

Lecture - 17 : Corporate Sustainability

Hello viewers welcome back to this NPTEL course on sustainable happiness. In the last class we are discussing about the sustainable organizations and in this regard only we will discuss about the another facet of sustainable organization that is the corporate sustainability. Now what does it mean by corporate sustainability actually describes a new corporate management model. Now we have already discussed the challenges the global challenges that we are facing corporates are facing so and how they are trying to fit into this triple P bottom line paradigm of sustainability. So every organization, they're making effort to fit into that, you know, triple PPP planet profit paradigm and to make it as sustainable and futuristic as possible. So, that is the you can say it fall under the broader concept of environmental social governance.

ESG we have already discussed a little bit that means, now the corporates they have you know they are required to they are supposed to declare that their activities with respect to environment society and governance that is ESG or ESG framework. Now, all the all the corporates and the industries and organizations they are bound to you know fit into the ESG framework and declare their ESG audit report to the ministry to the government etcetera. So, so the and this corporates sustainability the emphasizes on the growth and sustainability profitability through this business paradigms. So, and that means, in this sustainability framework that is the they should fit into the triple P triple bottom line triple P framework.

And within being in within that framework, they have to achieve not just the sustainability, profitability, but they have to also you know declare their ESG report. So, corporate sustainability primarily it emphasizes on the growth and profitability through intentional business practices in these three areas that is the people, planet and prosperity that is in the social driver, in the social pillar, in the environmental pillar and the economic pillar. So, the goal here is to provide the long term value to the for the stakeholders both direct and indirect and at the same time without compromising people, planet and economy that resources, economical resources. So, environmental pillar as you know it is most it is most talked about factor post you know post COVID and even in the era of the climate change. You know, irregular climatic conditions, disasters, very often frequently happening disasters, all kinds of things.

So, environmental pillar has been most talked about, about this corporate sustainability. So, and many companies, they include the actions that the companies take to reduce their environmental impact or the carbon footprint. Now, because how to, that means, as because we are facing the challenge of climate change, and the primary cause is the carbon footprint. So, now, they all the corporates industries and the business houses they are

supposed to reduce the carbon footprint. Now, the government has declared for the zero carbon footprint that is zero net carbon footprint there is should be zero carbon footprint.

So, we have to venture into we have to go into the domain of the clean energy, renewal energy and all kinds of environmental implications for you know making our carbon footprint very zero to minimize it. So, that we can achieve the sustainability. So, examples of this you can say reducing the packaging waste, even in the digital marketing platform also online business or business also when we are receiving the things the you know orders the you know the things equipments the you know. whatever we are receiving we have given the order for. So, now, this packaging the packaging the we receive the packaging in the digital marketing also it also use it also creates a huge amount of waste.

And similarly, reducing the water usage, reducing the water usage, water wastage, how to recycle all the materials, then again waste management most importantly the waste management with the increasing population with the increasing business practices also. Enormous amount of waste materials are being created every day. So, how to manage these waste products? So, that using the sustainable techniques, sustainable technology, solutions, practices and energy etcetera. So, now again environmental pillar also takes into account the rethink, reuse and recycle. So, whatever resources we are we are utilizing try we are we must we must utilize it by rethinking, thinking it again and again and analyzing what would be its impact on the environments and reusing it, if it has the multiple values, multiple purposes, multiple you know multiple values etcetera, then we have to reuse again and again especially the technology gadgets, especially technology gadgets instead of buying the new model, new brand etcetera, we have to reuse it and recycle primarily the all the consumable goods, consumable goods.

If it is possible we have to recycle that is you know from time to time government is you know declaring any kind of vision mission statements like single plastic, no single plastic uses etcetera. So, to reuse the things to recycle the things. So, similarly companies also they carry a high level of responsibility in creating that culture of sustainability and conscious consumerism. Last class, we are discussing about is that some companies, branded companies, sustainable companies, they themselves educate, educate and conduct the workshops to make the consumers, customers aware of what the sustainable, sustainable consumerism is and how to purchase, buy the goods, goods sustainably. So, they have, we have to, even the corporates, they are also trying to create the culture of sustainability not only within house, in house sustainability, but also for the stakeholders, for the outsiders also.

