

Sustainable Management Practices: An Analytical Study of Balancing Profit and Purpose

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Abstract

Businesses in India are starting to realise the value of social and environmental responsibility, which is why sustainable management practices that strike a balance between profit and purpose are gaining favour. Businesses are adopting tactics that benefit the environment and society while simultaneously generating profits. Adopting environmentally friendly technologies and methods is a crucial component of sustainable management practises. To lessen their carbon impact, companies are investing more and more in renewable energy sources like solar energy. They are also taking steps to reduce trash and use less energy to have a minimal negative impact on the environment. Additionally, business strategies are incorporating social responsibility. Numerous businesses fund programmes for education and healthcare, engage in community development activities, and encourage inclusivity and diversity in the workplace. India's businesses are building a more sustainable future that benefits both their bottom line and society at large by balancing financial success with social and environmental objectives.

Keywords: Sustainable management practices, Social and environmental responsibility, Profit and purpose, Renewable energy sources, Waste reduction, social responsibility, Inclusivity and diversity.

Introduction

The idea of sustainable management practices that strike a balance between "profit" and "purpose" has drawn substantial interest in India and has been examined in many contexts of "corporate social responsibility (CSR) and sustainability initiatives" there. Gautam and Singh (2010) examined the biggest Indian corporations and looked at their CSR policies. They emphasised how these businesses were actively involved in social and environmental projects like environmental preservation, community development, and healthcare. This shows that Indian businesses are becoming more committed to combining "purpose-driven" operations

with revenue generation. The use of "green human resource management" (HRM) practises, which place an emphasis on sustainability in the management of human resources, is another area of interest. Green HRM uptake in Indian public businesses was analysed by Mishra et al. (2014). They showed that businesses were rapidly integrating eco-friendly practises into their human resource management (HRM) strategies. Examples of these practices include encouraging staff to act sustainably, supporting energy conservation, and putting in place sustainable employee development programmes. This fusion of environmentally friendly HRM procedures exemplifies the effort being made by the Indian business community to synchronise "profit-driven" tactics with long-term environmental sustainability.

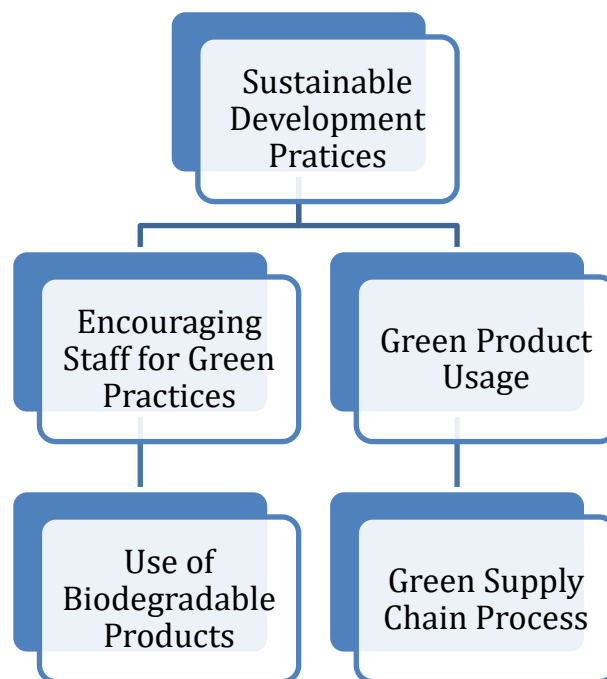


Figure 1 Sustainable Development Practices

Thanki et al. (2016) evaluated "Indian SMEs' (small and medium enterprises') adoption of lean and green practices". They used the "Analytical Hierarchy Process (AHP) approach" to conduct a thorough evaluation of the adoption of sustainable practices. They saw that Indian SMEs were adopting lean and green practices more and more. These procedures require combining green environmental activities with lean management principles, which are aimed at decreasing waste and increasing efficiency. SMEs aim to optimise their operating procedures while reducing resource consumption and environmental harm by adopting lean-green practices. They showed that Indian SMEs actively adopted lean-green practises to raise operational

effectiveness, save costs, and improve environmental performance. These companies showed a dedication to striking a balance between "profit" and "purpose" by implementing strategies including energy saving, waste reduction, and sustainable sourcing. Adopting lean-green strategies helps SMEs balance their business objectives with social and environmental responsibilities while also reducing costs and improving resource utilisation.

