

Recent Trends in Sustainability challenges Faced by Organisations at International Level

Dr. Sneha^{1*}, Suman Kumari²

^{1,2}Assistant Professor, School of Management Studies, CGC University, Mohali-140307, Punjab, India

Corresponding Author: Dr. Sneha, snehaaddiwal17@gmail.com

Abstract

The current study is a short review on the sustainability concept, to leave better future for the future generation. The government and organisations are facing lots of challenge at international level to sustain in the market, during that time organisations have to go by different stages of issues and challenges. These issues and challenges at global level affect the organisations performance, hence every organisation has been suggested to involve them into sustainability, which not only attract investors but also help the organisation in creating value in the market and improve their sustainability position.

Keywords: Sustainability, International level, Issues and Challenges

1. Sustainability Concept

Twenty first century is known to be as urban century where more than half of the population is living in the town and cities. In the next few decades the cities in the world will absorb approximately 95% of people under the urban growth. The rapid rates of urbanization led to development of megacities over millions of developing countries. According to (Keivani, 2009) in 1975 there were only three megacities in the all over world and now the range has been raised from three to sixteen in 2005 and more in upcoming years. In the research conducted by (Keivani, 2009) it has been recognized that the cities contributes upto 55% into gross national product in countries with low income, 73% in middle income and 85% in high income countries.

The cities are playing major role in the economic globalization, as they serve as center for finance and innovations, they are also considered as house of manufacturing and serving consumer markets all over the world. New economic era has been also defined as global network for dealing with flow of people; work for financial independence, idea generation and for selling goods (Castells, 1996; Harris, 2001).

Tremendous change has been made in understanding the Earths system and various efforts have been undertaken by the institutions all over the world to understand human actions. According to the study by (Reid et al., 2010) there are few questions that require reorientation of research that allow the researchers to address the need of decision makers at regional level. At international level researchers needs to address twofold challenges (1) develop strategies to respond the challenging situation and meeting development goals (2) deepen knowledge on understanding the functional Earth system (3) Promoting sustainability etc. this would help the countries in managing the challenges at global level.

2. Objective of Study

The current study is going to review about the various steps undertaken by the government of different nations on handling the issues about the sustainability all over the world. In future the production and environment degradation has been increased, which raise the awareness of the people about the environment sustainability. The study aims to address the key challenges that might be face by the organisations to deal with sustainability issues all over the world.

3. Review of Literature

The concept of sustainability has different meaning and understanding at regional level and differentiates at local to global scales. Due to variation in the geographic and natural resources. (Nidumolu et al., 2009) according to them there is no such alternative for sustainable development for the organisations. Every company must be convinced to implement more environment friendly initiatives; this helps them in improving their competitiveness. (Orr, 2002) defines sustainability as an improvement, which requires creativity and governance in the organisations. A company that wishes to pursue sustainability requires the sourcing activities that are concerned with sustainability standards, which use various approaches that should be employed in the organisations for its international growth (Hubbard, 2009).

According to the study of (Azapagic, 2003) put emphasis on the significance of reevaluating the sustainable sources with terms to internal and external management of operations. Many large firms have unquestionable powerhouses in the society that observe the various effects of the market of civilizations (Blindheim and Langhelle, 2010). To attain the sustainability is impossible for the governments without the initiatives of the companies (Windolph et al., 2014). As the public interest has been serve by large-scale organisation and they influence the society at larger scale. The larger firms have large financial resources that can be handled only with the financial success of the organisation (Hubbard, 2009). Historically it has been seen that incorporating sustainability into the business plan assessed as zero game in which the profit was sacrificed by the companies to achieve sustainability in programs (Baskaran, et al., 2012).

4. Research Methodology

The current study is one of the improvements in the existing practice of knowledge and cannot be considered properly until the current situation and problems allowed to surrounds. The field study has been undertaken to understand properly the existing practices of the sustainability. The study is minor study, which intends to discover about the relevant issues and challenges under previous studies from past few years. The review has been initiated in the study to have a broader view about the issues address at global level under sustainability. The following section will discover the theoretical background of the sustainability and highlight the key issues recognized at international level with regards to sustainability applicability by organisations.

