

# Artificial Intelligence in Green Management and the Rise of Digital Lean for Sustainable Efficiency

*Hanan Ayoubi , Yassine Tabaa , and Moad El kharrim*

Abdelmalek Essaadi University , FSJES of Tetouan, Morocco

**Abstract.** Artificial intelligence (AI) is a powerful management technology that offers analyzes and insights superior to those made by humans. It cuts costs and saves time by automating repetitive processes, forecasting customer demand and optimizing supply chains while taking into consideration their impact on sustainability and the environment. Organizations become more efficient through the integration of AI, which increases performance and decision-making. This essay examines the use of AI in management and the advent of digital lean, which combines lean manufacturing with technological innovation. The environmental benefits of AI, including energy efficiency and sustainable manufacturing, are also advocated. To realize the environmental sustainability benefits of AI, issues such as data privacy and scalability, as well as the need for responsible AI cooperation and practices, are highlighted.

**Keywords:** Artificial intelligence, Digital Lean, Digital transformation, Lean management, Management, Sustainability, Supply chain, efficiency.

## 1 Introduction

The implementation of artificial intelligence (AI) across a variety of management activities is causing a sea change in the way in which businesses function and make decisions. AI has evolved into a powerful instrument that can be utilized in the management of supply chains, the making of decisions, and the optimization of resources, so enabling organizations to improve their levels of efficiency and production. This study put the light on the effect that the incorporation of AI has had on the surrounding natural environment, with a particular emphasis on the potential environmental benefits and positive implications.

Recent research papers and use examples demonstrating how AI has been successfully implemented in enterprises demonstrate how AI has transformed management methods and enhanced operational effectiveness. AI-driven projects have shown considerable efficiency

and productivity advantages in a variety of contexts, including the optimization of supply chain logistics and the improvement of decision-making processes.

The reduction of overall energy usage is one of the primary areas in which the integration of AI brings about major environmental benefits. Organizations are able to improve their energy efficiency and lower their carbon emissions by optimizing their use of energy through the application of AI algorithms and automation. In addition to this, AI makes it possible to optimize resource consumption, which in turn leads to more sustainable manufacturing processes and a reduction in waste. The potential environmental benefits of integrating AI go beyond simply optimizing energy use and resource use, and instead contribute to the overall sustainability of the environment.

The integration of AI has been shown to have good effects on the surrounding environment, as shown by recent data and statistics. Several different types of businesses have been found in studies to obtain large levels of energy savings when optimized using AI. For instance, the implementation of AI in building management systems has resulted in significant reductions in the amount of energy consumed and the emissions of carbon dioxide. In a similar vein, the optimization of supply chains powered by AI has helped reduce the emissions and waste that are associated with transportation.

Several different organizations serve as models for effective AI-driven programs that promote environmental stewardship and sustainability, and these businesses are sometimes referred to as "exemplars." These companies have taken advantage of artificial intelligence technologies to improve their environmental performance. They have made significant strides toward reducing their environmental impact by implementing AI-based strategies for energy management, waste reduction, and sustainable business practices.

The incorporation of AI into management, on the other hand, brings with it a number of problems and ethical implications that need to be recognized. It is necessary to pay close attention to a variety of issues, including data privacy, algorithmic bias, and the development and deployment of responsible AI. Concerns such as these must be addressed by businesses in order to guarantee the ethical and responsible application of AI technologies.

It is essential to take a holistic approach to the incorporation of AI in order to take into consideration both the environmental and social implications. It requires the design and deployment of AI systems to adhere to standards of transparency, fairness, and accountability. It is absolutely necessary for diverse stakeholders, such as governments, industry professionals, and members of civil society, to work together in order to design rules and standards that are inclusive and that link the integration of AI with sustainability objectives.

## **2 Understanding Artificial intelligence background :**

Over the years, there have been several significant changes in the focus and direction of AI research. Early AI research concentrated on rule-based systems, but the development of these systems was slower than anticipated, and their capabilities were constrained [74]. As a result, there was an 'AI winter' of declining funding and interest in AI research [60]. However, in the 1980s and 1990s, the focus of AI research switched to more complex methods like machine learning and neural networks, which enabled computers to continuously learn from data and enhance performance [22]. This change resulted in important advancements in fields including robotics, natural language processing, and speech and picture identification. Artificial intelligence, or AI, is a fast-expanding field that has the potential to completely

transform a variety of sectors and applications. It is an interdisciplinary area that combines computer science, mathematics, psychology, and neuroscience to build robots capable of learning, solving problems, and making decisions—tasks that traditionally require human intellect [54]. One of the key areas of research in AI is machine learning, which is a method of teaching computers to learn from data without explicit programming. Machine learning algorithms are used to identify patterns in data and then use those patterns to make predictions or decisions. This makes it possible for computers to improve their performance over time, as they learn from new data.

Natural language processing (NLP), which focuses on the interface between computers and human languages, is a significant area of AI study. In order to help computers produce speech and writing that sounds like human speech, NLP approaches are employed to study and understand human language [32]. There are several uses for this, including text-to-speech, machine translation, and speech recognition.

Another crucial area of AI research is computer vision, which is concerned with teaching computers to comprehend and analyze visual data. This covers activities like object recognition, scene comprehension, and visual and video analysis [71]. Applications for computer vision include surveillance systems and medical imaging.

The design and development of robots, which are machines that can be taught to carry out a range of activities autonomously, is another crucial area of AI that is covered by robotics. In order to help robots travel, manipulate items, and interact with their surroundings, robotics research frequently uses machine learning and computer vision techniques [64].

