

## Literature Based Study On Sustainability Of Global Business In View Of Lock Down Situation

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**Abstract:** Global Business sustainability has come a long way. From the dawn of the modern environmental movement and the establishment of environmental regulations in the 1970s, it has become a strategic concern driven by market forces. Today, more than 90 percent of CEOs state that sustainability is important to their company’s success, and companies develop sustainability strategies, market sustainable products and services, create positions such as chief sustainability officer, and publish sustainability reports for consumers, investors, activists, and the public at large. In view of lock down situation, this trend will not abate anytime soon. Surveys show that 88 percent of business school students think that learning about social and environmental issues in business is a priority, and 67 percent want to incorporate environmental sustainability into their future jobs. To meet this demand, the percentage of business schools that require students to take a course dedicated to business.

**Key words :** Global Business; Business Administration; Lock Down Situation; Sustainability;

### INTRODUCTION

Sustainable business is reaching the limits of what it can accomplish in its present form. It is slowing the velocity at which we are approaching a crisis, but we are not changing course. Instead of tinkering around the edges of the market with new products and services, business must now transform it. That is the focus of the next phase of business sustainability, and we can see signs that it is emerging. Instead of waiting for a market shift to create incentives for sustainable practices, companies are creating those shifts to enable new forms of business sustainability. Enterprise integration is geared toward present-day measures of success; market transformation will help companies create tomorrow’s measures. The first is focused on reducing unsustainability; the second is focused on creating sustainability. The first attends to symptoms; the second attends to causes. The first focuses primarily inward toward the health and vitality of the organization; the second expands that focus to look outward toward the health and vitality of the market and society in which the organization operates. Business is responsible for producing the buildings we live and work in, the food we eat, the clothes we wear, the automobiles we drive, the energy that propels them, and the next form of mobility that will replace them.

### Integration of enterprises

While corporate social responsibility (CSR) is one response to such pressures, companies have sought to improve competitive positioning by linking sustainability and corporate strategy. This involves translating the issue into the core language of business management: operational efficiency, capital acquisition, strategic direction, and market growth. In each case, the firm has an established

model that it can use to conceptualize the issue and formulate a response. In this way, sustainability becomes much like any other business threat, where market expectations change and technological developments advance, leaving certain industries to adapt or face demise while others rise to fill their place. For example, when insurance companies apply sustainability pressures on the firm, the issue becomes one of risk management. When competitors apply such pressures, it becomes an issue of strategic direction. When investors and banks do so, it becomes an issue of capital acquisition and cost of capital. When suppliers and buyers do so, it becomes an issue of supply-chain logistics. When consumers do so, it becomes an issue of market demand. Framed in such terms, much of the specific language of sustainability recedes and is replaced by standard business logic. Therefore, companies can remain agnostic about the science of particular issues (such as climate change) but still recognize their importance as business concerns. The successful company can perform this translation process and integrate sustainability into its existing structures and strategies. Today, consumers can buy sustainable products, stay in sustainable hotels, eat sustainable foods, and use sustainable cleaning products. While this greening of the market is a good thing, it is not actually solving the root problems it was meant to address. Our world continues to become less, not more, sustainable.

### Market Transformation

To measure that influence, they have identified nine “planetary boundaries” that represent “thresholds below which humanity can safely operate and beyond which the stability of planetary-scale systems cannot be relied upon.” These are what Lancaster University management professor Gail

Whiteman has called the “key performance indicators” (KPIs) of the planet, many of which are not doing so well. While one (ozone depletion) is on the mend, scientists believe we have overshot the boundaries of three: climate change, biodiversity loss, and biogeochemical flows (nitrogen and phosphorus cycles). Further indicators are also blinking red, such as ocean acidification, freshwater use, and deforestation. The remaining two boundaries—chemical pollution and atmospheric particle pollution—require more data to assess. All of these disruptions are the result of system failures created largely by our market institutions. They will have to be remedied by those institutions. Fortunately, capitalism can be quite malleable. It is designed by human beings in the service of human beings, and it can evolve to meet the changing needs of human beings. This has happened throughout its history to address issues such as monopoly power, collusion, and price-fixing. Today’s pressing need is sustainability—particularly to address climate change—and legislators are not the only ones who can shift course. Many companies recognize this challenge and are pushing for new market models. Corporate decision makers have a key role to play in facilitating this transition. Instead of accepting the rules of the market as given, they must change them to incorporate the planet’s KPIs. For example, to turn around the KPI of climate change, the market must go carbon neutral and eventually go carbon negative. We don’t yet know how to do that, but we know that it cannot be done by one company or one product. It requires a change in the overall market. Real sustainability is a property of a system. For example, the notion of an energy company installing a wind farm and calling itself sustainable makes no empirical sense. A more sustainable energy system incorporates the whole grid, encompassing generation, transmission, distribution, use, and mobility. We can already see signals of this change happening as new energy sources, distributed energy, demand-side management, smart appliances, and smart meters are beginning to transform our conceptions of energy. Already, jobs in the clean energy sector have exceeded those in oil drilling. And as the shift to driverless cars continues, IT companies such as Apple and Alphabet have entered the fray, shifting success factors in the auto sector from hardware to software, and with them our conceptions of personal mobility.

### **Corporate Strategies systematically**

As we see with the energy and transportation sectors, the potential scope of market transformation is vast. To help flesh this out, we can conceive this sustainability revolution as proceeding from two

initial phases. First, corporations rethink their business strategies to play a stronger role in guiding the sustainability of the systems of which they are a part. Second, the business model itself undergoes reconceptualization. The first phase includes at least four new ways of conceiving their approach to operations, partnerships, government engagement, and transparency.

