

JUBILEE
CENTRE

21ST CENTURY PIONEERS

FAITH, ENTERPRISE &
SOCIAL PURPOSE

RESEARCH REPORT

JUBILEE CENTRE

Biblical insight & enterprise for social purpose

jubilee noun

a time for celebrating | a year of liberation and restoration

We are building a movement for good business, a fair economy and dignified work. The Jubilee Centre is a ‘think and do’ tank which uses biblical insight, research and collaboration to pioneer new ways of working, for the good of all.

The Jubilee Centre is an independent Christian charity. We are inspired and informed by a biblical vision of economic justice, a strong society and environmental flourishing, drawing on nearly 40 years of theological work and relational analysis. We combine this biblical insight with research and collaboration to pioneer practical new models and behaviours, for the good of all.

We believe that good purpose-driven business is one of the best long-term solutions to poverty, social breakdown and environmental degradation. We want to engage and support workers and entrepreneurs, investors, innovators and activists – from the shopfloor to the boardroom – to bring positive social change to their businesses and the marketplace and contribute to the cultural renewal of our nation.

We believe that Christians and churches can play a key role in making this happen, working alongside partners beyond the Church. Our work involves shaping a biblical vision of good business, connecting people and collaborating with partners through Learning Labs to deliver impact.

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The Jubilee Centre (Cambridge) is a company limited by guarantee, registered in England no. 7304473

Registered office: St Andrew's House, 59 St Andrew's Street, Cambridge, CB2 3BZ.

Registered charity in England no. 1142076

Graphic Design: Max Randall

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Summary

- This report explores and celebrates the way that purpose-driven businesses and social enterprises in the UK are making this country – and the world – a better place by pioneering new and better approaches to business. Our focus is on the active role that Christians are playing within this.
- The research includes businesses and social enterprises of all sizes, from almost every region of the UK and across a wide range of sectors – from farms to fashion manufacturers to legal practices – making this one of the largest studies of its kind ever undertaken in the UK.
- Enterprise and business are hugely important to the UK; some three out of four jobs in this country are in the private sector. What happens in the marketplace really matters. There is also much that needs to change in our economy and in the way that we do business – but there is good news. That change has already started. A growing number of businesses and social enterprises are pointing the way to how we can create and grow enterprises which are good for our families and communities, for our nation and our planet. Our research found examples of good and innovative practice in each of our seven areas of good and ethical practice.
- We have also found many Christians at the forefront of this pioneering work. Their profile within the Church may be low, but their impact is significant.
- We have conducted this study because we believe it is time for the Church to recognise that enterprise can be a force for good, and that many Christians have a key role to play in making this happen. This report is a call to action, a call for Christians to be at the forefront of social change in the UK – based on the recognition and evidence of what is already being done. Our message to the Church is this:
 - **Enterprise can be a force for good** – the marketplace is a place of possibilities and we can use this for good. We have the power to act.

- **Working in business is a vocation for many** – the work of many Christians in the private sector is their vocation; it is their mission and maybe even their life’s work. They need to be affirmed and supported in this.
- **We need a vision for ‘good business’** – there is much to celebrate in this report, but we know there is also much further to go and much work still to be done. For every business ‘doing the right thing’ there are more who have yet to do so. For every step towards good practice, there are more to take. We are just getting started. A biblical vision of our economy will challenge and inspire us as we work out what ‘good’ really means today.
- **Renewal is happening today** – it is time to stop the nostalgia for the reformers of the past, and instead recognise the work being done by the reformers of our own generation. There is more to celebrate today than many perhaps realise. These reformers also need support – and there are surely more who should be joining them. We want to see a wave of cultural renewal in the marketplace which will reshape the UK for good.
- The Jubilee Centre wants to engage Christians, churches and other partners in building a movement that will bring greater economic justice, stronger social relationships and more environmental responsibility to the way we do business as a nation. We want to connect like-minded people. We want to shape thinking about what ‘good business’ looks like. We want to work with practitioners to experiment on new ways of working through our ‘Learning Labs’. Join us!

01 | Introduction



This report explores and celebrates the way that purpose-driven businesses and social enterprises in the UK are making this country – and the world – a better place by pioneering new and better approaches to business. Our focus is on the active role that Christians are playing within this.

We have interviewed founders and leaders of purpose-driven businesses and social enterprises from almost every region of the UK and across a wide range of sectors – from farms to fashion manufacturers to legal practices – making this one of the largest studies of its kind ever undertaken in the UK.

Our nation faces many serious challenges today – disintegrating communities, economic injustices and environmental degradation. Purpose-driven businesses and social enterprises are showing by their actions that they are a crucial part of the solution.

We have also found many Christians at the forefront of this pioneering work. Their profile within the Church may be low, but their impact is significant. We have conducted this study because we believe it is time for the Church to recognise that enterprise can be a force for good, and that for many Christians in the private sector, their work is their vocation and mission. We don't need to look to the past for examples of 'social reformers', we have a generation of living and breathing reformers in our midst – it is time to recognise their work, support them and grow the movement.

Purpose-driven businesses and social enterprises are already beginning to reshape the marketplace in the UK. We want to see this trend accelerated. Many more Christians can play their own role in making this happen, so that together, we reshape our economy for the good of all. This report is a call to action, a call for Christians to be at the forefront of social change in the UK – based on the recognition and evidence of what is already being done.

This report

The aims of our research are to:

- identify current examples of ‘good business’ practice in enterprises in the UK which have been founded, led or significantly influenced by Christians
- understand how these enterprises behave differently in terms of how they do business compared to others in their sector (i.e. what makes them ‘good’)
- explore how faith impacts this work

In section 2 we explain how we have approached our research and give an overview of the businesses included in the study. Section 3 explores in greater detail the work of the many businesses and social enterprises we have researched, and identifies the ways in which their approaches are different or pioneering. We have used our own framework of seven biblical principles for good business to analyse the many different approaches we found. Section 4 considers the role that faith has played in our sample of businesses. Section 5 concludes the report by drawing up our findings and outlining the next steps.

It is important to note at the outset that purpose-driven business is a diverse and growing field of endeavour in this country with investors, leaders and workers from every kind of background and of all faiths (and none). Our focus in this study is to pick out the particular contribution that Christians are making today through enterprise – as this is under-researched and not well understood – but it is important to remember that the field itself is much wider and there is much collaboration within it.

About us

The Jubilee Centre is an independent Christian charity which has spent nearly 40 years applying biblical thinking to public life in the UK to promote a strong society, economic justice and environmental flourishing.

Today, we are a 'think and do' tank that is working with Christians, churches and other partners to build a movement for good business, a fair economy and dignified work. We use biblical insight, research and collaboration and employ Learning Labs to pioneer and promote new ways of working through enterprise which will promote the common good.

Thank you

We are very grateful to the businesses and social enterprises and many other contributors who kindly gave their time to be involved in this research. Each unique story shared has enriched our understanding and made our work all the more enjoyable. A full list of contributors can be found at the end of this report.

We are also grateful to you for reading this report. We believe that purpose-driven enterprise is an important area of endeavour and we hope that this research will encourage and stimulate every reader to respond in some way.

02

Our Overview



In this section, we provide a brief overview of how we did our research, and then we describe the nature and diversity of the many enterprises we researched. Our overview provides an encouraging picture of growth and diversity in purpose-driven enterprise.

Our method

Through research, networking and consultation we have identified a sample of 42 businesses and social enterprises in the UK that are seeking to pioneer new and better approaches in their sector and which have, or have recently had, significant Christian influence within them. This report presents an analysis of what these enterprises are doing and what this means for us today.

This is not an exhaustive study – there are more such businesses and enterprises in the UK – it is intended as an indicative sample. We are confident that the breadth and size of our sample allows us to draw at least some conclusions about broad patterns of activity.

In building our sample, we benefited greatly from consultation with around 20 people in national and regional organisations including Christian think tanks, business networks, business incubators, business consultants and others – as well as within our own network. During our research interviews, some of the enterprises also helpfully recommended other businesses for the study. Building our sample list was a collaborative effort.

Our sample includes commercial businesses, usually companies limited by shares, as well as social enterprises where at least 50% of their income is earned from trading (with the rest usually made up from charitable donations or some kind of subsidy). This latter group includes a mixture of vehicles, including CICs, Community Benefit Societies, charities and companies limited by guarantee. Throughout the report we will often use the shorthand ‘purpose-driven enterprises’ or just ‘enterprises’ to refer to this diverse group and for ease of reference.

We also limited the sample to enterprises which had been operating for at least two years, so were reasonably established.

Our interviewees were a diverse mix of men and women, of widely varying age and different ethnicities. Whilst most of our interviewees – all founders or business leaders – were Christians, it is important to note that most of their enterprises employ diverse workforces and serve the mainstream marketplace. So, these are not ‘Christian businesses’ but businesses which have been founded, led or influenced by Christians.