Deep learning, which is a subfield of machine learning, has seen major usage growth as of late, which is another key advancement in the field of artificial intelligence (AI). According to Goodfellow, Bengio, and Courville [22], deep learning entails learning representations of data through the utilization of neural networks that contain numerous layers. The application of this strategy has resulted in considerable advances in the performance of AI systems, notably in domains such as picture and speech recognition. For Sutton and Barto (2018) [70], additional methods and algorithms, including evolutionary algorithms, swarm intelligence, and reinforcement learning, have been created to expand the capabilities of AI systems. These developments help to make AI systems more robust and adaptable to a variety of scenarios.

In addition, the influence of AI is not confined to the field of information technology ; rather, it is reshaping a wide range of industries, including medicine, the economy, agriculture, and many others. The diagnosis of diseases, the uncovering of fraudulent activity, and the forecasting of crop yields are all areas in which AI is being applied to produce systems that are both more efficient and accurate. According to Bengio, Goodfellow, and Courville (2017) [4], artificial intelligence is predicted to continue playing a crucial role in reshaping the future and having an effect on a wide variety of facets of our everyday lives.

### **3 Usage of AI in Lean Management :**

According to Robbins, Coulter, and DeCenzo (2017) [58], management is the process of organizing, leading, and regulating resources to accomplish organizational goals. It is a vast field that includes many different tasks like budgeting, human resources, and operations management.

The origins of management can be found in the earliest phases of human civilization, when leaders and managers were tasked with allocating labor and resources in order to accomplish group objectives. However, the development of huge organizations and the

advent of industrialization in the late 19th and early 20th century marked the beginning of the contemporary field of management as we know it today.

Henry Ford, who is credited with inventing the use of assembly line methods to mass-produce automobiles, is one of the most important figures in the history of management [74]. Ford's ground-breaking strategy greatly improved productivity and efficiency while transforming the industrial sector.

The goal of lean management, sometimes referred to as lean thinking or lean production, is to eliminate waste and non-value-added operations from the manufacturing process in order to increase productivity, quality, and customer satisfaction [73]. It is a comprehensive strategy with an emphasis on motivating workers and continuously enhancing an organization's complete value chain.

Identifying value from the perspective of the customer, mapping the value stream to identify areas of waste, creating flow in the value stream by eliminating waste, establishing pull in the value stream through just-in-time production systems, and pursuing perfection by continuously improving the value stream are some of the fundamental tenants of lean management [39].

Manufacturing, healthcare, shipping, and services are just a few of the sectors and organizational roles where lean management is applicable. It uses tools like value stream mapping, Kanban, and Kaizen to improve organizational performance and is a data-driven and evidence-based approach [49].

Furthermore, Lean management is frequently compared to other methodologies like Total Quality Management (TQM), Six Sigma, and the Theory of Constraints (TOC), even though their focuses and methodologies differ [63]. This is because they share similar principles of continuous improvement and waste elimination.

The Toyota Production System (TPS), created in the 1950s by Taiichi Ohno, an engineer at Toyota, is where lean management originated (Liker, 2004) [39]. Ohno created the TPS in an effort to reduce waste and establish a more effective production system after realizing the inherent waste in conventional mass production techniques.

James Womack and Daniel Jones, two prominent American engineers and management specialists, examined the TPS in the 1980s and presented the idea of "Lean production" as a way to adapt it to the American environment [73]. This was the first time outside of Toyota where lean management was used.

Beyond manufacturing, the principles of lean management have been modified and applied throughout time to a variety of company departments and industries [31]. Lean management is now acknowledged as a comprehensive method of company management that can be applied to any kind of organization or process.

With the introduction of new technologies and management techniques, lean management continues to develop. For instance, the Lean Six Sigma methodology has become more well-known recently. It blends the ideas of Lean management with those of Six Sigma.

We can claim that Lean management has developed from its beginnings in manufacturing to become a widely adopted management strategy that is applicable to a wide variety of industries and company functions. This is something that we can say since Lean management has evolved from its manufacturing roots. It undergoes continual change in response to the introduction of new management approaches and technological advancements.

## **4 What is digital lean ?**

According to a study by Poppendieck and Poppendieck (2012) [52], the term "digital lean" refers to a relatively new idea that blends the tenets of lean management with the possibilities of digital technologies. According to Liker and Franz (2016) [40] the fundamentals of lean management were created by Toyota in the 1930s and 1940s. These ideas place an emphasis on the removal of waste and continual development. As a result of businesses beginning to implement digital tools and technology as part of their lean management processes, the term "digital lean" came into existence.

The implementation of digital lean can confer numerous benefits on enterprises. According to Radnor and Johnston (2012) [55], companies that utilize digital tools benefit from enhanced visibility, increased efficiency, improved decision-making, and data-driven continuous improvement. Monitoring and analyzing manufacturing processes in real time enables prompt diagnosis and resolution of any issues that may arise. The automation of operations that include repeated motions lowers the probability of mistakes being made by humans and boosts overall productivity. In addition, digital technologies make collaboration and communication among departments and teams much easier, which improves the efficiency with which problems are solved and decisions are made.

Digital Lean's ability to collect and analyze massive volumes of data in real time is one of the most significant advantages it offers to businesses [52]. This enables businesses to gain vital insights into their production processes and operations. Using this data, one may find trends, patterns, and places that could use some improvement, which enables one to make decisions based on the data. In addition, digital technologies make it possible to work from a distance and improve the management of distributed teams.

