

Financial Expenditure on Green Environment During Covid-19 Pandemic

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Abstract

The study has been performed to evaluate the overall expenditure and financial investment on green environment during the time of COVID pandemic. Business organizations all around the world have been faced with critical business disruption which has been significantly portrayed within the entire study. It has also discussed various concepts of green environment within the study with an effective way within the studies, the entire advantages which can be availed through implicating green environment within business institutes also as described within the study. It mostly helps to assume the overall assistance which has been availed through business enterprise in green environment in time of pandemic. The inductive philosophy has been taken while performing the entire study. The qualitative approach in order to take in focus on textual contents to evaluate the topic effectively within this particular study. It has collected data through secondary data collection process and maintained all ethical concern to perform the study. The entire study has been done to the results that a huge number of business companies has been adopted green environment to gain business advantage in global periphery in order to cope up with the poor business scenario during the pandemic. It has found a huge financial expenditure has been invested in green environment during pandemic.

Keywords

COVID, Expenditure, Green environment, Pandemic.

INTRODUCTION

The threat of COVID on the psychology of the peoples all around the world has most significantly fetched the attention towards the need to be concerned about the well being of the environment and take steps towards reducing the rate of pollution. The increasing rate of industrial pollution, heavy carbon emission, and high amount of heavy waste material disposal has been impacted most negatively on the environment [1]. It has most negatively impacted on the overall physiological and psychological well being of the inhabitants within the planet. The changing atmospheric condition, shifting behaviour of the weather event and climate change most negatively impacted on the human health and reduces the immunity strengths of the people throughout the world. It has increased the probe of being after the COVID virus as well as increased the overall mortality rate due to pandemic. It increased the attention of the consumers and business owners towards green environmental implication during the periods of the Pandemic.

Business organizations all around the world have witnessed a serious business disruption in the time of Pandemic. It causes high financial risks for them in the global market and reduces their overall revenue and profit earning rate. In order to restore the business loss and recover the supply chain and resource scarcity issue a huge number of business organizations in the international business sphere have adopted various Green practices within their business [2]. It not only improves the environmental sustainability but also improves the brand image of the company in the global market. It has been increasing the demand for a green environment in times of pandemic period. A multiple number

of renowned business organizations have been invested in implementing green environment practice within the working areas of the company globally. The study has been keeping its main concern on determining the financial expenditure on the green environment during COVID-19 pandemic in the worldwide market.

The entire study has been discussed a huge number of concepts and theories which are related to green environment, the overall impact of the pandemic in the business sphere has been also analysed within the study. It has been keeping its key focus on measuring the overall cause which has led to the tendency to investment by the business organization to the trait of implicating green environment within the entire proceedings. Business companies can be able gain the insights about the advantages of the implicating green environment which assists them to chalk out their entire sustainable plan to gain a superior business advantage through this particular study. The basic purpose of performing this study is to evaluate the overall influence of green environment in business growth and to make an absolute idea about the financial expenditure of business companies during the period of pandemic in global market. The overall objectives which are involved with this study has been mentioned below.

Objectives:

- To know the influence of COVID pandemic on implementing green environment policy.
- To know the cause of investing in the green environment by multinational companies.
- To know the financial expenditure on the green environment in time of COVID-19 pandemic.

MATERIALS AND METHODS

The entire study on evaluating the financial expenditure during the period of global pandemic. It will mainly focus on making the study using inductive design. An inductive design within an investigation study helps to gather various topic related data which helps to gain most effective results from the study [3]. The entire study could be able to evaluate the financial expenditure rate in green technology during pandemic through gathering various topic-oriented data and findings. Qualitative type of research has been followed within the entire study. The qualitative type in research helps to obtain a number of non-numeric data which helps to determine proper results of research [4]. This particular topic of the study demands to gather a huge set of non-numeric data. Hence, a qualitative research type has been chosen to perform this particular study. Secondary data which has been published within authentic sites after 2019 has been taken within the inclusion criteria for this study. On the other hand, primary data collection, reference sites before 2019 have been put within the exclusion criteria for this particular study. The entire study will engage itself to take various secondary data sets from various authentic online sites to obtain results for this study.

