

The Need for Businesses to Move Towards Sustainable Practices

There are platforms specifically posting job opportunities for environmental job seekers to connect with employers who prioritize the wellbeing of the environment, sustainability, and diversity, equity, and inclusion in the workplace.

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The gold standard for businesses today is its ability to be sustainable. The result that comes out of its implementation is certain to guarantee funding, access to global markets and attract a younger workforce who are keen to work in firms that are walking the talk. In fact, there are platforms specifically posting job opportunities for job seekers to connect with employers who prioritize the wellbeing of the environment, sustainability, and diversity, equity, and inclusion in the workplace.

According to Edelman Trust Barometer 2021, after job losses during the COVID-19 pandemic, climate change was on top of job seekers' minds. At COP26, governments were also keen on committing to the agreed expectations. The two-week summit saw many sectors and companies meet on the

sidelines of the summit, working together to meet emission targets, while safeguarding jobs and achieving growth.

This radical change in consumer preferences and mindset further fuelled the interest in sustainability after the summit. The increasing awareness about climate crisis meant that COP26 would nudge businesses to use innovative green business models. The summit forced companies to consider sustainable alternatives for raw materials.

The US has introduced the Inflation Reduction Act (IRA), a critical legislative action that allots 790 billion dollars to address issues like the climate crisis, health care, and infrastructure. The IRA will aim to create approximately 9 million jobs, remove toxic lead pipes from communities across the country, lower energy costs, lower costs for prescription drugs, and lower healthcare costs among other goals.

A public business reporting and sustainability reporting (BRSR), which is an Indian metric for ESG, is a mandate for the top thousand listed companies since FY2023. The SDG linkage is very important in ESG because any capital provider wants to show that the money they have invested in a business is also adding value socially and environmentally.

Today, firms are grappling with the 'communication' aspect of Sustainability. Perception managements amongst their various stakeholders, using their official social media accounts to engage with communities on their sustainable practices – are some of the key concerns.

Often, top-level management gets too mired in compliance and other checklists that they often miss the proverbial woods for the trees. The communication aspect required critical thinking and creative outcomes to ensure that the impact is structured and packaged in a manner that makes clear sense for the intended audience.

Consumption practices too need to be monitored and influenced by firms too. This can bring about innovation in terms of product development. A simple example to illustrate this, is to consider whether a restaurant would like to think about liquid soap as refills for their dispensers, or would rather use a soap bar. One of the ways to get consensus for this, would be to leverage the use of an Association of Restaurants or an Industry body and benchmark this to other segments of the hospitality industry.

If this kind of culture attracts environmentally conscious clients, this could garner more support for sustainability due to the firms' values.

There is an increased interest in sustainability, and this has resulted in academic interest into research areas linking sustainability with customer satisfaction, brand image, organisational performance, and willingness to pay a premium, whether it is for a laptop, smartphone or sustainability hotel stay booking.

Sustainability was a concern mainly for firms that were part of the 'emissions emitting segment'. However, going forward, the goal is to ensure that firms are made accountable and communicate about the need for sustainability consistently.

In a [two-part case study](#) published, we discuss how to mainstream sustainability into every function of an organization. This should eliminate the need to hire a Chief Sustainable Officer to advise the management on how to follow sustainable practices. In the true sense, a firm becomes sustainable when every manager and functional area, incorporates this practice into the day-to-day management of a business.

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