



Institutional Pressures and Sustainable Business Practices: A Case of Strategic Environmental Management



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Abstract: Sustainability and environmental conservation have become key concerns for the developing and developed world, prompting firms to embrace sustainable business practices. The recent decade has witnessed a rise in environmental sustainability consciousness, with businesses and legislators incorporating environmental aspects into their strategic planning and practices. Strategic environmental management emphasizes the implementation of environmental management strategies through the incorporation of environmental concerns into business plans and decisions. This study proposes to investigate the isomorphic pressures that influence organizational behaviour and the significant determinants for addressing sustainable business practices. The qualitative research design is adopted and data is primarily collected through semi-structured interviews. The findings of this study from four significant service sectors highlighted various certifications, business requirements, corporate image and corporate social responsibility as the driving forces behind strategic environmental management. Legislations from government the appeared as the most influential factor to assume responsibility for the environment and society by the firms.

Key Words: Strategic Environmental Management, Sustainability, Isomorphic Pressures, Institutional Theory, Corporate Social Responsibility, Business Regulations

JEL Classification:

Introduction

Strategic Environmental Management (SEM) has emerged as a critical approach for running firms all over the world. Environmental practices are acknowledged at the operational level and are apparent in the organization's strategy. The integration of environmental

policies into the strategic management of organizations has become a crucial aspect in enhancing their capacity to effectively manage their environmental performance. This strategic issue necessitates companies to acknowledge their responsibility in fostering a proactive relationship with their stakeholders

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(Teles, 2014). SEM integrates impact-reducing product and process design into company strategic visions to balance environmental and financial goals (Goldstein, 2002). In the interest of creating long-term value, organizations are increasing their investments in sustainable practices, such as those that result in cost reductions and better environmental responsibility (Bhaskar & Kumar, 2019).

In order to cultivate a sustainable business model, organizations, stakeholders, and the wider society are placing emphasis on incorporating economic, environmental, and social principles into the company's operations and strategy (Ali et al., 2019). Firms have the capacity to get involved in corporate social responsibility (CSR) and environmentally sustainable practices while actively pursuing highly profitable ventures (Camilleri, 2022). Environmental restrictions, globalization, and competitive restraints are all elements that have proven to be effective in promoting sustainable business practices (Abbasi, 2012).

Organizational institutional pressures are a critical factor in shaping organizational behaviour and decision-making. Understanding the effects of these influences is critical for firms attempting to navigate their institutional context and achieve their objectives. Institutional isomorphism, according to DiMaggio and Powell (1983), occurs when organizations in a field adopt identical structures and practices to meet institutional expectations. According to Suchman (1995), organizations can control their legitimacy by balancing strategic and institutional approaches. Therefore, understanding organizational institutional pressures is critical for organizations seeking to succeed within their broader institutional environment. By exploring the sources and impact of these pressures, researchers and practitioners can develop strategies to navigate institutional forces and achieve long-term success.

It has been established that legal structures and rules affect the conduct of

companies and their influence can be either positive or negative. Institutional elements are vital in bringing about practical environmental measures within businesses in economies that are developing but the absence of state regulations or poor implementation further pushes back the agenda from a firm's table (Esfahbodi et al., 2016). Emerging economy companies struggle with balancing financial gains and environmental considerations due to a lack of well-defined sustainability strategies (Ali et al., 2019). Environmental management at the strategic level is an underexplored area in many developing countries due to a lack of focus on sustainability. Though, in Pakistan, there is a dearth of studies on the interaction between organizations and the strategies to deal with environmental concerns. This research aims to explore the isomorphic pressures that impact organizational strategies and identify the key factors influencing the adoption of sustainable business practices. This study seeks to understand the external and internal forces that drive companies to behave similarly in terms of sustainability initiatives, as well as the important factors that drive their decisions to implement environmentally friendly practices. The study's primary research questions are as follows:

1. How do institutional forces impact organizational strategic environmental management?
2. What determinants influence an organization's strategic approach to environmental management?

