International Journal for Multidisciplinary Research (IJFMR)

E-ISSN: 2582-2160 ● Website: www.ijfmr.com ● Email: editor@ijfmr.com

Relevance of Corporate Environmental Strategies & Sustainable Development with Commercial Perspectives

Dr. Phole Kamal Bhaurao

Assistant Professor & Head, Department of Commerce, Digambarrao Bindu College, Bhokar Dist. Nanded

Abstract:

With the globalisation of business, organisation needs to bring out more varieties of products and services to suit customer needs. This requires a flexible and cost effective manufacturing, distribution and sourcing strategies. Therefore, a sustainable strategy has to be flexible and cost effective.

In the present research study the researcher has attempted to focus on the various approaches in sustainable development perspective. Because strategies based on products and services of international standards and open architecture are more likely to succeed since in the coming years, the competition will not be between the products but between the standards. Standards are constantly redefining the industry position and hence the right assumption will lead to a more sustainable strategy.

Strategy will be suitable only if it is environmental friendly and uses the least of non-renewable sources. Any Strategy based on this assumption is more likely to succeed. Successful strategy implementation depends in part on the organisation’s structure. The strategy must be operationalized or translated into specific policies, procedures and rules that will guide planning and decision making by managers and employees. A growing feeling of fatigue among senior managements has been reported, linked to a lack of ability to make further advances and embed sustainability throughout their organizations' value creation processes, including products and services, operations and decision making in general. To support systematic, ongoing creation of business cases for sustainability, business model innovation that goes well beyond traditional business model designs is required. The Framework for Strategic Sustainable Development (FSSD) includes an operational definition of sustainability and strategic guidelines for how an organization can support society's transition towards sustainability while strengthening its own organization.

With current social, environmental, technological and political challenges facing business it is imperative we change. This research study explores the value of Strategic approach to business sustainability, and discusses the role of different approaches in strategic sustainability for corporate environment.

Keywords: Corporate Environment, Organisation’s Structure, Strategies, Sustainability, Policies, Strategic Approach, Innovations, Standards.

Introduction:

The concept of sustainable development as originally proposed by the World Commission on Environment and Development is captured by this definition recognizing that economic development must meet the needs of business organization and its stakeholders.

The concept of sustainable development as originally proposed by the World Commission on Environment and Development is captured by this definition recognizing that economic development must meet the needs of business organization and its stakeholders. Stakeholders here are identified to include shareholders, lenders, customers, employees, suppliers and communities who are affected by the organization's activities. The definition also focuses on business's dependence on human and natural resources, in addition to physical and financial capital.

According to it, economic activity must not irreparably degrade or destroy these natural and human resources. This definition was meant for helping business directors apply concept of sustainable development to their own organizations.

However, it should be emphasized that sustainable development cannot be achieved by a single enterprise (or, for that matter, by the entire business community) in isolation. Sustainable development requires a concerted effort of all participants of global economy to not only meet today's needs but also not to compromise on the ability of the future generations to meet their own.

Hence, the proposed research study attempts to present corporate environmental strategic management as an essential management function because of its ability to minimise costs and risks and enhance (or ensure) companies' value.

Defining Sustainable Development:

Sustainable development focuses on meeting present needs without compromising the ability of future generations to meet their own, emphasizing the balance of economic, social, and environmental well-being.

It involves considering the impact of development on the environment, resources, and the well-being of current and future populations.

Objectives of the Research Study:

1. To study the concept of sustainable development.
2. To focus on the various approaches in sustainable development perspective.
3. To study the role of corporate environmental strategies for sustainable development.
4. To analyse the corporate environmental strategic management as an essential management function.
5. To study the role of sustainable practices for both the company and society.
6. To discuss the conceptual approach to explore ways to compose effective corporate environmental strategies.

Hypothesis:

1. Sustainable development requires a concerted effort of all participants of global economy for future strategic plans.
2. Corporate environmental strategic management play an important role to minimise costs and risks and enhance companies' value.
3. Sustainable practices can contribute to long-term value creation for both the company and society.
4. Sustainable development has important political, institutional and capacity implications.

Research Methodology:

The Researcher has used the Primary and Secondary method of data collection. The primary sourced of data is collected by social and personal observations and also she has referred the reference books, articles and internet websites to collect the secondary data to analyse and conclude the research study. The research papers have been taken from various journals, reference books and the Internet information or website.

The Origins of Sustainable Strategy:

The development of sustainable strategies is dependent on a range of facilitating contextual factors as well as drivers. These help create the opportunities necessary for sustainable strategies to be successful, as well as motivate business to design and enact new sustainable strategies. External and systemic factors are explored first, after which, factors linked to the internal dynamics of businesses are considered. The global capitalist system and the markets that it includes cause many sustainability issues; including widening inequality, exploitative labour practices and many environmental issues. They also create the opportunities needed for sustainable strategy to be successful. For instance, the industrialisation of economic activity and associated consumption levels create obvious environmental problems. Current production techniques are associated with low levels of efficiency in many markets, which is represented by the high amount of waste created by many industrial processes. Cohen and Winn (2007) highlight the example of a semiconductor chip, the production of which is associated with waste that represents 100,000 times its weight. These market inefficiencies provide the space for improvements.

