

ENVIRONMENTAL LEADERSHIP A NEW BUSINESS AND MARKETING ERA

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We are witnessing a "third wave" of environmental awareness in human history; a wave that seems to have its strongest source in the environment's inability to adapt to, what used to be called, human development. However, this time there seems to be a pleasant difference. The global information society in which we live, offers all, or most, of the weapons we need to fight pollution and the deterioration of environmental conditions. Maybe this is the first time that we can say we know what we should do to fight the problem. Perhaps we are very close to knowing but, most important of all, with the help of information technology, we can rapidly communicate these solutions to whoever needs them, wherever they are in the world.

Unfortunately, this evolution has not been followed by similarly successful action. We know the solutions to environmental problems, but we do not see substantial action and effort. Seeking an explanation, we should go back to the source of the problem which is industry. Business enterprise - the modern name for the method by which production and distribution of the products necessary for human prosperity is organised - has recently been requested to enforce environmental protection in all activities. The most important factor is that this request comes, not only from legislative restrictions, but mainly from a newly discovered, more powerful body: public opinion.

After decades characterised by the slogans of production for the producer and production for the enterprise and the entrepreneur, we are now confronted by a new practice of production that predicts and covers the needs of consumers. The first approach has especially been at the heart of the difficult relationship between environment and business activities: enterprises tend to act first, and then cover human needs, simply by including the nominal cost of their actions in their balance sheets. In that way, long-term costs (which are invisible in the short-run), such as environmental damage caused by corporate actions, are ignored and omitted.

The new principle that comes to bridge the gap is the Polluter Pays Principle. Mostly, from the pressure of public opinion but also as a result of heavy legislative pressure, we are moving toward a new era of action, in which, enterprises are seriously considering the environmental consequences of their activities. So, what should these companies do? Should they just wait and see what crisis situation the next environmental bill will bring? Or should they wait for an accident in their production or distribution activities which will cause environmental pollution and hit the newspaper headlines? These options represent an obsolete, unsuccessful way of managing business activities. Perhaps it is the first time in history that entrepreneurs and CEO's have been given the chance to predetermine the rules of the game. How?

- by enforcing an integrated environmental strategy that will be analysed in practical, easy-to-understand steps and policies, in all business activities
- by introducing and implementing clean technologies and the concept of Cleaner Production in all phases of the production process, emphasising the need for the prevention, rather than the control of, harmful emissions and pollutants
- by incorporating environmental management policies in executives' and workers' training programmes
- by designing and enforcing a green marketing strategy that will not look merely at the surface of environmental problems, but will efficiently incorporate them into the business marketing strategy

Applying these guidelines in business policy and everyday life will result in:

- adjustment of all phases of production and distribution toward the environmental requirements for sustainability
- development of a business culture - from the top of the pyramid to the lowest level of work - for responsible and preventive environmental performance
- development of a "friendly-environmental" image for the company, an image that is important and desirable (This should come, not just as a result of supporting impressive publicity actions but, by enforcing an integrated environmental business strategy)

For many, the Rio de Janeiro Conference's decisions on sustainability, have been nothing more than a prayer-book for a better environment. We should break down this general idea into separate stages for all human activities, and most importantly, start to enforce them. Some companies, such as Body Shop(, 3M(and others, have received the message, are acting on it, and are still in the game of making a profit. The rest of us should understand that this is not just a game or a challenge; this has to do with the future survival of enterprise.

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