The fieldwork was conducted by our research team between February and May 2022. We also incorporated and updated a handful of case studies from the Jubilee Centre’s Business Taskforce project that were undertaken in 2021. All interviews were conducted using bespoke research tools and interviews were confidential.

The profile of our enterprises

In total, our research team interviewed the founders or leaders of 42 purpose-driven enterprises across the UK.

This sample of enterprises is greatly diverse in a number of ways, as described here:

- **Businesses and social enterprises** - Some 74% are commercial businesses and 26% are social enterprises, the majority earning all or most of their income from commercial trading.
- **Across the UK** – We found enterprises from all four nations of the United Kingdom - England, Northern Ireland, Scotland and Wales. Within England, we also sourced examples from seven of the nine regions, from the South East to the North West. A relatively high proportion of our enterprises (about one third) are based in London and the South East, which reflects the national pattern of business and social enterprise location more generally.
- **Varied sizes** - In terms of company size, enterprises varied from micro (less than ten employees) to large (250+ employees) and turnover also varied significantly, as shown in Table 1. The majority of our sample were small or medium size enterprises (SMEs), with a handful of larger businesses, also reflective of the profile of UK businesses generally.

Table 1: Sample Enterprises by Size

Number of employees	Number of enterprises	Average turnover*
Large (250+)	4	£36M
Medium (50-249)	6	£6.1M
Small (10-49)	14	£2.0M
Micro (1-9)	18	£374K
Total	42	-

**NB – Not all businesses disclosed turnover data, so these averages are indicative*

- **Youthful enterprises** – Our sample only included enterprises that have been operating for over two years. Overall, our sample captured a relatively youthful mix. Approximately 40% of the enterprises in our study were set up within the last ten years, with over half of these started within just the last five years. However, about 25% are over 20 years old, and a handful (3 enterprises) are over 40 years old, so our analysis includes some long-established enterprises.
- **Wide sectoral representation** - We also found a very broad representation of different sectors within the UK economy as shown in Table 2 – from farming and cleaning to fashion, retail and IT.

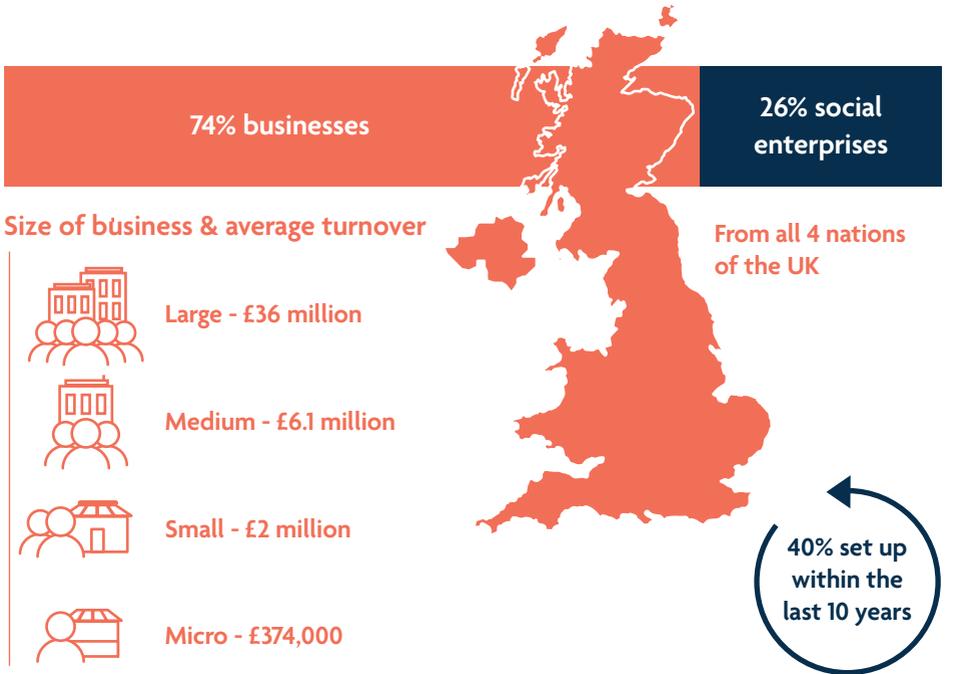
Table 2: Sample Enterprises by Sector

Sector	Number of enterprises
Agriculture, Manufacturing, Food Manufacturing	6
Architecture, Construction and Property	5
Domestic and Industrial Cleaning Services	4
Fashion and Beauty	3
Financial and Legal Services	5
Business Support and Consultancy	5
Retail, Hospitality, Recreation and Tourism	6
Other Business Services (including IT, Social Media, Advertising, Marketing and Recruitment)	6
Group enterprises (multiple enterprises)	2
Total	42

The profile of our enterprises

The breadth and diversity of the 42 enterprises we researched across the UK shows that purpose-driven businesses can be found right across the country and in many sectors. It shows that they include both small and large enterprises, fully commercial as well as social enterprise. And whilst the age of some of our sample enterprises shows that purpose-driven business is not new to the UK (some were founded in the 1970s or before) there has been a marked growth in activity over the last decade.

Purpose-driven enterprise is on the rise in the UK¹. The renewal of the marketplace is already beginning, and Christians are part of it. In the next section, we explore what these enterprises are doing in more depth.



From each of our 9 sectors



¹ Evidence drawn from multiple sources including: Social Enterprise UK's 'State of Social Enterprise UK 2021' shows that the growth in the number of social enterprises has been accelerating in the UK in recent years; Ethical Consumer's Markets Report 2021 shows continued year on year growth in demand for ethical products and services, valuing the market in the UK in 2021 at £122 billion.

03 Beautiful Enterprise in Action



In this section, we explore the nature of our sample enterprises in more depth and identify what makes them different – how are they making the world a better place? What practices and approaches are they using? What does ‘good’ look like today?

Beautiful Enterprise: A framework

In early 2022, the Jubilee Centre published a working agenda entitled ‘Beautiful Enterprise’² which sets out a vision for ‘good business’ and why it matters. It also identified a set of seven principles, drawn from our long-standing work of biblical reflection, for how businesses might deliver greater economic justice, a strong society and environmental flourishing.

These seven principles provide a useful framework to analyse the work being done by the sample of businesses in our research. Each principle defines an area of good and ethical practice for enterprise. The rest of this section will outline the different ways in which our sample businesses contribute to each of these areas of ethical practice. Our purpose is to highlight and celebrate the work being done and to share it with a wider audience.

The seven principles are summarised here:

1. **Purposeful Enterprise** – ‘a good business has a social purpose which it delivers well’
2. **Dignified Work** – ‘a good business offers dignified work’
3. **Fair Pay** – ‘a good business pays its workers fairly and honestly’
4. **Relational Capital** – ‘a good business uses capital in a fair and relational way’
5. **Rooted Communities** – ‘a good business contributes to rooted community’
6. **Fair Taxation** – ‘a good business pays its fair share of taxes’
7. **Environmental Stewardship** – ‘a good business promotes environmental flourishing in its approach to using resources’

2 Available to download on our website: www.Jubilee-Centre.org/our-vision

Overview

We found good examples of pioneering business approaches in each one of our seven areas of business practice. In the rest of this section, we will highlight some of the best examples we found, to illustrate what is being done, as well as some of the patterns and trends we observed. The work being done by these enterprises deserves a broader audience.



The work being done by these enterprises
deserves a broader audience.

It is also clear that the work in this field is just beginning. For new enterprises, there is the challenge of growth and ‘holding the vision’ through growth. Where enterprises have successfully pioneered a new approach, there is hard work to be done in sharing learning around innovative/good practice in order to promote wider adoption and replication across their sectors. There are also many areas of business practice where more innovation and work are required in future. There is a huge agenda here – but we are on the journey already and this section highlights at least some of the work done to date which we can celebrate.

Principle 1

Purposeful Enterprise

*A good business has a social purpose
which it delivers well*



Every business can – and should – have a social purpose. The pursuit of financial profit as the primary corporate objective is too narrow a purpose to drive and shape a business. Purpose-driven businesses recognise that people, place and planet matter.

“

Every business can – and should –
have a social purpose.

To start with, every business should have a clear sense that **what** it does – the essential nature of its business – is a good and worthwhile activity. Creating good products and services actually matters. Businesses should also ask ‘**why** are we doing this?’ and recognise that their purpose is about more than just profit; it must also include a rounded recognition of the responsibilities owed to the rest of society. This then drives **how** their business operates – the ethics of their operations.

Every enterprise operates within a wider context and has relationships with many stakeholders which need to be managed well and which have the potential for benefit or harm. This includes:

- Suppliers of goods and services in its supply chain, whether local or global
- Employees
- Investors/owners
- Customers
- Wider community
- Future generations

A good, thoughtful and purposeful enterprise will intentionally consider its relationships with each stakeholder and the ethics of its business dealings at every stage of its product or service lifecycle.

