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Can companies be a force for both economic and social good? Techstars CEO Maëlle Gavet believes they can and should, and points to research showing that "conscious" companies significantly outperform their competitors.



Transcript

- I think you need to start by thinking in terms of 00:00:04,620 "and" rather than "or" and I think that's what you've just mentioned, which is rather than the, like, it has to be this side of the solution or this side of the solution, thinking more in terms of "ands".. And this applies actually to these conversation around "can a company be both a source for economic and social good, not economic or social good?" There's a study that I liked very much, it's starting to get a little outdated, unfortunately, but it's still, in my opinion, very relevant.. It was conducted by a man called Raj Sisodia and he worked in particular with the CEO and founder of Whole Foods.. And he looked at, he looked at companies that he considered as as conscious companies.. And the way he described consciousness has a lot to do with what you're talking about, which is what is their state, its purpose? What is the generosity of compensation was there for the employee, the quality of customer service, but also investment in communities impact on the environment? So basically the social good, the social part of good.. And he demonstrated, and again, as I said, a little outdated because it's, you look at data from '96 to 2011, and I wish we could have a much more recent study on this.. But it demonstrated that over these 15 years, these companies considered as the most conscious based on what I've just described outperform, and these were all public companies, these companies outperformed the S&P 500 index by a factor of 10.. - Wow.. 00:01:48,520 - And so I wanted to start by saying 00:01:51,230 stop thinking in terms of you have, you have to choose between being a successful company and being a socially good company.. I think there has been too many myths, especially in tech, especially when we look at some of the companies that make the headlines in the media, there there's this false choice of the only way you can be number one in tag, the only way you can build billions, a billion dollar company is by ignoring your social impact and just focusing on growing at all costs..

And so start by changing your mindset and look at the data and convince yourself that actually being good for the world and being good for the communities around you is actually good for business...