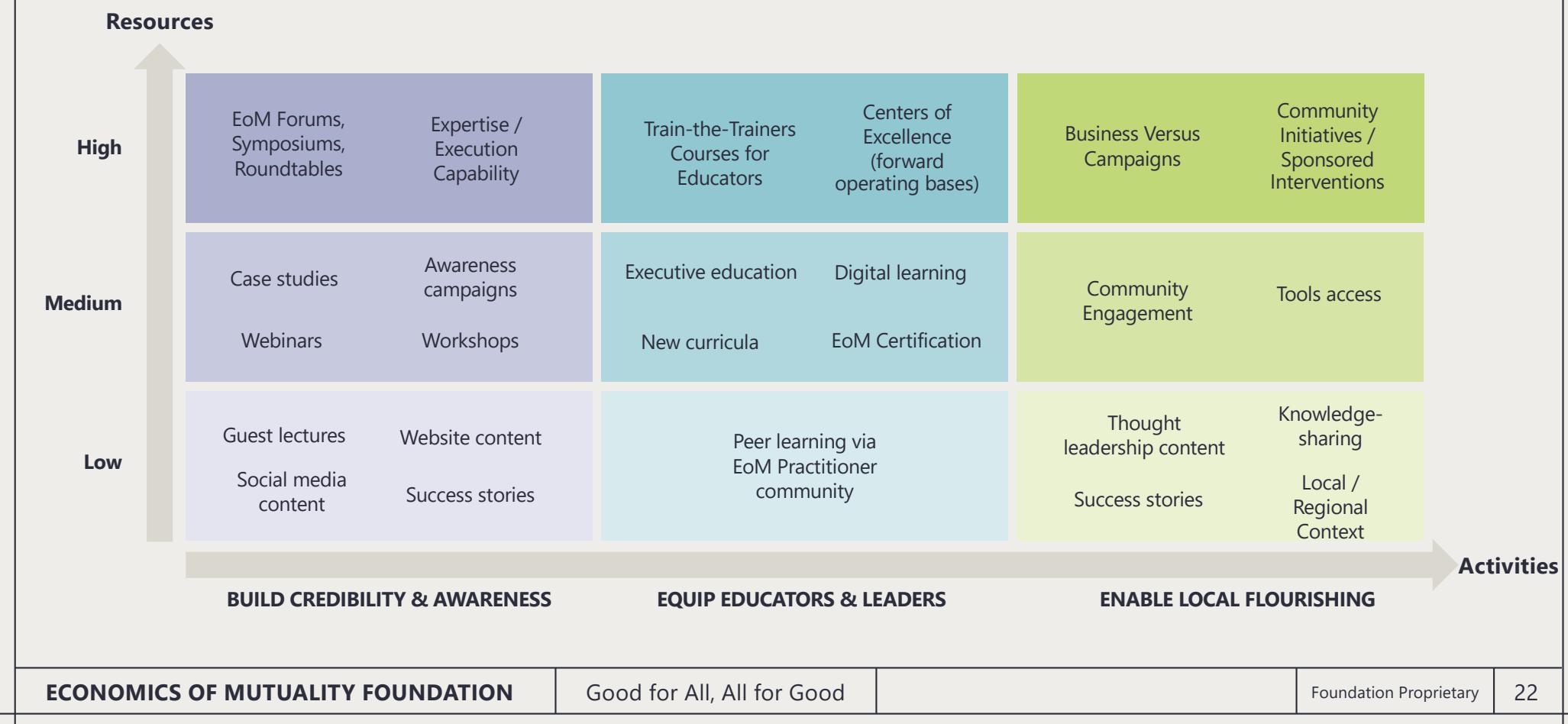
Management Education helps business drive mutual prosperity for those who benefit from and/or contribute to their existence ...

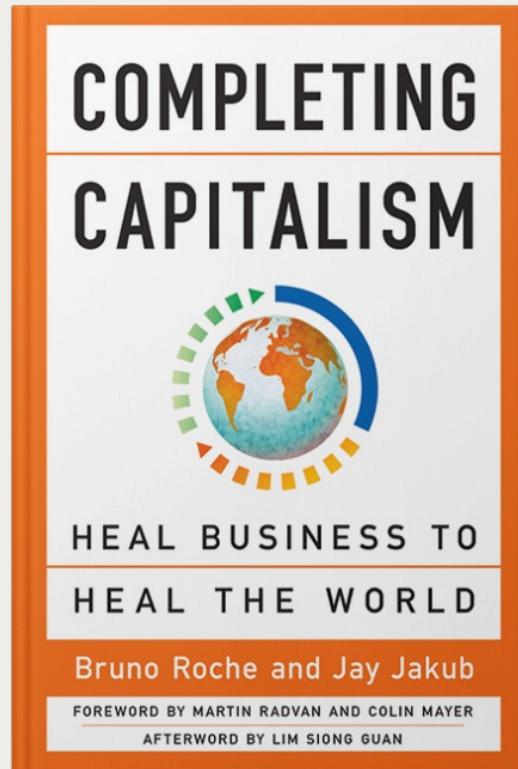
Neighborhoods, communities, and regions are thriving with deep connections to one another and their business communities ...

By 2040, we will have equipped **thousands** of leaders to create mutual value in their organizations, revitalized management education in **hundreds of universities**, and catalyzed the flourishing of **dozens of communities** on different continents.

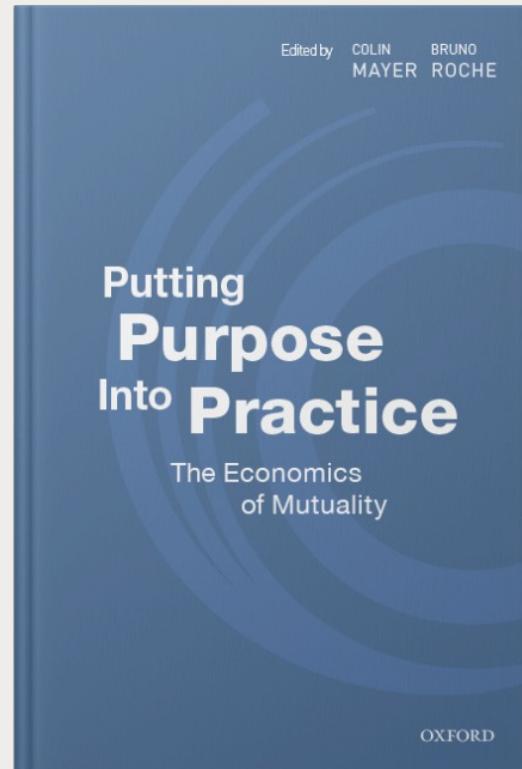


Transformation Journey: Core Deliverables





Berrett-Koehler (2017)
CITIC Press Beijing (2018)



Oxford University Press (2021)



Driven by the Economics of Mutuality model, Royal Canin has become the sector's most valuable brand and the most successful Mars Inc. business, tallying twenty years of double-digit revenue growth.

Loïc Moutault

Global President of Petcare, Mars, Inc.



"EoM challenges us to develop robust and virtuous business models."

Gim Huay Neo

Managing Board, World Economic Forum;
Former Managing Director, Sustainability,
Temasek



Get In Touch

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