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## GREENING OF MANAGEMENT: SOCIAL RESPONSIBILITY OF INDIAN PHARMACEUTICAL INDUSTRY

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### ABSTRACT

The present time is an era of revolution as rapid changes and developments have been noticed in almost all spheres around the globe. In most of the countries the private sector has played a pioneer role to introduce several changes. The pharmaceutical industry through research and development has brought out a variety of products. There is much of experimentation, researches and trials. The improved technology in pharmaceutical industry requires a wide variety of essential manufacturing equipments and material. In the process of manufacturing, since a wide range of activities are involved this has an adverse impact on the environment. Thus it brings along matters of concern. With the changing time, the era of modernization is coming up with many more problems. To cope with such problems, the production of drugs is also being carried out on a massive scale. The procedures involved in these activities and manufacturing of drugs causes several, perhaps unnoticeable, environmental tribulations. So, the pharmaceutical companies should take it as a social and moral responsibility to pay back to the environment through the so called mechanism known as 'Greening of Management'. The paper throws light on the concept and significance of Greening of Management in the Indian pharmaceutical industry with a few examples demonstrating the kind of efforts that are being made. Although most of the efforts are in nascent stage but every step towards greening of management is of great consequence.

**INTRODUCTION:** In the fast changing era, with other industries, pharmaceutical industry has also grown rapidly. With innovations in technology, manufacturing processes have also been enhanced. However, the manufacturing of drugs result into various technological procedures which can be harmful for the environment and the disposal of medicinal waste has far more negative impact so far as environmental factor is concerned. The recycling of such waste material helps to reduce the negative effects up to a great extent. Besides, other strategies may also be adopted to nullify the prospective harms.

A company has responsibility to society that extends beyond making a profit. Strategic decisions and actions often affect more than just the corporation. Because of this, in the recent past, there has been increased awareness on environmental issues. These issues range from safe disposal of industrial waste to conservation of various natural resources. The reason for this is the technological advancements in the manufacturing industry, thus creating more and more ecological disturbances. But, pharmaceutical companies now lay focus on the reduction of these hindrances along with maximizing their profits.

This act of 'social good' contributes to the growth and goodwill of the company. More and more organizations are following this approach now. As industries are developing at a rapid rate as depicted by the prevailing scenario, the environmental problems all over the world are also increasing. To overcome such problems has also not been that difficult now with the availability of economic, material and human resources. Various initiatives can be taken to eradicate ecological harms.

**MATERIALS AND METHODS:** In this study, secondary data has been used. Many management books, research papers and articles of Indian and foreign authors on the subject matter were taken into consideration. The information has been gathered from the websites of various pharmaceutical companies of India.

## DISCUSSION:

### Greening of Management:

**Meaning:** Greening of Management may be defined as the recognition of the close link between an organization's decisions and activities along with its impact on the natural environment. Steps taken for the enhancement of the natural environment is a major contributory factor. In order to follow the greener approach, various other approaches need to be followed such as legal, market, stakeholder and activist approach. The legal approach refers to following the legal obligations in all spheres of business activity. The market approach makes an organization to respond to the environmental preference of the customers. In any business operation, there are a number of entities involved who are termed as stakeholders of the company.

So, the stakeholder approach requires an organization to respond to the multiple demands of the stakeholders. Lastly, the activist approach is the most important approach as it makes an organization to look for the ways to respect and preserve the earth and its natural resources. All these approaches clubbed together are referred as 'Shades of Green' as they contribute in some or the other manner for the creation and maintenance of healthy surroundings ensuring global environmental balance.

Discretionary responsibilities are also an essential component of the business organizations as these are purely voluntary obligations on the part of the company. For Pharmaceutical companies, like other organizations, a code of ethics can be drawn envisaging three basic approaches to ethical behaviour. These approaches are utility, individual rights approach and justice approach. The utility approach states that actions and plans should be judged by their consequences.

Business organizations should carry out operations in such a way that their actions result into greater benefit to society and lesser harm in the process. An assumption of society having its fundamental rights which should be respected in all decisions is individual rights approach. Lastly, the justice approach requires the decision-maker or the organization to be even-handed, fair and impartial in everything it renders.

**ISO Standards:** International Organization for Standardization (ISO), founded in 1947 is the world's largest developer of voluntary international standards which has also set norms for business practices. Every organization needs to instigate actions aimed at making the world a better place. The ISO 26000 Standard published in 2010 provides guidance on the underlying principles of social responsibility and ways to integrate socially responsible behaviour into organizational strategies, systems, practices and processes.

The ISO 26000 develops an international consensus on what social responsibility means and the social responsibility issues that organizations need to address. It also provides guidance on translating principles into effective actions. It adds value to existing social responsibility work by refining best practices that have already evolved and disseminating the information worldwide for the good of the international community.

ISO 14000 is a family of standards related to environmental management that exists to help organizations to minimize how their operations/processes negatively affect the environment by causing adverse changes to air, water or land. It also aims at complying with applicable, laws, regulations and other environmentally oriented requirements and

continually to improve in the same. The standard is designed to address the delicate balance between maintaining profitability and reducing environmental impact.