According to Manos and Vincent (2019) [42], a new idea known as "Digital Lean" is gaining traction as a result of the increased adoption of digital technology by businesses. The idea of "digital lean" is certainly going to undergo some sort of metamorphosis as new applications of existing technology and methodologies continue to be created and implemented [56]. Businesses and organizations that are interested in enhancing their operations and production processes while also making use of the most recent digital technology may want to investigate the possibility of implementing a digital lean approach.

## **5 AI as a lean management tool :**

As technological advancements continue to be made, businesses may want to think about incorporating more modern tools into their digital lean projects.

For example, advanced analytics and big data platforms allow organizations to collect and analyze massive amounts of data from a variety of sources in real time. This enables data-driven decision making and makes it easier to recognize patterns and trends [37][62].

As new technologies continue to emerge and existing ones are enhanced, businesses should continue to evaluate whether or not to integrate new technologies. Companies are able to handle and analyze vast volumes of data in real time thanks to platforms that support advanced analytics and large amounts of data [10] [14] [5]. This paves the way for the detection of patterns and trends as well as the development of decisions that are driven by data [10].

The use of blockchain technology makes it possible to create databases that are both tamper-proof and decentralized, which improves the supply chain's transparency and traceability. Tools for predictive maintenance make use of the Internet of Things (IoT),

machine learning, and artificial intelligence (AI) to schedule maintenance ahead of time, there by minimizing downtime and enhancing equipment reliability. According to PwC's report from 2020, digital twin technology involves the creation of digital clones of physical assets or systems in order to replicate and optimize performance. Robotic process automation, also known as RPA, is a method that automates routine processes and jobs in order to boost productivity [10]. Tools that utilize augmented reality (AR) and virtual reality (VR) are used for a variety of purposes, including collaboration, training, and simulation [54].

The protection of digital systems depends heavily on the utilization of cybersecurity solutions such as firewalls, intrusion detection systems, and encryption in addition to the digital tools that were discussed before, there are a few other tools that businesses may want to take into consideration integrating into their efforts to implement lean management. According to Laudon and Laudon (2019) [38] and Nah (2019) [46], Enterprise Resource Planning (ERP) systems combine and automate a variety of business activities, which in turn streamlines operations and improves decision-making. For Laudon and Laudon (2019) [38], Supply Chain Management (SCM) solutions contribute to the optimization of supply chain processes, which in turn helps to reduce costs and improve efficiency, and software for project management provides assistance in planning, organizing, and managing projects. Quality Management Systems (QMS) for the same authors make quality control and improvement easier to implement. For the same authors and Gunasekaran and Ngai (2017) [24], workflow automation technologies automate and streamline corporate operations, which results in an increase in both efficiency and productivity.

In addition to the digital tools already mentioned, there are a few other tools that businesses may want to use in their lean management projects. [46]

Enterprise resource planning (ERP) solutions combine and automate a variety of company activities, streamlining operations and enhancing decision-making. Systems for supply chain management (SCM) aid in streamlining procedures, lowering costs, and boosting effectiveness [38]. Software for project management facilitates the organization, planning, and management of projects and quality management systems (QMS) make quality control and improvement simpler. For the same authors and Gunasekaran and Ngai (2017) [24], workflow automation technologies automate and streamline corporate processes to boost productivity.

Additionally, it is critical to take into account the environmental impact of AI integration as firms incorporate AI technologies into their management practices. While AI has many advantages, such as better decision-making and efficiency, it also has the potential to use much more energy and raise carbon emissions. Organizations may utilize the power of AI while minimizing its environmental impact by investigating the environmental effects of AI integration and putting sustainable procedures in place.

## **6 Impact of AI Integration on the Environment :**

According to several studies integrating artificial intelligence (AI) into different management functions has a significant potential to have a positive impact on the environment by promoting energy efficiency, sustainable manufacturing techniques, and lower carbon emissions. Studies have shown that integrating AI into management results in significant energy savings and environmental benefits. For instance, it has been demonstrated that AI-based energy optimization systems may significantly reduce energy use, with potential savings of 10% to 40% [20].

Sustainable manufacturing practices can be achieved by using AI algorithms to discover areas for optimization, reduce energy-intensive processes, and optimize resource allocation..

Additionally, the use of AI algorithms in manufacturing has reduced waste production, increased resource usage, and decreased carbon emissions. Additionally, AI's applications in waste management, environmental monitoring, smart grid management, and transportation efficiency have the potential to increase energy savings and environmental advantages [1]. Overall, implementing AI in management tasks offers a promising route to achieving sustainable practices, environmental protection, and energy efficiency.

AI-driven programs to encourage sustainability and environmental stewardship have been successfully implemented by numerous enterprises. For instance, Google has optimized the energy use in its data centers using AI algorithms, which has resulted in significant energy savings [35]. Siemens is another example, which integrates AI into its production methods to improve energy efficiency and lessen its environmental impact [33]. These organizations can be used as models for utilizing AI to advance environmental stewardship and meet sustainability goals.

However, incorporating AI into management also presents difficulties and moral dilemmas. As AI relies on massive data collection and analysis, data privacy is a major concern [19]. Another issue is algorithmic bias, which can exacerbate already-existing disparities through the use of biased data or algorithms [50]. To address these issues and assure ethical AI practices, responsible AI development and deployment that incorporate openness, justice, and accountability are essential [30].

The integration of AI must be approached holistically, taking into account both the environmental and social consequences. It entails adopting ethical AI principles as well as sustainable AI techniques like maximizing energy efficiency and lowering carbon emissions [60]. The possibility of unexpected repercussions from AI, such as job loss or environmental trade-offs, must also be considered by businesses [6]. Organizations can optimize beneficial environmental effects while reducing unfavorable social and environmental effects by taking into account the larger implications of AI implementation.

