Role of HR in driving sustainable business practices
Executive summary

1. **An increased focus on sustainability.** Sustainable business practices are increasingly appearing on the radar of businesses around the world on account of changing public perception. A significant number of organizations now realize the benefits of sustainable business practices and agree that these practices create long-term shareholder value.

2. **A sustainable organization meets the expectations of diverse stakeholders.** A true sustainable organization is able to generate long-term benefits by creating a virtuous cycle between economic, social and environmental considerations. Such organizations are successfully able to meet expectations of both internal and external stakeholders such as shareholders, customers, government, employees and communities to ensure long-term gains for all.

3. **However, most organizations fail to implement sustainable business practices.** Often, organizations fail to implement sustainable business practices due to inadequate integration with business strategy, lack of support from leadership, limited understanding and involvement of employees at all levels as well as absence of systems and processes that institutionalize sustainability.

4. **HR can help organizations succeed in implementing sustainable business practices.** Although many organizations make a commitment and form a sustainability strategy, its implementation, measurement and integration often becomes difficult. HR can help in delivering the following key outcomes to drive the organization’s sustainability agenda:
   - Enabling and driving sustainable business practices at all levels of the organization
   - Creating sustainable HR systems and processes

5. **The HR function will need to play a key role in addressing the critical success factors for implementing sustainable business practices.**
<table>
<thead>
<tr>
<th>Critical success factors for implementing sustainable business practices</th>
<th>Role of HR</th>
</tr>
</thead>
</table>
| Creation of a sustainable vision (core values, core purpose and envisioned future), mission and strategy | ▶ Integrate the sustainability theme with the vision of the organization  
▶ Ensure alignment of employee behaviors |
| Creation of a sustainable vision and mission | ▶ Facilitate development of a sustainable vision, mission and strategy  
▶ Support creation of the sustainability strategy by bringing in employee perspective  
▶ Communicate vision and mission across all levels in the organization |
| Building of an aligned leadership pipeline | ▶ Align the existing leadership to the sustainability agenda  
▶ Build a leadership pipeline by institutionalizing leadership development systems |
| Creation of appropriate organization structure and governance mechanisms to drive the sustainability agenda | ▶ Facilitate creation of an appropriate organization structure to drive sustainability initiatives  
▶ Select the right people to occupy roles defined in the organization structure |
| Development of key HR capabilities to drive sustainability and create sustainable HR systems and processes | ▶ Understand sustainability in the context of the business  
▶ Build sustainable HR systems and processes  
▶ Develop ability to drive organizational change |
| Ability to attract, engage and retain the right set of people and align them to the sustainability agenda | Manage the organization’s expectations on:  
▶ Aligning employees at all levels with its vision and mission  
▶ Improving employee engagement and motivation  
Manage employee expectations on:  
▶ Creating and communicating the employer’s brand  
▶ Developing employees to enhance their skills for the future  
▶ Creating work that engages and motivates employees  
▶ Managing individual career aspirations  
▶ Creating equitable rewards and recognition  
▶ Creating a work environment to improve performance  
▶ Facilitating work-life balance |
| Creation of an agile organization, which is able to learn and adapt to changes triggered by internal and external environment | ▶ Formalizing a process of informal learning and knowledge sharing  
▶ Managing personal journey of employees toward a sustainability centric mindset through effective change management |
| Engagement with external and internal stakeholders – employees, future employees, supply chain, customers, community at large, NGOs and pressure groups, regulators and suppliers of equity and debt capital; constitutes key to inclusive growth of the organization | ▶ Spearhead the stakeholder engagement process, co-ordinate among the stakeholder groups and the specific departments within the organization |
| Stakeholder communication – Communication of the organization’s Sustainability Performance annually to stakeholder group is key element of the growth process; helps in brand building, confidence building among the investor community, banks, local community and regulators as well as in benchmarking sustainability performance among peer groups | ▶ Lead the Sustainability Report development process after mapping the key material performance indicators, measurement and comparing these against own set targets |
The term sustainability is broad, forward looking and stakeholder oriented

Historically, sustainability practices were not a core component of business strategy. However, increasing customer and societal demands for economic, environmental and social responsibility have brought sustainability issues to the surface. In the present day scenario, an increasing number of organizations identify sustainability as a key differentiator for competitive advantage. They acknowledge its role in building brand value and reputation, ensuring public and stakeholder trust, attracting capital, increasing competitiveness, driving innovation, attracting and retaining talent as well as achieving long-term profitability.

Sustainability is not restricted to an environmental dimension. It involves the convergence of economic development, social equity and environmental protection to ensure long-term improvement of the society and organizations. The most popular definition of sustainable development was put forward to the United Nations (UN) by the Brundtland Commission in its report Our Common Future in 1987, which defines it as, “Meeting the needs of the present without compromising the ability of future generations to meet their own needs.”

Many companies have taken to sustainably reporting to foster investor confidence, trust and employee loyalty. The Global Reporting Initiative (GRI) currently provides the global standard for comparability. In 2011, more than 2,200 firms filed reports with the Global Reporting Initiative (GRI), and hundreds more filed GRI-referenced reports ¹.

¹ Value of sustainability reporting, EY, 2013.
The premise of sustainable development involves:

A **broad perspective** that takes into account social, economic and environmental considerations

A **long-term vision** that gives equal precedence to the needs of present as well as future generations

An **inclusive approach** that caters to the needs and expectations of all stakeholders including shareholders, customers, suppliers, employees and society at large

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**A historical perspective**

The concept of sustainable development originated at the UN Conference on the Human Environment, held in Stockholm in 1972. Consequently, the United Nations Environment Programme (UNEP), as well as other national-level environment protection agencies, came into existence. In 1983, the UN convened the World Commission on Environment and Development (WCED), headed by the Norwegian Prime Minister Gro Harlem Brundtland. In 1992, at the landmark Rio Summit, the Rio Declaration on Environment and Development and Agenda 21, a global plan of action for sustainable development, were adopted. Since the Rio Summit, sustainable development has become a public consideration. Currently, the concept is widely endorsed by international institutions, governments, businesses and the civil society².

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Attaining sustainable development through corporate social responsibility

In the broader context of sustainable development, corporate social responsibility (CSR) implies the ethical behavior of businesses toward society. It is based on the premise that society bestows certain rights to businesses, in exchange for certain obligations that businesses need to fulfill in a manner that is acceptable to society. While sustainable development forms a wider concept, CSR is business’ way and responsibility of delivering on the overall aim of sustainability.

According to the European Union (EU), CSR can be defined as the “the concept that an enterprise is accountable for its impact on all relevant stakeholders. It is the continuing commitment by business to behave fairly and responsibly, and contribute to economic development while improving the quality of life of the work force and their families as well as of the local community and society at large...” In other words, CSR refers to the incorporation of social, environmental and economic considerations in business operations. It involves managing the expectations of various stakeholders such as shareholders, customers, employees, suppliers, regulators and the community at large.

