

# **Exploring the Influence of Corporate Culture on Building Environmental Management Value Systems**

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## **Abstract:**

To foster sustainable societal development and enhance economic returns, there has been an associated rise in environmental costs. Both governmental bodies and businesses acknowledge the pressing need for environmental protection. Addressing the conflict between environmental management and corporate interests, this paper incorporates corporate culture into environmental management. This integration can bolster the comprehension and implementation of environmental management practices, positively impacting the framework of environmental management accounting. Drawing from the organizational culture model developed by Edgar H. Schein, the paper constructs an environmental management value system grounded in corporate culture. It also outlines a specific framework for environmental management based on this value system, embedding corporate culture into the environmental management strategy. This approach holds practical significance for advancing the theoretical and methodological framework of environmental management accounting.

## **Keywords:**

Company Culture, Environmental Management, Value System.

## **1. Introduction**

In the context of high-quality economic development, enterprises actively strengthen management, upgrade modern management levels, and vigorously improve core competitiveness, but corporate culture and environmental factors will also restrict the development of enterprises to a certain extent. The strengthening of corporate culture and environmental management control can reduce the impact of corporate environment on development, control environmental costs, and improve corporate economic benefits. Therefore, according to the current situation of the enterprise, analyzing the existing problems, adopting a scientific and effective approach, incorporating the construction of corporate culture and environmental management value system into the overall planning of enterprise development, and promoting the harmonious and stable development of the enterprise are issues worthy of discussion. It can be seen from this that when environmental management becomes an important business model choice for enterprises, if cultural factors are ignored.

## **2. The relationship between corporate culture and environmental management strategy: interaction**

Corporate culture is determined by corporate strategy. At different strategic stages of enterprise development, there are different corporate cultures, and different corporate cultures are needed, and different corporate cultures will be born. Therefore, corporate culture affects the implementation of environmental management; accordingly, the implementation of

environmental management strategies will inevitably form a corporate culture that is compatible with environmental values.

Professor Edgar H. Scheinr of Massachusetts Institute of Technology believes that all enterprises must solve two problems. One is external adaptation, that is, the survival, development and adaptation of enterprises in the environment; the other is internal integration.), including cultivating a common language, assigning power and determining status, establishing reward and punishment standards, establishing rules, etc. Corporate culture is a set of basic assumptions shared by corporate employees formed in the process of solving these two problems. These assumptions have been tested by past events and are respected by employees and will be passed on to new employees. In this regard, Edgar H.Scheinr constructed a corporate culture model (Yi Xuejun, 2008), as shown in Figure 1.

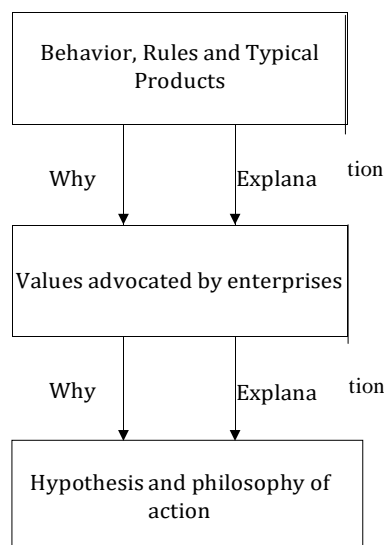


Figure 1. E.S's corporate culture model

Figure 1 shows that the cultural model consists of three levels. The surface layer is visible "behaviors, rules, and some typical products of the organization (arti-facts)", the middle layer is the values advocated by the company, and the bottom layer is the basic assumptions of the company's employees. The surface culture is the result of the bottom culture; the reason for the visible cultural phenomena on the surface is that the bottom culture plays a role. Because at the corporate level, corporate culture affects the company's institutional arrangements and evolution mechanisms by influencing employees' values, ethics, behavior, and thinking. From the perspective of environmental management, companies are actively constructing their own unique environmental management models. Although the culture conveyed by their behavior itself is an external appearance, what is behind it is the values of corporate environmental management, and its purpose is to improve The utilization rate of corporate resources produces high-quality, low-price, and green products, ultimately realizing the "multi-win" of corporate economic, environmental and organizational benefits.

### 3. The Construction of Value System of Corporate Culture and Environmental Management

Enterprises are facing different development stages in the development process. In the initial stage of an enterprise, in order to survive and expand its business, it is mainly engaged in commodity operation activities, which is what we often call the economic foundation. When the enterprise develops to a certain scale, in order to further expand its scale, it needs to carry out

capital operation. Activities, that is, the superstructure. Commodity operation is based on market supply and demand. It meets the needs of consumers under the existing production capacity, government guidance, and tax leverage, and is affected by consumer behavior. Capital management refers to relying on the capital market to optimize the resources of an enterprise and improve its competitiveness and profitability through reorganization, splitting, mergers and acquisitions and other means. Whether it is commodity operation or capital operation, environmental operation is inseparable, which is mainly determined by the country's orientation. Once a company does not consider environmental management in the course of its operations, it is bound to be subject to state control and even criminal responsibility.

