

BUSINESS SUSTAINABILITY IN THE TIMES OF CRISIS

Nishtha Ujjawal

Research Scholar, Marketing
Sharda University, Greater Noida.
Email- nishtha11ujjawal@gmail.com

Dr Manisha Gupta

Associate Professor
Sharda University, Greater Noida.
Email- guptaamanisha@gmail.com

Shagun Sharma

Research Scholar,
Banking & Finance
Sharda University, Greater Noida.
Email- sharmashagun9911@gmail.com

Abstract

Many people believe that sustainability implies a connection between human civilization, economy, and the environment. It has been and is debatable whether or not human cultures can achieve environmental sustainability. Sustainable lifestyles have the ability to reduce negative effects on the environment by making use of material, environmental, and social surroundings. Companies are analyzing their resilience in the face of the COVID-19 pandemic, taking into account aspects such as their financial health, the quality of their personnel, and the resources available to them. It would be beneficial for organizations to examine the effectiveness of their existing sustainability plan for sustainability right at this moment. Since the high of the index in February, it has revealed that companies with weaker sustainability ratings have seen larger declines to profit expectations

than equities with better sustainability characteristics. Some businesses may find it beneficial to define their company's goal and values. In times of crisis, having a prioritized list of environmental, social, and governance (ESG) issues might prove to be quite useful. There are more than a hundred different risks that businesses could be exposed to. A materiality analysis helps to narrow the focus to just the most significant concerns. Some of the Sustainable Development Goals (SDGs) are far beyond the purview of any one company or industry as a whole. It is possible that by aligning corporate aims with social issues, organisations may get a new perspective on the roles they play in the world. The non-financial effects that corporations have are becoming a topic of increasingly open discussion. Within the S&P Global 1200, there has been a more than 50 percent increase in the amount of reporting related to sustainability. Some firms are experimenting with novel methods of analysing and displaying their social impact.

Keywords:

INTRODUCTION OF SUSTAINABILITY

One definition of sustainability is the capacity to continue in a generally constant fashion over a wide range of one's life experiences. It is a way of talking about the 21st century compatibility of human civilization with the biosphere of Earth. Many people believe that sustainability implies a connection between human civilization, economy, and the environment. It has been and is debatable whether or not human cultures can achieve environmental sustainability, despite the term's growing currency and use in popular culture. This is due to pollution, habitat loss, climate change, overpopulation, wasteful consumerism, and the pursuit of ever-greater economic development inside a closed economic system by human cultures (Galindo-Martín, et al 2021).

Related ideas include the notion of "sustainable development," which has gained traction in recent years across a variety of academic disciplines, including the study of culture, technology, economics, and politics. When considering sustainability, one potential organizing notion to keep in mind is sustainable development. According to the document titled "Our Common Future," the concept of sustainable development may be

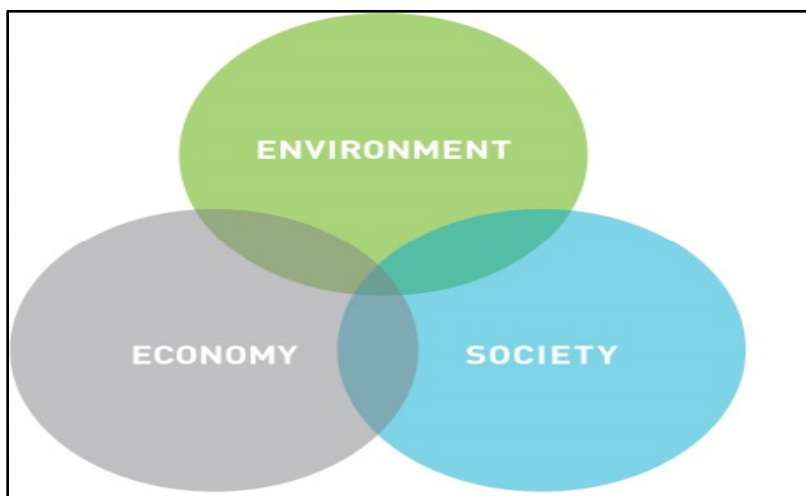
summed up as “fulfilling the necessities of the present without sacrificing the potential of future generations to do the same” (also known as the 1987 “Brundtland Report”).

