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An Integrated Perspective between Global Sustainable Development and Corporate Sustainability

Prof. R.C. Katiyar* and Dr. Jaya Shahi*

*Institute of Business Management, C.S.J.M. University India**

*Institute of Business Management, C.S.J.M. University India**

Abstract: Corporate Sustainability can be regarded as the corporate response to sustainable development represented by strategies and practices that address the key issues for the world's sustainable development. Sustainable development is about creating the conditions for better quality of life for everyone, now and in the future, based on eco-efficiency and innovative solutions for engaging everyone and particularly the developing countries in the global economy. The Corporate Sustainability movement defines company's effective contribution into a global partnership for sustainable development. It is about companies delivering wide societal value including support for health and human rights improvements, regional development and fair globalization. The aim of present paper is to investigate perception of global sustainability in relation to corporate sustainability. The second purpose of the study is to analyse the corporate sustainability challenges, associated with health, environment and human rights. The third purpose is to study the role of government in corporate sustainability.

Keywords: *Corporate Sustainability, Sustainable Development, Economic Growth, Global Economy, Environment.*

Introduction

In today's world, the most important thing for society and business to understand is the limit to voluntary action, where government needs to intervene. If we want to live within the earth's capacity and share its resources equitably, than economies must be transformed. That is not possible to be done alone by business. Now these days, around the world, sustainability is continuously becoming a strategic priority for business. Sustainability becomes the strategic lens through which organizations view their business. Sustainability offers an undeniable opportunity to these organizations, by which they gain competitive advantage, drive innovation and generate bottom line results.

The corporate sustainability movement offers companies to contribute effectually to a worldwide partnership for sustainable development. By corporate sustainability movement companies deliver wide societal value, which include support for human rights improvements and health, far globalization and regional development and respect for environment by

encouraging technologies to reduce the production of greenhouse gases and effectively implementing environmental risk management systems.

According to Dow Jones Sustainability Index (DJSI), “ As a business approach, corporate sustainability creates long term shareholder value to avail opportunities and managing risks deriving from environmental, economic and social developments”. Today corporate sustainability is important for business and most important for long term corporate success, it also ensuring that markets deliver value across society.

Literature Review

The Global Sustainability movement means corporations underwriting efficiently to a comprehensive partnership for sustainable development. It's about corporates extensive delivery of social worth which includes support for welfare and improvements of human rights, county progress and favorable globalization and concerning the environment by encouraging technologies to diminish the release of greenhouse gases and by realizing definite environmental hazard organization arrangements.

According to the World Commission on Environment and Development (1987), Sustainable development denotes to “collaborating the desires of the current deprived of uniting the capability of imminent cohorts to light their individual desires”. Sustainable development force quality accountabilities and the requirement for multi-stakeholder associations to generate the situations for improved value of life for each person, at present and intended for future. The World Conservation Strategy (1980) explains “Sustainable development progresses the excellence of individual lifespan with the transporting capacity of supportive environments. This type of progress offers an actual development in the excellence of human life and at the same time protects the energy and variety of the Globe”.

Objective of Study

1. Study global sustainability in relation to corporate sustainability.
2. Study the corporate sustainability challenges related with health, environment and human rights.
3. Study the role of government in corporate sustainability.

Methodology

The present study is descriptive cum exploratory. It is primarily based on secondary data collected through various sources journals, newspapers, books and annual reports. The paper stated with focusing global sustainability development through corporate sustainability.

