

HARMONIZING DEVELOPMENT & BUSINESS INDICATORS TOOL USE CASE: *EIGHTH GENERATION*

HARMONIZING DEVELOPMENT & BUSINESS INDICATORS

The Harmonizing Development and Business Indicators (HI) tool seeks to highlight the existing alignment between USAID objectives and private sector objectives. It was created for USAID relationship managers who seek to engage private sector enterprises, which might include multi-national (MNC), national or regional organizations.

The HI tool maps existing business-relevant indicators to Foreign Assistance Framework Standardized Program Structure and Definitions (SPSD) indicators. To represent indicators for private sector objectives, a number of well-known environmental, social, and governance (ESG) indicator frameworks were used, such as Global Reporting Initiative (GRI) and SASB, as well as the Global Impact Investing Network's (GIIN) framework, IRIS+.

While the Sustainable Development Goals (SDGs) do not act as an ESG framework, companies often use the SDGs as a guide for their ESG strategies. As a result, the SDGs were added to the HI tool.

Relationship managers can use the tool to better understand partner motivations, recognize common monitoring needs, and identify engagement opportunities. To learn more about ESG frameworks along with why and how the private sector is using them, please refer to the Guidance Document.

I. Relationship managers is used throughout the document as a substitute for program officer or implementing partner relationship manager.