People’s personal life and ethical consumerism are two examples of social concerns that might emerge as a consequence of a change toward sustainability. Both of these issues are interrelated. By promoting zero-emission housing, sustainable architecture, and circular flow land use management in metropolitan areas, sustainable lifestyles have the ability to reduce their negative effects on the environment (Munier, N. 2005).

What is sustainability?

To live in a way that is sustainable is to make use of one’s material, environmental, and social surroundings in a manner that assures the continued existence of all interrelated life systems, including human life systems, over the long term ((Barbalis, Chris 2019)).

In spite of the fact that the word “sustainable” is relatively new, the larger movement that it denotes has deep historical roots that may be traced back to issues such as social equality, environmental conservation, and international collaboration. At the tail end of the twentieth century, many of these ideas came together to form what is now known as the movement for “sustainable development.”



**Three sustainability pillars:
Figure 1: Sustainability Pillars**

1. Environment Sustainability

The natural resources contained within an ecosystem are utilized at a rate that allows for the ecosystem's natural resources to recover at the same time that the ecosystem's integrity is preserved and all of the earth's environmental systems are kept in a state of balance (Barbalis, Chris 2019).

2. Economic Sustainability

Everywhere on Earth, there exist human groups that are self-sufficient, meaning they have access to the material and immaterial resources required to satisfy their own requirements and wants. There is no harm to the financial institutions, and everyone has equal access to the advantages available, including jobs that are secure.

3. Social Sustainability

Access to essential human rights and needs is given to all individuals who are in a position to ensure their personal safety as well as the safety of their communities and can do so with the resources at their disposal. In order for a society to flourish, the leaders of that society need to make it a priority to ensure that its individuals are accorded fair treatment and that their civil, legal, and cultural rights are protected.

Five ways that a strategy for sustainability might provide clarity at a time of crisis are as follows:

Companies are analyzing their resilience in the face of the COVID-19 pandemic, taking into account aspects such as their financial health, the quality of their personnel, and the resources available to them in addition to other elements. It would be beneficial for organisations to examine the effectiveness of their existing plan for sustainability right at this moment.

Companies are better prepared to ride out economic storms if they use sustainable business practices. There are five key components that make up a fully developed sustainability programme that should improve a company's ability to thrive over the long term. These components are a well-defined corporate purpose, an understanding of what is material (and what is not), an awareness of larger societal challenges, a strong level of engagement and transparency with stakeholders, and a collaborative culture. All of these

components should be present. All of these factors ought to contribute, together, to an improved possibility that the business will be successful.

It has had an influence on business and society that has never been seen before, and which acts as a genuine litmus test for the efforts that firms are making toward sustainability.

Because of the way the economy is now doing, it's possible that some companies may have to give up on their long-term goals. Companies that have made investments in sustainability typically have a better ability to weather crises and recover more quickly from them, and organizations that have robust sustainability programmes serve as a reminder that sustainability is not a luxury that should only be considered during times of economic prosperity. Since the high of the index in February, researchers have revealed that companies with weaker sustainability ratings have seen larger declines to profit expectations than equities with better sustainability characteristics.

4. The goal is to assist frame decisions and keep staff motivated:

In times of crisis, the capacity for decision-making inside an organization may be stretched to its breaking point, making it difficult to choose the best course of action, prioritise projects, and contribute to the efforts to save people. The mission statement of a corporation acts as the organization's compass in the dark. As part of their efforts to become more environmentally responsible, businesses may find it beneficial to define their company's goal and values. Employees at purpose-driven companies are aware of the ways in which their employer may assist the community in times of need. Having a well-defined objective in mind might provide you a substantial edge over other competitors when the time comes for you to act quickly or make tough choices.

- The force of purpose may assist organisations and boost their chances of success in a number of ways, including improving employee buy-in, serving as a unifier, enhancing customer loyalty and devotion, and allowing the formulation of sensible judgments in the face of uncertainty. Businesses that are guided by their mission outperform competitors by 42%.

5. Materiality: focusing on what is really important.

When you think about how many different environmental, social, and governance (ESG) challenges firms are being required to deal with, it may be overwhelming to think about all of them. It is not practicable nor advantageous for enterprises to seek to find solutions to all environmental, social, and governance (ESG) challenges at the same time. It is more productive for the firm to concentrate its energy and resources on the problems that are the most pressing and over which it has the greatest power to exercise influence. In this context, the significance of the materiality analysis, an essential component of any strategy for achieving sustainability, becomes clear. Companies who have already performed a materiality analysis have a better understanding of what aspects of the business need to be prioritized in the event of an emergency.

