

Need and Reasons for the Development of Performance Measures and Evaluation for the Realm of Environment Management in Indian Industries

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Abstract: Environmental management is management of those activities of a firm that have or can have an impact on the environment. The manufacture of products involves extracting raw materials from the environment and processing them to produce saleable items. As a result of the production process, various forms of waste (solid, liquid and gaseous) enter the environment. The activities surrounding the manufacturing process - such as maintenance of plant and infrastructure and the packaging and transport of goods all have environmental impacts. In addition, the products that are produced will eventually be disposed of and enter the environment as waste simply the environment acts as a source of raw material inputs to the industrial process and as a sink for its waste outputs. This relationship between Environmental management means different things to different people. Generally the focus is on environmental impacts and ways they can be minimized. The scope of the activities, resources or area that we aim to improve environmentally varies considerably

Keywords: Environmental Management System, critical Factors, performance Measures

I. INTRODUCTION

There are a number of business advantages to undertaking environmental Management. And these include:

- Cost savings
- Ensuring legislative compliance
- Anticipating future legislation
- Reduced environmental risk
- Meeting supply chain requirements
- Improved relations with regulators
- Improved public image
- Increased market opportunities
- Employee enthusiasm

Each of these benefits is now examined below:

1. Cost Savings

Most, if not all people, wish to protect the environment. However, many fear that protecting the environment by improving their environmental Performance will cost money. They fear there will be a conflict between their Desire to protect the environment and their desire to keep down costs and Run a successful business.

Figure 1 shows material and energy flow through a firm. Cost savings within a firm can be achieved through changes in areas such as:

- i. process efficiency
- ii. product design
- iii. waste disposal
- iv. sourcing of raw materials
- v. infrastructure
- vi. packaging and transport

Various ways of achieving cost savings are described briefly below and Demonstrated using case studies Note that the all the companies has improve their business performance by improving their environmental Performance then perhaps your companies

1.1. Process Efficiency

Improving the Efficiency of Existing Processes

Optimizing the performance of existing processes minimizes the use of raw materials and energy and the production of waste. Reduced use of raw materials and energy and reduced waste production are all good for the environment and the reduced resource costs and waste disposal costs are good for business. Proper maintenance of equipment is important as it minimizes costly downtime and the resource waste often associated with shutdown and start-up periods.

Introducing More Efficient Processes

Introducing new and more efficient processes also reduces resource use and waste production. Many companies have been able to make large cost Savings by reducing the amount of raw materials, energy and water that they use.

1.2. Product Design

It may be possible to redesign a product so as to reduce the amount of resources it contains whilst still maintaining the level of service it provides.

1.3. Waste Disposal - Making Money From Waste

As mentioned above, improving process efficiency will reduce the amount of waste that a process produces. Once waste has been generated, it is often possible to reuse it or pass it on to other companies that can use it and so avoid the costs of waste disposal. Holden PLC has managed to do both.

1.4. Sourcing of Raw Materials

Changing the source of raw materials used in a particular process can result in cost savings. Evergreen made large savings by using recycled wool rather than virgin wool to manufacture its products.

1.5. Infrastructure

It is also possible to make savings by making efficiency changes to your infrastructure e.g. installing energy efficient lighting, insulating buildings, improving the efficiency of heating systems.

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By improving the efficiency of its heating system, J W Arrow smith made substantial savings.

1.6. Packaging and Transport

Once goods have been produced, they need to be packaged and transported. It is possible to make cost savings in these areas at the same time as improving environmental performance.

II. ENSURING LEGISLATIVE COMPLIANCE

By ensuring that it complies with relevant environmental legislation, a firm can avoid the possibility of being fined by the regulatory authorities for noncompliance and the adverse media publicity that can accompany such fines.

III. ANTICIPATING FUTURE LEGISLATION

Developing an awareness of likely changes in environmental legislation allows firms to plan for these changes and make appropriate investment decisions. If a firm is not aware of proposed legislation it may make investments that it then finds are not appropriate if and when the new legislation is enacted.

