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Profit as a means or an end? A conceptual framework for an ecological economics approach to sustainable business

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Profit as a means or an end? A conceptual framework for an ecological economics approach to sustainable business

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Authors' contributions: Jennifer B. Hinton conceived and developed the first iterations of the conceptual framework, performed the analysis, and led the writing of the paper. Sarah E. Cornell contributed to further developing the framework, as well as some writing and structuring of the paper.

Abstract

This paper examines the implications of the argument that sustainable businesses should see profit as a means, not an end. It develops a heuristic conceptual framework that identifies two main ways in which a business can treat profit as an end: first, through voluntary objectives; and secondly, through private financial rights. To illustrate the usefulness of this framework, these indicators are applied to examine a range of theoretical approaches, incorporation structures, and third-party certifications that have been developed with the aim of making business sustainable. The application of the framework reveals inconsistencies, ambiguities, and shortfalls of these approaches in their treatment of profit, and outlines ways to advance the theory and practice of sustainable business.

Key words: Sustainable business; Social enterprise; Sustainable economy; Ecological economics; Degrowth

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1. Introduction

The role of profit is a surprisingly elusive topic in current approaches to sustainable business. Oftentimes profit is implicitly taken for granted to be desirable and fully compatible with social-ecological sustainability (e.g., Freeman, 1984; Stubbs & Cocklin, 2008; Schaltegger et al., 2016). Other times it is regarded as necessary for businesses, but with questionable social and environmental implications (e.g., Khmara & Kronenberg, 2018; Upward & Jones, 2016). Many analyses point out negative systemic impacts of profit-seeking on social and ecological sustainability. For instance, Schnaiberg et al. (2002) and Magdoff & Foster (2011) describe how profit-driven companies seek to constantly increase their sales, and this growth of production and consumption results in environmental damage. Bapuji et al. (2018) explain how the creation, appropriation, and distribution of value by firms drive economic inequality. Foster (2014) describes how the pursuit and private distribution of profit drive the processes of inequality, consumerism, and ecological destruction. Hinton (2021) explains that tradeoffs between profit and social-ecological sustainability are pervasive because profit is often derived from social and ecological exploitation. And Schneider (2019) explores how capitalist accumulation keeps economic actors trapped in these unsustainable pathways, despite corporate social responsibility efforts and environmental policies that set some boundaries on what businesses do.

In response to these tensions between profit and social-ecological outcomes, some authors advocate that business should treat profit as a means to achieving social and ecological objectives rather than an end in itself (e.g., Schaeffer et al., 2015; Hinton, 2020). This aligns with Daly's (1977) suggestion to view economic activity as a means to achieving deeper societal goals and to re-orient society's metrics for success and progress accordingly. However, the question remains: What does it mean for businesses to treat profit as a *means* versus as an *end* in itself, and how can this be evaluated?

This paper builds on Daly's (1977) Ends-Means continuum to develop a simple conceptual framework for discerning whether a business treats profit as a means or an end. In applying the framework to a variety of theoretical and practical approaches to sustainable business, it also sheds light on tensions and inconsistencies in sustainability discourses when it comes to profit.

2. Profit as a Means versus an End: A Conceptual Framework

From an ecological economics standpoint, a sustainable economy is one in which every person's needs are met within the ecological limits of the planet (e.g., Jackson 2017; Daly 1996). This perspective acknowledges social and ecological limits to economic activity, which contrasts with conventional understandings of sustainability wherein the economy, society, and the environment are seen as separate or overlapping (the so-called "three pillars of sustainability").

Daly's Ends-Means Continuum illustrates that the economy is best thought of as helping societies to achieve the ends they desire, using the limited means that nature provides (Daly, 1977). It is important to note that the continuum is not suggesting a hierarchy of values (O'Neill, 2012). Rather, it simply indicates that the biosphere provides the absolutely essential foundation for the existence of human societies; the Ultimate Means that humans cannot themselves make. Ultimate Ends are social goals which are desired only for themselves, and serve no other instrumental purpose. O'Neill

(2012) proposes the Ultimate End of most societies is human wellbeing, which suffices for the purpose of the present discussion about the role of profit.

