# The emergence of green theory



According to Ken Peattie (1995), green was a buzz word that was used by marketers in the 1980 as a consequence of the increased awareness of the sustainability issues in politics, mass-media and financial groups. More than often the resulting products or services had little to do with marketing and even less with the environment and were just an opportunistic way to respond to consumer needs.

The United Nations Environment Program's Millennium Ecosystem

Assessment, completed in March 2005, found that approximately 60 per cent of the ecosystem services that support life on Earth are being degraded or used unsustainably (UNEP 2005). Most environmental risks have crept up, as it were, on a rapidly modernizing world as the unforeseen side-effects of otherwise acceptable practices. As Ulrich Beck has put it, 'they are "piggyback products" which are inhaled or ingested with other things. They are the stowaways of normal consumption' (Beck 1992: 40).

It did not take long for radical voices within the environment movement, and critical voices in the social sciences and humanities, to question not just the side-effects of economic growth but also the phenomenon of economic growth itself and the broader processes of modernization. This debate became highly politicized with the 'limits to growth' debate of the early 1970s. Influential publications such as the Club of Rome's The Limits to Growth report (Meadows et al. 1972) and The Ecologist magazine's Blueprint for Survival (Ecologist 1972), offered dire predictions of impending ecological catastrophe unless exponential economic growth was replaced with 'steady-state' economic development. These debates coincided with the first United

Nations Stockholm Conference on the Human Environment (1972), which formalized the emergence of the environment as a 'global issue'.

### 1. 2 Sustainable Development

Sustainability has taken on increased importance in recent years, with increased awareness internationally that sustainability is a top priority for both business and the community (King Sturge, 2007).

The term sustainable development has seen wide use, and is generally defined as a practice "to meet the needs of the present without compromising the ability of future generations to meet their own needs" (WCED, 1987, p. 43).

### **Corporate Social Responsibility (CSR)**

CSR is the main tool to implement sustainable development, is being defined by the European Commissions as a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment by integrating social and environmental concerns in their business operations and in their interaction with their stakeholders.

There is emerging evidence that effectively implemented, CSR can have significant impact in motivating, developing and retaining staff.

### **Environmental Sustainability**

Environmental sustainability is defined as the ability to maintain the qualities that are valued in the physical environment (Sutton, 2004). Environmental sustainability may often be regarded as only one aspect of sustainability, but for Dobson (1998) it is regarded as the key to understanding sustainability

and encompasses sustainable development. Dobson states that sustainable development is one form of environmental sustainability, which, for him, therefore includes social justice.

### **Ecological Sustainability**

A long-missing piece of the sustainability puzzle, ecological sustainability refers to "the ability of one or more entities, either individually or collectively, to exist and thrive (either unchanged or in evolved forms) for lengthy timeframes, in such a manner that the existence and flourishing of other collectivities of entities is permitted at related levels and in related systems" (Starik and Rands, 1995).

Natural resources have long been taken for granted, the preservation and renewal of which are unlikely to be high on the organizational agenda. Lacking serious economic impact in the foreseeable future, future generations and society at large have not traditionally been considered stakeholders in organizational decision-making. In fact, the existence of both biological entities and organizations is based upon ecosystems. Human economic activities such as manufacturing, agriculture and forestry all rely on natural resources (Starik, 1995). Hence, ecological sustainability deserves higher priority than sustainable economic development (Starik and Rands, 1995). Natural resources should be added to the list of key resources that an organization relies on to ensure long-term viability (Hart, 1995).

### 1. 3 Corporate Green Sustainability

Over the last two decades, awareness of corporate green sustainability has increased significantly in many business organizations and enterprises.

Green sustainability and corporate responsibility have become increasingly important strategic issues for companies in most industries. Leading manufacturers in Europe, the USA, and Asia have begun to emphasize "green" and "sustainability" in their internal business processes, to external stakeholders, and in investor relations (Bonni and Oppenheim, 2008).

However, since the term sustainability was coined in the Brundtland Report in 1987, corporate responses have varied substantially. Hart (2005) described this corporate sustainability response as a "buzzwords associated concept". He listed the corporate responses for sustainability in short-term and long-term views.

### **Drivers of Green Sustainability**

### 1. 4 Green Sustainability Strategies

There exists a range of corporate strategies that organizations can pursue on the structure, content and sophistication of corporate environmental programs. Corporate strategies, such as environmentally responsible supply chain management to address recovery issues and regional environmental issues, may require little change to an organization's structure and orientation. Other strategies such as industrial ecology may require significant changes to an organization's operating system, definitions of waste and relations to its value adding chain (Senge, 2001; Cohen-Rosenthall, 2000)

### **Benefits of a Sustainable Business Strategy**

Bob Willard (2002) suggests that there are seven types of business benefits that can

be achieved from adopting a sustainable business strategy. These areas of benefit are:

- (1) easier hiring of the best talent;
- (2) higher retention of top talent;
- (3) increasing employee productivity;
- (4) reduced expenses in manufacturing;
- (5) reduced expenses at commercial sites;
- (6) increased revenue/market share; and
- (7) reduced risk, easier financing

#### 1. 5 ISO 14000 Certification

ISO 14000 has grown out of the ISO 9000 and British environmental standard BS 7750.

