



Role of Green Entrepreneurship: A Key Driver For Economic Development

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ABSTRACT:

A key factor in the economic shift towards a sustainable development paradigm is green entrepreneurship. The use of green entrepreneurship and its influence on economic growth are explained in this paper. New avenues for sustainable economic growth have been made possible by the adoption of environmentally friendly corporate practices, such as waste management, renewable energy, and eco-friendly product development. Green entrepreneurship has promoted innovation, increased resource efficiency, and produced new jobs, all of which have increased a company's competitiveness in the global marketplace. Support from government policy, in the form of favourable rules and tax breaks, has expedited the adoption of green corporate practices. Consumer preference for sustainable goods and services is another indicator of the beneficial impact of green entrepreneurship. In sustainable industries like green technology and renewable energy, this opens up new markets and spurs economic growth. This study also emphasises the significance of collaboration and partnerships among non-profit, public, and business sectors. Through this partnership, supply chains become more effective and new, sustainability-focused industries are developed more quickly. Green entrepreneurship has demonstrated that taking environmental risks into account and creating enterprises that are climate change resilient can have a positive impact on long-term economic growth.

Key words: Sustainable Development, Economic Growth, Green Entrepreneurship, Sustainable Goods, Economic Growth

INTRODUCTION:

The driving force behind economic growth and development has been stressed as entrepreneurship; while the two ideas are related but distinct, developing nations like India are focussing on economic development. Numerous investigations have demonstrated that entrepreneurship and economic development are positively correlated (insert name of scholars). In addition to creating and adding value, entrepreneurship also removes regional economic and social disparities, creates employment opportunities, promotes gender equality, more evenly develops infrastructure, and reduces import substitution. These are just a few of the ways that entrepreneurship acts as a vehicle for economic development.

Nonetheless, given the threats to the environment that countries confront, sustainable economic development should take the place of economic development, and as change agents, entrepreneurs may lead the way in promoting sustainability. In addition to causing lasting harm to the environment and disrupting natural cycles, climate change has put the survival of economies in jeopardy. Natural resources have been rapidly, unrelentingly, and persistently exploited in order to produce economic expansion. Crucial indicators that the natural environment has reached its limit include the melting of glaciers, forest fires, a sharp rise in global temperature, and the collapse of coral reefs as a result of such ongoing exploitation and unsustainable global economic expansion. In order to achieve preservation and balance, it is imperative that sustainable practices be adopted for both production and consumption.

GREEN ENTREPRENEURSHIP:

The idea of a "green entrepreneur" emerged in response to environmental issues such as pollution, ozone layer depletion, global warming, climate change, and other natural disasters brought on by ecosystem disruption. Consumers are increasingly more accepting of green or eco-friendly products as a result of this increased environmental awareness. Thus, the green market is developing as a result of customer preference. Being a burgeoning industry, the green market offers many of opportunities in a variety of fields, including green production, green supply chains, and green design.

“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).

One of those concepts that senior officials and executives value highly and use in their daily work is green entrepreneurship. Many businesses and fresh initiatives downplay the importance of green entrepreneurship and view it as ancillary. Green entrepreneurs are born with these qualities because they understand that even with high risk concepts, the environment will benefit. In addition to making significant efforts for sustainable development, they support social and environmental principles and turn a profit while doing business. As they conducted business, green entrepreneurs assumed responsibility for creating an eco-friendly

atmosphere. This is the most significant issue facing India today, as the country's pollution levels rise daily.

IMPORTANCE OF GREEN ENTREPRENEURSHIP:

These days, eco-friendly business owners are valued for their ability to quickly adapt to changing market conditions and for their ability to launch, innovate, implement, and emerge new ideas. They also play a significant role in the nation's economic development and are seen as the catalyst for changing consumer behaviour. It's true that industrialised and developing nations view green entrepreneurship very differently from one another. While poor countries prefer to place more emphasis on market needs and the phrase "entrepreneurship," developed countries and international organisations such as the World Bank, UNCTAD, OECD, UNIDO, WTO, and FAO tend to place maximum significance on market opportunities and the term "green."

"Green entrepreneurship" is a gradually appropriate phenomena that has received little attention thus far from the perspective of development. While increasing unemployment and global inequality present significant challenges for policymakers, the effects of climate change are also becoming apparent, and biodiversity is rapidly disappearing along with wildlife and natural habitats, making already vulnerable social groups and ecosystems even more so. Green entrepreneurship is a major driver of employment creation as well. Furthermore, the type and factors of innovation have a significant impact on technological advancement and variation. The globalisation of economic processes has recently advanced, significantly changing the antiquated methods that businesses used to innovate. Even while technical research and application, as well as environmental accounting and reporting, have made tremendous strides, the gap towards sustainability is still important.

Therefore, it is essential to comprehend the prerequisites for the development of "green innovation," as well as the factors that lead to and hinder it. It is preferable for systemic change to take the place of advancements in economics, accounting, and law. A poll conducted by Accenture (UN Global Compact-Accenture, 2010) indicates that sustainability has emerged as a key global element of corporate business strategy and is extremely important for the companies' long-term success. However, the world's transition to a green economy is just getting started, and waiting will be extremely difficult for the planet. The world's population and economy will rise rapidly as a result of industrialisation in the coming decades. Because of our limited resources, we must fulfil people's needs. The only way they can fulfil their promises to provide safe, effective operations in a socially and environmentally responsible manner is through green entrepreneurship.

