



## **Productivity**

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### **Why Embrace Sustainability?**

Over the past several years, there has been a major shift in business toward becoming more sustainable. Beyond just “greening” operations, the concept of sustainability is an innovative approach to business practices where every decision is made with three key themes in mind—economic prosperity, environmental quality, and social justice. The concept of a sustainable business is both fluid and evolving. Focusing on the coming together of the three interconnected areas of sustainability, the aim is to create a solid win-win-win business model.

#### **Economic Prosperity**

Traditionally, economic progress has been measured in terms of the quantity of economic activity or profits. From the perspective of sustainability, the key issue is the quality of economic activity, the extent to which it meets real needs, and whether it respects ecological limits. Factors that influence economic prosperity include whole cost accounting, marketing, fair trade, and stakeholder accountability.

#### **Environmental Quality**

The environmental dimension of sustainability concerns an organization’s impact on living and non-living natural systems, including ecosystems, land, air and water. Environmental quality is influenced by lifecycle assessment, eco-efficiencies, product and service design, sourcing, compliance, and ecological footprint.

#### **Social Justice**

The social dimension of sustainability concerns the impact an organization has on the social system within which it operates. Factors influencing social justice include internal labor practices, human rights, and an organization’s impact on the local and global community.

### **5 Reasons for Sustainability**

Sustainability is much more than just a trend, it is a necessity for business survival in the 21st century. The number of companies, institutions and organizations adopting sustainability has multiplied dramatically in the last decade. Among the diverse set of reasons for embracing sustainability are the following:

**Reputation.** In today’s market, engaging in sustainable business practices can put organizations on the leading edge. Maintaining a positive reputation has been proven to be one of the most important factors in a business’ success. Whether seeking recognition, avoiding backlash by the public or simply acting on corporate values, sustainable business practices can foster a reputation of leadership in the marketplace.

**Differentiation of Products and Services.** Customers are increasingly using sustainability as a criterion for making purchasing decisions. Given two similar products produced by companies that differ only by their commitment to sustainable business practices, there is a growing likelihood that the green organization will get the sale.

**Employee Retention.** People want to work for companies that share their personal values and respect them as individuals. Retaining employees means less turnover which can save both time and money, as well as increase employee loyalty, productivity and innovation.

**Stay Ahead of Regulation.** Municipal, provincial and federal laws are constantly changing. Embracing sustainable practices can save time and money in the months and years ahead by ensuring an organization is prepared to meet changing trade regulations.

**Reduce Costs.** Potential cost reductions associated with sustainable business practices can include savings in energy, utilities and waste. Given the current state of the economy and resulting budget restraints, there is no better time than now to implement a sustainability strategy.

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*Excerpts of this article take from Fostering Sustainable Business Practices (Petersborough, Canada); [http://www.sustainableptbo.on.ca/What\\_is\\_Sustainable/index.php](http://www.sustainableptbo.on.ca/What_is_Sustainable/index.php)*