Sustainable strategies often target these improvements, through for instance, eco-efficiency strategies. These can reduce costs for businesses, which we will examine in the next section. The capitalist system is also associated with widening inequalities, creating opportunities (or the need for) strategies linked to resource ownership and community development.

Sustainable Business Strategy:

Sustainable business strategy is the integration of economic, environmental, and social aims into a firm's goals, activities, and planning, with the aim of creating long-term value for the firm, its stakeholders, and the wider society. This means that strategy is formulated and executed so that the needs of the firm and its stakeholders are met today, while protecting, sustaining, and enhancing the natural resources that will be needed in the future.

Corporate Environmental Strategies:

- **Environmental Management Systems (EMS):** Implementing EMS, like ISO 14001, helps organizations identify, manage, and reduce their environmental impacts.
- **Life Cycle Assessment (LCA):** Evaluating the environmental impact of products and services throughout their lifecycle, from raw material extraction to disposal.
- **Resource Efficiency:** Implementing strategies to reduce energy consumption, water usage, and material waste, such as using renewable energy sources and implementing smart meters.
- **Waste Reduction and Recycling:** Implementing programs to minimize waste generation, promote recycling, and explore innovative waste management techniques.
- **Green Product Development:** Designing and developing products that are environmentally friendly, using sustainable materials, and considering their lifecycle impact.

- **Supply Chain Sustainability:** Engaging with suppliers to ensure sustainable sourcing practices, reduce environmental impacts across the entire supply chain, and promote ethical labor standards.
- **Corporate Social Responsibility (CSR):** Integrating environmental and social considerations into business practices, demonstrating a commitment to sustainability and stakeholder engagement.

Approaches to Implementing Corporate Environmental Strategies:

- **Leadership and Commitment:** Strong leadership support and a clear vision for sustainability are essential for driving change within an organization.
- **Stakeholder Engagement:** Involving stakeholders, including employees, customers, investors, and communities, in the development and implementation of environmental strategies.
- **Performance Measurement and Reporting:** Tracking environmental performance, setting targets, and reporting on progress to demonstrate accountability and transparency.
- **Innovation and Technology:** Embracing innovation, such as using new technologies and green business models, to enhance environmental performance.
- **Collaboration and Partnerships:** Working with other organizations, industry groups, and government agencies to promote sustainability and share best practices.

Benefits of Corporate Environmental Strategies:

- **Reduced Environmental Impact:** Lowering emissions, reducing waste, and conserving resources, contributing to a healthier planet.
- **Cost Savings:** Implementing energy-efficient technologies and waste reduction measures can lead to significant cost savings.
- **Improved Reputation and Brand Image:** Demonstrating a commitment to sustainability can enhance corporate reputation and attract customers and investors.
- **Enhanced Innovation and Competitiveness:** Embracing sustainable practices can drive innovation, create new markets, and improve competitiveness.
- **Long-Term Value Creation:** Sustainable practices can contribute to long-term value creation for both the company and society.

Strategies for Sustainable Development:

- Sustainable development strategies requires systematic approaches and iterative processes of learning and doing. They do not have discrete beginnings or ends. They will rarely imply initiating completely new or stand-alone strategic planning projects.
- Different strategic planning processes can be used as starting point for a strategy for sustainable development. Their label does not matter. What is important is adhering to basic strategic planning principles and having in place a co-ordinated set of mechanisms and processes which ensure their implementation. This will help improve convergence between existing strategies, avoid duplication, confusion and straining developing country capacity and resources.
- International commitment to eliminate poverty through sustainable development offers a major new opportunity to achieve progress in integrating all the components of sustainable development into a country's strategic planning process.

Conclusion:

Sustainable strategy has to be flexible and cost effective. Sustainable development requires a concerted effort of all participants of global economy to not only meet today's needs but also not to compromise on the ability of the future generations to meet their own.

Sustainable business strategy is the integration of economic, environmental, and social aims into a firm's goals, activities, and planning, with the aim of creating long-term value for the firm, its stakeholders, and the wider society. This means that strategy is formulated and executed so that the needs of the firm and its stakeholders are met today, while protecting, sustaining, and enhancing the natural resources that will be needed in the future.

References:

1. Dr. A. K. Ashwathappa (1997), "Business Environment for Strategic Management", Himalaya Publishing House, Banglore, pp- 601, 637
2. https://link.springer.com/referenceworkentry/10.1007/978-3-319-95867-5_49
3. Baltimore Commission on Sustainability, (2009), The Baltimore Sustainability Plan, Baltimore, USA
4. https://www.researchgate.net/publication/332414437_Sustainable_Business_Strategy#:~:text=Abstract,be%20needed%20in%20the%20future.&text=&text=future.,-Main%20Body%20Text&text=destruction%20of%20habitats.&text=individual%20shareholders%2C%20for%20instance%20through,wages%2C%20and%20environmental%20degradation.
5. Jennifer A. Elliott (2006), An Introduction to Sustainable Development, Routledge.
6. https://www.google.com/search?sca_esv=e293ca8d199e0e1f&rlz=1C1GCEU_enIN1163&sxsrf=AHTn8zoWTzBx5n9s2i2g99aQL4c5loNwEw:1747693469659&q=Approaches+of+sustainable+development+class+10+pdf&sa=X&ved=2ahUKEwjMyL3DybCNAxVTaCoJHd0VG1UQ1QJ6BAg4EAE&biw=1098&bih=439&dpr=1.75