From our sample, we can see that nearly all are actively and intentionally considering how they do business more ethically at each stage of their product/service lifecycle. Within this, it seems that business purposes broadly fell into three groups:

- **Ethical sourcing:** We identified a handful of enterprises that are primarily purpose-driven to be ethical at their source – sourcing sustainable products and creating fairer working conditions and pay for their suppliers and workers, including out-sourced workers. These include coffee companies, fashion and beauty companies – often product manufacturers with a global outlook.
- **Supported employment:** Eight of the enterprises in this study primarily exist to be ‘supported employment workplaces’ that bring vulnerable people into the labour market and assist them to remain in work. They were mostly in the social enterprise sector but not exclusively so. A couple of commercial businesses with a wider purpose are running programmes to employ people with barriers to employment.
- **Ethical business:** the remainder are the largest group - enterprises that are intentionally trying to do business more ethically in terms of the products and services they are producing to influence wider society (people and planet) for the better. Within this group are manufacturing companies, professional, retail and other service industries and business-to-business support enterprises.

Some businesses who have wanted to develop their commitments to measure their social and environmental impact have employed business standards charters and measures to help them to think through their work systematically and measure the difference they make. For example, a small number of the businesses in our study are certified B-Corporations also known as B-Corps, and a few others are in the process of working towards this accreditation.

Case Study – Just-Ice

Just-Ice is an ethical ice cream enterprise that provides supported employment to survivors of human trafficking and modern-day slavery. Founded by Gavin and Sally Murray in 2018, the social enterprise manufactures and sells ethically made ice cream, as well as running an ice cream café and catering for local events in Derbyshire. Two-thirds of their income is from trading, with the remaining income from charitable donations.



Just-Ice exists as a response to human trafficking. Gavin and Sally first learnt about the issue in a talk by Ben Cooley, founder of Hope for Justice, and they decided to use a ‘joyful’ enterprise (they love ice-cream!) to employ and support survivors whose complex trauma makes it difficult to re-enter the workplace.

They employ ten members of staff (equivalent to 5 FTE), and approximately a third of these are survivors of modern-day slavery. They promote a dignified workplace, which slowly increases responsibility and trust between employer-employee, as well as focusing on ‘friendship’ and community-building among staff and external mentors to prevent re-trafficking. From their own experiences as employers, they’ve started to advocate for more ‘trauma-informed workplaces’ that can sensitively employ this vulnerable group.

The purpose of Just-Ice drives both what they do and how they do it. As well as providing supported employment, they try to make sure their premium ice cream is ‘slavery-free’ by purchasing Fairtrade ingredients, and they’re also pioneering new plastic-free ice cream packaging.



Image Credit: Just-Ice

Principle 2

Dignified Work

A good business offers dignified work



Jericho

Most founders and leaders that we interviewed go beyond the norm to care for, invest in and provide for employees within their workplaces. Each employer has its own unique culture and way of working. Even when working in the same sectors, none are identical. Nevertheless, there are some commonalities in the ways in which they were seeking to offer dignified work. We identified a number of different ways in which our sample of enterprises is promoting dignity at work:

- promoting fairness, safety and respect
- putting limits on working hours
- supporting people into employment
- promoting a values-based culture
- recognising good service
- promoting greater diversity across the workforce
- investing in personal and professional training and development

Practices to secure fairness, safety and respect

Some markets and sectors rely on workforces which are often less well paid and vulnerable to unfair and exploitative practices. In the UK this includes parts of the hospitality and cleaning sectors, amongst others. It also includes businesses purchasing goods from overseas, such as the fashion and coffee industries. Businesses operating in these sectors that want to operate as better employers, therefore need to put in place a range of measures to improve working conditions. These measures include better provisions for health and safety, fair employment processes, dignified working conditions and fairer employment contracts. The aim is to treat workers with the respect they deserve, recognising them as people not just economic units.

Within our study, we had a number of coffee, cleaning, fashion and beauty enterprises that were deliberately established with the purpose of trading more fairly and ethically in their markets. These enterprises have introduced employment practices which are transformative for their employees and also model better behaviours within their respective sectors.

The employers we spoke with in the cleaning sector operate practices which aim to honour their cleaners and treat them with dignity and respect, putting limits on their work and investing in appropriate methods and tools. Ensuring worker safety is also paramount and not always typical in the sector. For example, by checking that staff are not in danger or at risk of abuse, and enabling staff to report concerns through safe working reporting structures and policies.

Case Study – Just Helpers



Just Helpers is a London-based, ethical cleaning agency that pays its cleaners the real Living Wage or higher. Working predominantly in the domestic market, they currently work with 51 self-employed cleaners and turnover approximately £1 million annually.

Their founder, Antoinette Daniel, first launched a domestic cleaning business in 2013, and she began to hear negative stories from within the industry. This included cleaners who hadn't received pay, were paid late, and those who had experienced sexual harassment. In 2015, she launched Just Helpers, designed to be an agency that would behave differently in the sector.

As well as their commitment to paying fairly, and on time, Just Helpers creates a dignified working culture for their cleaners. They emphasise that all administrative and senior staff exist to serve the cleaners, and have agreed on 'kindness' as their top company value. They ensure that all new cleaners are interviewed face-to-face and ask them about future aspirations, in recognition that cleaning is often not a 'first choice' job.

They have several processes to help cleaners manage their workloads, including guaranteeing enough work/time for a 'full session', checking in on cleaners who have taken on a large number of jobs, and keeping Sundays as rest days. They also have clear policies on how to report sexual harassment and vetting for new clients; they're also developing a 'buddy system' for cleaners to check in with each other at the end of shifts. In 2018 they were awarded 'Employer of the Year' in the Venus Awards.



Image Credit: Just Helpers

Putting limits on work

Some workplaces have put limits in place to protect employees from becoming overburdened and give them enough time to manage their workloads properly. As mentioned, Just Helpers and other cleaning companies said they deliberately close on Sundays because they want to ensure that their staff are given an opportunity to rest, and one noted that it would not agree to overnight cleaning between certain hours as they considered it too anti-social for workers.

Many employers across different sectors said they actively discourage staff from working overtime. The leaders of several business enterprises operating in professional service sectors talked about how they need to be proactive in discussing issues around work-life balance during formal review meetings with their staff. Several companies have deliberately slowed their growth or refused clients in order to protect their employees from excessive workloads. A number of leaders talked about the dignity in giving their people flexibility around when they take breaks and annual leave to work around other commitments in their lives.

Supported employment

Eight of the businesses and social enterprises that we interviewed deliberately create supported routes into employment for people with barriers to work. These enterprises have combined work opportunities with life-coaching support, which in different cases may include mentoring, wellbeing checks and/or advocacy support. These additional support measures are considered to be beneficial for both the employer and employees as it leads to greater stability for longer-term employment.

Sometimes mentoring support is organised in partnership with supporters, who can typically be volunteers from local churches, and in other cases more formal counselling and advisory services are used.

Quite a few of the employers, such as the Jericho Foundation for example, have made wellbeing support available to all of their employees, regardless of whether they are in a beneficiary group. Jericho set up a Wellbeing group with its own dedicated budget and the group appointed a dedicated Chief Happiness Officer for 6 hours a week to improve staff wellbeing.

Case Study – Jericho Foundation

Jericho

Jericho is an award-winning Birmingham-based social enterprise which exists to break barriers to employment and help people live more fulfilled lives. It operates seven social enterprises across three legal entities (a charity and two community interest companies): **Jericho Construction**, a commercial and domestic construction company; **The ReUsers**, a second-hand shop next door to a waste recycling centre; **The Wood Shack**, a wood recycling social enterprise; **Jericho Cleaning**, a cleaning business that pays the Real Living Wage; **Miracle Laundry**, a Birmingham laundrette; **Jericho Workspace**, a co-working space within Jericho's own offices; and **Change Kitchen**, a joint-venture, vegetarian and vegan catering business that uses surplus food to prevent food waste.

In 1998, Edward Road Baptist Church bought an industrial building in their neighbourhood and founded Jericho Community Business - a print, textiles and supermarket business to assist local people to get CV-applicable work experience as a route into work. They were motivated to reach out to their neighbours in their Balsall Heath community, then known as the city's 'red light district' and plagued by serious crime.

They have grown into a £3 million turnover enterprise that offers supported employment apprenticeships and qualifications to people who are vulnerable or excluded from the labour market due to homelessness, mental ill health, addiction, disability, modern slavery or time spent in the criminal justice system.

Approximately half of their 150 employees and volunteers are supported staff, on a pathway to becoming 'fulfilled, skilled and employed' in one of their enterprises. In its early years, Jericho relied heavily on grant funding but has worked hard over the last 15 years to get to a point where they now generate the majority (80%) of their income by trading.