So, social pillar, now the social pillar primarily focuses on seeking approval of all its stakeholders, employees and the local community. That means, whatever business we are

doing, we must seek, we must get the approval from the community people, from the residents, from the people, from the people of the locality, because without their approval is not going to be successful, because their approval, because they are the major stakeholders. So, they are the stakeholders, community people, they are the who are the at the receiving end, they are the stakeholders, employees who to whom the companies they are recruiting and the local communities and other local communities. So, this is it consists the social pillar. So, and that is why a company is that means, decision, dedication to take a good care of the people both inside the business house and outside the things, outside the company.

home business houses that is in the community itself, that is the responsibility of the corporates and the organizations to take care of the people who are directly or indirectly engaged with that industry or the business. So, social pillar practices that includes primarily eliminating the child labor, offering the paternity and maternity leave, how to make the work schedule more flexible, giving back to the community, taking care of you know taking care of you know children of the women employees, then wage parity and you know creating the facilities for the for the working women, working women, then hospitals, dispensaries all kinds of the all these kinds of facilities to be provided to the employees of the employees of the organizations and as well as the community people community people those who are also indirectly involved in that organizations. So, economic pillar primarily not not just involves the profitability of the business practices, but also how to make it sustainable, how to make it sustainable. The company can have cannot have a positive impact on the environment and and environment or it will be profitable without taking care of the economic aspect and the social aspect. pillar primarily it includes not just the complying the rules regulation norms etcetera of the business norms etcetera, but also good corporate governance.

ESG takes into account all these that means, every company every organization and business houses they must have the corporate governance policy practices schedule. They have the you know they have the policy documents. where they have clearly mentioned about the their governance. Governance in environment, governance that is the rules regulation, administration, employee facilities, compensation etcetera. Then the social activities, society who are the stakeholders who are involved in that businesses and the environmental resources they are utilizing and the environmental guidelines what they are following.

So, the values of the stakeholders and the management that is why the value of the stakeholders all types of stakeholders and the management values. They must align together like for example, even even the even if the investors are investing money, but how to spend that money that resources. in a justified way in a sustainable way that is the look

out of the organizational governance or the organizational policy. So, the economic pillar makes it possible for a company to strategize and invest in the new corporate sustainability method. Now, with the upcoming UNESCO frameworks on new UNESCO frameworks on the ESG and SDGs and the ESDs global citizenship corporate governance etcetera etcetera.

So, such organizations they are also updating their policy sustainability policies policy frameworks. And similarly, so economic pillar also makes a makes a one of the significant driver of you know strategize strategically organizing applying and the implementing all these new corporate sustainability methods techniques and strategies to achieve the achieve the sustainability in a in totality. So, all the 17 even SDGs now they focus on the affordable clean energy and the clean water and sanitation. From time to time yes all the 17 SDGs are important, but the most important vital one that like energy clean energy because it creates the pollution which causes the you know climatic disasters. and clean water because safe drinking water is very important and the sanitation facilities.

Similarly, the waste management also. So, these are the primary focus of all the 17 SDGs UN SDGs. So, companies they should track their energies, their water consumptions. Their action plan and how much waste they are creating, how they are disposing the waste, how are they are and again how much the what is their action plan to reduce the consumption and not just looking into the profitable market, but also reducing the consumption or just you can say sustainable consumption they must advocate for sustainable consumption. So, through what are the three techniques for promoting sustainable consumption through energy efficient technology and equipments what they are using.

for production and marketing and all kinds of business purposes, assigning the capital expenditure budget towards transitioning to renewal energy and technology. So, like as because they are moving towards heading towards the sustainable practices, similarly they have to procure sustainable green technology, they have to procure sustainable you know sustainable energy sources. Sources and similarly they have to set up their plant for recycling and reusing the water that means, recycling process and re what is the water plant water purification purifying plant waste management plant all these things. So, they have to invest in all these factors. So, recycling and reusing the water.

So, companies are also now only increasingly required to restructure themselves sustainability. Because as because they are updating not just updating in the sustainable practices and policies, but also they have to they have to foresee the future. future plan, they have to foresee the future sustainability and moreover the how to you know how to procure the resources in a more sustainable way. So, that it will not be depleted very soon and it will be it will be conserved, it will be restored and with this start that means, they have to blend they have to blend a lot of things sustainable or green technology, sustainable

policies, sustainable practices and even education awareness and communication process. So, the awareness of the need to produce and consume sustainability must be ingrained in all of us, all of all the stakeholders, all the stakeholders or the buyers, consumers, community people etcetera and for that matter they are educating, communicating and And communicating and you know organizing various campaign, campaigns and workshops to educate the population, to educate the common man, educate the community people.

