

# The smart manager

India's first world-class management magazine



**ARUN MALHOTRA**  
on Nisaan India's  
drive to customer  
service excellence.  
[ PAGE-08 ]



**HAP KLOPP**  
on imperatives for an  
early-age startup.  
[ PAGE-62 ]

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The graphic features a stylized cityscape with green buildings, gears, and lightbulbs, all contained within a green, leaf-like shape. This shape is positioned above a white silhouette of a human head, which is filled with the text 'THE SUSTAINABILITY CORE'. The background is a light blue sky with clouds and birds.

## THE SUSTAINABILITY CORE

MORE THAN JUST REPUTATION MANAGEMENT

- ◆ **Ambi Parameswaran** FCB Ulka Advertising
- ◆ **Anirban Ghosh** Mahindra Group
- ◆ **Alexandra Palt** L'Oréal
- ◆ **Saugata Gupta** Marico Limited
- ◆ **Tony Henshaw** Aditya Birla Group

SCAN THIS TO STAY CONNECTED



A 2010 study, 'Communicating Corporate Purpose' by Burson Marsteller and IMD, concluded that a strong, strategically coherent, and well-communicated corporate purpose is associated with up to 17% better financial performance. Marico Limited, one of India's leading consumer products firm, has developed an integrated sustainability strategy that is aligned with their stated purpose of making a difference—to everyone the company interacts with. As result, they have demonstrated that it is no longer about 'profits or purpose,' but 'profits and purpose'.



**SAUGATA GUPTA**  
IS MD AND CEO, MARICO LIMITED

## **H**ow would you interpret the relevance of sustainability as a growing imperative for businesses?

We believe we belong to an interdependent ecosystem comprising shareholders, consumers, associates, employees, environment, and society. Sustainable profitable growth goes hand in hand with the sustainable progress of the entire ecosystem. The pursuit of profits is not at odds with the pursuit of purpose as it helps realize the true potential of all participants of the ecosystem. Marico endeavours to be a purpose-focused organization, which achieves sustainable profitable growth by making a difference to the other members of its environment by enabling them to realize their true potential.

We, at Marico, are at a point of inflection today, poised to enter the next orbit of growth. Seizing this opportunity also requires us to renew our commitment towards all our stakeholders who have been an integral part of Marico's journey so far and will continue to be our reason for success. A win-win partnership with all stakeholders is the biggest catalyst for long-term sustainable growth. It can even become a competitive advantage as it seeks to promote the interests of all key stakeholders.

### **Sustainability is often confused with CSR. Your views.**

Sustainability, to me, is a way of life or a way of doing business that impacts each stakeholder in the ecosystem including the environment. In CSR, there is an objective of giving back, of sharing wealth for the larger good of the society. In sustainability, there is an element of improving the lives of all stakeholders within the context of the business and its own pursuit of profitable growth. To that extent, their domains are different. However, since both aim for a more holistic development of the society that we live in, they are not at crossroads.

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**Businesses seeking to embrace sustainability are rethinking and innovating their operations, products, and business models. Given this, how does sustainability goals in drive innovation?**

Doing more with less or making an impact with something unique is at the center of both the concepts of sustainability and innovation. As the core theme is 'and' and not 'or', the theme of sustainability has an immense potential for driving innovation. For example, environmental sustainability will drive innovative natural resource consumption or packaging solutions.

**How difficult is it to align the 'long-term focus' of sustainability goals with business growth?**

I strongly believe that economic, environmental, and social values are interlinked. A firm creates economic value by creating social value—by playing a role in making a difference to the lives of people. Furthermore, as I said earlier, a company cannot do this in isolation; it needs the support and participation of other constituents of the ecosystem. Sustainability comes from win-win partnerships in the ecosystem. As they say, the business of business is more than just business. Our long-term focus is at the

**brands with a cause**



Most of Marico's brands are not just market leaders but thought leaders as well and they have purpose embedded in their equity. For instance Saffolalife, has been playing a pioneering role in leading the cause of generating heart health awareness and motivation for lifestyle changes. This is among the most critical health concerns in India. Saffola's mission is to reduce the statistic of heart ailments in the country. Over the years, it has reached out to millions across the country via large scale mass media awareness programs, helped over 100,000 people over 90 cities with diagnostic checkups, dietician services, and the 'Heart Age Finder' tool in India.

Nihar Shanti Amla has established education as a purpose of the brand and contributes 5% of its sales towards children's education. Its initiatives have been able to make a difference to the lives of over 1,13,294 children across 15 states including Uttar Pradesh, Madhya Pradesh, Rajasthan, and others, touching around 25 to 30 villages within these geographies.