Importance of environmental ethics and sustainability for an organization

Business, Organization



Environmental ethics and sustainability are regarded as important by more companies and organizations every day. Sustainability reporting and corporate social responsibility are aspects that are being taken into much consideration as it links closely to the ethics a number of people and companies want to hold. These concepts will be explored further in this essay along with appropriate South African examples.

Sustainability reporting addresses issues that are both financial and non-financial. The non-financial issues are those mainly concerning the environment where cases to do with harming or in turn conserving the environment, is disclosed to the public. In recent years more companies and organizations are encouraged and willing to disclose initially 'private' information through sustainability reporting. These companies and organizations intend to display transparency by doing so. As our population grows and as economic activities expand our environment struggles to maintain these changes therefore requiring people to be more conscious of the environment. This is why corporations tend to want prove to be playing part in its conservation and therefore where sustainability and sustainability reporting plays a large role.

Sustainability reporting (SR) can be used to publicize both positive and negative aspects about social and environmental matters. Positive aspects are such as conserving the environment and being socially mindful of people within large companies and organizations. However sustainability reporting can also be used to portray these positive aspects without actually performing these actions creating a façade. This means that a company or

organization is able to release information that is not credible. Greenwashing is an example of this and therefore considered a negative aspect of sustainability reporting.

Corporate Social Responsibility (CSR) is considering social people in the world of business and the general society and essentially having an obligation towards those people of the world. These ethics are vital especially when companies strive to become sustainable. CSR is considering interests beyond the business', and therefore being good to the citizens of society hence why companies over last few decades have adapted this approach.

There are two parts that are generally concentrated on when concerning CSR, to protect and improve. To protect the public and avoid negative effects regarding society, such as stereotyping. Also to improve the well-being of society by forming positive concepts that could demonstrate to be beneficial, such as harmony within communities. These philanthropic concepts are the aim when achieving Corporate Social Responsibility but, just as most concepts in this world, there are negative impacts of CSR. As much as CSR may put companies in a good light through showing importance of the people is a priority, it does not always prove financially beneficial.

Companies and organizations will acclimatize the CSR approach to display ethics, however this is done to the extent that it will not negatively impact on economic profit.

It is clear that Sustainability reporting and Corporate Social Responsibility are concepts that aim to have positive outcomes. It is obvious that this is not always the case for either concepts. Sustainability reporting has an apparent focus on environmental concerns, whereas Corporate Social Responsibility has more focus on social impacts and treatment. These concepts are different in main focus, however similar in ethical approach and can in circumstances work together to create a moral outcome.

It is relevant that SR and CSR can be applied in a South African context and it is taking place. CSR has been largely influenced in South Africa due to Apartheid and injustices like such. Mining companies in South Africa have also adapted CSR. Sustainability reporting is important for these mining companies to portray due the impact it can have on the environment and therefore is being researched further. Several firms included or excluded from the Johannesburg Securities Exchange and Socially Responsible Investment Index have also adapted the CSR concept. Firms in South Africa that have adapted CSR have been analyzed between 2004-2013 on the impact CSR has made for these firms and South Africa as a whole and the reasons for these impacts.

Sustainability reporting and Corporate Social Responsibility are crucial in building a sustainable environment where resources are used and distributed fairly, conserved and protected with the intention not to waste.

Responsibility towards society is also vital in order to create a harmonious environment for all people. These concepts cannot be ignored and the increasing use of these approaches by companies and organizations creates

more opportunity for unwanted results but if used correctly a good and fair outcome may be achieved.