A historical perspective

CSR is synonymous with terms such as corporate responsibility, corporate citizenship, sustainable responsible business (SRB) and corporate social performance. The concept of CSR was traditionally limited to “philanthropic giving.” However, over the past few decades, the definition and role of CSR has evolved. In the 1950s, corporations carried out operations with a single-minded focus on their own interests. However, by the 1960s, the scenario changed when businesses were made mindful of their responsibilities toward society beyond their legal obligations. Issues such as pollution and overpopulation were brought to the fore.

In the 1970s, the definition of CSR had expanded to include “make money, provide philanthropy, protect the environment and safeguard one’s products.” However, the subsequent decades witnessed a series of corporate scandals. Consequently, authorities had to shift emphasis to promoting diversity, protecting workers, preventing child labor, fostering public health, ensuring human rights, eradicating poverty, opposing corrupt government regimes, providing technology, policing supply chains, engaging stakeholders, measuring and reporting, and improving processes and policies in general.

The evolution of CSR practices in India can be traced through the following timeline:

<table>
<thead>
<tr>
<th>Late 1800s</th>
<th>1900s</th>
<th>1970s</th>
<th>1990s</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>In India, religions such as Hinduism considered environment elements as gods and goddesses. These include the earth (Prithvi), water (Ap), fire and heat (Agni) and wind (Vayu).</td>
<td>Prior to industrialization, CSR in India was largely driven by philanthropy, religion and charity.</td>
<td>In the early 1970s, businesses became directly engaged in mainstream economic development of the disadvantaged groups.</td>
<td>Focus shifted to need-based CSR initiatives and was aligned with national priorities such as health and education.</td>
<td></td>
</tr>
<tr>
<td>Economic liberalization brought about a boom in economic growth. Once perceived as charity, CSR has evolved to be treated as business responsibility.</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

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Sustainability governance in India

To achieve social and economic goals and environmental protection, the Government of India (GoI) has engaged in a number of interventions in the past few years. As a part of this, it has made expenditure on CSR initiatives mandatory for all companies.

Voluntary guidelines set the base and objective of sustainability activities

In 2009, the Ministry of Corporate Affairs released the National Voluntary Guidelines. These were designed to be used by all businesses, irrespective of size, location or sector. These guidelines are based on the following nine principles:

**Figure 3: 2009 National Voluntary Guidelines**

<table>
<thead>
<tr>
<th>Principles</th>
<th>Key rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Businesses should conduct and govern themselves with ethics, transparency and accountability</td>
<td>Responsibility toward stakeholders</td>
</tr>
<tr>
<td>2. Businesses should provide goods and services that are safe and contribute to sustainability</td>
<td>To improve the quality of life of people</td>
</tr>
<tr>
<td>3. Businesses should promote the well-being of all employees</td>
<td>Engaging and retaining talent</td>
</tr>
<tr>
<td>4. Businesses should respect the interests of all stakeholders, particularly those who are disadvantaged.</td>
<td>Equitable treatment to stakeholders</td>
</tr>
<tr>
<td>5. Businesses should respect and promote human rights</td>
<td>Dignity and respect to all</td>
</tr>
<tr>
<td>6. Businesses should respect, protect and make efforts to restore the environment</td>
<td>Protecting the environment</td>
</tr>
<tr>
<td>7. Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner</td>
<td>Responsibility toward law</td>
</tr>
<tr>
<td>8. Businesses should support inclusive growth and equitable development</td>
<td>Business growth and development</td>
</tr>
<tr>
<td>9. Businesses should engage with and provide value to their customers in a responsible manner</td>
<td>Value proposition for customers</td>
</tr>
</tbody>
</table>

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Public sector enterprises lead by example

To encourage public sector participation, the Department of Public Enterprises (DPE) issued “Guidelines for Corporate Social Responsibility for Central Public Sector Enterprises (CPSEs)” on 9 April 2010, with initial focus on external stakeholders. On 23 September 2011, the DPE issued guidelines on “R&D and Sustainable Development for CPSEs” to ensure that public enterprises meet the current needs without taking into account the ability of future generations to meet their own need. The guidelines mandated CPSEs to identify projects on sustainable development under Schedule A and B of the guidelines such as waste management, water management, green supply chain etc.

With effect from 1 April 2013, the DPE issued revised guidelines titled “Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises” superseding the guidelines on CSR and Sustainable Development detailed above. The guidelines include internal stakeholders, particularly employees, indicating the increasing role of employee engagement. Accordingly, CPSEs need to allocate some proportion of their previous years’ profits toward sustainability and CSR activities.

Budgetary allocation is determined by the profit after tax (PAT) of a company in the previous year, as follows:

<table>
<thead>
<tr>
<th>Profit after tax (PAT) of CPSEs in the previous year</th>
<th>Range of budgetary allocation to CSR and sustainability activities (as a % of PAT in previous year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than INR1 billion</td>
<td>3%-5%</td>
</tr>
<tr>
<td>INR1 to INR5 billion</td>
<td>2%-3%</td>
</tr>
<tr>
<td>INR5 billion and above</td>
<td>1%-2%</td>
</tr>
</tbody>
</table>

Source: The revised guidelines by DPE, with effect from 1 April 2013

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5 http://dpe.nic.in/sites/upload_files/dpe/files/gjch1223.pdf
6 http://www.dpmou.nic.in/MOUFiles/SD_Guidelines.pdf
7 http://dpe.nic.in/sites_upload_files/dpe/files/gjch1231.pdf
Role of HR in driving sustainable business practices

Special focus on CSR in the new Companies Act 2013

The regulatory framework for companies in India underwent significant changes with the introduction of the new Companies Act 2013. A distinguishing feature of the Act is the introduction of a framework for both public and private companies of a certain size to implement need-based CSR initiatives.

Figure 4: Overview of the CSR clause of new Companies Act 2013

<table>
<thead>
<tr>
<th>Pre-requisites</th>
<th>Responsibilities</th>
</tr>
</thead>
</table>
| Committee should comprise of at least three directors with one independent director. Composition to be disclosed in the board of directors report. | Formulate a CSR policy  
Recommend the amount of CSR expenditure.  
Regular monitoring of CSR initiatives |

Applicable to all companies that have either of:
- Net worth of INR 5 billion or more
- Turnover of INR 10 billion or more
- Net profit of INR 50 million or more

CSR activities may include:
- Eradicating hunger
- Promotion of education
- Reducing child mortality
- Social business projects
- Combating diseases
- Environment sustainability
- Promote gender equality
- Enhancing vocational skills

Company’s Board

<table>
<thead>
<tr>
<th>Responsibilities</th>
</tr>
</thead>
</table>
| Formulate a CSR policy  
Recommend the amount of CSR expenditure.  
Regular monitoring of CSR initiatives |

Annual spending
Every financial year, at least 2% of the average net profits made during the three preceding financial years.
The new legislation aims to motivate companies to spend at least 2% of their average PBT of the preceding three years on CSR initiatives. Companies that do not spend are answerable and have to state reasons for non-compliance.9

Impact of the provision:

India Inc. is expected to spend INR150-200 billion every year on CSR*.

