ETHICAL ASPECTS OF ENVIRONMENTAL MANAGEMENT

Cîrstea Ştefan Dragoş
Faculty of Economic Science and Business Administration, Babeş-Bolyai University, Cluj-Napoca, Romania
stefan.cirstea@yahoo.com

Abstract: The purpose of this article is to outline the main economical and social benefits that can be obtained by adopting an ethical attitude of the organisations which use a performant environmental management. From the idea that the human being is the master of nature, it was passed to the view according to which the human being must ensure a balance between consumption and the use of resources. In order to achieve our goal we identified the factors that lead to long term or even permanent destructive effects over the environment and we briefly present the reasons for which the organizations adopt and implement environmental management systems. Also, the difficulties encountered in implementing environmental strategies have been briefly enumerated and the competitive and economic advantages that can be achieved by adopting an efficient environmental management and the main reasons that grant to the environmental management a special significance were exposed. This theoretical paper emphasizes the importance of the adoption by organizations of a "green behavior" and reveals correlations between sustainability, economic growth and environmental performance in organizations. The analysis of the ethical aspects of environmental management shows the links that can be created between the development of an ethical culture of organizations and the achievement of the environmental excellence. The research provides an overview of the concept of environmental ethics and encloses it within the scope of environmental management. Someone needs to explain why an increasing number of organizations, both large and small, are setting up environmental management systems, making environmental investments and reducing risks over and beyond legal requirements, even when the benefits are not at all obvious, even in the long run. Also, this paper provides some practical examples of organizations environmental problems and points out how these organizations adapted their environmental strategies. The main conclusion of this conceptual paper is that organizations’ competitiveness in any industry and environmental protection are two interconnected concepts and we believe that there can be no excellence in business without excellence in environmental protection or vice versa.

Keywords: environmental management; environmental ethics; business ethics; environmental performance.

JEL classification: M10, Q56

1. Introduction
Ethics, in its origins and in actual sense, is considered a branch of philosophy. We define ethics as a systematic study of morality and human behavior that attempts to extract from our moral codes and basic beliefs, concepts that morality is based on. By ethics we mainly refer to morality - imagining how we express our moral judgments, how they are justified if challenged, what weighs significantly in a
conversation, and how we know if we really reached a valid conclusion. One of the studied aspects of ethics is the environmental ethics or the way in which organizations try to face the challenges of the business environment, while demonstrating a high degree of morality and respect towards the environment. Undoubtedly, we can state that environmental ethics is a field that aims to provide a moral justification for the cause of global environmental protection. According to Yang (2006), the main features of environmental ethics (Figure 1) are:

- Environmental ethics is vast – including not only all people everywhere, but also animals and the whole nature.
- Environmental ethics is interdisciplinary - There are many overlapping concerns and areas of consensus among environmental ethics, environmental politics, environmental economics, environmental sciences and environmental literature.
- Environmental ethics is plural - Anthropocentrism, animal rights theory, biocentrism and ecocentrism all provide unique and, in some sense, reasonable ethical justifications for environmental protection.
- Environmental ethics is global - Ecological crisis is a global issue and environmental pollution does not respect national boundaries.
- Environmental ethics is revolutionary – it criticizes the materialism, hedonism and consumerism that accompanies modern capitalism and instead, it calls for a ‘green lifestyle’ that is in harmony with nature.

Figure 1 – The features of environmental ethics
Source: Own projection
Throughout time, environmental ethics and business environment were considered as two opposing areas, sometimes even incompatible. Such a situation has often been translated in terms of environmental policy and management as a major contrast between supporters of economic performance and environmentalists. To strengthen the things mentioned above, we can take the example of a manager who, while facing financial problems, has to choose between saving the company and consolidating its position on the market or implementing environmentally beneficial actions. Choosing to consolidate the financial position of the organization, the same manager will have to argue why more and more companies, regardless of their size, analyse their environmental impact, implementing environmental management systems or adopting decisions to reduce environmental risks even beyond law. The Industrial Revolution represented a period when environmental protection was not taken too much into account, excelling only the economic interests of organizations that aimed only at economic progress, economic development at any cost and intensive use of all categories of resources. The environment has been transformed into a "stage" of economic competition between the major industrialized nations.

A turning point, both for society and for business field and environmental protection, is the '90s. Environmental issues have become issues of business and play an increasingly more important role in the organizations' activity. One of the measures taken in this respect was the creation of tools to control and try to improve the environmental performance of an organization. An example of such tools of analysis and control is the environmental management systems and environmental audits.

2. Environmental Management – A Current Challenge

Environmental management concept embodies the concept of sustainable development through various mechanisms that combine technological processes, sustainability and economic growth in the production processes of goods and services. We consider that an environmental management system implemented correctly in the management system of any organization contributes decisively at increasing its competitiveness with a significant reduction of environmental impact.