### **Pharmaceutical Industry and Greening of Management:**

**Intervention for Healthy Environment:** The pharmaceutical industry in particular, needs to exercise the 'Greening of Management' approach. The manufacturing process of the medical drugs involves many procedures. Several experimental and clinical trials are also taken into account prior to their circulation in the supply chain. Even after the manufacturing process, the industrial waste causes harms to the environment. Ways to overcome these harms are preservation and recycling of natural resources. The recycling of industrial waste is helpful to a large extent. The most efficient measure is to ensure sufficient plantation. Greener the environment, healthier the surroundings would be. Pharmaceutical companies are working in this direction and have termed it as their social obligation or responsibility. Though, different companies have adopted different methodologies, examples of a few can be viewed as follows:

#### **Contribution of Pharmaceutical Companies:**

**Morepen Laboratories:** Morepen laboratories limited is one of the key players of pharmaceutical industry. The company, besides being known for its contribution in medical field, is also in the continuous process of competition by improving its Environment, Health & Safety (EHS) performance. EHS is practiced by making efforts to prevent accidents, occupational illness and reducing occupational Health and Safety risks at work and exposure to hazardous chemicals: conserve the natural resources and prevent pollution to protect the environment.

In an attempt to prevent incident, injuries and pollution, the company complies with all applicable environment, health and safety legislations. The company makes efforts in the continuous efforts towards improvement in the area of EHS by ensuring reduction of generation of solid waste and it is disposed in a safe and environment friendly manner.

This is done by imparting knowledge and education to the employees regarding ways of safe disposal of solid waste and to make the environment clean and healthy. Along with employees, awareness and training is also provided to contractors to carry out their tasks in a safe and responsive manner. The chemicals and other material involved in the process of production are recycled in order to utilize the resources and prevent environmental problems.

Leakage and spillage of chemicals is minimized and recovery, recycle and reuse of materials is promoted. The company also assesses and eliminates or controls the EHS risk of new and existing operations. It also continually assesses the environmental performance of their products, seeking ways to contribute positively to their performance.

**Unichem:** Unichem works on the notion of 'giving back to the community' by laying great emphasis on environmental concerns. The company plays a major role in protecting the environment by complying with environmental regulations and minimizing pollution in its operations. Among other locations, Unichem has supported several noteworthy social initiatives in Goa.

As part of company's commitment to green Goa, Unichem has developed and maintains remarkably large areas of well planned landscape gardens which attract several species of birds and butterflies. This gets students from Goa University to visit the facility to study these species more closely.

During the monsoons, Unichem distributes over 1500 free saplings/cuttings from the company nursery to employees, neighbouring industrial units and local villagers. This initiative has helped spread environmental awareness to neighbouring industrial units and the local village community. Over 200 trees have been planted during the year 2009-10.

Unichem's another major contribution towards environment is water conservation. To conserve water, the company has devised various water savings methods which are monitored on day-to-day basis. This has helped to improve groundwater water levels in the surrounding valley area. To create awareness about the pollution generated by motor vehicles, Unichem is rolling out a mandatory check of Pollution

under Control (PUC) certificates of all vehicles entering company premises. This has helped increase awareness about pollution and the need to regularly service and maintain vehicles. As a part of Unichem's Environmental Awareness Drive, various programs by eminent environmentalists are organized on a regular basis for the benefit of the industrial community in association with Goa University, Inspectorate of Factories & Boilers, Government of Goa and Green Triangle Society. In the year 2009-10, the company supported a program about global warming at the Department of Botany, University of Goa.

**Pfizer:** Pfizer is on a green journey, embracing a sustainable tomorrow. The company is developing a more integrated and strategic approach to Environmental, Health and Safety (EHS) practices and programs, using substantial global reach to effect improvements in the areas of climate change, product stewardship and access to potable water. Pfizer is in the process of setting near-term and longer range priorities for environmental activities with guidance from business partners and stakeholders.

The path toward environmentally sound business practices begins with a better understanding of our extended environmental footprint and how it's changing. The journey begins with embedding current environmental programs that work into a strategic operating framework, seizing opportunities to preserve natural resources and maintaining the quality of the physical surroundings. Comprehensive assessments let Pfizer recognize environmental efforts that are important to stakeholders and that can drive business success.

**Surya Pharmaceutical Limited:** Surya Pharmaceutical Limited is dedicated to follow safe environmental practices in the production of their vaccines and medicines. Along with limiting the environmental threats, the company also initiates responsible planning and management of resources. Conservation of energy and appropriate elimination of waste are important practices taken up by the company which are essential for safeguarding healthy environment.

The company, through its business, positively influences the environment. The way of doing so is through financial support of non-governmental organizations and their local partners to protect ecological resources around the world.

**CONCLUSION:** The approach of Greening of management is of prime importance in the present times keeping in view the climate change and the way introduction of new drugs are introduced to cure newly diagnosed illnesses. Changing necessities have led to modifications in the pharmaceutical industry. Greening of management has been seen as an essential part of this industry, thus the steps have been initiated in this direction to create and maintain a healthy environment.

Though many pharmaceutical companies have adopted the concept of greening of management in their business operations, those which have not done it so far should also move in this direction. The entire industry should obtain ISO 14001 as it is essentially demanded by their processes and doing so would help them to grow their business along with benefitting the society.

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