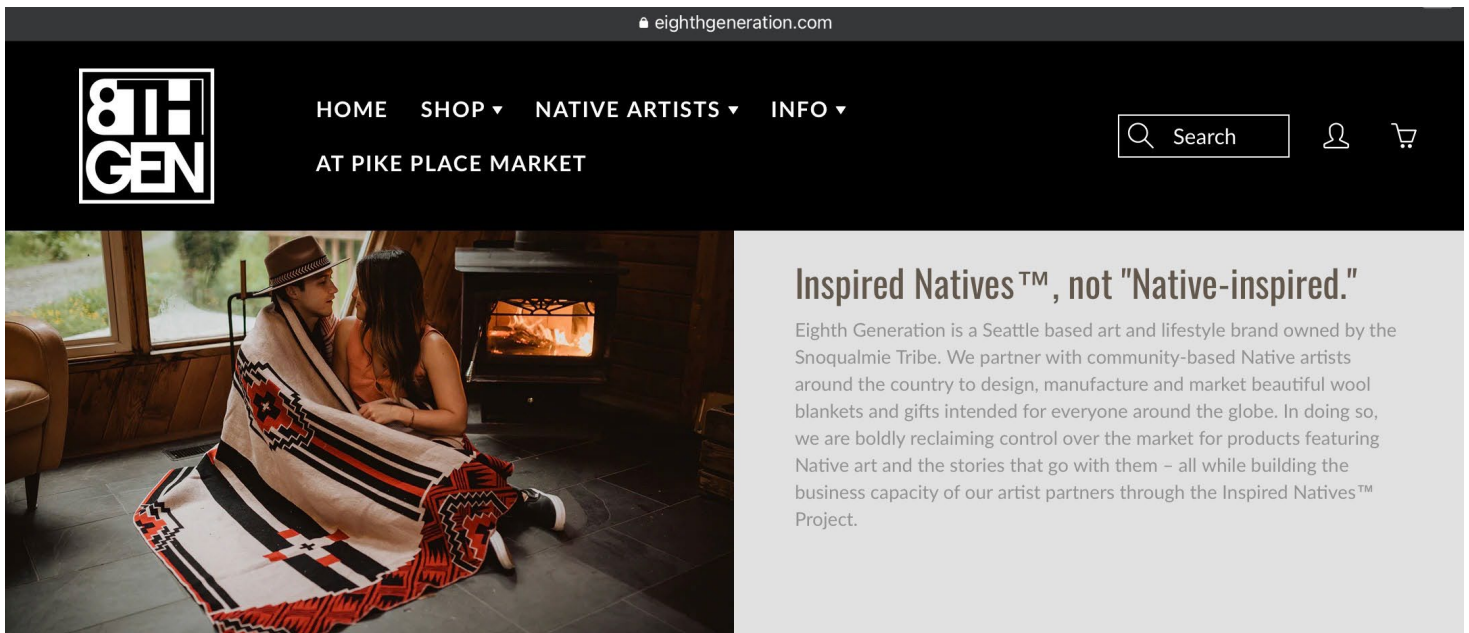
CONTEXT & BACKGROUND

Social, economic, and environmental equity for Native and Indigenous communities is inextricably linked to sustainable development. Eighth Generation is an art and lifestyle brand which was founded in 2008 by Louie Gong (Nooksack) - an artist, activist, and educator. The company is legally owned by the Snoqualmie Tribe in the United States. Eighth Generation operates a brick and mortar storefront in Seattle, Washington, as well as an online store with domestic and international sales. Between 2015 and 2021, Eighth Generation has won seven awards. In 2015, the company began selling genuine wool blankets with authentic Native designs - all made by Native American, First Nations, or Indigenous artists. Resultantly, the company was able to reclaim a significant share in a market that had been saturated with non-Native companies selling "Native-inspired" designs.

Eighth Generation's Our Inspired Natives™ Project (which carries the tagline "Inspired Natives™, not Native-inspired"), provides and advocates for ethical and sustainable alternatives to "Native-inspired" art and products. This approach facilitates capacity-building among Native artists, while addressing the negative impacts of cultural appropriation. Eighth Generation has also developed a Decolonizing Partnership Model which informs companies on how to collaborate with Native and Indigenous artists and entrepreneurs in a culturally responsive, sustainable,

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and mutually beneficial manner. The Decolonizing Partnership Model is centered around five core principles which seek to address deeply rooted and historically entrenched power imbalances as a result of colonialism. These core principles include artist ownership, compensation, participation in retail sales, access to industry knowledge, and control over storytelling. This model has since been used successfully by Starbucks (an American multinational coffee chain) and Brooks (an American multinational sportswear brand).



The screenshot shows the Eighth Generation website. At the top, the URL 'eighthgeneration.com' is visible. The navigation menu includes 'HOME', 'SHOP', 'NATIVE ARTISTS', and 'INFO'. Below the menu, it says 'AT PIKE PLACE MARKET'. A search bar and icons for user profile and shopping cart are also present. The main content area features a photograph of two people sitting on a patterned blanket in front of a fireplace. To the right of the photo is a text block with the heading 'Inspired Natives™, not "Native-inspired."' and a paragraph describing the brand's mission to partner with Native artists.

USE CASE PRIMARY SCENARIO

How and why might the USAID Relationship Manager search the HI tool for harmonized indicators?

- System: [HI Tool](#)
- Primary Actor: USAID Relationship Manager

Eighth Generation's work potentially aligns with multiple business-relevant development indicators. As a small enterprise, Eighth Generation's capacity to officially report in alignment with recognized sustainability frameworks and standards is likely limited due to the company's modest financial, human, and legal resources. The following use case serves as an illustrative model and training on how the HI tool might assist a USAID Relationship Manager in identifying existing alignments between USAID's objectives and Eighth Generation's objectives, as well as the monitoring and evaluation of these objectives. After identifying potential alignments, the USAID Relationship Manager may choose to engage Eighth Generation based on a deeper understanding on how this enterprise model might inform international development work.

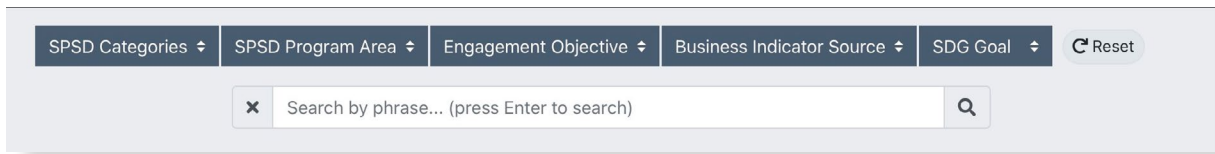


Figure 1: HI Tool indicator categories and search bar.

In order to conduct a preliminary search for harmonized indicators, the USAID Relationship Manager may choose to begin from their own professional knowledge of the context or sector, based on Eighth Generation’s expressed values and goals, or preferably a combination of both. Beginning with SPSP Categories for example, by selecting the following subcategories from the drop-down list: (1) Democracy, Human Rights, and Governance (based on Program Element DR.6.3: Equal Rights for Marginalized Communities in the Foreign Assistance SPSP indicators); and (2) Economic Growth, the HI Tool will show results for 351 potentially relevant indicator matches.

