

EXECUTIVE SUMMARY

This case study, ‘Achieving Business Sustainability Through Creating Shared Value: A Case Study of English Tea Shop (UK) Ltd.’ revolves around the success story of English Tea Shop, a leading independent speciality and organic tea company, headquartered in the UK. Since forming in 2010, ETS global revenues have grown rapidly and product range of 500+ organic and premium-quality teas and are now sold in 50+ countries worldwide. In UK, the company’s range of 100% organic teas was available in retail and foodservice outlets. ETS is a pioneer of sustainable practices, putting employees and suppliers’ livelihoods first using the principles of value sharing and has built a radical new way of doing business and achieves fast, long-term growth through an unwavering commitment to sustainability. ETS is committed to generate economic value in a way that it produces value for the society. In fact, ETS won the National Business Award for Sustainability at the National Business Awards UK, which recognized English Tea Shop’s mission to change the perception that Sustainability and growth don’t mix.

Based on the initial discussions and through a comprehensive literature review, it was identified transformational leadership, organic farming community development and employee engagement as the key drivers, which exclusively contributed to the sustainable growth of the company. Transformational leadership literature supported the idea of handling organizational changes by presenting four elements. Literature related to community development explained how firm can gain competitive advantage by extending a supportive hand towards local communities. Employee engagement literature revealed that engaged employees exhibit their feelings in their work and drive business towards success. National and international policies and demand for ethical organic tea were identified as the environmental moderators of the study.

Qualitative methodology was used to conduct the study and data was collected primarily from 10 in-depth interviews and 4 focus group discussions. Participants were selected in such a way that they represent the entire organization. Participants consisted of Chairman, CEO, Directors, Top management, Middle Management, Executives, Supervisors and Shop floor level employees. Secondary data was collected through the company website, articles, press releases, reports submitted for awards. Qualitative data analytic techniques were used to analyse the data gathered.

ETS management approach was centred on Creating Shared Value. The CSV concept was about identifying win-win situations and finding opportunities for growth in sustainable development while creating value for the business and for the world at large. ETS only sourced organic tea from small-scale farmers with whom they built a long-term, close and mutually-beneficial relationships. CEO of ETS and the leadership team were pioneers of sustainability best practice and have developed a wide range of initiatives to improve the livelihoods of employees. Big Game is a pioneering example of an employee engagement initiative that has yielded incredible results. Big Game program encouraged employees to think entrepreneurially by paying them a share of the profits every quarter and empowering them and getting them involved in the business. The big Game goes alongside the principal of open book management. ETS believes that opening the books to employees develops trust, long-term relationships and enable them to make better business decisions while grooming them as business people.

A key pillar of English Tea Shop's approach to sustainability is the leadership of the CEO of ETS who led the transformation of business. He used his experience and learning to develop the business. Empowering people, learning mind-set, and concern towards people made him different from a typical leader which aligned with the areas discussed in the literature. Value sharing activities for organic farming community, helped ETS to build a last long relationship and enabled them a continuous high quality ingredient supply. Further, Big Game Program, open book management, unique profit sharing model, empowerment of employees, career development opportunities provided by the company has resulted an increase in the productivity without any investment in machinery. These aspects validated the literature finding pertaining to employee engagement. This showed that the case framework used for the study aligned with English Tea Shop.

ETS has developed a business model that built intimate and long-lasting relationships with employees, farmers and their communities. It was recognised that sustainable growth mainly due to key drives identified in the case framework. ETS success story provides a lesson for the cooperate world by showing how sustainability can be linked to business to achieve business growth. Hence Align employees to vision via Big Game initiative and Open Book Management, CSV approach, and understand 'why', 'how', and 'what' of the business can be used as learning for other organizations in the tea industry and organizations in different industry.