

# The Environmental Innovation and the Sustainability of the Economic Unit: A Review

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**Abstract:** The environmental negative phenomenon and its dangers effect on human existence and the available sources had alerted the global organizations of the necessity to watch the environment and the effects of the products and industry on the environment. To reduce their effect on the environment by creating industrial methods and products that are friendly to the environment, which lead to sustainable use of the natural resources and monetary profits for the companies, so that they have to make new updates to their products or production methods to reduce their negative effects on the environment.

**Keywords:** The environmental innovation, the sustainability

## 1. Introduction

The environment sustainability indicates to the improvement on the economic unit that balance the three dimensional method which includes the social, environmental and economic development. That means that the economic unit needs to look upon the people, planet, and the planets to achieve the sustainability. This definition of the sustainable development has been used to achieve the three dimensional solution. The balanced solution produce much better in the short and long terms. And in this aspect the aim of the dimension managerial accountability (EMA) is to make the interested people to be alerted upon the effects of the production operations on the environment, the EMA could make such decisions and its very effective. It could reduce the economic unit danger upon the environment. Both has indicted that the EMA want to make the economic units responsible on the environmental and Montreal considerations one of the major points to the Economic unit accountability, the major aim for most of the economic unit is to achieve material profits and the to achieve it, they use multiple strategies, tools, techniques, to make its profitable [1]. Many studies has search for the relationship in the economic unit between the EMA and the environmental performance, but few of them achieved relationship between EMA and the Montreal performance of the economic unit [2]. In this study, we will search for the effects of EMA tools on the Montreal performance, and our final target is to increase its value by multiple.

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Applications, to achieve the main target of increasing its Montreal value, many economic unit tends to care on activities such as Corporate social responsibility for the economic unit and the environmental performances, making sustainability reports, and making environmental disclosure [3]. In the mean times the economic units work in hard environment shaped by competitive and continuous change [4]. In this competitive environment the economic units will search to methods to which it's could advance in its performance and strategies, so it could achieve good profits to the economic unit and then the economic unit could innovate by the products a new ones by innovate operations and by this methods it could reduce the waste and increase the profits. The innovate does not increase the Montreal value only but it aids in achieving the strategic and the environmental aims that considered to be vital in the current world in order to survive and grow in the suitable manner [5]. In the meantime, we need to rate the economic unit, we should look to multiple factors such as environmental performance, and the corporate social reasonability, the structure of setting the reports with classical indicators for the Montreal performance [6]. As result for this trend its required from the interest groups to put some pressure on that compels the economic unit to use certain tools and activities, and advance in the decisions and strategies and implement systems to achieve its aims [7]. This implications on the environment put some pressure on the interest groups in the modern work environment to use active strategies to achieve its aims in this environment. So the economic units will try to approve that its sustainable and eco-friendly because the interest groups doesn't require reports but require environmental and social reports also with Montreal reports. This allows the people to rate the originations in the sustainability and environmental aspects. By recognizing the danger in the environmental aspects , the economic unit would not be affected but the whole word would be affected negatively. What economic units will try to achieve the sustainably aims, consider as tools to achieve the sustainability which is linked directly to the sustainability and indirectly to the Montreal performance. The innovation aids the economic unit in implementing this tools because it aids in achieving the strategies, tools, and new tools which could develop the decision making , operation, and the strategic place for the economic unit [8]. It is very clear from the above mentioned the EMA aid with environmental innovation to make decisions and strategies to fight the environmental fears in effective method. This could be clear by the aid of this tools in improving the making and supporting, but this operation which is meditated by the innovating and the economic unit it's still not discovers, and the writings could consider to be very little.

## **2. Operational Innovation and the Montreal Performance of the Economic Unit**

The innovation is one of the principle factors that enhances the market share of the economic unit and provide it with the competitive advantage that make it better than the others that improve the capacities of the economic units and the economic unit and enhance its performance in multiple aspects. It has three dimensions to the economic unit that the innovation has special impact in it [6]. This dimensions include client, Montreal, and market performance, the old writing describe the innovation as major factor in initiate the twofold economic unit performance that has good funding, that could lead to enhance the products and create operations that could increase its capital. Although the innovations in the industry which reduce its activity [9]. This could increase the contrast in the innovation in the economic performance [10] which support the innovation theory in relationship of the innovation and the activity of the economic unit. This theory puts basis to the argument that said the innovation facilitate the dependence on the modern system and the strategies which enhance in the end of the economic unit for the economic performance, which aids it in enhancing the competitive advantage which make it better than its innovative competitive so it's goes to the innovative operations which is adopt by the economic unit which increase the economic unit performance and helps the growing of the economic unit, and the economic innovations too. Which support the theory that is based on the resources because it is based on the economic advantage, the economic

