



CORPORATE LONG-TERMISM AND SUSTAINABILITY



DR. SHASHANK SHAH
Stakeholder Management Strategist and Business Author

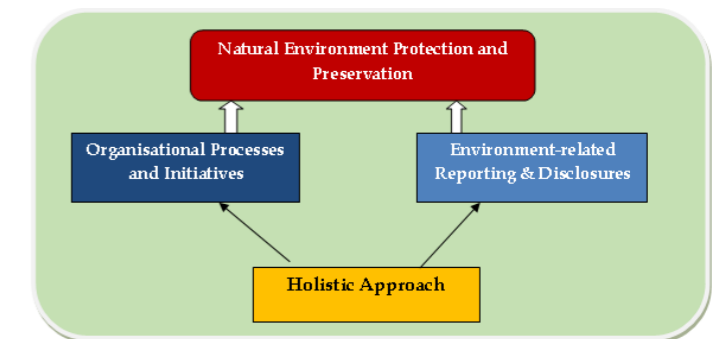
We do not inherit the earth from our ancestors, we borrow it from our children, goes a native American proverb. Right from school, we are taught that Earth has a finite amount of resources. That 'Reduce, Reuse and Recycle' are the Mantras for a sustainable way of life. But often, these messages do not get translated into practice. The levels at which humans are exploiting the earth's resources, is not only causing harm to the earth but also damaging it irreversibly for all future generations. The type of destruction and dissolution of natural resources and elements by individuals and institutions that has been witnessed in the last century is much more than that witnessed in the previous millennia. Let's look at some statistics. Global emissions of carbon dioxide have increased by over 50% since 1990. An estimated 65 lakh deaths worldwide were reported due to

air pollution-related diseases in 2012 alone. That's 11.6% of all global deaths – more than the number of people killed by HIV-AIDS, tuberculosis and road injuries combined. Among these, over 600,000 deaths were reported from India. According to an early 2017 study by The Guardian, 10 of the world's 20 most polluted cities were in India. A 2015 Down To Earth study found that about 3.77 crore Indians are affected by water-borne diseases annually.

The role of corporations in contributing to this dangerous scenario and in mitigating the negative impact of their products and processes can hardly be ignored. For over three decades, diverse international fora have discussed, debated and proposed responsibility frameworks for corporate implementation. One of the major criticisms against them is that while the United Nations estimated that there are approximately 70,000 multinational corporations across countries with many thousand subsidiaries, only a few branded companies were actively engaged in the implementation process. Hence, there is a vast scope for improvement in large-scale involvement of corporations in implementing international recommendations of environmental responsibility and ecological preservation.

There is a need for transition from the letter to the spirit of Climate Change guidelines, and from mere compliance to greater transformation in the way business is done. While many companies use the protection and preservation of the Natural Environment as a tool for brand building, some have attempted to integrate economic and environmental goals to create mutually beneficial outcomes.

The corporate scenario, especially in India is not bleak. Over the last decade, in my research and interactions with leading corporations, a perceptible change has begun in their understanding of their responsibility towards the Natural Environment as a vital organisational stakeholder. As an outcome of this research, and through a mixed-method inductive study (based on interactions with and responses from 125 corporations), I have proposed a 'Natural Environmental Responsibility (NER) Framework'. The framework and its major components are based on empirical data of practices as existent in corporations in India over the last decade.



As seen in the diagram above, the organisation's approach to Natural Environment, its preservation and protection forms the basis. This approach gets reflected in the organisational processes with respect to the Natural Environment and the various sensitivities that get reflected in the organisation's functioning in its interface with the Natural Environment. It is also seen in the various proactive initiatives undertaken by the organisation for the benefit of the ecology. The reporting of this through varied documents and

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media platforms is another important component. Thus, NER Framework is based on these three core components.

Holistic Approach

- Adoption of a Climate Change Policy at Company/Group Level
- Centralised Environment Wing/Environment Audit Department
- Expert Advice and In-House Awareness
- Focus on Sustainable Growth
- Prioritizing Business Activities exhibiting Environmental Sensitivity
- Strategic Environment Management System

Organisational Processes and Initiatives

- Biodiversity and Aquatic life Preservation
- Carbon Footprint Study
- Collaborations with NGOs
- Developing and Optimally Utilising Alternative Sources of Energy
- Eco-friendly Production Processes and Effluent Treatment in Factories
- Energy Efficiency
- Environment Risk Analysis
- Green Initiatives – Green Buildings and Infrastructure, Green Procurement Policy, Green Logistics
- Pollution Control and Reduction in Ozone Depleting Substances (ODS) Emission
- Research and Development
- Reforestation and Sustainable Agriculture
- Use of Biotechnology
- Waste Management and Safe Waste Disposal – Recycling, Electronic Waste Management
- Water Management

Reporting

- Corporate Sustainability
- Environmental Reporting
- Triple Bottom Line Reporting

These groupings provide a comprehensive set of NER initiatives being undertaken by leading organisations in India. These initiatives cover diverse functional areas including supply chain, sourcing, marketing, manufacturing, logistics, infrastructure, sales and distribution. They could be considered as some of the best practices in this field. These can be benchmarked by other organisations.



The NER Framework provides an indicative structure which could assist corporations in the protection and preservation of the Natural Environment in their own way. The holistic approach to NER forms the basis of the entire effort of corporations to protect and preserve the Natural Environment. If the basis of the approach is long-term, with a genuine desire to conserve the ecology and not just for legal compliance, then the initiative would be a sustained one. However, if the organisational approach is a skewed one, wherein goodwill generation for the organisation, developing of a positive brand image and gaining financial benefits alone are the objectives; the implementation of the project would stop the moment the expected benefits to the organisation cease.

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The way forward would be to integrate environmental and commercial goals of corporations such that they lead to win-win outcomes for the corporations as well as for the Natural Environment.

Dr. Shashank Shah is a thought leader in fields of study at the cusp of corporate strategy and sustainability with over 100 national and international publications to his credit. His research focuses on the pivotal role of corporations in economic and social value creation through visionary leadership, stakeholder-centric decision making and inclusive business strategies. He has been a Visiting Scholar at Harvard Business School, Fellow and project director at Harvard University South Asia Institute, Visiting Scholar at Copenhagen Business School, Editor-in-Chief of Harvard University Postdoctoral Editors Association and Consulting Editor at The Business India Group.

ALTERNATIVE SCHOOLING BY TIMELESS EDUCATIONISTS



Nelson Mandela considered education as a weapon by which one can change the world. However, this weapon is not a simple object to achieve. Education is a life-long process of obtaining knowledge at home, classroom and through real world experiences. The likes of Mahatma Gandhi, Rabindranath Tagore, J. Krishnamurti in India and John Dewey, Paulo Freire and Ivan Ulich in the west have stretched their thought over this contemporary educational crisis, and offered their own model of education. Here's what today's educationists can imbibe from these thinkers.

Rabindranath Tagore

Tagore was against the educational system that was prevalent in his time. He felt that education had become artificial, divorced from nature and confined within the four walls of the classroom. He said: "There was no particular trouble in the school. Yet after all, it was a school. The rooms were pitiless, its walls stood like

sentries. There was nothing like a home in it, it was like big box with many compartments."

He stressed the importance of the play-way method in early education because it was a free and spontaneous expression of creative activity, growth and joy. Unless a child becomes aware of his creative sensibilities, education turns out to be a mechanical training of the mind and allows no room for improvisation.

