

Benefits of Business Sustainability and it's Challenges

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Introduction

Over the last two decades, sustainability or sustainable development has become more than just buzz word. Researchers showed that sustainability has real business benefits when we conscientiously integrated into optimizing business operations. Let's look-over in history about the beginning of these concepts as sustainable development which emerged strongly in the late 20th century to occupy an important position among researchers, those interested in the environment and decision-makers. This concern is due to the increasing pressures on the world's potential. The first appearance was at the Rome Club in 1986, which proposed the so-called eco- development of economics and ecology in the North and South. In 1987, By the International Committee on Development and the Environment, chaired by former Norwegian First Secretary, Ms. Brund Taland, where it is the most common definition of our future for all or our common future, it says sustainable development as development that "meets the needs of the present without compromising the ability of future generations to meet their own needs. "then World Council for Economic Development (WCED) has adopted the definition and add that business sustainability requires organizations to stuck to the principles of sustainable development.[1]

In 1992, the concept of sustainable development was established at the Rio conference or the Earth Summit in Brazil, where several non-governmental organizations concerned with the environment were established, and the concept of sustainable development was developed. After that all the States participating have approved in the Convention, which led to the emerge of the so-called Agenda 21, the main feature of this program is the attention to sustainable development. The Joha Senberg Summit was one of the global conferences on sustainable development, held in Sienberg, South Africa, from 26 August to 04 December 2002, attended by 100 heads of state and 174 government representatives, they have set out plans to provide technique to the deprived population at the same time they have established a global solidarity fund to eradicate the poor and enhance social and human development in developing countries, but they failed to find agreement on renewable source of energy.[2]

Overview of Concepts

The traditional view of sustainable development has focused on development issues and overlooked aspects that have a fundamental role in the present but not future lives of mankind. *The modern* sustainable development represent the possibilities available cannot be harnessed to the present totality, but we must also consider how future generations will benefit. *Business* is refer to work or event which related to the production, buying, and selling of goods or services. It could be a particular activity of work in any area which aimed to make a profit.[1,3].

Greenhouse: a glass building in which plants are grown that need protection from cold weather. **Ecological:** relating to or concerned with the relation of living organisms to one another and to their physical surroundings. **Social sustainability:** is an persistent activity aimed to improving the quality of life of all groups of society in the present and future. **Effectiveness:** means to accomplish a purpose; producing the intended or expected result. **Efficient:** Performing or functioning in the best possible manner with the least waste of time and effort.

Business sustainability (green business) is usually defined as managing process by which companies manage their social, financial, environmental risks, opportunities and obligations. Also It represents flexibility over time so that businesses can survive shocks due they are intimately connected social and environmental systems as healthy economic. These businesses create economic value and contribute to healthy ecosystems and strong communities. When we have integrated model for all countries, industries, businesses and citizens sustainable becomes a model of development.

Business sustainability means adopting particular activities and business strategies that meet the needs of the enterprise and its stakeholders today while sustaining, protecting and enhancing the human and natural resources that will be needed for the new generations. The global reporting initiative as one of many examples of well-recognised reporting standards. Organisations should not undertake collecting

and collating the information but they should also be entirely transparent with outsiders. While Measurement and control are at the heart of establishing sustainable practices.[4]

Importance of study/problem statement.

The need and importance of sustainable development are essential to balance the economic, environmental and social needs, allowing well-being for now and up-coming generations. We should consider a move to greater sustainability, in all aspects of life, critical to our future. Sustainable development encourages us to conserve and enhance our resource base, by gradually changing the methods in which we develop and use. Sustainable development in new days comforts many challenges, especially ecological, economic, social and effective integration practices. Hence the study aimed to explore the current challenges of the business sustainability. We only have one earth so, we must find the best ways to reduce our harmful impact on the environment.

Objectives of the study

1. To find the main challenges (barriers) prevent business sustainability.
2. To find steps for successful business sustainability.
3. To present the role of education institutes in sustainability development.
4. To show the benefits of business sustainability.

Business sustainability theoretical perspective.

The main challenges of business sustainability

There are three common dimensions for business sustainability challenges, economic, ecological and social. In the report of Stefan (2002) has added integration as link among the three challenges (Figure 1):

1. Challenges in Ecological aspect: increasing ecological effectiveness
2. Challenges in Social aspect: increasing social effectiveness
3. Challenge in Economic aspect to environmental and social management: improving eco-efficiency and/or social efficiency.
4. Challenges in Integration all aspect: bringing together the first three challenges and integrating environmental and social management in conventional economically oriented management

