

Effective environmental management

Principles and case studies

Rory Sullivan and Hugh Wyndham

ALLEN & UNWIN

To my parents, John and Carmel Sullivan. RS
To Shirley, Katherine, Gareth and Susan. HW

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Foreword

Introduction

As Chair of the Environment Management Industry Association of Australia (EMIAA), the peak body for the environment industry, it is a privilege to be able to provide a foreword for this innovative book.

It is salutary to realise that this publication would not have been possible only a few short years ago. There was no market for a work of this type. This sunrise industry was insufficiently mature and the number of companies offering excellence in the environment was accordingly less. The past decade has seen Australian business progress a considerable distance, but we have far to go on our journey towards sustainable development.

Direction for the future—ecologically sustainable development

This book focuses on achievements made by the adoption of Environment Management Systems, with particular benefits to the companies concerned, as well as to the wider industry.

The challenge is to incorporate the best ideas into a set of principles which is meaningful and able to be applied across government, business and society in general. I suggest that much of the work has been done. The United Nations, the governments of most advanced economies, the major world and regional lending and aid agencies, the largest multinationals and our own peak industry bodies, have all accepted the principles of ecologically sustainable development (ESD). ESD is now being driven by the world's business leaders, such as the international organisations who work with the World Business Council for Sustainable Development. The concept of ESD has been well articulated and is far-reaching and comprehensive. It is undoubtedly the dictum of the new century!

ESD principles call for decision-making processes to integrate long- and short-term economic/environmental/social/equity considerations. They also call for us to think and act globally and they require broad community involvement on issues. The concept of ESD is a recognition that both people and resources matter, that we need to accept diversity—to respect different views from different people, with different objectives—and work together for a common goal. Sustainability results from synergy and convergence of thought, policy and economic and social activity.

The approach of business in this is no different. Companies are mindful of their obligations and their responsibilities—they are practitioners in a global economy with the obligations that entails. They cannot survive and prosper unless they abide by social expectations, nor would they wish to do so.

Some years ago, Professor Sharon Beder of the University of Wollongong said that *whether we like it or not, business is leading the environmental sustainability argument*. Business is making great progress and the wins of major companies such as BP and Western Mining Corporation and the many gems of small companies in the area of cleaner production are nothing short of remarkable. They are committed to a sustainable future.

ESD gives us another chance. The adoption of ESD principles as change drivers offers us both the long-term business focus needed and a window of opportunity for the implementation of the transformational strategies necessary to develop sustainable policies for the future.

When we look at uniting the environment with business, it is salutary to consider that the basic principles of ESD, in broad terms, mirror those of the methodology of management reform and TQM, and that the resultant Total Quality *Environmental Management* may represent the way forward for us all. Whatever path we take for a more sustainable environmental future, I believe that ESD will play an essential part.

In my own organisation (ACTEW Corporation), we recognised that ESD had the capacity to be more than just useful principles, but could act as the commercial driver that could transform us into a highly efficient business. The principles of ESD are now written into our governing legislation. In this last year, all staff in the organisation, whether they had direct contact with external environmental activities or not, were charged with achieving a wide range of environmental indicators as part of an annual determination as to whether a staff incentive should be paid. This gave every employee a personal stake in our environmental performance. I believe that this approach will be applied much more widely in our business community in coming years.

Benefits of this volume

It is gratifying to read the various case studies in this book. They demonstrate the conviction in leading organisations that there is a better and more sustainable way to operate, and the results are most impressive. I was impressed by the capacity of some organisations to overcome antipathy or indifference to the introduction of an environmental management system (EMS), and also with the ways that they adapted existing management systems to fit. The adoption of an EMS means working with the resources you have, your staff and their capacities, and creating a sustainable organisation. Indeed, personal experience demonstrates it is marginally easier and more efficient to begin with current managerial systems rather than superimposing a new approach. Integration and continuous improvement should be the manager's mantra! A long view is also necessary to sustain an EMS-based strategy through normal business cycles.

The adoption of an EMS offers the company the benefit of a far more competitive approach. It is increasingly accepted that good environmental performance makes good business sense for, as productivity rises, so the company becomes more competitive. It follows then that the demands of trade have meant that internationally accepted quality and competitiveness standards are accepted as drivers. Along with the demand for a better environmental output has been the adoption of quality management, combined with EMS certification.

World consumer demands have required changed standards from producers, and the rush to ISO9000 and ISO14000 have reflected the dual concerns of quality and the environment. Requirements by governments for suppliers to achieve set environmental standards have been another powerful driver. The benefits for companies are obvious: increased capacity to trade, increased competitiveness, improved corporate image, reductions in insurance costs and business risks, cost savings arising from the environmental improvements in their operations and the ease of operation and a reduction of outside regulation where EMS are in place. The adoption of an EMS is now an integral strategy for any competitive and innovative company concerned with its viability in the global market, and with its long-term sustainability.

The detailed explanation in the opening chapters of the development, implementation and operation of the EMS will fill a long-felt need for many. It was not all that long ago that we had little to declare by way of environmental achievement, and it was difficult to obtain information on how to go about implementing sound environmental practices. It was only in 1996 that the first Environmental Management

System certifications were issued in Australia, so formal environmental management systems are quite new. Similarly, activity in the Greenhouse Challenge is only a couple of years old. While we may not have the background of some northern hemisphere countries, we have achieved much in a very short time. Now, with this volume, we have a clear 'how-to' guide, and a clear demonstration as to the applicability of the set of principles. It is an excellent beginning and will be of importance to students and policy-makers as well as to environmental practitioners and, indeed, anyone with an interest in converting the theory of environmental management into practical, operational reality.

At the beginning of the 21st century, as the last chapter suggests, ESD will be the next stage of our development. Its acceptance cannot be decreed, it will only come with a wider realisation of its benefits. We have made slow progress toward that goal but I am increasingly confident that more companies will come to recognise the importance of ESD as a fundamental business driver.

I commend this volume to all those interested in our sustainable future.

Paul J. Perkins
Chairman, EMIAA
July 2000

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