The integration of AI has a great deal of potential to improve the environment across many different domains. First, AI algorithms can assess data and make wise decisions to improve energy usage in terms of energy efficiency. This may be demonstrated, for instance, in how AI can be used to optimize energy use in smart buildings while also cutting waste and carbon emissions (Li et al., 2019). According to Chatha et al. (2020) [9], AI also supports sustainable manufacturing by evaluating real-time data to spot areas for improvement, reduce energy-intensive operations, and optimize resource allocation.

These actions increase resource efficiency and waste reduction. Additionally, AI makes it possible for smart grid management to forecast energy consumption, optimize distribution, and balance supply and demand, leading to more effective energy use, lower energy losses, and better integration of renewable energy sources [25]. In order to detect pollution patterns, monitor wildlife habitats, and support early warning systems for natural disasters, AI also plays a critical role in environmental monitoring (Zhang et al., 2020) [77]. It does this by using data from sensors, satellites, and other sources.

By monitoring traffic patterns, forecasting demand, and recommending effective routes, AI also helps to improve the efficiency of transportation, which reduces congestion, lowers fuel use, and lowers emissions. Lastly, AI enhances waste management procedures by evaluating data to pinpoint recycling and disposal plans, improve recycling rates, and optimize collection routes.

The use of artificial intelligence (AI) technologies across a range of sectors has a substantial potential to have favorable environmental effects. By studying and regulating energy use patterns, AI can help with energy efficiency. This improves energy efficiency and reduces energy waste. According to studies, AI-driven energy management systems can reduce energy consumption in buildings by 10% to 40% [41].

As AI makes it possible to optimize industrial processes, it can also improve sustainable manufacturing practices. AI can reduce energy use and waste production by identifying inefficiencies, minimizing energy-intensive procedures, and optimizing resource use by analyzing data from sensors and other sources [9].

By improving many elements of operations, AI integration can help cut down on carbon emissions. For instance, using AI to optimize transportation routes can result in better logistics and less fuel use [25]. In addition, AI can improve the integration of renewable energy sources and demand-response mechanisms in buildings, which all help reduce carbon emissions [47]. AI can also help with recycling and waste reduction initiatives. AI systems are able to find chances for trash reduction and raise recycling rates by examining consumption patterns [41].

AI can also help with environmental management and monitoring by processing massive amounts of data from sensors, satellites, and other sources. This improves our capacity to safeguard and conserve the environment by enabling the identification and prediction of environmental threats, monitoring of ecosystems, and support for early warning systems for natural catastrophes. Overall, the use of AI technology offers substantial prospects for attaining energy efficiency, environmentally friendly manufacturing, lowering carbon emissions, reducing waste, and improving environmental monitoring, all of which will help to create a more sustainable future.

Despite the fact that there is a growing body of research emphasizing the potential energy savings and environmental advantages of AI in management, it is crucial to keep in mind that specific data and statistics can vary depending on the industry, application, and context. However, the following examples and sources offer details on the energy savings and environmental advantages brought about by the integration of AI:

- *Building Energy Efficiency:* According to a Siemens study, AI-based optimization algorithms typically lower commercial buildings' energy usage by 20%, while certain buildings can save as much as 30% [65].
- *Industrial Energy Management:* According to an IEA report, AI applications in industrial energy management could result in energy savings of up to 15% by 2040 [27].
- *Smart Grid Optimization:* The California-based Pacific Gas and Electric Company (PG&E) used AI algorithms to streamline the operation of the energy grid, which led to a 3.3% decrease in overall electricity consumption and a reduction in greenhouse gas emissions [51].
- *Transportation and logistics:* Research from the Massachusetts Institute of Technology (MIT) claims that AI-based routing optimization in transportation and logistics can cut fuel usage by up to 20%, resulting in a sizable decrease in carbon emissions. [45]



- *Waste Management*: Companies that deal with waste have implemented AI-powered waste collection systems that optimize collection routes, saving up to 30% on gasoline and lowering greenhouse gas emissions [57].

It's critical to remember that these data and outcomes may differ based on variables like the exact AI algorithms utilized, the scope of implementation, and the current energy management techniques. Nevertheless, these examples show how AI has the ability to promote energy savings and environmental advantages across a range of industries :

- *DeepMind Energy*, an artificial intelligence (AI) system created by Google DeepMind, optimizes the use of energy in data centers. DeepMind Energy reduced energy use in Google's data centers by 15% by using AI algorithms to regulate cooling systems and other energy-intensive processes [23].
- *Microsoft's AI for Earth* effort focuses on utilizing AI technologies to address major environmental issues on a global scale. The program supports a number of activities, including the use of AI in precision farming, water management, and biodiversity protection. For instance, Microsoft and The Nature Conservancy worked together to create an AI-powered system that forecasts water scarcity, assisting farmers in making better educated irrigation decisions and minimizing water waste [44]
- *The Green Horizon Project by IBM* was designed to cut down on energy use and enhance air quality in China. IBM created predictive models to optimize energy use, lower emissions, and improve overall environmental sustainability by utilizing AI algorithms to assess vast volumes of data from weather forecasts, pollution sources, and building sensors [26].
- *Building management systems powered by AI* from Siemens : Siemens uses AI-driven building management systems to optimize energy use in commercial buildings by continuously analyzing sensor data. Siemens' AI solutions have shown considerable energy savings and enhanced sustainability by autonomously altering heating, ventilation, and lighting systems depending on occupancy patterns and outside conditions [65]

These examples demonstrate how businesses from many sectors have used AI-driven programs to encourage environmental responsibility and sustainability. These firms contribute to a more sustainable future by utilizing AI technology to maximize resource utilization, lower energy consumption, and boost operational efficiency.

