

Green Management and Sustainability

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Abstract: The paper aims to provide an understanding of the concept of sustainability and an understanding of the main dimensions and implications of sustainability and how to achieve sustainability through green management practices. The paper is based on secondary data. The paper can be used as a base for further research.

IndexTerms – Green Management, Sustainability, Globalization.

INTRODUCTION

Globalization as it is taking place today is increasing the divide between the rich and the poor. It has to be steered so that it serves not only commercial interests but also the social needs of development. The concept of sustainability centers on a balance of society, economy and environment for current and future health. Sustainability is based on a simple principle: Everything that we need for our survival and well-being depends, either directly or indirectly, on our natural environment. Sustainability creates and maintains the conditions under which humans and nature can exist in productive harmony, that permit fulfilling the social, economic and other requirements of present and future generations.

The term ‘Sustainability’ first appeared in 1987, and was defined as follows: "**Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.**"— from the World Commission on Environment and Development’s (the Brundtland Commission) report *Our Common Future* (Oxford: Oxford University Press, 1987).

The definition presented in the report of the *Brundtland commission* contains two essential concepts:

- 1) the concept of *needs*, especially the needs of the world’s poor, which should be given priority;
- 2) the idea of *limitations* arising from the effect of technologies and social structures on the ability of the environment to satisfy present and future needs.

In 1990, *Harwood*, emphasizing economics, described *sustainable economy as a system that can endlessly develop towards greater benefit for people, greater efficiency of resource use, and balance with the environment that is friendly to people and other species* (Environmental Challenges in Farm Management).

It is noteworthy that in different subjects sustainable development is defined differently (Ciegis, Zeleniute, 2008):

- a) *in economics* it is development ensuring that the per capita income of future generations is not lower than that of the present generation;
- b) *in sociology* it is development that preserves the community, i.e. maintains close social relationships in communities;
- c) *in ecology* it is development that preserves the diversity of biological species, essential ecosystems, and ecological processes.

"A *sustainable society is one which satisfies its needs without diminishing the prospects of future generations.*"

-Lester R. Brown, *Founder and President, Worldwatch Institute*

Sustainable development will not be brought about by policies only: it must be taken up by society at large as a principle guiding the many choices each citizen makes every day, as well as the big political and economic decisions that have. This requires profound changes in thinking, in economic and social structures and in consumption and production patterns.

Main Dimensions of Sustainability

The main dimensions of ‘Sustainability’ are (Figure 01):

1. Economic sustainability
2. Ecological sustainability
3. Social sustainability

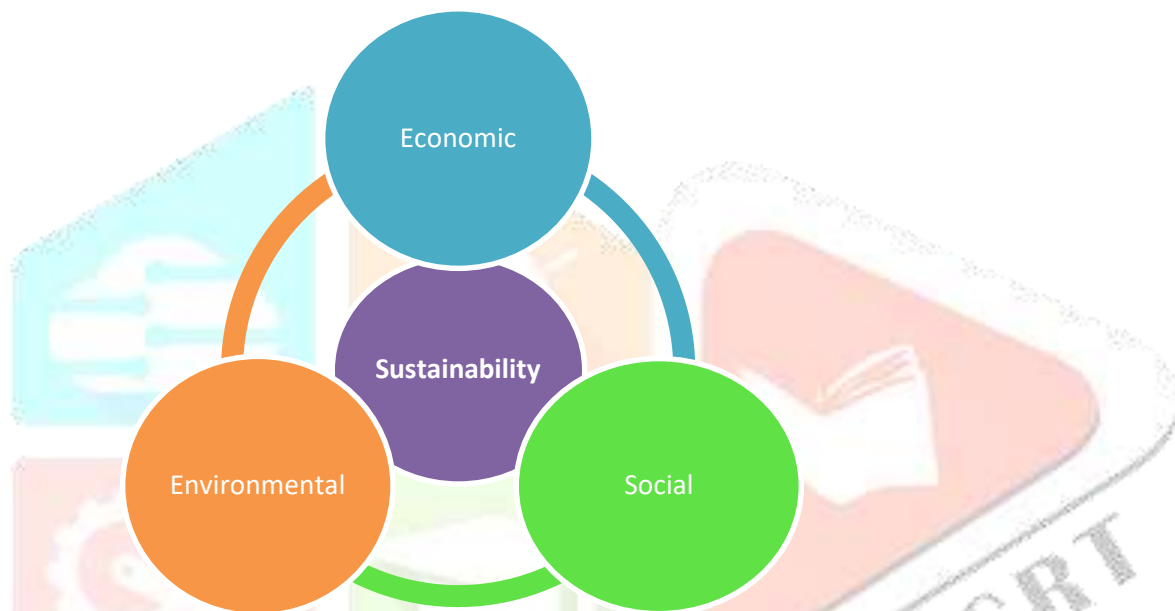


Figure 01: Source: Economic, Environmental or Social (Pierantoni, 2004).

