

## **Dimensions of Corporate Sustainability**

Nitin Sharma<sup>1</sup> & Dr Dinesh Kumar Sharma<sup>2</sup>

### **Abstract**

In recent years, sustainability has become one of the key dimensions of business performance. The sustainability must be effectively communicated in suitable reports, the quality of which is determined by several factors. The paper aims to analyse the various dimensions of sustainability and relate them with the variables of corporate governance and sustainable development goals (SDG). This study supports policymakers and practitioners as it measures the breadth of sustainability information.

### **Introduction**

The concept of sustainability has gained significant importance in our quickly changing global landscape. According to Esty and Winston (2006), the topic of environmental sustainability is gaining significant importance as a policy concern on a global scale. Fundamentally, sustainability pertains to the imperative of safeguarding future generations' capacity to fulfil their own requirements and experience a superior standard of living, without compromising our present actions. According to Edwards (2005), sustainability has brought about a profound and enduring transformation in consciousness and worldview, impacting various aspects of society (p. 2). In contemporary times, various organisations spanning different tiers, ranging from local community health centres to globally recognised institutions like the World Bank and prominent scholarly publications such as Nature, have adopted sustainability as a fundamental framework to structure their objectives and endeavours (Goldman, 2004; Nature Sustainability, 2018). Similarly, a considerable number of governments and nongovernmental organisations have collectively endorsed an unparalleled collective aspiration encompassing 17 global sustainable development goals (SDGs). Each of these goals presents distinct objectives for addressing a wide range of societal and environmental concerns, spanning from poverty alleviation to the issue of overfishing (Sachs 2012). One of the primary objectives of the United Nations is to foster a global environment conducive to optimal physical and mental well-being, as well as to facilitate a life characterised by high levels of productivity and fulfilment. While the United Nations (UN) is mostly recognised for its peacekeeping efforts, it also prioritises advancing elevated living standards and improving economic and social situations. These objectives are crucial for fostering a dynamic global economy. As to the official website of the United Nations (United Nations, 2013), about 70 percent of their efforts are dedicated to the fulfilment of this specific directive. The concept of sustainable development has been around for many centuries, but it gained more prominence with the publication of the Brundtland Report by the United Nations in 1987. The concept of sustainable

---

<sup>1</sup> Nitin Sharma is a PhD scholar in the School of Management, Gautam Buddha University, Greater Noida, UP

<sup>2</sup> Dr Dinesh Kumar Sharma is an Assistant Professor in the School of Management, Gautam Buddha University, Greater Noida, UP

development is widely acknowledged as the pursuit of development that effectively addresses the current demands of society, while ensuring that the capacity of future generations to fulfil their own needs remains intact. The reference to the “Brundtland Report” made in the text is a citation to a significant document published in 1987.

The imperative for sustainability is driven by the pressing issues encountered in the contemporary era, including climate change, biodiversity decline, resource exhaustion, and societal inequities. These challenges necessitate a collaborative endeavour to reassess our systems and methodologies, cultivating a society that is characterised by more equilibrium, fairness, and adaptability. The concept of sustainability extends beyond a mere catchphrase, encompassing a proactive call to action, a chance to positively transform our future, and a collective obligation that surpasses both geographical boundaries and time. Lawrence and Beamish (2013) provide additional insights into the comprehensive nature of the UN Global Compact and its ten principles. They emphasise that this framework offers a holistic perspective for business managers to comprehend the challenges they currently face. Specifically, it highlights the interconnectedness between business operations and crucial global concerns such as human rights, labour practises, environmental sustainability, and the prevention of Corruption and bribery. The authors also discuss the significance of addressing these issues within the context of global business operations. This programme has evolved into the world's largest corporate social responsibility endeavour and is frequently regarded as a viable mechanism for addressing deficiencies in global governance (Rasche & Gilbert, 2012). The UN Millennium Development Goals, consisting of a series of time-constrained objectives aimed at halving extreme poverty by 2015, are nearing completion. However, they have already successfully fostered collaboration among many public, corporate, and non-governmental entities (McArthur, 2013). Establishing new targets for global sustainability efforts in the coming decade will be of utmost importance, considering the success made thus far. In addition to prominent international organisations like the World Trade Organisation (WTO), the International Monetary Fund (IMF), and its affiliated entity, the World Bank, the United Nations plays an increasingly significant role in overseeing, governance, and enforcing the global market.