It's crucial to take into account the difficulties and potential consequences of AI deployment when analyzing how it will affect the environment. Some of the main issues to think about are as follows :

- *Data reliability and accessibility*: For training and decision-making, AI algorithms rely on huge datasets. It might be difficult to guarantee the availability and quality of pertinent data, particularly in industries with few or dispersed data sources [72]
- AI systems must abide by *ethical standards* in order to avoid biases or unforeseen outcomes. When developing and implementing AI technology, transparency, accountability, and justice should be top priorities [19].
- *AI systems' energy consumption*: While AI can assist numerous applications optimize their use of energy, the computing needs of AI algorithms can be energy-intensive. It's difficult to balance how much energy AI systems use with the environmental benefits they provide [68].

- A staff with specific knowledge in data science, machine learning, and AI development is needed to implement AI technology. To fully reap the rewards of AI, businesses must invest in staff training and upskilling [53].
- *Privacy and security*: AI systems frequently handle private and sensitive data. To reduce potential hazards, it is essential to ensure reliable security measures and respect privacy rights[16].
- *Potential job loss*: AI automation may result in employment loss in some industries. It's critical to foresee and manage the potential social and economic effects, such as through upskilling employees and fostering the creation of new jobs in domains connected to growing AI [74].
- *Legal and regulatory frameworks*: As AI technologies develop, legal and regulatory frameworks must change to handle possible hazards and guarantee adherence to moral principles, privacy protection, and justice [48].

Although there are many advantages to integrating AI into management, there are also a number of difficulties and ethical issues that must be taken into account. As skewed data can reinforce existing disparities, ensuring fairness and minimizing biases in AI systems is a crucial task [12].

When working with personal and sensitive data, it's critical to uphold trust and adhere to legal requirements by respecting privacy rights and putting effective data protection measures in place [15]. As complicated algorithms can be opaque and challenging to comprehend, transparency and accountability in AI systems are essential for ethical decision-making and user trust [17].

To protect AI systems from potential flaws and unlawful access, cybersecurity measures are required [59]. It is critical to define the roles and responsibilities of people and AI systems so that humans can comprehend, interpret, and, if required, influence AI-generated judgments [7]. As AI integration can result in job displacement and social disruption [74], addressing the possible impact on employment and ensuring a just transition for employees are crucial considerations. In order to control the use of AI, establish ethical standards, and encourage responsible deployment, it is required to adopt appropriate legislation and legal frameworks [48]. Organizations and politicians may take advantage of the potential of AI integration while maintaining moral and sustainable practices by proactively addressing these issues and concerns.

Organizations and policymakers should have ongoing discussions, establish strong governance frameworks, and encourage interdisciplinary collaboration among technology experts, ethicists, and policymakers in order to effectively address the difficulties and ethical issues related to the integration of artificial intelligence (AI) in management.

To ensure the ethical and responsible integration of AI systems in management practices, transparency, accountability, justice, and human values must be addressed throughout the development and deployment of AI systems.

The application of AI in a variety of industries, including management, raises important questions about algorithmic bias, data privacy, responsible AI research, and human-machine collaboration. Concerns concerning data privacy are raised by the fact that AI systems rely on a lot of data, especially sensitive and personal information[16]. According to the European Commission (2020) [16], organizations must handle data responsibly by abiding by privacy regulations, gaining informed consent, and putting in place strong security measures to safeguard individuals' data.

Another major issue is algorithmic bias, which, if training data is flawed, can support unfair treatment and discrimination. Preprocessing and algorithmic fairness are just a couple of the tools that can be used to reduce bias [28].

Throughout the AI lifespan, ethical issues must be taken into account for responsible AI development. Responsible AI must have elements like transparency, interpretability, human monitoring, and accountability.

To encourage responsibility and foster confidence, AI model explainability and interpretability must be guaranteed [16]. Additionally, human-machine collaboration highlights the value of human expertise, decision-making, and intervention in AI systems, acknowledging that people should work alongside AI technologies [28].

Clear guidelines, openness in AI practices, interdisciplinary partnerships, and research centered on developing ethical AI are all necessary for addressing these problems. For fostering ethical AI development and application, organizations like the Partnership on AI, the IEEE Global Initiative on Ethics of Autonomous and Intelligent Systems, and the AI4Good Foundation provide helpful frameworks and tools [2].

Organizations may assure the appropriate integration of AI in management, leveraging its advantages while guarding against potential risks and ethical problems, by embracing these concepts and engaging in ethical AI activities.

## **7 CONCLUSION**

Artificial intelligence (AI) integration into a variety of management roles has a great deal of potential to benefit the environment by promoting energy efficiency, environmentally friendly industrial methods, and lower carbon emissions.

Studies have shown that integrating AI into management results in significant energy savings and environmental benefits. AI algorithms may find areas for optimization, reduce energy-intensive operations, and optimize resource allocation, leading to sustainable manufacturing practices. AI-based energy optimization systems have made wise judgments.

Additionally, the use of AI algorithms in manufacturing has reduced waste production, increased resource usage, and decreased carbon emissions. Through its use in smart grid management, environmental monitoring, efficient transportation, and waste management, AI also has the potential to increase energy savings and environmental advantages.

AI-driven programs to encourage sustainability and environmental stewardship have been successfully implemented by numerous enterprises. For instance, Google has optimized the energy use in its data centers using AI algorithms, which has resulted in significant energy savings. Siemens is another illustration, which integrates AI into its production processes to improve energy efficiency and lessen its environmental impact. These organizations can be

used as models for utilizing AI to advance environmental stewardship and meet sustainability goals.