Alternatively, a firm may find out about a legislative change at the last minute and be forced to undertake rapid investment to comply with its requirements. Prior knowledge of likely changes allows a longer time period over which to make the necessary investment and prevents possible cash flow problems by responding creatively to the upcoming EU Packaging Directive, SA Labels gained a number of business advantages.

IV. REDUCED ENVIRONMENTAL RISK

Environmental risk is the single largest hidden risk for many companies. By undertaking environmental risk assessment as part of the environmental management process it is possible to reduce the risk of the occurrence of events that could have adverse environmental consequences. Banks, insurance companies and investors all base their decisions on an assessment of risk. The higher the risk, the less likely a bank is to lend, the less likely investors are to invest and the higher insurance premiums are likely to be. Therefore a reduction in environmental risk is likely to be viewed favorably by all these parties, putting a firm in a better position to obtain Loans and insurance cover and to attract investment.

V. MEETING SUPPLY CHAIN REQUIREMENTS

An increasing number of large organizations are requiring their suppliers to demonstrate sound environmental management and are prepared to delist those that fail to do so. In some cases having an environmental policy is not considered sufficient proof of sound management and evidence is required that a firm is taking action to meet the commitments set out in their policies. Hence, undertaking effective environmental management will increasingly be necessary to gain or maintain supplier status with large organizations. The following case study shows the standards B&Q, a large UK home improvements and garden center retailer, sets for its suppliers in relation to their

environmental management activities, and the assistance it offer to its suppliers to help them meet these standards. Note how B&Q has raised the Standards it sets for its suppliers and how it has been prepared to delist Suppliers who continually fail to meet them.

VI. IMPROVED RELATIONS WITH REGULATORS

The ability to demonstrate sound environmental management may lead to Environmental regulators taking a more “hands-off” approach to regulation e.g. a reduction in the number inspection visits required per year. The following case study shows how the Bavarian Government have done just this, adopting a more “hands-off” approach with companies that undertake Certain voluntary environmental management initiatives.

VII. IMPROVED PUBLIC IMAGE AND COMMUNITY RELATIONS

By publicizing its efforts to improve environmental performance, a firm can improve its public image, thereby enhancing its position in the market place. And by demonstrating sound environmental management, a firm can reassure the local community about its activities and thus build up good community relations.

VIII. INCREASED MARKET OPPORTUNITIES

Lower production costs resulting from environmental management and Good public image resulting from publicizing good environmental Performance can result in a firm increasing sales and gaining a larger market Share. Loud water, a small printer based in Watford, UK, has recently become Registered under EMAS, (eco-management and audit scheme) and has gained a great deal of new business as a result.

IX. EMPLOYEE ENTHUSIASMS

The environment is an issue about which many people are concerned. Undertaking environmental management can generate a lot of enthusiasm within a firm as it allows employees to express their environmental concern in a practical way by contributing towards improving environmental Performance.

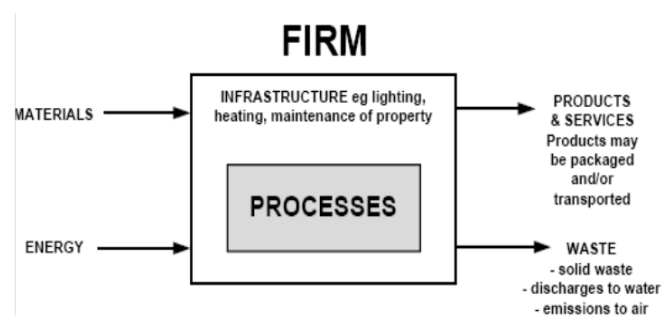


Figure. 1.

X. CONCLUSION

From The above mentioned factor it can be concluded that Till today no study has identified on this topic so it is Required to identify the critical factors of performance measures environmental management & also it is needed to do its Evaluation for The Relm of Environment Management in Indian Industries

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