

## TABLE OF CONTENTS

## ECONOMY

# Social Good: Definition, Benefits, and Examples

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JGI/Jamie Grill / Getty Images

## What Is a Social Good?

A social good is something that benefits the largest number of people in the largest possible way, such as clean air, clean water, healthcare, and literacy. Also known as "common good," social good can trace its history to Ancient

## TABLE OF CONTENTS

## KEY TAKEAWAYS

- In recent times, social good is used to refer to corporate initiatives that aim to enhance the social contract of corporations by promoting practices that are better for the environment and overall society.
- Corporations gain employee trust and loyalty by providing them with a sense of purpose.
- Social media has become an important tool to promote social good.

## Understanding Social Good

The capitalism-based definition of business states that companies exist only to provide the maximum possible return to [shareholders](#). This has often not run parallel to serving the common good in ways such as promoting clean air and water or financial independence for all citizens.

As corporations focus more on corporate sustainability efforts and [social responsibility](#) in recognition of a de facto social contract with the public, their business models may expand to include more work to promote social good in their day-to-day strategies and operations.

## Social Good and Corporations

The decision of Microsoft founder [Bill Gates](#), the sixth-wealthiest person in the world (as of July 18, 2024), to allocate a significant sum of his wealth to solving some of the world's most intractable problems is an example of work benefiting the social good. <sup>[1]</sup> <sup>[2]</sup> The Bill & Melinda Gates Foundation runs programs to alleviate and cure diseases such as HIV, malaria, neglected tropical diseases, and more in developing countries.

Corporations keen to promote an image of themselves as socially conscious and responsible have created programs that seek to highlight their work toward social good. Aside from the positive feelings such programs generate, doing

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## TABLE OF CONTENTS

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that can help with [productivity](#), innovation, and growth, as employees who believe in their company's mission tend to invest more of their effort and passion into their work. Working toward a social good also has the effect of building bonds with the community. In helping a community or group of people, a company may hope that their effort is rewarded with sales.

Corporate investment in the social good can also help a company build and maintain its [brand](#) and its [identity](#), as well as loyalty. A good example of this is the Newman's Own brand, which discloses clearly on its label, "100% Profits to Help Kids." The company's own foundation is dedicated to feeding children with serious illnesses, indigenous food justice, nutrition education and school food. <sup>[3]</sup> <sup>[4]</sup>

## Social Good and Social Media

Increasingly, social good has been connected with social media in that its definition has expanded to include a shareable deed or sentiment. [Social media platforms](#) are becoming a part of the social good because they are an efficient way to educate the public, and advocate and fundraise for programs that support the social good. It also means that individuals, not just governments, corporations, or charities, can advocate for social good.

## TABLE OF CONTENTS

**Example of Social Good**

As climate change becomes a mainstream issue, oil companies have increasingly come in for criticism due to their role in polluting the atmosphere. Many responded by creating separate divisions to promote their environmental image. For example, Total, France's biggest petroleum major, reportedly allocated 4.3% of its budget to investing in renewable energy technologies from 2010 to 2018.

Meanwhile, according to the same report, Equinor, Norway's biggest [publicly traded](#) energy company, plans to spend between 15% and 20% of its budget on renewable energy by 2030. Plenty of other big oil companies, including British Petroleum, are also investing heavily in renewable energy ventures. <sup>[6]</sup>

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