



भारतीय श्रमिक शिक्षा संस्थान
दत्तोपंत ठेंगडी राष्ट्रीय श्रमिक शिक्षा एवं विकास बोर्ड द्वारा संस्थापित
श्रम एवं रोजगार मंत्रालय, भारत सरकार

श्रमिक शिक्षण भवन, ला.ब. शास्त्री मार्ग, कुर्ला कोर्ट के पास, कुर्ला (पश्चिम) मुंबई- 400070

Indian Institute of Workers Education

Founded by Dattopant Thengadi National Board for Workers Education & Development

Ministry of Labour & Employment, Govt. of India

Shramik Shikshan Bhavan, L.B.S. Marg, Near Kurla Court, Kurla (West) Mumbai 400070

Tel/Fax : 022-26503532 Tel. 26503965

email : iiwemumbai@rediffmail.com

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Green Management



What is Green Management?

Green management is an approach to organizational management that seeks to reduce the environmental impact of business operations while improving business efficiency and profitability. The focus of green management is on making decisions and taking actions that are environmentally responsible, socially beneficial, and economically viable.

The Concept of Green Management

Green management is a practical approach to managing a business in a way that minimizes the environmental impact of its operations. It involves adopting strategies and practices that reduce waste, conserve energy and natural resources, and minimize pollution. Green management goes beyond simply complying with environmental regulations; it involves taking a leadership role in environmental care and sustainability.

Green management practices can be applied in any industry, from manufacturing to retail, hospitality to transportation. Organizations that adopt green management practices can realize a range of benefits, including cost savings, enhanced brand reputation, increased customer loyalty, and improved employee morale.

Importance of Green Management

The importance of green management lies in its potential to create a sustainable future for our planet. The need for sustainable business practices has become increasingly urgent in recent years, as the global population continues to grow and consume more resources. Organizations that fail to adopt sustainable practices are likely to face significant risks, including financial losses, reputational damage, and regulatory penalties.

In addition to mitigating risk, green management can also create significant business opportunities. The demand for sustainable products and services is growing rapidly, and organizations that can meet this demand are likely to benefit from increased sales and revenue. Moreover, adopting green management practices can lead to cost savings by reducing waste, energy consumption, and other resource use.

Benefits of Green Management

The benefits of green management are wide-ranging. Some of the key benefits include:

1. **Cost Savings:** Green management practices can help organizations reduce costs by conserving energy and natural resources, reducing waste, and improving operational efficiency.
2. **Reduced Energy Use:** Green Management often include measures to reduce energy use. To increase the efficiency of the building envelope it may use high efficiency windows and insulation in walls, ceilings and floors.
3. **Healthier Workplace:** Companies that promote a healthier workplace have a decrease in the number of sick days used by employees. This benefits the companies through increased productivity and less money paid out through medical benefits.

4. **Reduced Waste:** Green Management also seeks to reduce waste of energy, water and materials. During the construction phase, one goal should be to reduce the number of materials going to landfills. By collecting human waste at the source and running it to a semi-centralized bio-gas with other biological waste, liquid fertilizer can be produced.
5. **Tax Credits:** Tax Credits are available to companies that utilize environmentally friendly business practices such as switching to renewable energy source like solar power and using electric or hybrid automobiles and trucks as fleet vehicles.
6. **Improved Public Image:** Anytime companies can add a green initiative to the workplace. Companies can use the event to generate positive public relations. They can also include green initiatives on product packaging, advertisements and marketing materials to appeal to consumers who prefer green products.
7. **Increased Capital Outflows:** Some green conversions require an initial cash outflow that decreases the bottom-line performance while the investment is paying for itself. This can increase the company's quarterly earnings on annual profits.
8. **Increased Business Opportunities:** Some Government agencies, Commercial businesses and non-profit institutions mandate that only businesses that meet specific green standards can bid on their contracts.
9. **Enhanced Brand Reputation:** Organizations that adopt green management practices are often perceived as socially responsible and environmentally conscious, which can enhance their brand reputation and appeal to customers.
10. **Increased Customer Loyalty:** Customers are increasingly aware of the environmental impact of the products and services they consume. Organizations that can demonstrate a commitment to sustainability are more likely to retain loyal customers.
11. **Improved Employee Morale:** Green management can help create a more engaged and motivated workforce by demonstrating a commitment to environmental responsibility and sustainability.
12. **Regulatory Compliance:** Organizations that adopt green management practices are more likely to comply with environmental regulations, reducing the risk of fines, legal action, and reputational damage.

Nature of Green Management

1. **Nature-Based Knowledge and Technology:** It involves imitating one's own self in terms of growing their own food, harnessing their energy, constructing things, conducting business, healing themselves, processing information and designing their communities.
2. **Products of Service to Products of Consumption:** Products of Service are durable goods. Products of Consumption have shorter life span. Products of Service are made of

technical materials and Products of Consumption are made only of biodegradable materials.

