

# Green Business Practices: Balancing Environment and Economic Desires

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**Abstract:** *The government organizations as well as the individual business enterprises are becoming more and more environmental conscious. This environmental consciousness has led the government and the business enterprises for the emergence of green business practices. Green business involves the production and the promotion of environment friendly products. The vision of green business practices is to protect the ecological environment. This research paper presents the conceptual study on green business practices, which are essential for improving the environmental condition in a profitable as well as in a sustainable manner. This paper primarily focuses on fulfilling the responsibilities towards environment by adopting green business practices, and secondly, it explains about the competitive advantages by promoting green business practices.*

**Keywords:** green business practices, sustainability, social responsibility

## 1. Introduction

The concept of green business is not a modern concept. It was introduced in late 20<sup>th</sup> century. Nowadays, this concept is becoming more and more essential in today's era. The increasing consciousness towards environment and the need for sustainable economic development has led to the adoption of green business practices, with a view to minimize the detrimental impact of business on global as well as local environment, economy and society. Green business refers to the application of sustainability principals in business operations.

Green business practice includes eco-friendly activities which are initiated by companies to become more and more sustainable. These organizations aim at reducing their harmful impact on environment through activities like environment protection, optimum usage of scarce resources in the organization and promoting ethical environmental practices. An environmentally aware business organization should participate at least in one of the "4Rs"- Reduction, Reuse, Recovery and Recycling. These "R" can be achieved by following several practices, some of which includes:

- Green packing
- Less use of paper
- Using renewable and natural products
- Using public transport
- Spreading awareness about "Green Business"

## 2. Review of Literature

- 1) Sustainable development practices are explained as development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs. (World Commission on Environment and Development 1981)
- 2) Green business activities has been identifies as any activity which is performed in such a manner that has either limited negative impact or directly beneficial to the natural environment. (Gilbert 2001)

## Objectives of the study

- 1) To understand the concept of Green business
- 2) To identify the corporate responsibilities towards environment
- 3) To understand the competitive advantage of green business practices in business organizations

## 3. Research Methodology

The data for this study were collected from the secondary sources such as articles, websites, journals, etc.

### Green Business: A Brief Overview

Green business practices have become an important way for business firms to build up awareness by positioning their products as environmentally efficient and ecologically sound. Green business is not only manufacturing green and eco-friendly products, but also it includes 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.

World Bank estimated that environmental damage in India amounts to 9.7 billion U.S. equal to 5 percent of Gross Domestic Product. Some of the leading companies like Tata Consultancy Services, HCL, Samsung, Voltas, Wipro etc. have adopted eco-friendly initiatives which improved profits in various ways.

### Green Initiatives by Key Business Entities in India

Company	Area	Green Initiatives
State Bank of India	Green IT	10,000 ATMs were constituted by using eco & power friendly equipment, paper less banking
Tata Motors	Eco-friendly Showrooms	Energy efficient lights
Taj Hotel	Eco Rooms	Organic bed linen and napkins made from recycled paper
Indian Railways	Digital Tickets	E-Tickets on their laptops and mobiles
Voltas	Green Product	Air Conditions with energy star ratings

Source: Secondary Data

### **De-merits of Green Business**

The business organizations are facing several challenges while adopting green business. Some of them are listed below:

- a) Requires huge investment during initial process of adopting green business
- b) Green products have comparatively higher cost when compared with other non- green products
- c) Adoption of green business practices is often time consuming as well as a lengthy process
- d) Customers are not fully aware about the usage and benefits of green products.

### **4. Findings**

The following are the findings which I have come across while conducting my study:

- 1) Green business practices helps to reduce the negative impacts of business practices.
- 2) Green business helps to increase the efficiency of business operations.
- 3) Green business practices helps to increase the productivity and reduced costs.
- 4) Green business helps in optimum use and conservation of natural resources.
- 5) Green business helps in improving the goodwill of the company.

### **5. Suggestions and Recommendations**

The business firms which are considering becoming green and sustainable must follow these suggestions:

- 1) Green products must be made available in market at cheaper prices.
- 2) Government must motivate and support green business practices.
- 3) Customers must be educated about the use of green products and services.

### **6. Conclusion**

After conducting a conceptual study on green business practices, it is evident that green business practices are major step towards achieving the goal of sustainable development. Green business helps to reduce the ecological imbalances to a great extent. All the business firms who wish to practice green business, they should include 4'R's in their business activities.

### **References**

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