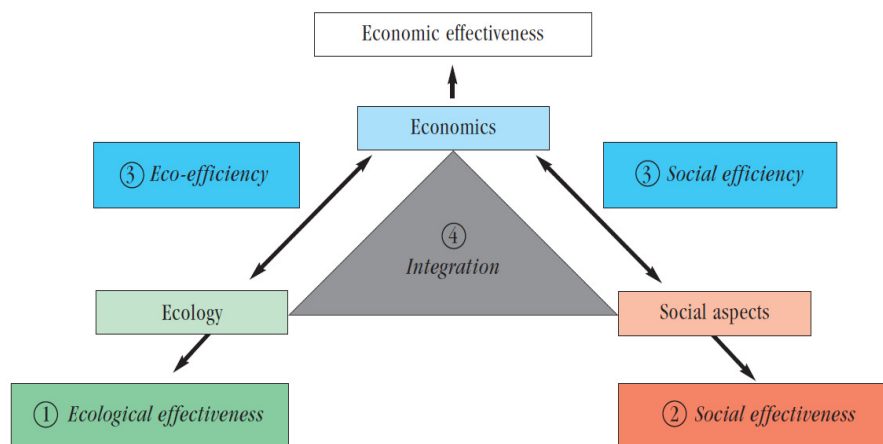


Figure 1: The four sustainability challenges to business enterprises:
① ecological challenge, ② social challenge, ③ economic challenge, ④ integration challenge

Source: <https://goo.gl/pNzdLf>

1. Ecological challenge: reducing consumption of raw materials and energy. **Ecological effectiveness:** degree of absolute environmental soundness and orientation to social perception. **Ecological sustainability:** is the rational management of using the natural resources so as to ensure the sustainability of these resources and to leave them for future generations in good condition and in sufficient quantities. Even though the resources existence as renewable or non-renewable and permanent, everywhere in all developed and developing countries. Environmental depletion is one of the factors that conflict with sustainable development. **Ecological sustainability challenge:** It measures the degree of achieving targeted objective with minimising bad effect environmental on natural resource. Almost all human activities influence the ecosystem, and this also impact economic activities. The main environmental problems include the destruction of the ozone layer, Carbon

Dioxide, the greenhouse effect, acidification and over-fertilisation of soil and water, declining biodiversity, photochemical smog, toxicological burdens harmful to humans and environment, etc. The criterion of successful for ecological challenge is eco- effectiveness.[5]

2. Social challenge: transparency and accountability to stakeholders. **Social effectiveness:** Degree of absolute social soundness and Social acceptance and legitimating of business activities. *Social sustainability:* it is the an activity considered as spirit of community and comprehensive cooperative care by individuals and institutions in society for the benefit of the state and society as a whole. Social sustainability requires that whole members of society to accept differences and regard them as the place of strength and excellence that drives growth and well-being for all.

Social sustainability challenge consists of ensuring the existence and success of the enterprise while at the same time considering the diversity of social, cultural and individual demands. Most of the countries suffering from the silent killer of development which corruption. There are many common problems impedes the development wheel, ineffective management, lack of strategic plans, lack of technological development, unstructured educational outcomes, spread of diseases and epidemics etc. when work is integrated from all groups of society who are knowledgeable enough, we will see the most beautiful models of development and prosperity.[5]

3. Economic challenge: value orientation of environmental and social management. **Economic effectiveness:** lead to achieving the best possible economic result.

Traditional economic challenge focus on raising shareholder value as well as increasing the profitability of products and services. *The economic sustainability challenge:* is concerned with making environmental management and social management as economic as possible. Because profit-oriented enterprises operating in a competitive setting are established and run primarily for economic purposes, environmental protection and social commitment in business enterprises are always confronted with the challenge of increasing shareholder value, making a contribution to profitability or at least minimising costs.

4. Integration effectiveness: integrating environmental and social management in traditional economic management. **Integration challenge** call for cross-disciplinary awareness. The real challenge of corporate sustainability management is the challenge integration which is systematic efforts to integrate and manage the other aspects as eco-effective and socially effective and eco-efficient and socially efficient manner.[9]

Steps for Successful Business Sustainability:

1. Create a smart, integrated policy: Companies can confidently invest in new technologies, new standards and staff training for sustainability only with clear, consistent and integrated policies.
2. Engaging members: to the value chain, including industry-related non-governmental organizations and partner organizations. Companies can do everything possible to improve their environmental and social impacts within their own operations, but the big advances are made when companies align the actions of suppliers, distributors and all other members of their value chains.[6]
3. Establish a national dialogue on responsible consumption: Most people buy products based on price and features – not on whether the materials were sourced sustainably or the product can be recycled after use so Businesses need consumers to engage in national dialogues about sustainability so they can make informed decisions about sustainable living and responsible consumption.
4. Communicate sustainability goals throughout the organization: when sustainability is more widely integrated into companies' business units, communication remains a challenge: "One of our key challenges is to effectively communicate the company's vision of sustainability," said one executive, "such that everyone, regardless of their role, understands and embraces that vision.", It's an impressive logistical challenge, think about it how to reach the factory workers, sales people and marketing people in a 100,000-person organization.[6]
5. Inclusion of sustainability in corporate culture: Businesses organizations need to embed sustainability into their culture, so that sustainability strategies do not lose momentum with a

new chief executive officer (CEO). As a result, existing executives have to make the business case for sustainability all over again to the new CEO.