To date, Jericho have directly supported over 8,000 people and in 2020 they were awarded the 'Work and Welfare' award from the Centre for Social Justice in recognition of their success at getting people back to work. Jericho continues to grow in its number of clients and customers precisely because of their social purpose.



Image Credit: Jericho

Values-based culture

The majority of enterprises said that they have an explicit values-based culture. Many founders and leaders recognised that they set the tone for company ethos by the values that they chose to prioritise. For many, this meant building a culture of trust and modelling integrity. For others, this includes opportunities for relationship building – with the underlying belief that strong relationships create a more dignified work environment. Some of the managers create opportunities for informal coffee catchups and others have more formal processes for listening and communication such as HR surgeries, forums and staff surveys.

Recognition and benefits

Many of the leaders talked about giving rewards and recognition. Several workplaces have chosen to show gratitude through allocating awards and celebrations for employees who perform well according to company values. Some celebrate long service with meals, awards, sabbaticals and cash payments and others offer options of taking additional annual leave for extraordinary circumstances. For example, **COOK** supports employees with additional leave in seasons of maternity, IVF treatment, adoption and weddings.

Promoting greater diversity across the workforce

Some of the businesses have made specific commitments to monitor and/or promote equality and diversity. For example, **Anthony Collins Solicitors** has signed up to the Law Society's 'Women in Law' pledge, one of their lawyers is the Law Society's national social mobility ambassador and 36% of their partners are female, placing them second in their peer group of competitors. They have also produced two toolkits on ethical business and social mobility as a freely available resource, sponsored by two of their clients.

We found firms that have achieved improved gender ratios. For example, the majority of staff at **HFM Tax & Accounts** are women in contrast to the rest of their sector which is often predominately male.

Warren Partners, an executive search and leadership coaching firm, has chosen to focus their work in this area as strong advocates of gender and racial equality in the workplace. They are one of three firms accredited by the Department of Business, Innovation and Skills for their commitment to delivering greater gender diversity in the Boardroom and recently launched an initiative with the Confederation of British Industry (CBI) to promote greater ethnic diversity on FTSE250 Company Boards. They also received FTSE Woman Leaders accreditation for the work that they do.

Personal and professional development and training

A number of the enterprises identified training and personal and professional development as means of dignifying work. For some enterprises, this involves asking people about their ambitions and offering career planning. For others it can mean offering training for upskilling and diversifying work to enable employees to have a variety of work in multiple roles within their organisations.

Case Study – COOK



COOK is an award-winning producer of frozen ready meals which are sold through its 90 COOK shops, like-minded retailers and home delivery business. They employ around 1,600 people in the UK and sell “made like you would at home” food from their kitchens in Somerset and Kent.

The business originated from Anne and Andrew Perry’s small bakery business in 1982 which, at that point, exclusively recruited recovering heroin addicts. In 1997 Edward Perry and Dale Penfold set up COOK and it later merged with the bakery business – which after some time was sold to avoid the need for venture capital and enabling them to retain control of their business whilst it grew. By 2013 COOK became one of the first certified B-Corporations in the UK and they are also a real Living Wage Employer.

Their social purpose is defined as ‘nourishing people’s relationships with food and each other’ and this is about creating value for everybody on every level with workers, communities, shareholders and the environment. They have several charitable projects including one partnership with a church-based food re-use charity near their headquarters in Kent. The company also has strong commitments to renewable energy, welfare standards, food waste reduction, reducing food miles, recycling, promoting ‘Meat Free May’, net zero carbon direct operations and they will only work with suppliers who operate in line with their sustainability values.

The company has a training and development budget which is used to run a number of in-house training academies for their staff. One of these is COOK’s Dream Academy’ programme which offers staff confidential coaching sessions to work on any dream.

They also have a RAW (Ready and Working) Talent Programme which supports employment for people who may have spent time in prison or without secure housing. They provide ‘Money Matters’ courses for staff. Each year they share 6% of their profits with staff who have been with the company for over 12 months and they offer interest-free loans to employees who may be going through tough times financially. Since 2013, their employees have regularly voted them into the top 100 Sunday Times Best Companies to work for.

Principle 3

Fair Pay

A good business pays its workers fairly and honestly



This principle is about fairness in how an employer financially remunerates and rewards its employees for the work that they do. Issues around pay go beyond just the directly employed staff – they also affect suppliers and sub-contractors.

When discussing fair pay and its related issues with the enterprises, a number of key practices emerged:

- the extent to which employers pay a Living Wage
- efforts to reduce differentials in pay and bonuses
- good and bad practice behaviours with suppliers and clients
- ensuring good terms and conditions (e.g. sick pay for the low paid)
- the desire to provide stability instead of precarious contracts

Paying the Living Wage

In total, over a quarter (27.5%) of the enterprises we interviewed are accredited Living Wage employers, which means they are independently accredited by the Living Wage Foundation and pay the real Living Wage to all of their staff and sub-contractors. (The Living Wage is calculated each year as an hourly wage that is high for someone to live on – there is a national rate and a higher rate for London.)

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Those who are accredited as Living Wage Employers were positive about their decision.

Those who are accredited as Living Wage Employers were positive about their decision. Living Wage Foundation accreditation requires payment of the real Living Wage or more to directly employed staff and subcontractors including cleaning, facilities and security staff. One enterprise went as far as saying that as a company, they will only use suppliers and services who pay the Living Wage and will hold suppliers and sub-contractors to account to make sure that they pay properly. Another commented that they were pleased that they made their commitment early on as it has positively benefited the culture of their organisation. One enterprise has become a campaigner and advocate for the Living Wage in their sector where low wages are the norm.

A number of enterprises were working towards paying a Living Wage and exploring how it can be defined for their employees working in countries abroad. For example, two enterprises are currently researching and planning what level of pay is required to be Living Wage employers overseas.

In some cases, employers haven't become accredited because they are already paying salaries above, and in some cases significantly above, the minimum wage, often driven by recruitment challenges and increased pay rates in various sectors. Many of these companies use published pay scales as a measure to check that they are paying fairly by at least staying in line with salary levels within their sector, which is particularly the case for qualified staff working in professional service sectors.

There are sometimes specific issues that affect employer decision-making around pay. One social enterprise described itself as a 'stepping-stone employer' that generally pays above living wage levels – but aren't aiming to pay higher wages for a number of reasons. Firstly, they want to encourage beneficiary staff not to become too comfortable and to think about next steps employment opportunities. Secondly, some of their beneficiary employees were in jeopardy of losing housing benefits and accommodation through higher income levels, so they work with them to get them into better housing situations first.

A Fair Pay Ratio

A number of the enterprises in our sample have been trying to address pay inequalities in their organisations. One enterprise said that they always increase pay by starting with the lowest paid workers. Most of the larger companies we interviewed have sought to avoid excessively high executive salaries by narrowing pay differentials between workers.

For example, **Anthony Collins Solicitors** is required to report on gender pay gaps but also voluntarily reports on ethnicity pay gaps. When benchmarked against peers, ACS's gender pay gap is 13.3% compared to a peer group average of 19% and only 2.2% at partner level, but when measured by role it is almost nil for solicitors. They have also tried to reduce the pay differential between the lowest and highest paid partners in their company to a maximum of a 3 times multiplier (compared to an average of up to 8 times multiplier in their sector), which has allowed them to share remuneration more widely amongst the partners. The firm avoids rewarding individualistic behaviours because performance is very much seen as a 'team game', where the success of current leaders is recognised as being built on the wider success of their predecessors and peers.

Good practice with suppliers and clients

Several companies said that they always aim to pay suppliers promptly, which can be counter-cultural to wider industry practices. Many businesses know that slow payment can be very challenging, particularly for smaller enterprises.

There is also a further issue around charging. A couple of businesses noted that it is ethically important to practice honesty when charging for their services. In one case because clients rely on the business' judgement about how much they should pay.

Some businesses did note the challenge of pricing and working in sectors with low prices. One business relies on competitive tendering in the public sector where competition and client negotiation in procurement drives prices down. They would like to see fair and honest charging. They felt that the procurement bidding process makes tendering effectively blind and without opportunity for important relationship-building and alignment of values. However, they feel stuck in a system which encourages corners to be cut as firms compete to win work. It can sometimes lead to what they termed as '20% slavery', a reference to a reliance on a sector-wide culture of unpaid overtime as the only means by which they can remain competitive. This results when fees are negotiated down, without allowing for adjustments to the quality, timescales and/or quantity of the work being commissioned - resulting in a system that expects more for less from the workers involved in production.