This research contributes to the literature by expanding the theoretical understanding of strategic environmental management in the context of institutional dynamics that define an organization's response to sustainability issues across economic, social, and environmental domains. The primary objective of this study is to gain a better understanding more about the institutional forces and drivers that influence an organization's pursuit of sustainable business practices in response to strategic environmental management (SEM).

SEM is acknowledged as a crucial aspect of corporate sustainability, as firms are

expected to address environmental and social concerns in addition to economic factors. Bansal (2005), explained that businesses that follow sustainable development techniques have a greater chance of achieving long-term success. By eliminating waste, preserving resources, and limiting environmental risks, firms can accomplish their sustainability objectives. SEM further improves the credibility and value of a business's reputation, boosting customer loyalty and financial performance (Bansal et al., 2005).

Literature Review

Strategic Environmental Management

Strategic Environmental Management (SEM) entails determining a company's environmental policy and incorporating environmental considerations into economic decisions (Douglas and William, 1995). Environmental management entails top management developing and implementing policies and practices that address economic, social, and environmental concerns which are also beneficial in the long term (Montabon et al., 2007). Environmentally conscious societies pose pressures that have the potential to force enterprises to SEM-integrated products and processes. For enterprises the concern is to balance out these pressures for reduced environmental consequences while keeping costs down and using them as a means to access new markets (Goldstein, 2002).

Gunarathne and Lee (2018), established that normative pressures have an impact on companies during the internal integration stages. Their analysis identified the absence of industry-specific rules and governance frameworks as a major hindrance to the ability of enterprises in developing nations to attain higher levels of SEM. Most regulations are not industry-specific; thus, industries can easily comply with regulatory norms. Environmental strategy relates to how much ecological concerns are integrated into strategic planning, while environmental orientation emphasizes an organization's environmental impact and the desire to reduce it.

Organizational environmental orientation reduces negative effects on the environment. Businesses are known to have a broad spectrum of environmental strategies (Dhillon, 2020) since social and environmental responsibilities affect environmental policy, both internally and externally. External factors include regulations imposed by the government (Ghobadian et al., 1995; Hoffman, 2000) and customer expectations (Preuss & Córdoba, 2009). Peer pressure affects the strategic environmental success of similar firms and environmental policies are also linked to a company's image and reputation (Miles & Covin, 2000). Internal factors that determine general and environmental strategies include economic leverage, cultural norms inside organizations and leadership (Fernandez et al., 2003).

Porter and van der Linde (1995) identified a number of obstacles to the implementation of environmental management methods, including a lack of awareness, leadership and resistance to change. Environmental factors are integrated into decision-making processes, which demand cultural transformation and the commitment of senior management. Most importantly, implementing SEM can be expensive which is a sensitive arena for a profit organization, therefore, firms may need to invest in new technology and processes in order to meet environmental objectives. Thus, quantifying the efficacy of SEM can be challenging because environmental impacts are frequently long-lasting and diverse.

Corporate social Responsibility and Environment

Corporate Social Responsibility (CSR) refers to a company's obligation to consider the social and environmental implications of its activities and to act in a manner that benefits society as a whole (Carrol, 1999). This section of the literature review concentrates on the interaction between corporate social responsibility and the environment. Though organizational culture encourages employee involvement, CSR efforts remain the primary responsibility of top management. Therefore,

the level of commitment exhibited by a firm towards incorporating environmental considerations into its corporate social responsibility initiatives is a crucial determinant of SEM (Kraus et al., 2020). Corporate strategies are becoming more aligned with environmental dynamics as a result of rising stakeholder environmental interests and the company-end realization that greening operations can both cut costs and expand market access. Environmental management is an approach that companies can adopt to gain a competitive advantage. This approach takes into account environmental policies and efforts (Welford, 1998).

Today a company's disclosure towards its stakeholders also considers the environmental performance and effects. According to a study by Clarkson et al. (2008), socially responsible companies tend to have greater environmental transparency. This shows that Corporate Social Responsibility (CSR) and environmental disclosure are tightly intertwined, such businesses are more inclined to report their environmental performance to stakeholders. Similarly, several kinds of research also demonstrate CSR's positive impact on the environmental performance of an organization. Barnett and Salomon (2012) found that CSR-focused businesses have superior environmental performances as they proactively make choices to lessen adverse effects.

