

СУЧАСНИЙ МЕНЕДЖМЕНТ

Rustam Aslanzade

Student PhD

ISMA University (Riga, Latvia)

ORCID: <https://orcid.org/0000-0001-5067-639X>

SUSTAINABILITY IN THE SUPPLY CHAINS MANAGEMENT

The concept of sustainability in modern conditions is gaining its further innovative development. The companies strive to create «green» technologies, «green» products, considering the wishes of customers to see not only environmentally friendly products, but also to know that the production process also does not make threats to the environment. So-called "green" alliances can be formed, and they have great advantages: free access to information regarding the environmental friendliness of products (where exactly was manufactured and by what technology, what components, ingredients were used, etc.); consumer trust to the proposed environmental materials; access to new markets, competitiveness; eco-materials, due to their positive characteristics, can create ads for themselves; consumer consultation at any stage (from the production of goods to the moment of operation and the warranty period). In recent years, the eco-technologies, which today have become a new technology trend, following the information and communication technologies and biotechnologies, have gone mainstream. Such topical issues as climate change, environmental pollution, global disasters, etc. – all these factors gave impetus to searching for new solutions.

Over the past decade, the science and technologies development has brought great achievements in the field of economics, construction, ecology, thereby reaching a new level of research, namely eco-technology. Every day, this issue is becoming increasingly relevant, and humanity is striving for optimal interaction with the environment. Since this time, investments in environmental technologies began to grow in the world, that is, a set of measures for the release of goods and the provision of

services allowing assessing, limiting, preventing, correcting, or minimizing harm made to the environment and/or society as a whole.

The prerequisites for the development of eco-technologies are the growth of industrial production and the improvement of legislation; a company and society represented by the state should not only be willing to solve environmental problems, but also have the economic opportunity to implement them. The state should contribute to the formation of the eco-technology market with the help of various programs and mechanisms that are widely used around the world to stimulate the growth of the economy and its particular industries, as well as strengthen strict standards for environmental emissions. In turn, there are negative circumstances, namely, a contradiction of the business' and society's interests in resolving environmental problems. To some extent, the environmental technology market depends on the current environmental policy of the state and may be in a state of forces distribution and strategies determination. The main problem for the environmental technologies formation is the lack of technologies suitable for implementation, and the lack of "commercial" technical solutions.

The main reason for investing in eco-technologies is environmental legislation, the aim of which is to reduce environmental pollution. Special attention is paid to activities related to wastewater, minimization and prevention of air pollution. The introduction of stricter environmental legislation leads to the development of a new industry, the eco-industry.

The implementation of corporate responsibility best practice can be found among global leaders. For example, At Northrop Grumman presents key indicators of social responsibility, including women and different races representation in the company in its reports. The company's social responsibility structure includes not just individual actions or directions, but also the formation of systematic diverse supply chains. For over 13 years, At Northrop Grumman has exceeded the US legal goal of partnering with small businesses of at least 23% of all contractors. In 2018, the company subcontracted 37% of domestic purchases, or \$ 3.1 billion, to small business suppliers, including businesses owned by women, veterans, and minority owners. As part of the Global Supplier Diversity Program, the company is developing partnerships with the small business community to provide technologically advanced products and

services that support the supply chains' growth and development. For example, working with the US Department of Defence's Mentoring Program, the company collaborates with the Centre for Economic Development at the University of Southern California and several historically established colleges and universities to provide cyber-security training to approximately 4,000 vendors.

In addition, in 2008, the company launched a green NG eco-sustainability program aimed at improving operational efficiency and long-term cost savings. For instance, the company sets a target for the amount of greenhouse gas emissions, reducing it by 33% (244 110 cubic tons) compared to 2010. The targets are also set for water consumption (reducing consumption by 155 million gallons per year) and solid waste recycling (an increase from 52% to 62% of the solid waste diversion).

At Northrop Grumman and the Northrop Grumman Foundation are looking to increase community engagement. One of the main activities is to support STEM (Science, Technology, Engineering, and Mathematics) training opportunities for students and lecturers around the world. In 2018, the company provided about \$20 million to various organizations and programs working in the fields of science, technology, engineering and mathematics. The company pays special attention to the social responsibility of companies throughout the supply chain, maintaining its ethical principles within its entire dimension, focusing on the production of the most innovative and affordable technological solutions for customers. In the process of competition, all suppliers go through an assessment process, which identifies companies that are at risk of reduced productivity. Efficiency is assessed in several main categories, including management, technical support, schedule, cost, offer, mission implementation, supply chain management and customer satisfaction, with emphasis on the «most important suppliers» with basic business requirements. At Northrop Grumman, the vision is to be a leader in providing integrated and efficient supply chain solutions by harmonizing and using common strategies, processes, people and systems to create value. The company relies on suppliers that supply raw materials, chemicals, components and subsystems for products, as well as manufacture components and equipment trims, provide software and intellectual property, and also provide some services to end customers

(for example, repair or maintenance), and do this is in accordance with all applicable laws, rules and contract terms. In 2018, the company subcontracted \$ 8.3 billion with a wide supplier base covering all of 50 US states.

The company sets standards of business conduct for all suppliers, employees and subcontractors at all levels. At Northrop Grumman develops and maintains a diverse supply chain that provides an optimal value for the company and customers. The Northrop Grumman Global Supplier Diversity Program Office (GSDP) is an interlink to small and low-income business owners, as well as partners at colleges and universities. The company holds information events for small businesses, offers mentoring programs and sponsors academic, consumer and industry events that support the growth and development of small businesses.

The supply chain control focuses on the following measures: preventing product quality reduction at all stages of its production, banning counterfeit parts, and observing cyber security regulations, protecting intellectual property; for that purpose a special program has been developed to train how to ensure authenticity of materials for supplies throughout the chain, improving product quality, engineering procurement, etc. Thus, only those suppliers who have been trained or tested for training in preventing product quality reduction or getting into the counterfeit product chain are allowed to get to the supply chain (Corporate..., 2018).

References:

1. 2018 CORPORATE RESPONSIBILITY REPORT. The value of performance. NORTHROP GRUMMAN. Retrieved from: <https://www.northropgrumman.com/CorporateResponsibility/Documents/pdfs/2018-noc-cr-report.pdf>