Terms and conditions

It was particularly important for the cleaning companies that we interviewed to provide their employed staff with terms and conditions that are above the statutory minimum – as this is not the norm in their sector. This includes annual leave, pensions and sick pay. Some low-pay sectors often rely on the statutory floor – including Statutory Sick Pay – which causes serious financial difficulties for low-income workers. At **Clean for Good** Occupational Sick Pay (at the real Living Wage) is offered to all employees from their first day of working at the company – part of a package of terms and conditions for employees which all are above statutory minimums.

Tackling precarious work arrangements

The level of an employee's take-home pay is determined by their hourly wage and also the number of hours they work. For some sectors where zero-hours contracts are used or work is temporary a worker's income can be very uneven from week to week leaving them in a highly precarious and vulnerable situation.

A couple of companies in our sample who operate in low-pay sectors have not only committed to paying the real Living Wage, but have committed to not using zero-hours contracts and ensuring that any changes in working hours are agreed with plenty of notice. This helps to protect against precarious income.

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For some sectors where zero-hours contracts are used or work is temporary a worker's income can be very uneven from week to week leaving them in a highly precarious and vulnerable situation.

Principle 4

Relational Capital

A good business uses capital in a fair and relational way



This principle is about how an enterprise structures its financing, allocates remuneration and distributes profit. It includes consideration of risks and rewards. It is a complex area and this report can only touch on this briefly. The enterprises in our study discussed practices that fell into two broad areas:

- Financing via debit and equity
- Distribution of profits

1. Financing: Debt and Equity

How you finance your business is a perennial challenge to any entrepreneur or business leader. When discussing finance, one of the most frequent comments in our research was a reluctance to take on debt, and so a substantial number were either debt-free or aimed to be debt-free, although a number did have secured debt, like mortgages. There was a prevalent concern about the costs of debt and the power that it gave to the bank providing the loan.

Quite a number of businesses in our study have raised equity finance through investors. Of those respondents who mentioned that they had raised share capital, all had done so through choosing values-aligned investors or through using a co-operative model. The challenge is to raise capital for growth without losing control over the direction of the enterprise or diluting values.

For example, **Ethical Addictions**, an ethical coffee roaster developed strict criteria for selecting investors. At the same time, they also welcomed the accountability that these new values-aligned shareholders would bring to their enterprise's leadership. Meanwhile, skincare brand, **Yendy Skin** has raised its early-stage investment through social-impact investor shareholders, who have experience with other social impact brands. They describe their shareholders as being *just as interested* in social impact returns as they are about the financial return on their investments. In both cases, carefully chosen shareholder-investors not only provide much needed finance but also provide an extra layer of accountability to make sure the business enterprise delivers on its ethical behaviours.

Community Benefit Societies ('co-ops') operate outside of conventional business models by the nature of their business structure. Two of the four such Societies in our study used a co-operative community share offer as a way to raise capital for projects and expansions. In 2019, **Jubilee Farm**, Northern Ireland's first community-owned farm, needed to buy their own land. 140 people responded to their share offer and together with interest-free or very low-interest loans from local partners they raised the finance to buy it. Likewise, when **Projekts MCR**, a skateboarding social enterprise, needed to finance the third phase of a large redevelopment project they decided to make a community share offer, in part so that they could develop a genuine relationship with their investor members and involve investors as decision makers. In both cases, the need to raise capital became an opportunity to widen membership and strengthen relational investment in the enterprises.

Because shared ownership means that shareholders have a say about a business enterprise's priorities, purpose and values, some business enterprises have chosen instead to finance their own growth at their own pace.

Other models of ownership

Another model of ownership has been through the use of employee-ownership. Employee ownership functions as both a means of keeping power in the hands of those closest to the organisation, and as a means of distributing profits. For some, employees are made shareholders after a certain amount of time, in one case after a year's service an employee was given a share each year up to a limit. In others, the business enterprise becomes fully-owned through an employee owned trust.

Executive search firm **Warren Partners** became fully employee-owned through a trust in 2019; they made the decision in response to repeated offers to buy the business, because they felt that employee-ownership was the best way to preserve the business' purpose and values over the longer term.

In the case of **Clean for Good**, an ethical office cleaning company in London which was founded by a group of churches and Christian charities, the business used a conventional company limited by shares model, but anticipated and prevented the dilution of control (and therefore purpose and values) by establishing two classes of shares (standard and golden) and giving the three founding charities one 'golden share' each, ensuring control over key decisions at the board level.

2. Distribution of Profits

As well as enterprises who practice employee ownership, and therefore always and only pay out any dividends to staff, several of the for-profit businesses had set up profit sharing policies that included employees. These were usually set as a percentage of profits to be distributed, which in some cases was as high as 50%. How the profit-sharing scheme was structured also mattered, for example, one business distributed 10% of profit equally between all employees—ensuring that their lowest paid workers received the most benefit proportionally from the ‘bonus pot’.

It is worth remembering that a number of our social enterprises are legally structured as charities, community benefit societies or community interest companies, and therefore have an asset-lock on profits so have strict limits, or complete bars, on profit distribution.

Other enterprises make capital available to their employees in the form of loans for specific purposes. One employer, who provides supported employment to those in vulnerable groups, makes loans available for employees who need rental deposits—especially if they’re moving on from social housing. Meanwhile, a service company offers interest-free loans to staff, including debt consolidation.

Philanthropy

A large number of the enterprises are also engaged in charitable giving – sharing some of their profits with others outside of their business. For several, this giving was formalised as a percentage of profits (or a percentage of sale from a designated ‘charity product’), whilst others set ambitious targets alongside company growth targets.

Whilst some gave to a range of causes, or in response to urgent appeals, a number of enterprises use charitable giving to further their own mission. For example, in industries where human trafficking exists within the supply chain, those businesses would ensure their supply chain was slavery-free and donate profits to other anti-trafficking charities—thereby doubling their impact. There were several examples of this kind of purpose-driven philanthropy, including a law firm who work with personal injury clients donating to charities that support those same clients, and a fairtrade coffee seller directly funding development projects in the coffee growing localities where their suppliers are based.

This last example demonstrates that philanthropy can be both purpose-driven and relational, where money is reinvested back into the communities of the business's suppliers and employees. This can be done through separate charities, directly, or as in the case of the some of our interviewees, through their business's own charitable foundations, set up to meet these specific needs.

A note on banking and pensions

It should be noted that very few respondents mentioned using an ethical business bank, and those that did had either had a poor experience, or still needed a conventional bank account to facilitate the use of a current account with the additional services they required. Only one enterprise mentioned using an ethical pension fund. The area of ethical banking and pensions appears to be one still awaiting significant development in the UK.

Case Study – Ethical Addictions

Ethical Addictions is an ethical commercial coffee roasting company based in Gloucester. They trade directly with neighbouring family farmers in Brazil and Tanzania, and supply coffee to coffee shops, restaurants, hotels and churches.



A fully commercial business, they employ 7 staff members (4.5 FTE) and, currently have a turnover of over £0.5 million annually. They're currently in a period of growth, and are moving into new premises to increase production.

The business was set up in 2016 by Ian Meredith and Dave Keeper, who wanted to see good quality coffee in the UK. They initially wanted to choose Fairtrade suppliers, but decided they could work better with a direct trade model, which is rare in their sector. It meant they could build strong relationships with farmers and communities, and assess social and environmental standards for themselves.

As part of the relationship, Ethical Addictions re-invests profits back into farms, whether through improving farm equipment and processes, environmental improvement projects or charitable giving. For example, Ethical Addiction funded the installation of water pipes into the homes of 137 families in the Mweka villages that produce some of their coffee.





Principle 5 Rooted Communities

A good business contributes to rooted community

When speaking with enterprises about how their work contributes to rooted communities, we found two principal areas of involvement:

- Rooted workforce – this includes strategies to hire locally, staying in the area when moving sites or taking new clients, and intentionally creating employment for the local economy
- Community building – these are outward-facing actions taken to strengthen local communities; this covers a wide range, from business who engage widely (and deeply) with the local community, to those who engage with a more ‘one-off’ approach

Rooted Workforce

A good number of the business enterprises interviewed were taking some steps towards building a more rooted local workforce. For some, the priority was hiring locally. For others, especially those in the cleaning sector who send employees ‘out’ on jobs, a rooted workforce meant recognising the need to respect geographical limits when taking on new clients and grouping jobs together by place. **Radiant Cleaners**, a Nottingham based cleaning company will only take on contracts that their cleaners can travel to on public transport, within a 30-minute journey of the city. They have declined clients outside of this area, precisely because they want to provide sustainable work that serves their local employees well.

Other businesses, when facing the need to move office or warehouse, deliberately chose to stay within their local area and keep their workforce rooted.

Like others across the country, some enterprises were trying to balance the value of a rooted workforce with the move towards remote and hybrid working amongst professionals. Whilst some lamented that they felt ‘disconnected’ because of home-working during the pandemic, others saw it as a positive move that hybrid-working meant new staff members could join without having to relocate. This is a challenging area which many businesses will need to grapple with in the coming years.