Sustainability encompasses various dimensions, encompassing environmental, economic, and social factors. The idea in question transcends any specific business or field and functions as a universal guiding principle that should be incorporated into all aspects of human existence. The topic at hand encompasses various domains, including sustainable agriculture, sustainable energy practises, sustainable urban planning, and sustainable business models. However, the fundamental concept remains consistent throughout these areas: the imperative to foster a global environment in which resources are utilised in a responsible manner, ecosystems are safeguarded, and societal welfare is advanced. It is widely acknowledged that the cultural aspects of a nation play a significant role in shaping its approach towards sustainable practises. The behaviours of individuals within a society are influenced by national cultures, which establish a prevailing framework of thought and action. Culture encompasses a set of beliefs and standards that function as an informal institution, influencing human relationships. According to Stephan and Uhlaner (2010), cultural practises can be defined as the typical

behaviours exhibited by the majority of individuals within a certain culture, as perceived by members of that culture. According to Hofstede (2001), culture can be defined as the collective cognitive framework that differentiates individuals belonging to one group or category from those in another. According to Hofstede (2001), it may be observed that... Culture plays a significant role in influencing the triple bottom line, which encompasses the interrelated aspects of the environment, society, and economy. The concept of sustainable development aims to achieve a state of harmony among three key dimensions, as highlighted by Marcus and Fremeth (2009). This perspective is widely accepted due to the acknowledgement of the interconnectedness between these dimensions and the understanding that addressing one issue necessitates addressing the others, as Dyllick and Hockerts (2002) emphasised.

In the contemporary period characterised by heightened consciousness and advancements, it is imperative for individuals, enterprises, societies, and governing bodies to comprehend and adopt sustainability as a fundamental principle. By implementing sustainable practices, it is possible to alleviate the detrimental effects of human activities on the environment, safeguard the inherent splendour of the world, and ensure a successful and happy future for all individuals. This introduction statement functions as an entry point for delving into the complex domain of sustainability, urging individuals to actively engage in the worldwide endeavour to create a more sustainable, inclusive, and dynamic planet.

Sustainability has also been regularly criticised as being impossible to define and easy to co-opt (Dernbach and Cheever 2015; Nature Sustainability 2018). Years ago, Solow (1991) called sustainability “essentially vague,” “glib”, and “faintly phony” (though still argued it could be useful). Despite setting the tone for the last three decades, the Brundtland (1987) report has been repeatedly dismissed, and many of the sustainability initiatives that followed Brundtland have indeed failed to achieve paradigmatic change, neither fully incorporating ecological concerns nor sufficiently shifting the focus of development from uncapped economic growth to growth in human well-being and justice (Sneddon et al. 2006; Burns 2012). Sustainability could be seen with three dimensions viz.

## **Economic Sustainability**

“The concept of environmental sustainability refers to the ability of natural systems to endure and maintain their essential functions and processes across time. It involves Although enterprises are often perceived as significant contributors to ecological issues, they also possess the potential to play a crucial role in promoting sustainable development” (Clifton & Amran, 2011). According to Hart (1997), large firms possess the necessary resources and technological capabilities, enabling them to operate on a global scale. According to Shrivastava (1995), “the detrimental impacts of industrial operations on the natural environment necessitate the adoption of ecological principles by the industry as a crucial aspect of achieving sustainable development”. “The global economy consists of three interconnected economies: (a) the market economy observed in both emerging and developed nations; (b) the survival economy prevalent in developing economies; and (c) nature’s economy, which encompasses natural resources and ecosystems” (Hart, 1997). “Sustainable practices are more prevalent in developed economies and are being adopted on a worldwide scale” (Hart, 1995). “In advanced economies, the concept of sustainability pertains to the strategies and measures that

