

Global Business Case Study:**Sustainability Practices**

Muhammad Yusuf

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Background

Definition and the Significance of Sustainability

In today's business, the way stakeholders measure companies' progress has shifted from merely its financial profit to including their commitment to socio-environmental compliance. These concerns are increasingly pivotal in many sectors due to the emergence of resource scarcity, environmental crisis, and demand to coexist in a prosperous and peaceful society. Individual and groups are urged to embrace the responsibility to manage the available sources as "to ensure that it meets the needs of the present without compromising the ability of future generations to meet their own needs" (Brundtland, 1987, Sustainable Development, para. 1). The United Nations, therefore, formulated indicators to measure how our world has attained this ideal. In the latest, there are 17 indicators, manifested in the Sustainable Development Goals 2030 (United Nations, n.d.).

The Advantages of Practicing Sustainability from the View of Indonesian Market

For CJ's Coffee, practicing sustainability means investing for the long-run success. A study conducted by the Nielsen Company (2018) indicated that, from 64 surveyed countries, Indonesia was the top four countries demanding the enforcement of company sustainability. Accenture (2019) has also discovered that today 72% of consumers worldwide have purchased more eco-friendly products, and (81%) will continue to do the same for the five years ahead. These are business opportunities and a strong ground for CJ in instituting sustainability into the company plan.

Furthermore, the commitment to managing business with sustainable values will positively shape the company's brand and it turns out helping company become more competitive and favorable for investors. Motivated talents are also more drawn to the high-performance corporate that cares the planet and uses resources wisely (Ey & Yazdanifard,

2018). Moreover, citing the Indonesian Human Resource Management Association, Deloitte Southeast Asia has noted that millennials in Indonesia expect companies to have a clearer vision and contribute to the development of society (Meng et al., 2021). This accentuates the relevancy of sustainable practices in Indonesia.

Analyses and Recommendations

Key Challenges in the Selected in-Need Community

Indonesia is a growing country, both economically and demographically. However, the economic growth in 2020 felt at 2.07%, as the pandemic effect, and causing over 2 million unemployment and income losses (Virgil et al., 2020). This has specifically impacted the lives of marginalized communities such as those who live in the city of Makassar.

According to Makassar Livable City Plan, the residents have an average of eight years formal education, while currently 15.92% are jobless. Moreover, 67% of population growth takes place in the slum areas, with 33% of households are lack of ditches (Niles, 2020).

Recommendation of Actions

Analyzing the current situation of low-income families in Makassar, we recommend undergoing several CSR projects that supports the National Development Plan in achieving the UN SGDs. There are two major areas that CJ's Coffee can involve.

Quality Education

Education is set as the priority to address. CJ could support students from poor families, particularly the ones who live in the slum neighborhoods, through scholarships or by *bantuan belajar* (study aids) in a way to provide free uniforms, stationaries, and semester allowance. Besides, CJ's Coffee also has the option to fund community learning as to meet

children's basic educational needs, such as how to read, write, and calculate as well as to train the healthy lifestyle, hygiene, and domestic waste management.

There is also a noticeable growth in online learning platforms in Indonesia. Initiating a study zone or simply offering free online class vouchers for targeted people will surely add extra value to CJ's Coffee in coping with educational challenges in Makassar.

Clean Water and Sanitation

CJ could aid the water supply for poor people in Makassar by the following actions:

1. Subsidize the water expense about \$0.12 / year for a single household, with a note that there are 69,980 low-income families (BPS –Statistic of Makassar Municipality, 2021). CJ may spend a maximum \$8,398 a year.
2. Organize a free water tank donation, which can help citizens to store rainwater and cut water and electricity costs.

Meanwhile, to solve the sanitation problems in the crowded residential areas, the local authorities have worked with private agencies to initiate communal wastewater treatment plants (Chandra, 2020). CJ's Coffee is encouraged to act collaboratively in the projects and place communal-based sanitation systems as the company social responsible plan.

Conclusion

There are, however, more Sustainable Development Goal dimensions that CJ's Coffee is potentially to cope with. Nonetheless, education and clean water and sanitation are considered urgent for the targeted people and visible to execute as an initial stage of CJ's CSR plan. Hence, it is expected that CJ's Coffee has more ownership toward the long-term sustainable actions and to create values both socioenvironmental and economic.

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