CSR to create more than 50,000 jobs**

India Institute of Corporate Affairs and Bombay Stock Exchange are expected to develop India’s first Corporate Social Responsibility (CSR) Index.

More than 2,500 companies, including the top 100 companies across sectors, will be covered under these CSR provisions.

(Sources: *Comment from Sachin Pilot, Ministry of Corporate Affairs  
**“CSR to make available 50,000 more jobs in the sector” October 2013, Business Standard)

The Act mandates companies to form a board-level CSR committee that formulates and recommends a policy, implements it and undertakes regular monitoring of CSR activities.

Although the new Companies Act 2013 has made CSR initiatives mandatory, it gives flexibility to businesses in terms of spending conditions and has included indicative activities in Schedule VII. Businesses can choose to promote education, reduce child mortality or engage in any other area of social welfare. Indian companies are being compelled to look beyond the “charity” aspect and develop specific CSR strategies that have a large-scale social as well as economic impact.

In this background, companies need to focus on establishing a governance framework that incorporates CSR responsibilities. They need to establish a CSR committee that defines a policy and identifies key target areas that create a high social impact. To achieve this, companies will have to identify implementation partners. As a next step, they will need to monitor the projects and evaluate their effectiveness in terms of the impact created. All these actions are required to be documented, reported and disclosed formally to all the stakeholders.

The legislation is not meant to create a liability (similar to tax) on businesses; on the contrary, it is aimed at enabling a more sustainable future for businesses. On the professional front, it will create jobs for people willing to serve the social development sector in India. Sustainability and CSR initiatives can create several benefits for companies, as discussed in the next section.

SEBI guideline on Business Responsibility Reporting

On 13 August 2012, the Securities and Exchange Board of India has come out with a guideline, which mandates the top-100 companies in India (according to market cap) to mandatorily come out with annual Business Responsibility Report (BRR) to communicate their performance with respect to the nine principles of National Voluntary Guidelines. However, for those companies who have already been communicating their sustainability performance through the Annual Sustainability Report, the requirement of a separate BRR is not necessary in addition to Sustainability Report. This mandate is a part of the listing arrangement of the top-100 companies in stock exchanges in India. SEBI intends to expand the scope to progressively cover all listed companies in the country.

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Benefits of sustainability for businesses

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand and reputation</td>
<td>Sustainability activities help companies to improve their reputation in terms of visibility and social responsibility. It also helps in building public trust in business.</td>
</tr>
<tr>
<td>Improved access to capital</td>
<td>Companies can convince potential equity investors about the viability of their business models and assure them of reduced risk. Superior sustainability performance can allow companies to engage better with stakeholders, leading to reduced agency costs, transaction costs and funds cost, along with accurate analysis forecasting.</td>
</tr>
<tr>
<td>Better financial performance</td>
<td>Sustainability initiatives drive corporations to assess their supply chains and operations to reap financial benefits by undertaking activities such as lowering carbon emissions, developing alternative energy and reducing energy use. By integrating sustainability issues into their wide enterprise risk management (ERM), organizations reap indirect financial benefits such as avoidance of litigation costs.</td>
</tr>
<tr>
<td>Innovation and efficiency</td>
<td>Initiatives such as environment protection and reduced wastage across the value chain enable increased efficiency and process streamlining.</td>
</tr>
<tr>
<td>Efficient management of stakeholder relationships</td>
<td>Sustainability activities help organizations create trust worthiness and reach a wide variety of customers. Trust is a valuable commodity; a 2009 report on firm reputation revealed that reputed leaders performed 2.2% better than the Standard &amp; Poor’s (S&amp;P) average and with 88% higher stock prices than average.</td>
</tr>
<tr>
<td>Enhanced ability to attract and retain talent</td>
<td>Sustainability initiatives such as employee volunteering programs enrich work experience and build team skills. Companies that are active in the sustainability space can position themselves as responsible, progressive and dynamic in the talent market.</td>
</tr>
<tr>
<td>Social benefits</td>
<td>Companies are taking up projects such as reducing emissions and the carbon footprint on an ongoing basis to promote a green environment. Environmental initiatives can significantly impact climate change and energy use effectiveness.</td>
</tr>
</tbody>
</table>

Role of HR in driving sustainable business practices
Key challenges for implementing sustainable business practices

Undoubtedly, investment in sustainability and socially responsible activities can yield several benefits for businesses. However, before they begin their journey, it is also important for organizations to understand the real meaning of sustainability. A sustainable organization is one that simultaneously delivers on social, economic and environmental factors to ensure long-term betterment for the society and for organizations. Simply put, a sustainable organization can work along all pillars of the triple-bottom line approach.

These organizations realize that the pillars of profit, planet and people are interrelated. They understand that these elements of the approach can fit into a self-propagating advantageous situation or a virtuous circle.

Hence, a sustainable organization is able to balance conflicting expectations from different stakeholders such as employees, shareholders, customers, vendors, government and communities by ensuring that they:

- Create a positive impact on the environment
- Create a positive impact on society and local communities that they operate in
- Earn profits and maximize value for shareholders

While the importance of moving toward sustainability is increasingly felt in boardroom meetings, companies find it difficult to drive sustainability in their organization. Some of the obstacles which prevent organizations from implementing sustainable business practices include:

- Lack of leadership support: Most senior executives see sustainability as “nice to do” versus “need to do.” Often, the leadership does not see a link between efforts toward social and economic betterment and its impact on overall long-term profits of the company. According to them initiatives toward CSR and sustainable activities are secondary to short-term profitability of the organization.

- Difficult to measure return on sustainability investment: Given the long-term aspect of sustainability, organizations find it difficult to measure the return on investment from the cost they incur to build sustainable organizations. Furthermore, overlooking the long-term benefits, many companies feel that sustainability initiatives drive lower financial benefits than other business initiatives.

- Limited understanding and involvement of sustainability across levels: Companies usually fail to implement sustainable business practices at all levels of the organization. There is no proper communication with the employees, alignment across functional areas or integration among various stakeholders. All this can result in dilution of the objective of sustainability activities.

If we closely look at above impediments, the HR function can play a catalytic role in bringing about change and facilitating the implementation of sustainable business practices.
Critical success factors for implementation of sustainable business practices from a people perspective

HR can help organizations succeed in implementing sustainable business practices. Though many organizations make a commitment to sustainability, they often find it difficult to implement, measure and integrate it.

Our experience indicates that organizations need to address the following critical success factors from a people perspective to drive sustainable business practices. HR plays a key role in effective management of these critical success factors:

- **Creation of a sustainable vision and mission:** To begin with, an organization cannot implement sustainable business practices if it does not espouse them in its ethos and philosophy. It needs to define a vision and mission that describes its commitment toward sustainable business practices.

- **Building of an aligned leadership pipeline:** Organizations must align their leadership to drive the sustainability agenda. It is the leadership, which is responsible for creating the strategy and defining the sustainability agenda. Leaders are role models for other employees and hence, play a key role in setting the right examples and direction for the organization. However, it is equally important to create a leadership pipeline aligned to the sustainability philosophy to carry forward the organization’s vision and mission in the future.