RESULTS

Impact of pandemic on global business market

Global pandemics have been impacted most negatively on the overall business market and come forth a number of critical challenges for the organization to perform their business efficiently in the global business market area. Most of the business organizations all around the world have been faced with a huge financial and business position loss within the worldwide market which has been caused towards implementing innovation within their business. The entire supply chain operation has been disrupted due to mandatory lockdowns imposed by local governments of various countries all around the world [5]. It has increased the issue of resource scarcity for the organization in the global business market area. The entire performance and earnings of the company face a critical challenge and cause a high business loss due to undesired reduction in sales rate and production globally. 20% respondents from logistics professionals have stated that they have faced supply chain disruption, where 11% of them reported order cancelling due to pandemic issues in the year of 2020 [6]. It showcased the fear of pandemic on consumers and business owner’s psychology in the global area.

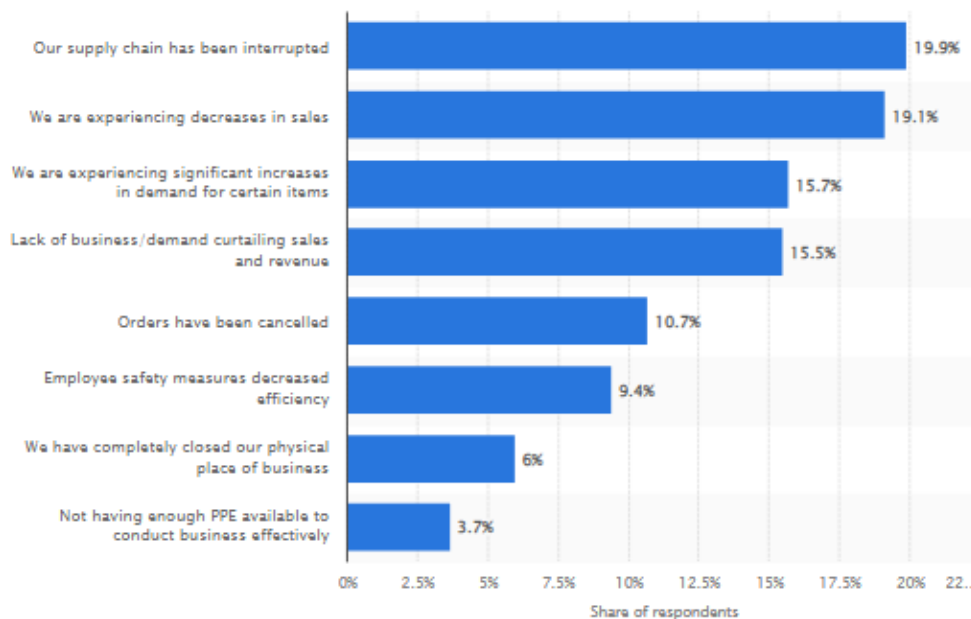


Figure 1: Impact of COVID-19 on logistics

The maintenance of the health and security of the human resources within an enterprise become highly complicated due to the diverse effects of pandemic and the threat of mass infection within a company. Business companies have to reduce their overall human resource power due to security purposes which has reduced the overall production rate of the companies in the international market. It has impacted most negatively on the overall financial performance of an

organization in the international market. Research performed by statista has shown that 41% respondents who are logistics decision makers in the automotive and transportation industry share that they have faced 50 to 100 million U.S. dollars financial loss during the period of COVID pandemic [7]. It exhibits the highly negative influence of COVID on the business market periphery throughout the globe.

