**Sustainability Assessment**

A. ECONOMIC SUSTAINABILITY

## 1. Evaluating financial implications and other risk factor (201-2)

As per the current case, management of Timberwell Constructions has addressed different financial implication as a result of alteration in business operation with reference to sustainability management. For managing different operations, the management of Timberwell has found different legal charges and penalties (Ehnert, Parsa, Roper, Wagner and Muller-Camen, 2016).

Hence, a penalty of $200,000 is imposed to Timberwell for non-compliance of environmental laws.

Timberwell Constructions also paid amount of $4,400 as per the legal charges from Fair compensation as a penalty for workplace discrimination.

Company has formulated a rehabilitation plan in the context of different residential project in which the amount of $440,000 has been paid by management as per the recomdendations of audit outcomes.

LEP amendments have been addressed in different rules and regulations so as Timberwell has managed different expenditures around $4 million in order to match efficiency of building projects with reference to new standards. In addition to that business entity paid $50,000 to external town planning for reducing cost of building project as per the new standards (Epstein, 2018).

## 2. Assessment of incidents of corruption within organization 205-3

Timberwell has determined that company has also found legal proceedings related to corruption. In this context, a scandal is identified in which 5 Timberwell workers and 2 business partners were involved in this scandal. In this scandal, these individual are addressed in illegal practices such offering the bribes to government officials for influencing approval process in different projects (Ioannou and Serafeim, 2017). Therefore, state currupt commisision charged legal actions against 5 employees and 1 business partner.

As per the requirement of legal actions, all five employees have been terminated by management without pay. Furthermore, business entity has also disclosed partnership contracts with external firms.

## 3. Legal actions for handling different kind of anti-competitive behaviour with reference to 206-1

As per the case provided, ACCC (Australian Competition and Consumer Commission) has found few complaints against company for anti-competitive actions. Hence, Federal Court passed a hearing against the Timberwell Constructions for its illegal practices.

In the present case, The ACCC has been reported non-competitive activities in construction market because Timberwell is claimed to influence contractor and suppliers in the form of threat of business loss (Kozlowski, Searcy and Bardecki, 2015). This is because various small companies are formulating new development firm and formulation of new development company could lead negative impact on the business and market conditions of Timberwell. This type of anti-competitive market operations could lead negative impact on business performance of other firms.

Furthermore, it has been addressed that Timberwell is blamed to develop anti-competitive market conditions. This situation is handled by ACCC in which federal Court starts proceeding within four months so as a verity of legal charges have been imposed by local authority (Leipziger, 2017). Therefore, development of anti-competitive market conditions has created significant impact on corporate image of business entity.

B. Environment Sustainability

## Disclosure 302-1: Energy consumption within the organisation:

Total fuel consumption from non-renewable sources is 1.0 Gigajoules. Total fuel consumption from renewable sources is 0.5 Gigajoules. Electricity consumption of the company is 2.0 Gigajoules.

Therefore total energy consumption of the company is 3.5 Gigajoules. All the calculations have been conducted in Gigajoules.

According to the consumption, Timberwell will enhance its renewable fuel consumption by about 50% by next three years. This means fuel consumption from non-renewable resources will decrease which will improve its environmental sustainability in the industry. Usage of renewable energy will also benefit the environment and this is now implemented by numerous organizations around the world (Bhattacharya et al., 2016).

With the threats of lowering non-renewable energies around the world, it has become extremely important to lower their usage and the focus should be on using more of the renewable energy resources.

## Disclosure 304-2: Significant impacts of activities, products, and services on biodiversity:

The construction project of Timberwell resulted in the ecological community which can result in endangering the existence of rare wallum sedge frog. Moreover, the land also contains flora and fauna attributes. Therefore, this action can be regarded as an unethical work and even the reputation corporate citizenship of the company is also reducing by this activity. Therefore, some strategies will have to be created to mitigate these issues. This can also degrade the environment of the surroundings and damaging the environmental aspects can also get the company under legal actions (Eastman, 2018). Construction of buildings can result in environmental degradation and this is the case for Timberwell as well.

Due to clearing of 0.45 hectares of coastal grass land, existence of some species can also fall under threat and as discussed above the sedge frog species are also falling under such threats due to constructions activities of the company (de Souza Dutra et al., 2017). Therefore, this can affect the biodiversity of the area and for this the company can fall under negative impacts in the industry. Protection of endangered species has become an necessity for governments of most of the countries around the world (Boskovic & Nostbakken, 2017).

## Disclosure 307-1: Non-compliance with environmental laws and regulations:

For clearing the land, Timberwell paid fine of $200.000 and the rehabilitation plan cost the company of $440,000. This company can also get into other legal fines if it does not make proper strategies on maintaining its environmental sustainability. With the growing number of construction industries, most of the countries have now implemented strict environmental laws on protecting the environments (Mousa, 2016).

