

THE GREEN ORGANIZATION IN THE MANAGERIAL CONTEXT OF SUSTAINABLE DEVELOPMENT

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Abstract: *To ensure business sustainability, companies around the world decided to actively engage in sustainable development. The paper represents a proposed theoretical approach, based on evaluation of the organization's ecological state and the orientation towards sustainable development. According to this paper, the sustainable development of the modern company implies, among other things, the treatment of the process of sustainable development as a priority managerial objective and the modern company as a green and sustainable company. In this context, the sustainability approach becomes very important for the achievement of the eco-socio- economic objectives and the involvement of the companies in a sustainable economy in harmony with the environment. The research objective was achieved by examining and interpreting approaches and concepts studied in the literature and in the management practice of companies.*

Keywords: *green organization, environmental protection, sustainable development, management*

JEL Classification: *Q01, M1*

1. Introduction

Over the last two decades, sustainable development is one of the most present subjects in the media. And it all started in the year 1987 with the issue of the report „Our common future” by the World Committee for Media and Development, called The Brundtland Committee, which defined sustainable development as being the development which corresponds to the present needs, without compromising the possibility of the future generations to satisfy its own needs. Nowadays, there is an

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increasing emphasis on the idea of developing an environment of collaboration and support between all stakeholders which mobilize resources to solve sustainability issues. (Cao, M., Zhang, Q., 2011; Quarshie, A.M. et al., 2016).

These forms of collaboration involve multi-stakeholder alliances, actors from various sectors of society, which working together for sustainable development (Bryson, J.M. et al, 2015; Sharma, A. et al, 2011, Van Tulder, R. et al.; 2016). In this spirit, the 2030 Agenda for Sustainable Development adopted in 2015 by the United Nations General Assembly aims at ambitious actions related to all three dimensions of sustainable development and advocates for collaboration between all stakeholders for building a sustainable society. In the systemic trio “environment – economic – social” the sustainable development emphasizes the interdependence of the elements and highlights the necessity of achieving the equality and impartiality of the people who are being called “universal citizens” (Câmpeanu, V, 2006, p.11).

While pleading for the harmonization of the humanity development with the environmental protection, experts have come to a consensus for solving the problems and the possibility of influencing the healthy, rich, and stable life on the entire planet, through the normalization of the relationship between the economic, social, and environmental objectives. In this context, the eco – socio – economic approach becomes very important for the achievement of the sustainable development desideratum. It results the need of overlapping the social and economic ecology, the need to integrate the ecologic demands in the economic and social activities evaluation (Brown, L., 2001, p. 86). This becomes necessary due to the fact that the signals that are being sent by the market are being incorrect, they do not reflect the damages caused to the environment, the costs which have to be supported by the society.

As L. Brown (2001, p.88) emphasizes „...a forest which lies on the superior pond of a running water can deliver services like the control of the water flow and the recycling of the precipitations towards the interior of the land, services which are few times more valuable than its wood production. Unfortunately, the market signals do not reflect this, due to the fact that the

ones who cut the trees do not support the costs of the wood services reduction”. This way, the humanity is faced to an extraordinary challenge, which is being generated by the fact that there is a precedent in the transformation process of a self relayed economy in an economy that is being formed on the ecology principles. The fundamental problem needs the creation of an eco-economy, able to affect each domain and every moment of our life. Given the fact that these types of problems are, mostly, related to the fossil fuels combustion, and most of the one-use problems are created with cheap materials, like plastic, which is not self bio-degradable, in an eco – economic approach, they will constitute a last level of the possible options. Regarding the eco – economy of the energy, despite the remarkable progresses in the wind energy field, the environment costs can be considerable in the conditions of a low efficiency. The evaluation of the environment costs is an operation with many difficulties, therefore, although we know the fact that an activity generates significant costs, we can not be sure of their proportion. In this contextual space, the eco-economy of the ecosystems aims to identify, directly and indirectly, the environmental costs of the important goods and services. Of course, their approach cannot be integral if it is not being associated with the biodiversity, an intrinsic and extrinsic characteristic of their balance.

2. Sustainable development of the modern company

Sustainable development is an obligation of present generations to ensure a future for generations to come, both ecologically as well as socially and economically. The Millennium Development Goals formulates eight global goals (The Millennium Project 2050) for the 2050 year’s horizon. The document does not stop at the issue of the global objectives, it shows the way these can be measured and can become operational. In the framework of the eight general goals, the objective number 7 refers explicitly to the assurance of the sustainable development at a global level, through 3 specific targets (fig.no.1).

