

THE SUSTAINABLE DEVELOPMENT GOALS (SDGs) AND MODERN BUSINESS STRATEGY

Summary

Today, sustainable development, as an appropriate strategy for the development of the world community, involves a harmonious combination of the economy, society and the environment and ensuring the high standards of living for the population. It should be noted that in today's globalized world, the contradiction in the development of mankind is a mix of challenges and opportunities at different levels for all actors in the world economy, with a special role belonging to the business sector. Business as a key element in achieving the sustainable development goals is analyzed in this paper. The possible scenarios for business development in the context of implementing sustainable development ideas and ensuring competitiveness are proposed.

Keywords: sustainable development, business, sustainable development goals (SDGs), economic growth, and business strategy.

О. В. Бабінська, к.е.н., доцент,
Чернівецький торговельно-економічний інститут КНТЕУ,
м. Чернівці

ЦІЛІ СТАЛОГО РОЗВИТКУ ТА СУЧАСНА СТРАТЕГІЯ БІЗНЕСУ (ЧАСТИНА I)

Анотація

Сьогодні сталий розвиток, як відповідна стратегія розвитку світової спільноти, передбачає гармонійне поєднання економіки, суспільства і навколишнього середовища та забезпечення високих стандартів життя населення. Слід зазначити, що у сучасному глобалізованому світі протиріччя розвитку людства є поєднанням викликів та можливостей на різних рівнях для всіх акторів світового господарства, при цьому особлива роль належить бізнес-сектору. У даній роботі аналізується бізнес як ключовий елемент у досягненні цілей сталого розвитку та пропонуються можливі сценарії розвитку бізнесу в контексті реалізації ідей сталого розвитку та забезпечення конкурентоспроможності.

Ключові слова: сталий розвиток, бізнес, цілі сталого розвитку, економічне зростання, стратегія бізнесу.

Problem statement. Taking into account the fact that contemporary economic development is not able to provide foreseen prosperous future for humanity, unfortunately, it is necessary to state that world community needs for radical changes in the style of human existence. It is worth recognizing that today the world community has only moved from understanding the real threat of contemporary global problems for the future of human civilization to practical steps, namely the development and implementation of new approaches and development strategies at all levels for the purpose of rational use of natural resources and the preservation of the environment. In the context of the foregoing, the phrase "sustainable development" is very popular today, which has become a unique universal brand of world development and the use of which raises a number of questions: from the essence of this definition to the tools and practical steps to achieve sustainable development, starting with each of us and completing global institutions.

Analysis of recent studies. It is known that sustainable development has been defined in many ways, but the most frequently quoted definition is from Our Common Future, also known as the Brundtland Report: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs" [1]. From a researcher's point of view, sustainable development is the top trending topic in the world and business activities are now considered the means of achieving the SDGs. The scholars like I.Embree [4], J.Gomme [5], I.Ilvaro [7], experts of International Institute for Sustainable Development (IISD) [3] and United Nations, international organisations have analyzed the opportunities, benefits, problems and prospects for business in the context of sustainable development. B.Chakravorti [8] has explored role of global business in achieving the SDGs. In

the context of the present study we wish to emphasize that despite the recognition of the importance of business in achieving the SDGs, many aspects because of its complexity and contradiction are not investigated.

Main aim of the article is an attempt to demonstrate that business is a key element in achieving the SDGs and propose the author's version of the future development scenarios for business in the context of achieving the SDGs and ensuring competitiveness based on existing trends.

Basic material. It should be noted that on 1 January 2016, the 17 SDGs of the 2030 Agenda for Sustainable Development – adopted by world leaders in September 2015 at an historic UN Summit – officially came into force. Over the next fifteen years, with these new Goals that universally apply to all, countries will mobilize efforts to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind [2].