In this continuum, the economy can be seen as a set of intermediate means and ends that uses nature to achieve human wellbeing. Therefore, the Ultimate Means, such as forests, rivers, and soil, provide the basis for economic activity to make things that are useful to humans. Daly's continuum suggests that these Intermediate Ends of economic activity, such as food, shelter and clothing, are in service of the Ultimate End: human wellbeing.

2.1 Profit on the Ends-Means Continuum

Where does profit fit in this continuum? This concerns whether monetary values (such as income, profit, and gross domestic product) can directly deliver human wellbeing or if it contributes to meeting needs through Intermediate Ends, such as healthcare, education, food, and housing. Social ecological economic approaches favor positioning money as an Intermediate Means, rather than an end (Spash, 2017).[2]

A few sustainable business scholars have also begun to consider whether profit should be treated as a means or an end in itself (e.g., Johanisova et al., 2013; Schaeffer et al., 2015), but it is unclear how profit-as-a-means can be implemented or evaluated. For the purposes of the analysis below, I use the simple accounting definition of profit as the financial surplus that remains from revenues after business expenses are covered (Boyte-White, 2018).[3]

Whether profit is seen as a means or an end has to do with how profit is prioritized and used in practice. The most obvious way in which businesses can treat profit as an end in itself has to do with the articulation of profitability as a business objective. Conversely, if a business states that it uses its profit for social or ecological benefit, then it sees profit as a means to achieve those ends. Yet, voluntary objectives are not the only way in which companies relate to profit. What does the business *use* its resources to deliver? A business can reinvest profit into business activities, distribute it to owners, and/or do something beneficial for society. According to the Ends-Means Continuum, if the profit is reinvested into business activities, it is used as a means to deliver products and services to customers. Likewise, if profit is used to do something beneficial for society, it is used as a means to achieve those ends. However, when profit is distributed to private owners, it is an end. This is because dividends are a deliverable of the business to the owners and what owners decide to do with their dividends is beyond the scope of the business's concerns. Thus, when businesses pursue profit to provide financial gain for private owners, it is treated as an outcome and belongs in the *Intermediate Ends* category of the continuum (*Figure 1*). When surplus revenues are generated in order for the organization to reinvest them or to do something beneficial or useful for society, profit is an *intermediate means* to achieving non-monetary ends. Businesses can treat profit as both a means and an end. For instance, a company might

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[2] Marxian scholars frame this debate in terms of a distinction between *exchange value* where money is pursued as an end in itself, to be accumulated, and *use value* where money is merely one of many different means that can help a person obtain non-monetary values, like health, a sense of security, and participation in a social group (Magdoff & Foster, 2011).

[3] This article focuses on accounting profit rather than only residual profit (i.e., the surplus leftover after business expenses have been covered and reinvestments have been made) because reinvested profit can also be directed toward the aim of private financial gain or social benefit, which is a key aspect of this analysis.

channel a certain amount of its profit into fulfilling social needs, such as a reforestation project, and at the same time distribute some profit as dividends to shareholders. Such a company treats profit both as a means to achieve social benefit and as an end in itself.