Case Study – The Grace Network

The Grace Network is a social enterprise hub that incubates and owns a portfolio of community-interest companies in Stroud, Gloucestershire.



This includes, **Stroud Furniture Bank**, **The Long Table**, a food equality enterprise, **Stroud District Kids' Stuff**, a secondhand kids shop and bank, **Kick Off Stroud**, sports provision through schools and holiday clubs, and **Gloucestershire House Clearances**, a house clearance service that focuses on re-use and recycling. They employ two staff members within The Grace Network, and 50 staff members across the wider group.

The Grace Network's vision is a reworded version of Luke 4:18, with an emphasis on freedom and a new start from systems of oppression. They aim to do this by building a new local economy that builds up people, planet and community. All new social enterprises must meet the criteria of providing meaningful local employment and engage with local suppliers to keep money and people in the local economy. Their founder, Will Mansell campaigns for a 'new local economy' and advises on policy work at the county level to promote better local economies.

Community Building

Alongside creating and retaining local employment, many enterprises were involved in community building activity. Through their work, their employees, their capital or their philanthropy, they developed relationships and initiatives that strengthened their local community.

Leading on local

For a few enterprises, they practised multiple behaviours that demonstrated their investment in local places, often in a way that was counter-cultural to mobile, market-driven business patterns. For these enterprises that lead on local, they combined having a rooted workforce with investment in local facilities used by their workforce, sometimes in partnership with local authority or third sector organisations. This was most evident in those businesses that employ or operate in less affluent communities—either in the UK, or abroad. **Anglo Recycling**, for example, operates from a textiles mill in the town of Whitworth in Lancashire (with the mill itself built in 1851 and the business was founded in 1938). They have around 80% of staff living within a mile of the workplace and take responsibility for local community leadership by operating the local flood forum; they also took on the costs of running the local youth club when it faced closure.

It's also worth mentioning that for some businesses, 'investing in local' was part of the core nature of their work. For example, the architectural practices we interviewed both understood the importance of their work in creating place and advocated for better place-making. For one this meant building unique homes to deliver real places, for the other, it meant helping clients unlock the community potential of their spaces.

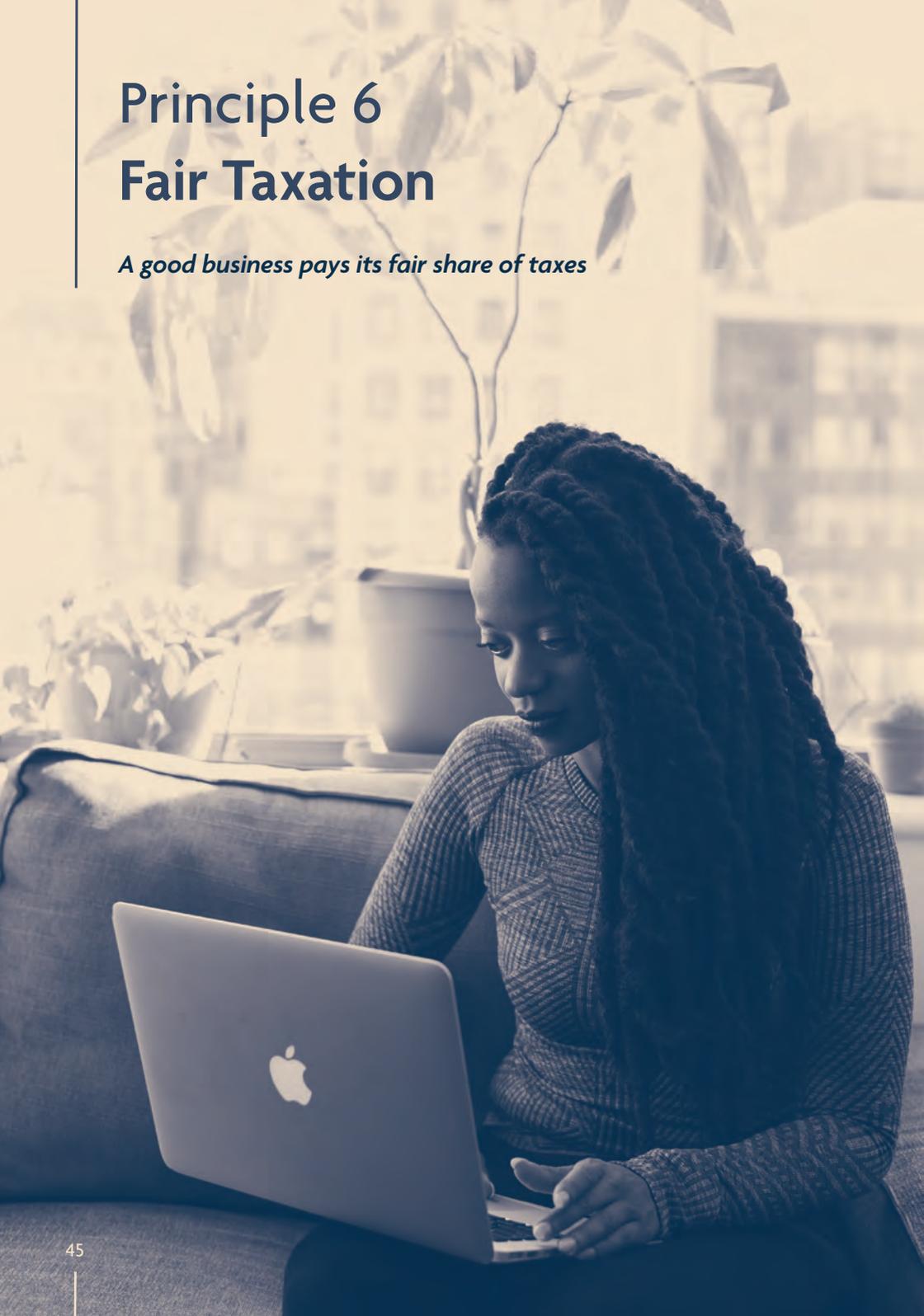
Community engagement

One of the largest areas of activity was businesses engaging in community engagement initiatives in their local area and community. This included staff volunteering leave, choosing local charity partners to fundraise or volunteer for (including longer-term partnerships), contributing towards or hosting local events, and mentoring in schools. In a few cases this involved funding salaries for local charity or chaplaincy work. The impact of the Covid-19 pandemic led some businesses to increase their local giving in response to working poverty and homelessness, especially those in retail who could give in-kind donations of food and drink.

Principle 6

Fair Taxation

A good business pays its fair share of taxes



For some new or small businesses or social enterprises, the payment of corporation tax is not a current issue as they are not profit-making. For larger businesses it can be a more complex area and a significant area for decision-making. The principle at stake here is how a business approaches their payment of taxes.

Many of the business leaders we spoke to recognised that they had a choice about how to arrange their tax affairs and affirmed that they intentionally sought to organise their taxes in a ‘straightforward’ way, to ensure that they paid a fair amount of tax. A handful of respondents went further and expressed a supportive attitude towards paying taxes, acknowledging tax as a social good or the ‘right’ thing to do (e.g. funding schools and hospitals).

Accreditation

One business, **Clean for Good**, have formalised their commitment to paying ‘fair tax’ through the formal and independent Fair Tax Mark accreditation. They were the first cleaning company – and one of the first businesses – in the UK to be awarded the standard.

The Fair Tax Foundation oversees the accreditation and it has helped to set a clear and transparent standard. The Fair Tax Mark accreditation standards are based on the principles that a business should:

- pay the right amount of tax (but no more) in the right place at the right time, according to both the letter and the spirit of the law
- readily provide sufficient public information to enable its stakeholders to form a rounded and informed view of its beneficial ownership, tax conduct and financial presence (across the world if they are a multinational)
- say what they pay with pride

Pressure to behave unethically

In some sectors, enterprises experienced pressure to behave unethically regarding taxes. One service company said this pressure came from some clients, and they have responded by refusing requests to complete work below the VAT threshold.

Another enterprise working in a highly competitive service sector noted that some of its competitors are happy to take 'cash in hand' and fail to declare all of their income in order to avoid VAT and other taxes. This means they are also 'cheaper' to customers, which is unfair competition; they look forward to stricter enforcement.

The role of accountants

Some of the businesses acknowledged the important role and responsibilities of their accountants in respect of the reporting of tax. It is clear that a good and responsible accountancy firm can be the driver for encouraging clients to pay taxes fairly.



Principle 7 Environmental Stewardship

A good business promotes environmental flourishing in its approach to using resources

There is a strong and growing awareness that business not only has a significant impact on our planet but can also lead and innovate in our collective efforts to address these issues. There was certainly a very clear understanding of this amongst the enterprises we spoke to.