There are probably more than a hundred different environmental, social, and governance (ESG) risks that businesses could be exposed to (climate change, water shortages, child labour, sexual harassment, cybersecurity, and so on), but a materiality analysis helps to narrow the focus to just the most significant concerns. In times of crisis, having the capability to swiftly access a prioritized list of environmental, social, and governance (ESG) issues might prove to be quite useful. The materiality review conducted by General Mills takes into account nine priority problems in addition to 24 critical environmental, social, and governance (ESG) concerns. Some of these concerns include food safety, the availability of commodities, and climate change. After doing research on a large number of ESG topics, Nielsen discovered that there are seven primary areas of concern, three of which are data, diversity and inclusion, and openness.

6. To establish a framework for the role that corporations play in society, the Sustainable Development Goals (commonly known as SDGs) were created.

The United Nations established a series of objectives in 2015 called the Sustainable Development Goals (SDGs) to ensure that all people may live in peace and prosperity and that poverty is eradicated. The 193 member states of the United Nations unanimously backed these objectives. Sustainable Development Goals (SDGs) give a framework for addressing some of the world's most pressing issues, which is why many companies have aligned their sustainability objectives with them. It's for this reason that the SDGs have garnered such widespread support.

Some of the SDGs, such as eliminating poverty and hunger and providing decent education to everyone, are unrealistically ambitious for any single business or sector to accomplish alone. Perhaps all it takes is for people to give the Sustainable Development Goals (SDGs) some thought. They may be able to receive the type of long-term, imaginative, and big-picture thinking that yields novel ideas as part of the strategic planning process in which they participate. Aligning business objectives with social concerns like purpose may help organisations and their workers get a fresh perspective on their place in the world. Regarding this issue, please bear the following in mind:

- There has been a dramatic increase in the number of firms discussing the Sustainable Development Goals in their annual reports since the SDGs were made public. More than half of the S&P Global 1200 corporations have included SDG discussion in their annual reports, according to the Conference Board. Almost all businesses today issue some form of sustainability report, and the vast majority of these reports address one or more of the 17 Sustainable Development Goals (SDGs), which include access to clean, affordable energy; measures to combat climate change; measures to improve health and well-being; effective partnerships to achieve these goals; and more.
- Some companies are going the extra mile by establishing sustainability targets that are directly tied to the Sustainable Development Goals (SDGs). According to the ConferenceBoard, just one sixteenth of the S&P Global 1200 companies have goals that are relevant to the Sustainable Development Goals (SDGs).

7. Participation and reporting: to provide direction and transparency.

As part of any strategy for sustainability, encouraging regular conversation between all of the stakeholders involved is advocated. As part of this engagement, a report will be generated that details the nonfinancial consequences, risks, and opportunities, as well as the progress made toward achieving sustainability targets. Whether the results are favorable or unfavorable, the reporting process (which includes recording, collecting, and analyzing nonfinancial data) has the potential to shed light on the most critical areas of influence for a firm. It is possible that emergency responders may be able to make better use of their time and resources as a result of this data. Regular transparency reports may help in stakeholder expectation management if they include an in-depth explanation of

both the short-term and long-term goals of the organisations. It is possible that this will aid shareholders, workers, and other stakeholders in forecasting the activities of a corporation and avoiding unpleasant surprises during a crisis (Johnson, M., 2023).

- The non-financial effects that corporations have are becoming a topic of increasingly open discussion. Within the S&P Global 1200, there has been a more than 50 percent increase in the amount of reporting related to sustainability.
- Some businesses are experimenting with innovative approaches to measuring and reporting their whole social impact, encompassing their good and negative contributions to the economy, the environment, and society at large. More than twenty distinct categories of environmental, social, and economic consequences, including those that occur inside BASF's value chain, are quantified, and priced by the company. The major consequences of a corporation may be seen in this kind of evaluation and reporting (Budhwar, P., et al 2023).

8. Collaboration: is necessary to spark creativity.

In order for organisations to effectively adopt sustainable 100ackson100s into their operations, internal barriers need to be broken down and a culture of cooperation has to be fostered both among workers and with external stakeholders (across offices, regions, and business divisions) (with business partners, suppliers, NGOs, and governments). For the purpose of efficiently addressing external concerns like plastic waste, water stress, and the transition to a low-carbon economy, a high degree of cooperation is required. In the context of a strategy for sustainability, innovation and the reduction of associated risks go hand in hand. Furthermore, a culture of collaboration may be the spark that sets in motion the production of solutions to society's most intractable problems (Horton 2003).

