

# [Wal-marts sustainability strategy research paper sample](https://assignbuster.com/wal-marts-sustainability-strategy-research-paper-sample/)

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In the beginning Wal-Mart viewed profitability and environmental sustainability as aspects that could not be mutually exclusive. These two aspects were later intertwined. To enable Wal-Mart derive value from its sustainability strategy, the prices of the products were lowered because of the efficient supply chain and hence giving the business a competitive edge. Wal-Mart also developed a sustainable value network so as to improve its public relations. As a result of its sustainability strategy, it received support from various stakeholders like environmentalists hence enabling it to derive value from its sustainability strategy.   
There are many factors that can explain the success or the lack of it of the seafood, electronics and textile networks. One of the factors is the public awareness about the implications and opportunities of environmental sustainability. Once the public understands the concept of environmental sustainability, they are likely to get on board and consequently occasion an increase in the profits of Wal-Mart in the long run. Secondly is external collaboration which explains the success of these networks. When the government and other stakeholders collaborate with Wal-Mart there is a high probability of success. The government is likely to come up with legislation that would support environmental sustainability.   
Reduction in the costs of production can also be used to explain the success of these products; this is primarily due to the measures taken by Wal-Mart to ensure environmental sustainability which includes the reduction in the energy used for production. These will have the effect of reducing the costs of production and in return lead to the success of these networks.   
One of the major challenges Wal-Mart faces is collaboration from suppliers. Most large businesses rely on the external supplies hence if the suppliers support Wal-Mart's environmental sustainability strategy the impact would be overwhelming leading to the success of the networks.   
One of the factors that may explain the lack of success of these products is the lack of awareness and support from the major stakeholders. Some of the major stakeholders include the government, the public and the suppliers. If these stakeholders do not collaborate with Wal-Mart then the networks are likely to fail. They all play major roles in the success of the business. As is known, environmental sustainability strategies can be very costly. This can lead to cost of production being very high hence the business not being able to derive business value from its sustainability strategy.   
Wal-Mart is motivating suppliers to share information about how to reduce the environmental impacts of products and processes, and hence stimulating the development of breakthrough innovations by letting the suppliers know that environmental sustainability is not an environmental strategy but a business strategy. The suppliers are made to understand that there are economic benefits that can be derived from environmental sustainability. This will attract the suppliers because they are also going to get profits from the strategy. Another way Wal-Mart is motivating the suppliers is by giving them the independence to develop their own strategies. This will make them own the strategy and hence lead to a good relationship between the suppliers and Wal-Mart.   
It can stimulate the development of disruptive, breakthrough innovations by finding the gap in the market and meeting the needs of the community. Wal-Mart can also work collaboratively with different stakeholders to ensure the development of disruptive, breakthrough innovations.

## References

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