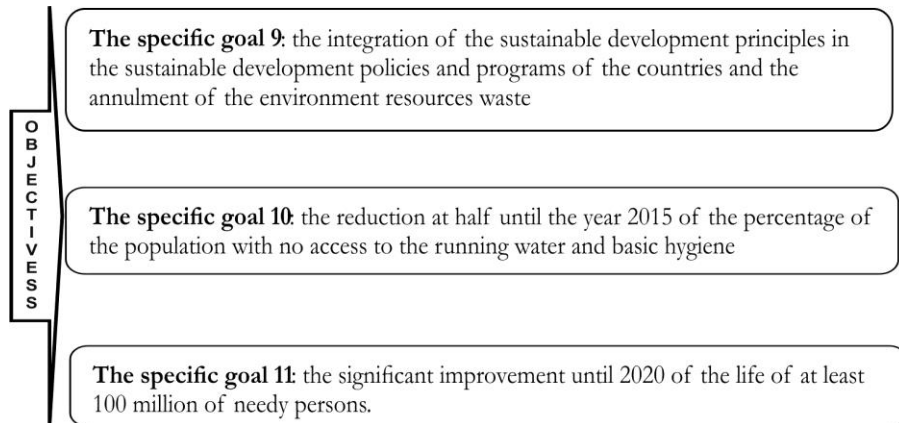


Fig. 1. The specific objectives of the sustainable development at a global level

Source: The Millennium Project 2050

These goals must be reflected in the sustainable development strategy of each organization and contribute to maintaining the ecological balance at local, regional, and global level. The green organization, as a modern organization has to be ecologically „clean”. Thus, organizations have to adopt, besides classic economic objectives related to making profit, a series of objectives related to environmental protection. The recent legislation which is promoted regarding the environmental protection refers directly to the necessity of introducing the environmental management system, as a significant component in the process of sustainable development. In this way, improving the image of a company by showing concern and interest regarding environmental protection can lead to the improving of competitiveness (Molina-Azorin, J.F. et al., 2015) and to financial performance by demand increase (Nishitani, K., 2011), productivity improvement and costs reduction (Nga, JKH., 2009). On the other hand, the companies must be aware of the fact that the inclusion of environmental objectives in the company strategy must not only be determined by the desire to build a positive image, increase of operational efficiency or obtaining competitive advantage, but as a condition for building sustainable business (Freeman, R. E., 1994).

2.1. The Pollution Potential of the Modern Organization

The production processes conduct to the pollution of the environment. These processes can be treated as open systems, dissipative resources, thermodynamic irreversible. They consume non redeemable natural resources, the transformation efficiency is low, the difference creating under products, wastes or secondary energetic resources. This way, the essence of the pollution manifests itself. Facing this danger, the society and business environment want to reduce the intensity of the pollution phenomenon. This involves a complex and complicated approach (to refrain, for example, only the financial and geopolitical implications) at a global and a national level, with ramifications down to the pollution generators. At this last level, we have the industrial organizations and the ones from other sectors of the economy (energetic, the animal farms, the transportation bases, and others). Close to the involved analyses and measures, the organizations are being obliged to consider the influence and the progress of science, the evolution of technology, the performance of their equipment, the dynamic of the materials and the final products quality. Also, the organizations are being obliged to adapt the production process to the random factors and the ecological and toxicological restrictions. We can talk about a self regulation of the fabric systems, in the sense of the continuous perfection of the technological process and valorification with productive purposes of the professional knowledge stock of the specialists.

2.2. Evaluation of the organization's ecological state

The orientation towards the sustainable development is being followed by the change of the environment: the harden of the exigencies, of the standards, of the means in the environment domain. This context influences the way in which companies set their objectives and perform their activity. The manager has to predict their consequences over the organization, to consider these new limits in its activity and transform them in development possibilities, using the solving of this ecological

and industrial security as a mean to develop the competing capacity on the market. In this case, it is necessary to carry out a thorough analysis of the organization in relation to the current requirements of environmental standards. Throughout the analysis, there will be considered the ecological exigencies, the connections, and the mutual influences of all the factors. The consequences of the analysis can have a double nature: on the one hand, there can be major consequences when the interpretations and the entire analyzing process have been oriented correctly, and the deployment has been methodical and complete; on the other hand, we can have the opposite, as a visible harden in the situations where it is being necessary to achieve an economic keynote, while solving the essential problem of the environment. In such a situation, the recommendation is that the evaluation of the organization's state and the manner in which it responds to the sustainability criteria should be oriented towards the following fields:

- the economic sector, determination of the danger degree on the environment;
- the production, the servitudes and the involved obligations;
- the characteristics of the environment;
- the value orientation of the management;
- the use of own base for the research activities and constructive experimentations.

