

MANAGING SUSTAINABILITY

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1. Introduction

Managing sustainability in business involves environmental, social, and economic factors as a part of a company's basic operations and broad strategy (Porter and Derry, 2012). It emphasizes responsible practices to address the issues of environmental conservation, social equity, and economic stability, going beyond short-term profit goals. Social responsibility is essential to ensure ethical sourcing, fair labor practices, and a positive impact on the communities in which a company operates. Maintaining economic viability requires making decisions that balance sustainability and profitability (Feroz et al., 2021).

According to Porter and Derry (2012), businesses frequently share sustainability reports to inform stakeholders about their environmental and social performance. Transparency and reporting are crucial in this regard. Furthermore, business sustainability necessitates ongoing innovation, promoting new goods, services, and procedures that achieve financial goals and lessen their adverse environmental effects (Mio et al., 2020). Nestlé is a global drinks and food company with broad acceptance for offering various products. Nestlé, a company in the food industry, is under growing pressure to match its corporate policies with sustainable practices. The food industry has experienced a surge in demand for sustainable practices owing to apprehensions regarding social responsibility, ethical sourcing, and environmental impact (Eugenio et al., 2022). This report will examine Nestlé's sustainability status, emphasizing reducing plastic usage.

2. Background

The multi-national company Nestlé was founded in 1866 by Henri Nestlé, who created the nourishing milk-based baby food Farine Lactee. Nestlé has developed over the years into a prominent player in the global market, providing a wide range of products such as water, dairy, coffee, confections, and pet care. Nestlé employs hundreds of thousands worldwide and operates in almost every country, with its headquarters in Vevey, Switzerland. Strategic acquisitions that have contributed to the company's growth and market dominance, such as the acquisition of Stouffer's and Gerber, have been a defining feature of its success (Chang et al., 2023).

Nestlé is one of the biggest brands in the food industry due to innovation and customer satisfaction, which has driven its growth. Nestlé has come under fire despite its success in its water bottling procedures and the effects of packaging on the environment (Eugenio et al., 2022). In response, Nestlé has set high sustainability standards, pledging to achieve 100%

recyclable or reusable packaging by 2025 and net-zero emissions by 2050. Nestlé faces the constant challenge of balancing sustainable practices and commercial success in a global market that is increasingly aware of corporate social responsibility (Mio et al., 2020).

2.1 Sustainable Management Model

Sustainable management is the concept of sustainability, including three significant branches: the environment, the needs of present and future generations, and the economy (Da Silva et al., 2020). Nestlé embraces a sustainable management model incorporating social, economic, and environmental factors into its main business plans. Nestlé prioritizes environmental responsibility by adopting sustainable sourcing methods, encouraging conscientious water management, and investing in energy-efficient technologies to lessen its ecological footprint (Eugenio et al., 2022). One of the main pillars is social responsibility, which Nestlé emphasizes through community engagement programs, fair labor practices, and ethical raw material sourcing. This model stands by the more significant business world paradigm shift towards sustainable practices. Nestlé's aspirational targets, such as reaching net-zero emissions by 2050 and guaranteeing that its packaging is recyclable or reusable by 2025, demonstrate its dedication to sustainability (Mishra et al., 2022).

According to Brandao et al. (2022), Nestlé's sustainable management model emphasizes long-term viability through ethical business practices beyond simple profitability. This strategy not only meets the expectations of modern consumers for sustainable and ethical products but also establishes Nestlé as a market leader in corporate responsibility. Nestlé's sustainable management model expresses the company's dedication to all-encompassing business practices that positively impact society, the environment, and the company's financial performance. It demonstrates Nestlé's understanding of how, in today's dynamic and socially conscious business environment, economic success, environmental conservation, and social well-being are inextricably linked (Gonzalez Alonso, 2022).

