

## **WINNING WITH SUSTAINABILITY: THE BUSINESS STRATEGY OF TOMORROW**

Dr. Moon Moon Hussain  
Associate Professor  
School of Social Sciences and Humanities  
B.S. Abdur Rahman Crescent Institute of Science and Technology,  
Chennai – 600048, India  
Ms. K Hajira Sulthana,  
Research Scholar,  
School of Social Sciences and Humanities,  
B.S. Abdur Rahman Crescent Institute of Science and Technology,  
Chennai – 600048, India

### **Abstract**

*A sustainable business strategy's goal is to meet the needs of the organization, its clients, employees, and stakeholders today, while protecting resources and creating policies and practices that are sustainable well into the future. In an effort to address issues of social justice, companies are boosting diversity and inclusion activities and policies, pledging financial assistance to help address racial inequity, and speaking out on societal issues they have traditionally avoided commenting on publicly. This paper underscores the strategies businesses can adopt for sustainable business. It also highlights the benefits and challenges organizations may encounter while resorting to sustainable business strategies. Finally, it also suggests measures as to how businesses can act as agency to propagate and contribute to sustainability.*

*Keywords: Business strategy, sustainability, business strategy in action*

### **1. Introduction**

Sustainability is an all-encompassing term. A company that implements a sustainable business plan aims to enhance its influence on the environment and community through a series of concrete actions. Although putting sustainable strategies into practice can take some time, done right, they should be advantageous to both the business and its staff. Recent years have seen an increase in the popularity of sustainable business practices as a result of consumer demand and environmental concerns. Every company has a different sustainable strategy depending on how it operates. Some businesses start small and work their way up to achieving sustainable goals, such switching to 100% renewable energy for manufacturing within five years. Some businesses adopt measures that are immediately applicable, including

changing to packaging made entirely of recyclable materials. Strategies that are sustainable may also emphasize giving back to the local community through monetary means or physical action [1].

## **2. Sustainable Business Strategies Are Rooted in Sustainable Cultures**

A culture of sustainability that permeates all of the organization's policies and procedures should be the foundation of any sustainable business plan. All team members, from senior executives to front-line staff, should be aware of the impact the company has on the environment and its workers in addition to its long-term financial performance. This is known as a sustainable corporate culture. Long-term effects and outcomes are given precedence above immediate financial gain in a sustainable business culture, especially when it comes to the influence the company has on the environment, the community, and the welfare of its workforce. Sustainable business strategies assist firms in creating conscientious policies and practices that lessen their adverse effects on the environment when combined with a culture of sustainability. When paired with a culture of sustainability, sustainable business strategies guide organizations in establishing mindful policies and practices that reduce their negative impact on the environment and protect natural resources. Sustainable business strategies designed and executed within the framework of a sustainable organizational culture help organizations link their prosperity to the well-being of the communities they serve.

## **3. Key Elements of Sustainable Business Strategy**

A sustainable business strategy focuses on creating long-term value by integrating environmental, social, and economic goals. Companies are increasingly recognizing the importance of sustainability, not only for the health of the planet but also for the success and resilience of the business itself. Here are some key elements of a sustainable business strategy:

### **Environmental Sustainability**

- **Resource Efficiency:** Sustainable companies use resources like energy, water, and raw materials efficiently. Reducing waste through recycling, reusing materials, and improving production processes is key.

- ***Carbon Footprint Reduction:*** Many companies are aiming to reduce their carbon emissions by switching to renewable energy sources, optimizing transportation, and adopting energy-efficient technologies.
- ***Eco-friendly Products and Services:*** Offering products designed for sustainability, such as those made with renewable or recycled materials, or offering services that promote a circular economy (e.g., product take-back schemes or repairs) [2].

### **Social Responsibility**

- ***Fair Labour Practices:*** Ethical sourcing, ensuring fair wages, and providing safe working conditions are crucial. This extends beyond a company's operations to its entire supply chain.
- ***Community Engagement:*** Companies should actively engage with and invest in local communities, ensuring that they contribute to social development through education, health, and social welfare initiatives.
- ***Diversity and Inclusion:*** Inclusive business practices are essential to sustainable business. Companies need to foster diversity in leadership, provide equal opportunities, and create an environment where all employees can thrive [3].

### **Economic Viability**

- ***Profitability with Purpose:*** A sustainable business must remain profitable while also contributing to social and environmental goals. Profitability should not come at the expense of environmental or societal well-being.
- ***Long-term Value Creation:*** Sustainable businesses focus on long-term value creation, rather than short-term profits. This involves considering the long-term impact of their business activities and making strategic decisions that support future growth.
- ***Risk Management:*** Sustainable companies identify and manage risks related to environmental degradation, regulatory changes, and social challenges. They adopt adaptive strategies to ensure business continuity [4].