unit activity, the rare capacities, the unique one for the economic unit which facilitate the resources needed on the other in the market the theory indicate the emergency that the emergent condition and the doubts (strategic, the innovative conditions). This leads the economic unit to behave in certain ways and to adopt certain behaviors, so that it supports the emergency theory the argument that the innovation in the economic unit could be enhanced [11]. That means the writing and the theories support the argument that the innovation aids the economic unit performance. Study in turkey shows the major and the positive change the innovation on the economic unit by using the balanced double card from 197 economic unit, and found that when you bring the economic unit in innovation of its trade marks, it will achieve innovation and improvement, which will lead to innovation to growth at least. Another study by shows the innovation does not need change in operation, and sometimes will lead to strategy to enhance the operation of production, which leads to major improvement in industrial operation [12]. That if the economic unit produce new ideas, it will get new competitive advantage. In the economic unit which has a huge innovation that could not be copied by other originations so the economic unit could obtain the profits on the long term by this method) many studies denies the relationship between the innovation and developing the products, in other study as obstacle in the economic unit improvement this could be one of the reasons that the researchers didn't bear in mind, many studies has explained the relationship between the innovation and the improvement in the products in the advanced economics that has high productivity, but the writings on this topic are few. In addition, there is need to know the innovation in the EMA and the operation innovation in the weak economic many studies that is part of operational innovation as positive indicator in the EMA [13].

### 3. Comparative of Previous Studies

Canh et al.2019 [14] believes that innovation is a complex process that can be viewed from different sides. Company owners care about the financial performance of companies, but with the development in the modern era shareholders must care beyond financial performance to extend their interest to employees and societies as well. Because innovation It increases the company's market share, but not the return on assets, and this means that investing in innovative activities requires its time to make positive changes in profitability, but it may help in gaining customer loyalty. Habib et al. 2020 [15] believes that some literature considers innovation as technological changes in Product units and not a radical change in the structure of the product. However, science now considers that innovation is building a new generation of products that differs radically from previous products in order to be more beneficial and less harmful to the environment and society, such as (Tesla's Model). Wright et al.2004 [16] studied the relationship between innovation and performance. He studied how certain types of product innovation strategies are related in a variety of environments, including competitive ones and monopolistic ones. He concluded through his study that customers prefer developing more product lines than development. While Song et al 2020 [8] focused in his study on the impact of environmental regulation and tax incentives for research and development of green product innovation. He concluded through his research that tax incentives play an important role in promoting innovation, specifically creating sustainable green products and directing companies in this direction through Motivate it and its customers as well with tax incentives on green products.

### 4. Products Innovation and the Montreal Performance of the Economic Unit

We can determine the innovations in the products by either in radical innovation or progressive one which can be determine by the level of the innovation, the innovation is linked by entering new product or tech in the market, the progressive innovation is linked to modifications or editing the current products [15]. There are huge debate in the academic circles about the innovation, because ability of the economic unit could make it outperform the non-innovative economic

unit that mean in fact that when the economic unit innovate in its products, it will be in better position to achieve the and maintain the competitive advantage. So that innovation will bring new clients and maintain the current clients. It's being assured that the innovative contrast which could be reached by innovation and development which could bring better results for the economic unit, when the economic unit will bring innovation in its products it could win revenue and profits that will lead to Montreal development for the economic unit [14]. So that it has been said the innovation in the products will play major rule in enhancing the economic unit performance because it will become a new competitive advantage, and the material theory support this argument because we could rely on the performance of the economic unit and its competitive advantage, resources, and the unique strategies. According to Nwokah.2009 [17], the innovation is related to in positive and mostly to economic unit performance by the profitability and customer loyalty the growth rate. Study shows that the modernity in products it's the key for the competitive advantage and it plays rule in increasing the economic unit performance. Both of conduct study about the banking sector in USA and the mentioned that huge part of the client mind, and the continuity of the economic unit could be sustained by the new innovations, so that they could increase their profitability margin. Then the economic unit could merge the advantages and multiple aspects in order to develop its products. This could make them be able to compete in the market. Because of this the innovation consider to be deterrent of the Montreal innovation of the economic unit. Said that the innovation could make negative impact on the economic unit because it cost too much and increase the dangers, on the other side study indicate [16] the two aspects in the innovation doesn't affect the economic unit performance and it's has positive impact on the economic unit in a hostile environment. Other study has shown the innovation in the products cant effect it productivity, and it could play positive rule in increasing the growth of the economic unit. That means the innovation is positive indicator to the development in the economic unit [18-20].

## **5. Conclusion**

Given our findings and emphasis, it is clear that product innovation without a welcoming culture is insufficient. We can lessen the environmental toll of automobiles by developing mitigation strategies, cutting down on harmful effects, cutting down on damages, and increasing the use of electric vehicles across businesses. That way, we can promote sustainable growth, save the planet, make money for Montreal businesses, and reduce our carbon footprint by purchasing environmentally safe goods.

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