- **Creation of an appropriate organization structure and governance mechanisms to drive the sustainability agenda:** Organizations must make appropriate structural changes and create strong governance and coordination...
mechanisms to ensure that clear accountability is established and adequate power and resources are allocated to drive the sustainability agenda. The organization needs to identify goals and objectives, track progress and report outcomes to ensure that the sustainability agenda is on track. Without a formal structure and governance mechanism, it becomes difficult to affix formal accountability and to track and measure successful implementation of sustainable business practices.

**Development of key HR capabilities to drive sustainability and create sustainable HR systems and processes:** While the role of HR is critical in driving sustainable business practices at all levels and creating sustainable HR systems and processes, many HR professionals lack the knowledge about sustainability, how it impacts business and how to drive organizational change. As a consequence, HR often fails to win the trust of business despite being the natural partner for driving sustainability. Additionally, HR professionals need to develop functional capabilities to create sustainable HR systems and processes.

**Ability to engage and motivate employees and align them to the sustainability agenda:** Apart from the leadership, organizations can realize their sustainability agenda only if they attract and retain the right talent to ensure realization of the organization’s goals and targets and to participate and carry forward the agenda on a continued basis.

**Creation of an agile organization, which is able to learn and adapt to changes triggered by the internal and external environment:** The path to a sustainable organization also involves the ability to continuously learn, adapt and manage change. Organizations, which are able to share and replicate best practices and are able to continuously learn and improve from past experiences are sustainable. Sustainability itself involves a change in the organization’s mindset. There is a need to create mechanisms for continuous learning and effective change management within the organization.
Role of HR in driving sustainable business practices

Creation of a sustainable vision and mission

Every organization needs to establish an identity that is best described by its vision, mission and values. Organizations that enjoy enduring success, maintain a strong sense of purpose and core values around sustainability despite changes in business strategies driven by an external environment. Hence, it is important for organizations to incorporate the sustainability agenda into core values, purpose and the envisioned future.

This can ensure that even if strategies and practices change, the organization remains committed toward bringing a positive change to the environment, the society and internal and external stakeholders. A sustainable organization makes sustainability a “part of its DNA” or corporate identity.

HR can play a critical role in facilitating development of the organization’s sustainable vision and mission that has an impact on communities, employees and other stakeholders.

A leading materials company has gained recognition for its sustainability practices. It has aligned sustainability to its vision, values and organizational principles. The company distributes a small booklet listing its vision and principles to all its employees worldwide. This is done to ensure that the vision and mission forms the foundation of the corporate culture.
Role of HR in driving sustainable business practices

Case study

Creation of a sustainability strategy

Employees at a leading American footwear and apparel brand have been actively engaged in shaping their sustainability journey. In 2005, employees across geographies participated in various group exercises to create a sustainability strategy and their roles in it. From their input, the company decided on several objectives. One of its goals was to build an open and creative culture that fosters sustainable growth. In FY10, the company introduced a program to help teams identify different principles of innovation. As of 2012, the company has conducted approximately 200 sessions and reached more than 5,000 employees, enabling them to leverage their teams' diversity in their approach to work.
Role of HR in creating a sustainable vision, mission and strategy:

- Facilitate development of a sustainable vision, mission and strategy.
- Assess and evaluate if the existing vision and mission addresses all the components of a sustainable approach.
- Develop a compelling business case for incorporating sustainability in the organization’s vision and mission to top leadership by bringing in an outside-in perspective. This can be done through benchmarking and studying sustainability practices in other organizations and highlighting how these have helped organizations in attracting, engaging and retaining talent, thereby, leading to improved business continuity and stronger financial performance.
- Adopt a cross-functional approach during the business planning process to ensure that the business strategy is sustainable by prompting decision makers on key sustainability imperatives such as:
  - Long-term impact on environment and society
  - Long-term impact on internal and external stakeholders such as customers, employees and supply chain
- Create support for sustainability strategy by bringing in employee perspective:
  - Provide input on employees’ perspectives on sustainability, for example, how they think the organization can contribute to the protection of the environment and development of society. These perspectives can be useful while drafting the sustainability strategy of the organization.
- Communicate the vision and mission across all levels in the organization:
  - Work horizontally and vertically across the organization. Play a leading role in disseminating the sustainability vision and mission at all levels of the organization.
  - The sustainability vision cannot be attained if it is not practiced by employees as part of their role.
HR can ensure that employee actions get linked to sustainability by creating green jobs, incorporating specific responsibilities on the sustainability agenda and aligning employee key result areas (KRAs) or key performance indicators (KPIs) to the sustainability objective.

- Align core processes such as recruitment and selection, training and development, performance management, rewards and recognition to the organization’s sustainability philosophy.

Building an aligned leadership pipeline
Forward-thinking business leaders understand the importance of sustainable business practices for the long-term future of the organization and society. It is the leadership that drives change in an organization by establishing direction, aligning appropriate resources and inspiring through example. Leaders act as champions by taking up and supporting the cause of sustainability in the organization.

Role of HR in building an aligned leadership pipeline

- **Align leadership to the sustainability agenda:**
  - An important perspective of sustainability is diversity – ensuring that different views are taken, evaluated, tabled, finalized and communicated is a key aspect of HR. HR can create appropriate forums and mechanisms for information flow to bring different leaders together. This can bring together diverse views and different skill sets on a single platform and engage the leadership on the sustainability agenda.
  - Communicate and elevate the need and importance of sustainability at each available forum to highlight the impact of sustainable business practices on the team, the customers and on key business parameters.
  - Align the performance management framework at an organizational level and at an individual level through KPIs, including those related to sustainable growth. This is to ensure that sustainable performance is recorded, tracked, monitored and taken into account for performance evaluation at the same time.
  - Align the rewards framework to drive sustainable thinking. Increasingly, organizations are driving sustainable behaviors by balancing short-term and long-term incentives as part of executive compensation. Typically, organizations use incentives such as equity-settled Long-Term Incentive Compensation (LTIs) and deferred bonus to drive long-term thinking toward business results.

Case study

**Aligned leadership**
The founder of a leading cosmetics brand channeled her social and environmental activism through her company. Currently, the organization has managed to retain its core values espoused by the founder despite being bought out by a global cosmetics company in 2006.
Building a suitable leadership pipeline by institutionalizing leadership development systems:

- Evaluate the existing competency framework to check its appropriateness and incorporate the critical leadership competencies to drive and implement sustainable business practices. Attention should also be paid to futuristic competencies needed to drive the business strategy. An appropriate competency modeling exercise may be needed to align and revise the existing framework.

- Create appropriate role profiles for critical roles by detailing key competencies and proficiency levels necessary for successful performance at the role and in driving sustainable business practices.

Assess and develop leaders on identified competencies in the role competency profile. Most organizations conduct assessment and development centers to examine the leadership's proficiency on these competencies and identify gaps and areas of development. Increasingly, organizations are using techniques such as Multi-Stakeholder Feedback (MSF) and psychometric instruments along with development and assessment centers to get a comprehensive understanding of development areas.