It refers to a family of voluntary standards developed by the International Organization for Standardization (ISO). The standards provide a framework for a strategic approach to an organization's environmental policies, plans and actions. Using the framework, a company develops an environmental management system or EMS. The EMS is evaluated by a "certification body" to determine whether the EMS conforms to ISO 14000. If so, the organization is said to have "ISO 14000 certification."

#### **Environmental management system (EMS)**

An EMS based on the ISO 14000 standards is a management tool enabling an organization of any size or type to control the impact of its activities, products or services on the environment. It defines a structured approach for

- 1) setting environmental objectives and targets,
- 2) achieving these goals, and
- 3) demonstrating that they have been achieved.

### **Benefits of ISO 14000**

The ISO 14000 approach forces managers to take a critical look at all areas where their businesses have an environmental impact. This systematic approach can lead to benefits like the following:

- Reduced cost of waste management,
- Savings in consumption of energy and materials,
- Lower distribution costs,
- Improved corporate image among regulators, customers and the public, and a
- Framework for continuous improvement of environmental performance.

(http://www. crc. uri. edu)

#### **ISO 14001 Certification**

The ISO 14001 standard is the most important standard within the ISO 14000 series. ISO 14001 specifies the requirements of an environmental management system (EMS) for small to large organizations. An EMS is a systemic approach to handling environmental issues within an organization. The ISO 14001 standard is based on the Plan-Check-Do-Review-Improve cycle.

The Plan cycle deals with the beginning stages of an organization becoming ISO 14001-compliant. The Check cycle deals with checking and correcting errors. The Do cycle is the implementation and operation of the ISO 14001 standard within an organization. The Review cycle is a review of the entire process by the organization's top management. And the Improve cycle is a cycle that never ends as an organization continually finds ways to improve their EMS.

(http://whatis. techtarget. com/definition)

# 2. 0 EMPLOYEES PERSPECTIVES AND GREEN SUSTAINABILITY

### **Employee Awareness on Green Sustainabiliy**

### 2. 1 Sustainability and Human Resource Management (HRM)

Although sustainability has been subject of thought and reflection in the field of management research for a long time (e. g. Gladwin, Kennelly & Krause, 1995) and although extensive literature has been published on Corporate Social Responsibility, HRM researchers have largely ignored and neglected

exploring the concept of sustainability for HRM (e. g. Thom & Zaugg, 2004; Boudreau & Ramstadt, 2005).

Prior literature on sustainability and HRM focuses on Sustainable Work

Systems (e. g. Docherty, Forslin & Shani, 2002a; Kira, 2003), sustainable

learning and change (Boud, Cressey & Docherty, 2006), Sustainable HRM

(Müller-Christ & Remer, 1999; Zaugg, 2006), Sustainable HR strategy

(Mariappanadar, 2003), and on the relevance of sustainability for talentship

and for the notion of strategic success (Boudreau & Ramstad, 2005).

### **Evolution of the notion of sustainability and its diffusion into HR-related research**

In general parlance, the terms sustainability and sustainable development are applied as synonyms for 'long-term', 'durable', 'sound', and 'systematic' (Leal Filho, 2000). Since it's dissemination through the Brundtland Report (WCED, 1987), the notion of sustainability has been associated primarily to ecological issues in business practice but, the focus on the social dimension of sustainability has become increasingly important. The diffusion of research and practice such as 'Corporate Social Responsibility' (CSR) or 'Corporate Sustainability', in practice and research, have contributed to the interest in sustainability linked to HR issues.

### 2. 2 Green management

In the field of business and environment literature, green management refers to the management of corporate interaction with, and impact upon, the environment (Lee and Ball, 2003). Green management in organizations has to go beyond regulatory compliance and needs to include conceptual

tools such as pollution prevention, product stewardship and corporate social responsibility (Hart, 2005).

#### Human resources

According to Callenbach et al. (1993), in order to carry out green management, employees must be inspired, empowered and environmentally aware for greening to be successful. Corporate green management requires a high level of technical and management skills in employees, since the company will develop innovation-focused environmental initiatives and programmes that have significant managerial implications.

In this respect, the introduction of training programmes aimed at increasing the employees' environmental awareness and courses specifically addressed to the development of new technical and management competencies has a basic importance for fostering environmental innovations (Hart, 2005; Perez-Sanchez et al., 2003).

### **Changes in Human Resources**

According to a case study in an automobile company, named Korea

Omyangs in Korean in March 2008, it was found out that since task force
team is organized for adopting green management activities, including
gaining ISO 14001 certification, the employees of other departments, such
as marketing and operation, were reluctant to participate in the process of
adopting green management activities. The general attitude from employees
was negative because extra work-load can be imposed on them. The top
management team realized this negative organizational climate and
introduced training and education programme for green management, and

extra incentives to attend these programmes and become a part of task force team for pursuing green management and ISO 14001 certification process. During the time of preparation to obtain ISO 14001 (total 16 months), the employee attitudes to green management became positive and motivated to participating new green management activities including education programme for other partners.