Engagement of stakeholders refers to the process of involving affected stakeholders in decision-making processes. Socially responsible businesses communicate with their stakeholders, including environmental groups, more regularly (Scherer and Palazzo 2011). This suggests that CSR can facilitate stakeholder engagement, leading to improved environmental outcomes.

CSR can be used in place of regulatory compliance, especially in countries where environmental standards are inadequate. According to Henriques and Richardson (2013), corporations that engage in CSR initiatives tend to comply with

environmental rules effectively. This might be a useful strategy for maintaining environmental compliance, particularly in situations where regulatory enforcement is limited. Furthermore, CSR is linked to sustainable development, which promotes socially and ecologically responsible economic growth. Carroll (2015) argues that CSR contributes to environmentally and socially sustainable growth in the economy. CSR-committed firms perform better environmentally and connect more with stakeholders, as evidenced by the literature which concludes that CSR and the environment are intrinsically related. CSR has the potential to supplant compliance in settings with inadequate or nonexistent regulation. Hence, it helps assure socially and environmentally responsible economic development.

Institutional Pressures

The forces that impact organizational behaviour and decision-making based on the norms and values of the broader institutional context are referred to as organizational institutional pressures. Government regulations, industry associations, cultural beliefs, and social expectations are some of the origins of these pressures. The institutional theory developed by Philip Selznick (1957) is based symbolic interpretive paradigm that analyzes organizational interactions between persons and groups. The myriad economic, social, cultural, and political contingencies of the institutional environment may assist planned activities and practices to compete with existing norms and standards, according to this notion. Adhering to these criteria can give a company legitimacy, stability, and strategic prospects (Yang et al., 2019).

Individual and group behaviours in the context of business environment interactions can be described using institutional theory (Hoffman, 2000; Scott and Bruce, 1987). Mimetic, coercive, and normative constraints on organizational behaviour generate institutional isomorphism. Law and politics create coercive legislation that institutionalizes. Culture exerts normative

constraints through norms, values, and principles. Mimetic effects cause companies to imitate others (DiMaggio and Powell, 1983; Lau et al., 2002). Suchman (1995) investigated how companies might balance strategic and institutional approaches to retain stakeholder credibility. Strategic approaches focus on achieving organizational goals through rational planning and decision-making, whereas institutional approaches focus on complying with the norms and values of the larger institutional environment. Therefore, firms can employ both techniques to manage their legitimacy and achieve long-term success.

Since this theory gives a framework for comprehending how institutionalization occurs, the concepts and functions of corporate environmentalism may be examined. Incorporating the environment into their entire strategy, Hoffman (2000) utilized institutional theory to analyze environmental responsiveness and proactivity. Delmas and Toffel (2004) used institutional theory to analyze how stakeholder-established institutional features affect corporate environmental management practices.

By this approach, Doh and Guay (2006) identified differences in regulatory and normative institutional limitations that led to organizational environmental reactions. Environmental management is substantive and symbolic for firms. Mimetic pressure encourages symbolic performance, while coercive pressure encourages substantive environmental management. Insufficient resources partially reduce institutional demands on environmental management (Yaun et al., 2022).

Oliver (1991) examined how firms might strategically respond to institutional pressures in order to accomplish their objectives according to acquiescence, compromise, and defiance strategies. Acquiescence involves simply conforming to institutional pressures, while compromise involves finding a middle ground between the organization's goals and the expectations of the institutional environment. Defiance involves actively

resisting institutional pressures. In 2008, Scott provided a thorough review of institutional theory and its applications to organizational behaviour. Power and resistance shape institutional change, and firms can influence their institutional environment. Greenwood and Hinings (1996), investigated how institutional influences can cause dramatic organizational change. They claim that businesses can change when they challenge and reframe existing institutional norms and values. This might include the establishment of new institutions as well as the modification of existing ones. They also contend that institutional change is frequently the outcome of continuing conflicts between diverse stakeholders within the institutional context. Adams (2023), assessed the challenges that the firms are experiencing and evaluated their responses to these forces using institutional theory as the theoretical lens. The use of this theory enabled a more comprehensive investigation strategy with a complementary emphasis on the organizational internal resources and external forces.