### **Operations - concepts**

Market transformation calls for optimizing supply-chain logistics to reduce risks from numerous factors such as disruptions due to increased storm severity caused by climate change; current and future resource availability and price volatility; accelerating emissions and concerns for public health and the environment; and the future resilience of business and civil society. These risks can directly affect assets and operations, availability and costs of inputs, regulation of sourcing and distribution, workforce availability and productivity, and stakeholder reputation. For instance, Nestlé, Coca-Cola, Cargill, and General Mills have all faced threats to supply chains due to the decreased availability of water, a once-plentiful resource now scarcer because of climate change and overconsumption. To better manage such operational systems, companies are moving away from linear models in which items are created, used, and disposed of once they reach their end of serviceable life, and toward circular models, where items are created, used, and then either restored or reprocessed to recover energy or materials that can be used again. One key to this new vision of a circular economy is that it is regenerative by design; it is organized to keep products, components, and materials at their highest utility and value at all times.

### **Partnerships-concepts**

Going beyond the supply chain, companies also look to novel partnerships outside standard modes of shifting the market, including non-profit organizations, the government, competitors, and seemingly unrelated companies. For example, as Ford increased its research and development in hybrid and electric drivetrains, it saw an opportunity in how customers would live more electrified lifestyles overall. Together with Infineon, SunPower, Whirlpool, and Eaton, Ford developed the MyEnergi Lifestyle program, exploring ways in which hybrid electric vehicles, solar power systems, energy-efficient appliances, and home design can be integrated to reduce the total carbon footprint. Similarly, Toyota Motor is seeking a broad array of partnerships to achieve its goal of going “beyond zero environmental impact” by eventually eliminating CO<sub>2</sub> emissions from vehicle operation,

manufacturing, materials production, and energy sources by 2050.

### **Government engagement-concepts**

Very few business schools offer courses on collaborative and constructive lobbying. Indeed, the public perceptions of lobbying are generally negative. But lobbying is basic to democratic politics as governments seek guidance on how to set the rules of the market and usher reforms as needed. Forward-thinking companies are looking for ways to participate constructively in policy formation. For example, Intel was instrumental in calling attention to the horrors of tin, tantalum, tungsten, and gold mining in the Democratic Republic of Congo. While the company could have simply stopped sourcing such conflict minerals from the region, it did not want to create additional hardship for legal mining operations. Instead, it helped create provisions in the Dodd-Frank Act that require the tracking and disclosure of such mineral sourcing within the broader electronics industry. This is not unusual. Companies are also working with governments to phase out heat-trapping HFC chemicals and setting new efficiency standards on trucks. The Paris Agreement on climate change would not have been possible without the powerful business interests that helped broker a deal. In each of these examples, business took a responsible position in bringing about a sustainable shift in the market through policy.

### **Transparency-concepts**

The only way that market transformation will be successful is through trust, and trust can be gained only through greater transparency. The expansion of corporate influence in society, particularly as it relates to government, will make some justifiably uneasy. But robust reporting mechanisms can help allay those fears and also help protect companies from the effects of misconduct, including legal liability and penalties. To be sure, companies are already disclosing numerous sustainability indicators through established standards, such as the globally recognized Global Reporting Initiative or Carbon Disclosure Project. But transparency goes further as companies face increasing demands for data, for both internal management and external validation, under the watchful eye of activists, investors, suppliers, buyers, employees, and customers. The gathering and dissemination of such information can open up new awareness of supply-chain risks and opportunities. But in a dramatic shift from standard practices of privacy and nondisclosure, the company posted the report online, imposed new requirements on suppliers, and commissioned outside auditors to assure compliance. This public disclosure compelled

other companies that source fish in Thailand to follow suit, shifting the competitive dynamics of supply-chain logistics.

### **Ways of Doing Business**

Market transformation not only compels more systemic business strategies but also challenges traditional ways of conceiving business itself. It demands new conceptions of corporate purpose, notions of consumption, and models and metrics of business success. New ideas of corporate purpose are beginning to grow within business practice and education. For example, benefit corporations are one type of innovation that seeks to integrate a broader array of objectives than simply profits into its forms of organizing, governance, and legal statement of purpose.

### **Business models and metrics-concepts**

Market transformation requires a compelling new business model to replace traditional ones that dominate business thinking. For example, neoclassical economics and agency theory employ dimly simplified models of human beings as driven primarily by selfishness, where those running the company (agents) will shirk or even steal from the owner (principal) if they do the work and the owner gets the profits. But behavioural economists have argued that real humans don't behave as neoclassical economics suggests we do, and legal scholars argue that managerial motivations are far more complex than a simple principal/agent relationship and instead involve thousands of shareholders, executives, and directors with more socially positive motivations. These models are gaining increasing interest in business teaching, research, and practice as a way to create a more committed and effective organization.

### **CONCLUSIONS**

Today, more than 90 percent of CEOs state that sustainability is important to their company's success, and companies develop sustainability strategies, market sustainable products and services, create positions such as chief sustainability officer, and publish sustainability reports for consumers, investors, activists, and the public at large. In view of lock down situation, this trend will not abate anytime soon. Surveys show that 88 percent of business school students think that learning about social and environmental issues in business is a priority, and 67 percent want to incorporate environmental sustainability into their future jobs. To meet this demand, the percentage of business schools that require *students to take a course dedicated to business*.

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