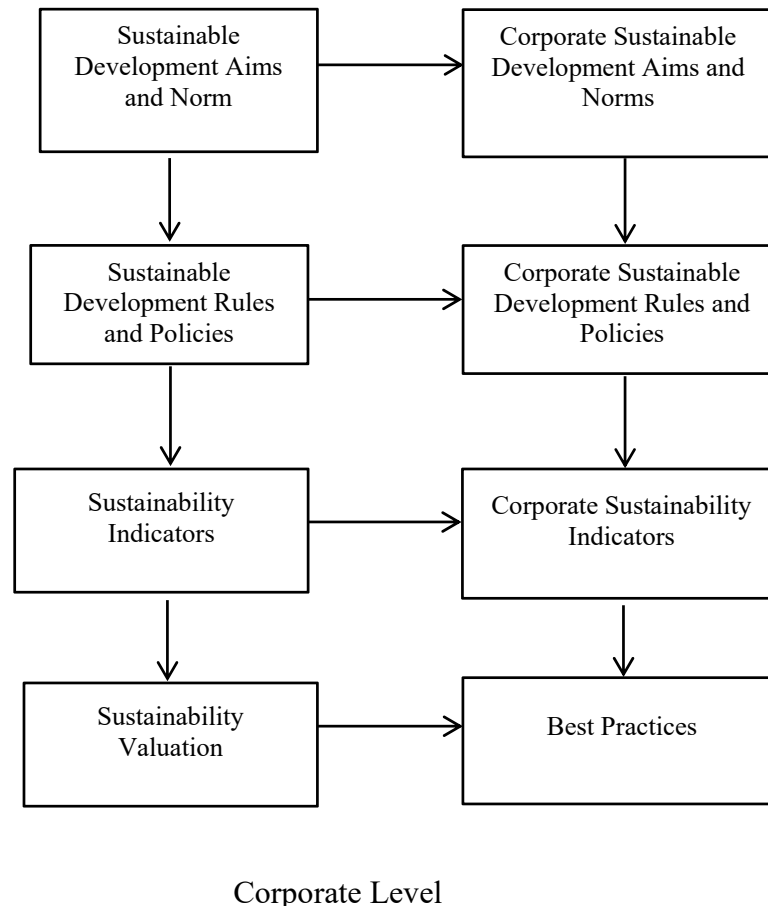
Perception of Global Sustainability in relation to Corporate Sustainability

Everyday around the world sustainability strongly become a core consideration and strategic priority for successful businesses. With growing and increasing regularity, corporate sustainability seems on the sensors and schedules. Corporate leaders identify the relevance and immediate necessity of global environmental, social and economic challenges. Corporate leaders perceive how sustainability problems disturb the lowermost line and are watching outside outmoded business and fiscal aspects to find out their strategies and priorities.

The benefits and opportunities of accepting corporate responsibility are clear and appealing. It includes increased trust and market value which grows from green innovations and base of the structure of commercial endeavors, and concern from an investment community that day by

day considers sustainability factors, such as; social responsibility, sound environmental stewardship and good governance, which all together helps in computing an enterprise's long term price.

Fig 1 shows the joined perception between sustainable development and corporate sustainability:



Source: A multi - dimensional view of corporate responsibility, July 2006.

The Need for Sustainable Development

The necessities for sustainable development arise from the awareness that development, involved only on economic growth standards is unsustainable and there is a requirement for more pro-active role by states, businesses and groups in the development procedure. Building a sustainable prospect, economically, socially and environmentally requires governments, society, businesses and individuals to rethink their opportunities, their duties and their communications. A central idea in corporate sustainability is involvement in the creation and development of international institutions for co-operation to confront common concerns for sustainable development such as environment change, energy and scarcity issues.

Committing to Corporate Sustainability through the Global Compact

According to the Global Corporate Sustainability Report 2013, around the world companies are taking sustainability more seriously. From largest size of companies to the smallest in size and from the developed to the lower develop countries are struggling to rooted worldwide ethics on human rights, labour, environment and anticorruption into their management and operations. The UN Global Compact is constantly increasing prospects for companies to

develop performance and increase action, including issue platforms on environment, water, women’s empowerment and children’s rights.