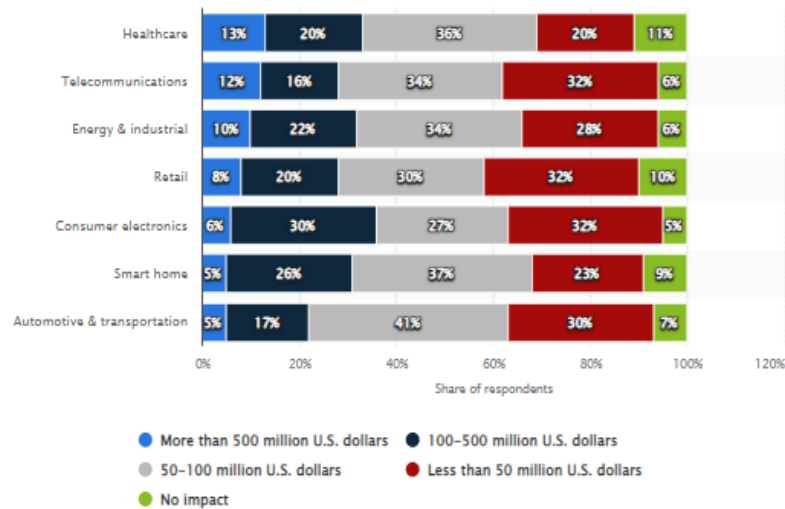


Figure 2: Losses from supply chain disruptions due to pandemic

Concepts of green technology

The entire process of green environment has been mainly related to the overall implication of various sustainable practices within an organization to increase the well being of the environment in the worldwide market. The entire policy and adoption strategy of energy consumption, waste conversation and financial steps to deploy the use of renewable sources of energy within the performing area of a company helps to improve environmental sustainability [8]. It mostly helps an organization to contribute their part towards improving the sustainability of the environment and reducing the rate of high atmospheric pollution all around the globe. Multiple modern-day technologies have provided the assistance to perform the entire manufacturing, supply chain and other necessary operations of an enterprise through maintaining the concern for the wellbeing of the atmosphere and sustainability of the environment. The definition of the green environment states the concerns for environmental conservation and takes steps forward to improve the health of the environment globally [9]. It most significantly helps an

organization to avoid a number of environmental risks in business performance.

The overall practice while focusing on the concepts of green environment most effectively helps to achieve a healthier and more stable business performance in the international business market periphery. The entire process of green environment helps to reduce the rate of toxic materials within the environment and helps to decrease the rate of environmental pollution worldwide [10]. A huge number of enterprises all around the world have shown their interest towards implicating green environment practice within their entire business performance and working activities. According to statista market survey 66% executives from renowned enterprises as participants shared that their companies have adopted renewable energy uses and taken steps forward towards green environment practice

globally [11]. It exhibits the increasing rate of implication trend towards green environment by the companies all around the globe.

