

GREENING THE SUPPLY CHAIN



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We live in an interconnected world and hence it is imperative that big businesses engage with sustainability and look beyond organisational boundaries towards sustainability of their entire value chain, the top most priority being focus on the supply chain.

Pick up any newspaper, online or print and the headlines are about conflicts due to water sharing between countries, states and neighbours. It is common to see the cost of sand and aggregate spiralling on a yearly basis and leading to purchase of such resources with a so called 'black and white' rate. Singapore used to

procure sand from Malaysia and Indonesia; both the countries have refused to sell sand to Singapore.

Greening of the Supply Chain (GSC) gives companies directions on training and sensitising suppliers on key issues, and mitigating the risk of supply chain disruption in

the near future on account of declining resources. In India, many companies have still not embarked on the sustainability journey.

Unless companies begin to confront the resource challenges in their own system they will not have the insight to add value to their supply chain.

GSC entails the following:

Applying common environmental and related standards and programmes across the parent company and its suppliers, taking into consideration legal requirements and cultural characteristics of the region.

- Share management system implementation to ensure greater accountability of supplier performance on health, environment, safety, resource consumption and social factors.

- Seek opportunities for business process redesign or innovation, materials substitution or product design.

- Set specific performance goals and metrics to evaluate the performance of specific suppliers over time.

- Practising greater transparency in reporting performance results.

- Developing partnerships with government agencies, non-government organisations and other institutions to improve specific aspects of performance beyond a company's specific capabilities or to leverage access to technical, managerial or financial resources.

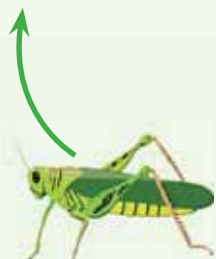
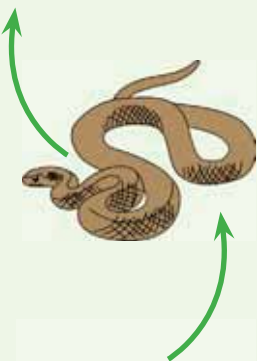
These illustrative guiding principles can be simplified, as the supply chain in India has not matured and does not require human resources to upgrade itself on account of the shortage of sustainability experts who can continuously assist in cleaner production practices and in mitigating business risks.

The values derived from GSC

- Mitigating business risks - by helping suppliers understand water management techniques to their advantage
- Reducing costs - upgrading their knowledge on new technologies which will help them reduce life cycle cost
- Motivating better performing suppliers by giving them preferential treatment
- Preserving business continuity by responsible use of finite resources of any kind
- Enhancing market access and degrees of business strategy freedom

Factors to success in GSC initiatives Obtaining senior management commitment

- Providing direct, on-the-ground support to suppliers
- Acknowledging the wide range of supplier competencies
- Creating benefits for suppliers
- Recognizing external incentives for greener supplier performance
- Working within the national culture with local people



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Water

Are water meters installed? Does everyone know the cost of water? Are taps leaking? Is there knowledge on the leak rate? Is water used carefully? Is it recycled with simple design intent or with low flow rated devices?



Energy

Has an energy audit been conducted? Is daylight being used where possible, or by design in a new facility? Are light sensors deployed in 24/7 areas? While purchasing equipment, is energy efficiency taken into account?

Human rights policy

No child labour, work life balance, gender equity, one pay for all, sexual harassment law?



Health

Does the staff undergo regular health check-ups? Are they aware of basic hygiene standards like washing hands, not coming to work if they have symptoms of any communicable illness?

Checklist for Supplier



Internal organisation events

Are the suppliers invited so that they are treated like partners and given the respect a partner deserves?

Finance

Enhancing financial literacy of the small suppliers, giving them inputs on using legal means of tax savings which they might not be aware of?



Large organisations need to pay their suppliers on time.

Disaster management

Does the organisation have a checklist to handle DM? Depending on the region specific threat, are the trainings repeated at predefined intervals and documented?

Bribery & corruption policy

Displayed transparently?



“ The Government of India has taken a giant stride in implementing NVG-National Voluntary Guidelines (NVG), for the large industry ”

The Government of India has taken a giant stride in implementing NVG-National Voluntary Guidelines (NVG), for the large industry. It has set up the Indian Institute of Corporate Affairs (IICA) which has developed online training modules to get a feel of the scope of work on the large canvas of sustainability.

In the 90's, to give impetus to the IT industry many franchises were opened like NIIT, APTECH which imparted training to millions of youth on IT hardware and software. In a similar vein, GOI has an opportunity to drive transformational change to embed sustainability in the current young generation to quickly understand the various hues of sustainability by

opening clones of IICA across the vast country. The GOI must quickly roll out the policy of green procurement, considering that GOI is a big buyer of products and services. Moving away from L1 purchase practises will spur greener and cleaner production processes across different industry sectors.

Many or most of our problems lie in combination of market failure and irresponsible and short term behaviour. We have it in our hands to overcome these problems through sound policy, collaborative behaviour and a more far-sighted approach to the consequences of our action, and the processes of discovery about technology, organisation and policy. Science tells us that dramatic changes must be made

to “business-as-usual” within the next decade if we are to maintain hope of building a sustainable economy. Macro-level changes can only be constructed through the cumulative efforts of many micro-level entities.

As such, the private sector must become the primary agent of innovation and problem-solving on which governments and other stakeholders depend if we are going to make real strides towards a green economy. In conclusion, we must not forget that India loses 6 per cent of its Gross Domestic Product to different kinds of environment related challenges according to TERI. Imagine reducing this by 3 per cent and what it will do to the bottom line of the country in the next few years?

Niranjan Khatri, Founder iSambhav

(The views expressed in this article are of the author, Niranjan Khatri, the former General Manager Environment Initiatives of ITC hotels)



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Roll Away Bed





Fold Away Bed Frame



Budget Roll Away Bed with Foam Mattress 3.5" thick



Premium Roll Away Bed with Off Center Folding Mattress



Premium Roll Away Bed with Folding Mattress

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