

Green business practices: Balancing environment and economic desires

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Abstract

Individual organization government and even business enterprises are becoming more and more environmental conscious. This environmental consciousness has led to the emergence of green business practices. Green business involves promotion and production of eco-friendly products. This research paper presents the detailed study on the concept of green business practices which are essential for improving environmental condition in a profitable manner. Green business practices encourage business activities which are beneficial for the environment and help in achieving environmental effectiveness. This paper primarily focuses on fulfilling responsibilities towards environment through green business practices, and secondly, it explains the competitive advantages of green business. This paper is based on secondary data collected from different sources like journals, conference proceedings, magazines, newspaper, and web. The main objective of the paper is to explore the growing importance of green business practices among companies/firms across the world.

Keywords: Green business practices, environment, social responsibility, environment effectiveness.

Introduction

The concept of green business is not a new concept, it was introduced in late 20th century, but this concept is becoming more and more vital in today's era. The increasing consciousness towards environment and need for sustainable economic development has led to the emergence of green business practices, with the view to minimize the detrimental impact of business on global and local environment, community, society and economy. Green business basically involves application of sustainability principals to business operations. Sustainability includes a variety of subjects such as, ecological sustainability, social sustainability, and sustainable economic growth.

Green business practice includes environmental friendly activities initiated by companies to become more sustainable. These organization aims at reducing their harmful impact on environment through initiatives like cutting down on waste, environment protection, responsible use of scarce resources and encouraging ethical environmental practices.

Green business practices are a multidimensional process. There are numerous practices that can be followed by business organizations in order to become green and sustainable. An environmentally conscious business should participate at least in any of 4R's that is Reduction, Reuse, Recycle and Recovery. Each of these "R" can be achieved through several practices, some of which are:-

- *Using renewable and natural ingredient & products*
- *Reducing power waste*
- *Energy saving*
- *Green packing*
- *Green building*
- *Eco-cleaning*
- *Eco-labeling*
- *Less use of paper less printing*
- *Using public transport*
- *Waste sorting*
- *Spreading awareness about "Green business"*

• *Green packaging*

Going for green business practices reflects a social consciousness around protecting the earth's natural resources, preserving them and ensuring optimum utilization. As customers becoming more aware about different environmental issues, demand for eco-friendly products is increasing. This increased concern towards environment is forcing business organization to become greener. Managers are required to develop business activities in such a manner that will lead to the successful satisfaction of business goals in an ecological sustainable manner.

1. Objectives of the Study

1. To understand the concept of green business
2. To determine corporate responsibilities towards environment
3. To understand the competitive advantage of green business practices

2. Green Business: A Brief Overview

After the inception of the concept of green business or sustainable business practices, several researchers have conducted their studies on this topic. They have examined and explained this concept in different ways. World commission on environment and development (1981) have explained sustainable development practices as "development that meets the needs of the presents without compromising the ability of future generations to meet their own needs."

Smith (2013) define "green business" as business practices that are viewed as environmentally sound, including the use of organic and natural products to build factories provide protection against emissions and environmental friendly sourcing of materials. Similarly, Zsolani (2002) defines green business as "business that has adopted the concept of environmentalism across the various functions of the business." Gilbert (2001) identifies green business activities as any activity that is performed in a manner that has either limited

negative ecological impact or directly benefits the natural environment. Makoveer and Pyke (2009) state that, "a green business required a balanced commitment to profitability, sustainability and humanity". Brown and Ratledge (2011) have explained green business as "an establishment that produces green output." Similarly G. Croston (2009) [10] states that, "Green business have more sustainable business practices than have competitors, benefiting natural systems and helping people to live well today and tomorrow while making profit and contributing to economy." K. Solvik (2013) has amalgamate needs of environmental sustainability with corporate social responsibilities and has define green business as "an organization that use renewable resources and holds itself responsible and accountable for the human resource aspect of their practices." While selva Kumar and Ramesh (2011) indicates that green business is not all about manufacturing green and eco-friendly products and services but also include all those activities that are needed to develop and sustain consumer's eco-friendly behavior in a way that will help in minimizing the detrimental impact on the environment. Munigesan, (2008), states that firms may use green practices as an attempt to earn maximum profit by incurring minimum cost and also involve disposing of environmentally harmful by products which will lead to sustainable cost savings. Charles W. lamb (2004) explained that "green business practices has become an important way for companies to build awareness and loyalty by promoting a popular issue, by positioning their products as environmentally efficient and ecologically sound businessmen can show their concern towards environment and society as a whole Rajan Saxena (2010) maintained that green products and services are today being accepted by companies as well as by consumers. Consumers are now going for green and eco-friendly products in order to protect their environment. Philip Kotler (2011) has recognized that the companies need to make drastic changes in their production promotion financial research and development activities in order to achieve sustainability several environmental issues need to be considered like change in the composition of the climate depletion of ozone layer global warning soil degradation and increased desertification increased water and air pollution.

