



IS GREEN MANAGEMENT APPLIED TO MANUFACTURING COMPANIES IN SUKABUMI?

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ABSTRACT

This study aims to analyze the application of green management to one of the manufacturing companies in Sukabumi City. This research uses a qualitative descriptive method, which is in the form of an analysis that describes the data that is the focus of this study, namely explaining how the application of green management to one of the manufacturing companies in Sukabumi City. In this study, the data collection techniques used were observation, interviews and documentation. Data analysis is carried out based on aspects of green management, namely related to the legal, market, stakeholder, and activist approaches. The results of this study found that the company that was the location of this study was quite good at implementing green management; besides that, this company also carried out its business ethics by implementing Corporate Social Responsibility (CSR) programs.

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INTRODUCTION

Climate change poses a dangerous threat to humanity in the future. The world must shift from a black economy that has been heavily used by fossil fuels such as petroleum and coal to a green economy that prioritizes sustainable development through renewable energy sources like sun, wind, and hydropower. Based on the United Nations Environment Programme (UNEP), the greening of the economy is a system for improving human welfare and social equality. According to the UNEP Emissions Gap Report, the earth is experiencing a significant temperature increase, and the average warming rate over the past 50 years has almost doubled the average warming of the past 100 years. This indicator is one of the main objectives of tackling climate change, including the one ratified by 187 countries in the Paris Agreement in 2016.

Indonesia itself has designed a green growth program as a commitment to mitigate climate change through various policy mixes, both substance, institutional and financial. In the Nationally Determined Contribution (NDC) document, Indonesia aims to reduce emissions by 29% with its efforts and resources. At the same time, by 2030, it is estimated that there will be a decrease of 41% if it has international support from the business as usual (BAU) scenario (Alisjahbana & Busch, 2017).

In light of the circumstances mentioned above, we must immediately take action to defend the environment. Regardless of the type of business, every company has a big hand in improving the environment. All policies developed by the company should be focused on the natural environment by implementing green management. The Indonesian Government Policy on environmental management and protection is contained in Law No. 32 of 2009 concerning the types of corporate strategies and

initiatives that demand an evaluation of their environmental effects.

Green management is a system where its implementation is carried out to enrich and improve the basics of environmental management. Companies can serve the needs of consumers and participate in organizations such as creating environmentally responsible business practices, developing environmental management systems in organizations, and allocating human resources to design and develop environmentally responsible business practices (Marcus & Fremeth, 2009)

A concept of green management encompasses not only the creation of environmentally friendly techniques but also their adoption and adoption. This can assist businesses in creating career opportunities that have a greater grasp of and acceptance of greener practices generally (Ahmed et al., 2016).

According to Cruz & Pedrozo (2009), numerous academic publications and organizational studies show green management's critical and crucial function. Green management techniques enable managers to safeguard a more cautious use of resources, limit waste, and protect the environment, mainly when such resources are generated directly or indirectly from the natural world. Similarly (Jabbour & De Sousa Jabbour, 2016) emphasizes that green management is essential in reducing greenhouse gas emissions, eliminating carbon emissions, and so on. Thus, social prospects such as business sustainability and the welfare of customers, employees, and other stakeholders still maintain ethical profits, which are economic prospects and play a direct role in preserving nature. In summary, green management supports environmental and ecological entities where businesses operate with visible foundations to demonstrate their practices (Ahmed et al., 2016).

A critical analysis of the material mentioned above indicates that green management significantly affects business performance and employee behaviour. Evidence points to management emphasizing and concentrating on green prospects that advance all other comparable prospects (Mustapha et al., 2017). In addition to companies, Government agencies also play a significant part in ensuring the existence of legal products or national laws and policies where enforcement organizations must actively participate in achieving successful implementation. Therefore, Rothenberg (2003) states that if they are centred on the preservation of nature, human resource management must play a key role in environmental management conservation and maintenance.