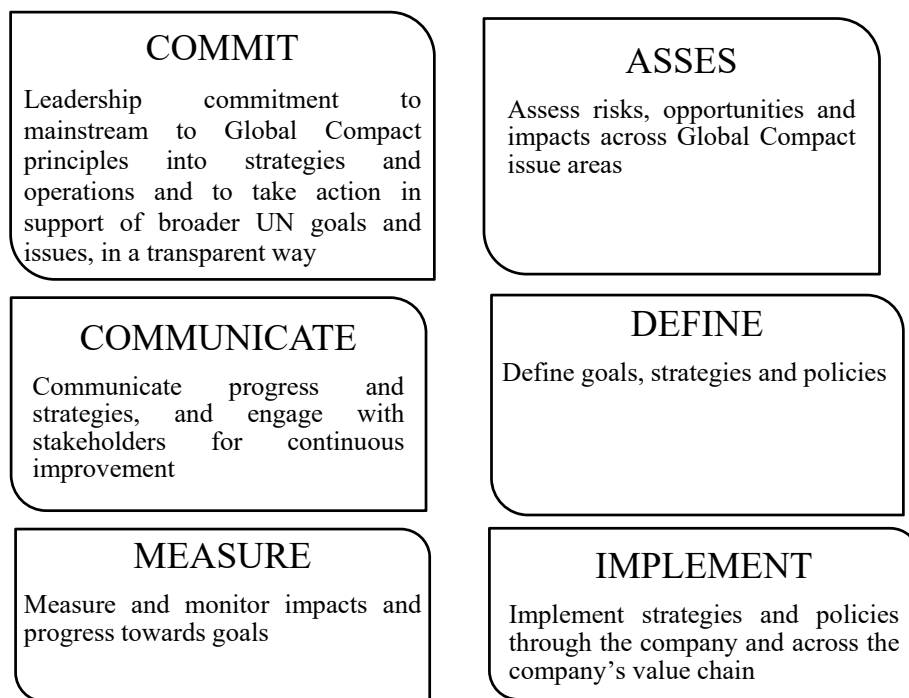
Technology developments have facilitated quick access to information and increased the spread of social networks. All these developments challenge the authority and make transparency an essential tool for management hence; there are two essential ways in which companies can contribute to sustainability:

- i. respect for universal principles in their operations;
- ii. taking actions that *support* advances on sustainability priorities, through new products, services and business models for example.

▪ ***The Global Compact Management Model***

Making a communal commitment to the Global Compact principles directs a significant indication; though it is the follow - through – from receiving boardroom buy - in to employing training programmes for workers – that marks all of the variance. The Global Compact Management Model is an applied however broad tool that helps companies evolve their sustainability efforts. This model is designed to maximize corporate sustainability performance and appeals on extensively acknowledged and agreed organization practices.

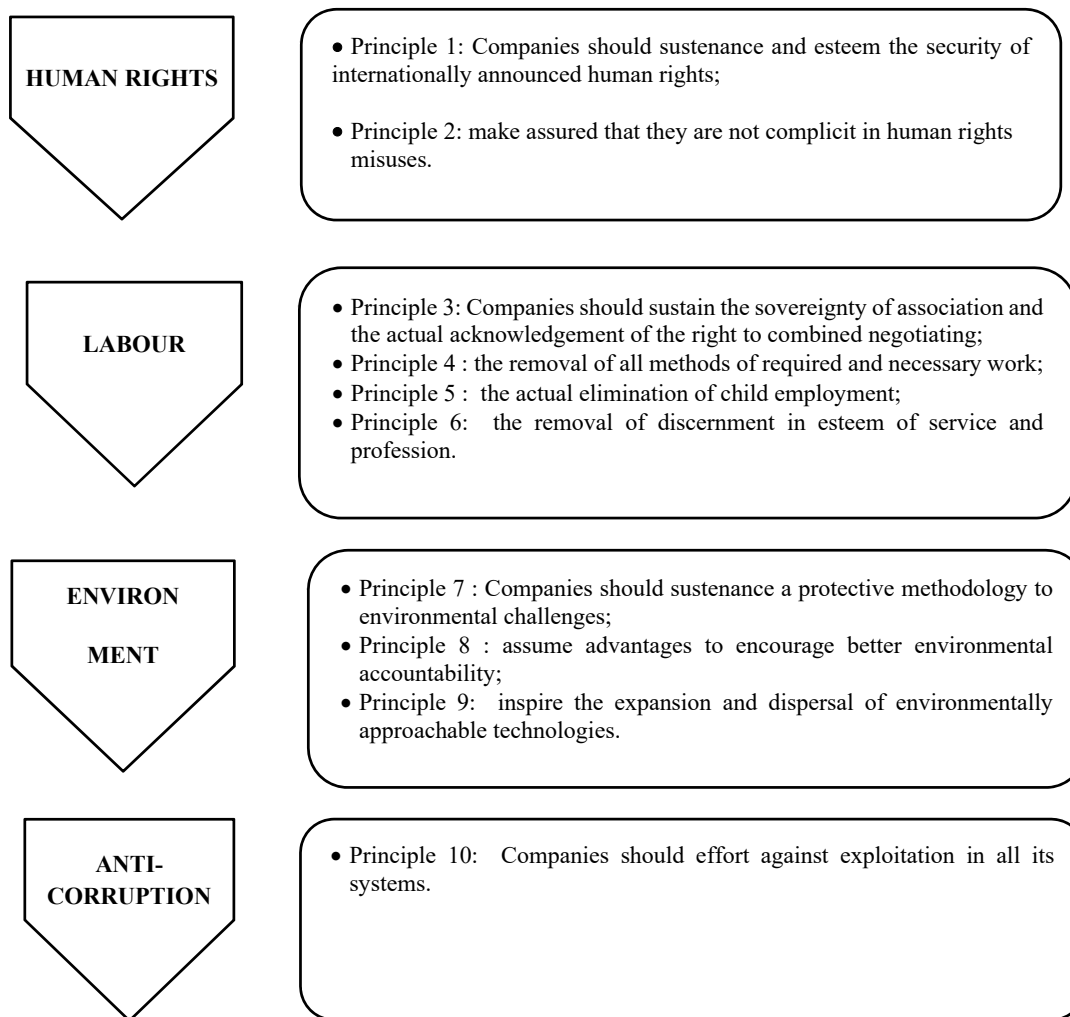
Fig 2: The Global Compact Management Model



