



# STRATEGIES FOR RESHAPING BUSINESS AND ECONOMY



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# Diagnosing Degree of Sustainability of Mahindra & Mahindra India Ltd.

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## Abstract

Public or Private; Massive or Modest; Innovative or Indigenous; whatever be the type of company, in today's competitive market biz, everyone is bitten by the buzzing bee of "Sustainability". Sustainability has come a long way for the companies and its stakeholders in developed as well as now in the developing economies as well. As Garimella and Bhaskar (2011) say "Fortunately, many companies in the emerging economies such as India are leading the way in sustainable marketing by recognizing the limits of the planet and the needs of the people better and making our planet a better place to live", one such company is Mahindra & Mahindra India Ltd (M&M) which claims to be an all-rounder in the field of Sustainability (and not just in marketing sector). This research paper is an amateur attempt to understand and critically examine the current Sustainability position and claims made by this Indian multinational giant corporation.

The aim is to study the sustainability measures adopted by the company by critically diagnosing its published Sustainability Report 2014-15 and their implications in the Indian market by judging them on six parameters. Where on one side the company showcases flawless performance in almost all the sectors, on the other side it also pictures a grey area in few sections. But the latter cannot all together denounce at once all the pertinent contributions of this Indian entity on the Indian soil for the Indian economy. Thus, the paper testimonies the dedicated efforts put in by M&M - purely focused on "Triple-Bottom-Line Performance" with no intention of merely eye-washing the society at large.

**Keywords :** Sustainability, Triple Bottom Line Performance, Alternate Thinking, Stakeholders, Emerging Economy

## Introduction

Since gaining momentum in 1987, after finding a place in Brundtland Commission's Report "Our Common Future", the term "Sustainability" has covered a long journey. The roots of the term sustainability are so deeply embedded in fundamentally different concepts, each of which has valid claims to validity, that a search for a single definition seems futile. (Kidd, 1992) Such flexibility enables its interpretation differently by different researchers. Said so, one such angle closely related to Sustainability is the "Triple Bottom Line" concept. Coined by John Elkington

in 1994, Triple Bottom line guides a company to always keep its three eyes open, namely - People, Planet and Profit. In today's competitive and dynamic environment, Sustainability has also risen from traditions of considering only environmental issues to keeping a watch on three aspects namely - Society, Environment and Economy. Thus, this forms the link between the two concepts as shown by the figure. [Figure 1]

Mahindra and Mahindra India Ltd. (M&M) was set up as a steel trading company in 1945 in Ludhiana as Mahindra & Mohammed by brothers K.C. Mahindra and J.C. Mahindra and Malik

Ghulam Mohammed. After India gained independence and Pakistan was formed, Mohammed immigrated to Pakistan. The company then changed its name to Mahindra & Mahindra in 1948. (M&M, 2016) Eventually, the company glided through tough times and started moving in the path of development through diversification.

Since past seven years, the company has been focusing its efforts in achieving the highest peak in the area of multi-dimensional “Sustainability”; 2014-15 being no exception with the special focus on the “Triple-Bottom-Line-Performance” and “Alternate Thinking”. The dedicated sustainability team comprises for subheads – CSR Council, Sustainability Council, Group Sustainability Cell and Sustainability Champions – which perform specific tasks and report to Board Committee for CSR. It's the prime role of this apex committee to uphold the Vision of the company i.e. to enable the world to rise and lead by sustainability (M&M, 2014-15) by seeing the best professionals for the job who are customer oriented and quality focused and implementing, upgrading and promoting the CSR agenda for M&M Ltd and all group companies (M&M, 2014-15).

## Relevance

During the preliminary study, the author came across an article namely H&M's Sustainability Report Hides the unsustainability reality of fast fashion on a digital news platform. The review highlighted many loopholes in the 2014 report on sustainability by H&M, a multi-national clothing retail company. The criticisms made to question the credibility of the companies that claim to play a transformational role in the sustainability scenario of an economy. By the end of the article arose one question – “Is there any company which transparently adheres to the calls of sustainability?” After digging up further, the

name of an Indian public company came into force which had been ranked top in this field by many journals, blogs and award presenters over time i.e. Mahindra & Mahindra Group. Thus, this paper tries to present pertinent insights and impacts out of the sustainability efforts of this giant firm in its native emerging economy.

## Objectives of Study

For the fulfillment of the above mentioned needs, this study has been penned down.

- To analyze the company's vision and means to achieve Sustainability of product, process, people and planet.
- To study the Sustainability measures taken up by M&M, which claims to be one of the leaders in this field.
- To evaluate the above means on a set of 6 designed parameters.
- To learn what all can a successful organization, as the one considered, claim to have done or been doing or do in future to meet or even exceed sustainable obligations set in every possible aspect of operations.

## Methodology

This Ex-Post Facto Research take said of secondary data from M&M's last published and shared Sustainability Report of 2014-15, based on Ministry of Corporate Affairs National Voluntary Guidelines and Global Reporting Initiative Sustainability Reporting G3.1 Guidelines, to account for the latest acts and updates from the company's side in the area. It acts as the basis of examination and conclusion on the basis of six self-designed criterions for this literary review namely–

- Out of the Box Innovativeness