Several companies have implemented green management in their operations, including TBSI company using carbon-based energy and implementing green marketing for their retail stores with five values, namely opposing animal testing, promoting local commerce, fostering self-esteem, defending human rights, and preserving the environment. Green management is included in the value of protecting our planet. PT. Duta Intiguna Yasa applies green management and sustainability in running its company and uses bioplastics (vegetable plastics made from cassava starch). By directly acquiring organic rice harvests from farmers and utilizing the catchphrases "We Care Organic," "We Care Green," and "We Care Eco," KFC emulates the green action initiative. PT. Unilever Indonesia Tbk has succeeded in absorbing 3,700 tons of inorganic waste.

Starbucks has developed several innovations to help reduce the use of plastic, such as paper cups that are easily destroyed and friendly to the environment. Starbucks has also developed a plastic lid that can be used repeatedly in place of plastic straws and is referred to as "sippy cups for adults."

Apple Inc. created the Daisy robot, which is a factory waste recycling robot for the sake of nature preservation. Panasonic Corporation contributed by creating Panasonic's environmental vision 2050, which is a Long-term go-green strategy in 2017.

Through the Environmental Partner Certification program, big businesses like Samsung Electronics even invite partners and suppliers to help lessen their influence on the environment. Products from Samsung Electronics are composed of safe components with low mercury content, energy-efficient construction, and little greenhouse gas emissions. It is the same with Samsung. The companies

mentioned above have taken concrete steps and contributed to saving nature's sustainability by implementing green management in their company operations.

There are still very few companies in Sukabumi City that implement green management; this is what encourages researchers to conduct research in Sukabumi City, especially in one of the Sukabumi City Manufacturing Companies engaged in the shoe industry; this company produces shoes of various types and models for export, with this the research carried out is expected to motivate other companies in Sukabumi City to adopt green management practices in their organizations.

LITERATURE REVIEW

Definition of Green Management

According to its definition, "green management" is a methodical managerial approach that handles environmental challenges by taking environmental precautions and limiting the detrimental environmental effects of the company's product life cycle. (Shu et al., 2016). Green Management involves 2 main types of practices: (1)

environmental management to safeguard the environment and avoid pollution; (2) operational effectiveness in terms of energy and material usage (Chabowski et al., 2011). The sustainability literature demonstrates that green management can boost a company's competitiveness and reputation. (Dangelico et al., 2017).

Green management is about business sustainability without compromising future needs. Regarding the company's ambitions, sustainability indicates the commercial potential to offer long-term solutions, such as the requirement to enhance the standard of the workplace and the surrounding environment. Corporate sustainability, sustainable development, and corporate social responsibility are some of the names for sustainability in management. The company's sustainability includes (3P), specifically, People, Planet and Profit, and seeks ways to strike a balance between them. Sustainability is often defined as development that fulfils present demands without compromising the capacity of future generations to satisfy their own needs. It operates on three levels: environmental protection, economic growth, and social equity (Uju Jovita et al., 2019).

An organizational effort to reduce pollutants and carbon emissions that contribute to the greenhouse impact on Earth is called the "Go Green initiative" or "green management". Moreover, it consists of 3 activities: reduce, recycle and reuse. These 3 primary activities help minimize the burden or consequences caused by human activities, especially industrial operations. By incorporating these key actions into an organization's daily operations, green management helps prevent and reduce the consequences of environmental degradation. Before advancing with the implementation of the movement, using green technology and modifying technology with environmentally friendly

policies in managing businesses is essential (Uju Jovita et al., 2019).

Green Management Segment

There are several essential factors in green management, such as those run by Samsung companies. The five main components of "green management" are "greening management," "greening products," "greening processes," "greening workplaces," and "greening communities." These five components work together to protect the environment worldwide (Samsung, 2008).

The company's involvement in preserving the natural environment and its contents can begin with a green differentiation approach through product management, processes, workplace, labour, and surrounding society.

The greening of management, for this dimension, management develops policies, establishes the short-, long-, or specific goals of each sector, and defines the overall vision of the company. Applying environmentally ethical principles can aid in developing business initiatives for ongoing growth. An environment committee, responsible person, or professional can also be established inside the company structure.