Overall, these works highlight the significance of understanding institutional influences and their impact on organizational environmental performance. By understanding the various sources of institutional pressure and the strategies organizations can use to manage these pressures and researchers and practitioners can better understand how organizations operate within their broader institutional environment. The institutional theory supports both macro and micro-regional objectives. All relevant stakeholders are capable of exerting pressure on an organization and influencing its environment. This study uses institutional theory to explain how corporations follow institutional norms and criteria to gain credibility and access to strategic resources. Institutional theory can be effective for holistically assessing strategic environmental management since it considers an organization's environmental impact without focusing simply on the firm's competitive advantage.

Methodology

This study investigated a multidimensional and insufficiently researched topic, thus necessitating the adoption of an exploratory research design. The discipline of organizational environmental management is an emerging and rising area within the realm of sustainability. As the aim of this study is to investigate the main institutional pressure and related determinants for adopting strategic environmental management, an exploratory design was used which has been found beneficial for gaining a deeper investigation and understanding of social issues (Taylor and Bogdan, 1984). We conducted semi-structured interviews with senior managers and directors who have expertise in organizational environmental management and strategies. To effectively understand and respond to the questions, it is essential for the interviewee to have a level of familiarity with the subject matter being investigated (Yin, 2003). As a result, individuals who had knowledge about organizational strategies and practices were given priority during the selection process.

The secondary data included material from CSR and sustainability reports, corporate websites, annual reports, newspaper articles, and government draft policies on environmental management. Due to the utilization of many sources of information throughout the triangulation process, the study results are more likely to be reliable and accurate (Yin, 2018).

Interviews were conducted with stakeholders for validation, and in the follow-up, methodological triangulation was accomplished through documentary sources. Documents play a crucial role, particularly during interviews, by providing additional evidence and support for findings (Yin, 2009). Thus, qualitative research had been valuable for gaining insights and in-depth understanding from diverse respondents.

Interview-based Methodology

A semi-structured interview technique with an interview guide was used with greater

adaptability and flexibility required for expected diverse points of view from the respondents. As environmental management necessitates the involvement of government institutions, therefore, some interviews were taken with environmental protection departments to understand the current regulations in the country, which also helped triangulate the data. According to Yin (2009), an effective qualitative study uses a variety of complementary sources, thereby this research data is comprised of interviews, documentary records, and direct observations.

Sampling

In order to find individuals with knowledge of SEM and environmental practices inside the company, we employed purposive sampling. The capacity to offer thorough and in-depth reports of their experiences was taken into consideration while choosing the participants, as is prescribed for greater effectivity when the aim is to get insights into phenomena (Miles and Huberman, 1994). The data was collected from a wide variety of organizations including software houses, internet service providers (ISP), educational institutes and the telecommunication sector. A total of 18 different firms were interviewed with the distinction of large and medium-sized organizations; this classification was based on the number of employees. The semi-structured interviews with the respondents were held in offices and HR Managers' rooms. Most of the interviews lasted well over an hour. The interview questions were aimed to elicit thorough reports of the individuals' experiences with SEM.

Ethical Considerations

This study covered various aspects of qualitative research ethics, including protecting the anonymity of interviewees, obtaining informed consent from participants, and considering the potential implications of the research findings. The interview questions, considering privacy and anonymity concerns, were thoroughly examined and discussed.

Participants in the study were voluntary and their identities were kept confidential. Respondent information was collected with their explicit consent, and permission was granted for audio recording during interviews. All interviews followed the ethical guidelines outlined by Kvale and Brinkmann (2009).

