



# SUSTAINABILITY

a PCG blog space

## Business Sustainability through Better Environmental, Social and Governance

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### Background

As stakeholders demand more opportunity, capital performance, business growth and predictable results, prior approaches to business sustainability are being challenged. Today's business environment is ever-changing through Environmental, Social and Governance (ESG) activities, tightened regulations and consumer-driven brand advocacy. Businesses must demonstrate that they are purposeful about business and social sustainability.

The top five documented Environmental, Social and Governance (ESG) initiatives are:

1. Ethical Sourcing
2. Focus on Recycling
3. Conservation of Natural Resources
4. Reduced Carbon Emissions
5. Decreasing Packaging Waste

To participate in these initiatives stakeholders require innovative approaches to business sustainability through increased transparency, integration, leading-edge processes, governance, and compliance and business standards to operate responsibly in everything they do.

To do this, business leaders rely on advanced technologies to boost capabilities and create competitive advantages within their company as they manufacture and distribute products, serve diverse markets, create great customer experiences, achieve social responsibility goals, all while accelerating growth and increasing profitability.

These companies and brands are turning to technology leaders and partners—for technology and innovation—to integrate business sustainability and create meaningful change that's good for business.

### NetSuite and Business Sustainability

NetSuite is one platform being widely adopted to achieve

these goals. Based on advanced, cloud-based, scalable and secure technologies, NetSuite has brought new levels of business sustainability through best-in-class platforms, the ability to aggregate information, the integration of cross-functional processes and a proven SuiteSuccess implementation model.

NetSuite-based businesses have gained great financial and customer value and benefit. NetSuite-based businesses can clearly demonstrate smoother operations, faster response to change and a lower cost of business.

### Using NetSuite for Greater ESG Sustainability

Not often considered, though, leveraging NetSuite to achieve greater levels of business sustainability and as a platform for environmental and social responsibility. Let's explore nine ways that NetSuite directly contributes to business sustainability and how you can benefit.

- **Global Regulatory Compliance:** Through careful application of advanced analytics, coupled with automated governance and compliance processes, businesses improve their environmental data collection, reporting and Artificial Intelligence (AI)-driven decision-making. NetSuite makes keeping up with changes in local, national, or global regulations easy—reducing business risk and demonstrating sustainable performance.
- **Linking Sustainability to Financials:** A common myth is that being a sustainable business is expensive, directly and negatively impacting the bottom line. The opposite is true. That is that good corporate sustainability improves balance sheet performance. Sustainability initiatives create customer goodwill, reduce waste, improve internal operations and drive a lower cost of business. NetSuite's built-in analytics and reporting functions allow a business to directly connect their operational performance and sustainability efforts to the balance sheet and income statement. Leaders can directly see how sustainability efforts are paying off and discover new opportunities within their company.
- **Environmental Planning:** Businesses are at a defining moment to act on sustainability. Those that act decisively have the opportunity to create resilience and sustainable competitive advantage for their business models for the long term.

Sustainability includes environmental planning across the entire operation. Again, NetSuite allows businesses to harness the power of information—from across the entire company—to gain an in-depth look at business operation performance and impact in achieving sustainability objectives. Instead of guessing at the cost and impact of sustainability efforts, leaders can have data-driven insight into financial impact, profitability and cost management.

- **Predictive Modeling:** Take the guesswork out of considered sustainability initiatives. Easily model, forecast, simulate and optimize sustainability initiatives. Smooth internal change management processes and accelerate company-wide adoption of key sustainability objectives. Because NetSuite is a secure, scalable and cloud-based platform modeling can occur where and when you need it, even in mobile environments, for fast analysis and accurate decision making.
- **Business Risk Management:** Business leaders are also risk management leaders who identify opportunities and risk, balance reward with cost and adapt capital, resources and operations for the greatest benefit while lowering risk. Key to this effort is understanding risk tolerance, establishing targets and measuring progress toward opportunity and risk mitigation as the business improves its environmental and social performance. Taking advantage of NetSuite AI, predictive analytics, dashboards and mobility options puts risk management at the point of need, allowing the organization to quickly adapt and achieve its sustainability objectives.
- **Sustainable Sourcing:** Supply chain visibility and transparency, coupled with supply traceability, is a business requirement customers look for. The ability to identify, qualify, select and manage sustainable supply partners becomes a critical success factor for environmentally sustainable businesses. Likewise, to have material or supply traceability to the source instills confidence in the business by the customer. Both leading to a better company reputation, revenue growth and profit. NetSuite gives businesses the ability to overlay sustainability-related selection criteria into vendor identification and material and supply selection so as to maintain environmental integrity at every step in the supply chain.