organisations implement with the intention of ensuring long-term viability. These practises are frequently adopted in reaction to environmental rules and legislation” (Jennings & Zandbergen, 1995). “Over time, corporations have altered their perspectives and interactions with the natural environment due to increasing societal pressures, regulatory requirements, and competitive forces. There is a variation across firms in terms of their environmental strategy, which can span from being reactive to proactive” (Sharma, 2000). Every organisation possesses a paradigm, which encompasses the shared views held by its members regarding the distinctiveness of the organisation. “The conventional social paradigm, which prioritises unrestricted economic growth, upholds private property rights, and advocates for minimal government intervention, is currently facing opposition from a more recent environmental paradigm that places greater importance on the preservation of the natural environment and the safeguarding of ecosystems” (Anderson & Bateman, 2000). “There is a growing emphasis among organisations on acknowledging their responsibilities towards the physical environment, which can potentially yield competitive advantages” (Anderson & Bateman, 2000). “The notion that adopting environmentally friendly practises can yield financial benefits is substantiated by scholarly research” (Russo & Fouts, 1997). Moreover, “it is widely acknowledged within the academic community that implementing green management strategies has the potential to generate profitability” (Hart, 1995). According to Clifton and Amran (2011), “a sustainable company is characterised by its ability to effectively integrate corporate longevity with the pursuit of sustainable objectives in the long term”. According to Lopez, Garcia, and Rodriguez (2007), “scholars propose that the implementation of sustainable practises can enhance a firm’s reputation, improve operational efficiency, and meet the expectations of many stakeholders”. Considering the increasing societal expectations for sustainability (Steurer, Langer, Konrad, & Martinuzzi, 2005), “it is imperative for firms to align their corporate values with those of the communities in which they are situated. It is imperative for businesses to achieve a harmonious equilibrium between economic prosperity and environmental preservation” (Stead & Stead, 2000).

## **Social Sustainability- Human Development**

According to Neumayer (2012), the United Nations characterises human development as “the process of enhancing individuals’ freedoms and talents to live lives that are personally meaningful”. The term “it” pertains to the concept of surpassing mere essential requirements and placing emphasis on achieving fairness and empowerment in a sustainable manner. There is a contention among scholars that the primary objective of sustainable development is the mitigation of poverty. According to Goodland (1995), “social sustainability necessitates the active participation of the community and the establishment of a robust civil society”. Goodland and Daly (1996) state that “human or social capital includes individuals, their aptitude levels, institutions, cultural unity, education, information, and knowledge”. Investments in human capital necessitate resource allocation towards enhancing education, healthcare, and nutritional well-being. “Corporations are increasingly facing mounting demand to contribute towards the mitigation of social issues, such as poverty, in developing countries” (London & Hart, 2010). According to Stiglitz (2002), “it is imperative for global enterprises to acknowledge the demands of the impoverished population worldwide”. Furthermore, “both

global firms and institutions must carefully assess their impact on society”, as highlighted by Sen (1999) and Soros (2002). In the event that enterprises fail to provide social value, they may encounter a competitive disadvantage, impeding their ability to surmount the challenges associated with their international operations. London and Hart (2010) state that “companies that possess stronger social connections inside developing markets are more likely to achieve superior performance.”