Social system culture is the normative behavior of values and behaviors in the environmental management process. The socialization of environmental management is the concept of the entire society to regulate environmental management, and it is reflected in people's production and life. The supervision and influence of corporate culture on the environment is mainly reflected in the formulation of environmental rules, changes in paths and arrangements for innovation. Environmental management must conform to the social cultural center, to build the institutionalization of social management, and to transform the environment into a better path. Corporate culture is a sub-culture that is subordinate to social culture. It is a change in the company's business philosophy in order to adapt to social requirements and its own profitability. In other words, the corporate culture is subject to social changes, and the company's environmental management conforms to the corporate culture. The basic relationship is shown in Figure 2:

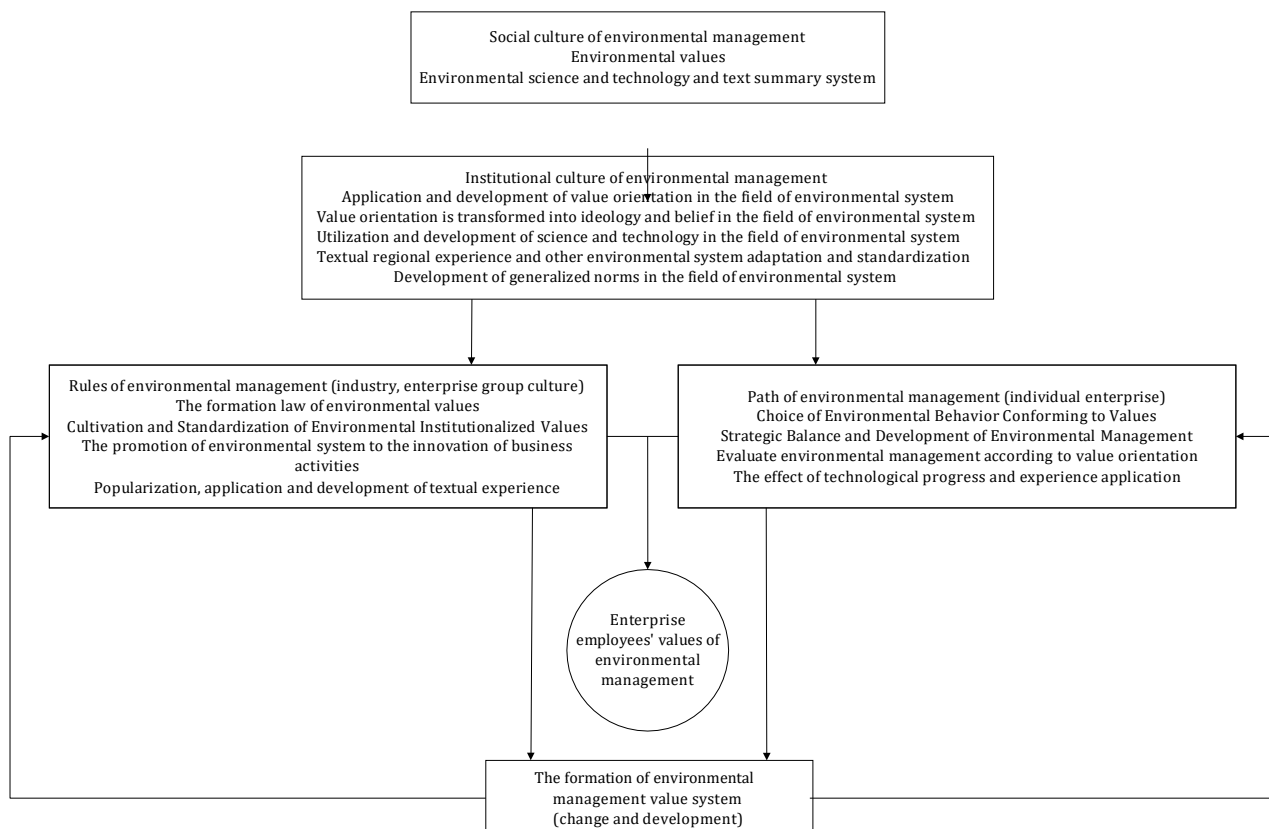


Figure 2. The cultural value system of environmental management

The impact of environmental management on enterprises is mainly reflected in independent innovation. When an enterprise focuses on commodity management, the main focus will be on the adjustment of production technology and the change of management mode. After the

corporate culture changes, its innovative behavior will be affected by this aspect. The construction of corporate culture and environmental management value system is guided by corporate culture, promotes the combination of environmental management and corporate strategic development, and promotes the combination of environmental management and corporate management system business models to achieve the coordination of corporate development and social environment. The corporate culture and environmental management value system is based on the utilization of resources. Increasing the utilization of resources is to improve the efficiency of the enterprise. It is trying to reduce costs, reduce three wastes, and improve management in three aspects: economic benefits, environmental benefits, and organizational benefits. improvement of.