According to another case study in an electronic products manufacturer, named B. Global digital solution in Korea in September 2008, the research interview revealed that despite early achievement of ISO 14001, there is still slow movement among employees toward awareness and popularity of green management practices and activities.

### **Role of Management**

The role of the management team is very important to establish the organizational climate to bring employees' attention and interest in green management in a flexible manner. Top management support and involvement is crucial for achieving green management practices (Lee and Ball, 2003).

It is important for employees and top management to understand why the organization needs to adopt green management, and how the management and gaining environmental management certification such as ISO 14001 will be beneficial (Lee and Ball, 2003).

As shown in the case of Korea Omyang, it is important to involve people in designing and implementing green management to help ensure the

environmental management is realistic, practical, and adds value (Hutchinson, 1992; Lee and Ball, 2003).

### 2. 3 Employees Perspectives

According to a research conducted by the Kenexa Research Institute in 2008, Initiatives that include organizations making environmentally healthier choices boost your employees' opinion of your organization. Employees who have favorable views of their company's "green" activities also have more favorable opinions of their management. They are much more likely to feel that senior managers have the ability to deal with company challenges, demonstrate that employees are important to the success of the company, and provide employees with a clear picture of the company's direction. In addition, these employees are also more likely to believe that senior management supports and practices high standards of ethical conduct, and is more trustworthy. When asked why they joined their organization, employees reported that one of the reasons they joined was because of the organization's reputation. Those who were favorable toward their organization's green initiatives were more likely to indicate that their company's reputation had improved in the past year compared to those employees who were unfavorable toward their company's green practices.

# Factors Affecting Employee perspectives on green sustainability

### 2. 4 Green Employee Initiatives

### 3. 0 EMPLOYEE ENGAGEMENT ON GREEN SUSTAINABILITY

Companies must give employees permission and incentives to think and act environmentally. An important first step is for a company to formalize green commitments and initiatives and establish a system that rewards employees who provide green workplace solutions. If corporate environmental sustainability is not formally incorporated into policies and procedures, employees may not fully support the initiative.

(www. icfi. com/greenbusiness)

### 3. 1 Employee Engagement

The word "engagement" has lately become the focus of considerable enthusiasm. For instance, Welbourne (2007) said that engagement is one of the "hottest topics inmanagement" (p. 45) and Frank et al. (2004) suggested that engaging employees is "one of the greatest challenges facing organizations in this decade and beyond"

Arguably, the excitement around engagement is not surprising. According to one of the most frequently cited engagement models (Schaufeli et al., 2002) engagement is a combination of vigor, dedication, and absorption. In other words, engaged employees are highly energetic (vigor), feel great pride and enthusiasm (dedication), and are willing to completely focus on the task at hand (absorption). Moreover, because engaged employees are fully "

psychologically present" (Kahn, 1990), they give their "all" to their jobs and are willing to go "the extra mile" to achieve success (Schaufeli et al., 2002).

### **Organizational environment**

The analysis of various research studies on the organizational roots of engagement (for a good review of engagement, see Saks, 2006), revealed three important environmental factors connected to engagement:

- 1. Relationships; supportive workplace relationships were found to be important predictors of engagement by various studies (e. g. Maslach et al., 2001; see also May et al., 2004).
- 2. Work-life balance; Sonnentag's (2003) study on engagement and recovery revealed that engagement levels increased when individuals had the opportunity to recuperate from workplace stressors.
- 3. Values; Kahn (1990) found that safe jobs were predictable, clear, and open to employees' values and beliefs. Individuals want to make a difference, and are more engaged when they perceive their organization to be ethical and trustworthy (Holbeche, 2004).

# 3. 2 Engaging employees in green sustainability: Green Teams

In order to attain greater environmental excellence in the move towards sustainable business operations, organisations must make more use of their staff, adopting participatory management structures and processes to unlock new ideas, innovation and creativity. Many commentators are

recommending the use of green teams (Hartman and Stafford, 1997; Moxon and Strachan, 1998)

Benefits of Employee Engagement on Green Sustainability It is possible to "go green" and still run a successful business. In fact, the business can be more successful by "going green".

People: Surveys across the world have shown that environmental sustainability initiatives increase overall employee satisfaction, which leads to higher retention rates and higher advocacy from the employees. This in turn also leads to higher success rates in hiring talented employees.

Profit: Engaged and motivated employees have a clear understanding of the organizations' goals and feel the need to put in their best efforts to meet those goals. This leads to a boost in top line revenue. Employees engaged in sustainability initiatives also change their energy usage behaviors, resulting in a decrease in energy usage and strengthening of the bottom line.

(http://www.speakenergy.com)

Factors Affecting Employee Engagement on green sustainability