
ENVIRONMENTAL MANAGEMENT AND ITS IMPACT ON BUSINESS OPERATIONS: A QUANTITATIVE INVESTIGATION

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ABSTRACT

Environmental management is the methodical strategy adopted by enterprises to reduce their environmental effect and promote sustainable practises. It includes a variety of tactics and efforts intended at decreasing waste, preserving resources, and lowering pollution. Effective environmental management practises may have a significant influence on corporate operations. Firstly, it helps businesses comply with environmental regulations and standards, avoiding potential legal liabilities and penalties. Secondly, it enhances the reputation and brand image of the company, as consumers increasingly favour environmentally responsible businesses. Thirdly, it fosters operational efficiency by optimizing resource usage, reducing costs, and improving productivity. Furthermore, environmental management practices encourage innovation and the development of eco-friendly products and services, opening up new market opportunities. Ultimately, by aligning business operations with sustainable principles, environmental management contributes to the long-term viability and success of businesses while preserving and protecting the planet for future generations. The researcher had considered 204 people from different business sectors to know the impact of environment management on business operations and concludes that there is significant impact of environment management on business operations.

Key words: Environmental management (EM), Environmental Performance (EP), Business operations, Sustainable practices, Waste reduction, Resource conservation, Pollution minimization.

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1. Introduction

In today's rapidly changing business landscape, environmental management (EM) has emerged as a critical factor for organizations seeking long-term success. With growing concerns about climate change and environmental degradation, businesses are recognizing the need to adopt sustainable practices that minimize their impact on the planet. EM refers to the comprehensive approach undertaken by companies to assess, control, and improve their environmental performance (EP). It encompasses a range of strategies and initiatives aimed at reducing waste, conserving resources, and minimizing pollution. By embracing EM, businesses not only fulfil their moral and ethical responsibilities but also position themselves as responsible corporate citizens committed to creating a more sustainable future.

The impact of effective EM on business operations is multifaceted. Firstly, it enables companies to comply with environmental regulations and standards. Governments around the world are implementing stringent environmental laws to protect natural resources and mitigate climate change. By adhering to these regulations, businesses can avoid potential legal liabilities and penalties, ensuring their operations remain in harmony with the law. Furthermore, EM enhances the reputation and brand image of a company. In an age where consumers are becoming increasingly environmentally conscious, they are more likely to favour businesses that demonstrate a commitment to sustainable practices. By positioning themselves as environmentally responsible, companies can attract a larger customer base, foster customer loyalty, and differentiate themselves from competitors.

Beyond legal compliance and reputation, EM practices also offer tangible operational benefits to businesses. By optimizing resource usage and minimizing waste generation, companies can improve operational efficiency. For example, implementing energy-saving measures and adopting recycling programs can reduce costs associated with utilities and waste disposal. These cost savings can translate into increased profitability and competitiveness. Moreover, EM fosters innovation within organizations. It encourages businesses to explore new technologies, develop eco-friendly products, and create sustainable solutions. This opens up new market opportunities, expands customer reach, and helps companies stay ahead in an evolving business landscape. By integrating environmental considerations into their core operations, businesses can drive positive change, not only for themselves but also for the environment and society at large.

2. Literature Review

Corporate responsibility has evolved from a narrow focus on profit production to a broader set of duties that includes the notion of creating shared value. The dynamic relationship between changing social expectations and the evolving concept of corporate

social responsibility (CSR). By considering historical events and academic contributions, the continued relevance of CSR within the academic literature and its anticipated place in business vocabulary in the short term, as well as future research to investigate how CSR can effectively address contemporary social expectations and the generation of shared value as a primary business objective (Agudelo et al., 2019). An inverted U-shaped link is constructed between a firm's environmental responsibilities and its chances of forging relationships with NGOs using the notions of needs and opportunities for legitimacy seeking. In organisational partnerships, there is a dual function of legitimacy, emphasising the relevance of environmental responsibility as a factor affecting partnership formation (Chen et al., 2019).

A positive relationship is present between prior lean manufacturing experiences and EM practices. Furthermore, EM practises on their own have a detrimental influence on market and financial performance. However, when EP improves, the detrimental impacts of EM practises on market and financial performance are significantly lessened. The significance of assessing EP in order to properly execute EM practises allows researchers to investigate the influence of EM on other company performance outcomes (Yang et al., 2011). There is a beneficial relationship between corporate environmental ethics and both green product and green process innovation. Companies with high environmental ethics, on the other hand, are more likely to participate in creative practises relating to generating environmentally friendly goods and enhancing green processes. It means that the presence of green product innovation influences the beneficial association between corporate environmental ethics and competitive advantage (Chang, 2011).

