

When sustainability becomes business as usual - the vision and challenge of changing company culture

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The crucial role of businesses in sustainability efforts

The business community's role in bringing about environmental, social, and economic change is crucial. The more companies seriously partake in the corporate social responsibility (CSR) business model, the more we will get closer to seeing a better world for future generations (Ehrenfeld 2008). And this challenge isn't just for multinationals and big brands but also the rest of the business world. SMEs (small and medium-sized enterprises), micro-enterprises, and entrepreneurial startups, who, according to the International Labor Association (2019), make up 90% of global companies and contribute to approximately 70% of employees - these businesses have a significant role to play.

The further test for the business community is to ensure that sustainability isn't just a box to be ticked, a bolt-on piece of company policy to appear suitable to the consumer. How businesses shift from sustainability being a secondary afterthought to being a core company value, where they buy in on a heart level to its advantageous business model, will be how businesses secure long-lasting sustainability success - that benefits the company and the world around them (Greenfield 2018).

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Swash (2022), in her blog article 'Why Your Team Is Key To Building Sustainability Into Your Business,' writes, "I believe sustainability is about addressing climate change, human rights, and inequality. It is about leaving the world in a better place than it was, adding value as we go. This cannot be



achieved by a clever marketing campaign, no matter how much is spent. It cannot be achieved with a siloed ESG department on the top floor."

Swash (2022) is championing an 'inside-out' approach to sustainability (Henriques & Richardson 2004) that embraces relationships and connectedness that transform the core culture of an organization by focusing first on the 'why?' Why do we exist as a company? And why do we do what we do? Such an approach allows sustainability practices to flow from the inside out. This is contrary to the more commonly used 'top-down' approach that focuses on policy, product, and processes, which, while can be more easily controlled, often yields poor environmental results (Henriques & Richardson 2004).

Companies need to approach sustainability, starting with the inside worlds of their team, management, and core culture. These inner worlds need to be changed and transformed to achieve the outer sustainability goals. When businesses take the time to cultivate their team's beliefs, purpose, and passion, this will lead to an embedded sustainability culture that not only brings success to the company's sustainability policy but will reach the homes and lifestyles of the employees involved (Ehrenfeld 2008).

The case for a sustainability culture

Peter Drucker, one of the leading influential thinkers on management, was known to have said, "Culture eats strategy for breakfast, operational excellence for lunch, and everything else for dinner" (Conmy 2022). It's a thought-provoking statement intended to provoke a response. He certainly wasn't dismissing the role of strategy and operational business excellence - but instead, he was pointing out something we need not underestimate - the force and power of culture within a business. Team culture without direction can wreak havoc, but if we intentionally cultivate it for good, it can be the backbone of strategy, goals, and objectives.

Conmy (2022), in his article 'What does culture eats strategy for breakfast mean?', writes, "no matter how great your business strategy is, your plan will fail without a company culture that encourages people to implement it."

Drucker realized that operational success comes from an empowered team culture - where the people carrying out the company's goals are vital to its success. What they

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believe, their alignment with the purpose of the business, and how passionate they are about seeing it fulfilled matter. And so, it is imperative as we approach how the business community can embrace and lead in sustainability efforts and innovation, we take a deep look at how we achieve an empowered team. Without the company's crew on board, sustainability success will be limited. Getting the team on board will require more than dangling carrots. It requires transformational work inside people and core culture in areas of beliefs, purpose, and passion, and a working environment that supports this.

The challenges of embedding sustainability into business culture

Forming a sustainability culture in business is no small feat. It involves more time, and because it inherently includes people within the team, it will be more complex. Dealing with issues ranging from resistance to change, embracing new paradigms, and learning current sustainable business models can bring the team the uncomfortable challenge on emotional, intellectual, and social levels. It's a journey that requires a high level of buy-in from managerial leaders committed to long-term, lasting success in their business sustainability efforts and impact.

James Gustave Speth, the American environmental lawyer, and advocate, writes, "I used to think the top environmental problems were biodiversity loss, ecosystem collapse, and climate change. I thought with 30 years of good science we could address those problems. But I was wrong. The top environmental problems are selfishness, greed and apathy... And to deal with these we need a spiritual and cultural transformation - and we scientists don't know how to do that." (Ives, Freeth & Fischer 2020)

Speth's assessment of the challenges we face with sustainability gives insight into why so much of the business community can opt for a top-down approach in their sustainability effort. Simply - it's easier and quicker to set goals than to change a culture.

"It's a journey that requires a high level of buy-in from managerial leaders committed to long-term."

Even though good models of success from big brand companies like Apple Inc are charting the course of embedding sustainability into business culture (Lai 2022), this path can still appear formidable, especially to SMEs. The latter don't have the same resources, available teams, and leadership buy-in.

Four ways to intentionally form a sustainability culture in business

1. Establish a Higher Purpose

The starting point for businesses to instill sustainability into their core culture is to establish a higher purpose for their company, give clear language, and embed it into their mission. It's a clear message to employees, stakeholders, and consumers that sustainability is primary to the company's ethos and that its success lies in financial and societal performance (Galpin, Whittington & Bell 2015).