It should be acknowledged that "the SDGs are a set of great and significant challenges faced by governments, international organizations, civil societies and other businesses around the world. The SDGs serve as guidelines for businesses to assess and manage social, economic and environmental risk, while contributing to bettering their reputation, image and their strategic position in the world's markets. The nature of universality entails diversity, which requires flexibility and adaptation. The good news is that businesses, due to their competitive natures, are in the best position to constantly adapt and learn from their experiences" (I.Alvaro, 2017) [7] (table 1). As noticed by J.Gomme (2016): "Business has a key role to play as an engine of economic growth and employment and a source of finance, technology and innovation" [5].

Table 1

17 SDGs: some results of interaction between business and international organisations*

17 SDGs	Companies and organisations
1. NO POVERTY	Visa brings financial services to the underserved. IKEA Social Initiative has committed more than \$180 million in cash and in-kind donations to UNICEF's programmes to save and improve the lives of children and their families.
2. ZERO HUNGER	General Mills gives meals to local food banks. Akuaponics3D offers the support to increase accessibility of fresh food. Groupon and the United Nations World Food Programme (WFP) launched a daily deal across Southeast Asia to support the empowerment of girls in Asia through school meals programs.
3. GOOD HEALTH AND WELL-BEING	Kaiser Permanente invests in healthy communities. Johnson & Johnson helps to reduce maternal and infant mortality in Tanzania and Ethiopia.
4. QUALITY EDUCATION	LEGO funds children's play, learning, and creativity. UNFPA and Intel have announced a new collaboration to provide technological infrastructure to train midwives and health workers in selected developing countries.
5. GENDER EQUALITY	Participant Media teaches students worldwide about Malala. Proctor & Gamble supported UNESCO's Women and Girls' Education Advocacy Program.
6. CLEAN WATER AND SANITATION	Kimberly-Clark recognizes that toilets change lives. Domestos is committed to improve sanitation around the world by using its global reach to inform consumers about the sanitation crisis through a cause-marketing campaign.
7. AFFORDABLE AND CLEAN ENERGY	Cummins is investing in solar power. Top all business.com international is a participant of project "Solar Power Plants for the Electrification of Villages in Benin".
8. DECENT WORK AND ECONOMIC GROWTH	Microsoft YouthSpark helps young people develop computer skills.
9. INDUSTRY, INNOVATION, AND INFRASTRUCTURE	Qualcomm brings wireless technology to underserved communities.
10. REDUCED INEQUALITIES	Citi sees diversity as a source of strength.
11. SUSTAINABLE CITIES AND COMMUNITIES	Siemens celebrates communities that foster green and sustainable economic solutions.

Table 1

12. RESPONSIBLE CONSUMPTION AND PRODUCTION	Nike uses recycled materials in most of its gear.
13. CLIMATE ACTION	JetBlue teaches customers and crew about climate change. The UNIDO and Samsung Electronics entered into a partnership in August 2012 which aims at creating jobs, business opportunities and ensuring effective management of electrical and electronic waste (e-waste) in Cambodia.
14. LIFE BELOW WATER	Discovery Channel supports clean oceans.
15. LIFE ON LAND	The North Face protects outdoor areas.
16. PEACE, JUSTICE, AND STRONG INSTITUTIONS	AirBnB helps provide refugee relief workers with places to stay. Siemens' commitment to pay \$100 million to support global efforts to fight fraud and corruption would include providing funds to organisations and projects aimed at combating corruption through collective action, training, education.
17. PARTNERSHIPS FOR THE GOALS	TripAdvisor partners with GlobalGiving to identify and support locally-driven nonprofits with SDG-focused missions.

*Source: according to: [4; 6].