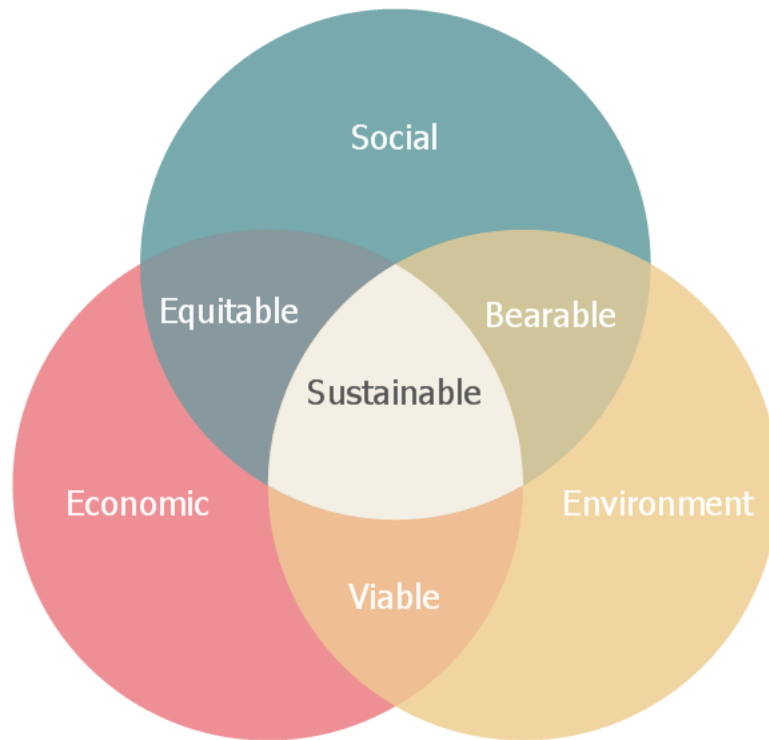


Figure 1: Sustainable Management Model

3. Three Bottom Lines

Nestlé's consistency in the three bottom lines' economic, environmental, and social dimensions is fundamental to the company's commitment to sustainability. These three interrelated pillars are the foundation for evaluating the company's overall impact and responsibility (Arowoshegbe and Gina, 2016). According to Alhaddi (2015), these essential elements of this model are included along with practical suggestions for achieving business sustainability. Reducing plastics is necessary to conduct global business sustainability. Manufacturing goods affect the economy, society, and environment, which is essential for long-term success. These three things will be better examples for Unilever and their connection to plastic reduction.



Figure 2: Three Bottom Lines

3.1 Social Sustainability

Social sustainability is a combined systematic approach to the targeted management of positive and negative effects within an organization or any social class. Operating a business under a social license requires social identity (Dejon et al., 2015). The systemic, sustainable development process can occur to maintain market partners and open new markets. Employee engagement and internal morale have improved as a result of this problem. Nestle needs social sustainability to accomplish its business goal (Longoni and Cagliano, 2015). According to Woodcraft (2012), U.N. global compacts follow social sustainability, allowing each company to concentrate on its business aspect. Nestlé provides particular attention to how its business actions affect society. This requires supporting equitable labor standards across the workplace and participating in community development programs. Nestlé wants to improve the communities it works in, have a positive social impact, and build its reputation with social responsibility initially.

3.2 Economical Sustainability

Ma and Liu (2019) stated economic sustainability is one of the three bottom-line models. In this cutthroat business environment, a company can only outperform the internal market

platform if it can remain financially viable over the long haul. Economic sustainability is defined as long-term economic growth that does not include unfavorable aspects. According to Dey et al. (2022), Nestlé realizes long-term success depends on economic sustainability. The economic bottom line combines sustainable practices with financial stability and profitability. Maintaining resilience and economic growth entails cost-effective operations, effective resource management, and targeted investments in R&D and innovation.

3.3 Environmental Sustainability

The term "environmental sustainability" describes possibly dedicated environmental interaction to prevent increased use of natural resources (Glazier, 2014). Resources found in nature are scarce. The foundational idea of ecological sustainability is not to harm the natural world. If Nestle doesn't comply with rules and regulations, it might not be able to attain environmental sustainability (Alola et al., 2019). According to Longoni and Gagliano (2015), Nestlé realizes its influence on the environment and works to reduce it through environmentally friendly practices. This includes cutting carbon emissions, switching to renewable energy sources, and implementing eco-friendly packaging ideas. Nestlé wants to solve the ecological issues related to its operations and support international conservation efforts by adopting environmentally conscious practices.