Greening of products, if you want to strengthen your position and succeed in becoming a global company, participating in numerous endeavours based on the "product environment" strategy is one of them. The organization's image can be improved through the development of various environmentally friendly products recyclable products and by using environmentally friendly raw materials from the beginning of the process to the final stage of its products. In addition, companies must weigh the ratio of organic matter to synthetic materials, the ratio of consumption of natural and artificial resources, design sustainable products, and so on.

In this aspect, greening processes require real action from the company to minimize the use of materials that can cause global warming and make genuine efforts to reduce the use of resources, especially resources of natural origin. The use of energy-efficient resources can be done with the use of alternative technologies.

The greening of workplaces and the work environment must be considered as workplaces become more environmentally friendly. In this sense, a business is considered "green" if the workplace is tidy and there is adequate waste management, capability for managing, recycling, and pollution control.

In the greening of communities, the organization is deemed to use green management if it seeks to encourage the neighbourhood it operates in by educating residents about the value of environmental preservation. The business also fosters positive partnerships with the environment and sustainable suppliers.

In addition to the green nuances that have been described above, some add: The greening of the workforce is connected to policies and procedures for recruiting employees, offering training programs, education, and cultural knowledge related to the green aspects of the business.

Green Management Dimensions

The greening of management approach according to (Stephen P Robbins & Mary Coulter, 1999) is divided into 4 levels:



Figure 1. Green Management Approach

Source: Data Processed by Author (2022)

The greening of management approach according to (Stephen P Robbins & Mary Coulter, 1999): (a) Legal approach. According to this approach, the organization does only what is legally necessary. They show minor sensitivity to the environment. They abide by laws, rules, and regulations without legal challenges. This approach describes social obligations; (b) Market approach. According to this approach, organizations respond to the preferences of their customer environment. Whatever customers ask for about ecologically friendly goods are services the organization offers. This approach describes social responsiveness; (c) Stakeholder approach. According to this approach, Organizations strive to satisfy the environmental requirements of several stakeholders, including customers, suppliers, and society. Social responsiveness is also described in this manner; (d) the Activist approach, organizations are looking for ways to protect the resources on earth. This strategy exemplifies social responsibility and the highest level of environmental sensitivity;

Green Management Measurement

Some ways to measure existing green management include a certificate called EMS (Environmental Management Systems) - ISO 14001, life cycle activity assessment, and waste disposal measures. The International

Organization for standardization passed several rules and regulations that its member states must follow to reduce pollution emissions. This form of new green and clean technical innovation consists of new products and processes to prevent or decrease environmental burdens and is known as EMS 14001 certification. It is given to companies to help them better comply with environmental rules. The certificate provided by ISO indicates statements about the efficiency and operational effectiveness of the enterprise. The certificate provides facilities and benefits for the company in the long term for sustainability.

RESEARCH METHODS

This research uses qualitative descriptive techniques in the form of an analysis that describes the data that is the focus of this study, namely explaining the application of green management in one of the Sukabumi City Manufacturing Companies. In this study, the data collection methods used were observation, interviews and documentation concerning data analysis. Miles and Huberman (2018) suggest that analyzing qualitative research data begins at the time when data collection lasts until data collection is completed within a certain period.

The source of data in this study is informants. Moleong (2015) defines a research informant as an individual who provides information related to the situation and conditions of the research background and individuals who understand the problem to be studied. This research was conducted by interviewing key informants, individuals or perpetrators who knew and mastered the problem and were directly involved with the research problem. The informant referred to in this study was a person in charge of the Planning Department at one of the manufacturing companies in Sukabumi City, which was the location in

this study. The data was analyzed through four stages ranging from information collection, data reduction, data presentation, then conclusion drawing and verification, according to Miles and Huberman's (2018) data analysis interactive model.