So, now a new term has come up like re-commerce. Re-commerce like for example, we say the reverse engineering. Similarly, re-commerce or sustainable commerce. sustainable commerce is the you know is that means, how to reuse the products materials in a very innovative way and in a very sustainable way. So, the same resources that means, we are we are we must have a bent of mind that I If you when we are buying buying the particular technology tool etcetera or we are procuring some resources manpower or whatever financial power or some financial resources that whatever resources we are procuring, we must think of multiple use of that resources.

So, in terms of in terms of reusing the products, in terms of modifying revising the products, in terms of updating the products, in terms of educating the consumers and the customers. So, and so to to get the maximum benefit of the things and materials at the same time to take care of the environment and the people and the society and the in the society and the people and the environment. So, in future, so what would be the future shape of the sustainable organization? So, it will have to fully integrate the sustainability into their core strategy. So, it is not only ESG framework, not only in the superficial or not only in the marketing and research, but ESG should be embedded, sustainability should be embedded in their every practices. So, into their core strategy, into their core vision, mission and the goals, into their core business plan.

So, that is to they and they will they will have to find out the ways and strategies to balance their economic objective with the need to positively impact the society and environment. So, that does not mean that they will they will incur they will have to incur their loss. So, economic objective is also to be achieved, but with in with that means, with an equal balance with the impact on the society positive society and environment. So, make all the three drivers positive and balanced ok. So, because in the again future in the in the present market as well as in the future market also in the global markets severe competition is that rapid change is there, innovation is there, technology advancement is there.

So, how to thrive in this rapidly evolving world? So, definitely they have to make a balance. So, they have to update their strategy corporate strategy and looking not just into the economic aspect, but into the environmental social aspect also. So, so that is a you know they have to follow their you know universal ethics values laws and so many

guidelines of the business practices like you know equality justice then your zero carbon footprint, then you know you know ESG, then CSR. So, ethical ethical practices. So, out of these kind of things core strategy and you know that is that is evolving day by day.

So, work ethics, equity and inclusion has been very very important. You know with all around all kinds of conflicts, clashes, war like situation and you know deficits in the resource, resource depletion, natural resource depletion and all kinds of the climatic disasters, climatic change occur. and the natural disaster what is happening in and around the world. So, then so, in this context ah work ethics equity and inclusive inclusion initiative are very very important. So, it means that this is these three are actually called as the DEI parameters that is diversity unit unity and inclusion parameters.

So, these are essential for the for fostering a positive and sustainable work culture. So, diversity means that people the participants, the employees, the stakeholders, the investor they are coming from the different backgrounds having different perspective, different skills, different cultural dimensions etcetera. So, how diverse they are. So, diversity is a very is a positive point is a is an asset for the company, but how to identify it, manage it, utilize it, leverage it. that that leverage the diversity that is also another important look out of the companies, because they must have a clear principles, policies, rules, laws, regulation etcetera.

So, that they can only they can utilize this diversity concept starting from the recruitment to leveraging the diversity. Equity means definitely equal access to opportunity, equal and fair and justice and impartial treatment to everybody in terms of facilities, in terms of you know pay package, in terms of leaves, in terms of compensations. So, that is equality must prevail everywhere. And inclusion that a sense of belongingness like when we are inviting diversity means we must have an work culture to include everybody, include everybody that means whosoever whosoever are coming to our workplace either being a stakeholder, customer, investor etcetera we must have a policy to include them. So, that they can develop a sense of belongingness ok.

So, sense of belongingness in an environment where everybody feel. They are welcomed, they are accepted, they are respected, their opinions are being considered, their contributions are being recognized. So, they are being skilled up, their career development, their future skill requirements are being taken care of. So, companies they invest money on. them on them in developing their skills and updating them in making them you know useful human resource equipping them with the various skills and competencies etcetera.

So, that is the culture of inclusion and inclusion inclusiveness and in sense of inclusion also builds the work culture in a to make it a very sustainable and positive work culture.

