

# Companies that care reap unexpected rewards

## Investment in corporate, social responsibility can benefit the bottom-line

London, March 2019 - Research just published by the University of Valencia into the commercial impacts of ethical management and sustainable corporate development has produced some surprising results.

The award-winning study (*see note*) shows that businesses which treat their employees well, conduct honest marketing, focus on sustainability and minimising environmental impacts can do so without detriment to their financial performance. Indeed, a significant proportion of businesses reported a positive impact on profitability.

### Paragraph headline

The research was conducted amongst businesses across Europe, which operate to the principles of the 'Economy for the Common Good' (ECG). Publication of the results coincides with the presentation of ECG at the UN Regional Forum in Geneva on March 21 and 22 as an inclusive and sustainable economic model and as a way for businesses to fulfil the Sustainable Development Goals.

Contrary to what many have believed until now, the research shows that investment in corporate social responsibility can be beneficial to a company's balance sheet and its owners as well as to all its other stakeholders (employees, customers, suppliers and society at large).

ECG is a fast-growing business and economic movement which puts the values of human dignity; cooperation and social justice; environmental sustainability; and transparent management and co-determination at the heart of a business enterprise. All strategic decisions are made with reference to these values.

ECG is spreading internationally but is currently strongest in Germany, Austria, Spain, Italy and Switzerland, in which countries the research was conducted. These are findings from a survey of 206 ECG businesses, which was conducted in April 2018.

## Improved staff motivation and wellbeing

Businesses that have adopted the principles of ECG reported (amongst many positive impacts) that:

- Staff motivation and well-being had improved
- Corporate reputation was enhanced
- Carbon footprint has reduced
- Greater sustainability in their supply chain
- Improved relations between staff and management
- Higher levels of customer trust

95% of companies said that all these positive impacts on their business operations had been achieved at no detriment to sales. 26% said there had actually been a positive impact on revenue.

Similarly 85% said there had been no adverse effect on profit while 19% said profitability had been improved.

Christian Felber, who founded ECG in 2010 and whose book “Change Everything” described the methodology for companies and other organisations wishing to adopt the movement’s principles, commented on the results:

*“What this study shows (perhaps for the first time) is that investment in ethical and sustainable management practices not only leads to an increase in the common good but can benefit a business’s financial performance through better decision making, more motivated co-workers and greater innovation.*”

*For many years CSR has been considered by many business managements as an adjunct to the main purpose of the business and a PR attempt to buy reputation despite, not because of, what is happening in other parts of the company.*

*Summarising the findings of this research, we can conclude that businesses that integrate ethical, caring and sustainability practices into the core of their operation are investing wisely not only in their own futures but in the future of society at large. That is the Common Good.”*

## UK businesses can become ECG companies

ECG is now available in the UK and a not-for-profit organisation has been established to provide companies and consultants with training in the ECG methodology.

“We are running training courses and events throughout 2019 ” says Bridget Knapper (a director of ECG UK (CIC)). “ECG is much more than another corporate responsibility index. It provides a blueprint for real change within businesses which are interested in ethical, open and fair management and environmental sustainability.”

ENDS

## Summary of the results attached

- A copy of the full Research paper is available on request.

## About the study

**Analysing the Economy for the Common Good Model**, statistical validation of its metrics and impacts in the business sphere, R. Sanchis, Vanessa Campos & Ana Ejarque, Universitat de Valencia, February 2019. Full results presented in Vienna, 19th February 2019.

The research won ‘Best Paper Award’ at the 14th European Institute of Advanced Studies in Management Interdisciplinary Workshop on "Intangibles & Intellectual Capital" - Value Creation, Integrated Reporting and Governance.

For a [summary of the research click here](#).

For the [main report click here](#).

## Economy for the Common Good

The Economy for the Common Good (ECG) is a global movement that is creating an alternative economic system built on values that help people thrive and live a good life. We are building an economy that increases the wellbeing for all and which protects our environment today and for future generations.

ECG is a model for economic, political, and social change which embeds human values into the very core of business entities. Financial profits become a means, rather than the only goal. This ensures all stakeholders benefit from the business activity.

## Christian Felber

Christian Felber is the founder of the Economy for the Common Good and the project ‘Bank for the Common Good’. Felber was born in 1972, studied Spanish, Psychology, Sociology and Political Sciences in Madrid and Vienna, where he lives and works as an independent writer. He is an internationally renowned speaker and a contemporary dancer.

Christian has authored several books: *Change everything. Creating an Economy for the Common Good*, *50 Suggestions for a fairer World*, *New Values for the Economy*, *Let's save*

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*the Euro!*, and *Money. The new rules of the game*, which was awarded the getAbstract International Book Award 2014. The English version of his book, *Ethical world trade*, is launching in the Spring of 2019.

### **ECG in the UK**

ECG UK (CIC) is the membership organisation for ECG in the UK. It is part of the **International ECG Federation** (Austria, Chile, Germany, Italy, the Netherlands, Sweden, Switzerland, Spain, UK). ECG groups are also forming in France, Croatia, Ireland, Luxembourg, Portugal, Slovenia, Argentina, Ghana, Colombia, Mexico and the USA.

Further Information:

[www.ecogood.org](http://www.ecogood.org),

[www.ecguk.org](http://www.ecguk.org)

UN Regional Forum on sustainable development for the UNECE region,  
Geneva 21-22 March, 2019

<https://www.unece.org/sustainable-development/rfsd2019.html>

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