5. Theoretical Framework for Sustainability

Sustainability is one of the key issues that have evolved over past few years in social notion as an important component of company's management. The sustainable development is referred as one of the missions that try to meets the ability of the future generation (United Nations, 1987). Sustainability

concept has been adopted by many companies all over the world as their mission and become part of their strategy. Every organisation that wishes to grow their business must incorporate the international sustainable development goals to sustain in business. Sustainability is one of the foundational for the leading global framework, which is requiring for the international cooperation all over the world. The concept of sustainability development is one of the concerned topic which has been undertaken by the governments under the 17 sustainable development goals (UN_SDGs) after the conference held in New York in September 2015. In the conference it has been decided by the various Global level institutions under the Global Reporting Initiative (GRI) and another council initiative by UN Global Compact inclusion with the World Business Council for Sustainable Development in order to contribute into the sustainable development of the firms (Tsalis et. al., 2019). The progress of the sustainability concept has been understandable at macro level- by developing the similar way for handling the micro-level corporate sustainability concept.

Over the few years the sustainability issues have become the subject of discussions and revolving around the discussion about the various problems of adjusting to achieve the sustainable development goals at international level. The growth of the interest in issues of sustainability is the major concern for the many academicians. There are lot of research has been done in the sustainable development area where the choice of issues are depend upon the management tools that have not been developed sufficiently to resolve the problems found in environment. The requirements of sustainable development reporting has not been harmonized yet, the best way to apply the management tools is by understanding the need and technology available to resolve the query. These strong management tools include the resources and policy of environment which include low carbon emission, policy of waste management and use best technology to strengthen the initiatives of the government in resolving urgency of environmental problems.

6. Sustainability Evolution's Relationship with Corporate Sustainability

Sustainability resembles with the scientific discipline that contributes to the environment protection policy. This area is controversial and complex in nature when applied to different dimensions, like agriculture, healthcare and many other sectors of the economy. What is sustainability than is main concern over here? It is concern, which is multifaceted in nature and involved in different fields that demand actions and implementation of conceptual refinement (Zinck and Farshad, 1995). Sustainable development is the concept that creates an understanding of the present needs without compromising with the ability of future generation. In the current literature the concept of sustainability starting primarily from the Brundtland's report which was published in the seminal book named "Our Common Future" in 1987. They contributed to the definition of Sustainability and throw the light on the concept of sustainable development which comprises of definition 'meeting the needs of the present world without compromising the ability of the future generation people so that their needs can be met. Following are few more definitions that had been provided under the book entitled 'Business Strategy for Sustainable Development' (International institute for Sustainable Development, Deloitte & Touche, 1992).

Sustainability is not just a concept it is act of responsibility which has been recognized under the field of research that focus on investigation of processes and finding various solutions to the problems that

address the strategic issues. These strategic issues must require the balancing between the development and social problem recognition that simply implies that the key addressing of major issue at macroscopic and microscopic dimension. There is slight difference among the issue highlighted among all these level like; microscopic level the research has been widely used to define the essence of corporate social responsibility (Tien, 2015). As far as concept of sustainability concerned it must defines the ‘sustainable development’ and also present the needs without compromising the abilities of future generations for meeting their needs. At the micro level it defines the new paradigm for management that recognizes the need for corporate growth and improves profitability at one time. The concept of sustainability considers the corporations and pursues non-profitability and specific issues related to sustainability like natural environment protection, social justice, promoting the equity, social welfare and steps undertaken for the community development (Tien and Chi, 2018 ; Priess et. al., 2017). Although many studies had been conducted on the sustainability which might focus on the developed countries but least concerned with the developing countries.

7. Relationship of Sustainability with Corporate Social Responsibility

Although the studies on CSR and Sustainability had been undertaken by various academicians, still the developing countries has to be focused upon begun giving due respect to the various policies, regulations and code of conduct due to immense level of pressure had been imposed upon the by the global buyers and partners. The sustainability is related to the globalization process, and constant changes had been undertaken from the corporate conventional development concept due to which the shift has been made and from conventional outlook focused, it has been changed to people focused, planet and profit focused (Bris et. al., 2013; Chwistecka- Dudek, 2016). Despite of many efforts undertaken by the enterprises upon the developing countries who are practicing the CSR the main philanthropic fashion for creating public image and enhance the business image and profit.