RESULTS AND DISCUSSION

This research aims to analyze the implementation of green management in one of the manufacturing companies in Sukabumi City. Based on the results of observations, interviews and documentation conducted at the company, information was obtained which included a legal approach, market approach, stakeholder approach and activist approach as follows:

Legal Approach. According to Article 28H of the Republic of Indonesia's 1945 Constitution, every Indonesian person has a constitutional and human to a friendly and healthy living environment. Therefore, the state, government, and other stakeholders must implement environmental preservation and management for the Indonesian environment to continue to be a source of food and support for the Indonesian people and other living creatures.

Law No. 32 Article 22 Paragraph one states that every enterprise or activity with a significant environmental impact must have an AMDAL. According to Law No. 32 of 2009 Article 1 Paragraph 11, An assessment of environmental effects, or Amdal, is a study of the significant effects on the environment of a business and planned activity. Amdal is included in a business permit or other approval from the central government or regional government and is used as a prerequisite for decision-making on implementing a business and activity.

Some provisions in Law Number 32 of 2009 concerning Environmental Protection and Management Law Number 32 of 2009 Article 68 Everyone who conducts business and activities is

required to: (1) provide information related to the protection and management of the environment in a correct, accurate, open, and timely manner; (2) ensure that environmental functions are sustained; and (3) adhere to regulations on environmental quality standards and standard criteria for environmental damage

Market Approach. The manufacturing company that is the location of this research is always dedicated to upholding product quality, beginning with the material selection with materials that are safely free of dangerous elements that can injure the skin; this is done for the benefit and comfort of the consumer or the employee who made it. For example, if there is yellowing on the sole of the shoe, it becomes a rejected material and will not be used.

This is following the statement submitted by the person in charge of the company department under study, which is as follows:

"Our company always provides environmentally friendly products, we always prioritize the use of safe materials because it is our quality motto. The material that we get is a material that is completely avoided from harmful chemicals that can damage the skin or there is a content that is not good, especially for customers or employees who make it. The process of making this product starts from the selection of materials that are safely free from harmful substances, such as if there is yellowing on the sole of the shoe, it becomes a reject material and is not used".

This market approach has no demand for environmentally friendly products from consumers. Also, this manufacturing company does not issue environmentally friendly products. However, the company is always committed to implementing green management, for example, recycling waste produced, one of which

is waste foam (foam) which can be used to make foam in chairs or sofas.

This research proves that green management positively impacts sustainability performance, so the better green management is used, the more effective sustainability will be. Companies that adopt green management will see long-term financial and non-financial benefits, as well as enhanced brand recognition, better community relations, access to emerging green markets and a competitive edge over competitors.

Stakeholder Approach. Stakeholder demand can be summarised as the government's desire for green industry regulation and customer demand for ecologically friendly products. A theory contends that social pressure, market demand, and governmental laws always work together to compel businesses to lessen their negative effects on the environment. Businesses that do not reduce pollution and emissions will pay the price (Raharjo, 2019).

From the results of the research, stakeholders in one of the manufacturing companies in Sukabumi City always mention environmental issues in this case regarding the application of green management, so the stakeholder has the responsibility of controlling the aspects that need to be lived and that need to be implemented by the company. As stated by the person in charge of the planning department at this research site:

"If it is for stakeholders here from our manufacturing, usually they always mention and follow the rules from the center, so the control management here that green management is already getting into control".

In line with the excerpts from the interview answers above, the stakeholders in this researched company will continue to support companies related to waste management systems, employee job security management, etc.

Green management is the main focus because the manufacturing company where this research is being conducted is a branch of a large company with numerous branches in Indonesia. This company annually assesses the performance of each factory, with one of the categories being green management. If the factory receives a low score, the company will not give it an order. This explanation follows the interview answers from our informants, which are as follows:

"A company it can't rule out. The existence of the surrounding environment therefore requires a system that can manage the sustainability of the company efficiently but still pay attention to environmental aspects. This can be done by implementing a green management system. The green management system itself is usually in large companies that are very important or become a priority, especially in our company for the efficiency score or score assessment of each factory every year there is. One of the categories is green management".