GREEN PRACTICES- BASIS FOR GREEN ENTREPRENEURSHIP:

Green business methods and green Practices are those that force someone to possess or look for the necessary skills, initiative, and resources and come up with creative, environmentally responsible answers to the issues or challenges at hand. Therefore, all actions that counteract environmental degradation and have a positive impact on the environment are considered green practices. These actions could consist of

- Energy conservation and Enhanced Energy efficiency
- Recycling and reuse of resources
- Optimum utilization of resources
- Waste and ecosystem management
- Lower emission
- Eco-friendly production process and
- Eco-friendly products/services etc

Green practices are environmentally friendly procedures used in the creation of goods, services, or processes that are advantageous to the environment in one way or another. Businesses that engage in these activities with a commitment to protecting the environment and sustaining company profitability may be referred to as engaging in green entrepreneurship. Thus, sustainable financial practices and green activities themselves serve as the cornerstones of green enterprise.

Anyone can use green techniques to improve the environment, whether they are an individual, business, government agency, or something else entirely. Green practices, however, refer to "green entrepreneurial practices" used by new and established enterprises for the overall benefit of the environment for the purposes of this study.

GREEN ENTREPRENEURSHIP VS ECONOMIC DEVELOPMENT:

Green entrepreneurship plays a key role in economic development by creating sustainable growth and contributing to the green economy:

❖ Innovation:

Green entrepreneurship is a driver of innovation, which is a critical factor in economic growth and development.

❖ Environmental responsibility:

Green entrepreneurship can help build businesses that are resilient to climate change and consider environmental risks.

❖ Sustainable development:

Green entrepreneurship can help create sustainable development for industry.

❖ Collaboration:

Green entrepreneurship can benefit from collaboration between the private sector, government, and non-profit organizations.

❖ Social change:

Green entrepreneurship can advocate for social change to prevent harm to the environment.

❖ Environmental impact:

Green entrepreneurs can help address environmental market failures.

❖ Products and services:

Green entrepreneurs can provide environmentally friendly products and services.

❖ Clean technology:

Green entrepreneurs can provide clean technology assistance.

Some examples of green entrepreneurship include:

- ✓ Green construction: Green construction includes principles of environmental impact and resource management.
- ✓ Eco-friendly fashion retailing: Green retailing refers to retailing products with environmental benefits.

GREEN ENTREPRENEURS IN INDIA:

The phenomenon of entrepreneurship is multifaceted. The necessity to investigate the different facets of this emerging class of entrepreneurs, particularly in the context of developing nations, is highlighted by the current discussions around the rise of "green" entrepreneurs. The study has taken into consideration three in-depth case studies in order to delve deeper into the socio-cultural elements that shape green entrepreneurs, as well as their motivations, problems, and the macro-level implications of ecopreneurial activities. These case studies include:

Mini Couture (MINC):

Mini Shibu and Kochery C. Shibu founded the clothing line MINC in 2007. The brand creates and manufactures both modern and classic apparel with an emphasis on fair labour, minimal carbon footprints, natural materials, eco-friendly colours, and packaging made of wood, coconut, and seashell. MINC uses Khadi obtained from SOFA (Sittilingi Organic Farmers Association) via the Tribal Health Initiative, an Organisation.

Fourth Partner Energy:

FourthPartnerEnergy, a Hyderabad-based company founded in 2010 by Saif DHorajiwala, Vivek Subramanian, and Vikas Gulati, is dedicated to offering green electricity to every Indian business. By providing a variety of onsite and offsite energy solutions, the company ensures cost benefits of 30–60% on power consumed while assisting businesses in reaching sustainability targets and lowering their carbon footprints. The three objectives of Fourth Partner Energy are to assist businesses in lowering their energy costs, cutting carbon emissions, and achieving power independence. The company has deployed 251MWp of solar capacity thus far. This company has been able to carry out capacity expansion and growth goals with the help of loan and equity financing. Among the rapidly growing clientele of FPEPL are Honeywell, NTPC, Airtel, Bharathi Cement, BridgeStone, Axis Banks, ICICI Bank, Glenmark, and Ferrero. The company announced its alliance in March 2021.

Digital Green:

In 2006, Digital Green began as a Microsoft Project to investigate whether technology could support small-scale farmers in India. Its purpose is to provide farmers with the technological know-how and information sharing they need to improve their agricultural generate. The organisation has assisted 19 million people, 90% of them are women, and has so far touched 15200 villages.

Banyan Nation – Recycling plastic:

Mani Vajipey, cofounder of Banyan Nation, which recently opened a manufacturing facility for recycled plastic bags in Patancheru, Hyderabad, says, "We have come a long way on the engineering front and are now adding performance enhancers to the recycled plastic in order to ensure that the recycled plastic has a greater lifetime." They gather plastic garbage from businesses and recycle it for use in other businesses.

CONCLUSION:

The study clarifies the idea of "green entrepreneurs" and their function as trailblazers who bring forth more environmentally friendly production methods, generate green jobs, and raise consumer demand for eco-friendly goods—all of which serve as hotspots for maintaining a green economy. In India, inclusive socioeconomic growth is centred on the SME sector. Given the low entry-level requirements for entrepreneurs in various green industries, their interest in creative business ideas, and sustainability considerations, green entrepreneurship can offer solutions to young unemployment and sustainability.

In addition to creating greener products and methods of production and jobs, green entrepreneurs also work to establish sustainable green economies by raising public awareness of the socioeconomic and environmental benefits of green products, which in turn increases demand for environmentally friendly goods. These innovators are known as "green entrepreneurs." Nonetheless, these environmentally conscious businesses face unique challenges when it comes to funding their endeavours, locating markets for their eco-friendly goods, and—above all—identifying the best technologies and procedures. Compared to conventional commercial businesses, these green entrepreneurs require multifaceted and multilevel support. To encourage green entrepreneurship, the government should therefore establish favourable conditions including information exchange, financial incentives, technical assistance, and knowledge-enhancement initiatives.

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