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Is doing well doing good?

By James Cassel

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Last summer, the Business Roundtable (BRT), a nonprofit association of major U.S. CEOs, [redefined](#) the meaning of a company's purpose. The new gold standard, or maybe better stated, the new golden rule, now includes corporations working to not just increase monetary value and make more profits for its shareholders, but also to benefit the environment, the community, their employees, customers, and suppliers.

Increasingly, companies are not only focusing on profit-making (essential and nothing to apologize for) but also on doing what's good for stakeholders and society at large. In doing so, they are providing the answer to an important question: Can doing well also mean doing good?

A lot of businesses these days believe that they go hand-in-hand, or at least they should, because a better future for all is tied to asking the question. Those who don't bother to redefine doing well as also doing good may be left behind or suffer injury to their brand.

A recent [Bloomberg article](#) showed how hedge funds and mutual funds face increasing pressure from investors to address Environmental, Social, and Governance (ESG) criteria that weigh the sustainability and societal impact of investments. These demands make funds push companies they invest in, to either do good for the community and the environment or suffer investor capital flight. For example, BlackRock Inc., the world's largest asset manager, recently prioritized climate concerns in its investment strategy, putting the competition on notice, as well as the companies in which it invests.

Consumers are also increasingly rewarding companies that do good while punishing those they think do bad. Little surprise that companies like McDonald's and Starbucks have become more energy-efficient reducing their negative environmental impacts, while companies like Dell have implemented recycling programs to reuse and dispose of electronic products more safely.

These businesses are wise to publicize their efforts, often letting consumers know they care about the communities using their products and services, while making doing good part of their brand, a business lesson all should embrace.

So, here are some things your middle-market company can do to do good and not just well:

- **Identify changes that won't break the bank but help the environment.** Plastic straws may not be illegal yet, but why not change to paper or sugar straws now if those are used at your business? While you're at it, create a company recycling program if you don't already have one. Some cruise lines, for example, have moved from plastic to other products, reducing waste and making recycling easier. Your business can also change to LED lighting and cut heat and energy usage, while opting for sustainable materials for any office renovations.
- **Consider hiring individuals in the community who come from economically distressed areas or might have criminal**

records. Giving people new opportunities for success, or second chances can help you do well and do good. Take for example [Nehemiah Manufacturing](#) of Cincinnati, which effectively hires workers with criminal records, a great way to give a break and get great and loyal employees, while also addressing a tightening labor market.

- **Source products locally whenever possible.** Supporting local entrepreneurs can actually mean fresher food products, a smaller carbon footprint since you're using less trucking or air shipping, and a reinvestment into your own community. You can also favor suppliers who do good, not just well, and build a support network of do-gooders like yourself.

When middle-market businesses do good, they help employees feel better about their work, boosting productivity and creating loyalty to your business. Creating pro-environment, pro-community efficiencies and supporting a culture of responsibility are powerful motivators that ripple across not only your business, but across the very community you live in, and it is good for the bottom line, too. Allow your company a social conscience and do good and see how quickly your business starts doing very well, too. Our nation's and world's sustainability might depend on it.

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