

Sustaining the Social Edge

– A Strategic Insight

Teo Ti Pin



Risk Beyond Is Hosted by
Enterprise Risk Management Academy
www.erm-academy.org

**RISK
BEYOND
2023**

**ERMA
INTERNATIONAL
CONFERENCE
ON ERM**

7-8th
Dec
2023



**INTO THE UNKNOWN:
CHARTING THE FUTURE AGENDA**



WHY and HOW to sustain a ‘Social Edge?’

Why

- Because the most successful and sustainable companies do so

How

- Manage a key social risk/opportunity - **employee satisfaction and well-being** , and unleash long term organisation benefits

Companies that treat workers better, perform better

Businesses (not just) exist for and survive on **Profits**

Successful and **sustainable** businesses possess strong business models / value-add that:

- Transform consumers lives positively
- **Provide employees with healthy and enriching workplace**
- Preserve the environment for future generations

Profits is the by-product

*Drive a robust, consumer-centric business model with strong social purpose, keep employees happy and **profits will follow (??)***

Theoretical?
Nice Idea?

“...If you care about your workers and society, you will be profitable in the long run...” Professor Alex Edmans

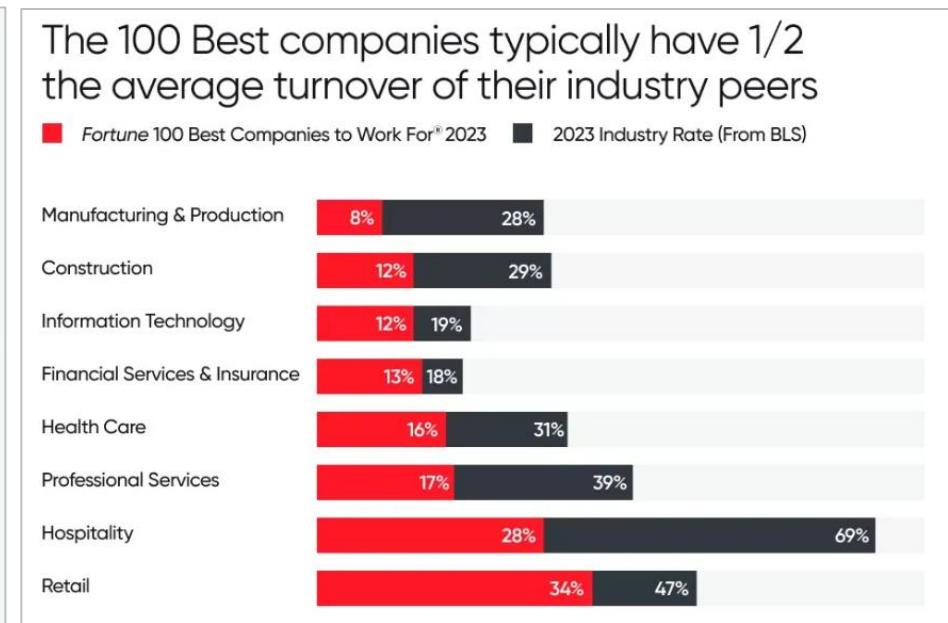
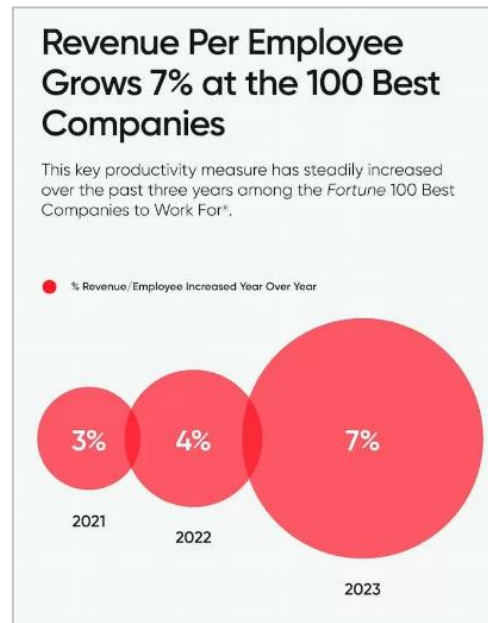
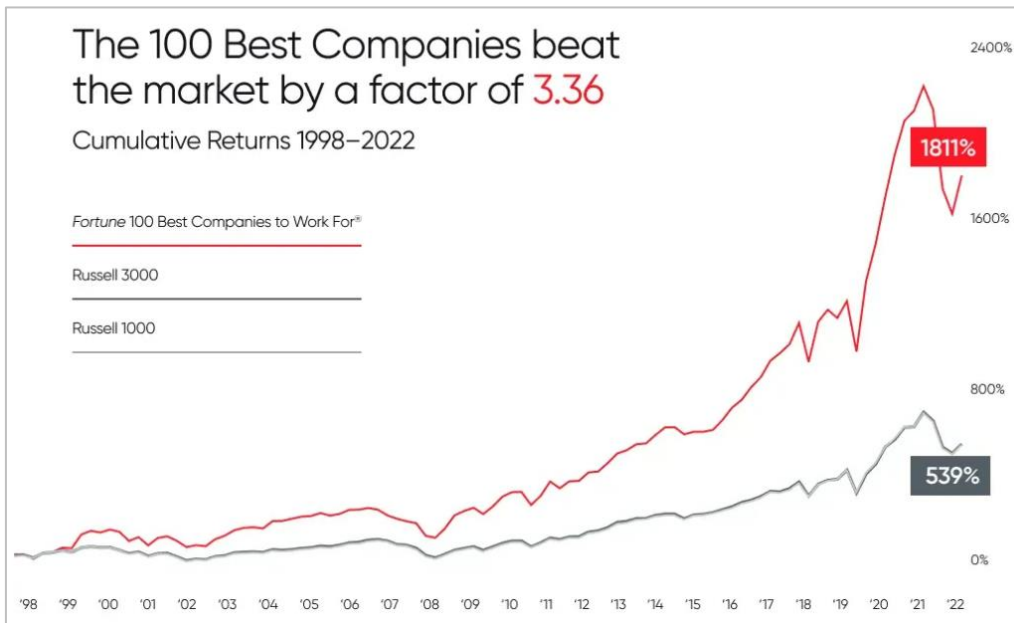
Does the stock market fully value intangibles? Employee satisfaction and equity prices – A. Edmans 2011