- Identifying the development areas is only a part of the overall leadership alignment and development process. HR professionals need to ensure development of these competencies through the creation and time-bound completion of Individual Development Plans (IDPs). Several organizations use the 70-20-10 principle for creation of IDPs. The principle proposes that 70% development occurs on the job, 20% from coaching and feedback and 10% from classroom training. Organizations are using different development interventions including Management Development Programs (MDPs), role rotation, stretch assignments, coaching and mentoring to address development needs.

- Identifying appropriate successors for key leadership roles to drive the business strategy and the sustainability agenda. This can be done by evaluating the readiness of each leader through assessment of the person-role fit around sustainability dimensions and competencies.

Case study
Creation of a suitable leadership pipeline

A prominent Indian conglomerate group identified a set of key practices that detail out key behaviors, practices, values that the leadership should possess for identifying and grooming future leaders. The group looks at three aspects — leadership of results, leadership of business and leadership of people. The group uses tools such as People Planning Meeting (PPM) to evaluate the leaders on the above aspects and identify candidates who have the potential to occupy highly responsible positions.
Creation of appropriate organization structure and governance mechanisms to drive the sustainability agenda

As sustainability continues to go up in the priority list for the C-suite, organizations are taking various steps to drive sustainable business practices across levels and teams. However, organizations often fail to implement sustainability across the organization due to lack of defined accountabilities and inadequate power and resources allocated for driving the sustainability agenda.

The organization needs to ensure that the sustainability agenda remains on track by identifying goals and objectives, monitoring progress and reporting outcomes. Without a formal structure and governance mechanism, it becomes difficult to track and measure success in the implementation of sustainable business practices.

In order to achieve improved clarity and maturity, organizations must first answer a few questions:

► How do we embed sustainability into the value chain and metrics?
► How should we align the sustainability strategy with business strategy?

► Should there be a separate function/team to drive sustainability initiatives?
► Where in the organization’s architecture should this team reside?

In the anatomy of a sustainable organization, the structure forms the backbone. Depending upon the maturity of sustainability initiatives in the organization, the responsibility for them can be allocated in different ways as detailed in Figure 9.

Figure 9: Structural options for driving sustainability in organizations

<table>
<thead>
<tr>
<th>Option 1: Centralized Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>This model treats sustainability as the sole responsibility of a separate department. The model creates a dedicated focus on sustainability and also helps in developing specialized skills in this area.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Option 2: Decentralized structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>This model treats sustainability as the agenda of various business units. Sustainability officers report to business heads as well as a executive level position at the company.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Option 3: Integrated structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>This model does not involve creation of separate functions. Rather, it treats sustainability as part of everyone’s role. Additionally, specific roles in each department double up to drive sustainable business practices.</td>
</tr>
</tbody>
</table>
Role of HR in driving sustainable business practices

Once a suitable structure is in place; it must be supplemented with appropriate governance mechanisms through appropriate delegation of authority to enable implementation and decision making.

**Role of HR in creating an appropriate organization structure to drive implementation of sustainable business practices:**

- **Facilitate creation of appropriate organization structure:**
  - The HR function plays the role of a functional expert in understanding and creating the most suitable organization structures, creating appropriate role descriptions and identifying KRAs and KPIs by choosing an appropriate model for organization design. Figure 10 depicts EY’s Organization Design Model.
  - However, the role does not end at that. The most sustainable solutions are the ones that evolve constantly. This requires the HR function to play the role of an antenna, which continuously looks out for new developments in the environment. Just as the lifecycle of the business moves and the organization matures, so will the level of its sustainability initiatives. The HR function needs to be cognizant of the impact of these changes and foresee the need for structural modifications to keep the roles and responsibilities aligned to the sustainability agenda.

**Selection of the right people to occupy roles defined in the organization structure:**

Selection of the right people to occupy roles in the organization structure is equally critical, if not more, for successful implementation of the sustainability agenda. It is critical that HR checks both the person-organization fit and the person-role fit to recruit and select talent with the “right fit.”

**Creation of appropriate governance mechanisms:**

HR can play a critical role in identifying key participants in governance committees. They can work across functions to ensure adequate representation of all critical functions and businesses.

---

**Figure 10: EY Organization Design Model**

- **Strategy and operating model blueprint**
- **Process**
  - Well defined high-level operational processes and strong linkages & communication between functions.
- **Governance**
  - Effective mechanisms for making decisions and reducing bureaucracy.
- **Infrastructure**
  - Infrastructure (systems and property) supports the requirements of the future design.
- **Structure**
  - Streamlined and responsive structure with appropriate spans of control and management layers.
- **Roles**
  - Clear roles, responsibilities, accountabilities and indicative performance metrics.
- **Resources**
  - FTE and headcount requirements defined to deliver superior performance.
- **Capability**
  - Capability requirements matched to the right roles and appropriate L&D.
- **Talent**
  - Talent management and leadership development strategies to support the business vision and strategy.
- **Performance**
  - Performance measurement to drive behaviors that are aligned to the business vision and strategy.
- **Culture**
  - Culture and behaviors aligned to organizational core values and consistent throughout the organisation.
Development of key HR capabilities to drive sustainability and create sustainable HR systems and processes

In order to communicate the sustainability vision and mission, diagnose the existing capabilities of the organization to implement sustainable business practices and drive change toward sustainability mindset, HR must be equipped with the capabilities to do so. The capabilities of the HR function can be arrived at by evaluating key roles and responsibilities that need to be performed and the underlying competencies needed to deliver these responsibilities as depicted in Figure 11:

Figure 11: EY's Three-Dimensional Job Description Model

In our view, HR plays the following key roles to drive sustainable business practices in organizations:

- **Collaborator** to influence and build consensus around relevance of sustainability across leaders, levels and teams by highlighting best practices on sustainability and key benefits achieved by other organizations.
- **Orchestrator** to create appropriate forums to get leaders across functions together to discuss, deliberate and formulate a business case to create a vision, mission and strategy, which is sustainable.
- **Moderator** to moderate and prompt senior leadership during the business planning process to ensure that business heads create a sustainable strategy.
- **Assessor** to assess and diagnose the state of the organization to drive change toward a sustainability mindset.
- **Business partner** to understand how business impacts sustainability and help create an agenda, which is a win-win for both the business and the society at large.
- **Communicator** to communicate the sustainable vision and mission across all levels and functions in the organization.
- **Change agent** to drive change in the behaviors of the employees at all levels toward a sustainability mindset.
- **Functional expert** to be able to create systems of tomorrow today by embedding sustainability as a design principle into HR systems and processes.