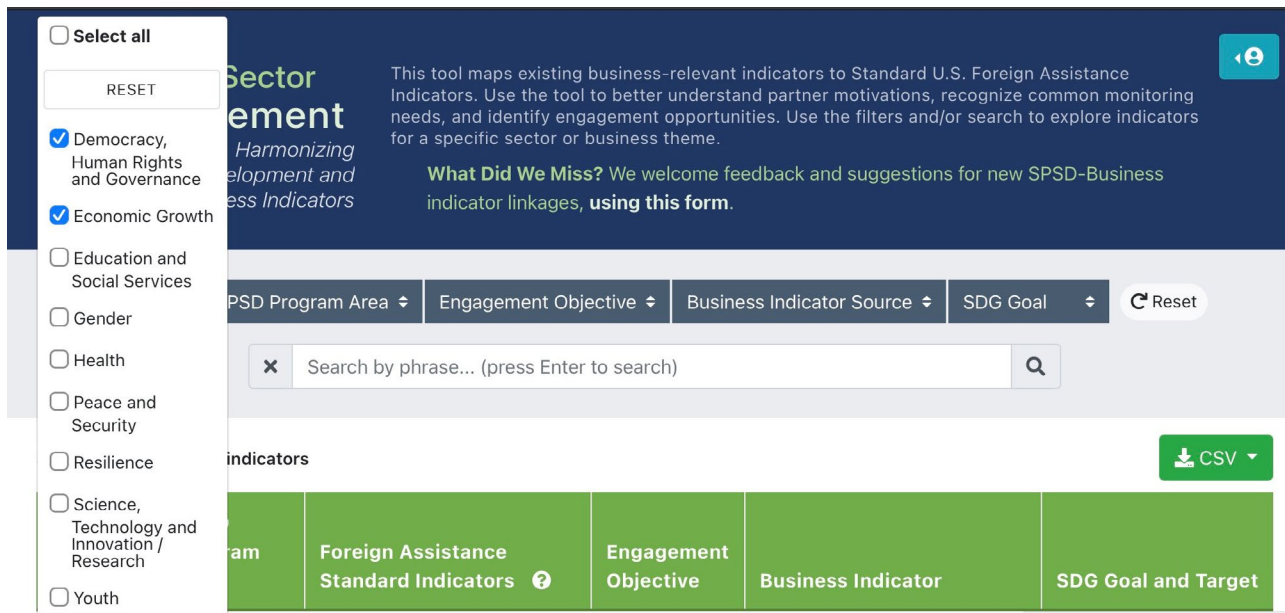


Figure 2: ‘SPSP Categories’ drop down list with two subcategories selected.

Maintaining the current selection under SPSP Categories and refining the search by using SPSP Program Area, one might select the subcategory Private Sector Opportunity, resulting in 34 potentially relevant indicator matches (which is significantly less matches than the previous search result). The USAID Relationship Manager might select more subcategories under SPSP Program Area, or move onto another category. For example, selecting the subcategory Human Rights (under Engagement Objective), reduces the search results to three harmonized indicator matches.

