

Chapter 38

Organisations' Responsibilities towards Corporate Sustainability: A Content Analysis of Literature

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ABSTRACT

This paper analyses published literature to determine the organizational responsibilities towards business sustainability. Over two hundred published research papers in this space have been subjected to content analysis using NVivo qualitative analysis tool. The results reveal that there are three major types of responsibilities namely social responsibilities, environmental responsibilities and the role based responsibilities which the organizations have in terms of ensuring corporate sustainability. These responsibilities have been found to be effectively achieved through effective corporate sustainability reporting practices, policy level concerns backed by values and principles, coordination of consumer inputs, ensuring stakeholder understanding about their roles and responsibilities and effective risk management backed by proper definition of roles and responsibilities. A number of conclusions along with implications for practice have been derived as the outcome of the documented research.

1. INTRODUCTION

Corporate sustainability research has been grown tremendously. There are a number of documented researches looking at the corporate sustainability from different angles. Examples include the survey of the development of the field of corporate sustainability from the concept of sustainable development in different stages (Dyllick & Hockerts, 2002); systems approach to corporate sustainability (Azapagic, 2003); research looking at multiple levels of corporate sustainability (Marrewijk & were, 2003); European corporate sustainability framework (Hardjono & De Klein, 2004); corporate sustainability and organizational culture (Linnenluecke & Griffiths, 2010) and defining and measuring corporate sustainability

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(Laine, 2014). In addition to this a recent progress report published by KPMG Corporation highlights the importance of sustainability within current business world (KPMG, 2011). However, none of these researches have been looking at the organizations' responsibilities towards business sustainability. Arguably, a recent research documented the uptake of corporate social responsibility initiatives in developing countries (Memon et al., 2014); but lacks to cover the aspects which could be considered as organizational responsibilities towards ensuring business sustainability. Thus, this research aims to investigate the organizational responsibilities towards business sustainability.

Business sustainability has different organizational aspects and approaches. We are anchoring our research questions on the work reported by (Muff & Dyllick, 2014) for considering different approaches of business sustainability (Table 1). The work reported by (Muff & Dyllick, 2014) in this paper proposes a framework for considering different organizational aspects of business sustainability. The main themes highlighted by the authors in this work cover the typical business functioning model namely input, process and output. Although this sounds to be a generic overview of business functioning, this thinking is more process driven compared to early approaches such as (Costanza & Patten, 1995); (Marshall & Toffel, 2005) and has the base potential to be developed and applied to businesses in their day to day operations in ensuring their sustainability. Hence, our research questions formulated based on this framework are presented below:

1. What responsibilities organizations have towards business sustainability?
2. How organizations could perform these responsibilities?
3. What are the possible organizational outcomes which could result from performing these responsibilities?

Firstly, we are looking at the type of responsibilities the organizations have in terms of ensuring their business sustainability. This entails exploring the key aspects which needs to be looked by the organizations in order to be a socially responsible and environmentally sustainable business. Arguably, (Muff & Dyllick, 2014) states these as the concerns which the organizations have to consider when defining their business strategies towards sustainability. In a more detail sense, ISO 26000 states this as 'being accountable for the impacts of business decisions and activities' (ISO, 2011). Hence, we argue that there is a clear need for investigating on the types of responsibilities of the organizations in ensuring business sustainability.

Secondly, how organizations could perform these responsibilities is an important concern. This looks at exploring the documented processes / ways in which the organizations could become sustainable and responsible. Managing risks and opportunities has been considered as the organizational aspects of this by (Muff & Dyllick, 2014). The authors further state that this will include managing the downside of the organization by better managing the costs and risks and maintaining upsides by increasing revenue, market share or reputation. Thus, we argue, there is a need for investigating on the ways in which organizational responsibilities could be performed in order for business sustainability.

Finally, we are investigating the organizational outcomes of performing these responsibilities. What values / outcomes the organizations could leverage by performing their responsibilities towards business sustainability is looked in this question. The research documented by (Muff & Dyllick, 2014) confirms that the values created by the shareholders and shareholders of the organization to the common good has a role to play in determining the organizations' responsibilities towards the environment and the society.

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