Key HR capabilities needed to deliver on the above roles and drive sustainability in the organization:

- **Business knowledge**: understanding sustainability in the context of the business:
  - Understand sustainability, the key imperatives and aspects of a sustainable approach and how organizations have benefited from implementing sustainable business practices.
  - Develop a deep understanding of business including the organization’s business model, its value chain, customers, suppliers and operations to analyze the various touch-points with the environment and society and identify opportunities for creating a positive impact by working across levels and functions.
Role of HR in driving sustainable business practices

- **Collaboration and teamwork:** collaborating across functions and levels to define and drive the sustainability agenda
  - Collaborate with leadership across different functions to create a sustainable vision, mission and strategy
  - Work across levels to communicate and drive the sustainability agenda
  - Harness the ability to impact and influence through different levers to cater to different stakeholders
- **Functional competencies:** build sustainable HR systems and processes
  - Develop ability to build forward-looking HR systems and processes to help identify key people skills and capabilities for successfully executing the vision of the organization
  - Develop HR systems and processes, which are cognizant of the expectations of generation Y and the future workforce to ensure the organization continues to attract and retain talent with the changing workforce profile
- **Change management:** ability to drive organizational change
  - Ability to assess the readiness of the organization for change
  - Ability to create a change vision and drive organization change

**Ability to attract, engage and retain the right set of people and align them to the sustainability agenda**

A critical aspect of sustainability is the ability to attract and retain the right talent to carry forward the vision into the future. Additionally, with the advent of social media, talent is becoming increasingly conscious of the impact of organizations on the environment and society at large. Therefore, right talent identifies with organizations with sustainable business practices.

The employer brand and associated Employee Value Propositions (EVPs) address a broad range of elements of the “deal,” which matters to employees. Organizations, which are able to fulfill the promise of the EVPs are able to attract and retain talent on a continued basis.

**Striking a balance: creating a compelling set of EVPs**

![Figure 12: Key components of EVP](image-url)

- Alignment to vision, mission and strategy
- Role clarity
- Employer brand
- Employee development
- Meaningful work
- Career management
- Rewards and recognition
- Work-life balance
- Work environment
In order to create a sustainable workforce pool, the HR function must play a critical role in enabling the same by developing a robust set of EVPs which attempts to balance employee’s expectations and organization’s expectations.

Organizations need to embed elements of the sustainability agenda into EVPs to meet expectations of future and existing employees.

A sustainable value proposition for employees should address the following:

- Align with the sustainable vision and mission of the organization
- Maintain balance between employee expectations on careers, rewards and development on one hand and ability of the organization to deliver through realistic commitments and expectations setting
- Empower employees with meaningful work and ability to strike work life balance
- Create long-term career opportunities for employees rather than just jobs

The HR function can play a critical role in creating/reviewing EVPs and communicating them to employees:

**HR role: managing organizational expectations**

- **Aligning employees at all levels with vision and mission and strategy:** Organizations expect that their employees’ goals are aligned to the organization’s strategic objectives. Additionally, they expect employees to internalize the core values and purpose identified in the vision. The HR function plays a key role in this aspect by facilitating the cascading of overall business goals to employees in terms of KRAs and KPIs. It can also help in communicating the desired behaviors, which define the “way we work” in the organization.

**HR role: managing employee expectations**

- **Creating and communicating the employer brand:** Every individual wishes to work for an employer with a good reputation, and is respected by internal and external stakeholders. Often, employers enhance the organization’s reputation through their financial results, products and services, impact on environment and society and by creating a positive relationship with internal and external stakeholders. However, it is equally important to communicate a single message highlighting the brand and its key elements both internally and externally. HR can do this internally through appropriate communication channels.

- **Developing employees to enhance their skills for the future:** Employees expect to increase their knowledge and skills while working for an organization. They believe that employers should provide formal training programs to them to address any skill gaps. The HR function can play a key role in identifying skill gaps, if any, in the organization and devise training programs that can impart necessary skills. However, most organizations only focus on current skills and not futuristic skills required to deliver the vision and mission. For instance, an international hotel chain trains hotel-management students by rotating them across different branches under a two-year program to develop their leadership skills.

- **Creating work that engages and motivates employees:** Employees have a strong motivation to work when they find it meaningful. They wish to feel useful, valuable and seek to make a difference. They seek a role that is challenging and can provide them a strong sense of self. The work role should also allow creativity, variety, learning, and autonomy. In this regard, HR can play a key role by creating detailed job descriptions, matching the right people with the right role and setting employee expectations right especially at the time of on-boarding. Employees can also be encouraged to participate in CSR activities as part of their role requirements to add more meaning to their work.

- **Managing individual career aspirations:** Often, career goals are the end toward which an individual’s effort is directed. These goals articulate what individuals want to achieve within their careers and steer career-related choices, which impacts their retention in the organization. Sustainable organizations need to understand individual career goals. The HR function helps in bringing clarity around individual career goals and in developing...
appropriate career management frameworks to fulfill these goals. Furthermore, from a system perspective, HR must ensure that employee-aspired roles and pace of growth are calibrated with an organization’s capacity to provide the same.

Creating equitable rewards and recognition:
Compensation is an important factor to attract and retain employees. Employees are most concerned about being fairly rewarded for the extra effort they put in. This helps boost employee morale and also encourages other employees to go the extra mile. HR can help match compensation to performance. It can also help in understanding the way in which an employee’s value is rewarded. Some employees may value compensation over quick promotions, while some may value fixed pay over variable pay. HR can ensure that the organization’s rewards and recognition program encourages employees to demonstrate appropriate behaviors. Reward systems need to maintain internal and external equity.

In line with the long-term focus of a sustainable organization, the rewards system must also be designed to create long-term value for the employee. There is a need to blend team and individual incentives for improved sustainability, as more and more collaboration is needed. Recognition schemes need to move beyond the organization and involve partners and stakeholders, given an increasing focus on ecosystems.

Creating a work environment to improve performance:
A healthy and safe work environment allows employees to develop an effective commitment toward the employer. A better working environment gives a sense of well-being created by the physical surroundings of the workplace. The company should intentionally foster a culture that integrates with its strategic objectives. For example, employees at a leading American multinational company specializing in internet-related services and products have a daily job of coming up with innovative solutions, and what makes this happen is the unique working style that encourages innovation and healthy disregard for the impossible. Besides focusing on health and safety in the workplace, employers need to ensure that the work environment respects diversity.

Facilitating work-life balance: Employees wish to strike a balance between their personal and working life without compromising on either. Companies, which are able to offer highly motivated and high-performing employees, a better balance between their personal and professional life can attract and retain the best talent. Offering work-life benefits increases employee intention to stay with the firm for a longer period. Some of the ways in which organizations can help employees to achieve work-life balance include flexi-timing, wellness schemes, on-site facilities such as day care and daily need services such as dry cleaners and car repairs.

Apart from creating a compelling EVP and maintaining the balance between organization and employee expectations, HR can help in engaging employees to participate in environmental and social activities.

