

Chapter 10

Responsible and Sustainable Management Practices in Developing and Developed Business Environments

Idahosa Igbinakhase
University of Kwazulu Natal, South Africa

ABSTRACT

This chapter focuses on responsible and sustainable management practices in business based on the 10 principles of the United Nations Global Compact (UNGC). The UNGC has been named the world's largest corporate sustainability initiative and it has already made a significant contribution to the entrenchment of globally acceptable business ethics. The UNGC identifies ethical leadership as an important organisational asset, which has also contributed to the implementation of key responsible and sustainable practices, such as anti-corruption seminars and corporate social responsibility, among others. A comparative analysis of responsible and sustainable management practices of businesses in Nigeria and the United Kingdom revealed that some practices, such as corporate social responsibility, are being practiced in both business environments, among other findings.

INTRODUCTION

Business practices in diverse operating environments are becoming increasingly socially responsible and sustainable in a bid to be ethically conscious as they gravitate towards globally acceptable business standards. Responsible and sustainable management practices in business have become the standard in today's global business environment (Baumann-Pauly & Scherer, 2013; United Nations Global Compact, 2015f). The United Nations, championing this drive and initiative through its United Nations Global Compact (UNGC) initiative has encouraged businesses to imbibe its guiding 10 principles founded around human rights, labour, the environment and anti-corruption measures in their conduct within their business environments (United Nations Global Compact, 2015f).

DOI: 10.4018/978-1-5225-1823-5.ch010

The UNGC initiative has been adopted by over 166 countries and about 8,902 businesses in these countries (United Nations Global Compact, 2016), with other businesses and countries increasingly showing interest in the United Nations' 10 principles (Rasche, 2009; United Nations Global Compact, 2015f) and carrying out activities promoting the principles (United Nations Global Compact, 2015f). In addition, some cities and stakeholders have created their own initiative from these principles (The Global Compact, 2016) with the intention of localising and adapting the principles to suit their business environments. Some of these activities and initiatives have taken the form of corporate social responsibility (CSR) (Centindamar, 2007; Rasche & Gilbert, 2012), green initiatives (environmental responsibility) (Bansal & Roth, 2000; Laroche, Bergeron, & Barbaro-Forleo, 2001), improved business ethics, seminars and workshops promoting sustainability change behaviours to protect the stakeholders and the business environment (Musari, 2016). In characterising the aforementioned socially responsible activities, businesses have adopted the CSR approach as a key mechanism that reflects their corporate social intentions in line with the United Nations global standards for business for the benefits of their business activities and their host communities (Centindamar, 2007).

Since its introduction in 2000, and its adoption by Nigeria (developing nation) in 2006 (United Nations Global Compact, 2015a) and by the United Kingdom (developed nation) in 2003 (United Nations Global Compact, 2015b) various responsible and sustainable management practices have been utilised in both indigenous environments by businesses and the outcomes are far-reaching.

This chapter provides definitions of responsible and sustainable management practices by businesses in these business environments, considering the situational issues present in these environments and businesses' responses in affiliation with the United Nations' standards. It will also present a comparison and the results of in-depth analysis with a view to highlight the considerable gains of the UNGC initiative and also the missed opportunities experienced by both countries.

From the literature reviewed, the following themes emerged:

- Background of the UNGC initiative and its role in responsible and sustainable management practices in business;
- Ethical leadership and CSR as a catalyst in responsible and sustainable management practices in business;
- Responsible and sustainable management practices in business in Nigeria's developing business environment;
- Responsible and sustainable management practices in business in the United Kingdom's developed business environment;
- A Comparative Analysis of Responsible and Sustainable Management Practices of Businesses in Nigeria and the United Kingdom; and
- An impact analysis of responsible and sustainable management practices in business in Nigeria and the United Kingdom.

Background of the UNGC Initiative and its Role in Responsible and Sustainable Management Practices in Business

The UNGC initiative may be regarded as the 'guiding principles' depicting acceptable global standards and expectations in today's business environment (Abe, 2016). According to Hale (2011), the UNGC initiative is a collaborative effort between key stakeholders in the business environment and the United

26 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/responsible-and-sustainable-management-practices-in-developing-and-developed-business-environments/171879

Related Content

Sustainability in the Farming Sector and Physical Comfort in the Workplace to Reduce the Mental Stress of Farmers: A Case Study of Agricultural Farmers in India by Anfis

Hullash Chauhan, Suchismita Satapathy and Ashok K. Sahoo (2022). *International Journal of Social Ecology and Sustainable Development* (pp. 1-18).

www.irma-international.org/article/sustainability-in-the-farming-sector-and-physical-comfort-in-the-workplace-to--reduce-the-mental-stress-of-farmers/292068

E-Service Innovation in Rural Africa Through Value Co-Creation

Anna Bon, Jaap Gordijn and Hans Akkermans (2020). *Sustainable Business: Concepts, Methodologies, Tools, and Applications* (pp. 1294-1312).

www.irma-international.org/chapter/e-service-innovation-in-rural-africa-through-value-co-creation/232851

Macroeconomic Factors and Company Value in the Context of the Ohlson Residual Income Valuation Model: Empirical Findings from Greece

Konstantinos Vergos, Apostolos G. Christopoulos and Vasilios Kalogirou (2013). *International Journal of Sustainable Economies Management* (pp. 1-11).

www.irma-international.org/article/macroeconomic-factors-company-value-context/78502

Valorization of Plastic Waste in Ghana: The Circular Approach

Dolores Mensah Hervie, Ernest Christian Winful and Sebrina Kafui Tsagli (2021). *International Journal of Sustainable Economies Management* (pp. 31-45).

www.irma-international.org/article/valorization-of-plastic-waste-in-ghana/280143

Green Libraries: Current Situation in Mexico

Eugenia A. Ortega-Martinez, César Saavedra-Alamillas and Humberto Martínez-Camacho (2023). *Global Perspectives on Sustainable Library Practices* (pp. 130-141).

www.irma-international.org/chapter/green-libraries/313606