However, incorporating AI into management also presents difficulties and moral dilemmas. Given that AI relies on substantial data collection and analysis, data privacy is a major challenge. Another issue is algorithmic bias, which can exacerbate already-existing disparities through the use of biased data or algorithms. To address these issues and assure ethical AI practices, responsible AI development and deployment are essential, embracing openness, fairness, and accountability.

There are a number of other considerations to take into account when integrating AI in environmental management, in addition to the potential advantages and difficulties mentioned above.

First, for AI to have a substantial environmental impact, it must be scalable and widely used in management processes. The difficulty lies in putting these approaches into effect on a broader scale, despite the existence of successful case studies and pilot projects illustrating the advantages of AI-driven sustainability initiatives. In order to successfully integrate AI into their management processes, organizations must make the appropriate investments in infrastructure, technologies, and talent.

In order to ensure that AI technologies are effective in reaching environmental objectives, ongoing monitoring, updating, and enhancement are also necessary because of their dynamic nature. It is essential to guarantee the quality, accuracy, and relevance of the data utilized for decision-making because AI algorithms depend on it. To make sure that the data used for AI-driven management choices aligns with environmental objectives, organizations must invest in data governance frameworks and methods.

Additionally, for companies and stakeholders to fully utilize the influence of AI in management for environmental sustainability, collaboration and knowledge exchange are essential. Organizations can collectively support innovation and foster continuous improvement in the implementation of AI-driven sustainable practices by sharing best practices, lessons learned, and research findings. The creation of uniform frameworks, standards, and benchmarks for assessing and reporting environmental performance is another benefit of collaboration.

The possibility of unforeseen consequences or trade-offs when adopting AI in management for environmental goals is another factor to take into account. While AI can improve resource efficiency, minimize waste, and optimize energy use, it is important to consider the wider ramifications and potential trade-offs. For instance, growing reliance on AI may result in increased energy use during the creation, implementation, and upkeep of AI systems, which needs to be carefully regulated and taken into account.

Last but not least, it's important to remember how rules and legislative frameworks can direct the integration of AI for environmental sustainability. Governments and regulatory organizations can be very important in establishing standards, encouraging ecologically responsible behavior, and ensuring moral AI application. In the context of environmental management, establishing clear rules for data privacy, algorithmic transparency, and accountability might help allay fears and promote ethical AI activities.

In conclusion, integrating AI into management has enormous promise for improving environmental outcomes, but it also comes with difficulties and ethical dilemmas. Organizations can use AI technology to promote environmental efficiency, resource optimization, and sustainable practices in management processes by addressing scalability, data quality, cooperation, unintended consequences, and regulatory frameworks. The key to optimizing the beneficial effects of AI on environmental sustainability will be responsible AI development and deployment, combined with collaboration and knowledge sharing.

## References :

- [1] Ahmad, M., & Rathore, A. P. (2021). Application of Artificial Intelligence for Energy Efficiency in Smart Grid: A Comprehensive Review. *IEEE Access*, 9, 15574-15592. doi:10.1109/ACCESS.2021.3052681
- [2] AI4Good Foundation. (2021). Our Vision and Mission. <https://ai4good.org/>
- [3] Arora, S., Ge, R., Neyshabur, B., & Zhang, Y. (2019). Stronger generalization bounds for deep nets via a compression approach. *Proceedings of the 36th International Conference on Machine Learning*, 373-382.
- [4] Bengio, Y., Goodfellow, I., & Courville, A. (2017). Deep Learning. *Nature*, 521(7553), 436-444.
- [5] Boer, H., Corbett, C. J., Fliedner, G., & Laux, C. (2020). Lean operations : Can there be too much of a good thing? *Journal of Operations Management*, 66(1-2), 124-139.
- [6] Brynjolfsson, E., & McAfee, A. (2017). *The second machine age: Work, progress, and prosperity in a time of brilliant technologies*. W. W. Norton & Company.
- [7] Bryson, J. J. (2018). Responsible AI and AI for good. In *AI Ethics* (pp. 225-237). Springer.
- [8] Cai, M., Huang, C. D., Wang, C., & Dai, X. (2020). Energy efficiency in the era of artificial intelligence: A review. *Energy and AI*, 3, 100026.
- [9] Chatha, K. A., Abbas, A. I., Khan, A. N., & Niaz, T. I. (2020). Artificial intelligence for sustainable manufacturing: State of the art, challenges, and opportunities. *Journal of Cleaner Production*, 123639.
- [10] Deloitte. (2021). *Industry 4.0 and manufacturing ecosystems: Exploring the world of connected enterprises*.
- [11] Drucker, P. F. (1999). *Management Challenges for the 21st Century*. HarperBusiness.
- [12] Dwork, C., Hardt, M., Pitassi, T., Reingold, O., & Zemel, R. (2012). Fairness through awareness. In *Proceedings of the 3rd innovations in theoretical computer science conference* (pp. 214-226).
- [13] Elia, G., Miranda, S., & Sorrentino, M. (2021). The role of digital technologies for sustainable energy management in smart cities. *Journal of Cleaner Production*, 315, 128366.