Employees at a firm that has a strong culture of cooperation have a better idea of who to go to for what they need, regardless of their position within the company or the department in which they work. This is true regardless of whether or not the company has a flat organizational structure.

- According to the findings of The Conference Board's C-Suite Challenge TM 2020 survey, executives at the highest levels of firms are in agreement that collaborating with non-traditional allies is crucial to preserving a competitive advantage in their respective industries. It is interesting to note that "improving sustainability performance" is considered as the major motivator for CEOs to participate in activities that include the public (Singer, T. 2020).
- Because of the interconnection of businesses and the complexity of the problems relating to sustainability, there is a need for cooperation across several companies. The establishment of strategic partnerships has the potential to hasten the pace of technological advancement. One method that many businesses use is referred to as "open innovation," and it is designed to encourage invention by using resources from both within and outside the firm. This technique is utilized by many businesses (Jackson, D. et al 2016). Companies such as Procter & Gamble (P&G) are using technology-enabled platforms to collect input from a diverse group of stakeholders in order to co-create new ideas and source ideas from the general public. The platform encourages the formation of collaborative networks with the purpose of fostering creative expression while also maintaining ecological equilibrium.

How the pandemic crisis has affected sustainable development

The COVID-19 epidemic has been blamed, at least in part, for the sluggish economic recovery of countries that are still suffering from the financial crisis that occurred in 2008. The global economy has not been able to expand, which has had a negative influence on employment and welfare rates throughout the world. Policymakers have endeavored to implement policies that, on the one hand, treat the health issue that is producing COVID (by manufacturing vaccines), and, on the other hand, halt the drop in economic growth and revive the economy to return to pre-COVID levels as quickly as is practically possible. These policies have been implemented in an effort to treat the health issue that is producing COVID (via the manufacture of vaccines). This is the situation due to the fact that COVID has had such a detrimental impact on the people's level of life (Mead, M 2022).

The question that has to be solved from a strictly economic perspective is how to create

steps that will support economic growth in order to reduce the negative repercussions that the pandemic will have on the global economy. The key to achieving this objective is bolstering the factors that favorably affect growth. According to the specialized literature, entrepreneurship is one of the variables that may assist to reach this goal. As such, the academic literature broadly recognizes entrepreneurship as one of the most important factors. As a reaction to the environmental issues generated by economies, the traditional aim of economic growth has been replaced with the goal of sustainable development as the primary objective of economic policy. Because of this, it is necessary to take environmental elements into consideration throughout the assessment. For this reason, rather of focusing on the traditional aim of growth, this research takes into consideration the overarching objective of fostering sustainable development. According to Galindo-Martn et al., 2020a; Hall et al., and Oykü Iyigün, any actions taken with the intention of bettering the environment could be seen as a potential business opportunity; as a result, entrepreneurship is an essential factor to take into consideration when trying to get there.

This research uses both theoretical and empirical analysis to the case of the OECD in order to discover what aspects of the Venture facilitation technique assist sustainable growth from the point of view of the organisations (Jana, 2020). For this reason, after a short introduction paragraph, Section 2 sets out the theoretical foundations, and Section 3 conducts an empirical analysis using Partial Least Squares (PLS) employing a sample of 30 OECD countries in the year 2020. Both sections follow with a brief conclusion paragraph. As a result of their comparable rates of economic growth and the availability of information about sustainable development, the thirty OECD countries that were selected as a sample for the empirical research were selected. The Organization for Economic Co-operation and Development (OECD) was able to get data that is pertinent to the year 2020 through conducting economic estimations, as well as surveying companies and consumers. Following a discussion of the implications for policy in Section 4, Section 5 presents the most important results and makes recommendations for more research.