Numerous frameworks and methods to attain sustainability in corporate operations was emphasised by sustainable management practices that strike a balance between "profit" and "purpose." the "sustainability balanced scorecard" (SBSC), according to Hansen and Schaltegger (2016). An organisation's ability to assess, monitor, and manage its sustainable performance is made possible by the SBSC, a strategic management tool. They showed that the SBSC framework offers a thorough method for combining financial, environmental, and social indicators, allowing Indian enterprises to successfully strike a balance between "profit"-oriented goals and their dedication to environmental and social responsibility. Businesses in India can monitor their progress and take wise decisions as they work towards striking a balance between sustainability and profitability by putting the SBSC into practise. The framework encourages companies to think about more than just their financial success when making decisions, stressing the importance of both the environment and social impacts. A more sustainable business model in India can be achieved by firms using this integrated strategy, which allows them to connect their "profit" objectives with their broad awareness of social and environmental responsibility. The systematic approach of the SBSC allows organisations to assess their sustainability performance across a range of metrics. It aids in the development of "key performance indicators (KPIs)" linked to economic, environmental, and social concerns as well as goals and standards for each.

Literature Review

The application of "green supply chain management" (GSCM) procedures and the effects of "critical success factors" have been the subject of research in the Indian automobile sector. The impact of crucial success variables on GSCM adoption and sustainability results were looked at by Luthra et al. (2016). They observed that elements including "supplier collaboration," "stakeholder engagement," and "technology adoption" had a big impact on how well GSCM programmes worked. Indian automakers can improve their sustainability performance and

achieve a balance between "profit" and "purpose" in their operations by properly implementing GSCM practises. They emphasised the significance of crucial success elements as they drove the effective adoption of GSCM practises in the Indian automotive sector. Key elements impacting the sustainability outcomes of GSCM projects include "collaboration" with suppliers, "involvement" with "stakeholders" at various points in the supply chain, and "technology" use for increased effectiveness and environmental performance. Automobile firms in India may support a healthy supply chain network by fostering strong connections with suppliers and involve stakeholders in decision-making processes.

"Sustainable supply chain management" (SSCM) depends heavily on effective decision-making. Wu and Pagell (2011) looked at SSCM-related decision-making processes. In making decisions about the supply chain, they emphasised the significance of achieving a balance between economic factors and environmental and social implications. Businesses in India can align their supply chain practises with their broader sustainability goals by considering sustainability aspects including "carbon emissions," "waste reduction," and "social responsibility." "The importance of including sustainability criteria in supply chain decision-making was emphasised. When choosing their supply chain, businesses in India need to take a variety of aspects into account, such as "environmental impacts" and "social responsibility." Organisations can choose suppliers, modes of transportation, and packaging materials that are in line with sustainable management practises by weighing the environmental and social effects of various options. Such choices assist in lowering carbon footprints, minimising waste production, and guaranteeing moral sourcing and labour practises. Indian companies can improve their overall performance and reputation by striking a balance between profitability and sustainable practices through responsible decision-making in supply chain management.

The switch from the "Millennium Development Goals" (MDGs) to the "Sustainable Development Goals" (SDGs) showed India's pursuit of sustainable management techniques. This transition was examined by Sachs (2012), who emphasised the need for a more comprehensive strategy for development that considered factors relating to the environment, society, and the economy. To bring India's sustainable management practises in line with global standards, the SDGs established a thorough framework. The MDGs, which largely focused on reducing poverty and enhancing health and educational results, served as a turning point for global development. The Sustainable Development Goals (SDGs) nonetheless adopted a

broader viewpoint, acknowledging that sustainable development included not only economic growth but also environmental protection and social well-being. In its capacity as an SDG signatory, India has embraced this multifaceted strategy for growth.

India made attempts to meet its energy demands as part of its quest for sustainable development. The impact of "globalisation" on India's energy demand and its implications for sustainable development were examined by Shahbaz et al. (2016). It emphasised the significance of considering how environmental sustainability, energy consumption, and economic growth interact. India's economy, which is expanding quickly, has seen an increase in energy demand over time. They emphasised the necessity to strike a balance between this rising energy use and sustainable practices to prevent environmental damage and guarantee the long-term availability of resources. In addition to taking energy and environmental concerns into account, the Indian banking industry also understood the value of sustainable management techniques.

