The Caterpillar Foundation’s approach to investment is “Corporate Social Innovation” (CSI) or “catalytic philanthropy.” We begin by understanding the major human needs and then seek and establish partnerships with organizations where we can help address the root challenges, together.

Peter Diamandis said, “The world’s biggest problems are the world’s biggest market opportunities. And that’s a huge thing. Solve hunger, literacy and energy problems and get the gratitude of the world and create billions of wealth in the process.” This is our belief as well...that the core of innovation is creating opportunities to meet human needs, and that is not limited to philanthropy or social impact, but that ultimately it is also good for business.

At Caterpillar, we focus on looking forward and ensuring that our core business and our philanthropy work together to make a stronger world where all people can thrive, and simultaneously grow our business. Our approach, “Corporate Social Innovation,” consists of three strategic elements.

First, we believe understanding that the human implications of our business are at the forefront of our value creation chain, is essential to how we approach business. The Corporate Social Responsibility movement was foundational, but it is often reactionary. At Caterpillar we integrate sustainability—social and environmental impact—ahead of bringing our products to market. From intentionally designing products that can be refurbished as opposed to simply discarded and replaced, sustainability innovation is a core value of our business. Sustainability is the foundation for our approach to catalytic philanthropy—CSI.

Second, the foundation is focused on moving away from competition toward collaboration. Partnerships are the future of business in our global economy. As opposed to tackling the world’s biggest problems independently, we recognize that creative solutions emerge when we work together. For instance, to scale critical access to energy, building a coalition of private sector companies to partner with governments and cause sectors can result in a stronger, more sustainable approach to delivering energy to more people in better ways.

Finally, we believe in the need to further integrate philanthropy and business to conquer global issues. Private sector businesses can scale innovations in unique ways, while philanthropic organizations provide an entry point for business in markets not yet ripe for ‘for-profit’ solutions to pressing human challenges. Our mission is to align, inspire and activate partners to alleviate poverty and make sustainable progress possible for all.

For more information visit:
TogetherStronger.com

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