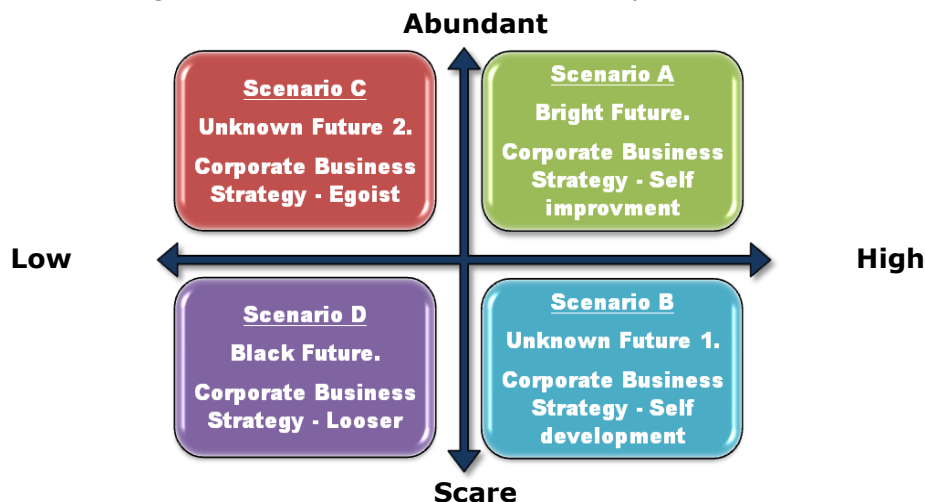
I.Embree (2017) argues that "Consumers and employees expect companies to be authentic, transparent, and responsive to community needs" [4]. "The brands that have not yet caught on to this, and are not thinking about how they will embed environmental and social sustainability within their business model, will not be around in the next 50 years," Chief Marketing Officer of Unilever Keith Weed wrote in The Guardian [4]. "Sustainable development depends on sustainable business. Sustainable development serves sustainable business interests. According to estimates from McKinsey, there could be a \$30tn (£21tn) consumer market in 2025 in emerging markets. But as these markets experience slow growth and currency devaluations, the \$30tn prize seems more distant. In the longer-term, the failure to close many of the gaps in getting to the SDGs would cause the realised value of these markets to fall far short of the estimates. Missing the goals will lead to significant "trapped value"" , B. Chakravorti wrote in The Guardian [8]. Thus, business has an inherent self-interest in the realization of the goals and stands to unlock trillions of dollars through new markets if they are achieved (J.Gomme, 2016) [5].

The key for the implementation of the SDGs in corporate strategy will be the ability to adapt to the context and situation within which each business operates [7]. As noted by Paul Polman, CEO of Unilever, "It is not possible to have a strong, functioning business in a world of increasing inequality, poverty and climate change" [5]. However, UN Secretary-General Ban Ki-moon has framed the SDGs not as a lofty vision, but as a practical opportunity for companies to deliver global solutions [4].

It's important to mention that "for the business community, sustainability is more than mere window-dressing and it's a very important to incorporate the SDGs into the business strategies and necessitate complete transformation of existing practices. By adopting sustainable practices, companies can gain competitive edge, increase their market share, and boost shareholder value. What's more, the growing demand for "green" products has created major new markets in which sharp-eyed eco-entrepreneurs are reaping rewards" (IISD, 2018) [3]. So, based on available information, we construct the scenarios of future business development (fig. 1).

Obviously, the future development scenarios for business reflect a kind of philosophy of cooperation and mutual understanding between the business partners, society and a state in the context of building a new geopolitical space, based on the common interests in socio-economic development, their creativity and innovations, available recourses, adaptation and flexibility to sustainable practices. More importantly, corporate business strategy serves as a

stepping-stone to help companies to determine if they are ready to solve sustainable development problems through their own business models and practices.



Some explanations:

Horizontal axis – adaptation and flexibility to sustainable practices (the SDGs as a part of corporate business strategy)

Vertical axis – recourses (different kinds) availability

Figure 1. Future development scenarios for business*

*Source: author

It is hard to deny the fact that “the SDGs will not be easy to achieve and, in the case of some goals, will necessitate complete transformation of existing systems and practices. Despite this challenge however, the goals also represent an immense economic opportunity. By developing a better understanding and proactively addressing the SDGs, companies will be able to better manage their risks, anticipate consumers’ demand, secure access to needed resources, differentiate themselves from competitors, and strengthen their supply chains. In essence, the SDGs can help businesses to connect their strategies with global priorities while also playing their part in ensuring no one is left behind” (I.Gomme, 2016) [5].