6. Provide clear and equitable guidance on the rights and entitlements of indigenous peoples: Organizations should have initiative spirit such as the Progressive Aboriginal Relations program, which is essential for organizations participating together with indigenous people and communities that have generations of wisdom about local ecosystems.
7. Create conditions that support innovation related to sustainability: Innovating for Sustainability means that companies can reduce their impact on the environment and create positive social change that benefits business, but only if they restructured their business models to include three things: look for trends in emerging economies or unrelated industries; initiate partnerships with universities and colleges to fill internal knowledge gaps; and institute incentive programs that reward employees for suggesting ideas that save energy, reduce material use and improve products.
8. Incorporate a social license to work in business strategy: Regardless of what a social license looks like for a given organization or its stakeholders, business leaders have to find ways of systematically incorporating the community into all strategic decisions. one leader said that Maintaining a company's social license to operate used to mean engaging stakeholders and consulting them on projects that affected them. however, that means generating shared benefits for both the company and its affected stakeholders.
9. Periodic reporting of sustainability: discuss developments in the field of technology, economic, ecology and to devote efforts to study it in details then develop mechanisms and action plans to determine future narratives of society or the State. There must be an independent monitoring council that monitors all previous steps and it should has the right to intervene if necessary.[6]

The role of educational institutions in sustainable development:

Educational institutions have an important role in developing environmental awareness. The Environmental education is known as a “fundamental” component of education and can create a general awareness of the environment and the dangers it may face. It is necessary to prepare model of environmental education programs to provide citizens with an appropriate background of knowledge and information to enable them to make positive decisions about their environment. Therefore, the educational institutions should work to integrate environmental education in their public policies in order to achieve their objectives through participation in solving the environmental problems of the modern society this could be done through:

1. Activate the role of schools and universities in the development of environmental education.
2. To spread environmental awareness and provide knowledge and skills among learners in their early years, especially pupils in primary and secondary schools.
3. Establishing environmental education in all stages of educational system and in teacher preparation books.
4. Development of environmental education programs that adopt methods of problem solving.
5. Educating students about the environmental problems facing their society and their role in facing these problems.
6. Preparation of exhibitions for environmental education and presentation supported by films about the environment.
7. The universities and scientific institutions should request students/researchers to prepare studies and scientific researches within the fields of the environment and ways to protect people from pollution.
8. The need to teach ecological concepts, atmospheric, land, aquatic and biosphere systems and related economic and social aspects.
9. Exchange environmental knowledge and experiences with different countries and regional and international organizations.

Benefits of Business Sustainability

The common six advantages for practicing sustainability are:

- 1. Improvement of brand image and enhancing competitive advantage.**

organizations can improve brand awareness through “doing good” due it becomes one of the pillars of advertising campaigns. In the old ages people lived without electricity or paper—people did just that for millennia—but it is impossible for humanity to exist without water, especially drinkable water so, Encouragement and practice to save resources not only improves brand awareness, but also penetrates at a deeper level to employees, their families, and beyond. The opportunity to enhance brand image will not give tangible advantage if the company doesn’t do as it preaches.[3]

2. Costs reduction and productivity increasing.

Reducing cost also include many aspects like energy conservation strategies that can be as simple as turning off unnecessary lights and isolated walls to get advanced efforts in return such as installation of cooling systems and geothermal heating. Those efforts may seems more expensive but the long-term results justify everything.

While Development of sustainable business practices lead to efficient operation that streamlines effort and conserves resources, which enhances employee productivity and reduces cost. Opponents of sustainability claim that sustainable business practices eat into corporate profit.[7]

3. Enhance business ability of response.

Improving business response level to rules and natural phenomena’s like poverty, dwindling energy resources, and environmental impact. we should be surprise to know there are state and federal government agencies are enacting regulations to protect the environment from climate change and spending billions of dollars while there are thousands of Africans dying of hunger and the rest living in poverty but one care about it.[3]

4. Attract investors and employees.

Everyone likes to be associated with the positive, especially new generations raised on a stable diet of environmental protection messages. They believe that they should not link themselves to companies implicated in ecological disasters and social welfare scandals. present your company as respectful of the environment and of its employees and that will attract the funds your business needs to expand and the people whom you want to employ

5. Waste Reduction.

Organizations should have easy and efficient strategy to reduce waste.

Common source of waste is single-use so reuse will reduce the need for new purchases and reduces disposal of expired. Improving waste recycling processes by create waste stations with bins for trash, recyclables and food or organics, if applicable.

6. Shareholders welfare.

Displaying the result of sustainability for shareholders will Make them happy when they see lower costs of expenses and profit increases.[3]

Summery

This paper attach the needed concepts such as Business, sustainability etc, for clear understanding of current issue, at the same time it seek to deliver simple understand about Business sustainability it’s important and need in today rapid changing environment. The study discussed the ecological, economical, social challenges faced sustainability and how it became a nightmare in front of social property. The study presented the steps for successful business sustainability and in the other hand it shows the benefits of business sustainability. We can summarize by saying that educational institute have the most important role of lighting people’s minds, about the importance of sustaining the natural sources, through rational use to meet the needs of the present without compromising the ability of future generations to meet their own needs.

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