4. Outlining the Plastic Reduction with Nestlé

Nestlé has specific challenges regarding reducing its use of plastic with its progress towards sustainability. The industry and Nestlé are becoming increasingly concerned about the overuse of plastic in packaging (Eugenio et al., 2022).

a. Packaging Materials and Design: Picking the suitable packaging materials and designs is one of the main issues. Like many businesses in the food and beverage industry, Nestlé heavily relies on single-use plastics, which contaminate the environment. The widespread use of non-biodegradable or non-recyclable materials endangers ecosystems and calls into question the company's accountability for reducing plastic waste (Phelan et al., 2022). Nestlé can proactively respond to these dynamics by emphasizing using recyclable and biodegradable materials in its packaging designed especially for the U.K. market. Nestlé can be positioned as a responsible participant in the nation's efforts to reduce its use of plastic by working with regional suppliers who follow strict environmental guidelines and complying with U.K. packaging laws. Nestlé exhibits its dedication to coordinating with local priorities and reaffirms its position in reducing plastic waste in the eyes of discerning consumers by tackling issues

about packaging materials and design within the sustainability framework of the United Kingdom.

b. Waste Management Practices: The method by which Nestlé manages its waste is another major cause for concern. How plastic packaging is disposed of and handled at the end of its helpful life dramatically influences the environment. Ineffective plastic recycling and disposal practices by Nestlé could result in pollution, harm to wildlife, and a bad reputation among environmentally conscientious customers (Filimonau et al., 2020). Nestlé can emphasize the value of appropriate disposal and recycling by managing its waste management procedures with the circular economy initiatives being implemented in the U.K. Nestlé can improve its reputation among environmentally conscious U.K. consumers by interacting with nearby recycling facilities, taking part in UK-specific extended producer responsibility initiatives, and openly sharing these initiatives with customers. In addition to minimizing environmental effects, effectively addressing waste management issues within the U.K.'s sustainability framework establishes Nestlé as a conscientious corporate citizen who supports the country's larger objectives of lowering plastic pollution.

c. Life Cycle Assessment: Analysing Nestlé's product life cycle from extraction of raw materials to disposal reveals the company's overall environmental impact. For the entire life cycle, it is essential to find areas where Nestlé's products can reduce plastic consumption, enhance their recyclability, and reduce their overall environmental impact (Mishra et al., 2022). The U.K. has led the way in ecological awareness, emphasizing sustainability and reducing plastic use. Nestlé's life cycle analysis must align with consumer expectations and the U.K.'s strict environmental regulations. Nestlé can more effectively meet the sustainability goals of the U.K. market by customizing its strategies based on an understanding of the entire life cycle of its products within that market.

d. Consumer Awareness and Behavior: Nestlé must also deal with customer behavior and awareness issues. Customers are a significant factor in the recycling and disposal of packaging materials, even though the company can impact packaging decisions (Rhein et al., 2020) as Ma and Liu (2019) stated that an essential component of Nestlé's efforts to reduce plastic waste is educating consumers about the adverse environmental effects of single-use plastics and promoting appropriate disposal methods. Nestlé's efforts to influence consumer awareness and behavior are significant in the U.K., where environmental consciousness and consumer activism are growing trends. Consumer preference for products with eco-friendly packaging is

growing, and the U.K. government has implemented policies to reduce the use of single-use plastics. Nestlé can capitalize on this growth by adjusting its consumer education programs to the unique sustainability concerns of the U.K. market.

e. Industry Comparison: Nestlé's way of tackling this issue can be understood in context by comparing its efforts to reduce plastic with those of its industry peers. Comparing Nestlé's operations to those of businesses that have effectively reduced their use of plastic can yield insightful information and possibly point out areas where Nestlé can improve (Chang et al., 2023). Nestlé may get knowledge about regional innovations and challenges by conducting comparisons against industry peers that operate exclusively in the U.K. Nestlé is in line with localized best practices by working with UK-based businesses that have successfully managed the challenges of plastic reduction. This improves its comprehension of regional dynamics and makes sharing technologies and knowledge suited to the U.K.'s particular environmental context easier. Nestlé's industry comparison program in the U.K. demonstrates the company's commitment to meeting local sustainability standards. It presents it as an active player in the nation's continuous efforts to reduce plastic pollution.