Case study
Increased career longevity for women
An Indian beverage company has been committed to gender diversity for sustainable growth. In 2008, the company launched a program aimed at providing opportunities to women professionals wishing to work again after a long break. Such initiatives to promote gender diversity have resulted in approximately 41% of its global workforce being women. Approximately 673 women have been serving in the organization for more than 10 years. Encouragement from the company has also resulted in core functions such as global communications and global HR to be predominantly women centric.
Creation of an agile organization able to learn and adapt to changes triggered by the internal and external environment

Agile organizations are sustainable as they are able to cope with changes triggered by the internal and external environment. Creation of an agile organization requires the following two capabilities:

- Ability of organizations to learn from the environment and past experiences
- Ability to quickly adapt to changing internal and external environment

A. Ability of organizations to learn from past experiences and environment

“An organization’s ability to learn, and translate that learning into action rapidly, is the ultimate competitive advantage” - Jack Welch

When defined in terms of ecology, a sustainable biological system is one, which remains diverse and productive over time. For organizations, sustainability is the long-term maintenance of profitability and well-being. This requires reconciliation of social, environmental and economic demands. While many organizations manage to achieve this reconciliation for some time, a continued achievement of this goal requires ongoing change and improvement. In order to be adaptive to change and grow, an organization must ensure that it is fully equipped to do so in terms of knowledge and skills.

This creates a need to develop a “Learning organization.” The most relevant definition of a learning organization can be considered as:11

“A learning organization is an organization skilled at creating, acquiring and transferring knowledge and at modifying its behavior to reflect new knowledge and insights. Without accompanying changes in the way that work gets done, only the potential for improvement exists”11

Case study
Systematic problem solving

In 1983, the senior management of a multinational document management corporation launched a new framework to manage the company in the future. Since then, all employees have been trained in small-group activities and problem-solving techniques. Today a six-step process is used for virtually all decisions.

Case study
Learning from past experience

A consulting company, with a focus on its past successes, invited its consultants from around the world to a two-day “jamboree” event. The event featured booths and presentations on a wide range of the company’s most successful practices and techniques.

Figure 13: Learning cycle

Review and integrate past learning
Acquire external knowledge
Assimilate and integrate new insights
Apply and experiment
Measure learning
Check results

11 Building a Learning Organization - David A. Garvin (Harvard Business Review)
While many organizations take initiatives to create a learning organization, only a few truly achieve a level where learning is institutionalized in systems and processes. While the ideation around learning is in place, its ground level implementation is where the issues persist.

Some of the challenges, which are faced at the ground level include:

- Lack of knowledge among employees on available systems and processes for knowledge sharing
- Time and money constraints
- Lack of supporting systems (such as knowledge management portals)
- Lack of tools for assessing whether teams are learning and how is this learning helping the organization

Role of HR in creating a learning organization

- Formalizing the process of informal learning and knowledge sharing
- Facilitate creation of appropriate platforms and forums for sharing knowledge and best practices across organization by working with leadership across functions
- Allocate appropriate time for learning management initiatives across the organization and build it as part of key responsibilities of each role in the organization
- Align KRAs/KPIs to ensure that specific learning management KPIs are undertaken by each employee to drive knowledge sharing
- Train line managers on promoting a learning culture in their teams
B. Ability to quickly adapt and change to changing internal and external environment

Figure 14: EY Change Management Framework

Sustainability is a desired future state for organizations. However, the move toward sustainability involves a change in organizational and employee mindset. In addition, a sustainable organization needs to be agile to learn and adapt quickly to changes in the external environment. HR professionals can drive the change management process in a sustainable organization given their unique and process-oriented skill sets for leading organizational change.

Role of HR in changing employee behaviors across the Change Management Life Cycle

The HR function can help drive the change in employee behavior from awareness to commitment to a sustainable way of working.

- **Identify:** To change employee behaviors, the HR function can help in creating a case for sustainability by highlighting its impact on the organization. In this case, it needs to be highlighted that the impact may not always be economic. Rather it can be in terms of helping the organization become a better corporate citizen that fulfills its environmental and social responsibilities. They need to secure sponsorship from leadership to drive the change in behaviors. This means it should develop a compelling vision with clear and achievable sustainability objectives.

- **Diagnose:** HR professionals can also help in understanding employees’ readiness to change. The specific impacts of the change toward sustainability can also be assessed in this stage.

- **Design:** HR can assess the change impact and design specific organizational development interventions to bridge gaps and manage change impact. Interventions need to focus on engaging and managing all stakeholders, aligning people, structures, processes and systems to a more sustainable way of working.

- **Deliver:** HR professionals can play a critical role in the actual delivery of designed change management plans. HR professionals can act as role models to facilitate the change toward sustainability, motivate and engage with employees to manage people’s journey through the period of change. At the people level, HR needs to be involved in the recruitment, learning and development and retention of employees. At the stakeholder level, HR can communicate and gather feedback to ensure operational business readiness to change.

- **Sustain:** In order for a change to sustain in the organization, HR can create monitoring mechanisms to review if the change has been effective. It needs to celebrate with employees the new way of working and the new sustainability mindset. It is also important at this juncture to document updated systems, process and policies and create knowledge management systems to ensure information is accessible to existing and new employees on the new way of working.
Companies are increasingly connecting the dots between sustainability and its impact on their organization. As a result, more and more organizations are seeking ways to transform themselves into sustainable organizations. They are now mindful of their economic, environmental and social impact. HR departments sometimes miss understanding the extent of their potential impact in driving an organization’s sustainability agenda. Sustainability is an issue, which is good for business, and positively impacts the employees and other stakeholders. Furthermore, it is employees that drive the sustainability agenda and implement sustainability plans on the ground level. People drive a sustainable culture and bring about enduring change in the organization and HR revolves around people management.

Conclusion

“The companies that survive longest are the ones that work out what they uniquely can give to the world—not just growth or money but their excellence, their respect for others, or their ability to make people happy. Some call those things a soul.” - Charles Handy
The HR function therefore, has a critical role to play. However, it is up to the HR professional to assume an increased strategic role in implementing this business issue in their organization by displaying leadership on this important topic.

However, before it starts, HR needs to answer the following questions:

1. Is sustainability reflected in the corporate vision and mission statement? Does the organization have a specific sustainability strategy in mind? Does it have a clear picture about how to implement that strategy and achieve sustainability objectives?

2. Is the leadership aligned on sustainability issues? Does the leadership understand the risks and opportunities for the business associated with sustainability? Are potential leaders available to don the mantle of driving the sustainability agenda?

3. Is the existing organization structure sufficient to deliver on the sustainability agenda? Are accountabilities clearly established? Do we have defined goals and objectives and do mechanisms exist to track progress and report outcomes on the sustainability agenda?

4. Do we have the right HR capabilities to drive the sustainability agenda? Does the HR understand key roles and responsibilities needed to drive the sustainability agenda? Do they understand and possess key competencies needed to deliver on these roles and responsibilities to drive the sustainability agenda?

5. Do employees understand sustainability and what it means for their roles? Does the organization have the right mode of engaging and retaining its key employees and encouraging them to participate in sustainability activities?

6. Is the organization ready to adapt to external environment changes? Are employees receptive to change? How quickly can systems and processes be changed in the organization?

“If it’s a good idea, go ahead and do it. It is much easier to apologize than it is to get permission - Admiral Grace Hopper”
Role of HR in driving sustainable business practices
The world is changing and will continue to do so. We are experiencing considerable developments in globalization, demographics, technology, regulation and competitive landscape.

