GREEN ACTIVITIES EFFECTING ON ORGANISATION CULTURE

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INTRODUCTION

Green activities in the industry (environmentally friendly industry) are important to be developed and maintained. The green industry can be achieved by: 1) recycling materials; 2) using environmentally friendly technology; 3) changing raw materials; and 4) improving internal management efforts. The economic crisis in 2005-2008, which had an impact on the real estate industry, also has encouraged construction experts to seek differentiation from others with reference to environmental practices to remain competitive in the market. From these trends, the terms ‘green building’, ‘green renovation’, and ‘green property’ first appeared on the market.

The green property has begun to grow as the public shows more concern about the worsening impact on the environment and pollution. Developers have shifted their focus to the green design and thinking in developing a comfortable residential area.

Developers and businesspeople have shown their concern on the green property to a spectacular level; it is now about ‘green’ and ‘sustainable’ business. Increased corporate awareness on environmental issues appears in the management practices in controlling the depletion of natural resources. Referring to environmental resources has an overall role for the successful development of environmental strategies.

The company’s environmental orientation requires the evolution of traditional marketing concepts. Orientation to the environment is a new advancement for marketing orientation because, in addition to considering customer satisfaction and achieving economic goals, a company must also take into account its social and environmental impact. The environmental orientation adopted by the company refers to the extent of environmental concerns, integrated into the strategy and throughout its operations. The environmental orientation includes everything from corporate defense attitudes and proactive attitudes to corporate environmental management, such as pollution prevention measures.

Green marketing refers to strategies for lifting the value of products or services by using environmental claims about attributes or systems, company policies, and their production or marketing processes. Companies can ‘green’ themselves in three ways, i.e. the process of adding value (at the company level), the management systems (at the company level), and the production of environmentally friendly goods or services (at the product level) in order to reduce negative environmental and social impacts, which will also increase the availability of products or services not harmful to consumers.

Banerjee in 2002 provides a conceptual framework for green marketing. The conceptual model of the green policy illustrates the existence of external forces (i.e. consumer needs, environmental community concerns, and stakeholders’ expectations) and internal strength (i.e. management priorities, the need for the competitive advantage, organizational culture). Both of these powers are the basic motives for starting green policies consisting of various levels.

Several other studies suggest that currently any business operates in a world sensitive to its environment, so businesses must formulate competitive environmental strategies in their marketing practices. Many companies respond to global challenges through the implementation of green marketing strategies—by developing products or services safer to the environment and easier to recycle, by having environmentally friendly packaging,
having better pollution control, and by practicing more efficient business activities related to the use of energy in an effort to achieve sales and profit targets by focusing on the environment and social life.

Environmental marketing is the company’s response to environmental, social, and government concerns. It can also serve as an important business philosophy to maximize financial performance. Developing environmental initiatives at the operational, managerial, and functional levels can contribute to minimizing production costs and can enhance the company’s positive image and reputation in external markets.