### **Innovation and Collaboration**

- ***Sustainable Innovation:*** Developing new technologies and processes that help address environmental and social challenges while creating new business opportunities.

- **Collaboration with Stakeholders:** Sustainable business requires collaboration with governments, NGOs, suppliers, and customers. Through partnerships, businesses can scale solutions that address sustainability issues [5].

### **Transparency and Accountability**

- **Reporting and Metrics:** Companies need to be transparent about their sustainability goals and progress. Reporting frameworks like the Global Reporting Initiative (GRI) or the Sustainability Accounting Standards Board (SASB) help businesses report non-financial performance metrics.
- **Ethical Decision-Making:** Sustainable companies prioritize ethical decision-making, ensuring their operations and supply chains adhere to high moral standards, avoid exploitation, and minimize harm [6].

### **Circular Economy**

- **Closed-Loop Systems:** A circular economy aims to reduce waste and promote the continual use of resources. Products are designed to be reused, remanufactured, or recycled rather than disposed of.
- **Recycling and Upcycling:** A circular economy incorporates recycling and upcycling as core elements, helping businesses reduce their reliance on virgin resources and minimize environmental harm [7].

A sustainable business strategy integrates environmental, social, and economic goals to create long-term value and resilience. By adopting practices aligned with the Triple Bottom Line, companies can reduce their environmental impact, improve social well-being, and drive economic profitability.

#### **4. Why Sustainable Business Strategies Matter?**

Building enduring organizations and achieving long-term success requires leaders to put long-term effects ahead of short-term gains. The impact that a company's decisions can have on the health of its workers, the community, and the environment is enormous. The ultimate objective is to create a fair, just, and sustainable economy, which will necessitate a dramatic change in the way companies conduct themselves. Business strategies will need to go beyond the "narrow pursuit of profits" because businesses are partially to blame for a great deal of the

environmental and social problems that the world is currently facing, such as abusive labour practices, habitat destruction, and the depletion of natural resources. Conventional profit-driven business models frequently deplete resources, damage the environment, and result in burned-out and disengaged personnel, which makes them problematic in terms of their social impact and unsustainability.

By reducing these negative effects, sustainable business practices aim to improve the world and provide people with meaningful, fulfilling work. Businesses that prioritize profit above all else may choose to overlook or rationalize the negative effects of their operations on the environment and their workforce. Companies that prioritize environmental impact and employ sustainable business practices exhibit greater openness and responsibility. Businesses that excel at this have a culture that is centered around sustainability, starting with a goal or values statement that emphasizes sustainability [8].

## **5. Benefits of a Sustainable Business Strategy**

Although some businesses can view sustainable business practices as additional work with no reward, this is untrue. Sustainable business practices can benefit the community and the environment in addition to the company in numerous ways. The following are some advantages of implementing a sustainable company strategy:

### **✓ *Benefits for The Environment***

Sustainable businesses focus on reducing their carbon footprint, which includes lowering emissions, minimizing waste, and using cleaner energy sources. By doing so, businesses contribute to combating climate change and reducing their environmental impact. Through strategies like optimizing energy usage, recycling, and designing products for longevity, businesses can minimize their consumption of raw materials and reduce waste. This process often leads to a circular economy, where products and materials are reused and recycled rather than discarded. By creating durable, eco-friendly products, businesses can reduce the frequency of product disposal, thus lowering the demand for raw materials and decreasing the environmental strain associated with manufacturing [2].

### **✓ *Community Benefits***

A sustainable business strategy encourages companies to be more socially responsible, making an effort to positively impact the communities they serve. This includes evaluating and improving how businesses engage with and support their local areas. Companies with a

sustainable strategy often focus on community outreach, from charitable donations to volunteering. These actions not only improve the community's well-being but also strengthen the company's reputation. Sustainable businesses often become involved in social causes, education, and advocacy. By investing in local education or supporting initiatives that address social challenges, businesses help foster healthier, more equitable communities. By sourcing products and materials locally or offering jobs to local residents, sustainable companies can help boost the local economy. These initiatives also promote social welfare through employment and skills development [3].

### ✓ *Company Benefits*

One of the immediate advantages of adopting sustainable business practices is the reduction in operating costs. For example, energy efficiency measures can significantly lower utility bills, and waste reduction can cut disposal costs. Companies can also negotiate better terms with suppliers who are aligned with sustainability goals. Sustainability can enhance a company's reputation. Customers are increasingly favouring businesses that align with their environmental and social values, often leading to stronger customer loyalty and an expanded customer base. Many employees today are motivated by more than just salary; they want to work for companies that align with their values. A sustainable strategy can make a company more attractive to top talent and improve employee satisfaction and retention. A commitment to sustainability can differentiate a brand in a crowded marketplace. Consumers are becoming more discerning, and companies with a solid sustainability strategy can attract a loyal customer base, giving them a competitive edge [5].