Conclusions and directions of further researches. Thus, the transition to sustainable development as a universal brand of global development is a complex multifaceted process of change that requires new approaches and clear coordination of activities at all levels, starting with global and completing local, in order to realize the goals and principles of a new civilization model that involves the creation appropriate conditions for ensuring and maintaining a high standard of living for people based on a harmonious, balanced combination of economy, society and the environment. In the light of these considerations, it seems justified to conclude that the business is a significant partner in achieving the SDGs. **Further research** should be focused on developing sustainable business based on a comprehensive analysis of complex problems and their solutions in the context of achieving the SDGs.

О. В. Бабинская, к.э.н., доцент,

Черновицкий торгово-экономический институт КНТЭУ, г. Черновцы

ЦЕЛИ УСТОЙЧИВОГО РАЗВИТИЯ И СОВРЕМЕННАЯ СТРАТЕГИЯ БИЗНЕСА (ЧАСТЬ I)

Аннотация

Сегодня устойчивое развитие, как соответствующая стратегия развития мирового сообщества, предусматривает гармоничное сочетание экономики, общества и окружающей среды и обеспечение высоких стандартов жизни населения. Следует отметить, что в

современном глобализированном мире противоречия развития человечества являются сочетанием вызовов и возможностей на разных уровнях для всех актеров мирового хозяйства, при этом особая роль принадлежит бизнес-сектору. В данной работе анализируется бизнес как ключевой элемент в достижении целей устойчивого развития и предлагаются возможные сценарии развития бизнеса в контексте реализации идей устойчивого развития и обеспечения конкурентоспособности.

Ключевые слова: устойчивое развитие, бизнес, цели устойчивого развития, экономический рост, стратегия бизнеса.

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УДК 321.04:061.1ЄС

І. В. Бутирська, к.е.н., доцент,
Чернівецький торговельно-економічний інститут КНТЕУ,
м. Чернівці

РЕГІОНАЛЬНІ АСПЕКТИ ФОРМУВАННЯ ЗАГАЛЬНОГО СОЦІАЛЬНОГО ПРОСТОРУ ЄС

Анотація

У статті автор зазначає, що формування загального соціального простору ЄС як складової європейського інтеграційного процесу має вагомe значення для розвитку нових країн-членів європейського інтеграційного простору. У процесі адаптації нових держав-членів до соціальної політики ЄС значно змінилася соціальна структура суспільств і склад держав-членів ЄС, іншими стали наповнення та сфера дій соціальної політики, значно зріс вплив і збільшилися можливості інформаційного простору, який дещо поєднав Європу. Саме тому при виробленні та реалізації соціальної політики на регіональному рівні слід враховувати дестабілізуючі фактори, які можна пояснити перехідним характером розвитку європейських держав. При цьому первинними визначальними умовами для подолання регіональних дисбалансів у соціальній сфері та формування єдиного соціального простору ЄС потрібні політична воля, чітко визначена територія, дієві механізми, законодавча база й інструментарій ведення соціальної політики.

Ключові слова: Європейський Союз, інтеграційний процес, соціальна інтеграція, соціальна політика, соціальний простір, метод відкритої координації.

И. В. Бутырская, к.э.н., доцент,
Черновицкий торгово-экономический институт КНТЭУ,
г. Черновцы

РЕГИОНАЛЬНЫЕ АСПЕКТЫ ФОРМИРОВАНИЯ ОБЩЕГО СОЦИАЛЬНОГО ПРОСТРАНСТВА ЕС

Аннотация

В статье автор отмечает, что формирование общего социального пространства ЕС как составляющей