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Corporate Environmental Consciousness: is it the Primer for Sustainable

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ABSTRACT

Proper comprehension of environmental sustainabilityby corporate organizations requires a holistic approach. However, it is worth appreciating that destruction of the environment could have negative bearing on the profits and the long term projections of a company. This paper therefore interrogates the 'corporate environment' (how a corporate organization handles issues of environmental conservation) with an aim of elucidating their understanding and practice of environmental governance. Companies in Kenya seem to understand the essence of environmental conservation; however their involvement in it is more inclined to a social investment that is geared towards boosting their image and enhancing their brand visibility, rather than real conservation. It is evident that the greatest responsibility of enforcing environmental standards lies with the government; nonetheless, corporate organizations have an equally significant role in the same. Besides engaging in voluntary environmental compliances

KEYWORDS :

Introduction

Environmental consciousness has in recent times emerged as a key consideration in the corporate sector. It is worth noting however that environmental conservation has been in the grasp of society as long as humanity has existed. The notion of environmental awareness has rapidly evolved since Carson (1962), through her well-known title 'Silent Spring', which drew the attention of the world towards the chemical poisoning of the environment. Since then, progress on environmental awareness has been made as epitomized in 1969 when the Journal of Environmental Education was first published, and in 1972 when the first United Nations Conference on the Human Environment (UNCHE) was held in Stockholm. In successive years, several conferences have been held and several publications generated with an aim of mainstreaming environmental concerns in corporate governance. These global initiatives to raise awareness on environmental conservation were as a result of the recognition that environmental degradation always results in impacts beyond boundaries, since ecological processes do not necessarily confine themselves to national boundaries (Najam et al., 2007).

In Kenya, initial concern on environmental policy formulation was voiced in the 1965 Sessional Paper No. 10 on African Nationalism and its Application to Planning in Kenya, which recognised that in order to effectively conserve the environment, education and legislation was important (Government of Kenya, 1965). The United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro in 1992 set the stage for the entrenchment of sustainable development in international discourse, as was envisaged in the Agenda 21 document. In the run-up to the UNCED, the BrundtlandCommission Report explicated SD as development which meets the needs of the present without compromising the ability of future generations to meet their own needs(Brundtland, 1987). Subsequently, governments have taken up the responsibility of embedding sustainability in their national policies and practices, including enforcing compulsory environmental standards compliance. Beyond the intervention of government, several multinational and nationally significant corporations in Kenya have been leading the way in voluntary environmental compliance and environmental conservation, as a package of their corporate social responsibility (CSR). It is however not clear whether these initiatives are effective, to say the least, or attributable to sustainable development on the part of these corporate organizations.

Kenya's'corporate environment'

In as much as the role of safeguarding national natural resources and protection of citizens from adverse natural and technological mishaps lie with the government(World Bank, 2002), private enterprises also have a role to play. There exist a raft of sound environmental regulations, laws and standards in Kenya; their enforcement is the challenge. The corporate scene in the country seems to portray a 'holier than thou' persona when it comes to environmental management and conservation by engaging in voluntary environmental compliances. It is not easily evident how much a mirage these organization have created in the public opinion.They far too well know that by portraying to the public that they are environmentally sensitive, they are prone to enhance their company's' margins and also guarantee sustained profits to their shareholders and investors. For instance, Aragón-Correa and Sharma(2003), postulate that the interaction between an organization's business strategy and the natural environment has an immense bearing on the organizations competitiveness. Several studies that have been undertaken buttress the stance that effective environmental governance promises better economic performance for corporate organizations (e.g., Aragon-Correa and Rubio-Lopez, 2007; Christmann, 2000; Judge and Douglas, 1998; Klassen and McLaughlin, 1996). However, (Enger and Smith, 1992) submit that whenever a resource is exploited, the two major interests that are always in conflict are environmental and economic; an argumentative dilemma of sorts hence ensues.

A review of the highest tax-payer organizations in the country reveals a grim outlook of initiative-based environmental conservation. They have lumped environmental conservation with other benevolence initiatives, commonly referred to as CSR. For instance, Safaricom (the highest taxpayer in 2012), through the Safaricom Foundation has predominantly supported environmental conservation initiatives at a greater scale than any other in the country. To them, this is environmental conscious management; in fact Lyon and Maxwell (2008) rightfully point out that CSR has different meanings to different people. A scan through the corporate management blueprint of this company does not out-rightly outline 'green business practice' outside their CSR appreciation of environmental conservation. The East African Breweries (the 2nd highest taxpayer in 2012) on the other hand is ranked in the top five globally most competitive beer manufacture sites in energy water-use efficiency. It also has some sort of CSR-driven environmental conservation approach. It is noteworthy however that its CSR dimension of environmental conservation seems to be limited to tree planting.It is not utterly clear that the involvement of these organizations in environmental conservation could lead them to achieving unique efficiencies and substantive reduction in production and processing overheads.

The theory and practice of environmental conservation are at variance in most corporate organizations in the country. It is not difficult to come across emails sent from some organizations with the rider footnote; 'consider the environment before printing this email', yet not all the employees of that companymay particularly believe in that posi-

tion.Lyon and Maxwell (2008) referred to this conceptualization of environmental conservation as 'green-wash'. In 1999, the maiden law that explicitly provided for a comprehensive legislative framework for the management of the environment was passed by the National assembly, viz. Environmental Management and Coordination Act(Government of Kenya, 2000). The act created the National Environmental Management Authority (NEMA) which is the institution mandated with the responsibility of enforcing environmental standards provided for by law. However, it is unmistakable that corruption and inefficiency has hampered the role of this body in ensuring that investors comply with set environmental standards. Environmental impact assessments and audits have been transformed to formalities rather than research-dependent processes whose outcomes are meant to inspire environmental sustainability. Compromised environmental standards are a common place in the business sites and projects undertaken by various companies due to collusion between them and the regulator, NEMA. It could be viewed that the voluntary involvement of some organizations in environmental conservation may be to subvert the attention of the public and the authorities from critically interrogating their compliance with set environmental standards.

Conclusion

The comprehensive enforcement of the compulsory environmental compliances in Kenya remains the starting point for a 'green corporate environment'. The corporate organizations in the country must be at the forefront in adhering to the existing environmental standards first, and then go on to engage in voluntary environmental compliances and CSR-based environmental conservation. Companies need to go beyond environment compliance by first complying to set environmental standards, rather than going round it. If emphasis is only put on voluntary environmental conservation initiatives then the 'corporate environment' in Kenya risks being yet another façade, muddled with 'green-washing' endeavours that are not geared towards environmental sustainability.

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