Among the benefits that a competitive environmental management can bring to an organization we can mention: reducing the costs, improving the public and social image of the organization, conservation of non-renewable natural assets, attracting new customers, easier penetration in some markets, improving environmental performance improving the relations with central and local public authorities.

Among the main reasons which give great importance to environmental management, we can mention:

- Professional ethics;
- National and international legal rules;
- Economic profitability
- Macroeconomics
- Pragmatism.

Thus, many companies have realized the need to identify new production technologies and to implement actions that will result in improved environmental performance. Economic efficiency has led organizations to implement appropriate environmental management processes to meet economic and production intentions, having a proactive attitude towards improving their processes.
The main reason for which an organization should consider implementing an effective environmental management system is to protect, first, the health of the community to which it belongs and of all people and ecosystems that may be affected, and to increase their contribution to maintaining and improving environmental quality.

On the other hand, one shouldn’t completely neglect economic and competitive advantages that can be achieved by adopting effective environmental management, among which we can mention:

- Improving control over expenditure;
- Improving the image and relations with the external environment;
- Facilitating the obtaining of certain approvals and authorizations;
- Increasing profitability of the organization
- Meeting the requirements of investors and other stakeholders.

At the same time, we can certainly say that the environmental management system is a systematic approach that aims to incorporate environmental goals and priorities in routine operations of an organization. Netherwood (1996) points out that every business is unique when developing their own environmental management systems. This is because each organization has its own management structure, products or services, processes, and financial and political priorities. The adopted systems should continually measure, plan, improve and revise the organization’s strategies for achieving both business and environmental excellence.

Ledgerwood et al. (1997) noted that environment audits require a balance between the various actions and values, as opposed to financial audit which involves most of the time, the application of hard and fast action. Environmental audits can be designed to verify compliance with specific environmental regulations, to evaluate the effectiveness of environmental management systems or to assess the analyzed organization’s environmental risks. The benefits of using these tools to check and control vary depending on the objectives and scope of environmental audits. Some common benefits of environmental audits can include: awareness of how to fulfill legislative requirements, demonstrating environmental responsibility, confirming compliance with the organization's environmental policy, awareness of how to improve environmental performance.

Just as James and Bennett (1994) noted, an environmental management system is a cyclical process (Figure 2) consisting in a number of methods that should be used in order to achieve an effective assessment of environmental performance. We agree with what Mosley (1996) said suggesting that such a cycle can be seen as a dialogue between the measures established by specialists and functionality required by managers.
In general, environmental management systems encourage companies to accept responsibility for protecting the environment, ensuring continuous improvement of the way in which they manage environmental requirements. When implementing an environmental management system, each organization must adopt environmental strategies correlated with its environmental performance by integrating all management functions. An efficient management without a proper analysis of environmental policy, can never be achieved. Contemporary organizations should aim to achieve excellence in business, including in their strategies a range of concepts without which such a target is difficult to achieve. In the specialized literature we can distinguish four major concepts:

- **sustainability** - the society should not use more natural resources than those that the natural environment can regenerate.
- **qualitative growth (sustainable)** - any organization should aim at sustainable growth according to the inhabitants; this growth can be achieved by a decreasing or constant use of natural resources and a decreasing or constant environmental expense.
- **sustainable development** - meeting the development needs of the present generation without compromising the ability of future generations to meet their own needs.
sustainable society - a well-structured society that behaves so that it can exist for an indefinite number of generations.

3. Ethical Aspects of Environmental Management
There are three major significance that the environment can have for humanity: (1) quality of life, (2) intrinsic value and (3) the means of production. An environmental problem occurs when an individual or organization believes that the relationship between him and the environment has suffered some unwanted changes. This happens when one of the three meanings is affected so much that a group of people considers it to be problematic. Consequently, environmental problems are not individual but are social problems.

The problems regarding environmental protection currently hold special significance, not only in terms of the technical aspect, but also morally. The idea that man is the owner of his nature turned into the perspective that man must ensure a balance between consumption and use of resources.

Currently, environmental issues evolve as fast as mankind develops and we get to face increasingly more destructive consequences of this development. Unfortunately, environmental issues are complex, specific and complicated because of their economic, social, cultural, technical size that we need to consider when trying to solve them. This complexity can be reduced only by changing human behavior towards the environment. Thus, it is necessary for humanity to adopt and harmonize ethical dimensions with scientific, economic, social and legislative aspects in order to control the environmental pollution and aiming at achieving an effective protection of the environment.

The environment is affected by a number of factors that generate destructive effects in the long-term or even permanently. Everything starts from the lack of minimum ethical principles and it continues with items that have a negative impact on the environment as directly as possible. Among the factors that most often bring damage to the environment we can mention:

- The lack of research responsibility - the desire to achieve profit regardless of the environment;
- The technology - a growing consumption of energy, having as main consequence the weakening of the environment;
- The religious orientation – it is considered that the only reason of nature’s existence is to serve man;
- The lack of environmental education - too few educational institutions give due consideration to showing environmental protection principles among children and adolescents;
- The overdevelopment - its main effect in the long term is an economic downturn;
- The over consumption - the main factor generating destructive effects on the environment;
- The lack of social responsibility of most organizations - which had as main objective the achievement of profit by any means.