Rigour in Research

In order to ensure the robustness of a research study, it is imperative to ensure the dependability of the data collected and the validity of the chosen methodology. Reliability, as defined by Pole and Lampard (2002), pertains to the consistency of outcomes obtained from repeated study results, as well as the amount to which research has effectively measured social occurrences. For further rigour and reliability, we used member verification, peer debriefing, and reflexivity. To make sure that our analysis was accurate and complete, we shared our conclusions with the participants. We asked for feedback from peers who were experienced in qualitative research to ensure that our interpretations were accurate and trustworthy. Finally, we concentrated on our own prejudices and preconceptions throughout the inquiry to make sure that they didn't affect the study's analysis. Using various sizes and sectors along with stakeholder perspectives and official documents the diversity of methodology ensured triangulation in this study.

Data Analysis

Thematic analysis is a qualitative research method that involves the identification, analysis, and reporting of patterns within collected data (Braun & Clarke, 2006). These patterns facilitate the identification of the primary themes within the research. Miles and Huberman (1994) conducted an analysis of the reduction of data, display, and its conclusion. Following the transcription process, every

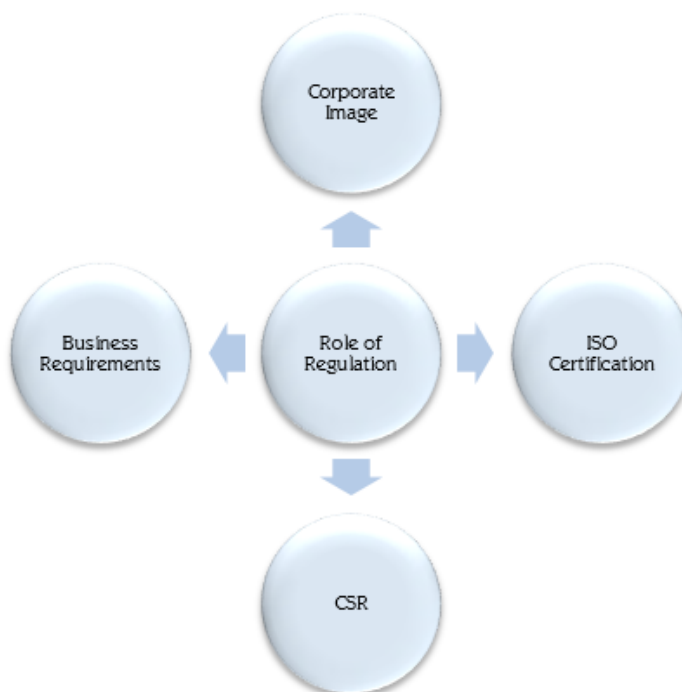
interview underwent systematic case analysis through coding. In consideration of the significance of the qualitative character of data and the imperative to mitigate any potential ambiguity, a decision was made to employ a Computer Assisted Data Analysis Software Package (CAQADS). Thus, the data underwent analysis utilizing QSR International's NVivo 12 software in order to facilitate the examination of textual content and coding of transcripts. Open coding is a method that involves categorizing data by examining transcripts line by line and allows the identification of patterns and categories. In order to discern emerging themes from the data, the process of coding was conducted in conjunction with the established categories as outlined by Strauss and Corbin (1990). The process of selective coding was employed to identify the most salient thematic linkages among categories and subcategories, ultimately leading to the recognition of a broader conceptual framework. The primary objective of qualitative research is to identify and analyze themes or patterns within the primary data that are important to the topic at hand. By doing so, researchers can generate statements that contribute to a deeper understanding of the subject matter and imbue the data with significance (Clarke & Braun, 2013).

Thematic Analysis of Determinants

The thematic analysis is an analytic approach that ensures the rigour and credibility of the analysis (Nowell et al., 2017). The following part examines the influence of institutional forces and explores the elements that determine an organization's strategic response to environmental management. The findings from the thematic analysis indicate that regulations play a significant role as the primary coercive force exerted on firms. The main components of strategic environmental management encompass ISO certifications, business requirements, corporate image, and Corporate Social Responsibility (CSR).

Figure 1

Determinants of Strategic Environmental Management



Role of Regulation

Environmental management practices are shaped by institutional pressures. Government laws, industrial standards, and social expectations are the main constraints. These external forces must be integrated into environmental management strategies. Sustainability investment depends on the organization's size, industrial area, and leadership commitment. Understanding these components helps organizations match their plans with environmental aims and create a sustainable future. The most important themes identified throughout the analysis of institutional pressures concerned the government's role. Legislative coercion was deemed the most influential factor in the adoption of SEM.