- [14] El-Khoury, J., Ribeiro, P., & Engwall, M. (2020). Digital Lean Manufacturing: The Effects of Industry 4.0 on Lean Production Systems. In Proceedings of the International Conference on Computers and Industrial Engineering (pp. 214-219).
- [15] European Commission. (2018). Data protection in the EU institutions and bodies. [https://ec.europa.eu/info/law/law-topic/data-protection/data-protection-eu-institutions-and-bodies\\_en](https://ec.europa.eu/info/law/law-topic/data-protection/data-protection-eu-institutions-and-bodies_en)
- [16] European Commission. (2020). Artificial intelligence : Questions and Answers. Retrieved from <https://ec.europa.eu/digital-single-market/en/news/artificial-intelligence-questions-and-answers>
- [17] European Group on Ethics in Science and New Technologies. (2019). Ethics of AI: A European approach. [https://ec.europa.eu/info/sites/default/files/2019-06/ethics\\_of\\_artificial\\_intelligence\\_-\\_background\\_document.pdf](https://ec.europa.eu/info/sites/default/files/2019-06/ethics_of_artificial_intelligence_-_background_document.pdf)
- [18] Faisal, M. N., & Banwet, D. K. (2019). A systematic review of lean and digital transformation: What's the impact? *Computers & Industrial Engineering*, 135, 276-294.
- [19] Floridi, L., Cows, J., Beltrametti, M., Chatila, R., Chazerand, P., Dignum, V., ... & Valcke, P. (2018). AI4People—An ethical framework for a good AI society: Opportunities, risks, principles, and recommendations. *Minds and Machines*, 28(4), 689-707.
- [20] Gao, J., Chen, J., Zhang, Y., He, Y., & Wang, Y. (2020). Energy-saving effects of artificial intelligence algorithms in industrial systems. *Applied Energy*, 260, 114274.
- [21] Garg, S., Shukla, A., & Singh, R. K. (2021). Artificial intelligence in operations and supply chain management: A review. *International Journal of Production Research*, 1-24.
- [22] Goodfellow, I., Bengio, Y., & Courville, A. (2016). *Deep Learning*. MIT Press.
- [23] Google DeepMind. (n.d.). DeepMind Energy. Retrieved from <https://deepmind.com>
- [24] Gunasekaran, A., & Ngai, E. W. (2017). The future of enterprise resource planning in the digital era. *Technological Forecasting and Social Change*, 129, 87-97.
- [25] Hao, P., Tang, W., He, X., Liu, F., & Li, L. (2021). A survey on artificial intelligence techniques for smart grid: Applications, algorithms, and challenges. *IEEE Access*, 9, 46139-46162.
- [26] IBM. (n.d.). Green Horizon Project.
- [27] IEA. (2020). The Future of Cooling - Opportunities for Energy Efficient Air Conditioning.
- [28] IEEE Global Initiative on Ethics of Autonomous and Intelligent Systems. (2022). Ethically Aligned Design: A Vision for Prioritizing Human Well-being with Artificial Intelligence and Autonomous Systems.

- [29] Ivanova, M., Leylak, S., & Steen-Olsen, K. (2021). The environmental impact of management practices: Evaluating the carbon footprint of lean management. *Journal of Cleaner Production*, 278, 123841.
- [30] Jobin, A., Ienca, M., & Vayena, E. (2019). The global landscape of AI ethics guidelines. *Nature Machine Intelligence*, 1(9), 389-399.
- [31] Jones, D. T., & Womack, J. P. (2003). *Lean Thinking: Banish Waste and Create Wealth in Your Corporation* (2nd ed.). Free Press.
- [32] Jurafsky, D., & Martin, J. H. (2020). *Speech and Language Processing* (3rd ed.). Pearson.
- [33] Kagermann, H., Helbig, J., Hellinger, A., & Wahlster, W. (2013). Recommendations for implementing the strategic initiative INDUSTRIE 4.0. Final report of the Industrie 4.0 Working Group. Forschungsunion, Acatech, National Academy of Science and Engineering.
- [34] Kagermann, H., Lukas, W., & Wahlster, W. (2013). *Industrie 4.0: Mit dem Internet der Dinge auf dem Weg zur 4. industriellen Revolution*. VDI nachrichten.
- [35] Koomey, J. G. (2021). Growth in data center electricity use 2010 to 2020: A contribution to the global energy assessment. *Renewable and Sustainable Energy Reviews*, 148, 111179.
- [36] Koontz, H., Weihrich, H., & Cannice, M. V. (2014). *Management: A Global Perspective* (14th ed.). McGraw-Hill.
- [37] Laengle, S., & Deuse, J. (2020). *Digital Lean: Taking Lean Systems and Tools into the Digital Era*. Springer.
- [38] Laudon, K. C., & Laudon, J. P. (2019). *Management Information Systems: Managing the Digital Firm* (16th ed.). Pearson.
- [39] Liker, J. K. (2004). *The Toyota Way: 14 Management Principles from the World's Greatest Manufacturer*. McGraw-Hill.
- [40] Liker, J. K., & Franz, J. K. (2016). *The Toyota Way to Continuous Improvement: Linking Strategy and Operational Excellence to Achieve Superior Performance*. McGraw-Hill Education.
- [41] Liu, Y., You, Y., Yan, X., & Wang, Y. (2019). Intelligent solid waste management for sustainable cities: A review. *Resources, Conservation and Recycling*, 144, 235-249.
- [42] Manos, A., & Vincent, B. (2019). *The digital lean enterprise: Using the internet of things (IoT) to optimize lean management*. CRC Press.
- [43] McCorduck, P. (2004). *Machines Who Think: A Personal Inquiry into the History and Prospects of Artificial Intelligence*. A K Peters/CRC Press.
- [44] Microsoft. (n.d.). AI for Earth. Retrieved from <https://www.microsoft.com/en-us/ai/ai-for-earth>
- [45] MIT. (n.d.). Optimizing Urban Deliveries with Artificial Intelligence. Retrieved from <https://news.mit.edu/2019/optimizing-urban-deliveries-artificial-intelligence-1121>

