

Scientific  
Journal of  
**Applied  
Social and  
Clinical  
Science**

**THE USE OF  
ENVIRONMENTAL,  
SOCIAL AND  
GOVERNANCE  
INDICATORS AS  
BUSINESS STRATEGIES**

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*Ricardo Holderegger*

Universidade Santa Cecília (UNISANTA),  
Santos - SP

*Luís Felipe de Almeida Duarte*

Universidade Santa Cecília (UNISANTA),  
Santos - SP

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**Abstract:** The incorporation of Environmental, Social and Governance (ESG) criteria into business strategies is a growing trend around the world. However, measuring the real impact of these actions remains a challenge. This study investigated publications that proposed the use of indicators to monitor the impacts of ESG actions in organizations. Based on recent literature, these indicators aim to provide clarity and consistency in monitoring and evaluating ESG initiatives. The results found in the literature indicate a certain divergence of findings and a complexity in the relationships between sustainability and finance, thus highlighting the need for more specific and comprehensive studies on the topic.

**Keywords:** ESG actions; Impact; Indicators; Monitoring; Governance.

## INTRODUCTION

In an increasingly globalized world, the integration of ESG criteria (Environmental, Social and Governance) emerges as a crucial pillar to ensure the sustainability of business operations [3]. The demand for transparency and corporate responsibility has grown, reflecting an awareness of environmental, social and governance issues. However, despite technological advances and expanded data collection and analysis capabilities, there is a notable gap in the literature on effective methods of measuring the impact of ESG practices [6]. This deficiency, combined with the imperative to implement coherent and authentic sustainable practices, becomes a pressing concern in the contemporary business scenario. This study seeks to offer information and insights based on recent research, proposing indicators that can effectively measure the positive impact of ESG practices on companies.

## GOALS

The focus of this Integrative Review study

is to demonstrate the existence of indicators to assess the impact of ESG actions on organizations. In addition to identifying the existence of studies that evaluate the relationships between sustainable ESG and economic-financial performance, special attention was paid to Brazilian companies listed on B3 [6], which is Brazil's stock exchange, internationally recognized as a one of the leaders in financial market infrastructure, operating in both exchange and over-the-counter trading environments [7].

## MATERIALS AND METHODS

In this study, the Integrative Review was used, a methodology that examines the scientific literature on the topic, mapping knowledge and identifying gaps to direct future research. Its six stages are, the review covered: definition of the topic, study inclusion/exclusion criteria, analysis of the chosen studies, categorization of findings and interpretation of results [1].

The databases consulted included Capes, Scielo, Google Scholar and EBSCO, considering publications from 2020 to 2023 in Portuguese, English and Spanish. The search was based on the terms (ESG, ASG; and indicators, indicators) with the logical operator "AND":

- ASG AND indicators | ESG AND Indicators | ESG AND Indicators

Articles in the form of books, letters, editorials, handouts and conferences were excluded from this research, as they did not meet the necessary criteria for scientific research.

Regarding the eligibility criteria, the prospecting of articles was limited to works between 2020 and 2023, which addressed the use of indicators for measuring ESG actions, with or without a bias for use by investors.

## RESULTS

As it was shown in Table 1, five recent studies were identified related to the use of indicators to evaluate the implementation of ESG actions. The studies were selected because they propose to present the financial and performance impacts associated with socially responsible and sustainability-oriented management.

Within the in-depth research studies, the main considerations of the described authors were found and reported, bringing important points regarding the results of ESG actions, evaluated using indicators.

Global recognition of climate, health and geopolitical challenges emphasizes the importance of ESG indicators. While [5] did not find a clear correlation between indicators and financial performance in the public sector of the Republic of Serbia, [6] identified such a positive relationship in companies listed on B3. [4] highlighted the relevance of ESG in the supply chain sector, while [3] highlighted the role of rating agencies in promoting ESG indicators. These studies reflect the variability and complexity of the relationship between ESG and business performance.