Several factors significantly influence the relationship between EP and financial performance. The measurements employed to assess environmental and financial performance, geographical variances, the activity sector of the organisations investigated, and the duration of the research are all modifiers. When and how EM initiatives create financial rewards may be recognised by evaluating these factors. It is crucial to evaluate several contextual aspects when examining the link between EP and financial success (Albertini, 2013). The interaction between strategic human resource management (HRM) and EP is entirely mediated by organisational citizenship behaviour for the environment (OCBE). This means that strategic HRM's beneficial influence on EP is funnelled through workers' voluntary behaviour that support environmental objectives and efforts. Furthermore, internal environmental concern mitigates the impact of strategic HRM on OCBE. In other words, the level of internal environmental concern within the organization influences the extent to which strategic HRM practices can drive OCBE (Paillé et al., 2014).

Evaluating a firm's CSR activities requires stakeholders to be aware of the influence of board attributes and CSR strategy on environmental and social performance. Stakeholders should consider the board's CSR orientation as a crucial aspect when assessing a company's CSR efforts. Similarly, policymakers need to take these factors into account when designing regulations and policies in the CSR domain. Firms with a stronger CSR orientation at the board level demonstrate higher levels of environmental and social performance. (Shaukat et al., 2015). Not all mechanisms exert the same level of influence on the organizational

response. There is an importance to self-regulation and adoption of internal norms and standards to drive sustainable practices within organizations (Shubham & Murty, 2016).

A negative relationship between EP, as measured by Trucost EP scores, and both reputation scores and DJSI membership. This negative association is mitigated by the extent of environmental disclosure, particularly among firms with poorer performance (Cho et al., 2012). Strategic CSR is the voluntary actions undertaken by companies to improve their financial and economic performance. Economic theories of strategic CSR hold the most promise for furthering research. These theories focus on the positive impact of CSR on a firm's financial performance. Integrating theories of strategic leadership into this perspective to gain a more comprehensive understanding of strategic CSR is necessary (Orlitzky et al., 2011). In the tourism industry, managers respond more favourably to voluntary norms as compared to environmental legislation. Managers' perceptions of sustainability as a competitive opportunity drive the adoption of EM schemes that prioritize prevention strategies. When managers recognize the competitive advantage of sustainability, they are more likely to take a proactive approach to EM (López-Gamero et al., 2011).

Current mainstream theorizing of CSR is primarily dominated by theories related to external drivers, while the understanding of internal dynamics in CSR is relatively less developed. This suggests a need for further exploration of internal factors shaping CSR practices within organizations. Several productive avenues for future research in CSR includes, firstly, the calling for multi-theory studies that integrate insights from various established theoretical perspectives, such as institutional theory and resource-based view. This interdisciplinary approach can provide a more comprehensive understanding of CSR phenomena. Additionally, the authors propose the exploration of theoretical lenses from disciplines like Austrian economics and micro-level psychological theories to gain new insights into CSR (Frynas & Yamahaki, 2016).

Objective:

To ascertain impact of environment management on business operations.

Methodology:

The researcher had considered 204 people from different business sectors to know the impact of environment management on business operations. The survey was conducted with the help of a questionnaire. The researcher had collected the primary data through random sampling method and analysed it using mean and t test statistical tools.

3. Findings

Table 1 Impact of Environment Management on Business Operations

S. No.	Statements	Mean Value	t value	Sig.
1.	Green innovation improves beneficial association amid corporate environmental ethics and competitive	3.21	3.052	0.001

	advantage			
2.	Enable companies to navigate the challenges of a changing world	3.18	2.633	0.005
3.	Environment management fulfil moral and ethical responsibilities of business sector	3.16	2.377	0.009
4.	Position them as responsible corporate citizens that commit to preserve the planet for future generations	3.20	2.912	0.002
5.	Offers number of benefits like obedience with regulations, enhanced reputation, and improved operational efficiency	3.15	2.220	0.014
6.	Help to attract large customer base, foster loyalty, and gain a competitive edge in environmentally conscious market	3.17	2.473	0.007