Source: Global Corporate Sustainability Report, 2013

When global compact management model employed on periodic basis, then the six phases of the model form a spherical procedure by which companies can amend and recover alliance with the Ten Principles, local as well as international regulations.

Fig 3: The Ten Principles of the United Nations Global Compact



Source: Global Corporate Sustainability Report, 2013

Corporate Sustainability Challenges

Sustainability is about alive and employed in means that see and assimilate current ecological, fiscal and societal desires without co-operating the welfare of imminent groups. The World Economic Forum has stressed that deficiency, environment change, training, impartial globalisation and good global governance is the accountability of all humanity. According to Hawken (1993), “If companies want to minimize generation of excessive amounts of toxins, pollutants, waste and harmful exploitation of natural resources, then companies must create a restorative economy which rethink the fundamental purpose of business and restore ecosystems and project the environment.”

Particular Concerns related with health, environment and human rights are discussed below:

Health Related Challenges

Over the last decade increased global instabilities and unprecedented economic change have created acute new challenges for health. Increasing population and large scale migration result in poverty, which has a huge effect on health problems. Almost partial of the world populations

have no access to medicine and health care, obesity and stress related problems are introduced as new health challenges.

A critical aspect in successfully addressing the health challenges is the actual growth of companies between corporate organizations, World Health Organization (WHO) and health specialists. Business participation in health advancement is significant moreover through essential business events, organization expertise, exercise, health and protection strategies or through societal savings and arrangement in health encouraging initiatives.

Environment Related Challenges

Corporations are now days expected to participate environmental concern at all stages of their procedures; to find sustainable resolutions for usual resources use in direction to diminish corporation's influence on the environment; to manage environmental threats certifying decrease in waste, population and emissions; to maximize the efficacy and efficiency of all resources and assets containing enhancements in the managing of water, energy and resources.

Worldwide exertions to decrease the greenhouse gas releases from human actions that impend the world's environment are start to mark an influence. The key challenge is to generate a worldwide participative system that increases the ethics and screens and replies to environmental challenges. The critical objective is the expansion of awareness skills and adaptive capability to decrease susceptibility from environment change and other environmental threats mainly in the high threat business segments and susceptible regions.

Human Rights Related Challenges

The role of business organizations on human rights is difficult. The United Nations Global Compact advocates a broad and integrated concept of corporate sustainability – the creation of long term value in economic, social, environmental and ethical terms. The United Nations Global Compact, including through special initiatives such as the women's empowerment principles and the Children's Rights and Business Principles and its work on indigenous people rights, as well as the integration of perspectives from stakeholders across the United Nations Global compacts other work steams, seeks to flesh out and give practical content to what social sustainability means for business and how to achieve it?

The basic corporate responsibility of confirming equivalent prospects for all workforces and taking suitable actions to guarantee that dealers also have appropriate strategies and procedures on human rights is a matter reaching comparative maturity.

Earlier UN High Officer for Human Rights, Mary Robinson, has strained the necessity to find mutual ground about the part of the remote segment in subsidizing to the understanding of human rights. This means companies evading strategies and practices that leads to rights destructions. Then it similarly means satisfying suitable responsibilities for constructive movements which endorses larger esteem for essential rights around the world as extreme scarcity is the sole major human rights challenge facing the world now.