Developing this balanced financial and environmental purpose and infusing it through the organization's mission, values and goals chart a confident path forward for employees to adopt. It also contributes energy and motivation, a sense of belonging to something important to the team.

Sherry Hakimi, CEO of Sparktures (2015), writes, "A purpose mobilizes people in a way that pursuing profits alone never will. For a company to thrive, it needs to infuse its purpose in all that it does."

Some of the big brand companies that have successfully embraced sustainability into their missions and proven how this has led to better overall performance are Ben & Jerry's, Whole Foods, and Patagonia (Galpin, Whittington & Bell 2015).



BEN & JERRY'S MOTO

‘Do the World a Flavor.’

WHOLE FOODS MISSION STATEMENT

‘Our purpose is **to nourish people and the planet.**

We're a purpose-driven company that aims to set the standards of excellence for food retailers.’

PATAGONIA'S MISSION STATEMENT

‘Build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis.’

2. Create a Learning Environment

As much as an embedded sustainability purpose sets an organization's trajectory, tone, and goalposts, this will take much more to become part of the culture. The employees shape a company culture (Negru 2021), and without their ownership, the mission's efforts will be superficial.

According to Negru (2021), all employees must 'gain common ground' on sustainability. They need to learn what sustainability is, how it interplays in their daily work-life, the environmental impact they can have as an individual at work and home, and how sustainable development is a viable better option for business success.



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For sustainability to become part of a core culture, employees must embark on a learning journey that might challenge their beliefs and understanding of business practices and global realities. The journey of sustainability that employees need to navigate is emotional, intellectual, and practical, involving change (Friedrich & Wüstenhagen 2017).

They will need to address what sustainability is, what the global goals for businesses are, and understand the economic case for sustainability - how it's not just about 'doing good' but 'doing well' (Polman & Bhattacharya 2016).

Workplaces need far more than one orientation or a piece of training to achieve this; instead, they need to become places of lifelong learning where personal and organizational values align.

3. Invite Ownership and Innovation

As employees become aligned with the sustainability purpose of the business, a vital part of the inside-out approach is inviting ownership and collaboration. Instead of informing curated sustainability innovation for the team to deploy, employees are encouraged to be part of the design, process, and implementation of sustainability efforts. Approaching sustainability endeavors this way harnesses the team's community synergy and passion

that incubate ideas, shared vision, mission, and values. When sustainability becomes everyone's job, results can produce out-of-the-box initiatives.



One example is from the British tea firm PG Tips. The PG tips tea factory in Trafford Park, England, invited workers to brainstorm ways forward for sustainability efforts. The workers devised an ingenious idea to reduce the end seals of each tea bag by 3 millimeters, which in turn would save 15 reels of paper during each shift. Since this endeavor started in 2015, €47,500 and 9.3 tonnes of paper (about 20,500 pounds) have been saved (Polman & Bhattacharya 2016).

In their blog (Polman & Bhattacharya 2016) argue that 'companies get more and better ideas when they bubble up from the bottom.'

Another example is Marks & Spencer, a British food and retail chain. They invited their employees into the dialogue on their sustainability efforts. One employee came up with the idea of partnering with the international non-profit Oxfam by having clothes-recycling boxes in every Marks & Spencer store. This idea got buy-in from the M&S board and continues to achieve success in providing income for Oxfam today (Polman & Bhattacharya 2016).

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4. Support and Reward Commitment

Integrated sustainability endeavors must be backed up with support and reward. Employees need to trust that the mission is solid, the invitation for collaboration is authentic, and resources are available to help make sustainability become part of their everyday job.

Supporting sustainability commitment can look like having safe bike-lock ups for a company's bike-to-work initiative, or integrating sustainability training, think tanks, and extra reading into work time so that these don't add to unsustainable work-life balance. Supportive companies put their money where their mouth is in terms of embracing employee-driven innovation (Galpin, Whittington & Bell 2015). When an employee or

group of employees come up with an ingenious idea, like the team at PG Tips or Marks and Spencer, they should take it seriously, resource it and see through. Employees must see that their effort toward sustainability will not be futile.

“Employees must see that their effort toward sustainability will not be futile.”

A business will not only need to support sustainability practices, but it will also need to reward them. Continually rewarding the employee's success in sustainability efforts reinforces the company's sustainability mission, values, and goals (Galpin, Whittington & Bell 2015).

Rewarding commitment looks like incentive pay, appropriate perks, and giving time to the employees to cultivate sustainability values (Galpin, Whittington & Bell 2015). It's celebrating wins by 'naming and faming' (Polman & Bhattacharya 2016) commendable employees through company-wide traditions.

What if sustainability became business as usual (Polman & Bhattacharya 2016), where sustainability champions weren't limited to the leaders on the top floor (Swash 2022)? What would the business community be able to achieve if every employee, throughout all organizational levels of business, adopted their company's sustainability mission?

The vision of embedding sustainability into a company culture is compelling. The challenges are real. But the truth is we are better together.



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