As directed by law, the large-scale enterprises in Pakistan took a proactive approach to environmental management. Multinational corporations and their subsidiaries adopted an innovative approach to SEM by routinely assessing their

environmental footprint while formulating and putting into practice methods to reduce any unfavourable environmental effects. Four very large-scale companies had their designated policy in the published reports for the environmental obligations considering the main principles regarding emissions, energy consumption, waste management and environmentally effective procurement. Environmental management was absent from small and medium-sized organizations. This was due to a variety of factors, such as financial constraints, a small clientele, a lack of external pressure from competitors and society, a singular focus on profits, and a lack of enthusiasm for promoting sustainable initiatives. Participants from a multinational company discussed the impact of institutional dynamics as

1. Business exists for one reason: to make money. Unless the government,
2. Society, or the market provides incentives for going green, they are
3. Uninterested. [Respondent.4]

Pakistani companies don't have mandatory environmental practices since they're profit-driven and sustainable measures can be costly for private firms. Hence, organizations are not expected to adopt environmental management systems unless they are obligated by government legislation. Another individual being interviewed described governance and law as

1. Only the authorities, by setting clear rules, can legally force businesses
2. to address ecological issues. [Respondent. 5]

SEM facilitates the execution of organizational operations in accordance with established environmental criteria. Consequently, companies that possess certifications such as EMS and ISO 14000 series are making investments in order to promote and achieve sustainability in the environment. It is imperative for the government to prioritise the monitoring of enterprises' environmental performance and establish regulatory frameworks to ensure compliance. The interviewees underscored the significance of government involvement in the environmental management practices used by firms as

1. Government and regulatory bodies have the greatest impact on environ-
2. Mental management. They need to monitor licensed businesses to ensure
3. They are following the guidelines. [Respondent. 9]

There is an awareness regarding the growing environmental concerns; nonetheless, there have been very few multinational and large-scale organizations that have voluntarily launched environmentally friendly practices in the country without the necessity of the government or any regulation. In addition, smaller and medium-sized businesses highlight the fact that coercive force is the sole factor that may encourage them to opt for environmental management and that other than regulation, they do not experience any pressure on their commercial endeavours. As a result, the government should give attention to the performance of businesses towards the environment and needs to tie them with legislation to invest in green practices. The following table shows the frequency of the responses to the isomorphic pressures according to the sectors.

Frequency of Responses

Table 1

Organizational Response to Isomorphic Pressures

Types of Organizations	Isomorphic Pressures		
	Coercive	Normative	Memetic
Software Houses	+++	++	+
Internet Service Providers	++++		
Educational Institutes	++	++	
Telecommunication Sector	++++	+	+

ISO Certification

ISO certifications also additionally identify organizational strategic environmental management. It provides new commercial prospects and boosts organizations' green image. Modern businesses acknowledge that success depends on environmental management systems and stakeholder participation as well as high profits (Saadany et al., 2011). ISO certifications require a company's environmental performance to be

measured according to global standards, which led to strategic environmental management. One major corporate responder explained that ISO certification requires EMS as

1. We have an EMS based on ISO 14001:2015 to ensure continuous
2. Improvement in the organizational environmental management according
3. To our environmental policy. [Respondent. 4]

International quality certifications play a crucial role in ensuring that businesses effectively integrate environmental performance considerations into their business operations. Consequently, organizations diligently adhere to the specified standards in order to achieve compliance with these certifications. In addition, the government actively promotes the adoption of environmental certificates among firms, as highlighted by an official

1. Companies are encouraged to get ISO 14000 certified so that they may
2. take advantage of international trade opportunities while preserving the
3. Environment. [Respondent. 15]

Hence, ISO certifications necessitate EMS in accordance with corporate strategic environmental management helps to maintain registrations and international standard portfolios.

