

Why Every Business Should Embrace Sustainability

Susie George

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With increasing societal pressures, many companies are going green to help their image. Though image may be a driving force in this decision, companies that embrace sustainability and the [triple bottom line](#) are the companies that prevail to define the future of business.

The internet, social media, and well-known documentaries have allowed for accessibility of transparent information about climate change and the inner workings of industries [affecting consumer behavior](#). Consumer awareness is not only prevalent, it is also an important driving force of corporate decision-making.

Store shelves and internet sites are crowded with products and options, and whether or not the company embraces sustainable practices has proven to be a [deciding factor](#) for many. Aside from companies that deceptively practice [greenwashing](#), truly embracing sustainability has proven to boost profits and company morale.

According to [Project ROI](#), sustainable initiatives can increase sales revenue by up to 20 percent, and market value by nearly 10 percent. Sustainability initiatives include waste reduction, creating a cleaner supply chain, increasing employee engagement, and obtaining certification from recognized organizations, such as [B Corporation](#) and [Oregon Tilth](#).

Many companies are resistant to such changes due to the necessary immediate investment in these efforts. Shareholder influence coupled with the constant pressure to increase revenue at all times makes for a short-sighted vision, which can lead to irresponsible decision-making.

Risky and profit centric decision-making is what preceded the [catastrophic BP oil spill in 2010](#). This disaster was the result of years of cutting corners to portray an image of speed and efficiency. Ultimately, BP was forced to cough up an [estimated \\$54.6 billion](#), a sum significantly larger than the immediate loss they would have experienced had they taken precaution in the first place.

Recognizing the financial and environmental risks associated with prioritizing shareholder value over all else is key to embracing a sustainability mindset. This shift, though positive, can be a jolt for companies that may be set in their ways. It is imperative to implement a company-wide shared vision embraced by leadership, the board of directors, and employees.

The globalized economy is [experiencing the effects](#) of scientific findings that reveal the role of human activity in climate change. Companies have no other choice but to react as a result of not only consumer pressures, but also government regulation.

Preventative measures are reason enough for businesses to embrace sustainability. However, proactive decision-making and constant innovation are what lay the solid foundation for longevity. Investment in sustainability saves companies money in the long run. For example, while energy efficiency can be a challenging and expensive transition, it is a shift that ultimately results in a tangible gain as energy costs increase.

[Tax incentives](#) are also proving to be a viable defense for these transitions. Investment-, production-, and consumption-based income tax credits, exemptions, cash grants, and accelerated depreciation for certain capital expenses are all gently guiding business in the direction of sustainability.

Transparency goes hand-in-hand with sustainability. In order to obtain tax incentives or sustainability certification, companies must disclose the inner workings of their operations. This tactic can prove to boost confidence in consumers, and is an additional safety net to protect against any potential pitfalls. Had BP been transparent in their decision-making, the tragedy would have likely been avoided.

Employees are privy to their company's decisions as well. As consumers themselves, people want to believe in the company where they work. Time, livelihood, and legacy is often deeply connected to profession. Sustainability is positive for talent retention because this kind of

transparent, long-term decision-making shows an investment in long-term success that makes an impact. Talented employees are attracted to this mindset and are inspired by the constant innovation.

Resource availability is another major driving force in sustainable business. Without the earth's resources, business would cease to exist. When it comes to sustainability initiatives, authenticity, or lack thereof, is not lost on the public. Companies that recognize their place and opportunity to create mass societal change are often recognized, and experience benefits as a result.

At this point, many of the resources used in production for companies are simply becoming unavailable, or are heading in that direction. For the sake of the business alone, the environment and resource availability must take precedence. For the sake of the environment, sustainability is imperative.

[In the words of Yvon Chouinard](#), founder of one of the original sustainable companies, Patagonia, "Who are businesses really responsible to? Their customers? Shareholders? Employees? We would argue that it's none of the above. Fundamentally, businesses are responsible to their resource base. Without a healthy environment there are no shareholders, no employees, no customers and no business."

In 1973, Patagonia laid a foundation of minimalism, transparency, quality products, and environmental responsibility. Their

commitment to honoring the physical resources they depend on has been a driving force of their success. Employees feel it, consumers know it, and competition emulates it.

Sustainability is a win-win for business. Though the economic benefits of operating with the triple-bottom line mindset are convincing enough, it is important to redirect focus back to the earth itself. The dire situation of the earth as a result of climate change is becoming more evident with each day. Businesses are in a unique and powerful position to contribute to lasting change that protects the earth, rather than destroying it.

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