8. Reason Behind Adopting Sustainability

Sustainability attempts to address many global issues like degradation, deforestation and depletion of ozone layer and also like to address local issues. The sustainability includes response to many issues that are specific to eco-friendly system, which use the combination of social system and eco-system. There are few examples of sustainability and eco-friendly initiatives taken by organisations now days like sustainable land management, application of proper technology and creates working equilibrium. The sustainability is concentrates upon the stability relationship among the environmental models, economic system and preservation of ecosystem. According to (Zainul and Pasquire, 2005) sustainability promotes the balanced approach by looking into account that needs continue in business, and doesn't take into account profitability. (Addis and Talbot, 2001), concerns with the protection of environment by providing quality, enhancing and improving quality in the economy.

9. Governments Initiations

Earth is the planet that is where the life is exist along with huge diversity, it has been more and more inhabitant for the people to take necessary steps for the protection of flora and fauna. It has been found that the depletion in the earth's quality of life is just due to anthropogenic activities happen on the earth, due to rapid human interference. This interference results into rise in the concentration of greenhouse gases and changes in the climate which creates the degradation of land, water and soil pollution. Further

it actually responsible for depletion of life quality, loss of biodiversity and accumulation of harmful recalcitrant chemicals and related issues. In 1960s United Nations has discussed the various issues that are related to the environmental costs which are associated with the development of growth. In the report developed by World Commission on Environment and Development in 1987 named 'Our Common Future' stated that it was only the sustainability that can meet the needs of the present without the compromise made to the future needs (WCED, 1987).

In another conference in UN on the environment happen in Stockholm on Environment and Development (UNCED) which has accepted the fact that there are un-sustained activities of human which damage the life of the earth's habitants. US agenda here is to promote the sustainable development which is based upon the handling of 'global partnership' which focused on encouragement of cooperation among the different nations for protecting the sustainability meanwhile focusing on growth. For reducing the impact of climate change the different countries adopted Paris Agreement (COP21) which has worked upon limiting global temperature which is below 2 Celsius. Environment sustainability is defined as an imperfect thought which consider different groups of individual who works professionally and shows discrepancies. As per (Vezzoli and Manzini, 2008) it refers to the systemic conditions where planetary and regional level activities disturb the natural cycles and doesn't do anything in its improvishment. The rise in number of increasing environmental problems is just due to lineation with increasing human activities. The land availability, quality environment are continuously deteriorating and got worst by 2050. In the current review the various major issues has been discussed and resolved to achieve sustainability issues.

10. Major Issues faced at International Level

Among many issues environmental issues are the top most priorities that must be going to address the government and researchers issues around the globe. In the current situation (Arora 2018a, b) the things are moving and several issues are related to environment are threatening to civilization, which cause serious problems to environment just like plaguing. Environment pollution influence every corner of the earth throws great impact on the all life forms. There are several organism that living under the poles or sea where humans have inhabit impacted by pollution. Various types of pollutant have been appeared throughout the anthropogenic activities which adversely affecting the whole ecosystem (Rockstrom et al., 2018).

There are many issues that arise all of over the world with regards to poverty, inequality, diseases and rise in the rate of population all over the world. Government at national and international level debating upon issues handling and try to resolve the critical issues by finding relevant solution to all these problems. All these issues are incapable of effectively handling the sustainable development issue and focused upon economic growth (Castells, 2011).

According to (Kivilä et al., 2017) the tremendous growth of the business depends upon the stakeholder's involvement in the environment issue. But it is quite challenging for the organisations to have a proactive stakeholders who are actively taking part in the organisations development. More over the companies would now a days more get involved into the charity activities and many social events that can become one of the center of attraction for the stakeholders to spend in some companies. But which

activity is attracting the shareholder and creates a positive mindset among the people is one of the challenge (Abidin, 2010). According to the study of (Eisenbach et al., 2013) high volume of the investments has been required for long term projects, the investors always looks for the greater interest in return, which is again a major concern for business. The projects profitability and stakeholders positive perception is depending largely upon the cash flow generated by the projects in future. According to (Porter,2019) the organisations have to create a proper balance between the sustainability, social and environment, which is one of the difficult objective of every organisation.