So, this is the you can say we have already discussed that these are the key characteristics of sustainable organization as you can see that is you must have long term thinking, planning, commitment to environmental stewardship, agile the society, social responsibility, ethical practices are very important. Then employee well being, employee well being, engagement, innovation, adaptability this is another important factor because out of financial resources, technology as a resources, your other kinds of resources out of all these among all these resources the human resources you know most dynamic most potential things. You can manage with some financial crunch etcetera, but you if you have got the motivated highly motivated and competent employee or manpower. So, you can manage with you can manage to face any challenge you can manage to So, deal with any conflict, any disaster, any kind of setback provided you have the highly motivated, skilled, competent manpower or employee or workforce.

So, next is transparent and the equitable governance collaboration partnership. Above all governance that is the governance your policies your it should be very transparent, it should be very clear because it must reflect this diverse DEI parameters like it is diverse it must be reflected in their policy, it includes equality, it practices equality that must be exhibited and it also includes it also includes the inclusiveness. or developing the work culture which is inclusive in the way that they are they welcome all types of people, all types of employees, all types of stakeholders, investors, customers etcetera without any without any judgment, without any you know any stereotype, without any bias etcetera. So, these are the you can say the four pillars of the characteristics to form it for a sustainable organization. Now, how to implement this DEI diversity equality inclusive within the organization, there must be some strategies.

So, invest how to invest in diversity in initiatives in many sectors, because the organization they have the different sectors. So, now, we can also even for the employees to be employees to be trained properly. So, there are certain strategies ok. So, now, first thing is that you can say open offer the bias training sessions and then for the as a part of HR training employee employee employee training, you must embed certain kinds of training sessions where the it will raise the consciousness of consciousness of the employees that means, where they have been biased, where they have been judgmental, where they have been wrong. and how to how to you know how to get rid of these things.

So, this offer bias training sessions they offer unconscious bias training sessions to increase the employees awareness of implicit biases. Even though they are not conscious of the biases they are actually possessing or they they are having this at this moment, but this unconscious bias sessions training sessions through some through some story through some you know role playing through some games etcetera to create to generate that awareness among the employees that is the implicit awareness as which can make them

conscious of the implicit biases they are actually Now, promote the pay equity again yes for ensuring the employees that to that this is the government the corporate has the equitable salary package, equitable facilities, equitable privileges and leave rules etcetera. So, equality they have to embedded this equality ensuring employees to earn equitable salaries and how to get it. And that is actually the main ah strategy of including including the equality the equal opportunity, equal working hours, equal ah equal bonus, equal ah salary, equal equal compensation everything.

Now prioritizing the developing that ah talent. So, in this process how to ah in order to again ah implement the DEI the prioritize priorities the developing talent of the manpower that is very important. For from the even from the underrepresented groups of mine that means, minority group In your in your workspace, in your workplace, suppose the majority is from one country or two country and the minorities are from other countries. So, you also try to identify their talents, their potentialities and nurture them, groom them. So, they from their their group also can be can be duly represented in the workforce. So, prioritize the development talent development plans and programs for under representative groups or minority groups.

So, relevant, reveal the relevant opportunity, similarly explain, narrate, discuss, discuss in the meetings and different forums that is what is relevant opportunities available within the country, within the workplaces and across the country and across the global places. 11 equity, equity should be promoted every step in every practice, not just in pay package and the leave rules and compensation, but in every in terms of access to goods, in terms of access to facilities, in terms of in terms of you know leave rules, all kinds of practices equality equity prevails, not just resource distribution of power, but also availing the opportunities also for training facilities leaves etcetera. So, activate the diversity as as activate as many that means, promote diversity in the way that you welcome ah. That means, when you are you advertise it globally and you try to identify and That means, shortlist the all the people from all across the group and recruit them by evaluating their talents, their skills and competencies without judging their cultural background or the ethnic background. Then lead inclusively, then after that after that means, after elevate equity, activate diversity and then lead inclusively.

take a lead by taking everybody and the leaders would lead the group by taking everybody into that group. So, from the diversity. So, many corporations, many organizations they have the diversity council, diversity leadership council, diversity officer. and you know ethical ethical ethical and law and justice officer. So, similarly so form different like diversity leadership councils also according to the your business activities.