Unfortunately, the sense of voluntary responsibility and the desire to become sustainable were not the main motivations for most organizations when they undertook a series of environmental initiatives. The main reason that these actions took place was to comply with legal requirements and regulations. Thus corporate culture, aggregation of expectations, beliefs and values, must perceive greening in
the long term as a key business value, which should become an inherent activity, rather than a conscious problem. We're pretty close to the end of current consumption habits and current lifestyle. Some problems occur suddenly and unexpectedly, so that the moment science will be caught up is inevitable. For example, we don’t know when an ecological crisis might occur, in addition to the economic crisis of the last years or which will be the environmental impact of certain current technological breakthroughs such as the use of nanotechnology, the use of biofuel and the use of alternative energy. Therefore, it is imperative that every individual and every organization builds their own ethical framework to relate with nature through the assessment of the consequences of their own behavior on nature (Paslack, 2012).

Environmental ethics is a discipline in applied ethics which deals with the moral analysis of how companies, shareholders, employees, buyers act on the environment. Environmental ethics has emerged as a new discipline that joins ethical values of the natural world (Van de Veer and Pierce, 1994; Armstrong and Botzler, 1998). Environmental ethics tries to engross some principles and moral values on the environment, in the same way in which ethics, in general, has an impact on business, medicine, engineering or technology. Many organizations face problems incorporating some ecological principles such as sustainable development and environmental protection in their management practices.

One of the main reasons for the difficulties in implementing environmental strategies, is the difficulty to find a balance between economic and social factors. Aiming at effective participation in global environmental protection, environmental ethics specialists began to be actively involved, since the beginning of 1990, in implementing environmental ethics principles in establishing the organizations’ policies. G. Winter (1995: 36-56) focuses on three main reasons for the introduction of good environmental practices:

- accepting responsibility for the conservation of natural resources;
- awareness of development opportunities through the establishment of measures to protect the environment and reduce costs, thereby increasing income;
- avoiding or reducing the risks, such as ignoring environmental problems or facing economic sanctions.

Therefore, we wanted to continue with identifying several instances where environmental ethics was both a central and important point in addressing some economic initiatives of organizations. A first example is that of Shell Company, that in 1995 wanted to drill in Brent Spar marine platform in the North Sea, and even if they had all the legal approvals of British government they became victim of Greenpeace campaigners and boycott consumers. As a result, the legal decision to install offshore was finally, not implemented, because the company did not take into account the demanding ethical expectations of the society.

Another example is that of McDonald's Company, which around 1970 was heavily criticized for its environmental policies. Since then, McDonald's has started a comprehensive program to reduce the quantities of packing they introduce on the market. Thus, if the average weight of the container for a menu was of 46 grams at the beginning of the 80's, today's average weight packaging is of 25 grams, resulting in a 46% reduction in the amount of packaging used.
Acording to Stainer and Stainer (1997) British Telecom, in their publication Putting the Environment on the Agenda (1996), point out that, in the pursuit of their mission to provide world class telecommunications and information products and services, they exploit technologies which are basically “friendly” to the environment. Furthermore, they aim to minimizing the impact of their operations through a programme of continuous environmental improvement.

4. Conclusions
In conclusion, we can say that the activities of environmental policy, audit or establishing an organization’s strategy must be conducted in an ethical climate that basically aims at creating a corporate culture of high morality. However, both management and employees need guidance on how to deal with ethical issues. Therefore, several European organizations have established and implemented some codes of ethics that should address environmental concerns. They range from the simple phrase, such as Digital Equipment Corporation to the complete and explicit statements such as Shell code of ethics. Environmental ethics is a field that aims to provide a moral justification of all decisions regarding the the worldwide environment. The fact that environmental ethics is vast, global, plural, revolutionary and interdisciplinary determine us to pay a growing attention to this area that can lead to the implementation of a competitive and sustainable environmental management.

One of the main motivations for companies to implement environmental management strategies is to comply with the law and we can observe that quite many organizations find it difficult to create balance between some economic reasons and the social factors. We believe that the benefits that add value to organizations by adopting an ethical environmental management are: sustainable development for a sustainable society, ensure an ethical balance between consumption and use of resources, cost reduction by creating a “green” image. As shown in the examples presented, mostly, the ethical reasons urged the companies to review certain decisions and strategies, despite the fact that they were in accordance with the laws.

We support the idea according to which organizations’ competitiveness in any industry and environmental protection are two interconnected concepts and we believe that there can be no excellence in business without excellence in environmental protection or vice versa. The ethical conduct of each and everyone must evolve from meeting legislative requirements to what is moral.

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References