

# Business Sustainability



## and the Environment

**An introductory guide to help you explore some important considerations about business sustainability and the environment for your business**

Business sustainability and the environment are important topics that all business owners should take into consideration when running their business. In this introductory guide, you can find information about corporate social responsibility, business ethics and environmentally sustainable strategies you can implement into your business.

# Business Sustainability and the Environment

This introductory guide is designed to highlight some important considerations about sustainability and the environment for your business and covers the following content:

- 1. Corporate Social Responsibility..... 3
- 2. Business Ethics ..... 4
- 3. Environmentally Sustainable Strategies..... 5

Detailed information on these topics can be found in the accompanying, individual guides.



# 1. Corporate Social Responsibility

Corporate social responsibility describes the way that businesses are increasingly taking into account the financial, social and environmental impacts of their decisions and actions. It is an important issue in the current market, as managers, consumers, employees and investors begin to acknowledge the role that economic activities play in relation to environmental and social well-being.

Traditionally, business success (or failure) is measured in terms of its economic performance. The triple bottom line is an extension of the criteria used to measure economic performance and includes financial, social and environmental factors. You should consider using a triple bottom line approach to your performance measurements to see where improvements could be made in regards to your financial, social and environmental impact.

Defining your standards and expectations in regards to ethics and moral issues can also help to improve your social responsibility and sustainability. This will help your employees to understand how they are expected to perform in the business and where the boundaries lie. An important part of this process is getting input from your team to determine what policies are feasible and identify changes that need to be made.

Philanthropy and community service are considered to be important aspects of corporate social responsibility in many organisations. Businesses use it as an opportunity to help out those less fortunate and to support charitable causes. It is also a great way to build a positive relationship with people and improve the business' public image. Business philanthropy can include activities such as monetary or resource donations and community projects.

To find out more, go to the guide on corporate social responsibility



# 2. Business Ethics

Ethics are a set of moral standards that you rely on to reach conclusions and make decisions. In a competitive business environment, ethics are a key factor in responsible decision making. Maintaining a high ethical standpoint when operating your business can provide benefits to both the internal and external stakeholders of your business.

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*working towards sustainable*

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*objectives*

In your business, you should aim to change your employee's attitude from simply looking at making short term profits to working towards sustainable objectives. You need to make them aware of business sustainability issues and how their decisions and attitude in terms of ethical compliance can have an impact on the overall success of the business in the long term. Poor ethical decisions that are not in line with the business' mission can have a lasting and negative impact on your success.

There are many ethical issues that can arise in the course of operating a business. A comprehensive understanding of the different types of ethical issues will help you to identify and handle these situations responsibly to maintain your core business values. You may need to make ethical decisions in regards to:

- ✓ Employee rights (such as working conditions)
- ✓ HR management (hiring, dismissal, etc)
- ✓ Conflicts of interest
- ✓ Appropriate use of business resources
- ✓ Reporting and transparency
- ✓ Business impact on society

As a business owner or manager, you need to make your own decisions in regards to the ethical standards and moral values that you maintain in your business. You also need to be able to communicate your ethical expectations to your team. By following a carefully and thoroughly thought out set of business principles, you give yourself the best opportunity for achieving sustainable business success.

You can find more information about this issue by going to the applying business ethics guide

# 3. Environmentally Sustainable Strategies

Environmental sustainability in the business world involves making decisions that are in the interests of protecting the natural world. It is a prominent topic at the moment as many people are taking notice of the significant impact that businesses and individuals can have on the environment.

While some may argue that environmental sustainability is not the responsibility of businesses, there are a number of points that strongly support the business case for environmentally sustainable strategies including:

- ✓ Low risk and low potential for negative impacts on business operations.
- ✓ Potential future costs exist for not acting now (government legislation).
- ✓ Reduce operational expenses and increase efficiency.
- ✓ Provide a competitive edge for attracting and retaining customers.

Environmental sustainability is becoming an increasingly effective way for businesses to differentiate themselves in a competitive market. Environmentally sustainable practices can help to improve your public image as guests prefer products and services that are not harmful to the environment.

There are a number of emerging business opportunities in the environmental sustainability sector. For example, many small business start-ups are focusing on providing environmentally friendly solutions to common needs such as installing solar energy products and offering recycling services. Marketing your business as environmentally friendly and selling environmentally sustainable services can really help you to expand your customer base and capitalise on new opportunities.

There are a number of simple strategies and options available to businesses to help them improve their environmental sustainability. Some strategies that you might consider include:

- ✓ Waste control and prevention - managing and reducing the amount of waste that your business generates.
- ✓ Improving energy efficiency - simple changes like turning off computers at night and switching to fluorescent lighting can really make a difference and save you money.
- ✓ Using renewable energy - renewable energy is rapidly becoming an option.
- ✓ Natural resource management - monitoring and limiting your use of natural resources such as water and fossil fuels can help you to reduce your negative impact on the environment.

To find out more about what your business can do, go to the environmental sustainability in business guide



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BT-BSE-C9-0913-4