Then build the employee inclusion networks, try to develop the employee networks and

inclusion where everybody can be included not just in terms of their ethical background, but in terms of the team projects, in terms of the works, in terms of the departments. So, try to make the employee inclusion networks and inclusion in the workplace is also one of the very important key factors to retain the talent also to retain the employee retain the talent in the workplace. So, now how to leverage the workplace diversity, leveraging the workplace diversity by embedding diversity, equity, inclusion and opportunities to grow, then you know skill development and you know all the kinds of positive strategies for the you know for the sustainable growth and resilience, resilient for building a resilient organization and economic outcomes. So, a global environment characterized by high volatility the rapid change embedding diversity and equity and inclusive has become a mandatory component has become a very essential component. In order to increase your brand image, in order to increase your growth in a sustainable way and in order to build up your sustainable image also right to make it to make your organization more resilient and to face any kind of you know economic crisis or you know environmental crisis whatever you have to make it very robust and sustainable.

So, that is a embedding this DEI not just for the moral perspective or ethical perspective, now it has to be very strategic enough to promote the sustainable growth and build an agile workforce make the organization very flexible and capable of you know capable of facing all kinds of dealing with all kinds of global risks, challenges, economic crisis etcetera. make it as flexible and dynamic and resilient as possible. So, definitely diversity in the workplace means you have to be very dynamic. So, employees come from different backgrounds, cultures, gender, skill, racial, races and religions and even the sexual orientation also. Now you know with now gender equality, gender equality is also very important factor.

So, the more diversity in the workplace is that the more productive it will be. Because you know diverse people always think differently and creatively. So, when we can put their ideas together definitely it is bound to be very very productive. So, if they create they generate the creative solution to the problems. So, this is a there is a direct correlation between diversity and innovation, but here the challenge is that how to identify manage diversity, how to utilize that diversity and then how to leverage the diversity.

So, diversity leads to increased profit, it is it is proven in the research also 95 percent higher return comes on the equity. Similarly, diverse diverse companies they attract the best talent, because you know every day every when a diverse companies you know when the people they look for the jobs etcetera, when they think that the this company embrace diversity. So, they have the develop the confidence and keenness to join that thing workforce. So, these are some of the organizational strategy for embracing diversity, first

thing is that find out how your diverse employees would solve a problem. Now, initially when we identify not just from the recruitment, but first thing is the identify the range of diversity and the diversity in terms of the skills, in terms of competencies, in terms of cultural background.

So, you first map the diversity, the range of the diversity mapping, the range of the diversity in terms of different categories, in terms of skills, competencies, this and that. Then channelize the diverse employees according to their strengths and interests. Somebody is a very good in technical thing, somebody is very good in communication, somebody is very good in designing. So, utilize their capabilities, their strengths and interests in channelizing their resources, standardizing their skills and competence in a sustainable way.

in a sustainable way in a judicious way. So, fuse the ideas of the diverse workers for example, for setting up new plan or for any for you know suppose you are planning for a new product, new business, new you know merger, acquisition etcetera always take their ideas by you know. So, that is a fuse the ideas among the workforce. So, that they will come up with the with the best idea that means, promote brainstorming promote brainstorming and before introducing any new concept any new practice and product take their ideas take the ideas of the diverse workshop workforce and then try to evaluate it then try to implement it. So, change the way you think about diversity say in the workplace that is then again you also educate all your employees. members, managers, your stakeholders every everybody you you teach them, you educate them what what is their idea about diversity, how they are appreciating diversity, what is their opinion about diversity and in case they take up the responsibility, how they are going to execute it, how they are going to perform it.

So, adversity what is their idea for diversity in the workplace and be and suppose they would have been in that post, how they are going to the how they would have handle the position, how they would have welcome the diversity, how they have they would have utilize the diversity in the work place. So, wrapping of the diversity in the work place that is the diversity is the art of thinking independently like you know sustainability as you know sustainable thinking, sustainability is a paradigm shift to bring the shift in our thought process, in our emotion, in our behavioral practices. So, it is a paradigm shift in the human behavior. Similarly, diversity diverse embracing diversity, Utilizing it and leveraging it diversity in the work place again it also it requires this shift paradigm shift in thinking process. In our cognition, in our in our you know metacognition that means, when you are thinking of taking the advantage of or embedding diversity in the work place how you are going to do it.