- “100 Best Companies to Work For in America” earned an annual four-factor alpha of 3.5% from 1984 to 2009, and 2.1% above industry benchmarks
- Employee satisfaction is **positively correlated** with long-run shareholder returns
- Businesses need to change the “zero-sum mindset” that if they are giving too much to their employees, they are taking away from their shareholders

There is no trade-off between profit and social purpose



When employees **thrive**, companies **triple** their stock market performance



Great Place To Work.

Source: FTSE Russell ©2023 Great Place To Work.® All rights reserved.



Risk Beyond Is Hosted by
Enterprise Risk Management Academy
www.erm-academy.org



ERMA
INTERNATIONAL
CONFERENCE
ON ERM

World's Best Employers (Strongest Companies?)



- recommend their company to family or friends
- talent development
- remote working options
- parental leave benefits
- diversity
- work-life balance
- pride in the product/services the company offers

7th annual edition of the World's Best Employers (companies pay no fee to participate)

170,000 employees in over **50** countries who work for MNCs and institutions surveyed. Participants also rate companies from their own industries and countries.

Top 700 companies, spanning **43** countries



The world's best employers are also some of the biggest global companies



1.
SAMSUNG

2  Microsoft

3 **Alphabet**

4 

5 

6 

7  Adobe

8 

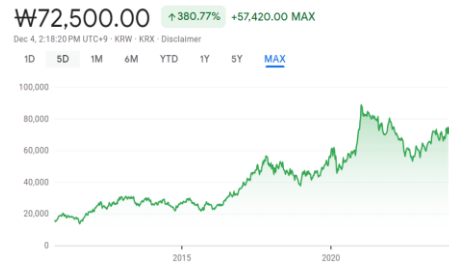
9 

10 



The world's best employers deliver consistent, strong business performances

Samsung Electronics Co Ltd



Microsoft Corp



Alphabet Inc Class A



Apple Inc



Ferrari NV



IBM Common Stock



Adobe Inc



Costco Wholesale Corporation



Bayerische Motoren Werke AG



Cisco Systems Inc



Risk Beyond Is Hosted by
Enterprise Risk Management Academy
www.erm-academy.org



ERMA
INTERNATIONAL
CONFERENCE
ON ERM
8

INTO THE UNKNOWN:
CHARTING THE FUTURE AGENDA




ASEAN?



ASEAN's best employers have continued to deliver long term growth




43
San Miguel Corp.




54	Security Bank Corp	Banking and Finance
162	Metropolitan Bank	Banking and Finance
186	Ayala Corp	Conglomerate
283	Alliance Global	Food and Beverage
304	Landbank	Banking and Finance
361	LT Group	Banking and Finance
420	SM Investments	Professional Services




71
DBS Group Holdings Ltd



119	Dyson	Engineering
254	Hong Leong Group	Business Services
256	SIA	Transportation
391	OCBC	Banking and Finance
447	Sembcorp Industries	Professional Services
457	Mapletree Investments	Business Services
462	Shanghai Tunnel	Engineering
504	Apar Technologies	IT
588	Grab	Travel and Leisure
614	Capitaland	Professional Services
653	Sea Group	IT
662	SingTel	Telecommunications
680	PSA International	Transportation
697	Keppel	Conglomerate



244
Astra International Tbk PT



348	Adaro Energy	Construction, Oil
421	Telkom Indonesia	Telecommunications



250
IHH Healthcare Bhd



316	Maybank	Banking and Finance
365	Petronas Chemicals	Drug and biotech



613
Thai Beverage PCL



625	Minor International	Travel and Leisure
-----	---------------------	--------------------



Risk Beyond Is Hosted by
Enterprise Risk Management Academy
www.erm-academy.org



ERMA
INTERNATIONAL
CONFERENCE
ON ERM



'Social' demystified:

Successful organisations continue to stay ahead, achieving long-term gains by harnessing the opportunities of managing social risks

- ✓ Correlation and causation of an employee well-being with organisational excellence and growth
- ✓ Take care of our staff, coupled with a robust business purpose, profits will follow
- ✓ How/Where can we start?
 - Take a small step, revisit slide 6, leverage of technology, harness the relevant organisational social data, and endeavour towards being an **Employer of Choice**.

Terima Kasih



Risk Beyond Is Hosted by
Enterprise Risk Management Academy
www.erm-academy.org



ERMA
INTERNATIONAL
CONFERENCE
ON ERM

7-8th
Dec
2023



INTO THE UNKNOWN:
CHARTING THE FUTURE AGENDA

