

“Green Entrepreneurship” –The Right Way To Sustainability and Profitability for Rural Areas.

Mr. Solomon K Peter and Dr. Ramanujam Veluchamy

Abstract

For a country like India the business community shall generate revenue through increasing the sales in domestic market. Domestic market is considered as one of the most important segment for sales and profitable avenue because the cost shall be controlled and the local logistics and warehousing is more cheap while comparing with the foreign market. At the same time if the development initiatives are through a sustainable model; it would be more beneficial for the society and the organisation shall generate more revenue both in short run and long run by providing green products in an eco-friendly environment.

This paper attempts to study green Entrepreneurship practices pertaining to selected rural areas within Kerala and also its impact on Organisation & society

Key Words

Green Entrepreneurship, Sustainability, Rural Development,

Introduction

Peter F. Drucker defines an entrepreneur as the one who always searches for change, responds to it and exploits it as an opportunity. Drucker states that innovation is the specific tool of entrepreneurs, the means by which they exploit changes as an opportunity for different business or service. It is capable of being presented as a discipline, capable of being learnt, capable of being practised. Entrepreneurs need to search purposefully for the sources of innovation, the changes and their symptoms that indicate opportunities for successful innovation. And they need to know and to apply the principles of successful innovation.

For the new generation entrepreneurs they shall focus on innovative green business ideas. Through green entrepreneurship, national development and CSR shall be fulfilled without hurting the eco-system

Objective

The objective of this paper is to study:

- The Green Entrepreneurship initiatives which may help for sustainable development
- Its Impact on organisation and society.
- Real Challenges for organisation towards- green Entrepreneurship and sustainability

Limitations of the study:

The main limitation of this paper is that this study has only focused on a limited sample of medium and small entrepreneurs from rural areas of Kerala state and information were collected from print literature, websites of these organizations and no primary data were collected.

Research Methodology:

The research paper is an attempt of exploratory research, based on the secondary data sourced from websites, journals, magazines, articles, and media report. To study, Green practices in selected areas within Kerala & its impact on entrepreneur, society from their websites.

Review of Literature:

The sustainable entrepreneurship tries to create a balance between people, desire and profit (Elkington, 1998). On the contrary, the green entrepreneurship is all about the environment and creation of financial benefits (Thomson, Kiefer, York, 2011). The different definitions of green entrepreneurship can be classified on the basis of the levels of entrepreneurship they refer to. The first attempts to define the green entrepreneur and describe his/her characteristics are in the 1990s.

The interaction between environment, sustainability and entrepreneurship were referred to by the researchers using different terminologies like „green entrepreneurship“ (Berle, 1991), „Eco entrepreneurship“ (Schaper, 2002), „ecopreneurship“ (Schaper, 2002) and „environmental entrepreneurship“ (Keogh & Polonsky, 1998). But Dean and McMullen (2007) argue that sustainability and entrepreneurship are different concepts and green entrepreneurship can be of no substitute to it.

Hall (2013) mentions that the term “green entrepreneurship” appeared for the first time in the book “The Green Entrepreneur: Business Opportunities That Can Save the Earth and Make You Money” by Gustav Berle (1991).

Berle’s definition is short, quite poetic, morally focused and maybe quite accurate: “Green entrepreneurship is taking responsibility to create the world we dream of.” As noted by Farinelli et al. (2011), a correct understanding and clear definition of green entrepreneurship models becomes especially important in a reality where big corporations prefer to invest in green marketing (creating a green image without real, measurable and strategically directed change in their business processes) rather than in green innovations.

Mukt Shabd Journal VOLUME - IX ISSUE - IV, APRIL 2020 ISSN NO : 2347-3150 Page No : 317 Gibbs (2009) observes that sustainable entrepreneurship bases itself upon Schumpeter's fundamental concept of "creative destruction" and today it has the potential to break the current economic model which exhausts the Earth's resources without being able to substitute them with others or to leave them enough time to replenish themselves naturally.