The economic sustainability element is based the concept that economic sustainability seeks to maximize the flow of income and consumption that could be generated while at least maintaining the stock of assets (or capital), which yield beneficial outputs. The main goal of implementation of sustainability principles is safeguarding of an optimal amount of general capital (or sum of different kinds of capital) for the future generations.

The ecological approach to *sustainable development* pays most attention to *stability of biological and physical systems*. According to this approach, *the primary task of economic development is to determine the natural systems limits for various economic activities*. Thus, the significance of *preserving biological variety* is emphasized here in order to secure balanced nature, elasticity of ecosystems at a global level and their ability to adapt to changes in biosphere, as well as ability to secure future possibilities.

The Social approach of sustainability forces limitations upon the society’s ability to exchange with the surrounding natural systems and upon the society’s structure as well. People-oriented social-cultural sustainability concept *reflects the interface between development and dominating social norms and strives to maintain the stability of social systems*.

Implications for Business

Sustainable development is good business in itself. It creates opportunities for suppliers of ‘green consumers’, developers of environmentally safer materials and processes, firms that invest in eco-efficiency, and those that engage themselves in social well-being. These enterprises will generally have a competitive

advantage. They will earn their local community's goodwill and see their efforts reflected in the bottom line. While business traditionally seeks precision and practicality as the basis for its planning efforts, sustainable development is a concept that is not amenable to simple and universal definition. It is fluid, and changes over time in response to increased information and society's evolving priorities. The role of business in contributing to sustainable development remains indefinite. While all business enterprises can make a contribution towards its attainment, the ability to make a difference varies by sector and organization size. From a broader perspective, however, it is clearly in the interest of business to operate within a healthy environment and economy. It is equally plain that, on a global basis, growing and sustainable economies in the developing countries will provide the best opportunities for expanding markets.

The global economy is coming under growing pressure to pay for the restoration of damaged environments. The challenge is to solve all of these problems in a sustainable manner, so as to generate continuing development. Many executives have demonstrated that pursuing sustainable development strategies makes good business sense. For example, a 3M manufacturing plant scaled down a wastewater treatment operation by half, simply by running cooling water through its factories repeatedly instead of discharging it after a single use. The managers of these businesses clearly believe that environmentalism has something to offer business.

Green Marketing and Sustainable Development

Green marketing is an attempt to characterize a product as being environmental friendly (eco friendly). It holds the view that marketing which is a part of business not only has to satisfy customers in particular, but also has to take into account the interests of society in general.

The term "bright green", first coined in 2003 by writer Alex Steffen, refers to the fast growing new wing of environmentalism, distinct from traditional forms. Bright green environmentalism aims to provide prosperity in an ecologically sustainable way through the use of new technologies and improved design. Alex describes contemporary environmentalists as being split into three groups, "dark", "light", and "bright" greens.

"Light greens" see protecting the environment first and foremost as a personal responsibility. They fall in on the transformational activist end of the spectrum, but light greens do not emphasize environmentalism as a distinct political ideology, or even seek fundamental political reform. Instead they often focus on environmentalism as a lifestyle choice.

In contrast, "dark greens" believe that environmental problems are an inherent part of industrialized capitalism, and seek radical political change. Dark greens believe that dominant political ideologies (sometimes referred to as industrialism) are corrupt and inevitably lead to consumerism, alienation from nature and resource depletion. Dark greens claim that this is caused by the emphasis on economic growth that exists within all existing ideologies, a tendency referred to as "growth mania".

Based on these concepts of Sustainable Development and its importance in growth, many of the Nations have adopted "Green Marketing" as integral part of their business strategies.

ISO 14000 and Sustainable Development: The ISO 14000 series of standards has been designed to help enterprises meet their environmental management system needs. They have been under development by the International Organization for Standardization (ISO) since 1991. They consist of a set of documents that define the key elements of a management system that will help an organization address the environmental issues it faces. The management system includes the setting of goals and priorities, assignment of responsibility for accomplishing them, measuring and reporting on results, and external verification of claims. The ISO 14000 standards have been designed to help an organization implement or improve its environmental management system. The standards do not set performance values. They provide a way of systematically setting and managing performance commitments. That is, they are concerned with establishing "how to" achieve a goal, not "what" the goal should be. In addition to the core management systems standards there are also a number of guidelines that provide supporting tools. These include documents on environmental auditing, environmental performance evaluation and environmental labelling and life cycle assessment. A key characteristic of these

standards is their voluntary nature .Voluntary in this case means that there is no legal requirement to use them. ISO 14000 will contribute to sustainable development. ISO 14000 standards will endeavour to bring environmental issues into the mainstream of the corporate decision-making process.

Conclusion

There is both a need and a scope for regional and global cooperation in sustainable development. Efforts must be made, especially by developing countries, to work towards synergizing experiences and raising shared regional concerns as a strong united front in international forums. Mechanisms must be put in place to facilitate such international exchange of domestic and global experiences in sustainable development.

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