CONCLUSION

The present COVID-19 epidemic and the prior crises have taught us many valuable things, but maybe one of the most significant is that in order to overcome a big crisis,

every organization, company, and person must play their own unique and crucial role. In order to ensure greater pandemic and post-pandemic resilience, firms that sell to other enterprises must undergo a mental paradigm change. This article presents a framework for sustainable business-to-business marketing, taking into consideration the efficacy of sustainable marketing to enable firms to continue their corporate growth while also making a contribution to the issue facing environmental and social development. In addition, this article presents a number of workable solutions that may be implemented during a pandemic crisis. These solutions are founded on the principles of sustainable marketing, which include economic, social, and environmental foundations. The interdependent nature of the planet has been brought into sharp focus by this issue. The human race threatens to lose a significant amount of ground in the absence of concerted measures. We will not only survive this crisis, but we will also emerge stronger on the other side if we are willing to make the necessary changes. To begin, there has to be a change in the techniques that are used for marketing.

Companies shouldn't merely mindlessly adhere to logos or trademarks; rather, they should center their attention on the desires of their target demographic. The requirements of consumers should take precedence above a company's own bottom line while making business decisions. Plastic products that aren't required in their current form should be made illegal. Second, there is an urgent need for a more international approach to medical treatment. If individuals just think about themselves and their own group in terms of race, ethnicity, culture, country, and tradition, then humanity will not survive this epidemic. All of the political parties need to extend their viewpoints if they want to help improve public health. Third, the World Health Organization (WHO), which is an international organization with well-defined goals, need to determine the most effective means by which to protect our health and safety. It is critical to set aside financing that is guaranteed and develop policies that give health a high priority across a diverse array of geographical and cultural circumstances. Professionals from many fields and cultures, including healthcare workers, scientists, environmentalists, researchers, legislators, sociologists, and ethicists, should collaborate to develop answers. In addition, if human beings are going to be able to live in peace and prosperity on this planet, then all taxes, all fiscal policy, all environmental difficulties, the economy, and all health concerns need to be addressed.

References

- Galindo-Martín, M. Á., Castaño-Martínez, M. S., & Méndez-Picazo, M. T. (2021). Effects of the pandemic crisis on entrepreneurship and sustainable development. *Journal of Business Research*, 137, 345-353.
- Munier, N. (2005). Introduction to sustainability (pp. 3558-6). Amsterdam, The Netherlands: Springer.
- Barbalis, Chris. "Dimensions of Sustainability - Prakati India." Prakati India, www.prakati.in, 10 July 2019, <https://www.prakati.in/dimensions-of-sustainability/>. Our Common Future: Report of the World Commission on Environment and Development". UN Documents. n.d. Web. Retrieved 27 June 2013. < <http://www.un-documents.net/ocf-02.htm>>
- Horton, Jocelyn ed. "Mad About ... Tropical Rainforests." Friends of the Earth. Jan 2003. Web. Retrieved 27 June 2013. http://www.foe.co.uk/resource/factsheets/rainforest_mad_about.pdf>.
- United Nations General Assembly "48. Sustainable development: managing and protecting our common environment "2005 World Summit Outcome. 24 October 2005. Web. Retrieved 27 June 2013. < <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N05/487/60/PDF/N0548760.pdf?OpenElement>.
- Mead, M. (n.d.). what is sustainability. Retrieved June 27, 2022, from <https://www.studocu.com/en-au/document/murdoch-university/organisational-theory-and-behaviour/what-is-sustainability-understanding-sustainability/20032789>.
- Singer, T. (2020, July 6). Five Ways a Sustainability Strategy Provides Clarity During a Crisis. The Harvard Law School Forum on Corporate Governance; corpgov.law.harvard.edu. <https://corpgov.law.harvard.edu/2020/07/06/five-ways-a-sustainability-strategy-provides-clarity-during-a-crisis/>

Jackson, D. William. (2016, December 8). Conclusion. Australia State of the Environment Report;soe.environment.gov.au.<https://soe.environment.gov.au/theme/overview/topic/conclusion#:~:text=Our%20natural%20environment%20makes%20human,economic%20growth%20are%20environmentally%20sustainable>.

Budhwar, P., Chowdhury, S., Wood, G., Aguinis, H., Bamber, G. J., Beltran, J. R., ... & Varma, A. (2023). Human resource management in the age of generative artificial intelligence: Perspectives and research directions on ChatGPT. *Human Resource Management Journal*, 33(3), 606-659.

Johnson, M., Albizri, A., Harfouche, A., & Tutun, S. (2023). Digital transformation to mitigate emergency situations: increasing opioid overdose survival rates through explainable artificial intelligence. *Industrial Management & Data Systems*, 123(1), 324-344.