### **Economic Sustainability- Avoidance of Corruption**

The primary focus of research in this field has predominantly revolved around the concept of “doing good.” However, there is a growing recognition among researchers to place increased emphasis on the study of Corruption. Corruption refers to the most overt violations of laws and norms pertaining to social responsibility in the context of international trade practises. This shift in attention towards Corruption is evident in the works of scholars such as Robertson and Watson (2004) and Sanyal and The occurrence of these instances is being documented with escalating regularity in contemporary media outlets. Although “a universally accepted definition of corruption remains elusive” (Husted, 1999), “it has been described by some scholars as the “improper utilisation of governmental authority for personal benefit” (Rodriguez, Siegel, Hillman, & Eden, 2006.). According to Robertson and Watson (2004), “bribery, extortion, and embezzlement are three prevalent forms of corruption”. Prior studies on Corruption have mostly examined economic and political issues, often overlooking the influence of culture (Doh, Rodriguez, Uhlenbruck, Collins, & Eden, 2003; Husted, 1999). The influence of Corruption is significantly shaped by the underlying economic environment, which might be associated with the government’s monopolistic control over resources. Several elements are anticipated to mitigate Corruption, such as urbanisation, the media, and technology. According to Husted (1999), “existing literature indicates a correlation between the level of generosity within a given environment and the prevalence of Corruption. Specifically, it implies that environments characterised by lower levels of generosity tend to exhibit higher rates of corruption”. Corruption exerts detrimental impacts on both the economic sector and society at large. “The phenomenon under consideration has been found to have a detrimental impact on transparency, leading to increased uncertainty” (Chen, Ding, & Kim, 2010). Furthermore, it has been observed that this phenomenon has the potential to undermine the effectiveness of both market and political institutions (Jensen, Li, & Rahman, 2010). According to Jensen et al. (2010), “corruption has the additional consequence of impeding economic development and exerting a detrimental influence on investment choices”. “Corruption incurs significant transaction costs by increasing barriers to both admission and departure” (Weitzel & Berns, 2006). According to Kwok and Tadesse (2006), “corruption has a negative impact on economic competitiveness, leads to inefficiencies in government, and adds to a decline in trust towards the national government”. “The lack of transparency in operations, law, and/or processes is a prevalent issue in countries” (DiRienzo, Das, Cort, & Burbridge, 2007). According to previous studies (DiRienzo et al., 2007; Jensen et al., 2010), “it is anticipated that increased availability of information and technology will lead to a reduction in corruption levels and provide a more favourable environment for company operations”. Corruption can be conceptualised as a form of taxation that leads to elevated

expenses and redistributes risk among different stakeholders (Doh et al., 2003.). “Corruption can be delineated by two primary aspects, namely the extent to which it is widespread and the level of arbitrariness involved” (Rodriguez, Uhlenbruck, & Eden, 2005). The concept of pervasiveness pertains to the probability of Corruption and is assessed by the Corruption Perceptions Index (CPI) by Transparency International (TI) and the World Bank. Arbitrariness pertains to the indeterminacy and lack of clarity around illicit transactions. The phenomenon arises when individuals in positions of governmental authority exhibit arbitrary behaviours (Doh et al., 2003). This paper centers around the ubiquity of Corruption. Lancaster and Montinola (1997) conducted a comprehensive analysis of prior research pertaining to Corruption, encompassing its conceptualisation, implementation, and quantification.

## Conclusion:

The analysis shows that the behaviour of companies varies regarding sustainability policies. Companies are adapting to the norms that require them to provide information on the minimum standards of environmental, social, and governance sustainability policies. The presence of members responsible for sustainability issues at the board level could indicate the company has an active strategic position with regard to stakeholders and sustainability strategies. Companies such as banks, prominent in the socio-economic environment, must provide an example for all companies and society in general by assuming sustainable behaviours reflected in their non-financial report.

## References

- Agile Framework (2017) by the International Institute of Learning
- Anna Arbussa, Andrea Bikfalvi and Pilar Marquès, (2016), Strategic agility-driven business model renewal: the case of an SME, [www.emeraldinsight.com/0025-1747.htm](http://www.emeraldinsight.com/0025-1747.htm)
- Andrew Blau (2016) Deloitte on disruption
- Ansoff. (1965). Corporate strategy - An analytic approach to business policy for growth and expansion. New York: McGraw-Hill.
- Brad Cousins, Design thinking(2018) Organisational learning in VUCA environment, Academy of Strategic Management Journal
- Carr, N. (2008). The Big Switch, Rewiring the World, From Edison to Google. London: W. W. Norton & Company Ltd.
- Clausewitz, C. v. (1943). On War Trans. O.J. Matthijs. New York: Random House.
- Dr Radha Raghuramapatruni\*, Mr Shanmukha Rao Kosuri (2015) The Straits of Success in a VUCA World, IOSR Journal of Business and Management (IOSR-JBM)
- D. Tapscott, & Caston, A. (1993). Paradigm shift: The new promise of information technology. New York, NY: McGraw-Hill.
- Dale L. Moore 2002, The Experience of Strategic Thinking in a Volatile, Uncertain, Complex, and Ambiguous (VUCA) Environment, Navy Postgraduate School
- E.H.Frazelle. (1986). Flexibility: A Strategic Response in Changing Times.