3. **Solar, Wind, Geothermal and Ocean Energy:** These are used extensively without any negative effect on the earth.
4. **Local-Based Organizations and Economies:** This characteristic includes durable, beautify and health communities with locally owned and operated business and locally managed non-profit organizations, along with regional corporations and shareholders working together in partnerships and other collaborations.
5. **Value Production:** The triple value production establishes three simultaneous requirements of sustainable business activities as financial benefits for the company, natural world betterment, social advantages for the employees and members of the local community.
6. **Continuous Improvement Process:** The continuous process of monitoring, analysing, redesigning and implementing is used to intensify value production as conditions change and new opportunities emerge.

Types of Green Management:

1. **Green Supply Chain Management (GSCM):** It includes repurchasing, recycling, reuse and substitute of material. This concept gains popularity because the customers are concerned with environment improvement which encourages the supplier to make environment friendly product. Some of the companies which adopted Green Supply Chain Management are British Telecom, Nike and Toyota.
2. **Green Marketing:** It is the marketing of products that are presumed to be environmentally safe. Green Marketing incorporates a broad range of activities including product modification, changes to the production process, packaging changes.
Eg., Bank of America reduced Paper usage by 32%
3. **Green Production:** With this type of production, we could reduce all the harmful pollution to the environment and also reduce the cost from their starting step to finished product. Companies that follow Green Production are: Ikea – Using Solar & Wind Energy, Nike - Using recycled aluminum frames and underground energy storage
4. **Green Research and Development:** With only proper Research and Development the customer can provide a suitable product. Eg., Volkswagen Creating cars which are following environmental and safety standards to reduce carbon emissions.
5. **Green Criminology:** Criminology is referred to the study of Crime and Criminals whereas Green is related to environment issues. Some of the Green Crimes are Deforestation, Animal Trafficking, Cutting of Shark fins for trading.

6. **Green Human Resource Management:** It is based on Green Environment related to protection of environment. The term Human Resource refers to the contribution of Human resource policies and practices towards the broader corporate environmental agendas of protection, prevention and conservation of natural resources.

Challenges of Green Management

While there are many benefits to green management, there are also several challenges that organizations may face when implementing these practices. Some of the key challenges include:

1. **Initial Costs:** Implementing green management practices may require upfront investments in new technology, infrastructure, and training. These costs can be a significant barrier for some organizations.
2. **Resistance to Change:** Some employees or stakeholders may resist changes in operations or culture that are required to adopt green management practices. Organizations must be prepared to address this resistance and provide training and support to employees as needed.
3. **Lack of Expertise:** Implementing green management practices may require specialized expertise in areas such as energy efficiency, waste reduction, or sustainable design. Organizations may need to hire outside experts or provide training to employees to develop this expertise.
4. **Complexity:** Implementing green management practices can be complex and require changes in multiple areas of an organization's operations. Coordination and communication are essential to ensure that all stakeholders are aligned and working together effectively.

Strategies for Implementing Green Management Practices

To implement green management practices successfully, organizations should follow a structured approach that includes the following steps:

1. **Assess Current Environmental Impact:** The first step in implementing green management practices is to assess the current environmental impact of the organization's operations. This includes analyzing energy consumption, water usage, waste generation, and other environmental factors. This assessment should identify areas where the organization can reduce its environmental impact and improve its sustainability.
2. **Set Goals and Targets:** Once the current environmental impact has been assessed, the organization should set goals and targets for reducing its environmental impact. These goals should be specific, measurable, and achievable, and should be aligned with the organization's overall strategic objectives.

3. **Develop a Green Management Plan:** The organization should develop a green management plan that outlines the specific actions it will take to achieve its goals and targets. This plan should include details such as timelines, responsibilities, and resources required.
4. **Implement Green Management Practices:** With the green management plan in place, the organization should implement the specific actions identified in the plan. This may include measures such as energy-efficient lighting, waste reduction programs, or sustainable supply chain practices.
5. **Monitor and Measure Performance:** To ensure that green management practices are achieving their intended results, the organization should monitor and measure its environmental performance regularly. This may include tracking energy consumption, waste generation, and other environmental factors, as well as evaluating the financial and operational impact of green management practices.
6. **Communicate and Engage:** To ensure that green management practices are embedded into the organizational culture, it is important to communicate and engage with employees, stakeholders, and customers. This may include training and awareness programs, regular reporting on environmental performance, and engagement with suppliers and customers on sustainable practices.

Conclusion:

Green management is an essential approach for organizations that want to operate sustainably and responsibly. The benefits of green management can be significant, including cost savings, enhanced brand reputation, and improved employee morale. However, implementing green management practices can also be challenging, and requires a structured approach that includes assessing current environmental impact, setting goals and targets, developing a green management plan, implementing green management practices, monitoring and measuring performance, and communicating and engaging with employees and stakeholders. By following this approach, organizations can create a more sustainable future while achieving their strategic objectives.

(Reference: Internet Resources)

Compiled by,
Dr Asmita S Deshmukh.

Assisted by,
Shri Nilesh R Patade