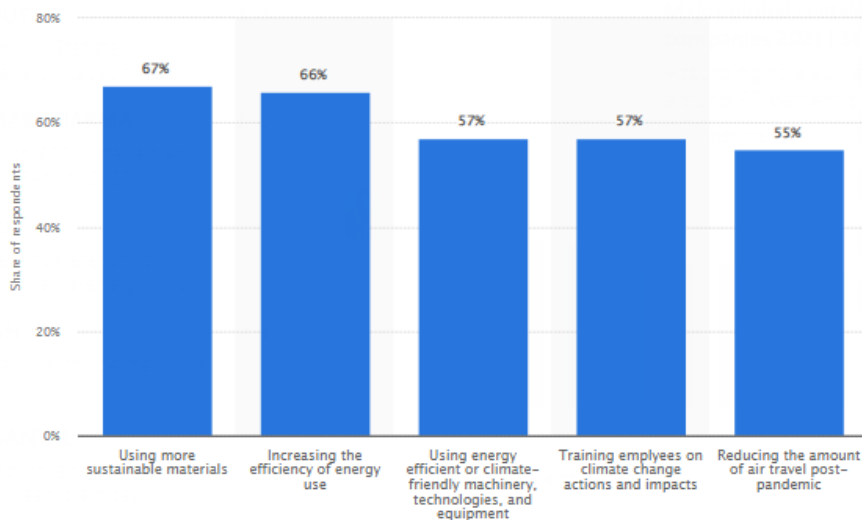


Figure 3: Steps towards sustainability

Investment rate in green environment during pandemic

The global pandemic has brought forth some major financial, human resource, supply chain issues for an enterprise worldwide. In order to overcome various economic, manpower scarcity, and logistics maintenance issues, many business companies all over the world have taken their steps forward towards digitalization and implementing green practices within the enterprise. The implication of modern tech gadgets and overall ethical practice while maintaining the environmental concerns helps business companies to improve the environmental sustainability in the worldwide business sphere. It has been increasing the overall rate of implication in adopting green environment concepts by the companies all around the world. The Government of France has been contributing 10 billion U.S. dollars in implementing green technology and practice within an enterprise to recover business loss due to pandemic [12]. The overall implication of various sustainable practices like using renewable energy sources, implementing waste management processes, recycling operations and many other

sustainable practices mostly helps organizations to contribute to improve the environmental sustainability in recent day’s world periphery.

Most of the companies all around the business sphere have adopted various green practices and invest on implementing green technologies in order to improve performance rate as well as environmental well being globally. In the United States the government has been provided approximately 1.1 trillion U.S. dollars to perform investments in the area of clean and climate friendly implications after pandemic case [13]. It mostly helps business companies to recover from higher business losses due to high business disruption caused due to COVID-19 outbreak in the global market. It has replicated the high rate of financial expenditure and investment process performed by the enterprises in the global market towards a green environment in order to recover the business loss during the pandemic period. It mostly helps to improve the entire brand image of an enterprise and enhance the opportunity to achieve a higher business growth in the international business periphery.

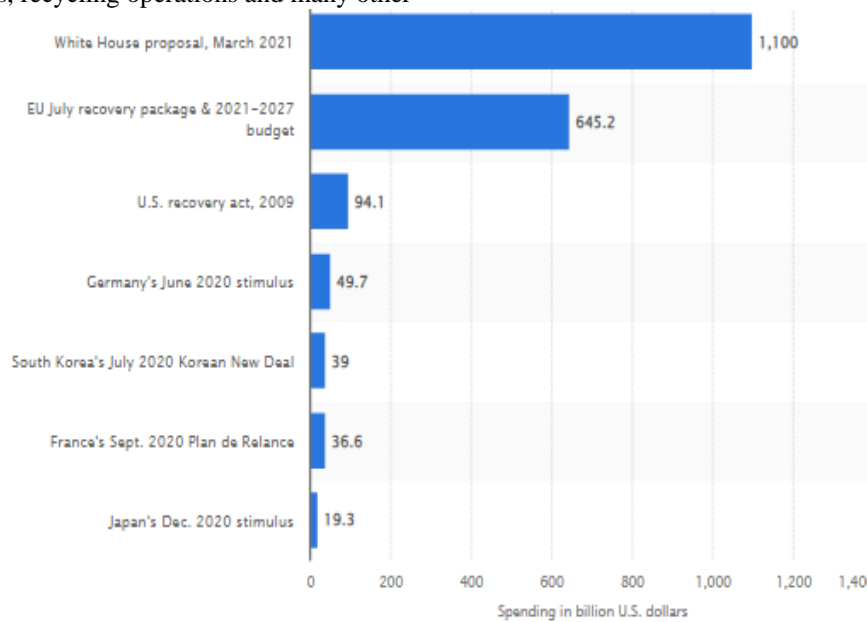


Figure 4: Global climate friendly spending 2021

Cause of implementing green environment

In order to gain an absolute idea about the cause of financial expenditure in a green environment during a pandemic it is necessary to discuss the need for sustainability and digital transformation to cope up with challenging business scenarios. The global pandemic has imposed the most critical stumble blocks for the business companies in the global market. They need to make some essential and strategic changes which could help to cope up with a highly challenging and competitive business environment. The overall technological and operational shift which has been proposed through a green environment mostly helps to increase the brand differentiation for the enterprises while the poor business surroundings pandemic in the global market.

