Sustainable Sustainability – A Call for Sustainability Ecosystems

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While COVID-19 wreaks havoc on economics, industries and businesses around the world, there are challenges that are equally as urgent and potentially as devastating. The global pandemic and its repercussions have solidified the vision of the world that we want – one that has eradicated the global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace and justice. And businesses are at the forefront of implementing, enabling and supporting the changes we need.

Unfortunately, business leaders today are dealing with a highly complex and unprecedented slew of social, environmental, market, and technological business needs in response to the pandemic. Many recognize the importance of sustainability, but they are reluctant to place sustainability at the core of their business strategy in the mistaken belief that the cost outweighs the benefit at this time. And where there is decisive action within the business, it tends to focus on rather basic interpretation of organizational sustainability, such as green practices and maintaining carbon neutrality.

But the true positive impact as well as competitiveness of an organization goes beyond internal practices and lies in the development of a "sustainability ecosystem", an ecosystem that encourages sustainability on different fronts, towards a sustainable living.

We envisage 3 building blocks that ensure the development of a sustainability eco-system. Each building block has a specific objective progressively expanding the impact of the firm's sustainability policy:

Building Block 1 – Islands of Sustainability Initiatives: This is the building block that most companies so far have focused on, in which numerous sustainability initiatives have been pursued within the organisation. These initiatives are usually around reducing emissions and greening IT.

The key objective is to build local and global reputation as an organisation that practices sustainability. In this building block, there is often little emphasis and impact on shaping stakeholders' sustainability strategy and practice.

However, this does not mean that such activities have little to no impact on sustainability causes. Rather, if implemented well, these initiatives can foster awareness of and passion in specific initiatives amongst participants, raising their personal social responsibility. At the same time, if companies choose to focus their activities on specific causes throughout the year(s), the cumulative impact would still be significant.

Within TCS, for example, focus is placed on 3 areas: carbon and energy management, water management and waste management. To date, TCS has already achieved its 2020 target of reducing its specific carbon footprint by 50% relative to baseline year 2007-08. In addition, TCSers around the globe are encouraged to log their initiatives under Fit4Life (Health and wellness focused) and Purpose4Life (CSR focused).

Building Block 2 – Shaping Business Partner's Sustainability Practices: In this building block, the focal firm is actively shaping business partners' sustainability practices and defining sustainability objectives for its internal and external value chain. The focal organisation is assuming an educator and a champion role in transforming the value chain to adopt and achieve strategic sustainability objectives. Some examples:

TCS blockchain based peer to peer renewable energy certificate trading platform, to create a decentralized energy market for efficient utilization of energy.

IKEA's sustainability strategy – People & Planet Positive – exemplifies this building block. IKEA has revolutionized sustainable consumerism, by making home and lifestyles essentials sustainability conscious and has encouraged the ecosystem to adopt sustainable business practices by choosing to work with partners and vendors who meet IKEA's requirements and have sustainability goals similar to IKEA.

Another example is Unilever's Sustainable Living Plan that aims to decouple growth from environmental footprint, while increasing positive social impact. Unilever is operating with 100% renewable grid electricity in its manufacturing operations worldwide and has reduced total waste per tonne of production by 96% since 2008[1].

Building Block 3 – Transform communities: The focal organisation is acting as a local and global evangelist that educates and unleashes sustainability as an essential practice to ensuring the longevity of the planet and its communities.

As an example, In Singapore, TCS partnered with the Singapore Management University (SMU) to develop the CareSeniors Programme – a community pilot that deploys sensors within the homes of elderly at risk. The goal is to explore non-invasive monitoring and assistive technologies for extended independent living and quality of life for the rapidly ageing population of the world.

Another example is TCS mKRISHI®, a patented mobile-based services delivery platform which uses mobile phones and the sensor technology to provide access to data, markets, and financial services and to give personalized advice. With these, farmers can plant, fertilize, harvest, and sell products more effectively. Currently, mKRISHI® has reached 2 Million beneficiaries.

When considered together, the three building blocks enable alignment, systemization, and coevolution as strategic actions for organizations looking to build such ecosystems as they deliver both economic and social value for the business as well as society.

Alignment:

By setting sustainability as a core value, organizations seek partners that are aligned to the value as well as those who are keen to explore it. The alignment flows through the ranks of the organization, from employees to leaders to clients and partners, right to the associations we maintain with governing bodies. From a business perspective, the alignment of values both protects the organizations' interests as well as fosters a like-mindedness of priorities.

Systemization:

Both within the organization and promoted to the larger ecosystem, systemization in the form of global regulations ensures we are all held to the highest standards as well as adhere to a universal standard of sustainability and reporting.

Across Asia Pacific, market regulators here, including the Singapore Exchange (SGX), have recognized the value of corporate transparency and require companies to disclose ESG data.

Economic growth in the region presents an opportunity to embed corporate responsibility at an early stage and align capital to sustainable ways of working. The only way to do this is with high quality ESG disclosure based on a global common language – the Global Reporting Initiative (GRI) Standards.

Coevolution:

The last of the strategic actions is coevolution – the influence of closely associated companies on each other in their evolution. With values aligned and systems standardized, entities within the sustainability ecosystem essentially drive each other to do better, sharing ideas and initiatives, and partnering for positive impact.

Expanding this further, a sustainability ecosystem also promotes the coevolution of business policies and practices, setting in place a framework for investigating outcomes and organizational behavior.

A sustainability ecosystem thus closes an organization's gap between acknowledging the importance of sustainability and incorporating sustainability into their business models. At the same time, it encourages a shift in perception by organizations thinking of sustainability as purely a compliance action to understanding sustainability as a true competitive advantage.

Business collaboration in sustainability initiatives have failed in the past because of competitive self-interest, a lack of a fully shared purpose, and a shortage of trust. However, an ecosystem such as this helps to focus both business processes and outcomes within the organization and with the larger ecosystem. It starts with a small group of key organizations, link self-interest to shared interest, encourage productive competition, and, above all, build and maintain trust.

Sustainability is a major challenge, one that matters beyond individual companies, and one that cannot be swept aside permanently as other challenges take immediate precedence.

What the world needs now is more enterprises taking the plunge and committing to building their sustainability ecosystem, incorporating sustainability into the core of their business strategy and developing forward-thinking sustainability policies. Only then do we stand a chance of achieving the world we all want.