

GREEN ENTREPRENEURSHIP

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ABSTRACT

Green entrepreneurship refers to a special subset of entrepreneurship that aims at creating and implementing solutions to environmental problems and to promote social change so that the environment is not harmed. In response to problems with climate changes and scarcity of natural resources we are trying to convert economic to sustainable one with different kind of green initiatives. But one of the solutions and may be the more effective one, will be the development of green entrepreneurship.

There has been an increase in demand for environmental friendly products, consumers today are more concerned for the environment and moving towards the greener market. Entrepreneurs today are more cautious and moving towards more socially responsible citizens and have understood their role in sustainable business for a better tomorrow. The concept of green entrepreneurship is at an infant stage right now but is moving towards the maturity phase. Environmental sustainability and entrepreneurship focus on the production of green goods. This paper aims to highlight available literature on green entrepreneurship and sustainable development to propose a conceptual model for further research. In this article, we will address the pressing need to promote new generations of entrepreneurs who are able to identify and take advantage of green business opportunities.

KEY WORDS- green entrepreneurship, traditional, environmental friendly, generations, opportunities. literature, economic

INTRODUCTION- In recent years, the world is witnessing gradual change as

the notion of a green economy has become a very attractive option alternative to the conventional type of business that the world has witnessed for centuries. There is a serious threat of securing the future of our mother plant for the generation to come if countries from all regions do not join hands in tackling environmental, social and economic issues.

Green entrepreneurship refers to a special subset of entrepreneurship that aims at creating and implementing solutions to environmental problems and to promote social change so that the environment is not harmed. It has also been suggested that green entrepreneurship could be a new business paradigm instead of a subset of entrepreneurship because green entrepreneurs have wider motivations than just launching eco-friendly products and services for a niche market.

RESEARCH OBJECTIVES AND METHODOLOGY- To offer suggestions to promote green entrepreneurship India. This study explores the concept of ‘green entrepreneurship’ using all the available ‘secondary literature sources such as research papers, web pages of green enterprises and interviews of green innovators available on print and digital media. The aim of this study is to understand and analyze the development of green entrepreneurship in India. Therefore, following objectives have been set

To study the enablers of green entrepreneurship in India.

- To define ‘green entrepreneurship’.
- To offer suggestions to promote green entrepreneurship India.

CONVENTIONAL ENTREPRENEURSHIP VS. GREEN ENTREPRENEURSHIP - The main difference between conventional entrepreneurship and green entrepreneurship is the value creation logic. Conventional entrepreneurship contributes to economic growth and regional development and can develop local economies. Green entrepreneurship refers to businesses that have the target to minimize the business’ impact on the natural environment, i.e. take into account the ecological dimension of sustainability. In conventional entrepreneurship the main and often sole driver is on the economic value creation, while in green entrepreneurship the economic aspect is considered as a means to achieving also other values on the environmental and social levels.

CHARACTERISTICS OF GREEN ENTREPRENEURS- There are three

factors that are distinctive for green entrepreneurs. First of all, they are entrepreneurs and thus run businesses that involve some risk, and they are looking for new business opportunities that can be developed and grown into viable businesses. Second, green entrepreneurs have business practices that have a positive impact on the environment and they operate with such principles that their operations do not harm or have a neutral impact on the environment. Third, green entrepreneurs operate in eco-friendly ways due to their personal intrinsic values and motivation, and are thus intentionally being environmentally conscious in their business.

GREEN AND SUSTAINABLE BUSINESS MODELS IN INDIA -Green and sustainable business models are crucial for creating eco-friendly sustainable businesses. As Teece defines, “a business model describes the design or architecture of the value creation, delivery and capture mechanisms employed”. Green business models may include value destruction of existing business models as well as new ways to create and capture value.

Sustainable and green business model creation is multidisciplinary and different kinds of stakeholders need to be involved from the very early phases. A business model usually has three main components: the value proposition, the value creation and delivery, and the value capture. In a green and sustainable business model, the economic, environmental and social levels of the business need to be included and different kinds of stakeholders need to be involved from the three levels of the business environment.

Typically, green entrepreneurship is favored in such fields where the life styles, health and safety aspects of the customers are considered to be very important. Here a few examples from different industrial sectors: -

Ecotourism: The way tourism impacts the lives of locals has led to the development ecotourism ventures where the target is that the local environment and communities benefit from the tourism business. The target of some tourists is to see rare animal species which does not help to develop an appreciation for biodiversity. However, with ecotourism the target is the conservation of threatened natural habitats and species. The active participation of the local community is crucial for the success of ecotourism so that the numbers and distribution of tourists is controlled and managed effectively in the local environment and nature, otherwise the ecotourism initiatives may fail to be

sustainable.

Green construction: Green construction includes principles of environmental impact, resource management and recycling implementation. The usage of green building materials in construction can help to minimize the production of waste and greenhouse gas (GHG) emission.

Identified five factors of green construction:

- (1) Green technology and techniques,
- (2) Reliability and quality of specification,
- (3) Leadership and responsibility,
- (4) Stakeholder involvement, and
- (5) Guide and benchmarking systems.

Green food - The markets for green or sustainable food have grown globally since the 1990's, and currently in many countries, supermarkets have a central role as resellers of sustainable green food products. They buy from global distributors as well as from farms and local producers. The alternative natural food and grocery stores and farmers' markets have been partly required to take a smaller role, due to smaller capacity and the growing consumer demand for green food.

Digital Green- Digital Green started off as a Microsoft Project for finding out if there is a role of technology in helping small scale farmers in 2006 in India. It is established to empower farmers, by helping them with the technological knowledge and information sharing to enhance their agricultural produce. The organization has so far reached 15200 villages and has helped 19 million people of which 90% are women.

Mini Couture (MINC) - MINC is clothing label started by Mini Shibu and Kochery C Shibu in 2007, that designs and produces both contemporary and classic clothes based on the concept of fair wages, low carbon footprints, natural fabrics, environment friendly dyes and packaging material made up of wood, coconut and sea shell. MINC uses Khadi sourced from SOFA (Sittilingi Organic Farmers Association) through an NGO by name Tribal Health initiative.

CONCLUSION AND SUGGESTIONS - In conclusion, “green entrepreneurship” could be defined as a new type of commerce which is equally profit- and nature-orientated, and might possibly solve ecological problems throughout its business activity. To sum up, the “green” entrepreneurship is an economic activity whose products, services, methods of production or organization have positive effect on the environment. This effect could be a result of the following:

- Offering products or services the consumption of which leads to a change in the consumer’s behaviour, reducing the negative effect on the environment;
- Equalizing the ecological and the economic goals of the company;
- Introducing innovative ecological solutions to problems connected with production and consumption of products and services;
- Developing business models which, when applied to use, might lead to a sustainable economic development;
- Discovering new possibilities on the market which are in connection with the demand and new way of living of the society.

There is a need to create a culture that promotes the awareness among entrepreneurs regarding opportunities arising out of adoption of green business models, incentivizing green investments and removing the bottlenecks in the process of starting and sustaining green businesses. Specific institutional support is also needed to provide green entrepreneurs with financial and technical support. Green enterprises require more multidimensional and multilevel support in comparison to commercial enterprises therefore to induce willingness and readiness towards starting these, government should create favorable conditions including information sharing, financial incentivization, information exchange and knowledge enhancement measures.

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