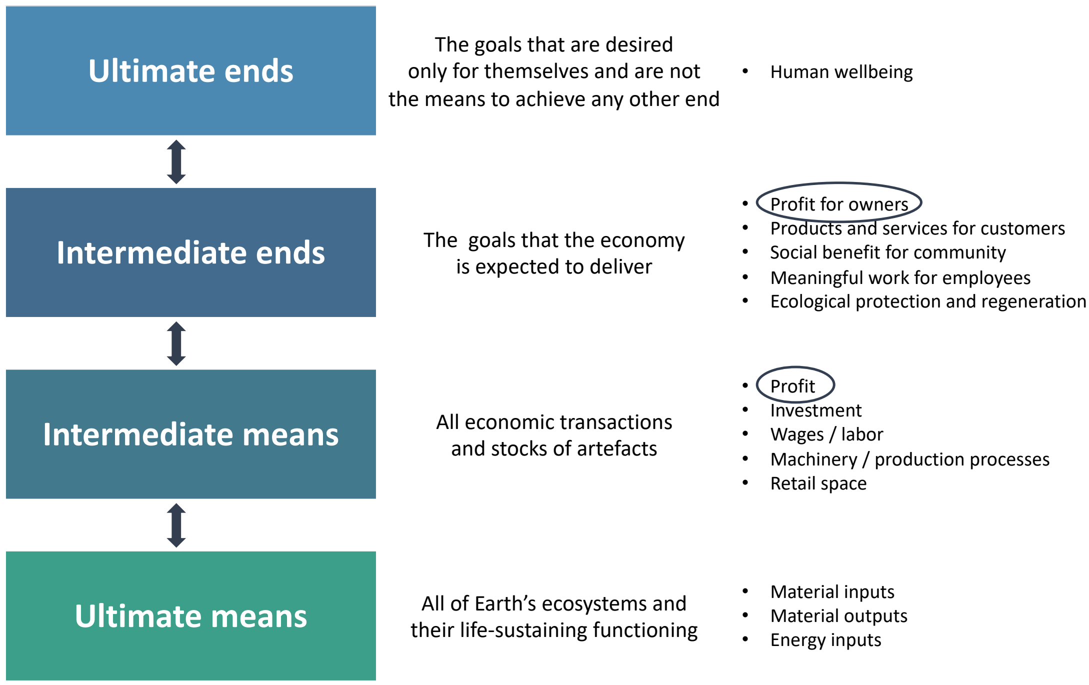

Figure 1: The Ends-Means Continuum with Profit. Adapted from the national economy framings of Daly (1977) and O'Neill (2012) to show the perspective of sustainable business.

2.2 Indicators of Profit-as-a-Means

It follows that treating profit as an end in itself mainly has to do with voluntary objectives and the distribution of profit to owners (or the intention to do so). The latter can only happen via private financial rights: the legal right of private owners to receive profit and assets from the business[4] (regardless of whether the owners see financial gain as their personal end). Of course, private financial rights do not necessarily mean that profit will be privately distributed, but just that the company has the right - and sometimes the responsibility - to see profit as an end. As such, the ownership and investment arrangements tied to financial rights are some structural factors that can keep businesses focused on profit as an end (Hinton, 2021).

This suggests one can use the acceptance or rejection of *voluntary profit-oriented objectives* and of *private financial rights* as a heuristic tool to shed light on whether a company pursues profit as an end or a means. Evaluating whether an approach to sustainable business treats profit as an end or as a means can be guided by two questions:

- Does the approach set any bounds on profit as a business objective?
- Does the approach set any bounds on private financial rights (i.e., the distribution of profit to private owners)?

[4]Also known as financial control (Orts, 2013), appropriation rights (Palmiter, 2003), residual control rights (Grossman & Hart, 1986), and income rights (Foss & Foss, 2001).

If one accepts the claim that sustainable businesses must treat profit as a means and not as an end, then these are also indicators of a necessary feature of a sustainable business. It should be emphasized that from an ecological economics perspective, profit-as-a-means is only one of many other aspects necessary for a sustainable business (i.e., it is a necessary but not sufficient condition for sustainability) (Hinton, 2021).

3. Applying the Framework to Sustainable Business Approaches

In order to illustrate the usefulness of these indicators for determining how different approaches position profit, we apply it to a sample of approaches to sustainable business from both theory and real-world practice that we have encountered in contemporary academic and policy discussions. In order to explore how the treatment of profit might vary across approaches, this simple illustrative analysis looks at legal incorporation structures and third-party certification schemes for sustainable business, as well as theories and conceptual frameworks that describe sustainable business from both mainstream and critical perspectives. *Table 1* summarizes the assessment of approaches and whether they allow businesses to pursue profit as an objective and have private financial rights.

Table 1 – How sustainable business approaches relate to profit

Approach to sustainable business	Constraints on profit as an objective	Constraints on private financial rights
Theoretical		
Stakeholder theory (Freeman, 1984)	No	No
Sustainability business model (Stubbs & Cocklin, 2008)	No	No
Sustainability-oriented theory of the firm (Lozano et al., 2015)	No	No
Ontology for strongly sustainable business models (Upward & Jones, 2016)	No	No
Business models for sustainability innovation (BMfSI) framework (Lüdeke-Freund, 2019)	No	No
Business models for sustainability (Schaltegger et al., 2016)	No	No
Principles for degrowth business (Khmara & Kronenberg, 2018)	No	No
Sufficiency-driven business model (Bocken & Short, 2016)	Unclear	No
Typology from Business-as-Usual to True Business Sustainability (Dyllick & Muff, 2016)	Unclear	No
Sustainability-as-flourishing entrepreneurship (Schaeffer et al., 2015)	Unclear	No
Eco-social enterprises (Johanisova & Fraňková, 2017)	Unclear	Partial - limits on distribution
Incorporation Structures		
Public benefit corporation (US)	No	No
Social purpose corporation (US)	No	No
Worker cooperative	No	No