5. Critical Evaluation of the Reduction of Plastics with Nestlé

A thorough evaluation of substitute business methods is required to reduce the use of plastic in Nestlé's operations. Several tactics lessen the environmental impact of packaging materials, and each one needs to be carefully examined to ensure it is efficient and consistent with Nestlé's overall sustainability objectives (Isensee et al., 2020). An essential substitute is to explore and use sustainable packaging materials. Nestlé's plastic area can be significantly decreased by switching to recyclable, biodegradable, or compostable materials instead of conventional single-use plastics. Evaluating these alternatives' life cycle and environmental impact is imperative to guarantee a comprehensive and sustainable approach (Feroz et al., 2021).

Creating products and packaging with recycling, waste reduction, and reuse considerations is critical to adopting a circular economy model. Nestlé could spend money on R&D to make packaging that works with circular systems, ensuring that materials are recycled or reused and reducing the need for new plastics (Phelan et al., 2022). Applying EPR strategies into practice entails accepting accountability for a product's life cycle, including waste management after consumption. Nestlé could actively participate in collection and recycling programs and work with stakeholders in these areas to guarantee the appropriate disposal and recycling of its packaging materials (Mishra et al., 2022).

According to Porter and Derry (2012), promoting creativity in packaging design can result in lightening, which uses fewer materials, or the creation of alternative forms of packaging that are more sustainable. This can entail making technological investments that lessen packaging's adverse environmental effects without sacrificing the quality or safety of the product. It is crucial for Nestlé to actively involve customers in its efforts to reduce plastic usage (Filimonau et al., 2020). Changing customer behavior by launching awareness campaigns and offering rewards for responsible disposal is possible. Informing consumers about how various packaging options affect the environment could increase demand for more environmentally friendly alternatives (Rhein et al., 2020).

Rossi et al. (2020) stated that Nestlé could partner with other companies in the industry, governments, and non-governmental organizations (NGOs) To address plastic production collectively. Engaging in cross-sector initiatives can result in sharing resources, information, and solutions advantageous to the industry. According to Brandao et al. (2022), whatever alternative methods Nestlé chooses, it is imperative to set up reliable monitoring systems. It is possible to ensure adaptability to changing sustainability standards by conducting regular assessments of plastic reduction initiatives' environmental impact, economic viability, and social benefits.

6. Recommendations and Conclusion

Sustainability is fundamental business concepts like minimizing actions that increase environmental problems, ensuring that money is appropriately used for social development, and completing essential tasks to guarantee a better future for both current and future generations. Nestlé must tackle the adverse environmental effects of plastic in its operations. A comprehensive analysis of alternative business practices leads to various recommendations. First, Nestlé must invest in technologies, set high goals, and quickly switch to sustainable materials (Chang et al., 2023). Necessary actions include implementing extended producer responsibility programs, actively managing post-consumer waste, and working with stakeholders (Gonzalez Alonso, 2022). Real change can be sparked by promoting packaging design innovation, educating consumers, and incentivizing eco-friendly decisions. Nestlé's efforts to reduce its use of plastic will be further strengthened by cooperative initiatives with peers in the industry and the implementation of robust monitoring and reporting systems (Da Silva et al., 2020). These suggestions highlight the value of a comprehensive, proactive approach to sustainability, putting Nestlé in line with international environmental goals and

reaffirming its dedication to ethical business practices. Nestlé strengthens its position as a market leader in sustainable business practices while reducing its environmental impact by taking these steps.

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