- **Sustainable Logistics:** Transportation-related costs and environmental impact are well known. Transportation is a key business lever to pull when undertaking sustainability initiatives. But how does a business know what decisions to make and what transportation and logistical alternatives bring the greatest environmental and sustainability value, while not driving costs up? NetSuite allows sustainability-driven companies to optimize load, dock and routing activities for reduced energy consumption and emissions and harness the power of the cloud to streamline processes and consolidate logistic activities to drive down cost.
- **Facilities and Asset Management:** An often-hidden profit and sustainability killer is asset underutilization. Whether facilities, equipment or machinery, assets that sit idle cost money and consume environmental resources. To eliminate this cost and environmentally unsustainable situation businesses are integrating data, Industrial Internet of Things (IIoT) capabilities, production planning, inventory management, Maintenance and Repair Operations (MRO) activities and technology to optimize and maximize production, increase equipment and machinery utilization and lower expensive downtime within their operations. NetSuite has this covered by quickly and effectively bringing information together, reporting critical Key Performance Indicators (KPIs), enforcing maintenance practices and keeping assets running at their best.
- **Manufacturing Operations:** It is no secret that shop floor optimization is a key to profitability and environmental sustainability. Poor production planning, supply sourcing, inventory management, equipment maintenance and operational processes lead to waste, higher cost and sub-par environmental impact. Gain or regain control of manufacturing operations and meet sustainability objectives with the NetSuite technology platform.

### Benefits of NetSuite and Business Sustainability

Business sustainability is no longer an “add-on” to the business. It has become a cornerstone of how businesses operate due to stakeholder, customer and environmental requirements. Businesses that fully integrate business sustainability into their operations by using leading-edge business technologies, such as NetSuite, stand to benefit in these ways:

1. **Better Capital Performance:** Investments have a greater return on capital. It's that simple. Capital

investment decisions are based on accurate and trusted information, with balanced insight on opportunity and sustainability goals leading to better and faster decisions without the guesswork.

2. **Better Opportunity:** Markets and customers reward businesses that lead in environmental and sustainability initiatives. Customers choose to do business with businesses that share their same ideals and goals for environmental and social sustainability, spending their dollars in alignment with their ideals. Businesses that integrate, perform, measure, optimize and report on their environmental and social sustainability efforts gain a greater reputation which attracts attention and more business.
3. **Better Reputation:** Every stakeholder wants to see the reputation of their business or partners grow. Employees, vendors, suppliers and customers choose to do business with companies that they know are doing the right thing in an end-to-end, transparent, high-integrity and reported fashion. Fully integrating business sustainability initiatives grows your reputation which attracts and retains the best talent, leads to working with the best suppliers and keeps your markets and revenues expanding.
4. **Better Products:** Business and environmental sustainability initiatives challenge the status quo by forcing innovative approaches to product design, manufacturing and distribution. This leads to better products with better functionality and utility that delights the customer.
5. **Better Operations:** Environmental change and regulatory requirement for sustainability reasons requires a “cold eye review” and improvement of business operations from strategy to fulfillment. Simply stated, business sustainability initiatives, based on innovative technology applications, create better operations across an entire company.
6. **Better Profitability:** If business sustainability initiatives negatively impact profitability, what’s the point. Right? McKinsey reports the businesses focused on ESG initiatives outperformed their peers: higher return on assets (34%), higher return on equity (16%).

## What is Next?

Businesses that already run on NetSuite are ready to ramp up their business and environmental sustainability initiatives. Others may wish to explore NetSuite as the technology platform to improve their business while integrating sustainability initiatives.

Either way, working with a partner such as PCG, who facilitates an end-to-end business model approach to business sustainability greatly increases sustainability success. PCG is the leading independent NetSuite consulting and optimization company with unique sustainability-driven solutions that transform NetSuite from a financial platform to a sustainability platform that improves business, profitability, reputation and operational excellence.

Consider drilling deeper into your installed NetSuite functionality, the PCG SMART FACTORY for NetSuite solution, SuiteSuccess and PCG VELOCITY for NetSuite options and discover how quickly your sustainability initiatives and ESG priorities can be achieved.

Our dedicated teams bring deep experience and industry expertise to develop and implement strategies, operating models, processes, and technologies to help businesses achieve their sustainability goals leading to new opportunities, improved capital performance, growth and predictable business results.

Now is the time for collaboration—for businesses to partner with government and society to reimagine, rebuild and transform our global economy into one that benefits all stakeholders.

We’re ready when you are and offer you a free Discovery Assessment to help you understand where to get started in making your ESG initiatives happen on NetSuite.

Contact PCG by clicking [here](#), or calling the number below, for more information. Or visit the PCG website by clicking or tapping [here](#).