Table above is showing impact of environment management on business operations. The respondent says that green innovation improves beneficial association amid corporate environmental ethics and competitive advantage with mean value 3.21, position them as responsible corporate citizens that commit to preserve the planet for future generations with mean value 3.20 and enable companies to navigate the challenges of a changing world with mean value 3.18. The respondent also says that environment management help to attract large customer base, foster loyalty, and gain a competitive edge in environmentally conscious market with mean value 3.17, fulfil moral and ethical responsibilities of business sector with mean value 3.16 and offers number of benefits like obedience with regulations, enhanced reputation, and improved operational efficiency with mean value 3.15. The value under significant column for all the statements related to impact of environment management on business operations are significant with value below 0.05 after applying t-test.

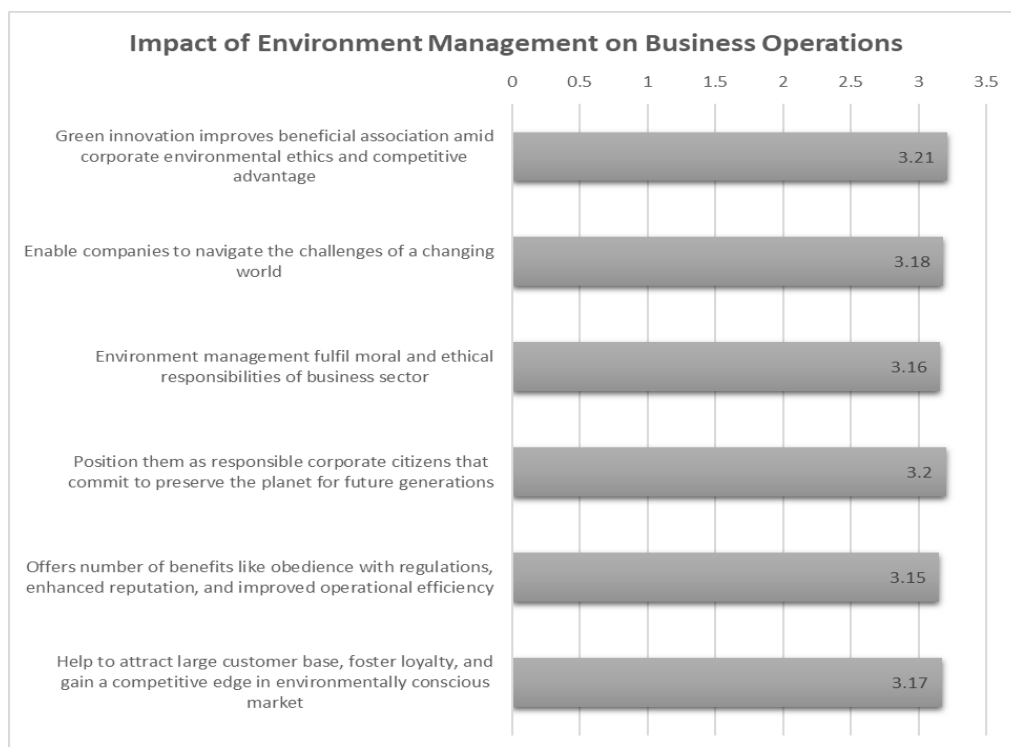


Figure 1 Impact of Environment Management on Business Operations

4. Conclusion

In conclusion, EM has evolved into an essential pillar of modern business operations, enabling companies to navigate the challenges of a changing world. By embracing sustainable practices, businesses not only fulfil their moral and ethical responsibilities but also position themselves as responsible corporate citizens committed to preserving the planet for future generations. The adoption of EM practices offers a myriad of benefits, including compliance with regulations, enhanced reputation, and improved operational efficiency. Companies that prioritize sustainability can attract a larger customer base, foster loyalty, and gain a competitive edge in an increasingly environmentally conscious market. Moreover, EM encourages innovation, driving the development of eco-friendly products and services and opening new market opportunities. By integrating environmental considerations into their core operations, businesses can not only achieve financial success but also become agents of positive change, contributing to a more sustainable and resilient future for all.

The study was conducted to know the impact of environment management on business operations and found that green innovation improves beneficial association amid corporate environmental ethics and competitive advantage position them as responsible corporate citizens that commit to preserve the planet for future generations and enable companies to navigate the challenges of a changing world.

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