

**Table 1 – The processes of management innovation**

Modern research lab (e.g., Hargadon, 2003)	A new structure to manage the technological innovation process; intended to improve technological and product innovations
Divisional (M-)form (e.g., Chandler, 1962)	A new organizational structure for dealing with complex, multiple-product, and multiple-market firms
Toyota production system (e.g., Ohno, 1988)	A new set of practices and processes aimed at improving production efficiency and reducing waste
Spaghetti organization (e.g., Foss, 2003)	A new organizational structure with the objective of increasing employee initiatives and overcoming problems of hierarchy

Innovation Management is important, in short, because it enables a company to maintain competitiveness in the future. ... Innovation Management is important, in short, because it enables a company to maintain competitiveness in the future.

### References

1. Harvard business review (<https://hbr.org/2006/02/the-why-what-and-how-of-management-innovation>)
2. London Business School (<http://faculty.london.edu/jbirkinshaw/assets/documents/5034421969.pdf>).

## ENVIRONMENTAL MANAGEMENT

**Sonuber Malek**, MBA student, group BA-51 En

**Maya Goureeva**, Scientific supervisor, Assistant Lecturer of the Department of Management

Higher Educational Institution of Ukoopspilka «Poltava University of Economics and Trade»

What do we mean by the word ‘environment’ and ‘environmental management’? The word ‘environment’ is used in different ways. We talk of the ‘home environment’, the ‘work environment’, the ‘social environment’. We use the word to describe our physical surroundings, made up of air, trees, grass. It is this latter use that is the subject of this book. Our concern must be for the world as a whole, its ‘air, water, land, natural resources, flora, fauna, humans, and their inter-relations’, to quote from ISO 14001.

By ‘environmental management’ we mean keeping control of our activities so that we do what we can to conserve these physical resources and to avoid polluting them. We can apply these controls in our life domestically, in what we buy and what we throw away, but it is usually in our work where the environmental impact of what we do is greatest. Such has been the impact of industrial activity that resources are becoming depleted and environmental damage is increasing. Some of the steps taken by the international community and governments to control and improve the situation.

Environmental management is “a purposeful activity with the goal to maintain and improve the state of an environmental resource affected by human activities.

*Environmental Management can be defined as “the management of the interaction and impact of human activities on the natural environment”.*

Environmental management further aims to ensure that ecosystem services and biodiversity are protected and maintained for equitable use by future human generations, and also, maintain ecosystem integrity as an end in itself by taking into consideration ethical, economic, and scientific (ecological) variables. Environmental management tries to identify the factors that have a stake in the conflicts that may rise between meeting the needs but protecting the environment.

There are four reasons why every organisation should take environmental factors into account in its management processes: ethical, economic, legal and commercial.

**Ethical.** As human beings we have a duty to look after the world in which we live and to hand it on to our children in good shape.

**Economic.** Conserving resources and not generating waste products or wasting energy means we save on cost. There is also increasing evidence that insurance companies will consider a reduction in premiums if by having proper managerial control over environmental risks the likelihood of there being a disaster should be reduced. If your organisation is overseen by the 1 Environment Agency, i.e. your processes fall within the scope of the integrated pollution prevention and control legislation, it is heartening to note that the Agency is experimenting with linking the level of regulation to whether an organisation has an externally verified environmental management system or not.

**Legal.** More and more governments including our own are passing laws to control how we interact with the environment.

Therefore; we need systems to make sure we stay within the law, otherwise we can be fined and damage our reputation.

Commercial. More and more large organisations are taking control of their environmental responsibilities and they expect their suppliers and subcontractors to do the same. Without evidence of an environmental management system you may find the number of customers prepared to trade with you will start to fall. On the other hand, by being able to demonstrate good environmental practice, new market opportunities may open up to you control and improve the situation.

As well as being good for the environment, making your business more sustainable has other benefits:

Cost savings – by spending less on raw materials, energy, water and waste management.

Business reputation – people may be more likely to support a business that cares about its impact on the environment.

Resource recovery – reducing, reusing and recycling is important for the environment and can also be profitable.

Work health and safety – reduced use of industrial chemicals and less waste can improve workplace health and safety.

Legal compliance – your business needs to meet certain environmental protection laws.

Reducing energy use is not always an option. However, managing how and when you use energy can help protect the environment and reduce your bills. Consider:

- reviewing your energy bills and energy contract
- looking at ways to improve energy efficiency
- switching to alternative energy
- shifting energy use to cheaper periods
- seeking energy finance

There are many ways to reduce your water use, from installing more efficient appliances through to having a water management plan. If you don't have the money to upgrade to more water efficient equipment, look at how to use your existing equipment better. You may also be eligible for *grants or programs* to help your business use water more efficiently.

Water standards and testing requirements vary depending on your industry and the way you use water. Learn about the regulations for water quality in your *state or territory*.

Waste management is about being more efficient with raw materials and making the most of each stage of the production process.

Consider all stages of waste material, from the time it is made through to its disposal. Think about how you use the product, and if your processes could be more efficient for each stage in its 'life-cycle'.

Environmental management is a business practice that is all about measuring the performance and outcomes of your processes – what goes in and what comes out. It's fundamentally grounded in data management and applies a scientific methodology to your everyday activities.

An environmental manager has specialized knowledge about the impact of industrial activities on the local air, water, and public health. They combine chemical and natural sciences to business processes to calculate and report emissions and find ways to make those processes more sustainable. Environmental managers are data experts, but care must be taken not to spend all day collecting data rather than analyzing it.

### References

1. Business Intelligence for the World-Class Manufacturer <https://www.era-environmental.com/>
2. Support for businesses in Australia <https://www.business.gov.au/>

### LEAN MANUFACTURING

**Sunny Lathia**, BBA student, group BA-21 En

**Maya Goureeva**, Scientific supervisor, Assistant Lecturer of the Department of Management  
Higher Educational Institution of Ukoopspilka «Poltava University of Economics and Trade»

The term «lean» was coined in 1990 following the exploration of the Toyota model that had developed the concept that the manufacturing problems and technologies are universal problems faced by the businesses. Lean is a multifaceted concept and it requires organisations to put efforts in implementing lean production in the world.

Lean aims to enhance productivity by simplifying the operational structure enough to understand, perform and manage the work environment. To achieve these three goals simultaneously, one of