According to [14], the triple bottom line states that an enterprise needs to keep its focus on social and environmental concern to gain profit. The Ps as people, planet and profit in triple bottom line, can be most significantly met by the business companies through the assistance of implicating the green environment during the pandemic period. It is the basic cause of high expenditure and financial investment in the green environment during the period of pandemic.

On other hand, the overall concern level of the consumers towards environmental sustainability has increased with a robust pace. According to, it is necessary to measure the attitude of consumers towards a new technique in time of implementing new technology within the enterprise which can be measured through TAM model [15]. The overall attitudes of the consumers towards the green environment are

also highly positive due to avoiding environmental risks. Hence, the overall implications of a green environment mostly help business companies to gain higher brand image and competitive advantage in the international market during the depressing times of pandemic in international periphery.

Advantages gain through implementing green environment after pandemic period

Performing more effective supply chain operation

Most of the business turbulence and disruption occurring in the supply chain management area of a company is caused due to various seasonal and environmental issues in the global market. The entire investment on a green environment provides the key assistance to avoid supply chain disruption all around the globe. On the other hand, it also involves the practice of GSCM which most effectively helps an institute to perform the entire supply chain operation more systematically. A huge number of companies in the global business market periphery have been investing in a green environment to avoid the overall risks in the supply chain and improve the logistic operation in post pandemic periods.

Reducing manufacturing cost

The implication of a green environment has its superior involvement with the waste management techniques in the international market. It helps to reduce the entire cost of manufacturing for the institutes in the international area and helps the company to avail a higher business growth after the pandemic. It is one of the key reasons for the huge financial expenditure performed by the companies during the pandemic.

Avoiding resource scarcity issue

The overall process of green environment mostly involves various resource recycling operations, business enterprises can be able to avail the recycled resources which mostly helps to avoid resource scarcity issue after pandemic in international market. Though, it will provide a key assistance to improve the performance of the company in post pandemic time in the global business market environment.

Improving environmental sustainability

The business companies all around the world have been faced with serious business disruption due to a series of environmental issues and catastrophic events. There has been increased demand for implicating a green environment within the business process of a company in a competitive market. The overall implications of a green environment within an enterprise provides a key assistance to reduce the pollution rate in the atmosphere as well as helps to improve the environmental sustainability in the global market. It is one of the key advantages of investing towards a green environment during COVID pandemic.

Improving brand value

The entire steps taken to spend finance on green environment during pandemic provides a key assistance

towards an enterprise to avail a high brand value in post pandemic period. A huge number of MNCs and SMES throughout the globe has taken their steps forwards towards investing in a green environment during COVID period in order to avail a superior brand image among the global consumers [16]. It mostly helps to gain higher competitive advantage as well as enlarge the entire consumer base of the company in the international market sphere.

Enlarging consumer base

The entire steps taken by an organization towards a green environment most helps to gain the attention of a large number of customers in the international market. Business organizations who have implemented a green environment as key sustainability processes have been able to enlarge their entire consumer base most efficiently in the global market periphery. The overall financial spending performed by an institute during the period of the global pandemic provide the scope to avail a higher consumer base and reduce the losses in post pandemic time.

DISCUSSION

The overall study has been conducted to evaluate the overall financial expenditure in the area of green environment. The pandemic has been most significantly impacted on the entire lifestyle of the people within earth. It also influences most negatively on the performance and earnings of the business organization due various critical disruptions imposed by COVID-19 outspread throughout the globe. The entire human resources, physical resources, raw materials, supply chain operations have faced a critical challenge to be performed due to the threat of pandemic all around the world. It has caused serious financial loss and poor performance rate of the business organizations in the global market. The steps towards a green environment mostly helps business companies to gain a higher business advantage and improve the entire performance rate of the company in the worldwide business market periphery. The entire quality of productions has been improved through the implication of a green environment in the worldwide business periphery. The cost of manufacturing has also been reduced through green environment implication which helps to cope up with high financial loss during pandemic in the international business sphere. This is the basic cause of making financial expenditure on a green environment as found through the study.