Approach to sustainable business	Constraints on profit as an objective	Constraints on private financial rights
Producer cooperative	No	Usually – depends on type of members
Consumer cooperative	Yes	No, but dividends are a refund on purchases made
Social cooperative (Italy and Greece)	No	Partial – limits on distribution
Community interest company limited by shares (UK)	No	Partial – limits on distribution
Community interest company limited by guarantee (UK)	Yes	Yes
Community benefit society (UK)	Yes	Yes
Company limited by guarantee (UK)	Yes	Yes
Commercial nonprofits: nonprofit corporation, association, foundation	Yes	Yes
Third-Party Certifications		
B Corporation	No	No
Future-Fit Business	No	No
Common Good Balance Sheet	No	No, but suggests voluntary limits

3.1 Theoretical approaches

Below, I give a brief analysis of different approaches, starting with the least critical of profit-as-an-end.

The **stakeholder theory of the firm** is often used to explain and guide corporate social responsibility. In this theory, other stakeholders in addition to shareholders, such as clients, employees, local communities, pressure groups, and environmental concerns, should be taken into account in decision-making (Freeman, 1984; Freeman et al., 2010). Freeman acknowledges tensions, conflicts, and even tradeoffs between the interests of various stakeholders, however does not advocate for any constraints on profit as a goal of business nor on financial rights.

In describing their **sustainability business model**, Stubbs and Cocklin (2008) say that organizations that subscribe to this perspective of sustainability "focus on being profitable as well as on improving the welfare of their stakeholders and minimizing environmental impact (reducing the ecological footprint)" (p. 106) and that, "Shareholders invest for social & environmental impact reasons as well as for financial reasons". (p. 121). They also promote the notion that "profits are an outcome, and a facilitator, of environmentally and socially sustainable activities" (p. 113), which does not acknowledge tradeoffs between profit and sustainability concerns. In this description of sustainable business, there are no constraints on profit as an end.

The triple bottom line approach positions profit as an end in itself, albeit one of three ends. An example of this approach is Lozano et al.'s (2015) **sustainability-oriented theory of the firm**. They use a three pillars definition of sustainability (which conceptualizes the economy, environment, and society as separate but overlapping), with the added pillar of time. The "focus on profitability" is related to the economic dimension of sustainability in their final integrated figure (p. 441). The first of their ten principles for sustainability-oriented firms is "the firm has to generate profits" (Lozano et al., 2015, p. 440). On the same page, they write about employees being responsible for "balancing the profit generation objective of the company with its responsibilities to all stakeholders" (p. 440). This approach clearly allows for profit-as-an-end.

The "tri-profit" concept proposed in Upward and Jones's (2016) **ontology for strongly sustainable business models** is presented as an alternative to the triple bottom line, but it is difficult to see what the difference really is. They say that firms with the tri-profit mandate must create "sufficient financial rewards, social benefits and environmental regeneration" (p. 106). Despite their stated strong sustainability orientation (which assumes that there are often tradeoffs between economic activity and environmental protection), their approach does not resolve how the aim of generating profit (i.e., financial rewards) can avoid entailing ever-increasing levels of consumption, production, and corresponding environmental impacts. In developing his framework of **business models for sustainability innovation**, Lüdeke-Freund (2019, p. 668) mentions tradeoffs between profitability and social and ecological performance, but goes on to say that "deliberately designed business models can create and extend business case opportunities" and "could also support the creation of ecological, social, and economic value" (p. 669). He reiterates at the end of the article that the objective of sustainable business is to create economic, social, and environmental value (p. 676). This prioritizes profit as an end. Likewise, in their description of **business models for sustainability** Schaltegger et al. (2016, p. 267) mention ecological and social value creation beyond profit, but seem to assume that profit is naturally a business objective when they write about the challenge that smaller firms face in terms of ensuring sufficient profitability (p. 278). They also mention that the "mass market business model" of large companies has the ability to generate profits through selling large numbers of sustainable products (p. 280). They do not take any issue with profit-as-an-end, nor do they mention financial rights.

