Interdisciplinary Approach towards Business Sustainability
Dr. S. Saileja & Dr. D. Mayuri
e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

13

Harnessing Synergy: The Role of Collaboration in Business Sustainability

Ms. Shikha Jujaray*

Abstract

In the dynamic landscape of modern business, sustainability has emerged as a cornerstone of success, influencing not only profitability but also societal impact and environmental stewardship. At its core lies the principle of synergy—the harmonious combination of efforts and resources to achieve greater outcomes. Collaboration in business sustainability goes beyond traditional competitive boundaries, emphasizing goals such as reducing carbon footprints, promoting ethical practices etc. This chapter explores the idea of business sustainability, business collaborations and its types. It even highlights the benefits and drawbacks of business collaboration. Concepts like public-private partnership and brand collaboration is discussed as well.This chapter even throws light on various business collaborations that have inculcated the concept of business sustainability in their business activities.

* *MBA Student, Department of Commerce and Business Management ,Veeranari Chakali Ilamma Women's University (Formerly University College for Women), Koti, Hyderabad, Telangana, India.*

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

Keywords: *Brand, Business collaboration, Business sustainability, Carbon footprints, Ethical Practices, Public-Private partnership, Synergy.*

Business sustainability

Introduction

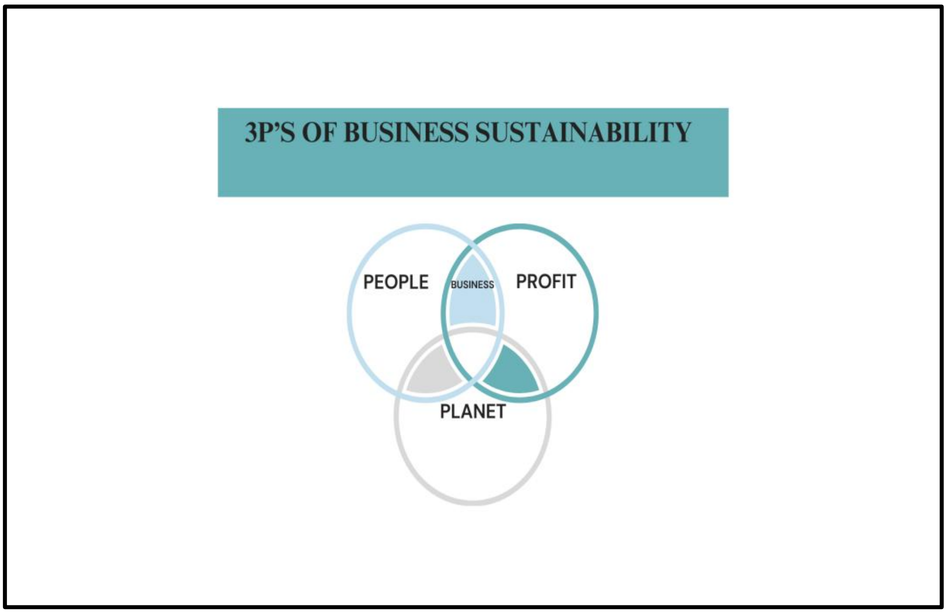
Business sustainability can be defined as the practice of managing a business in a way that ensures minimizing negative impacts on the environment, society, and economy and also remains profitable in the long term,. It involves integrating environmental, social, and economic considerations into the core strategies, operations, and decision-making processes of the business. It involves achieving a balance between short- term profitability goals and long-terms negative on the world outside the business. Sustainability in business goes beyond focusing on optimizing the well-being of the external world around the organization.

- It encourages responsible resource management
- It helps in reducing and mitigating wasteful spending by making processes more efficient
- It helps in making a business more attractive to customers seeking innovative products and services.

The idea of business sustainability depends on the concept of "Triple bottom line", which is also known as the 3P's of sustainability i.e. **People, Planet and Profit.** The "**People**" pillar recognizes the success of any organization lies in the hands of the people. The "**Planet**" pillar emphasis the need to

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

protect and preserve the environmental resources for the future generations. The "**Profit**" pillar discloses that the idea of financial success and sustainability are interdependent. By integrating sustainable practices in the business strategy, the organization can achieve profits.



Business Collaborations and Partnership

Introduction

Business collaboration is a practice where businesses and teams work together to achieve common goals, solve problems, and create value. It can involve internal or external connections, and can take many forms, including partnerships, joint ventures, strategic alliances etc. Collaborations relies on pooling and sharing skills, resources and experience within a team to achieve goals more competently.