- Eva Mart\_inez-Caro, Gabriel Cepeda-Carri\_on, Juan G. Cegarra-Navarro and Alexeis Garcia-Perez (2020), The effect of information technology assimilation on firm performance in B2B scenarios
- George Serafeim (2014) The Role of the Corporation in Society: An Alternative View and Opportunities for Future Research, Harvard Business Review
- Goh, S. C. (2003). Improving organisational learning capability: lessons from two case studies. *The Learning Organization: An International Journal*,
- Goh, S. C. (1998). Toward a learning organisation: The strategic building blocks. *SAM Advanced Management Journal*,
- Hammer Michael, C. J. (1994). *Reengineering the Corporation: A Manifesto for Business Revolution*.
- Hart, S. B. (1991). *Strategy*. MERIDIAN BOOKS.
- Hyder Ali, Dr Danish Ahmed Siddiqui (2019), Influence of Supply Chain Agility on Profitability: Evidence from Pakistan, *SSRN Electronic Journal* · January 2019
- Jeroen Kraaijenbrink,(2016) Grounded Strategy for VUCA world
- Kent Thorén and Martin Vendel, *Backcasting 2017, as a strategic management tool for meeting VUCA challenges*, JSMA,
- Kirk Lawrence (2013) *Developing leaders in VUCA environment*, UNC Kean Flagler Business school
- Kumar, R. (2011). *Research methodology: A step-by-step guide for beginners*. Los Angeles,
- Lynda Wallace-Hulecki (2017) *Sustaining Institutional Vitality in VUCA world*
- Linda Holbeche (2019), *Designing sustainably agile and resilient organisations*, John Wiley & Sons, Ltd. [wileyonlinelibrary.com/journal/sres](http://wileyonlinelibrary.com/journal/sres)
- Majid Nejatian, Mohammad Hossein Zarei and Mehran and Nejadi Seyed Mahmood (2016) *A hybrid approach to achieve organisational agility An empirical study of a food company*
- Majed Najrani, (2016) *THE EFFECT OF CHANGE CAPABILITY, LEARNING CAPABILITY AND SHARED LEADERSHIP ON ORGANISATIONAL AGILITY*
- Mike Richardson (2012) *Agility is King*, [www.london.edu/bsr](http://www.london.edu/bsr) BUSINESS STRATEGY REVIEW -61
- N. Balasubramanian(2016) *Innovative Operation Strategies in VUCA world*, (IOSR-JBM)
- Nanterme, Pierre; Cole, Marty. (2013). *Accenture Technological Vision 2013*.
- Accenture.
- Najrani, M. (2016). *The endless opportunity for organisational agility*. *Strategic Direction*, 32(3),
- Oliveira, M. A., Valentina, L. D., & Possamai, O. (2012). *Forecasting project performance considering the influence of leadership style on organisational agility*. *International Journal of Productivity and Performance Management*, 61(6), 653-671.