The new development site of Timberwell is recognized as bushfire prone and therefore, the company will be further fined an amount of $4 million because of the new regulations. Further for the development application, the costing will be about $50, 0000. This shows that neglecting the environmental factor can result in huge losses for most of the organizations and the case is same for TImberwell as well. According to the new LEP regulation, areas are rezoned as bushfire prone will have to be maintained with high quality standards of the safety of bushfire. Therefore, this regulation has to be maintained strongly by Timberwell Constructions.

**C. Social sustainability**

**i) Disclosure 401-1 New employee hires and employee turnover**

From the perusal of case study, it is clear that Timberwell Constructions is engaged in development of apartments because it is a residential development company. It is operating in the area of Stanwell Council district. The company has total number of employees as 58 and all the staff members are male. Of these 58 members, there are different skill set in terms of trades and professions. In the reporting period, 17 employees have left and the company, instead of hiring trained and skilled staff, has the hired 12 new apprentices. It is also evident that the employees leaving this company are joining the rival companies or they are setting up their own ventures (Ballou, Heitger and Landes, 2006). To reduce staff turnover, the company increased the pay rates and started giving rostered one day leave. It is thus, clear that the company has poor HR policies in regard to employee turn-over because almost one-third of the staff has left in the reporting period. It shows that the company is not able to retain its employees. Further, there seems to be incorrect level of staff hires because the company has hired only 12 new apprentices in place of the 17 out-going employees. It is also apparent that there is high level of discrimination is new employee hires and the all the new hires are below 30 years of age. Further, there is discrimination in terms of gender because all the staff members are male. The company is lacking in the strategy for the attracting new talents, however it may be attracting the potentials. There is high rate of turnover indicating uncertainty as well as dissatisfaction towards the company work culture among employees. Further, there is also the potential inequality at the workplace. The company is not even able to maintain its scale of manpower for managing its projects. It is may affects it quality of services rendered.

**ii) Disclosure 406-1 Incidents of discrimination and corrective actions taken**

**ANSWER:** In the reporting period one case of discrimination has come to notice as one employee of the company had resigned and also filed the case of workplace harassment. He had faced age related discrimination and was made to hear humiliating the jokes. The acceptance of his claim by the Fair Work Commission is the direct proof that the organisation is at wrong footing in this count. As the corrective measure, the organisation has to updated its policy of anti-discrimination. The anti-discrimination training also started but not by the organisation its own, rather on direction of Fair Work Commission. Thus, single incident of the discrimination was reported and it was found to be true as per the Fair work commission. The orders were passed against the organisation in terms of compensation and for updating the policy. It is important to note that the incident was duly reviewed by the organisation and the organisation complied with the orders passed by the Fair work compensation. It is also worthy to note that since the organisation has hired the staff with different age group and that in uneven manner, it has led to discrimination. There is also the gender discrimination in the organisation as no female staff is working. To improve its image and make up the reputation, the organisation may make the strategies for hiring female staff also but with proper guidelines and policies. It is another aspect to note that there is internal discrimination in the organisation. It may be noted that the referred in no more pending action and it stands resolved. As per the ILO instruments and guidelines, all sorts of discrimination is to be prevented by the organisation. It is recommended that the organisation will take all possible steps for preventing the discrimination and modify its policy and procedures accordingly (Fernandez-Feijoo, Romero and Ruiz, 2014).

**ii) Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs**

It may be noted that any organisation operates for the benefit of the local community of its area of operation. It should get engaged with the community, do the impact assessment and then develop its operations and programs for the benefits of the community (Morhardt, Baird and Freeman, 2000).

Without this, the proper development of the organisation may not be possible. In the present context, it has been found that there was complaint against the organisation and the Department of the Environment and Energy after conducting the due investigation had fined the organisation worth $200,000 because it was found to have cleared 0.45 hectares of grassland having endangered ecological community. The orders were passed against the organisation for undertaking the external review regarding vegetation management plan, extenstion of the audit program for contractors, as well as implementing rehabilitation plan. The total cost was expected not be less than $440,000. It is thus clear that the organisation was reluctant of its duty towards the general and local community and it has thus attracted the negative publicities too. It is thus became necessary for the organisation to improve its image and then it has issues various media releases to assure that it is concerned for the local communities. As per the media releases, it has worked on Otford Park development site where rare wallum sedge frog were available. Further, it has also been disclosed that the organisation has been engaged with Stanwell Council as well as environmental groups for management of site and conservation of the wallum sedge frog. Next, the organisation has declared itself an energy efficient with a record of less consumption of energy including fuel. Further, the engagements with local communities have been for performance of impact assessments, and for formulating the social development programs at proposed residential developments. It has also worked for the prevention of bushfire. Thus, it can be said that the organisation has done very well in the direction of engagement with local communities. It has very well identified the stakeholders and engaged them in respective works. It has also identified the venerable groups and has worked for their benefits. It may be added that the organisation may involve itself in gender impact assessments, ongoing monitoring environment assessment, etc.