The degrowth discourse is an approach that seeks to deliver human and ecological wellbeing by moving away from the pursuit of economic growth. In their **principles for degrowth business** Khmara & Kronenberg (2018) put forward seven criteria for assessing whether a business is compatible with degrowth, none of which refer to financial surplus. Near the end of their article, they say that the company should be "established to solve environmental and social problems, rather than simply to make profits" (p. 725). The use of the word "simply" does not refute the goal of profit-making, nor private financial rights. It instead implies adding social and environmental concerns to the profit goal (i.e., a triple bottom line approach).

Some theoretical approaches contradict themselves about whether businesses should see profit as an end in itself. In describing their concept of a **sufficiency-driven business model**, Bocken & Short (2016) discuss the need for businesses to move beyond eco-efficiency and to stop pushing consumerism, because absolute demand must be reduced. However, they also say that companies can do this profitably. As with most other approaches, they do not mention financial rights. In their **typology from Business-as-Usual to True Business Sustainability**, Dyllick & Muff (2016) advocate that businesses should go from the triple bottom line approach to "Creating value for the common good", but then they write in very ambiguous ways about "including all three dimensions of the triple bottom line" (p. 168), making "business sense" out of sustainability (p. 166), and “broadening business concerns” (p. 168). Therefore, they seem to allow for profit to be seen as an end, but it is not very clear.

A few approaches explicitly question whether sustainable businesses should see profit as a goal. Schaeffer et al. (2015) introduce eight requisites for **sustainability-as-flourishing** in entrepreneurship, one of which is “Profit as means, not an end” (p. 403). However, one of their key references for that section is an interview with Michael Porter (Driver & Porter, 2012), who advocates for “shared value”, which he describes as generating profits by creating social benefit (i.e., social benefit is a means to achieve the end of profit). This approach still positions profit as a goal and marker of business success, so it seems Schaeffer et al. themselves might be of two minds about whether profit should be treated as an end or not.

Johanisova & Fraňková (2017) write about “other-than-profit goals” in their description of **eco-social enterprises**, stating that “the founding documents of many eco-social enterprises contain explicit social, cultural and/or environmental aims” and for eco-social enterprises that do not have such explicit aims, “the primary goals are sustainable and equitable livelihoods for the community, rather than profit for individual members or growth of their production” (p. 512). Again, this wording leaves open the possibility of businesses to see profit as an end, but only to a small extent. Theirs was the only theoretical approach in this short review that specified that sustainable businesses should have limits on the private distribution of financial surplus (i.e., limits on private financial rights).

3.2 Alternative incorporation structures

In outlining the legally-enforceable rights and responsibilities of business, alternative incorporation structures are explicit about the purpose, aims, and financial rights of firms. As such, incorporation structures of business determine whether they are permitted to pursue profit as an end. The incorporation structures below require that a business have certain social and/or environmental concerns written into its incorporation documents, but differ with regards to financial rights and objectives.

Traditionally dependent on philanthropy and grants, not-for-profit corporations are increasingly moving into the business sphere, earning their own revenue through the sale of goods and services (Dees et al., 2001; Maier et al., 2016; Salamon et al., 2013). The names and types of not-for-profit incorporation structures vary by place. In the UK, it is common for not-for-profit businesses to incorporate as a ***charity*** or a ***company limited by guarantee*** (NI Business Info, n.d.). In other places, not-for-profit businesses might be incorporated as ***associations*** or ***foundations*** (Hinton & Maclurcan, 2016). The key point is that all of these frameworks have a social mission mandate and no private financial rights. Such companies are often identified as “***enterprising nonprofits”***, “***not-for-profit businesses***”, “***nonprofit commercial enterprises***” or “***nonprofit companies***” to distinguish them from charity-dependent nonprofits (Ibid). Due to conventional economic distinctions between “the market” and “civil society”, this type of business is fairly overlooked and misunderstood. Schaeffer et al. (2015), for instance, explicitly excluded articles about not-for-profit business from their literature review of social and sustainable enterprise, perhaps based on the common misunderstanding that nonprofits cannot also be commercial enterprises. This misunderstanding might be shaping a lot of the thinking about sustainable business (Thompson et al., 2011).