The Role of Governments in Corporate Sustainability

Governments in all regions of the world start to identify the significance of addressing the challenge of sustainability. Gradually the verbal of sustainability is emergent in communal procedure discussions. Coming to holds with the tasks and prospects of sustainability is a domineering that drives beyond internal programmes. No nation can be an island of

sustainability in an ocean of unsustainability. Similarly, no sole government, or any other association, can simply generate fiscal, conservational and communal importance over policy alterations or original practices if worldwide drivers and prize structures are occupied in the reverse way. The global situation must be factored in to the national policy program.

Governments performing alone cannot reach the extensive societal and financial variations that sustainability will need. However sustainable development originated as a task for governments, the necessity to participate all segments of humanity is now self-evident. UN Secretary General Kofi Annan invited world business leaders in the World Economic Forum in Davos in 1999, to “hold and endorse” the Global Compact including nine ethics covering issues on human rights, labour, and the environment.

Some corporate representatives have even argued that as “the biggest organization on Earth” “only corporate and business will lead fast and successfully.”

After this perspective, business should take the principal both nationally and internationally. In relative to sustainability problems in emerging countries, government’s role is to inspire remote enterprise to address the requirements of the world’s whole and to do so through a sustainability lens. World Business Council for Sustainable Development defines, “Corporate cannot flourish in cultures that fail. The corporate event for scarcity decline is up-front.” The essential feature of the operation of departments of the environment and other departments is to help nurture and sustenance sustainable economies or industries.

Peck and Gibson mark specific significant explanations about the role of government: Expecting growing world mandate for sustainable produces, amenities and schemes is similarly a requirement and prospect for governments. There is a central role for governments in assisting the evolution to an economy that is far additional effectual, much reasonable and much fewer damaging. Governments that lead will stand in a stronger situation to set the program and create progressive situations for their businesses and their peoples.

The Change Role of Government

Government is facing new pressures in relations of consultant, acceptability, authority and resources. In all pressure government have to re-think their role. The government agenda of the 1990’s was dominated because of deregulation, downsizing and deficit reduction. This process has described as the reinvention of government or creative destruction. This change procedure includes a move in attention from government to governance. Government are authorised with prescribed consultant to take judgments on behalf of the whole communal.

Governance incorporates combined decisions prepared in the public segment, the private segment, and civil society. It recommends the necessity for cooperation between these segments to address the types of wide, straight tasks related with sustainability. There is growing practice of other new strategy mechanisms like; fiscal, volunteer, and informational that enlarges the series of substitutes to regulation and legislature. It’s not an easy task to select the finest policy tool from this broader range of options.

In choosing strategy tools to advance sustainable enterprise, it is essential to identify that corporate differ broadly regarding their knowledge of and assurance to sustainability. Governments should conscious of these changes and create suitable methods for dealing with

businesses that are at varied opinions along the curve. Ancient models of ecological guideline have restricted significance to businesses on the principal authority of sustainability.

Key Suggestions

1. Companies must create an active role for improving the future of the world by developing the social dimension of globalisation.
2. Companies should promote gender equality women empower.
3. Government should maintain high and stable levels of economic growth and employment.
4. Government should take effective steps for protection of the environment.
5. Business should align their strategies with national strategies and active sustainable solutions in collaboration with NGOs.
6. Business must contribute in those corporations that generate the capability for sustainable growth.

Conclusion

The discussed corporate sustainability task signifies a high instruction for the corporate world that is familiar to concern about the following agreement and the yearly monetary concert somewhat than environment transformation, environment volume and scarcity matters. The emergent necessities for business sustenance to emergent expansion possibly signify a social surprise that will yield period to descend in the corporate method of intellectual and operational. Almost and accurately merely the actual effective businesses might yield up the task and expectantly will inaugurate the essential fresh sustainability certain corporate models that can be trailed additional broadly in the forthcoming.

Increasing world call for sustainable produces, facilities and arrangements is also a responsibility and prospect for governments. Certainly, there is a critical character for governments in easing the change to an economy that is far additional effective, extra fair and fewer harmful. Governments that lead will be in a tougher situation to fixed the program and create progressive situations for their businesses and their people.

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