Sustainable entrepreneurship can turn into the driving force for the emergence of a new holistic sustainable system in the three dimensions – economy, environment, and society. According to Kotchen (2009, p.28), green entrepreneurship is "The practice of starting new businesses in response to an identified opportunity to earn a profit and provide (minimise) a positive (negative) environmental externality"

Anderson and Leal (1997, p.3) referred green entrepreneurs as "Entrepreneurs using business tools to preserve open space, develop wildlife habitat, save endangered species and generally improve environmental quality". Dean and McMullen (2007, p.53) defined green entrepreneurship as "The process of defining and exploiting economic opportunities that are present in environmentally relevant market failures"

Benefits of Green Entrepreneurship

Nowadays companies are implementing EMS- Environmental Management System as a strategic tool to control of firm's environmental impacts. G-HRM enables the sustainable use of resources within business enterprises and promotes the cause of environmentalism which further boosts up employee morale and satisfaction. Some of the prominently used Green HR practices are:

Conservation of Natural resources

Eco friendly environment

Shall reuse the materials

Effective utilization of energy resources-solar energy, open space work environment

Helps to maintain sustainability and protection of business culture and traditions and be

Protection of Bio diversity and the natural habitats

Helps to maintain the health of the employer ,employee and the society

The long-term objectives of Green Entrepreneurship are:

To augment the number of entrepreneurs for increasing the pace of green industrialization.

To assist in the development of small and medium scale units which is essential for the generation of employment and dispersal of ownership along with sustainability.

To industrialize rural and backward areas through green ideas and use of local resources.

To generate self-employment for the educated unemployed youth.

To improve managerial skills of entrepreneurs.

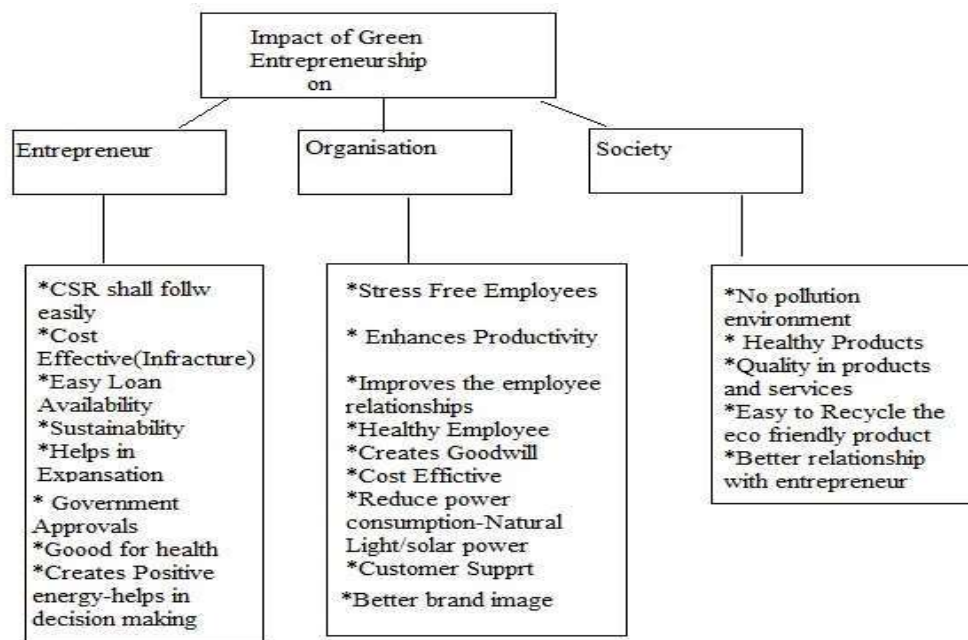
In Green concerns they shall follow the Green Work- Life balance which refers to Green HR initiatives that are aimed at creating sound occupational health and organisational health. In such concerns they shall utilize ICT enabled services and so that it will help for fastest communication and reducing the impact on environment like OZONE Depleting Substances (ODS) etc.

The companies shall ensure that all the newly purchased equipment are free from Chlorofluorocarbons and methyl Chloroform. Green procurement or Environmentally Preferable Purchasing (EPP) is the practice of procuring products and services that are less harmful to the environment and all species including humans that depend on environment for survival. Green products are those that are made with less harmful materials or which when produced or used/consumed would have a minimal impact on the environment.

Green company's shall focus green initiatives., carbon Reduction is possible through:

- Alternate Energy Generation
- Bio fuels, wind, solar, Biogas etc
- Tree plantation
- Waste Management
- Energy Conservation and Efficiency
- Organic & Waste paper recycling
- Energy Auditing
- Carbon & foot printing in all its locations
- Energy conservation & Energy efficiency

Green Entrepreneurship has its impact/effect on both employee and organization depending upon the extent of its implementation and emphasis within the organisational climate.