At EY, we understand the challenges this can present; but more so, we see them as an opportunity – an opportunity for building a better working world. That is precisely the purpose that the people of EY are committed to.

The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In doing so, we play a critical role in building a better working world for our people, for clients and our communities.

EY’s CSR initiatives are around the 3 Es, i.e., Education, Entrepreneurship and Environment:

➤ EY supports a student scholarship program that covers around 2,500 students and supports them after completion of class X examinations until their graduation; 60% of these students are girls.

➤ The firm supports the education of the children of housekeeping boys, security guards etc. working at EY offices.

➤ Toon Masti, a unique animated content, designed and developed entirely by EY Foundation (EYF), aimed to make learning joyful and comprehensible for the younger students. The content is based on the NCERT prescribed syllabi for Maths and Environmental Studies from class I-V. Toon Masti has been implemented in all the 30,000 government schools in Tamil Nadu, 250 schools in Puducherry, 75 MCD schools in Delhi, 250 government schools in Ajmer, Kanker Army, Navy and Air Force schools. It has also been shared with corporate foundations such as Bharti Foundation, Jubilant Foundation, Ambuja Cement Foundation and Chambal Fertilizers.

➤ EY, in partnership with Naandi Foundation (NGO), launched “Ensuring Children learn” (ECL) program to universalize quality education at the elementary level. Currently, ECL is being implemented in 238 rural schools impacting 11,000 children in classes I-V in Kanker district of Chattisgarh.

➤ We are supporting Akshara Foundation in improving the learning proficiency in English and Math of approximately 30,500 children across 317 schools in the Kushtagi and Mundargi blocks in North Karnataka through an innovative English and Math program.

➤ EY partnered with Prajayatna to implement a model to ensure decentralization of educational governance through Panchayats in Mahboobnagar district in Andhra Pradesh. The program will cover 14 blocks, 144 Gram Panchayats, 400 schools and 20,000 children.

➤ EY funded 9 vocational training centers of Dr. Reddy’s Foundation (DRF) spread across the country. Currently, we are funding six centers across the cities with the potential to impact 2,875 students. EY is also partnering DRF in its journey toward “sustainability.”

➤ EY is working with various not-for-profit organizations and is supporting them to promote village level entrepreneurs/ economically empower villagers. Currently, around 350 villages are being supported by EY through this initiative across 9 states.

➤ EY has taken a voluntary pledge to be carbon neutral. The firm has planted 100,000 saplings in 2011, 2012, 2013 and a similar number will be planted each year till carbon neutrality is achieved.

➤ The firm plans to install Bio blocks in men's washrooms, which are expected to save ten million liters of water every year.

➤ EY is expected achieve water neutral status in three to five years time through watershed activities initiated in the villages.

➤ Dry and wet waste is segregated and converted to vermicompost/recycled paper in all the big EY offices in India.

➤ The firm accepts only e-bills for mobile and telephone bills for reimbursement, which saves approximately 600,000 paper sheets every year.

➤ It is planting five saplings on every employee's birthday.

➤ 924 units of blood were collected through blood donation drives in EY offices in 2013.

➤ 23,500 kgs of clothes were collected by EY employees as a part of the clothes donation drive in December 2012.

➤ We are encouraging our employees to give back to society by making a matching grant to NGOs recommended by employees.

➤ EY has been making financial contributions to help relief efforts in disaster-affected areas.
Development Advisory Services

Development Advisory Services (DAS) at EY is a distinctive sub-service line which adopts a multi-disciplinary approach to provide value added professional services to the Public, Private and Not-for-Profit sectors in order to ensure the effective delivery of social development initiatives.

- Through our robust methodologies and participative processes:
  - We provide timely knowledge, insight and information to Private sector
  - We enhance efficiency of operations by providing customized, effective and scalable CSR models.

We work on the following thematic areas:
- CSR Advisory
- Aid efficiency
- Gender inclusions and women’s empowerment
- Child rights
- Skill development and public health.

About People & Organization (P&O)

Our value proposition

Dedicated team of more than 80 HR specialists in India
Extensive knowledge base spanning the HR value chain across industries
Global network of over 700 HR specialists
Significant experience in large transformational initiatives
Extensive experience in the Indian Private & Public Sector space

Key differentiators of our approach

- Rich experience of having worked with large Government entities, Public Sector Enterprises, as well as diversified business conglomerates
- A team with deep expertise in the implementation of change initiatives; from business case assessment through to implementation
- A collaborative approach that will engage your business leaders to challenge the status quo
- An approach which is focused on business outcomes, with clear steps for implementation

"EY maintains a market-leading position for its human capital consulting services in India. EY's reputation for human capital consulting is strong for thought leadership and service delivery, among both the business and academic communities." - HR Consulting Marketplace 2010-2013, Kennedy Consulting Research & Advisory
Our P&O services

Core modules
- HR Diagnostics
- Organization Structure
- Talent Attraction
- Talent Management
- Learning & Development
- Performance Management
- Rewards
- HR Effectiveness (incl. IR)

Composite solutions
- HR Start-up Support
- Value Chain Support HR Effectiveness
- Sales Force Effectiveness
- Managing Leadership
- HR Cost Optimization
- HR Transaction Support
- People-led Organization Transformation
- HR Function Transformation

Catalysts
- Change Management
  - Prepare for Change
  - Design & Plan Change
  - Implement & Sustain Change
- IT-Enablement
  - HR Technology support (HRMSS, ERP-HCM, stand alone)
  - Online Surveys
  - Trackers, Dashboards
About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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EY in India

- EY has over 8,000* people across offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune.
- Today we are recognized as leaders in the professional services. The accolades we receive encourage us to continue striving for excellence.

About National HRD Network

The National HRD Network (NHRDN) is the leading Apex body of Human Resources in the country managed by professionals committed to promoting the HRD movement in the country and enhancing the capability of human resource professionals to enable them to make an impactful contribution and create value for society.

Established in 1985, the National HRD Network is an autonomous, not for profit organization, playing a catalyst role in grooming leaders for tomorrow to compete globally. Today, it is the largest body of Human Resource professionals in the country represented by over 12,500 Members and 30 Chapters across the country.

The amazing spirit of volunteerism that pervades this great institution creates an emotional glue that binds its members with a common cause. Nurtured by committed leaders, as trustees in the years gone by and for decades ahead, the core vision remains resplendent; a flame that continues to ignite minds.

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Ranked 1st amongst the Big 4 in India’s Ideal Employer 2013 survey by Universum
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Most reputed Tax Firm in India, consecutively for 4 years - TNS Global Tax Monitor Survey 2012
Tier-one tax firm in India for the 11th consecutive year - Euromoney ITR, World Tax Guide 2013
#1 Financial Advisor in India for 11 consecutive years for most number of deals from 2002 - 2012 - Bloomberg
Most Active Transaction Advisor Award - PE and M&A from 2009 - 2012 by Venture Intelligence
Ranked amongst the Top 50 great places to work for 2012 and 2011 and amongst the best in Professional Services - Great Places to Work

* (The numbers include personnel from all member firms of EY Global in India)
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