As the title of this legal structure indicates, not-for-profit organizations have a legal mandate to see profit only as a means, and not as an end. This is enshrined in the non-distribution constraint that prevents all nonprofit organizations, including those that conduct commercial activities, from distributing profit to private persons (ICNL, 2013). Instead, they are legally required to put all financial surplus into their stated social benefit mission, which is written into their incorporation documents (Ibid).

Cooperatives are another example of an old incorporation structure experiencing a bit of a revival in sustainability circles. Developed in 1844, the cooperative principles (also known as the Rochdale Principles) are: voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training and information; cooperation among cooperatives; and concern for community (ICA, 2018). None of these principles give guidance as to how cooperatives should see profit. Some types of cooperatives tend to focus on profit more than others (Chaddad & Cook, 2004). This can be seen when comparing cooperatives whose members are consumers, workers, or producers:

- ***Consumer cooperatives*** have no focus on profit as a goal in itself. Instead, profit is used to give consumer members better prices on the products they consume, and perhaps an annual rebate. The only way members can capture the value of the cooperative's activities is via buying its goods and services, so the dividends are always far less money than what a member has spent on buying the cooperative's products throughout the year. Thus, the 'dividend' in this case is more accurately described as a rebate or refund on money that members have already spent into the business. (Ruiz-Mier & van Ginneken, 2006)
- ***Worker cooperatives*** can focus on profit as an end. The workers can receive the profit as a bonus, on top of their wages, which is a way of financially enriching owners (Pencavel & Craig, 1994). Unlike members of consumer cooperatives, workers do not spend more into the co-op than they can take out.
- ***Producer cooperatives*** often have a clear focus on profit as a goal. These cooperatives are made up of members that are sole traders or businesses themselves and the main goals of such cooperatives are often to get better market prices (both for buying and selling) and to generate better profits for producer-members (Gall & Schroder, 2006). Agricultural and dairy cooperatives are fairly common examples of this.

New alternative legal frameworks have also been developed. For instance, the ***community interest company*** is an incorporation structure that the UK government began offering in 2005 (Office of the Regulator of Community Interest Companies, 2013). There are two different types of community interest company (CIC): those that are *limited by guarantee* cannot operate for profit and cannot distribute profit, whereas those *limited by shares* can seek profit and are allowed to distribute up to 35% of the profit as dividends to owners (Ibid). Therefore, the CIC limited by guarantee treats profit only as a means to achieving social benefit, while the CIC limited by shares takes a triple-bottom-line approach. Both types of CIC's have an asset-lock, which means there are no private financial rights to assets (Ibid). The ***social cooperative*** incorporation structure available in some European countries is a worker cooperative with caps on the distribution, in order to maintain a focus on social benefit (Nasioulas, 2012; Borzaga et al., 2017). The ***Community Benefit Society*** in the UK, requires the pursuit of a social benefit mission and does not allow for private financial rights (NI Business Info, n.d.).

Social purpose corporations and ***benefit corporations***, available in some US states, are relatively new incorporation structures designed to ensure that businesses hold a public benefit purpose alongside their purpose of providing financial gain for owners. The benefit corporation framework is more stringent than the social purpose corporation, as it requires businesses to consider a number of stakeholders (including the environment), as well as to have a social purpose, whereas there is not a stakeholder consideration requirement for social purpose corporations (Berger, 2015). Neither of these types preclude profit-oriented objectives or private financial rights.

3.3 Third-party certification

In the realm of sustainable business practice, third-party certification schemes have gained popularity in recent years. These schemes involve a self-written report of social and ecological impacts as well as external audits by the third-party organization, to ensure that certain sustainability standards are met.

Perhaps the most well-known is the ***B Corporation*** (also known as B Corp) certification (mentioned in Khmara & Kronenberg (2018) and Upward & Jones (2016)). The B Corp scheme was developed in the US, but is now offered internationally. It is only available to for-profit firms (B Corps, 2018a), although they can be subsidiaries of nonprofits (e.g., Greyston Bakery, 2017). The "B" stands for benefit, which means that this certification scheme is often confused with the benefit corporation incorporation structure in the United States (e.g., Upward & Jones, 2016). The B Corp certification has tried to bridge this gap between strategy and incorporation structure by requiring that all B Corps have a social mission written into their governing documents, however there is no constraint on pursuing profit as an objective or on financial rights (B Corps, 2018b).