Inclusion of sustainability in the supply chain management is another significant issue for the business. Business can work profitable in case of supply chain partnership, which ensure the ethical labor practices, this can help organisation in maintenance of reputation. While dealing in the international platform every organisation has to look for the creation of policy for the organisation, which is acceptable by the global environment. In addition to the supply chain management at international level the climate change is another threat to sustainability, which creates real disaster for the organisation. Every organisation must look to comply with the regulations that reduce the carbon footprints and amount of carbon emission in the environment (Miller et al., 2012). Carbon emission by the organisation is one of the indicators of sustainability as all the activities of the environment affect the climate in term of change in climate and air quality. Waste management is another relevant issue arises in sustainability practice of the organisation. Organisations must engage themselves in using the raw material that is renewable in nature and promotes the sustainability. Global change in climate is hampering the surrounding biodiversity and degrading the habitants in unconditional way, these changes are drastic in nature and non-sequential which throw serious consequences around the ecology around globe (VanNes et al., 2016).

11. Adoption of Sustainable Strategies by Organisations

Organisations are effectively managing the change in the organisations that are continuously adapting the bureaucracies and strategies required in the culture in response to dynamic and uncertain environment (Nel Werner et al., 2011). It has been seen that implementation and organisational change which is key issue in sustainability agenda demanding actions. The organisations require change in the way of thinking, change in attitude which is usually starts with leadership. According to (Goehrig, 2008) leadership plays a key role in sustainability, which requires changes in the existing structure of business. This requires changes in the existing business which highlights the need for executives, management and consultants in order to understand the need to implement business strategies. (Hind et al., 2009) argue that sustainable business leaders are proactive in nature, which suggests the development of responsible leaders that are intellectual in nature and reflect local and global business information.

12. Generic Steps for Overcoming Sustainability Issue

There are some generic steps that has been taken by the companies in improving the sustainability advantages (Rigby and Tager, 2008) which propose to create sustainability among organisations:

- This determines a vision for the company
- They need to assess existing operation of company
- That must maximize the growth opportunities for business
- This must measure the outcomes which determines the level of success of company

As per the key findings (Branzei et al., 2000) there must be higher the corporate environmental commitments from the leaders side, which must be choice of their proactive strategy followed for environment innovation. It has been found in the studies that there must be eco-sustainability approach which is continuously required commitment from corporate leaders for environment.

13. Conclusion

In the study it has been observed that sustainability is one of the important issue for the business due to involvement of government directly into the sustainable goal achievement. The government is continuously looking to achieve its sustainability targets that can only be possible if the entire organisation all over world actively participate in the management of their resources properly by complying with all the legal requirements of the business. It has also been seen that the organisations that are able to manage the sustainability with business able to attract more investors and earn more reputation brand building. For the organisations to be successful it is necessary to handle all the relevant issues at global level, which is one of the factors to grow the business currently and sustain it in future also.

References

1. Abidin, N.Z., 2010. Investigating the awareness and application of sustainable construction concept by Malaysian developers. *Habitat International* 34(4), 421-426.
2. Addis, B. & Talbot, R. (2001), *Sustainable Construction Procurement: a Guide to Delivering Environmentally Responsible Projects*, CIRIA C571, CIRIA, London.
3. Arora NK (2018a) Environmental sustainability- necessary for survival. *Environ Sustain* 1(1):1–2.
4. Arora NK (2018b) Biodiversity conservation for sustainable future. *Environ Sustain* 1(2):109–111.
5. Baskaran, V., Nachiappan, S., & Rahman, S. (2012). Indian textile suppliers' sustainability evaluation using the grey approach. *International Journal of Production Economics*, 135(2), 647-658.
6. Branzei, O., Vertinsky, I. and Zietsma, C. (2000), "From green-blindness to the pursuit of eco-sustainability: an empirical investigation of leader cognitions and corporate environmental strategy choices", *Academy of Management Proceedings & Membership Directory*, pp. C1-C6.
7. Castells, M., 1996. *The rise of the network society*. Oxford: Blackwell.
8. Castells M. (2011). *The rise of the network society: The information age: Economy, society, and culture*. John Wiley & Sons, New York.
9. Chwistecka-Dudek, H. (2016), "Corporate social responsibility: supporters vs opponents of the concept", *Forum Scientiae Oeconomia*, Vol. 4 No. 4, pp. 171-179.
10. International Institute for Sustainable Development (IISD), Deloitte & Touche (DT), & Business Council for Sustainable Development (BCSD). (1992). *Business strategy for sustainable development: Leadership and accountability for the 90s*: International Institute for Sustainable Development.
11. Eisenbach, S., Schiereck, D., Trillig, J. and von Flotow, P., 2014. Sustainable project finance, the adoption of the equator principles and shareholder value effects. *Business Strategy and the Environment*, 23(6), pp.375-394.
12. Harris, N., 2001. Preparing an economic and strategic vision for a city. In: M. Friere and R. Stren, eds. *The challenge of urban government: policies and practices*. Washington: World Bank Institute, 53–62.
13. Keivani, R. (2009). A review of the main challenges to urban sustainability. *International Journal of Urban Sustainable Development*, 1(1-2), 5-16.
14. Millar, C., Hind, P., & Magala, S. (2012). Sustainability and the need for change: organisational change and transformational vision. *Journal of Organizational Change Management*, 25(4), 489-500.

