

# Environmental Management Accounting (EMA) for environmental management and organizational change

## An eco-control approach

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### Abstract

**Purpose** – The purpose of this paper is to identify the development and implementation of Environmental Management Accounting (EMA) and environmental management at the level of a firm in the hotel sector in Sri Lanka.

**Design/methodology/approach** – Case study method was used in the study. The primary data were collected through semi-structured interviews supported by observations of various facility centers (on-site assessment). Accounting records such as the Green Book, daily and monthly material and energy records, online resources and various other documents were content analyzed as sources of secondary data.

**Findings** – The study observed that the hotel had reinvigorated some of its environmental management and EMA practices in an urgent, cost-saving bid when faced with a financial crisis. Having realized their cost-saving potential and strategic benefits, the management developed these selective practices over time into comprehensive practices that are integrated into the daily management process supported by all stakeholders. The development stages of EMA reflect how the hotel moved from a survival phase to an integration phase.

**Originality/value** – The paper attempts to apply an integrated eco-control approach in an emerging South Asian country, Sri Lanka. Because eco-control of EMA is a new approach in developing countries, this paper provides important insights into the development of eco-control and EMA.

**Keywords** Sustainable management, Eco-control, Environmental management accounting

**Paper type** Case study

### 1. Introduction

There are numerous reasons that call for organizations around the world to consider its environmental performance seriously (Parker, 2000; Soonawalla, 2006; Lee, 2012). These include, but not limited to, human-made as well as natural disasters such as BP's oil spill in the Gulf of Mexico, hurricanes, the Asian tsunami and global warming. These incidents have resulted in increased media coverage and a growth in public awareness that have led to a mounting demand by stakeholders for organizations to adopt cleaner and safer environmental practices (Burritt *et al.*, 2002a). Environment-friendly practices