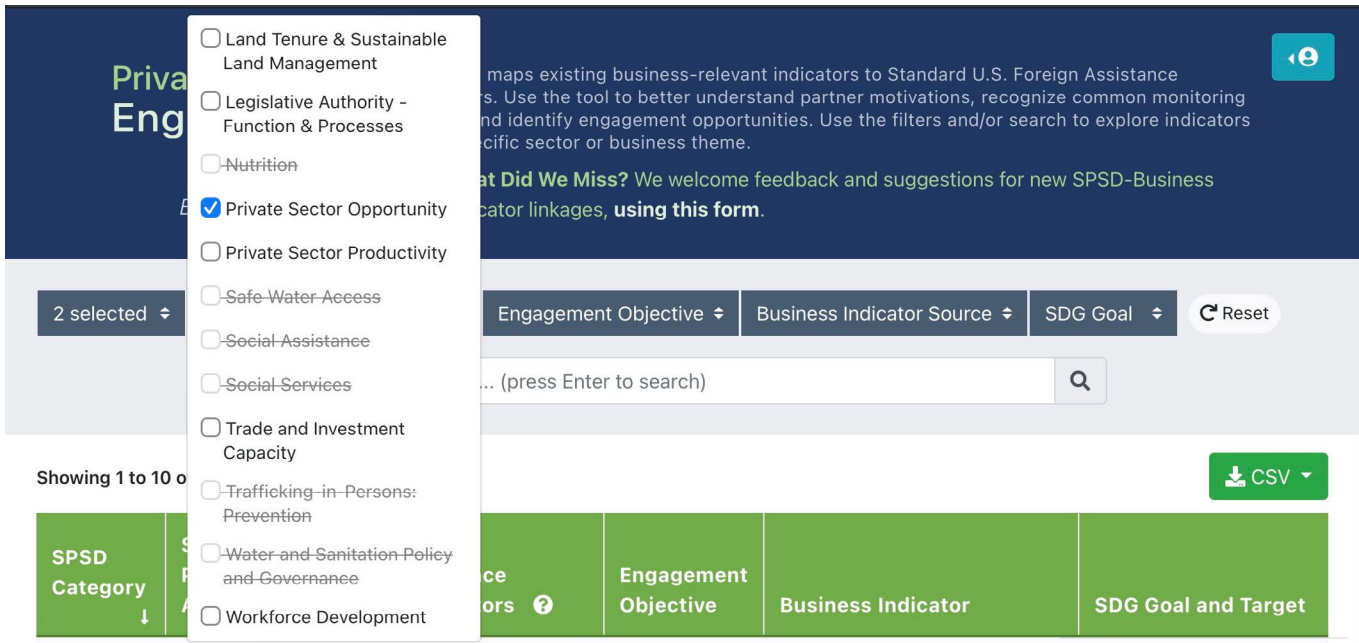


Figure 3: 'SPSPD Program Area' drop down list with four subcategories selected.

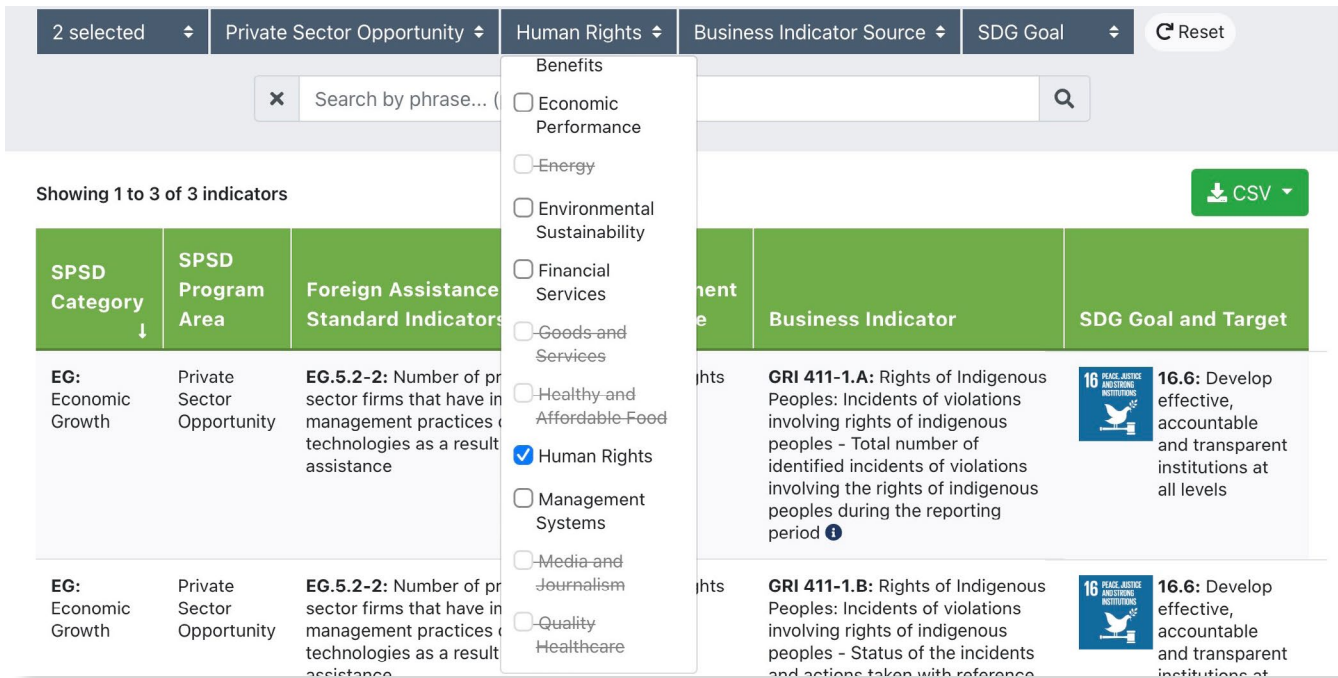


Figure 4: Narrowing down the search results to 3 indicator matches, after the 'Human Rights' subcategory (under 'Engagement Objective') has been added to the search.