15. Nel, P. S., Werner, A., Poisat, P., Sono, T., Du Plessis, A. J. & Nqalo, O. 2011. Human resources management (8th ed.). South Africa: Oxford University Press
16. Nidumolu, R., Prahalad, C.K. and Rangaswami, M.R., 2009. Why sustainability is now the key driver of innovation. *Harvard business review*, 87(9), pp.56-64.
17. Orr, D.W., 2002. Four challenges of sustainability. *Conservation biology*, 16(6), pp.1457-1460.
18. Priess, P., Rajnoha, R., Losert, S., Vogel, S. and Teufel, H. (2017), "Sustainable real estate development and its implications on investment: statistical relations on the case from Austria", *Journal of Security and Sustainability Issues*, Vol. 6 No. 3, pp. 419-434, doi: 10.9770/jssi.2017.6.3.
19. Porter, M.E.; Kramer, M.R. Creating shared value. In *Managing Sustainable Business*; Lenssen, G.G., Smith, N.C., Eds.; Springer: Dordrecht, The Netherlands, 2019; Volume 1, pp. 327–350, ISBN 978-94-024-1144-7.
20. Reid, W. V., Chen, D., Goldfarb, L., Hackmann, H., Lee, Y. T., Mokhele, K., ... & Whyte, A. (2010). Earth system science for global sustainability: grand challenges. *Science*, 330(6006), 916-917.
21. Rockström J, Stefen W, Noone K, Persson Å, Chapin FS, Lambin EF, Lenton TM et al (2018) A safe operating space for humanity. *Nature* 461:472–475.
22. Tien, N.H. (2015), *Leadership in Socially Responsible Enterprises*, Ementon Publisher, Warsaw.
23. Tien, N.H. and Chi, D.T.P. (2018), "Climate change and sustainable architecture in smart cities", *Proceeding of ACS D Scientific Conference on: "Architecture and Civil Engineering Sustainable Development"*, 21-28. Faculty of Architecture and Civil Engineering, Thu Dau Mot University. 15 August 2018, ISBN: 978-604-6711-346.
24. Tsalis, T. A., Malamateniou, K. E., Koulouriotis, D., & Nikolaou, I. E. (2020). New challenges for corporate sustainability reporting: United Nations' 2030 Agenda for sustainable development and the sustainable development goals. *Corporate Social Responsibility and Environmental Management*, 27(4), 1617-1629.
25. United Nations, 1987. Report of the world commission on environment and development: our common future.
26. Vezzoli C, Manzini E (2008) *Design for environmental sustainability*. Springer-Verlag, London, p 304.
27. van Nes EH, Arani BMS, Staal A, van der Bolt B, Flores BM, Bathiany S, Schefer M (2016) What do you mean, 'Tipping Point'? *Trends Ecol Evol* 31(12):902–904.
28. Walker, D. (1997), Choosing an appropriate research methodology, *Construction Management and Economics*, 15, 149 – 159.
29. WCED (1987) *Our Common Future*. Oxford University Press, Oxford, World Commission on Environment and Development.
30. Zainul Abidin, N. and Pasquire, C.L., 2005. Delivering sustainability through value management: Concept and performance overview. *Engineering, Construction and Architectural Management*, 12(2), pp.168-180.
31. Zinck, J.A. and Farshad, A., 1995. Issues of sustainability and sustainable land management. *Canadian Journal of Soil Science*, 75(4), pp.407-412.