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Almost all businesses and social enterprises could give examples of practices and policies that supported environmental stewardship.

Almost all businesses and social enterprises could give examples of practices and policies that supported environmental stewardship. Some went further and we can see that in some sectors, expectations are much higher — our respondents in architectural practices, for example, were keen to stress that high levels of sustainability are now seen as essential across their industry.

The kinds of practices which these enterprises are engaged in include the following:

- Taking steps to reduce their carbon footprint, including: switching to renewable energy; reduced business travel; energy saving measures; carbon offsetting; and carbon neutral plans and pledges
- Switching to more sustainable materials (especially going ‘plastic-free’) and ensuring a sustainable supply chain
- Adopting a circular economy business model

Carbon and climate change

The main area of activity that business enterprises are engaged in for environmental stewardship is taking steps to reduce their carbon footprint. Within this, several of the business enterprises used an external framework to either assess their impact, to make a plan or to pledge to improve their carbon emissions. Several enterprises were B-Corp members which required a more thorough audit of their impacts — and some participated in B-Corp networks, such as the B-Corp Climate Collective.

Business enterprises had often made pledges or targets alongside other organisations to go carbon-neutral by a certain date. In one example, **Anthony Collins Solicitors** has pledged to be Carbon Net Zero by 2030, above and beyond the Carbon Zero Lawyers Alliance targets for 2040.

Switching to renewable energy was one of the main ways some enterprises were taking action to reduce their carbon footprint. Whilst many enterprises had switched to partially or fully renewable energy suppliers, several had also invested in their own solar panels. For some, these are community energy projects, whilst others are, or are planning, to use solar panels for their own electricity needs. Investing in solar panels wasn't just for larger organisations; micro-company, **Ironing Relief**, who provide ironing and cleaning services, also use solar panels to generate the electricity for their ironing.

Sustainable Supply Chain

Many of the enterprises interviewed had made changes to their own products, and the products they use, in order to reduce waste and promote sustainability. This ranged across sectors, from more sustainable materials (some made from waste products) in the construction industry, to food retailers carefully sourcing meat, fish and dairy from sustainable suppliers.

One area that had seen the most mentions, and some specific examples of innovation, was that of packaging. Retail businesses had often switched their packing to FSC certified cardboard, created packing materials from their own waste, and gone ‘plastic-free’. This was a strong trend, and all the more interesting because this consensus around better materials had led some business enterprises to request or pioneer more sustainable solutions for their specific industries and needs. For example, ethical ice cream manufacturers, **Just-Ice** wanted to go plastic-free when selling 5 litre ice cream tubs, but after writing to various packaging companies couldn’t find a suitable product. So, they’ve invested in metal tins that can be returned and recycled with each order; an example of innovation driving change.

The Circular Economy

Several of the businesses and enterprises have gone further than making specific environmental policies and have designed their business around a ‘circular economy’ model. A circular economy involves sharing, leasing, reusing, repairing, refurbishing and recycling existing materials and products as long as possible – literally keeping them circulating as much as possible with minimal waste. In this way, the life cycle of the materials are extended.

The business founders who used the language of ‘circular economy’ usually had environmental stewardship as part of their business’s core purpose and were often advocates for the circular economy model within their own sectors and across the marketplace. For example, social enterprise hub, **The Grace Network**, in Gloucestershire only adds new enterprises which are designed on a circular economy model, building a set of enterprises that model their ‘dream of a new economy’.

Case Study – Fanfare Label

FANFARE

Fanfare Label is an award-winning ethical fashion label that models the circular economy. They design and produce upcycled and sustainable fashion in the UK, and take responsibility for the whole lifecycle of their products.

Their founder, Esther Knight, worked as a buyer for a high street fashion brand and was challenged by conditions in the industry, pressure on suppliers and the huge amount of waste. As she researched sustainability, she was driven by her faith and believed that humans are to practice stewardship, creation care and not to indulge in overconsuming. In 2018, she had a trial year to test the market, and in 2019 she launched Fanfare Label as a sustainable fashion label.

Fanfare Label collections are made from repurposed clothing, or from accredited sustainable fabrics. Manufacturing in the UK reduces the carbon footprint and ensures they can properly audit working conditions, whilst their zero-waste collection uses zero-waste pattern cutting to ensure maximum use of materials. They offer a lifetime guarantee on all their clothing, and a take-back scheme where customers can return Fanfare garments at the end of their life to be re-purposed.

While the circular economy model seems best suited to those enterprises that make products, some organisations in services industries have also adopted elements of the circular economy. This includes **Fluid IT**, an IT services provider, who promote repairable electronic devices to their customers, and use a B-Corporation partner to refurbish old devices.

And for some, like **Anglo Recycling**, the decision to incorporate a circular model is a 'double win', where they can 'do the right thing' and it's commercially beneficial. The Lancashire textiles mill has profited after switching their manufacturing model to recycle carpet offcuts in-house, making new materials for their own products, and diverting waste from landfill.

Creation Care

Finally, the work of one of our consultees is worth highlighting for the extent to which they have been trying to push the boundaries not just to minimise environmental harm but to promote a positive ‘environmental flourishing’ through their work.

Jubilee Farm, in Northern Ireland is a ‘creation care organisation’, which practices agriculture and conservation in the same physical location—and whose practice is based on a worked-through theology of creation care. Their farm seeks to demonstrate that farming activities can be done in a way which promotes environmental flourishing, and they balance the needs of pigs, plants and an area of special conservation that will never be farmed. Jubilee Farm’s commitment to conservation and flourishing may have lessons for other business enterprises too. It poses the question – what does it look like for an enterprise to be at the forefront of promoting environmental flourishing?

04

Faith and Business



In this section we step back and consider how the Christian faith of those involved in the many enterprises in this report has influenced their behaviour. The vast majority of enterprises in this report employ people of all faiths and none and serve an equally diverse market of customers, but what difference has their faith made to the Christians involved in these organisations?

We found a wide spectrum of opinion about the extent to which faith influences business with, at one extreme, leaders saying that faith influenced every aspect of their business's work, and at the other end saying that it was mainly personal. It is also clear that this is a developing area – there are few settled answers and a desire from many consultees to think through and discuss more with others.

Our discussions centred around the following factors:

- the faith-based motivation of the founder and leaders
- Christian involvement in the ownership and governance of the business
- if and how a business uses church networks for custom, promotion and support
- the incorporation of spiritual habits at work
- retention of faith as a business scales up
- attitudes towards whole-life Christianity and business as Christian responsibility

This report can only touch on these issues, so we hope to return to these issues for greater reflection in future.

Faith motivation of founders and leaders

Almost all of the enterprises had been established by a Christian founder, or are currently led by people who came to faith in the early stages of the business. One enterprise had been set up with no Christian involvement and is now led by a Christian.

In almost every case, the founder or leader's own Christian faith played a part in how they chose to operate the business and particular behaviours that they have modelled to staff and sought to embed. In many cases, these were based around behaving generously, modelling servant leadership, encouraging relational working, prioritising telling the truth, and forgiveness. Some founders joked (but seriously) about how without faith they would have been crazy to run their businesses. Many of them added that faith had sustained them to keep persevering in challenging circumstances. And for a significant number, their businesses only came into existence because they were motivated by the biblical concern for the marginalised and the poor and wanted to 'make a difference'—by initiating better business practices as part of their answer.

Ownership and governance

A small number of the social enterprises have formal relationships with churches either through ownership and governance structures that include Christian trustees or churches as investors. Christians and churches as investors were noted to place high importance on social impact and partnership working rather than exclusively focusing on getting a financial return on their investments.

For example, **Radiant Cleaners**, a commercial cleaning company, was set up through Grace Church Nottingham, which provided the initial seed investment funding and governance through Grace Enterprises. The church has since handed over responsibility to Grace Enterprises, a separate charity, which has board members who come from a number of local churches, but it continues to support Radiant Cleaners with an in-kind contribution of mentoring, pastoral support and in other ways. This type of set up is unusual, rather than the norm. Other enterprises had more informal links (as explored below), whilst most of the businesses had no church links at all.

Using church networks

Church networks are used in diverse ways by some of the enterprises – some have established a customer base which includes churches, while others use church networks to promote and raise awareness about the social causes that they are working to address.

For example, one enterprise employs survivors of human-trafficking, promotes their cause of raising awareness about ‘trauma-informed’ employment at public speaking opportunities including church networks. As a campaigning social enterprise, they feel very well supported by local churches city-wide through the vehicle of a termly city-wide cross-denomination prayer night and invitations to speak at local groups and events.

Faith inspiring spiritual habits

Where there are sufficient numbers of Christians employed in a larger workplace, we heard some examples of practices of fellowship and regular group prayer for those who wanted to take part. Some business leaders said they take time out during the working day to pray for their work. Several leaders pointed out that being a Christian in business is a journey of faith in itself. Some leaders talked about regularly and consciously placing their trust in God for work opportunities, seeking guidance from above and trying to remain true to values based on their biblical beliefs.