- [46] Nah, F. F. (2019). Enterprise Resource Planning Systems: Systems, Life Cycle, Electronic Business, and Risk. In *The Handbook of Management Information Systems* (pp. 393-434). Springer.
- [47] Nguyen, T. H., Nguyen, T. H., Do, Q. H., Nguyen, T. T., & Nguyen, Q. T. (2019). Artificial intelligence techniques for carbon emissions reduction in smart cities: A comprehensive survey. *Sustainable Cities and Society*, 49, 101600.
- [48] OECD. (2019). AI Principles. Retrieved from <https://www.oecd.org/going-digital/ai/principles/>
- [49] Ohno, T. (1988). *Toyota Production System: Beyond Large-Scale Production*. Productivity Press.
- [50] O'Neil, C. (2016). *Weapons of math destruction: How big data increases inequality and threatens democracy*. Broadway Books.
- [51] PG&E. (n.d.). Artificial Intelligence for Grid Optimization. Retrieved from <https://www.pge.com/en/about/newsroom/featured-stories/artificial-intelligence-for-grid-optimization.page>
- [52] Poppendieck, M., & Poppendieck, T. (2012). *Lean Software Development: An Agile Toolkit*. Addison-Wesley Professional.
- [53] PwC. (2018). AI Skills in the UK: The supply and demand for talent.
- [54] PwC. (2020). Industry 4.0: Building the digital enterprise. Retrieved from <https://www.pwc.com/gx/en/industries/industry-4.0.html>
- [55] Radnor, Z., & Johnston, R. (2012). Lean innovation: Exploring the production of knowledge within a digital innovation project. *Journal of Operations Management*, 30(6), 479-491.
- [56] Radnor, Z., & Johnston, R. (2018). Lean in healthcare: The unfilled promise? *Social Science & Medicine*, 207, 111-120.
- [57] RecycleSmart. (n.d.). Artificial Intelligence Waste Collection. Retrieved from <https://recycle-smart.com/artificial-intelligence-waste-collection>
- [58] Robbins, S. P., Coulter, M., & DeCenzo, D. A. (2017). *Fundamentals of Management* (11th ed.). Pearson.
- [59] Schneider, C. (2020). AI cybersecurity challenges and risks: A primer. European Parliamentary Research Service. Retrieved from
- [60] Schwab, K. (2020). *The fourth industrial revolution*. Currency.
- [61] Shah, R., & Ward, P. T. (2007). Defining and developing measures of lean production. *Journal of Operations Management*, 25(4), 785-805.
- [62] Sharma, R., & Sharma, A. (2021). Digital Lean Manufacturing: A Review of Industry 4.0 Tools and Techniques. In *Proceedings of the International Conference on Industry 4.0 and Artificial Intelligence* (pp. 583-590).
- [63] Shingo, S. (1989). *A Study of the Toyota Production System: From an Industrial Engineering Viewpoint*. Productivity Press.
- [64] Siciliano, B., & Khatib, O. (Eds.). (2016). *Springer Handbook of Robotics* (2nd ed.). Springer.



- [65] Siemens. (n.d.). AI-driven Building Management Systems.
- [66] Siemens. (n.d.). Reducing Energy Consumption in Buildings Using Artificial Intelligence.
- [67] Singh, R. K., Mishra, A., & Gupta, S. K. (2020). Digital Lean Manufacturing: An empirical study of adoption and impact in Indian manufacturing organizations. *Journal of Manufacturing Systems*, 55, 275-286.
- [68] Strubell, E., Ganesh, A., & McCallum, A. (2019). Energy and policy considerations for deep learning in NLP. In *Proceedings of the 57th Annual Meeting of the Association for Computational Linguistics*, 3645-3650.
- [69] Suhail, M., Nawaz, M. I., Mahmood, A., & Shafi, K. (2021). Artificial Intelligence and Sustainability: A Systematic Literature Review. *IEEE Access*, 9, 50521-50534.
- [70] Sutton, R. S., & Barto, A. G. (2018). *Reinforcement Learning: An Introduction*. MIT Press.
- [71] Szeliski, R. (2010). *Computer Vision: Algorithms and Applications*. Springer.
- [72] Thomson, S. (2019). AI for Earth: How machine learning is helping us find environmental solutions. Microsoft AI Blog. <https://blogs.microsoft.com/ai/machine-learning-for-earth/>
- [73] Womack, J. P., Jones, D. T., & Roos, D. (1990). *The Machine That Changed the World: The Story of Lean Production*. Free Press.
- [74] World Economic Forum. (2020). *The Future of Jobs Report 2020*. Retrieved from [http://www3.weforum.org/docs/WEF\\_Future\\_of\\_Jobs\\_2020.pdf](http://www3.weforum.org/docs/WEF_Future_of_Jobs_2020.pdf)
- [75] Wren, D. A., Bedeian, A. G., & Breeze, J. D. (2019). *The History of Management Thought* (8th ed.). Wiley.
- [76] Zhang, S., Ren, T., Zhang, Y., & Xie, X. (2021). A Review of Artificial Intelligence for Energy Saving and Emission Reduction in Manufacturing Systems. *Energies*, 14(11), 3056.
- [77] Zhang, Y., Hu, F., Zhang, J., Ma, X., Li, W., & Liu, Y. (2020). Artificial intelligence in environmental monitoring: Progress, challenges, and perspectives. *Environmental Science and Pollution Research*, 27(14), 15967-15987.