In addition to the explanation above, it was also conveyed by the informant of this study when asked whether the company always responds to mentions of environmental problems raised by stakeholders? Moreover, the answer is as follows:

"It's always because it's the important point if we don't follow the rules, we won't score, if we can't score, then we won't get orders either".

According to this research, stakeholder demand impacts how well a company implements green management; the stronger the stakeholder demand, the better the organization performs. The company will be driven and eager to enhance its use of green management in its operations. If the government is making demands and exerting pressure in the form of regulations, along with attempts to lessen the effects of pollution

on the environment and consumer and public awareness of environmentally friendly products.

Activist Approach

Based on the activists' approach, it can be claimed that the firm conducts its operations morally motivated by a desire to protect the environment. Examples of organizational or company behaviour in business ethics are closely related to the issue of corporate social responsibility (CSR). The foundation of corporate social responsibility is a commitment from interested parties to achieve corporate sustainability (Uju Jovita et al., 2019). When implementing CSR methods, especially if they are intended to foster the development of innovative behaviours, cultural and structural variables, organizational values, management style, empowerment, and teamwork should all be considered (Dangelico et al., 2017). Many companies today are conscious of their role in improving social responsibility and their obligations to the environment, employees, and other stakeholders. (Raharjo, 2019).

An example of CSR implementation carried out by one of these manufacturing companies is to prepare a particular channel to dispose of chemical waste so as not to pollute the channel or springs used by the surrounding community. In addition to implementing CSR programs, this business also runs a go-green campaign within its walls. For instance, the campaign entails creating green posters in every building or every area of the workplace that employees frequently pass, installing go green-themed wallpaper on every computer employees use, and dividing waste disposal into categories like an organic and inorganic waste..

CONCLUSION

As stated above, the emphasis on a sustainable environment is an effort to

stop waste and unnecessary use of energy or resources in production. Based on the research that has been done, it can be said that one of the manufacturing companies in Sukabumi City has done an excellent job of applying green management. This is demonstrated by the use of foam waste (foam) in manufacturing sofas and by the company's creation of a particular channel for chemical waste as a form of CSR. This business also maintains a beautiful and clean workplace that is environmentally friendly.

In applying green management, the company innovates, or breakthroughs, where every policy focuses on the natural environment. A good strategy is a strategy that is undoubtedly also ethically good (Good ethics provide a solid foundation for good strategy). By doing green management, it is hoped that the company can lead to sustainability (strategic), social responsibility (ethical and strategic) and, at the same time, environmental sensitivity (ethical). A fully sustainable company is certainly the hope. Applying green management to one of the companies not only preserves the natural environment but also preserves the company's life.

This study can be used to encourage the application of green management in the future and is expected to be a reference or source of information in developing management science related to green management. The results of this study are also expected to be one of the primary references to improve sustainability performance, especially in companies in Sukabumi City. The weakness of this study is that it only focuses on one research location. Subsequent research is recommended to use more than one research site so that the conclusions can be generalized and representative of the actual conditions. It is also necessary to use more than one manufacturing industry that applies green management so that

the results can be generalized to all types of industries or companies.

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APPENDIX

Interview Questions

Do stakeholders always apply for green management in the company's operations?

Do stakeholders always mention environmental issues? As in the selection of materials, processes, marketing and waste management?

What is the waste management process carried out by the company?

Does the company always respond to mentions of environmental issues raised by stakeholders?

Is there a demand for the provision of environmentally friendly products from consumers?

Does the company always provide products as consumers want, especially those that are environmentally friendly?

What is the strategy carried out by the company to get the greatest profit while still carrying out its business ethics to contribute to protecting the environment?

Is the company actively looking for ways to conserve resources on earth?

What steps are being taken to contribute to environmental conservation? (ex. special movements, such as creating hashtags/hashtags on social media, or special logos etc.)

Does the company have a green community?

What are examples of environmentally friendly products created by companies?

What is the manufacturing process of these environmentally friendly products? Starting from the selection of materials to the stage of product marketing?

Is the company implementing an environmentally friendly workplace?

Does the company run csr programs? How does the implementation of the csr program take place?