## **6. How to create a sustainable business strategy?**

The following steps can be adhered to for creating a sustainable strategy for business:

### ✓ **Identify Issues**

Finding areas for improvement in your present business operations is the first step in creating a sustainable business strategy. Some businesses identify problems and develop a strategy to solve them in collaboration with a sustainability consultant. It's critical to comprehend how your business currently affects the environment and the community, so carefully consider your policies, practices, and stance. Certain problems could be easier to understand and call for simple fixes, like cutting back on waste and pollution. Other problems might not be as evident or as pressing; instead, they might be areas in which you might affect constructive

change. Although it may not be a problem if your business has not previously participated in the community, you should nevertheless.

✓ **Consult with stakeholders and employees**

Since stakeholders can be a useful resource, it is crucial to include them in the process of developing a sustainable plan. Stakeholders can offer suggestions for enacting significant change using a sustainable plan and may be more informed about the needs of a particular community. These people or organizations ought to be involved in this process since they have an interest in the company's success. Another crucial group to consult are the company's employees. Employees of the company are likely to have a wealth of suggestions regarding sustainability issues that should be addressed because they are both employees of the company and members of the local community. It is crucial to incorporate employees in a company's sustainable plan, as they may be directly involved. Developing initiatives to support staff to recycle in the workplace or engage with volunteer work through additional PTO are all relevant to them, and they may be able to help implement them.

✓ **Set realistic and specific goals**

Next, set goals for what you want your sustainable strategy to accomplish. These goals should be realistic and attainable. If you identified multiple issues within your company's current operations, decide which ones are the most important to address. This may depend on which issues are more time-sensitive or which issues will have a larger impact on your company and environment. Prioritize these issues when setting your goals. When setting goals, you should also ensure that they are specific and can be tracked. For example, rather than setting a vague goal to engage in more community service, you should determine an amount of engagement that you want to achieve and what forms of service you want to take on. This keeps you accountable and allows you to work to achieve your goals.

✓ **Create a plan**

After you've determined your objectives, make a plan on how to get there. This strategy ought to be feasible and workable for your business. Establish a schedule for the implementation of these new initiatives or organizational changes, as well as a budget for your sustainable approach. If your objectives are really big, you can divide the process of achieving them into manageable chunks. Many businesses establish a timeframe of many

years to see their sustainability goals completely realized, as some targets may take longer to accomplish.

### ✓ **Track Progress**

In order to make sure that your sustainable strategy is working, it is important to track progress. This can help you reach your goals. If you notice that you are not making as much progress as you anticipated, you might want to reevaluate your strategy and make adjustments as needed. It is important to remember that change does not happen overnight. Create a realistic way of tracking long-term goals and keep your client and customer base informed about your progress. This shows your company's commitment to developing more sustainable practices and reassures customers that you are working towards your goal [9].

## **7. Where Do Companies Usually Fail in Incorporating Sustainable Business Strategy?**

The most difficult task is creating a plan that will enable the business to get a better competitive edge in a sustainable manner. The business must be persuaded that operating sustainably is a more profitable strategy. Many businesses are unable to identify or comprehend the relationship. Here, management is crucial. The company will never fully utilize sustainability if senior management isn't on board. Ineffective or non-existent communication is another cause of failure. Over time, if the organization's vision and strategy are not shared at all levels, the employees may not support the change or may even be against it, which makes the transition take longer or even fail [1]. Let us delve into a number of challenges that Sustainability professionals face:

- **Focus:** implementation activity (i.e., what companies are actually doing) tends to focus upon the control of sustainability impacts and risk at an operational rather than strategic level. The result being that efforts can be of a small scale and also that benefits achieved through these activities are not explicitly expressed, reinforcing the notion of sustainability as a side issue.
- **Ownership and organisation:** whilst most company sustainability reports feature statements from the CEO or Chair, and some will also have statements such as “sustainability is in our DNA” most business decisions actually pay scant regard to sustainability or only do so if all other things are equal. In addition, unless those with a sustainability responsibility are clearly equipped with the authority to shape and

effect plans then sustainability will always be an add-on to the normal business of business.

- **Strategy and planning:** the idea that sustainability practitioners should be adept at the use of mainstream business strategy and planning tools has been around for a while. However, it is still possible to find business school professors highlighting the possible use of Porters 5 Forces (and similar) as sustainability tools as though they were the sole discoverers of a wonderful new pre-sliced dough-based baked comestible product. Nevertheless, there is an important point here, very few of those with dedicated responsibility for sustainability within companies are actually also involved in mainstream business planning and strategy development. Still fewer are practiced in the use of mainstream business management tools and processes for analysis. Therefore, although companies may be investing significantly in these initiatives, sustainability remains a secondary, or parallel, issue within company strategic direction.
- **Timescales, risks and costs:** in many cases sustainability initiatives can be related clearly to issues of business risk — especially regulatory and reputational risks. However, standard payback periods within many companies are often too short to pick up clear sustainability price impacts which may occur over longer time horizons. This means that, while the implications of environmental and social trends can clearly be identified over the medium term, the company itself struggles to translate these into risk and costs in the short term [10].