The ***Future-Fit Business Benchmark*** is another well-known certification scheme. It was developed by an international group of scientists (Future-Fit Business, 2018a). Future-Fit takes sustainable business a step further away from the focus on profit, by trying to make sure that companies are both helping, and in no way hindering, progress towards social and ecological sustainability. The organization offers a framework of "break-even goals", which it says demarcate the line in the sand of which company impacts are acceptable (or not), as well as "positive pursuits", which are guidelines for actions that companies can and should take in order to actively build a more sustainable society. All of the "positive pursuits" are focused on social and ecological sustainability, and there are no prescriptions for financial performance in "positive pursuits" (i.e., profit is not seen as a positive goal for companies to pursue). This is different from most triple bottom line approaches. The Future-Fit Business website represents its work graphically as moving from a focus on profit, to the three pillars of sustainability, to a nested concept of sustainability. However, its methodology guide repeatedly refers to the triple bottom line and states "The so-called Triple Bottom Line of People, Planet and Profit has never been more relevant" (Future Fit Foundation, 2018, p. 8). This makes it clear that there are no constraints on profit being a business objective in this framework.

The ***Common Good Balance Sheet*** is another third-party certification that is gaining popularity, particularly in Europe and Latin America. It is based on a matrix that consists of a horizontal axis of "values" and a vertical axis of "stakeholders". The values include: human dignity; solidarity and social justice; environmental sustainability; and transparency and co-determination. The stakeholders consist of:

suppliers; owners, equity- and financial-service providers; employees; customers and business partners; and the social environment. (ECG, 2018a). This approach still allows for businesses to see profit as an objective and to distribute it to shareholders, but it puts forth a vision of voluntary caps on dividends and the workbook has an entire section on what is "fair distribution" of profits to shareholders (ECG, 2018b, p. 37).

4. Discussion: Inconsistencies, contradictions, and ambiguity

Applying this conceptual framework to the approaches reviewed above shows that the discourse around sustainable business is riddled with contradictions, inconsistencies, and ambiguity when it comes to treating profit as a means versus an end. If ecological economists are right – that there are tradeoffs between social-ecological sustainability and financial gain, then this lack of clarity about business goals and private financial rights could keep economies from becoming sustainable. Opportunists can co-opt or highjack concepts of sustainable business, making it harder for companies that are sincerely committed to sustainability to distinguish themselves from greenwashing competitors.

The main point of inconsistency lies in the triple bottom line concept itself. Most theoretical approaches to sustainable business use this concept, which simply bolts environmental and social concerns onto profit-seeking aims. These approaches often advocate for transforming business purpose, or redefining business success, but end up simply adding social and environmental concerns to the status quo purpose of profit-making (e.g., Schaltegger et al., 2016; Stubbs and Cocklin, 2008; Dyllick & Muff, 2016; Upward & Jones, 2016). Stubbs and Cocklin (2008) state that sustainability cannot just be an add-on, but their section called "Redefining the Purpose of Business" could more accurately be called "Expanding the Purpose of Business", as the case studies it describes are both profit-seeking firms. These authors say that organizations should pursue sustainability for ethical *and* economic reasons, placing sustainability both as an end and as a means to achieving financial gain. This is the rhetoric of win-win-wins, and does not acknowledge the tradeoffs highlighted by the ecological economics perspective. Schaefer et al. (2015) state that "profit as a means, not an end" is a requisite for sustainability, but the article remains vague about the role of profit, with phrases like "creating value beyond profit" and "beyond private economic wealth". This language can be interpreted as promoting a focus on ecological and social value *in addition* to financial value, rather than *instead of* financial value, or *not* focusing on financial value at all. Even those that take a critical view of the triple bottom line explicitly allow for, or even encourage, profit as a goal (e.g., Upward & Jones, 2016; Dyllick & Muff, 2016; Future-Fit Business, 2018b).

This carries through into praxis. All three of the certification schemes examined had this inconsistency as well. The B Corps website says that the certification's main goal is to "redefine business success" (B Corps, 2018a), but it is only available to profit-seeking firms. The main developer of the Common Good Balance Sheet is quoted on the website as saying, "Our current economic system is on its head. Money has become an end in itself rather than a means for what really counts: a good life for all" (ECG, 2018c). And their Theoretical Basis webpage says that the real purpose of business is meeting human needs and that money is only a means of economic activity to measure whether this purpose is being fulfilled. (ECG, 2018c). Yet, the Common Good Balance Sheet also allows for profit to remain as a goal (ECG, 2018d).