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

Types of Business Collaborative Partnership

1. **Corporate –NGO Partnerships:** Companies often collaborate with NGOs on specific initiatives, such as conservation projects, community development programs, or climate action campaigns. For example, partnerships between apparel brands and environmental NGOs have led to initiatives to reduce water usage in textile production or eliminate hazardous chemicals from supply chains.

2. **Multi-Stakeholder Initiatives:** Multi-stakeholder platforms bring together businesses, NGOs, government representatives, and other stakeholders to address shared challenges collectively. The Round table on Sustainable Palm Oil (RSPO), for instance, brings together producers, buyers, NGOs, and governments to promote sustainable practices in the palm oil industry, addressing issues such as deforestation, land rights, and labor practices.

3. **Public-Private Partnerships:** Governments often collaborate with businesses and NGOs through public-private partnerships (PPPs) to deliver public services, infrastructure projects, or social programs. PPPs in renewable energy, waste management, and sustainable transportation have helped drive investment and innovation in critical sustainability sectors while delivering tangible benefits for communities.

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

Benefits of Business Collaboration

1. **Financial Gains:** The primary motive of any business is to earn profits. A successful collaboration can bring significant financial gains for both the parties.

2. **Improves Employee Engagement and Well-Being:** The employees working in a collaborative setting tend to work more efficiently than an individual worker as they are highly motivated with new energies around them.

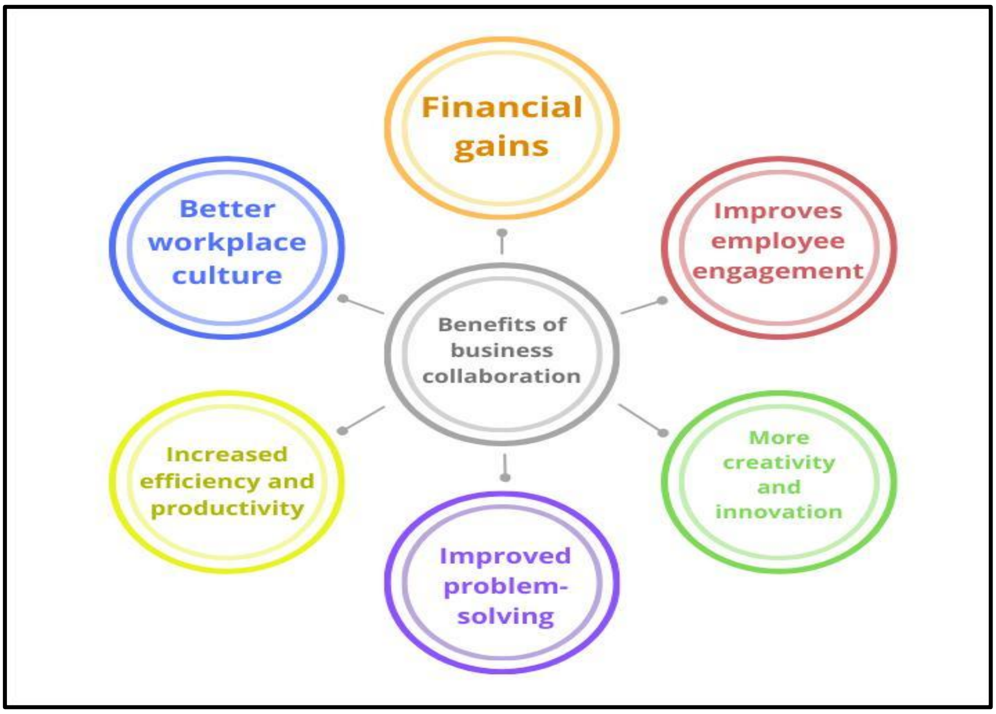
3. **More Creativity and Innovation:** Internal collaboration gives employees the space to share their diverse perspectives and ideas. This helps foster a creative work environment that sparks fresh, innovative ideas.

4. **Improved Problem-Solving:** By pooling together individual expertise and experiences, your teams can tackle complex challenges more effectively for better outcomes.

5. **Increased Efficiency and Productivity:** Collaboration keeps team members on the same page and streamlines entire projects from start to finish. This reduces confusion and missed communication for more productivity.

6. **Better Workplace Culture:** Working in collaborative teams is a lot more enjoyable than having to deal with conflicts and miscommunication day in and day out. It also helps create a sense of belonging and shared purpose that boosts employee satisfaction and retention.