Business Requirements

Globalization has affected companies with stringent business processes. Operational, social, and environmental responsibility are increasingly expected by customers (Preuss & Córdoba, 2009). Thus, organizations embrace SEM for their commercial needs because being green attracts worldwide clientele and gives competitors an edge. One private waste management stakeholder stressed that the client needs to determine environmental management as

1. In Pakistan, environmental management mostly takes place in the corporate sector
2. which requires certifications like ISO and keeps EMS for international business
3. Only as it comes as a requirement by their customers. [Respondent. 13]

The increasing global demand for sustainable business practices has raised the awareness of environmental and social demands. Client demands necessitate modifications and changes in product specifications. The growing concern in clients for safeguards against environmental degradation has forced

companies to bring changes in their operations to make them environment-friendly. The services industry has direct consumer interaction; thus SEM requirements can approach them directly for commercial contracts. Most foreign corporations working with emerging economies prioritise sustainability and the environment in their contracts. All large-scale organizations acknowledged the growing demand from corporate clients for environmental initiatives. To succeed, companies must follow market initiatives and the leaders. Competitors' strategic environmental success also affects industry peers. According to the findings, large organizations, as industry leaders, are already implementing environmental practices, whereas small and medium-sized firms were more concerned about their competitors' environmental practices. Due to budget constraints, their expectations are limited to project duties and use peer pressure to get clients to become green.

Corporate Image

Companies' reputations are long-term stakeholder assessments of the organization's strategic aims in a certain socio-political environment (Wood & Logsdon, 2002). Corporate brand image and environmental policy are important because competitors impact investor and client decision-making. Thus, an organization's image and reputation are tied to its environmental performance. This study found that eight large-scale companies valued competitor practices. Most organizations consider themselves environmental sustainability leaders even if government legislation prompted their environmental actions. Thus, corporate image became a major factor in environmental management in large corporations. A large-scale company interviewee described the company image as

1. A company's behavior can be different regarding environmental management
2. Which will be beneficial for them. It will create good repute in the business

3. world ... [Respondent. 5]

Similarly, participants from small and medium-scale software sectors quoted

1. Basically, professional organizations go for environmentally related policies
2. due to many reasons, one of the main reasons is making a positive im-
3. Age of organization. [Respondent. 3]

Participants also stressed the necessity of strategic environmental management for marketing and company image. Businesses gain trust with all clients by obtaining external

certifications on set criteria. Brands compete in local and global marketplaces by emphasizing quality, service, and responsibility. The brand value may assist the company attract new and high-profile clients. Environmental and social neglect may damage a company's reputation. In the present study, most major and small companies related corporate reputation with environmental obligations since it may help them create a greener, more ecologically friendly image and new economic prospects. The table given below indicates the strategic response of the organizations.

Table 2

Strategic Responses of the Firms

Firm-type and Strategic Responses to Isomorphic Pressures

Firms' Strategic Responses	Isomorphic Pressures		
	Coercive	Normative	Memetic
Acquiescence	Large Scale	MNCs and Large scale	
Compromise	Medium Scale		
Defiance			Small Scale

Source: *Interview responses*

Corporate Social Responsibility

Corporate social responsibility is an important factor that organizations consider internally when deciding whether or not to implement environmental management and practices. Companies recognize the requirements and duties placed on them by society, mostly through their CSR activities. According to Ashrafi et al., 2020, businesses that effectively include CSR in their strategic choices and operations are better equipped to address a variety of issues and successfully exert an influence on their sector. This is accomplished via the development and execution of projects that are both responsible and sustainable. Sustainability and CSR reports of the organizations show the presence of a triple bottom line (TBL) approach. The annual corporate responsibility reports of the large-scale firms considered the TBL approach to ensure alignment with Global Reporting Initiatives (GRI). One of the top telecom sector companies established Pakistan's first certified green offices under CSR efforts and explained

1. An important element of our CSR strategy involves caring for the environ-
2. ment. We have included environmental safety measures in our whole
3. Business plan. [Respondent. 7]

CSR is also a strategic and operational performance factor in most organizational documents. Top management leads CSR efforts, but organizational culture fosters employee participation. The company's environmental, social, and performance efforts. The corporation takes environmental stewardship seriously since it supports its CSR strategy. One of the interviewees mentioned