## DISCUSSION

Investigated the impact of ESG actions on organizations and their relationship with financial performance, in line with previous research that addresses the topic. According to [6], a positive relationship was evidenced between ESG sustainable performance and the economic-financial performance of companies listed on B3.

This finding is in line with the results of [4], which suggested a greater emphasis on governance and the environment at the expense of short-term financial benefits. On the contrary, [5] in its study in the Serbian public sector, did not find a direct and positive correlation between ESG indicators

and financial performance measures. This divergence of results reinforces the complexity of the relationship between ESG and financial performance and highlights the need for a more nuanced approach, considering specific regional, sectoral and organizational factors.

## CONCLUSIONS

This study analyzed the relationship between sustainable performance indicators (ESG) and the economic-financial performance of organizations. [6] noticed a positive connection between sustainability and financial performance, while [5] found no such correlation in the Serbian public sector. [4] emphasized a vision beyond the short term, and [2] saw ESG principles as a response to contemporary challenges. The conclusions indicate the complexity of the relationships between sustainability and finance, highlighting the demand for more comprehensive studies.

Original title	Title in Portuguese	Authors	Year	Goal	Result	DOI / URL
Analysis of the relationship between sustainable performance indicators (ESG) and economic-financial performance of companies listed on B3	Analysis of the relationship between sustainable performance indicators (ESG) and economic-financial performance of companies listed on B3	Thaynan Cavalcanti Alexandrino	2020	Analyze the relationship between sustainability (ESG indicators) and economic-financial performance of B3 companies, testing five hypotheses based on the literature.	The positive relationship between sustainability and financial performance was confirmed, showing that focusing on stakeholders and corporate engagement in sustainability can enhance companies' financial gains.	<a href="https://repositorio.ufpe.br/handle/123456789/38600">https://repositorio.ufpe.br/handle/123456789/38600</a>
The Relationship between ESG and Financial Performance Indicators in the Public Sector: Empirical Evidence from the Republic of Serbia	The relationship between ESG and financial performance indicators in the public sector: empirical evidence from the Republic of Serbia	Violeta Domanović	2021	Analyze the relationship between ESG indicators and financial performance in public companies in the energy sector in Serbia.	Serbian energy companies use financial measures, some apply ESG indicators, but there is no clear correlation with financial performance.	<a href="https://doi.org/10.7595/management.fon.2021.0032">https://doi.org/10.7595/management.fon.2021.0032</a>
Evaluating green supply chain performance based on ESG and financial indicators	Evaluating green supply chain performance based on ESG and financial indicators	Huiling Zeng Rita Yi Man Li Liyun Zeng	2022	Assessment of the green supply chain via financial and ESG indicators, using the EWM method to define ESG weights and validating with practical examples.	The study recommends that managers value governance and the environment rather than quick profits, integrating ESG in the assessment of sustainable chains.	<a href="https://doi.org/10.3389/fenvs.2022.982828">https://doi.org/10.3389/fenvs.2022.982828</a>
ESG Principles, Challenges and Opportunities	ESG principles, challenges and opportunities	Arnoldo José de Hoyos Guevara, Vitória Catarina Dib	2022	The study evaluates global challenges and the effectiveness of solutions such as the UN Goals, Green Deal and ESG.	The study analyzes proposals, their challenges and potential solutions to current problems.	<a href="https://doi.org/10.23925/2179-3565.2022v13i4p18-31">https://doi.org/10.23925/2179-3565.2022v13i4p18-31</a>
ESG Indicators as Organizational Performance Goals: Do Rating Agencies Encourage a Holistic Approach?	ESG Indicators as Organizational Performance Goals: Do Rating Agencies Encourage a Holistic Approach?	Esmee M. Veenstra Naomi Ellemers	2023	The study examines the influence of ESG indicators on organizational sustainability and the impact of rating agencies on this focus.	Of 600 ESG indicators across 130 agencies, 237 are unique, and unifying sustainability objectives is challenging due to different stakeholder priorities.	<a href="https://doi.org/10.3390/su122410228">https://doi.org/10.3390/su122410228</a>

**Table 1:** Results of the Integrative Review regarding the results of ESG actions using indicators

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