The initial objective within this particular study was to know the influence of Covid on implementing a green environment in the global market. The research work has been found that a number of recent days digital equipment and techniques which assists to impose a green environment most significantly helps an enterprise to improve their supply chain performance, manufacturing speed and performance towards environmental sustainability. It assists to gain a higher brand image for an enterprise in the recent days global market periphery. The implication of various green practices

as GSCM, waste management, utilizing renewable sources of energy and many others sustainable activities most critically provide the support to avail non-disruptive business operation and reduce the overall costing of manufacturing. It provides the assistance to gain more consumer attention in the international market as well as recover the economic losses faced during the pandemic period. Though, most leading enterprises have been contributing a large amount of financial investment in order to implement a green environment within the enterprise.

In the next part the entire research work has been kept focused on to know the cause of investing in the green environment by multinational companies. The study has evaluated that the miserable time spent by the people in times of pandemic increase the overall concern level of the customers towards environmental sustainability. Most of the consumers in the global periphery have been able to learn that the high industrial pollution has been impacting most negatively on the environment and weakening the overall wellbeing of the environment. It has been impacting negatively on the physical and mental wellness of people all around the globe. The entire steps taken by an enterprise towards sustainability and the implication of a green environment helps to reduce the atmospheric pollution level and improve the wellbeing of the environment throughout the globe. Hence, the steps taken towards the implication of a green environment provide a superior opportunity to gain higher attention from the customers and improve the brand value of the company in the global business market surroundings. Thus, a huge number of multinational enterprises all around the globe have been aggravating their steps toward implicating the green environment within their overall working areas to avail a higher business growth.

The entire study has also found that a huge amount of finance has been allocated towards a green environment in time of pandemic as it assists to overcome the losses during pandemic. The entire improvement in supply chain, logistics, raw material resourcing provides the key assistance towards a company to avail an apex business growth and overcome the challenges imposed through pandemic in business periphery. It also provides the support to attract more environmentally concerned stakeholders and customers from global periphery which escalate the brand value of the company. It mostly helps to gain the desired boost to gain business growth in the post pandemic era. Though, a huge number of companies all around the globe have spent a large amount of their economy towards implicating the green environment in times of pandemic.

CONCLUSION

The entire study has been focused on evaluating the financial expenditure on the green environment during COVID-19 pandemic. The study has established that the overall process of implementing a green environment assists to overcome the business loss and disruption during pandemic time. Business enterprises all around the world

have witnessed a critical economic loss during the period of pandemic due to a number of disruptions in maintaining their supply chain performance, human resource management, resource availing operations and many other key activities. The overall implication of a green environment involves various modern days technological gadgets and tools which helps to mitigate resource scarcity and supply chain performance issues in the international market. The study found that the need for change to mitigate the disruptions and losses during the pandemic most significantly increased the demand for a green environment. Though, a huge number of business enterprises all around the globe, have been allocated a huge financial budget towards implementing a green environment within their working sectors.

The entire study has also witnessed that the people all around the world have been faced with critical physical and psychological trouble during Covid. The increasing rate of environmental pollution, seasonal changes issues has been most negatively impacted on the immune system of the inhabitants which has escalated the overall death threat of COVID virus throughout the global periphery. It actually increased the concern towards environmental sustainability. A huge number of consumers all over the globe have understood the need to take care of the environmental wellbeing as it assists to survive within the earth's periphery and enhance the life process of the inhabitants within the globe. Hence, business companies through adopting sustainable steps forward and implication towards green environment most significantly helps to fetch the attention of a large number of customers in the international market. It also improves the brand value and competitive advantage of the company in the business sphere. Hence, a huge number of business enterprises have spent a large amount of financial budget towards implementing green technology within their working areas all around the world during the pandemic period.

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