

Sustainability Management for Wine Production: A Case of Thailand

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Abstract — At present, increased concerns about global environmental problems have magnified the importance of sustainability management. To move towards sustainability, companies need to look at everything from a holistic perspective in order to understand the interconnections between economic growth and environmental and social sustainability. This paper aims to gain an understanding of key determinants that drive sustainability management and barriers that hinder its development. It employs semi-structured interviews with key informants, site observation and documentation. The informants are production, marketing and environmental managers of the leading wine producer, which aims to become an Asia's leader in wine & wine based products. It is found that corporate image and top management leadership are the primary factors influencing the adoption of sustainability management. Lack of environmental knowledge and inefficient communication are identified as barriers.

Keywords - Environmental knowledge; Sustainability management; Top management leadership; Wine industry

I. INTRODUCTION

At present, increased concerns about global environmental problems have magnified the importance of sustainability management. To move towards sustainability, companies need to look at everything from a holistic perspective in order to understand the interconnections between economic growth and environmental and social sustainability. The narrow focus of economic performance is a shortcoming in the creation of environmentally responsible organizations. Widespread negative environmental impacts of industrialization have destroyed the environment, natural resources and human health. Like most industries, the wine industry is seen as one of the polluting industries, causing wastewater, air emissions, greenhouse effect and solid organic waste in parallel with consuming a lot of fresh water and energy. The negative impacts on the environment and society occur from viticulture to transportation. Many wine producing countries, especially in the new latitude wine making countries such as Australia, New Zealand and the United States, perceive and concern about such environmental problems.

To date, there seems to be relatively little research that attempts to identify drivers and barriers to implementing

sustainability management for wine production processes. Studies that have been done frequently focus on environmental management systems and green supply chain management [1], [2]. This paper aims to at least in part fill that gap, by exploring key determinants that drive sustainability management and barriers that hinder its development. Two key research questions are addresses:

RQ1. What are key determinants that drive sustainability management for wine production in Thailand?

RQ2. What are barriers to the development of sustainability management for wine production in Thailand?

II. LITERATURE REVIEW

A. Sustainability management and wine production

Sustainability stands as the means of meeting the needs of the present generation without compromising the ability of future generation to meet their own needs [3]. The term includes all activities involved in the generation of economic growth while protecting the environmental and natural resources upon which present and future societies depend. In order to balance the need for economic growth with environmental and social sustainability, companies need to take a system perspective and not departmental time-static world when evaluating environmental impacts. Also, they have to shift their thinking from centering on economically oriented management to that of creating a long-term vision of environmental and social sustainability along the entire length of the supply chain [4]. There is a great deal of pressure from external forces driving environmental management practices including governments, customers and local communities [5], [6]. These bodies are working to push companies to focus on the environment and society rather than solely on a company's financial success. Likewise, competitive advantage, reputation, better efficiency, cost savings, management attitude, employee expectation and quality of food or service are important drivers which encourage companies to adopt sustainability management [6], [7], [8], [9], [10]. It is interesting to note that trust and brand equity of winery will increase after adoption of pro-environmental business practices [11]. Moreover, the