Effects of Green Entrepreneurship

Green Entrepreneurship- the real Challenges

As customers become more aware of environmental issues, there is an increase in the demand for ecological products. This increased awareness of and sensitivity towards environmental issues places certain demands on business functions to become greener.

Though Environment-friendly green entrepreneurial practices are implemented in many private as well as in central public sectors, the real challenge is to :

- Refer and follow green management practices in the long run,.
- Technology shall be utilized to develop new green and sustainable Entrepreneurship practices
- Eco friendly infrastructure need high level of investment in the field and finance may be a problem for such emerging entrepreneurs
- More legislations are to be introduced to manage the eco-friendly resources and maintain the sustainable environment
- Environment Impact Assessment are not compulsory., adhoc EIA methodologies shall be developed for the related areas of production. It is important question in front of government, and also for the private entrepreneurs.

Suggestions:

- The government can play a positive role in the emergence and development of green entrepreneurship by providing training, incentives concessions, subsidized loans etc. and by creating an environment which is conducive for the growth of entrepreneurship
- Economic development of any country depends upon its entrepreneurs. A country is bound to make rapid progress where right type of entrepreneurs are available in adequate number, who are going to perceive and exploit the opportunities, as and when they arise, in the best interests of the business..
- Use of Local Resources. In the absence of any initiative local resources are likely to remain unutilized. Proper use of these local eco-friendly resource can result in the progress or development of the area and that too at lower cost with sustainability.
- Green Entrepreneurship shall enable prospective entrepreneurs in the setting up of their own units, thus enabling them to get self-employment. With the setting up of more and more units by entrepreneurs, both on small and large scale, numerous job opportunities are created for the others.

CONCLUSION

From the study it can be identified that green entrepreneurship has got a lot of opportunities for potential entrepreneurs and it will help the society also. The green entrepreneurship helps the government to reduce the burden of environmental protection and development. When customers shift towards eco-friendly products ,it will reduce pollutants in the atmosphere and the industrial and electronic waste shall be reduced, the . The success stories of green entrepreneurs in India highlight the importance of flourishing green business here. However, it also has their own opportunities and challenges.

References

- Chapple, W., & Moon, J. (2005). Corporate Social Responsibility (CSR) in Asia: A seven-country study of CSR reporting website. *Business and Society*, 44(4), 415-441.
- Cheng, L. (2011). Ecotourism frangible areas and a measurement model of frangibility. *International Journal of Services Technology and Management*, 15(2), 40-52.

Dana, L.P. (2014). Asian models of entrepreneurship-From the Indian Union and Nepal to Japanese Archipelago. Context, policy and practice". World Scientific, 2nd Edition.

Dinda, S. (2014). A theoretical basis for green growth. *International Journal of Green Economics*, 8(2), 177-189,

Dudzevičiūtė, G. (2012). Conceptual approaches towards sustainability. *Journal of Security and Sustainability Issues*, 1(4), 261-272.

Duroy, Q. (2011). The path to a sustainable economy: sustainable consumption, social identity and ecological citizenship. *International Journal of Green Economics*, 5(1), 1-14.

Ferris, J.S., & Voia, M.C. (2012). What are the significant determinants of entrepreneurship? *International Journal of Entrepreneurship and Small Business*, 17(4), 415-454.

Fokkema, J.E., Pennink, B.J.W., & Simatupang, T.M. (2017). Coordinating technology introduction and entrepreneurial activities in rural areas. *International Journal of Entrepreneurship and Small Business*, 31(3), 451-473.

Frederick, H.H. (2018). The emergence of biosphere entrepreneurship: Are social and business entrepreneurship obsolete? *International Journal of Entrepreneurship and Small Business*, 34(3), 381-419.

Goyal, S., & Sergi, B.S. (2015). Social entrepreneurship and sustainability-Understanding the context and key characteristics. *Journal of Security and Sustainability Issues*, 4(3), 269-278.

H'Mida, S., & Lakhali, S.Y. (2007). A model for assessing the greenness effort in a product supply chain. *International Journal of Global Environmental Issues*, 7(1), 4-24.