## 8. Sustainable Strategies for Recruiting and Retention

Employers who adopt sustainable business practices also benefit from sustainable work environments. When a company puts employee sustainability first, it takes care of its workers' needs both at work and in their personal life. Employers will witness higher levels of engagement, productivity, and brand loyalty when employee requirements are satisfied. Establishing an environment of compassion within the company is one of the most important decisions it can make in terms of sustainability. This is a best practice for developing a successful corporate culture using sensible, people-focused tactics because it forges a long-lasting connection between the prosperity of an organization and the larger community it serves.

When thinking about sustainability, executives frequently examine the financial success

required to thrive financially. Forward thinking executives will understand that when employee requirements are satisfied and they believe their job has a bigger purpose, performance and engagement go up dramatically, and so do revenues. Employee sustainability puts the needs of the workforce first. Compassionate, honest, and trust-building tactics are employed by leaders to foster a pleasant work environment. Employees are encouraged to affirm and support one another in such a pleasant work atmosphere. When businesses implement safety procedures or provide nutritious food, physical activity, and mental health options, they are also prioritizing the well-being of their workforce. Ensuring that workers receive adequate compensation and healthcare is crucial for firms to retain their workforce.

As a result, workers have more sustainable work conditions. Employees are more committed to the business, feel appreciated, and are driven to perform better. Employee engagement, productivity, and retention can all rise for business executives that cultivate a culture of shared values and goals within the company and carefully design sustainable tactics that fulfill the organization's mission and vision. This is only one of the many reasons why it is imperative that business executives take into account the relationship between their company's longevity and the people and places it serves. Thinking long-term is essential for senior leadership when deciding how to adopt sustainable business strategies in their organization. This may have an impact on succession planning and guarantee the continuation of missions with a sustainability focus. Prioritizing people over profits can really boost earnings and give businesses greater flexibility to adapt to changing circumstances in the future. Additionally, it might improve the business's reputation, which benefits the bottom line.

## **9. Sustainable Business Strategies in Action**

- ✓ The environment can be significantly impacted by businesses. The by-products of corporate operations can end up in our bodies, our water, our landfills, or the air, regardless of what they produce or consume.
- ✓ One strategy used by businesses to reduce their negative environmental effects is harm reduction. It is better to adopt new technologies that use waste reduction, renewable energy, or more efficient production methods, and more businesses are realizing this.

- ✓ Businesses can employ harm-reduction methods, use environmentally friendly technologies, and apply other policies and practices designed within the framework of sustainability if they create harmful by-products or deplete important resources.
- ✓ Although implementing new technologies and altering existing practices may necessitate upfront costs, the long-term advantages to the environment support the business's ability to survive without depleting its resources or squandering money on pointless or antiquated practices.
- ✓ Workers who are employed by companies that use sustainable business practices might be proud to be part of an organization that places a high priority on environmental health and holds itself responsible for the effects it has.
- ✓ A company's reputation in the community and in society will rise if it strives for accountability and reduces its environmental effect. A company that has a high reputation for doing good will be able to hire better employees, attract more customers, and make more money.

## 9. Conclusion

For leaders aiming to build enduring organizations that positively impact the communities they serve, adopting sustainable practices today is crucial for long-term success. Crafting a truly sustainable business strategy that aligns environmental and social needs with a company's profitability goals is not just a forward-thinking approach, but the most effective one in a world where accountability and transparency are increasingly valued.

In today's environment, many employees, particularly those in front-line roles, are facing burnout, overwork, and low job satisfaction. Moreover, remote and hybrid work settings are making it harder for them to build strong connections with colleagues.

To address these challenges, employee well-being should be a central focus in recruitment and retention strategies. One of the most powerful long-term strategies a company can pursue is fostering a culture of care where employees feel valued, empowered, and supported. A motivated, skilled workforce is essential for delivering high-quality work and ensuring the organization's success. By implementing trust-building techniques, showing genuine concern for employees' well-being, and reducing turnover, companies can boost engagement, improve performance, and enhance client service.

Equally important is integrating a solid succession plan into your organization's sustainability strategy. Effective leadership is a key driver in achieving global sustainability goals. This often-overlooked aspect is critical to an organization's future success and the positive impact it can have on the world. Ensuring that the right individuals are prepared to step into leadership roles will keep sustainability efforts on track. Investing in professional development and offering mentoring opportunities will build a strong leadership pipeline, further securing the company's ability to sustain its success.

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