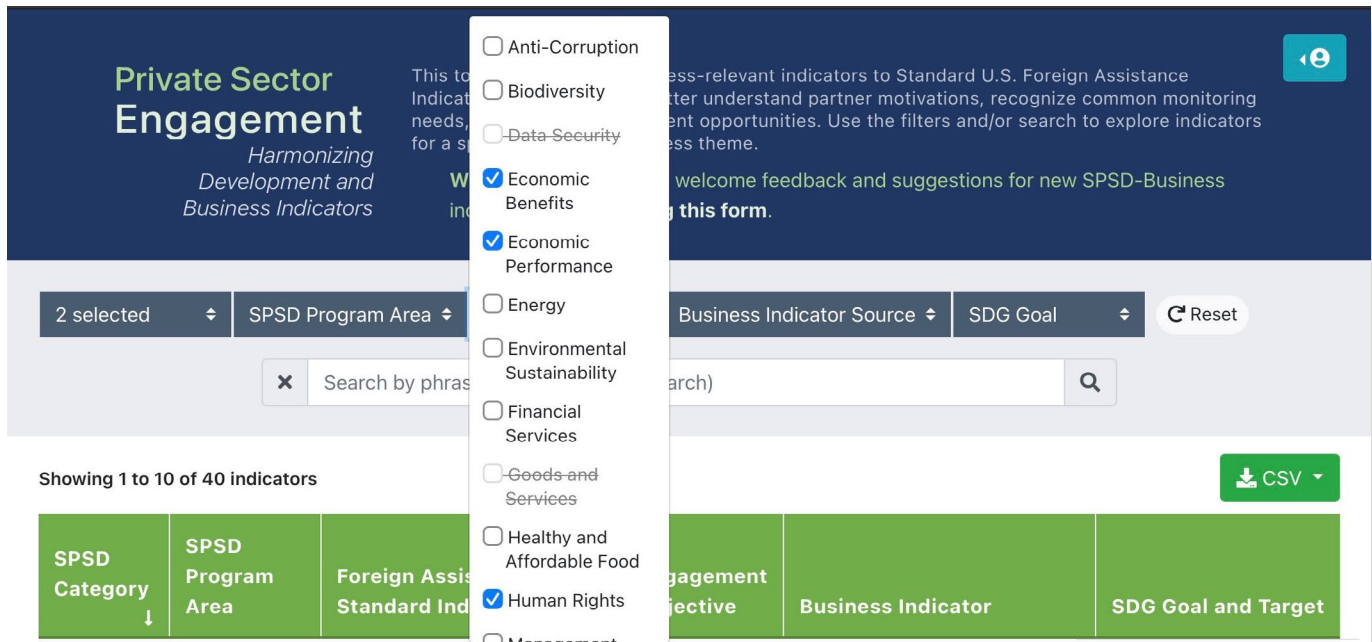


Figure 5: Adding 'Economic Benefits' and 'Economic Performance' (under 'Engagement Objective') to the search criteria, while maintaining the existing selection.

Based on the search results, the USAID Relationship Manager might identify one or more development and business indicators which are well aligned. In this case, two of the three search results pertain to the rights of Indigenous Peoples, but may not be applicable in this case. The USAID Relationship Manager may therefore use the HI Tool to do new searches for harmonized indicators, by varying the search criteria. For example, maintaining the current search criteria in place, while adding Economic Benefits and Economic Performance (under the Engagement Criteria drop down list), will increase the search results to a total of 40 potentially relevant indicator matches. These results can then be refined by selecting subcategories under Business Indicators and SDG Goal and Target.

FUTURE IMPACT

Eighth Generation's Decolonizing Partnership Model offers a pioneering approach to private sector engagement, which other businesses and enterprises have already begun to engage with. In its 2021 Environmental and Social Impact Report, Starbucks details their corporate partnerships with Black, Indigenous, and other People of Color (BIPOC), and it is likely that other socially and environmentally conscious companies will opt to include similar information in their own ESG reporting. As a result, the USAID Relationship Manager may also engage with Eighth Generation on the basis of increasing responsible multi-entity corporate engagements.

In either of the above-mentioned scenarios, the HI Tool facilitates the identification of existing alignments (and potential gaps) between indicators that are relevant for business reporting commitments on socio-economic impacts. This assists USAID internal, technical officers who are involved in private sector engagement and associated results monitoring, to more effectively foster private sector engagement with joint monitoring and mutual understanding of the results each organization aims to achieve.