3. Findings

During this research work I have come across several interesting facts about green business. Green or sustainable business practices proved to be beneficial for environment and community in several ways. Some of the benefits of green business practices for environment and business enterprise are as follows:-

1. Green business help in maintaining balance between environmental sustainability and economic desires of the business.
2. Green business practices help in limiting the negative ecological impact of business practices.
3. Green business practices help in increasing productivity and reduced costs.
4. Green business will help in increasing efficiency in operations.
5. Green business help in better use and conservation of resources.
6. Green business practices improve financial and investment opportunity.
7. Minimize carbon risk and improve energy efficiency.

8. Green practices help in improving goodwill of the company and motivating and retaining customers.
9. Improve/Increase employee retention and encourage them to work with zeal and in ethical manner.
10. Stainable business practices help in identifying various risks to which a company may be exposed to and help them to deal with these risks.
11. Including labour Standards, diversity, environment health, safety and sound economic transactions in business operation will help in creating positive track record.
12. Greening business improves people's lives, health and well being. It promotes equity and equality in society.
13. Promotion and use of environmental friendly methods will set business apart from its competitors and attract new customers, who want to use products which are eco-friendly.
14. Green business operations will add-on values to client and customers.
15. 4'R's of green business i.e. reduce, reuse, recycle, recover will lower the cost involved in operation and production.
16. Green business help in reducing impact on the environment and help in preserving and protecting natural resources.

4. Challenges

Though green business practices are very beneficial for the environment as well as for the business organization But it suffers from some short coming These are some factors which acts as a barrier in smooth implementation of green business, some of these factors are as follows:-

1. Eco-friendly products promotion and production requires high initial investment.
2. Green products are made available to consumer at higher cost these products are expensive in compare to ordinary products.
3. Lack of government support.
4. Adopting green business practices are often time consuming and involve lengthy process.
5. Green business certification and auditing can be costly and involves lengthy and complicated process.
6. Sometimes current environmentally responsible action adopted by business firm causes adverse future effects.
7. Customers are not fully aware about the availability, usage and benefit of green products.

5. Suggestions and Recommendations

Organizations or business firms which are considering becoming green and sustainable must consider/follow these suggestions:

1. Green products must be made available at cheaper price.
2. Business firms must be ensuring following green process of production and promotion, i.e., they must ensure that each and every business operation/activity must be ecologically sustainable.
3. Government must support and encourage green business practices.
4. Business firms must create a careful balance of technological, social, ecological and financial gains.
5. Consumers must be educated and encourage using environmental friendly products and services.
6. Businessmen must be open and maintain transparency of their operations to all its stakeholders.

7. Business must be conducted in ecologically sustainable manner and must operate in ethical manner.
8. Business organization must adopt sound environmental policy to address sustainability issues.

6. Conclusion

After conducting detailed study on green business practices, it is evident that green business practices is a major step in achieving the broader goal of sustainable development. Green business practices help in an ecological sustainable manner. Green business help in improving environmental conditions in a profitable way. Environmentally conscious business include 4'R's in their activities i.e. Reduce, Reuse, Recycle, and Recover. Green business provides a balanced commitment to profitability, sustainability and humanity. Green business encourage manufacturing and promotion of eco-friendly products and also develop and sustain consumer's eco-friendly behavior in a way that will help in minimizing negative impact on environment with increased environmental consciousness. Green businesses practices must be encouraged in every business to pave the way for a socially-ecologically sensitive business environment.

7. References

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