So, it is a lot of it is a long process is not an instant act to be completed instantly, but you have to start thinking it is a diversity is a process starting from the identification to the leveraging it is a continuous process how to do it, it requires strategic thinking. So, you know these are the you know various factors related to diversity and inclusion you know gender orientation, sexual orientation that is criminal background that is background you know like you know different depending on the cultural background, environmental background it is the people they have the different kind of So, temperament criminal background is temperament that is emotional that emotional intelligence whether that means, because of because of you know climatic change, because of deprivation, because of the malnourishment, because of the many of the there you know socio cultural factors they have a different kind of temperament. So, you have to evaluate that also. Life experiences, disability status, age group, race, gender, religious, these are the diverse things. Besides that their educational background, their job competencies, then their personality attributes like optimism, resilience, you know gratitude, all these personal emotional intelligence, these are the personality traits.

So, these are the variables of individual differences. So, personality attribute these are the factors of diversity, diversity means n number of factors. So, how to identify it, include it, embed it, utilize it and leverage it. So, these are some of the some of the strategies you can say diversity improves definitely financial in performances, it is in inclusive environment, it builds a sense of belongingness. Hence, along with if you want to embed the diversity, welcome the diversity, we have to make the environment more inclusive, because everybody will feel connected, feel connected at work. So, it is not about the their interpersonal relationship, but it is about their relationship with the work itself.

propensity to work harder, work commitment, organizational citizenship behavior, these kind of you know these kind of ethos, these kind of the practices should be developed, nurtured among the employees. So, heightened it also heightens the creativity, innovation things it promotes an inclusive with people with the new ideas in the organization. That means, communication is very important, but you must provide the organization or the managers leaders they should provide this kind of culture and the climate. So, that they can informally also discuss about any new ideas, any innovation ideas, any creative ideas etcetera. And they must be given support in terms of financial resources, in terms of job safety, in terms of encouragement.

to to examine to experiment on their new ideas. So, it definitely it builds the confidence among the confidence among the employees in it enhances their psychological safety, security, then enhances also promotes their psychological well being. And it enhances the employee engagement, it enhance the employee commitment, commitment and governational citizenship behavior, it strengthens the company's reputation. And, it also

increases slowly increases the hiring results like recruiting that more and more talented people will be attracted towards this organization. And, it should also focus on culturally diverse talents. You know we have already discussed about you know celebrating different kind of cultural by through some through you know organizing the events, entertainment programs, then for you know for preparing some outing and week primarily usually quarterly or bimonthly you know some kind of parties and gatherings get together also.

So, and for officially now chief diversity officer is there with his associates. So, he is there to you know assimilate embed the DI and diversity and inclusion criteria beyond the HR program. And in the management strategy itself it is not just a part it should not be only part of the HR training program, but it should be embedded whole management policy. And, it also this kind of inclusive culture and collaboration also promotes the meritocracy, because people believe the start believing that now this organization not just invest on us for promoting our competition and skills, but it is purely on based on the talent, it promotes the meritocracy, it promotes the talent. So, they become more very motivated in implicitly motivated to you know to upskill them to upgrade them.

So, again digital digital fluency you know digital literacy digital fluency not just literacy fluency similarly technological not just procuring the techno techno equipments digital equipments are important, but to train the people how to utilize it. Because, you know with the technology driven organizations you know people they get scared of you know may be that their jobs will be their jobs will be obsolete, they will may not be required, they may be laid off by the company, but that is not the thing. Introduce technology, introduce, but make them make the employee familiar with its usage, its how it smoothen their processes and practices and how to and how to develop their technological knowledge through different training programs, workshops etcetera. So, leverage the technology also to drive engagement and drive the competitive advantage in the workplace diversity. So, technology is a tool and you know technology is a very potential tool rather than nowadays.

So, technology is a very potential resource find as the finance is an important similar technology is a resource important resource vital resource. So, how to utilize how to utilize this finance and technology together. to to enhance to empower a human resource power ok. So, then and so, then we can you know by embedding different kinds of updated new policies how can we make our organization more sustainable. So, so increasing diversity equally inclusion in the workplace and in a strategic way that can also promote the workplace diversity and make the organization more sustainable or moving towards the sustainable future.

So, now I am just closing it here and in the next class we can discuss the other components of workplace diversity. Thank you.