3. The Necessary Approaches for the Managers in the green organization

Modern management requires organizations to define the role more clearly and to reanalyze their economic, social, and environmental objectives, “to transform business models more quickly, frequently and broadly than in the past, so that they prove by clearly expressed and transparent strategies the capacity to develop sustainable business” (Grigore, G., Grigore, Gh., 2009). The areas in which the companies can

act are numerous and diverse. Among the main directions of managers' responsibility, we can mention involvement in environmental protection and forecasting the relationship with the clients, as strategic assets in the sustainable development process.

3.1. Involvement in environmental protection

The modern company must be 'clean' from the ecological point of view. For this purpose, it is necessary to introduce the environmental managerial system at the level of economic units, which attach ecological solutions to technological ones. Thus, the company sends the signal to the market that it is concerned about environmental protection and has implemented a system whereby it constantly mitigates the impact of its activities on the environment. This message will enhance its image and strengthen its position on the market. The implementation of an organizational system focused on sustainable development has numerous advantages: it increases the organization credibility and the advantage towards the competitors; it sets a proper framework for the organization of the environment problems; it eases the sustainable development of the organization. Many companies integrated the environment responsibility in their activity and decision-making processes. This is a very positive thing. Additionally, experiences with investments made in technologies responsible for the environment and management and business practices that exceeded the simple compliance with laws showed that they lead to the increase of competitiveness and have direct impact on company competitiveness (Stroup, M. A., Neubert, R. L., 1987). On the other hand, there were a series of cases in the last years which showed the negative consequences on individuals, society, and environment, when companies do not carry out their activity in a responsible manner.

3.2. Forecasting the relationship with clients, as a strategic active in the sustainable development process

The modern organizations can and must fundament their activity not only on objectives related to productivity and making profit, but also on

the premise that they perform their activity as part of the society, influencing its entire development. Besides managers' responsibility to lead the company to make profit, they have a social responsibility to the environment in which they operate, to their employees, consumers, etc., namely to all stakeholders (environment, clients and consumers, shareholders, employees, creditors, governmental and non-governmental organizations, providers, general public) of the company (Petrescu, I., 2018). The client satisfaction and the partnerships with the clients represent major components of the organization's strategies. The client's perception from the sustainability point of view is very important for the business management (Harrington, H.J., 1999). In the global interests process of one organization, the client plays a unique role. It represents the initial and the final point of the business process. The managers have the duty to identify the improvements which can be done by the company in order to have a bigger success in sustainable development. In these conditions, the management of change is no longer a luxury or a mean with the help of forecasting to obtain a competitive advantage, it is a necessity. Their orientation towards the future success and surviving depends on the implementation degree of the changing decisions, which are being concentrated on the client's satisfaction and creating new partnerships with the clients. This is the true sense of concentrating on the clients. In the future, the client will have a greater importance in the sustainable development of the company. A large number of organizations apply a clients' management as a strategic active, through a relations marketing, electronic commerce and other initiatives.

The forecasting elements, which are specific to the clients' management, represent the base of the new strategy which is being oriented towards the improvement of the clients maintaining rate, with the most advantageous fidelity. The relations are being approached in terms of part advantage for the company and its clients, and its value is being measured in points of satisfaction, close to the brand and its products and of course, the money. The clients' value management operates in a framework of relations with the client, which are oriented towards maximizing the sustainable development organization model. Constantly, we see the optimization of the clients'

value, through forecasting studies which are according to the needs of every consumer and the efficiency programs of the organization. This type of involvement of companies becomes more and more their recognition and social acceptance element and a mean to its sustainable development.

Conclusion

Currently, a series of negative phenomena are taking place at the planetary level, so it can be said that globalization manifests itself mainly on still unresolved issues, such as: the environmental pollution, the climate changes with catastrophic effects, medical crises, the economic financial instability, excessive unemployment, and poverty. All of them require solutions and a multisectoral cooperation, involving governments, international organizations, companies, citizens. Constructing a balance between the environment, society and economy is hard to achieve and to maintain and has to be preceded by a new mentality in the business environment for the implementation of the best management practices with an accent on sustainable development. Once companies become aware of the necessity to apply the sustainability principles, they move from uncontrolled development, characterized by irrational and inadequate exploitation of resources and raw materials, driven only by profit, to sustainable development, which has three main dimensions: economic, social, and ecological. It is to the companies' advantage to be ecologically „clean”, to decrease the energy and waste elimination costs as well as the costs of production and of air pollutants. The rational use of resources could lead to the increase of the company's financial power and its competitive potential. In this context, the sustainability approach becomes very important for the achievement of the eco-socio- economic objectives and the involvement of the companies in a sustainable economy in harmony with the environment. The need is to increase awareness of the positive effects, to have a more developed culture of sustainability and a broad involvement of all targeted actors.

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