1. We already face the absence of a proper strategy (execution of laws) for
2. environmental management... it all boils down to whether companies if they
3. want to formulate a strategy or not, and that usually falls under the
4. CSR. [Respondent. 10]

Organizational knowledge of its position in society and corporate social responsibility affect environmental response (McWilliams et al., 2006). Sustainability informs the company's social and environmental impact. Leaders emphasize sustainability and its relevance in the documentation (Ali et al., 2019). CSR, culture, and leadership affect how major companies handle environmental challenges. Strategic environmental management depends on CSR commitment to the environmental perspective. Thus, organizations incorporate environmental management in their CSR operations as well as just participate in environmental efforts to meet their CSR goal.

Conclusion and Recommendations

Organizations worldwide are incorporating environmental factors into the decision-making process due to growing concerns regarding environmental management and sustainability efforts undertaken by businesses. Due to public knowledge and a preference for ecologically friendly products, organizations place a strong emphasis on environmental sustainability (Rehman et al., 2021). To ensure the effectiveness of SEM operations, organizations can implement a number of best practices. SEM's goal is to add value to businesses while also ensuring compliance with environmental regulations, and identifying and managing the environmental impacts of an organization's operations.

Corporations implement long-term policies based on organizational authority and control over their distinct internal resources and capabilities to maintain a competitive edge. However, Institutional theory, explains businesses' non-choice conduct as a result of regulations, and societal, and community constraints. It asserts that institutional isomorphic forces in the social environment influence strategic decisions, which ultimately contribute to company growth and survival. Thus, corporate strategies aren't only driven by financial gains, nor are they entirely economically justifiable; rather, such activities are influenced by passively accepting

institutionalized beliefs and processes (Ashrafi et al, 2020). In this study, the coercive pressure in the organizational field has greatly impacted and influenced the environmental management strategies of enterprises in the functional specialization stage. Our research also showed that coercive pressure in the form of government restrictions pushes firms in Pakistan to implement SEM. It is a significant management method for firms that want to meet sustainability goals while also lowering environmental hazards. Deploying SEM is infested with hurdles but firms can follow best practices and focus on essential components to ensure the success of their efforts. Schaltegger and Wagner (2006) underlined the significance of integrating social, environmental, and economic performance into management strategies. Governments in underdeveloped nations play a critical role in encouraging businesses to adopt better environmental management practices because there aren't any powerful independent entities like rating agencies or industry standards. When it comes to implementing strategic environmental management practices, many sectors in these nations lack direction from the government or sector-specific trade organizations. Businesses now voluntarily implement environmental management strategies, however, the degree to which they do so varies depending on the commitment of top management, stakeholder pressure, and organizational resources. As a result, there are different levels of emphasis on environmental management even within the same business, so sectoral generalized statements are difficult to make.

Internal and external demands for sustainable business practices are growing in today's corporate environment. Businesses are becoming more aware of the need of adopting and implementing environmentally friendly initiatives, regardless of their degree of strategic environmental management. Companies adopting environmentally friendly policies show lower energy use, reduced waste creation, and decreased emissions while boosting sustainable resource utilization, have an edge over competing

businesses, especially those with lesser SEM levels (Singh and Kassar, [2019](#)).

Limitations

Strategic environmental management for sustainability is an emerging and relatively understudied research area in Pakistan. Despite its importance, it has received limited attention in the country. This study specifically focuses on sustainable business practices within the services sector, incorporating the framework of strategic environmental management. This study included telecommunications, Internet Service Providers (ISPs), software, and education sectors. While the services sector plays a significant role in the economy, it is essential to acknowledge the importance of research on

organizational environmental management across all manufacturing and industrial sectors in Pakistan. The manufacturing and industrial sectors have substantial environmental impacts, and understanding their environmental management practices is crucial for promoting sustainability in these areas. Further research should be conducted to investigate and assess the environmental management practices employed by companies operating within the broader manufacturing and industrial sectors of Pakistan. Expanding research in these areas can help identify best practices, create effective strategies, and implement sustainable initiatives to solve environmental issues and build a greener, more sustainable future for the country.

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