



CECP Media Contact:
Katie Leasor
kleasor@cecp.co

CECP Study on the “S” in ESG Shows Connection Between a Company’s Positive Business Performance and Its Commitment to Purpose

Executive teams with more than 30% women are more likely to outperform those with fewer or no women

NEW YORK, February 12, 2024- [Chief Executives for Corporate Purpose](#)® (CECP), in collaboration with the [CECP Global Exchange](#), released the [Global Impact at Scale: The S in ESG](#). The study highlights international trends in corporate purpose strategies focusing on the “S” in Environmental, Social, and Governance (ESG). For example, tracking progress on increasing the number of women in management; Diversity, Equity, and Inclusion (DEI) including the employment rate for persons with disabilities; voluntary employee turnover; and more. Notably, the research finds a correlation between a company’s positive business performance and its commitment to purpose in local communities.

Key findings of the report include:

Employee Engagement and DEI:

- COVID-19 thrust mental health into the spotlight as an urgent workplace concern, prompting companies to innovate and adapt to meet the evolving needs of their employees. In a CECP Pulse Survey on mental health program offerings for employees fielded in 2021 and 2023, the number of **respondents stating, “Yes, we currently have a mental health program,” increased from 62% to 98%**, a marked jump in program offerings highlighting their importance and need in the workplace.
- Amid the war in Gaza, **Israeli workplaces are facing a crucial DEI challenge concerning Israeli Arab-Jewish relations**. [Maala](#) found despite the tense external landscape, businesses have exhibited resilience and commitment to fostering a safe and inclusive work environment.
- DEI and employee engagement significantly influences a company’s ESG performance as **there is a strong correlation between higher percentages of women on boards and strong governance performance** within the Fortune 500®.
- 65% of companies have 21-40% of women in management but only 15% have 41-60% of women in management, indicating a potential gap in promoting more women to management levels.

Realizing a Return on Purpose

- Organizations with greater gender diversity among senior leadership have increased profitability. **Executive teams with more than 30% women are more likely to outperform those with fewer or no women.**
- In the EU¹, the earnings gap between women and men remains largest among women and men who are highly educated and working age. The biggest gender gap in gross earnings is noted among women and men with equivalent, higher educational qualifications: women’s gross earnings are only 68% of men’s.

¹ All other findings aggregated globally, unless noted.

- A significant majority (98%) of companies reported having a workforce where 0-2% of employees identified as having a disability, with a median of two percent. In contrast, recent data from the U.S. Department of Labor’s Bureau of Labor Statistics shows a modest increase in the employment rate for persons with disabilities, rising from 19.1% in 2021 to 21.3% in 2022. This disparity in labor force participation rates highlights the challenges faced by individuals with disabilities in securing employment opportunities.
- **76% of Spanish enterprises believe that CSR increase their proceeds by reducing costs and increasing revenues.** Motivation and efficiency of human capital, as well as efficiency in consumption of resources contribute to reduction of costs.
- 57% of the companies of those surveyed believe that CSR activities lead to reduction in financing costs, due to a decrease in risk premiums and enhancement in access to capital.

Nearly 200 companies in 15 countries and regions with a median revenue of US\$9.4 billion contributed insights to the global report. The insights presented in this brief are the result of a collaborative effort with CECP’s Global Exchange (GX). This report features insights from GX Partners’ market-specific and secondary research, and CECP Pulse Surveys, as well as insights from Bloomberg’s Environmental, Social, and Governance (ESG) data on the S&P Global 1200 Index.

“In our evolving global landscape where employees and other stakeholders increasingly hold companies accountable for their commitments, companies can build trust by committing to their communities,” said Dawn Lim, Manager, Corporate Insights, CECP. “This study shows that businesses are addressing issues that are critical to the health and vitality of local and global communities, including authentic communication intersecting employee engagement and DEI.”

The CECP Global Exchange (GX) partners are in 14 countries and regions and serve companies by building a body of knowledge on locally relevant corporate citizenship best practices, through information sharing and collaborative research. The GX acts as a catalyst to enhance and advance corporate social investment strategies. GX partners include: [Business in the Community](#) in the U.K., [Comunitas](#) in Brazil, [The Conference Board of Canada](#) in Canada, [CSRone](#) in Chinese Taipei, [Corporate Responsibility Türkiye](#) in Türkiye, Dynamo Academy in Italy, [Fundacion Seres](#) in Spain, [Korea Productivity Center](#) in the Republic of Korea, Maala in Israel, [Samhita](#) in India, [SynTao](#) in Mainland China and Hong Kong, [Trialogue](#) in South Africa, and [Wider Sense](#) in Germany.

###

About Chief Executives for Corporate Purpose (CECP)

Chief Executives for Corporate Purpose® (CECP) is a trusted advisor to companies on their corporate purpose journeys to build long-term sustainable value. Working with CEOs and leaders in corporate responsibility, sustainability, foundations, investor relations, finance, legal, and communications, CECP shares actionable insights with its CEO-led coalition to address stakeholder needs.

Founded in 1999 by actor and philanthropist Paul Newman and other business leaders, CECP is a movement of more than 200 of the world’s largest companies that represent \$8.7 trillion in revenues, \$47 billion in total community investment, 15.1 million employees, 16 million hours of employee engagement, and \$34.1 trillion in assets under management. CECP helps companies



transform their strategy by providing research, benchmarking, strategy, convening, and communications in the areas of societal/community investment, employee engagement, environmental social governance/sustainable business, diversity equity inclusion, and telling the story.

For more information, visit <http://cecp.co>.