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13



Drawbacks of Business Collaboration

1. **Competitive Concerns:** Collaborating with competitors or industry peers may raise concerns about sharing proprietary information, losing competitive advantage, or inadvertently strengthening rivals.

2. **Alignment of Objectives:** Different organizations may have varying priorities or conflicting agendas, making it difficult to align on sustainability goals and strategies. This can lead to inefficiencies and diluted efforts.

3. **Complex Decision-Making:** Collaborative efforts often require consensus-building among diverse stakeholders, which can slow down decision-making processes and hinder agility in responding to market changes or emerging opportunities.

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

4. **Resource Allocation:** Sharing resources such as funding, technology, or expertise can be challenging when organizations have different capacities or financial constraints. This may create disparities in contributions and benefits within collaborative initiatives.

5. **Integration Challenges:** Integrating diverse organizational cultures, systems, and processes can be complex and time-consuming, potentially leading to friction, misunderstandings, or resistance to change.

6. **Risk of Dependence:** Over-reliance on collaborative partners for critical resources or capabilities may create vulnerabilities, especially if partners fail to deliver or withdraw support unexpectedly.

7. **Regulatory and Legal Issues:** Collaborative activities may face regulatory scrutiny or legal challenges, particularly regarding antitrust laws, intellectual property rights, or compliance with environmental regulations.

Public-Private Partnership

Public-private partnerships involve collaboration between a government agency and a private-sector company that can be used to finance, build, and operate projects, such as public transportation networks, parks, and convention centers. Financing a project through a public-private partnership can allow a project to be completed sooner or make it a possibility in the first place. Public-private partnerships often involve concessions of tax or other operating revenue, protection from

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

liability, or partial ownership rights over nominally public services and property to private sector, for-profit entities.
According to David L. Weimer and Aidan R. Vining, "A P3 typically involves a private entity financing, constructing, or managing a project in return for a promised stream of payments directly from government or indirectly from users over the projected life of the project or some other specified period of time".

Advantages of PPPs

- It ensures necessary investments into public sector and more effective public resources management.
- It ensures higher quality and timely provision of public services.
- The risk is divided between the government and the private sector.
- A private entity is granted to obtained a long-term remuneration and concession in tax.
- The government remains accountable for the cost and quality of public services.

Disadvantages of PPPs

- Infrastructure or services delivered could be expensive.
- Private sector aims primarily at profits which may not be desirable in public works.
- Important secrets of the country maybe leaked out to private firms.
- Conflicts between the government and the private firm may cause delay in the completion of crucial projects.

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

- Private sector profit motives may lead to prioritizing financial gains over public needs.

Brand Collaboration

Brand collaborations are strategic alliances between two or more brands for the purpose of creating a product or service that is beneficial to both parties. This type of partnership is often used as a marketing strategy to increase brand visibility, reach new audiences, and enhance the brand's reputation. Brand collaborations can provide an opportunity to grow their business and expand their reach without the need for a large marketing budget.

Brand collaborations can take many forms, from co-branded products and services to joint marketing campaigns, events, and more. The key to a successful brand collaboration is a shared vision and mutual benefit. Both brands should bring something unique to the table and the collaboration should be designed in a way that enhances both brands.

Examples of brand collaboration:

- Bombas and Pixar
- Kith And Coca-cola
- Uber and Spotify
- Doritos x Taco Bell

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

Businesses Collaboration

L & T Metro Rail, Hyderabad Limited, Hyderabad, India: [PPP]

The Hyderabad Metro is a rapid transit system serving the city of Hyderabad, Telangana, India. It is the second longest operational metro network in India after the Delhi metro (285 stations) with 57 stations and the lines are arranged in a secant model. It is being funded by a public private partnership with the state government holding a minority equity share. A special purpose vehicle company, L & T Metro Rail Hyderabad Ltd was established by the construction company L & T to develop this project under ppp mode. N.V.S Reddy was appointed as the managing director of the Hyderabad Metro Rail and the central government approved financial assistance of ₹1639 crore under the viability gap funding scheme. L & T invested about ₹13000 crore of the ₹14132 crore elevated metro rail project under public private partnership and the Telangana state government invested more than ₹2300 crore for land acquisition, right of way and related infrastructure to facilitate the project completion.

The objective of the metro rail was to provide socio-economic benefits and equal opportunities in public to all citizens. It is an urban rejuvenation effort, designed with latest technology inputs to transform Hyderabad into a people friendly green city, eco-friendly stations with natural ventilation, sky walks, ramps, escalators, promotion of gender equality and women's empowerment resulted in creation of employment

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

opportunities and generation of many ancillary industries in and around Hyderabad.