Some authors do not advocate or align with an approach that promotes profit as an end but also do not clearly describe profit as a means, leaving the role of profit completely unaddressed (e.g., Khmara & Kronenberg, 2018). Johanisova & Fraňková (2017) offer more concrete guidance, by advocating for limitations on the distribution of profit, yet still allow for private financial rights, which seemingly does not align with their description of eco-social enterprises as pursuing "other-than-profit" goals.

This illustrative analysis using the Ends-Means conceptual framework revealed that theoretical approaches and third-party certifications for sustainable business are often unclear or self-contradictory about whether business should see profit as a means or an end. It also shows that incorporation structures can contribute clarity about the role of profit in the concrete terms of legal rights and responsibilities.

From an ecological economics perspective, the principles offered in prominent approaches to sustainable business are too vague to transform the actual purpose of business in the direction of sustainability, as most of them allow for the business-as-usual objective of private financial gain which entails social and ecological costs. One can argue that adding sustainability concerns to expand a company's mission beyond short-term financial gains is better than not doing so, and indeed this is often the response to critiques of the triple bottom line. But given the rapidly worsening severity of the global sustainability crises in the 21st century, is that enough? With evidence mounting that there is neither the time nor the biophysical capacity to waste on being less bad (Brondizio et al., 2019; UN Environment, 2019), the difference between doing less bad and actually behaving in a socially and ecologically sustainable way must be acknowledged and brought to the fore. Most of the sustainable business approaches presented here reveal a lack of understanding of the severity of sustainability issues and the role of profit-seeking in contributing to the problems and solutions (as outlined in the Introduction). Many imply that, as far as business is concerned, the sustainability problem is simply a problem of having unsustainable products and services, so the solution is for companies to focus on selling larger quantities of more sustainable products and services (e.g., Schaltegger et al., 2016). As long as such mixed messages lead the way in defining sustainable business, there is little basis for expecting real progress to be made.

This points to another issue inherent in many of the approaches – looking to the business world itself to problematize sustainability and to identify solutions. Current goals, strategies, and definitions of sustainability by mainstream businesses are a poor basis for creating guidelines and models for sustainable business. As Málovics et al. (2007) point out, if mainstream businesses are left to choose a definition of 'sustainable business', they will choose one that fits best with their existing goals and strategies. Isil and Hernke (2017) also highlight that incumbent businesses might much prefer a vague definition of sustainability that they can just bend to their needs, rather than having to bend themselves to the needs of sustainability.

Sustainable business is not about making a buffet of principles from which managers can pick and choose. It is about defining clear, actionable principles that steer all business behavior to help deliver social wellbeing within ecological limits, whether or not that entails sacrificing financial surplus (Thompson et al., 2011). Approaches that synthesize, expand, and add on to business-as-usual goals ignore the manifold tradeoffs between profit-seeking and sustainability concerns. If we are to take sustainability seriously, then we cannot afford to settle for businesses running sustainability practices alongside their other exploitative practices.

Ambiguous language about things like profitability, benefit, prosperity, viability, value creation, blended value, and social enterprise should raise red flags for sustainability researchers and advocates. These terms are often used in ways that contribute to vagueness and confusion around whether businesses should pursue profit as an objective or not.

5. Conclusion: Underwhelming solutions for overwhelming problems

In trying to find viable transformation pathways to a sustainable economy, it is important to discuss and clarify the role of profit. Good scholarship on the topic of sustainable business requires logical coherence and consistency on this critical issue. Using private financial rights and profit-seeking objectives as indicators of whether profit is treated as an end or as a means can help researchers and practitioners distinguish between approaches that are compatible with ecological economics and those that are not. Furthermore, applying these indicators can reveal the (in)coherence of approaches to sustainable business. For instance, if a theory or a certification scheme claims to align with ecological economics or says that profit should be treated as a means not an end, these indicators can be used to understand if it actually puts that idea into practice.

A business might be regarded as sustainable if it treats profit only as a means to achieving social benefit *and* it meets all of the social and ecological criteria outlined by the third-party certifications examined in this article. If all companies in the world were to meet those conditions, then we might have an economy that delivers wellbeing for all people within the Earth's ecological limits. This is an area for further research – how can profit-as-a-means be combined with other sustainability indicators for business?

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