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TANIA ELLIS

## **Do good & do well: Give while you grow!**

Tania Ellis is a Danish-British prize-winning writer, speaker and business innovator, specialized in social business trends and strategies. Her expertise and hands-on involvement in blending economic and social value with business strategy and innovation has made her a popular inspirational speaker and strategic advisor with clients ranging from entrepreneurial companies to large international corporate brands.

What makes you rich?

If I asked you what it is that makes you rich, what would you answer?

Maybe you'd mention your annual income or savings. But you might also mention the time spent with your family, your good health, or time spent in nature. In other words, you have several bottom lines in your life.

The same goes for business. At least for those who believe in the new business logic, where financial performance and social responsibility go hand in hand.

Here, the goal is not to ensure economic growth at the expense of the environment or people's well-being. It's about creating sustainable growth by creating value for society as well as the company's financial bottom line.

Does this sound like hippie nonsense? Perhaps there was a time when it was.

### **Hello social capitalism!**

The era where the sole purpose of business was to generate profit and value for its owners, while public institutions, NGO's and engaged citizens watched over society's interests, is now over.

Today the business environment is much more complex, and expectations from employees and other stakeholders much more demanding. The world has grown smaller, the effects of our unsustainable behavior more visible, and people's awareness of this higher than ever.

That's why companies today have to do good and do well. Say hello to social capitalism.

### **The business case**

It's not (only) morality and ethics that drive the new business logic. Corporate social responsibility is becoming a competitive parameter on line with price and quality.

Today, companies operate in a world where global issues like resource scarcity, social inequality, and the threat of global warming can affect production costs, preferred supplier status and more.

And so, many companies around the world – from Maersk and LEGO to Nike and Unilever – are in the course of integrating sustainability and responsibility into their core business and daily operations.

To some companies, corporate sustainability and responsibility (CSR) is all about risk management, and during the last couple of years convincing business cases for risk-focused CSR have emerged.

For example, a recent study (ESG – a new equity factor, Nykredit, 2014) of 5,000 global, listed companies' performances showed that those who were in control of their social and environmental risks had twice as high a return as those who were not.

Other studies show that the value of incorporating social responsibility as part of the business include important contributions to the company's top and bottom line, such as a strong image, preferred supplier status, optimized operational performance, higher employee engagement, stronger customer relations.

In short, it pays off to give back.

### **Profit & purpose**

Society's challenges and needs have not only become business opportunities. Business has also become an important means for creating new solutions that address society's challenges and needs.

Enter the social entrepreneurs, who are transforming corporate social responsibility into corporate social innovation with sustainable solutions that make a profit as well as a positive difference in the world.

Like the Danish social business *Specialisterne*, an IT company with a business based on the particular competencies that people with autism have.

The company's business model – and the employment potential that it entails – is so unique that *Specialisterne* today has become an international success with branches in more than 13 countries. It has even become a business case at Harvard Business School.

Or like the sustainable children's clothes company *VIGGA*, which has built a circular service design business model by offering organic high-quality children's clothes on subscription.

Once the child outgrows the clothes, *VIGGA* replaces it with new clothes that fit, and the returned clothes are laundered and made ready for the next family, who can reduce their environmental footprint by up to 80%. In 2015, the company won the international *Sustainia Award* for providing the world's most sustainable solution in the fashion industry.

*Specialisterne* and *VIGGA* are just two examples of the growing movement of socially conscious impact entrepreneurs that have emerged worldwide over the past decades. Just like *d.Light* (sells solar-powered lamps in countries where people lack electricity), *Aravind Eye Care System* (provides eye care services to the rural poor), *TerraCycle* (a worldwide leader in the collection and repurposing of hard-to-recycle post-consumer waste, from used chip bags to used cigarette butts). And many, many more.

To these companies, social responsibility is not about risk management or a nice-to-have add-on to the core business. It is the very purpose of their business to contribute positively to society's sustainable development goals.

### **You can also Give & Grow!**

You can also be a social capitalist, and give back to society while you still grow your business. No matter the size of your company or industry you're in.

### **Here are some relatively simple ways to get started:**

- Volunteer your professional skills in support of a good cause
- Donate part of your sales to charity
- Select suppliers and business partners that support sustainable development goals

- Invest in social businesses or sustainable development projects
- Buy office supplies and other products with a green or social profile.

**You could also create a closer link between your business and responsibility efforts. Here are five examples of how:**

- Is one of your business goals to cut operating costs? Then it might make sense to focus on energy-saving or recycling solutions.
- Is your biggest business challenge to attract and retain talent? Then see how you could involve your employees in corporate responsibility efforts and link this to your employer branding.
- Are you planning to move your production overseas? Then putting an effort into responsible supply chain management could give you a competitive advantage.
- Could any of your company values be related to CSR? If a key value is, say, innovation, this could be linked to developing products or services with a green or social profile.
- Is competition tough in your industry, or do you need to revitalize your business? Then make a review of UN's 17 Sustainable Development Goals (SDGs) and see which ones you could align with in order to differentiate your business efforts.

If you're really, really ambitious, you could even challenge the very vision and mission or your company by asking: Why are we here – what is our purpose? What kind of (social) value do or can we create with our business? What kind of financial and social impact do we want to make both short and long term? And why?

As you can see, there are so many ways to get started. My personal and professional experience from working in the field for more than a decade has showed me again and again that once you start looking at your business through the “Give & Grow” lens, you discover many exciting new business and development opportunities that can help you both do good and do well. Giving back while you grow is not only about good karma. It also makes good business sense to do so.