- Patricia M. Swafford, Soumen Ghosh and Nagesh N. Murthy (2006), A framework for assessing value chain agility, [www.emeraldinsight.com/0144-3577.htm](http://www.emeraldinsight.com/0144-3577.htm)
- Pritchett Harris (2013), A Framework and Metrics for Addressing an Agile Enterprise (Extending the Observe-Orient-Decide-Act paradigm into Acquisition)
- PWC. (2012). Top Technology Trends 2012. Kolkata: INFOCOM.
- Raghvendra Sharma 2015, The Straits of Success in VUCA world, ABS International Journal of Management
- Ramon Casadesus-Masanell, Joan Enric Ricart (2009) From Strategy to Business
  - Models and to Tactics, Harvard Business Review
- Riad Shams, Demetris Vrontis, Zhanna Belyaevac, Alberto Ferraris and Michael R. Czinkota,(2020) Strategic agility in international business: A conceptual framework for “agile” multinationals [www.elsevier.com/locate/intman](http://www.elsevier.com/locate/intman)
- Reza Abdoli Bidhandi and Changiz Valmohammadi (2016) Effects of supply chain agility on profitability, [www.emeraldinsight.com/1463-7154.htm](http://www.emeraldinsight.com/1463-7154.htm)
- Santosh B. Rane, Yahya Abdul Majid Narvel and Digital Solutions, Oracle Practice, Larsen & Toubro Infotech Ltd, and Bhaskar M. Bhandarkar (2019) Developing strategies to improve agility in the project procurement management (PPM) process Perspective of business intelligence (BI), [www.emeraldinsight.com/1463-7154.htm](http://www.emeraldinsight.com/1463-7154.htm)
- Steven H. Appelbaum, Rafael Calla, Dany Desautels and Lisa N. Hasan (2016), The challenges of organisational agility: Part 1, part 2
- Subhash Sharma, New Ideas in Strategic Thinking: Multi-variables Dialectical Analysis in Strategic Management,
- Sukhabodhananda, S. (2007). Personal Excellence Through The Bhagavad Gita, Chapter 8. Jaico Publishing House.
- Sukanya Panda and Santanu Kumar Rath (2017), Strategic IT-business alignment and organisational agility: from a developing country perspective
- Sushil. (2001). Demythifying flexibility. Management Decision, 39(10), 860-865.
- Sushil. (2001). SAP-LAP Framework. Global Journal of Flexible Systems Management, 2(1), 51-55.
- Sushil. (2012, June). Flexibility Maturity Model: Possibilities and Directions. Global Journal of Flexible Systems Management, 13(2), 75-76.
- Sushil, & Stohr, E. A. (2014). The Flexible Enterprise. Springer.
- T.M.Khalil. (2001). Management of Technology: The Drivers of Technological Changes in the Twenty-first Century. Miami: Coral Gables FL, University of Miami.
- Tomas Eric Nordlander, (2001) AI SURVEYING: ARTIFICIAL INTELLIGENCE IN BUSINESS, De Montfort University,
- Tony Bovaird 2008, Emergent Strategic Management and Planning Mechanisms in Complex Adaptive Systems, Public Management Review,
- Redefining Leadership: Strategic Thinking in Today’s VUCA World, FMI
- Tabachnick, B. G., & Fidell, L. S. (2000). Using multivariate statistics. Boston, MA: Allyn and Bacon.



- Tzu, S. (1983). *The Art Of War*: Edited James Clavell. Dell Publishing, New York.
- Upton, D. M. (1994). The management of manufacturing flexibility. *California Management Review*, 36(2).
- Usage and Population Statistics. (2012, September). Retrieved September 2012, from Internet World Stat: <http://www.internetworldstats.com/stats.htm>
- Velberda, H. W. (1998). *Building the Flexible Firm: How to remain competitive*.
- Vera-Line Montreuil, Martin Lauzier, and Institut du Savoir Montfort, Ottawa, Canada, and St\_ephane (2020), A closer look at determinants of the organisational capability to innovate (OCI) A dynamic capabilities perspective, <https://www.emerald.com/insight/1460-1060.htm>
- Waqar Ahmed, Arsalan Najmi, Yusra Mustafa and Asif Khan (2019), Developing model to analyse factors affecting firms' agility and competitive capability, A case of a volatile market
- Worley, C. G., & Lawler, E. E., III. (2009). *Agility and organisation design: A diagnostic framework* (Working paper No. 566) Center for Effective Organisations Retrieved from
- Worley, C. G., & Lawler, E. E., III. (2010). *Agility and organisation design: A diagnostic framework*. *Organisational Dynamics*, 39(2), 194-204.
- Worley, C. G., Williams, T. D., & Lawler, E. E. (2014). *Assessing organisation agility: Creating diagnostic Profiles to Guide transformation*.
- Worley, C. G., Williams, T., Lawler, E. E., & O'Toole, J. (2014). *The agility factor: Building adaptable organisations for superior performance*.
- Yijun Xinga, Yipeng Liub, Dev K. Boojihawon (Roshan), Shlomo Tarbac (2020), *Entrepreneurial team and strategic agility: A conceptual framework and research agenda*, [www.elsevier.com/locate/hrmr](http://www.elsevier.com/locate/hrmr)
- Yoel Asseraf, Luis Filipe Lages and Aviv Shoham (2018) *Assessing the drivers and impact of international marketing agility*
- Yusuf, Y. Y., Sarhadi, M., & Gunasekaran, A. (January 01, 1999). *Agile manufacturing: The drivers, concepts and attributes*.
- Zaleznik, A. (1998). *Managers and leaders: Are they different?* *Harvard business review on Leadership*. (pp. 61-88). Boston, MA: Harvard Business School