Retaining faith as businesses scale

Retaining faith-based foundations appears to be a challenge as businesses grow. Small enterprises (including the sole traders and micro businesses in our sample) are generally most confident about acknowledging their Christian roots and ethos. This is also true of enterprises that have grown their client base around church customers.

However, the majority of larger businesses appeared more cautious about using religious language, the causality of linking behaviours to faith and not wanting to give preferential treatment to any particular faith group. As businesses grow, they inevitably recruit more diverse workforces and obviously need to be inclusive in their employment practices. A number of Christian leaders running larger companies felt that the influence of faith on their organisation was therefore through people practising their own personal outworking of faith rather than any intentions to co-ordinate this organisationally.

Whole-life Christianity

We were inspired to hear many of the business leaders talk about their commitment to whole-life Christianity in their own lives, where their faith reaches into all aspects of their life – including business. They also had a desire to see this practised in the church more widely. Some spoke of the missional importance of business for the church and others talked about how Christians are called to create great businesses. They want to see more Christians engaged in entrepreneurialism – at the forefront of championing and challenging issues of fairness, sustainability, and equality, and setting an example of how work can be a catalyst for social good.

05 | Conclusion



Enterprise and business are hugely important to the UK; some three out of four jobs in this country are in the private sector. What happens in the marketplace really matters.

There is much that needs to change in our economy and in the way that we do business – but there is good news. That change has already started. A growing number of businesses and social enterprises are pointing the way to how we can create and grow enterprises which are good for our families and communities, for our nation and our planet.

This report celebrates the positive changes that are starting to happen in the marketplace – the new businesses, the good practice, the willingness to challenge convention and try something new.

This report also celebrates the role that a growing number of Christians are playing within this, at the forefront of purpose-driven business and social enterprise.

Let's work for more.

We conclude this report with a message to every Christian and every church:

- **Enterprise can be a force for good** – it is time to recognise that the marketplace is a place of possibilities and that we can use this for good. We have the power to act.
- **Working in business is a vocation for many** – it is time to recognise that the work of many Christians in the private sector is their vocation; it is their mission and maybe even their life's work. They need to be affirmed and supported in this.
- **We need a vision for 'good business'** – there is much to celebrate in this report, but we know there is also much further to go and much work still to be done. For every business 'doing the right thing' there are more who have yet to do so. For every step towards good practice, there are more to take. We are just getting started. A biblical vision of our economy will challenge and inspire us as we work out what 'good' really means today.

- **Renewal is happening today** – it is time to stop the nostalgia for the reformers of the past, and instead recognise the work being done by the reformers of our own generation. There is more to celebrate today than many perhaps realise. These reformers also need support – and there are surely more who should be joining them. We want to see a wave of cultural renewal in the marketplace which will reshape the UK for good.

How you can respond

What do you think? Do you want to join in?

The Jubilee Centre wants to engage Christians, churches and other partners in building a movement that will bring greater economic justice, stronger social relationships and more environmental responsibility to the way we do business as a nation. We want to connect like-minded people. We want to shape thinking about what ‘good business’ looks like. We want to work with practitioners to experiment on new ways of working through our ‘Learning Labs’.

There are many ways you can be involved in this generational challenge.

If you are in the private sector, or interested in working there:

- **Commit yourself** to applying your faith to your work, wherever you live and work
- **Start your own business?** Are you being called to lead a new enterprise that will make this world a better place?
- **Review your enterprise?** Would it help to review how your current enterprise operates and think through your options?
- **Join with others?** Are you networked with like-minded people for support and encouragement?

If you are a church leader, the challenge is different:

- **Recognition?** How can you better recognise, affirm and support members of your church whose business work is their mission?
- **Change?** How can churches change their activities to better reflect where mission is happening today?

There are numerous organisations that can help you on this journey, some highlighted on our website. You can also join the **Jubilee Centre's own network** by signing up for our free monthly Jubilee News email on our website - keep in touch with the latest thinking, use the available resources and find opportunities to get more involved.

Join us!

Acknowledgements

This research project has been designed, undertaken and presented by the Jubilee Centre. The research team was led by Anita Bennett and included Charlee New, Elizabeth Taylor and Dr Matthew Williams, with input from Tim Thorlby.

Our team is very grateful to all the people who contributed to this research in many varied ways, including: helping us to build our longlist of enterprises to study; reflecting on the issues; and sharing their own enterprise's story. It has been a collaborative effort. Where people spoke to us in a personal capacity, rather than on behalf of their business, this is also noted.

We would also like to thank all those involved in the Jubilee Centre's Business Task Force and its research during 2020-21; some of the thinking and the case studies have been included within this report and more will be published in due course.

We would like to thank all those who contributed to this research, as follows:

Rob Allin, Business Pastor, The C3 Church

Steve Baker, Co-Founder and Chairman of Eden Sustainable, and Co-Founder and Director of Homemade (Pickwell) Ltd and Pickwell Manor

David Ball, Founder and former Chairman, David Ball Group (speaking in a personal capacity)

Richard Beard, CEO, Jericho

Amanda Beavis, Founder and Owner, Ironing Relief Limited

Sam Bell, Creative Director, Thought Collective

Paul Bickley, Acting Head of Research, Theos

Julian Boaitay, Founder and CEO, Yendy Skin

Paul Bulkeley, Founder and Design Director, Snug Architects

Martin Clark, CEO and Group Director of Impact, Allia Impact

Jon Cobb, Director, Co-Founder and Head of Investments, Trinity Wealth Management

Antoinette Daniel, Founder and Director, Just Helpers

Gary Entwistle, Founder and Executive Chair, Cherrytree Bakery
John Evans, New Meaning Co-Founder, Joint CEO of New Meaning Trust and New Meaning Construction and CEO of New Meaning Foundation
Phil Eyre, Founder, Leaders Consultancy
Michael Gough, Founder & Strategy Director, Sparks Studio
Jim Grimmer, Founder and CEO, P3 Business Care
John Haines, Managing Director, Projekts MCR
Rachel Hales, Founder and Consultant, Get Synergised
Dai Hankey, Co-Founder and Director, Manumit Coffee Roasters
Peter Heslam, Director, Faith in Business
Simon Hickman, Founder and CEO, Access Insurance Services
Peter Hubbard, Senior Partner, Anthony Collins Solicitors
Nick Johnson, Co-Founder and Co-Director, ARK coworking
Esther Knight, Founder, Fanfare Label
Martin Lawson, Chair of Clean for Good
Rosalynn Loaker, Chief Executive Officer, Transform Work UK
Phillip Lockwood-Holmes, Managing Partner, Whitespace
Matthew Lollar (speaking in a personal capacity)
Simon Macaulay, Owner, Anglo Recycling Technology
Will Mansell, Founder, The Grace Network
Ian Marlow, Founder and Managing Director, HFM Tax & Accounts
Sara-Louise Martin, Co-Founder of Impact Central
Duncan McFadzean, Co-Founder, Creo Ventures
Charles McLachlan, Founder and CEO of FuturePerfect
Ian Meredith, Co-Founder and Head Bean, Ethical Addictions Coffee
Gavin Murray, Co-Founder and Director, Just-Ice
Buddy Owen, SALT Network Manager, Christian Aid
Matt Parfitt, Founder and CEO of Grace Enterprises and Managing Director, Radiant Cleaners
Jonathan Pearson, Church Warden, Gas Street Church, Birmingham

James Perry, Co-Chair, COOK

Ben Pwee, Director of Development, Centre for Muslim-Christian Studies.

Keren Pybus, Co-Founder and CEO, Ethical Apparel Africa

Darren Rayner, Managing Director, Kingdom Coffee

Tom Rippin, Founder and CEO, On Purpose

Dr Paul Roberts, Co-Founder and Chief Customer Success Officer, CMR Surgical
(speaking in a personal capacity)

Mark Saxby, Co-Founder and Director, Status Social

David Schluter, Founder and CEO, Fluid-IT

Sam Stephens, Founding Partner, Macaulay Search

Andi Topping, Thought Collective

Rosie Venner, Money Makes Change Programme Manager, The Ecumenical Council
for Corporate Responsibility

Mark Wakeling, Director of Operations, Beyond the Streets

Nigel Walter, Founder and Director, Archangel Architects

Joëlle Warren MBE, Founder and Executive Director, Warren Partners

Joe Warton, Church Team: Research and Development, The London Institute for
Contemporary Christianity

Dr Matt Williams, Director, Jubilee Community Benefit Society

Margaret Wyllie, Founder and Owner, Holy Socks

We are also grateful to those contributors who have kindly shared images with us for this report – each one is credited within the report accordingly.