Rajiv Gandhi International Airport, Hyderabad, India: [PPP]

RGIA is an international airport that serves Hyderabad, the capital of India Telangana was inaugurated on 23rd March, 2008 to replace the Begumpet airport. It is named after Rajiv Gandhi, the former prime minister of India. As of 2019, RGIA is the sixth busiest airport by passenger traffic in India. In November 2000, under the N. Chandrababu Naidu government and the Airports Authority of India (AAI) signed a memorandum of understanding of the Greenfield airport project, establishing it as a public private partnership. The State and the AAI together holds 26% stake in the project while the remaining 74% is allotted to private companies. Through the bidding process Grandhi Mallikarjuna Rao group and Malaysia Airports Holdings Berhad were the holders of the 74% stake in the partnership. This venture consists of public entities Airport Authority of India (13%), the government of Telangana (13%), GMR group (63%) and Malaysia Airports Holding Berhad(11%). The RGIA has various facilities like having a solar power plant that saves the turbine generated electricity, Novotel which is the airport hotel provides lounging services to the passengers as well as the air crew whenever necessary, the airport has a fuel farm consisting of three storage tanks and the cargo terminal facilitates every type of goods transportation especially in the pharmaceuticals industry for the transportation of medical supplies. The development of this infrastructure has brought

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

into India a huge amount of foreign currency and helped in the economic development of the state as well as the country.

Allbirds and Adidas: [Brand Collaboration]

Adidas which is a global leader in sportswear and is known for the quality of products made by the company has recently come into a collaboration with Allbirds which is known for its sustainable footwear. These two brands came together to design a shoe with an exceptionally low carbon footprint. While an average pair of Adidas sneakers has an average carbon footprint of between 10 kg and 15 kg, the new shoes had a lower footprint of only 2.94 kg of CO_2 emissions per pair. While both brands are market competitors however they have collaborated together keeping in view to reduce the environmental impact. In this process Allbirds contributed towards the sustainable material and the production process whereas Adidas gave in the ideas related to the design of the sportswear which helped to create a clear margin which became a basis for profit sharing. This innovative invention not only attracted customers but also created a wider scope of market competition to give better quality of goods at best cost to the customers. Such brand collaborations are done through the creation of special purpose vehicles so that the chain businesses of the same promoter group are not affected. The profits earned by the collaboration is reinvested in the chain businesses to expand the same thereby generating wealth and expanding the scope of the business.

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

Spotify and Starbucks: [Brand Collaboration]

Spotify is a well-known music application which is a platform for millions of songs and podcasts of various artists from all over the world. This application also has the option of creating our own library and playlist consisting of our favourite music collections. It has free as well as premium options where efficient services are provided to the consumers. It is one of the market leaders in its competitive environment. This famous brand has recently come into a collaboration with a famous brand Starbucks which is a global coffee company and is known for its wide range of coffee drinks, other beverages and food items. The major aim behind this collaboration was to target the consumers by way of providing the Spotify premium experience in the in-store of the Starbucks. Post this collaboration Starbucks initiated a step towards sustainable development by giving take away and food and beverage parcels and orders in paper cups, paper plates and paper bags instead of using plastic. This step plays a major role in environmental protection and safety.

Spotify and Uber: [Brand Collaboration]

Spotify has also collaborated with the Uber company which is a platform that provides a connection between passengers and drivers that ensures traveller safety and comfort within reasonable and affordable prices. Not only taxi and scooter services but Uber also provides food delivery services by the application of Uber eats. This collaboration aimed towards providing the consumers customized music playlist options so as to explore the Spotify experience. However, this collaboration came to an end due to different priorities of both

e-ISBN: 978-93-6252-974-9 | Year of Publication 2024
DOI: https://www.doi.org/10.58532/nbennuriach13

the companies and shift in technical and logistic channels in maintaining the integration.

Conclusion

In the field of business sustainability, working together is not just a smart choice but a powerful way to deal with complex issues and create real change.The role of collaboration in business sustainability is not just about achieving short-term goals but about creating a resilient and prosperous future for businesses and society at large. By harnessing synergy through collaboration, organizations can pave the way for a more sustainable and equitable world.

References

[1] Academic Journals: **Whelan, G., & Fink, C.** (2016). **"Collaborative governance for sustainable development."**
[2] https://visme.co/blog/business-collaboration
[3] https://www.hypeinnovation.com
[4] https://unglobalcompact.org/
[5] https://www.aspeninstitute.org/