The term "sustainable market orientation" was put up by Mitchell et al. (2010) as a fresh method of "managing marketing strategy." They emphasised the necessity for companies to incorporate sustainability factors into their marketing strategies, concentrating not just on profitability but also on long-term environmental and social implications. Companies in India could meet the rising demand for environmentally and socially responsible goods and services by adopting a sustainable market orientation and coordinating their marketing plans with sustainable development objectives. They asserted that "sustainable market orientation" entailed comprehending and addressing client demands and preferences for sustainable products, using responsible marketing techniques, and establishing long-term connections based on mutual respect and shared values. To incorporate broader sustainability issues into marketing decision-making, a mentality change beyond purely profit-driven approaches was necessary. The interaction of "sustainable development and entrepreneurship" was looked at by Hall et al. (2010). By offering creative responses to environmental and social problems, they emphasised the essential part that businesspeople had in advancing sustainable development. Entrepreneurial ventures centred on sustainability in India might have aided in addressing urgent social and environmental problems while also promoting economic growth.

According to Lozano et al. (2015), several firm theories have influenced how people interpret and approach business sustainability over time. The importance of organisations incorporating sustainability into their primary strategies and business practices was underlined. The impact of theories including "stakeholder theory, resource-based view, and institutional theory" on "corporate sustainability practices" was examined. To solve social and environmental issues and provide value to stakeholders, it is crucial for businesses to connect their goals and operations with those of sustainable development. Advances in "environmentally and socially sustainable operations" were shown by Tang and Zhou in 2012. To achieve sustainable growth, they emphasised how corporations may include social and environmental factors into their operational procedures. Companies in India might have improved resource efficiency, reduced their environmental impact, and promoted social well-being by implementing sustainable operations.

Boyd et al. (2009) observed how the "Clean Development Mechanism" (CDM) functions to support sustainable development. The "United Nations Framework Convention on Climate Change" has a market-based framework called the "Clean Development framework (CDM)" that enables wealthy nations to fund emission reduction initiatives in poor nations. It emphasised the need of matching CDM projects to sustainable development goals like "poverty alleviation, technology transfer, and capacity building". "Bhowmik et al. (2017) optimal green energy planning for sustainable development" looked examined several aspects of green energy planning, including legal frameworks, decision-making processes, and renewable energy technology. The significance of "integrating green energy planning" into overarching sustainable development initiatives was emphasised. They observed the contribution that renewable energy sources, such as solar, wind, and hydropower, may make to lowering greenhouse gas emissions, boosting energy security, and fostering socioeconomic growth. Planning for green energy was essential in the Indian context for accomplishing goals for sustainable development. India, one of the world's major energy consumers, has made great progress in implementing renewable energy technologies. India could have sped up the installation of renewable energy infrastructure, facilitated access to electricity, and decreased reliance on fossil fuels by maximising green energy planning.

Conclusion

In recent years, sustainable management strategies that strike a balance between profit and purpose have gained importance in India. The necessity to address environmental and social issues while pursuing economic prosperity is becoming more widely acknowledged as the nation experiences continued economic growth and industrial development. ESG (environmental, social, and governance) factors must be incorporated into business plans and daily operations in order to be sustainable management practices. In addition to promoting social progress and ensuring long-term economic viability, they seek to reduce harmful environmental effects. Such practices are Essential logical balance, eliminating inequality, and protecting natural resources for future generations in a country as diverse and populous as India. There are many advantages to implementing sustainable management practises in India. India can gain much from adopting sustainable management practises. It aids companies in cultivating a favourable reputation, boosting brand value, and luring in investors and clients who are socially concerned. It promotes innovation by enticing businesses to create eco-friendly technology and remedies. Furthermore, by using resources more effectively, reducing waste, and improving operational procedures, sustainable practises can result in cost savings. In addition, innovative thinking and the creation of greener technology and solutions are encouraged by sustainable management practises. In turn, this opens possibilities for economic expansion and employment creation, especially in industries like sustainable agriculture, waste management, and renewable energy. By adopting sustainable practises, India can establish itself as a world leader in sustainable development and open the door for a more environmentally friendly and inclusive future. The adoption of sustainable management techniques, however, necessitates cooperation and dedication from all stakeholders, including enterprises, governmental organisations, civil society organisations, and consumers. Adoption should be accelerated by creating and enforcing laws and regulations that support sustainability, as well as by launching awareness and education initiatives. In conclusion, India places a high priority on sustainable management techniques that strike a balance between profit and purpose. Businesses can address social and environmental issues, promote sustainable development, and assure long-term economic viability by incorporating ESG factors into their plans. Adopting these practises not only helps specific businesses but also encourages a healthier and more just future for India and its citizens.

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