#### **4. Environmental management implementation under the guidance of corporate culture: complement each other**

The implementation of environmental management is a process in which enterprise business activities and environmental behaviors move from mutual opposition to unity. As the basis of environmental management accounting, the environmental management value system aims to obtain comprehensive value that pays equal attention to economic benefits, organizational benefits and environmental benefits, and reflects the interdependence between enterprises and nature, and enterprises and society. This complementary environmental management behavior can be embodied by the management control framework of Simons (1995).

##### **4.1. Establish corporate policies**

The so-called belief system is to encourage enterprises and employees to explore new opportunities for environmental management and grasp its direction. In environmental management, the corporate culture based on belief system control is to cultivate the team's sense of identity with environmental management and form a common cultural value cognition. The environmental management value system is embedded in the corporate culture. It focuses on the long-term development of the company through the establishment of strategic environmental management concepts, and embodies the environmental management as one of the company's development strategies and targets. The system mainly focuses on the following three aspects: first, the basic principles and policies of the company are realized by setting up environmental management departments; second, with the help of improving the core awareness of "resource utilization", clarifying the environmental management and profitability Relationship; Third, combine environmental management to expand and enhance the field of social contribution.

In the specific implementation process, based on the environmental management value system and its environmental management framework structure, through organizational guarantees, such as setting up relevant environmental protection departments, it is responsible for collecting information and implementing environmental protection standards, organizing employees to carry out environmental protection activities, and enhancing the environment Business belief; at the same time, formulate and implement the company's environmental goals and plans, including specific measurable indicators such as waste generated during the output of a unit of finished product, waste recycling rate, environmental protection investment status, etc.; focus on improving resource utilization The basic policy of efficiency is to adopt a series of environmental governance measures, such as comprehensive pollution prevention and environmental technology development, to improve the environmental, organizational and economic benefits of the enterprise, and then expand the field of social contribution.

In short, through the corporate culture framework of the belief system, environmental management is incorporated into the company's development strategy, and all-round

corporate environmental management is incorporated into the framework of corporate contingency strategy to promote the sustainable development of corporate business activities.

#### **4.2. Optimize decision-making behavior**

The boundary system, also known as the ethical system, is an environmental management rule formulated by an enterprise to clearly warn employees of environmental risk areas that cannot be operated. Its essence is a negative system that restricts certain business behaviors, and it forms an opposite unity with the belief system. Environmental management control based on the boundary system is mainly based on the cultural value system of environmental management (environmental management value system), using technical, economic, legal and other means to regulate and control business activities that damage environmental quality, and correctly handle production The relationship between operation and environmental protection. The specific methods mainly include:

It is clear that environmental management is one of the most important tasks of an enterprise. By transforming the "social culture of environmental management" into the "institutional culture of environmental management", around the improvement of corporate managers' environmental awareness, formulate and strictly implement the environmental management system to achieve the organic unity of production development and environmental protection.

Strengthen the cultivation of environmental protection and other values and ethics. When making decisions on production plans, new product development, and investment in fixed assets, companies must make specific behavior choices based on environmental values.

Promote innovation in corporate management activities through environmental management. That is to say, environmental protection decisions are run through the entire life cycle from product design, procurement to manufacturing, so as to improve people's initiative and consciousness of innovation.

Actively promote and apply the experience and results of environmental management. Extensively carry out employee quality education based on environmental management, especially for newly recruited employees, conduct systematic corporate environmental management system training, and strive to explore the formation of corporate and employee environmental values.

#### **4.3. Achieve specific goals**

The diagnostic control system refers to the realization of the specific goals of environmental management and management in a productive way under the guidance of the environmental management value system and its business model. The system can be implemented in two ways: one is to enhance the awareness of environmental management from the perspective of corporate culture; the other is to seek the contribution of environmental management to corporate value around the core of "resource utilization".

### **5. Conclusion**

Constructing an environmental management value system and its business model centered on improving "resource utilization" has become an important subject of current environmental management research. The corporate culture is determined by its strategy, and to effectively promote the corporate environmental management strategy, culture should be organically embedded in the environmental management to construct a relatively complete environmental management value system. On the one hand, the corporate culture promotes the construction of the environmental management value system and forms a corresponding environmental culture; on the other hand, through the business activities based on the corporate environmental culture, the environmental awareness is penetrated into the corporate organizational culture construction and make it part of the company's long-term strategy.

The environmental management of enterprises not only improves their ability to respond to environmental changes, but also encourages them to seize opportunities in the ever-changing environment, such as accelerating the adjustment of product variety structure and industrial transformation and upgrading. At the same time, with the help of specific activities or behaviors of corporate environmental management, a good corporate image has been established, and favorable links or conditions have been provided for the path innovation of corporate social responsibility fulfillment; more importantly, the implementation of environmental management will also It has won considerable profits for the company and laid a solid foundation for its sustainable development. These experiences have further confirmed the interaction, integration and complementary relationship between corporate culture and environmental management. It is worthy of serious consideration by the environmental management academic circle in my country, and in-depth corporate practice for further refinement and experience summary.

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