

BUSINESS MANAGEMENT ACCORDING TO THE GREEN ECONOMY CONCEPT OF BUSINESSES IN THE THAI MANUFACTURING INDUSTRY WITH AN EMPIRICAL TEST OF CAUSE AND EFFECT VARIABLES

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ABSTRACT

The objective of this research was to test the causal and effect model of business management based on the green economy concept of businesses in Thai manufacturing industry by using a questionnaire with 622 Thai industrial business executives who have been certified with ISO 14001 environmental management standards. In this study, confirmatory factor analysis (CFA) and causal model analysis were used for statistical analysis. The major findings indicated that 1) The causal and effect model of business management based on the green economy concept of business in the Thai manufacturing industry was consistent with the empirical data, which can be determined from the values of $\chi^2=264.403$, $df=153$, $p=0.000$, $\chi^2/df=1.728$, $CFI=0.98$, $TLI=0.97$, $RMSEA=0.06$, $SRMR=0.01$. The management factor under the green economy influencing performance had a positive direct influence with a coefficient of 0.83 ($p<.01$). The corporate image influenced the performance with a positive direct influence coefficient of 0.56 ($p<.01$). Management under the green economy had a positive influence on corporate image with a positive direct influence coefficient of 0.62 ($p<.01$). In addition, socially responsible leadership influenced management in the green economy with a positive direct influence coefficient of 0.57 ($p<.01$). Situational factors of stakeholder pressure influence management under the green economy with a positive direct influence magnitude coefficient of 0.46 ($p<.01$). All predictors in the model were able to account for 70.0, 83.0, and 86.0% of the variances in performance, organizational image, and management under the green economy ($R^2=0.70, 0.83, 0.86$), respectively.

Keywords: Business Management under the Concept of Green Economy, Performance, Corporate Image, Socially Responsible, Situational Factors on Stakeholder Pressure

INTRODUCTION

As a result of the deterioration of natural resources and the environment, it is a critical global problem that inevitably affects living conditions directly or indirectly. Such environmental issues affect the paradigm shift of production and consumption into sustainable production and consumption practices, as well as new agreements and rules. Strict environmental conservation has become increasingly active and pressuring international trade, as seen in the issuance of the requirements and regulations of developed countries. As a result, Thai entrepreneurs must urgently adapt to comply with regulations as well as respond to the needs of green customers. The days will play a greater role and importance to the global trade economy. Green economic concepts are more focused on a global scale. The

2008 financial crisis and the growing intensity of the effects of climate change as a result of human economic activity make the green economy seem an inevitable choice for the future of humanity. According to the United Nations Conference on Sustainable Development: UNCSD in 2012, the green economy was touted as a major controversial issue in the negotiating stage between the governments of countries. In business terms, it adopts the concept of business management under the green economy concept. In green business, it means to use the management of all resources to be spent cost-effectively, alongside efforts to preserve the environment. It benefits the business, too. There is a good friendly portrayal of society and communities that should be better managed. Green business certification has general principles based on three pillars of sustainability: 1) business dimensions, 2) social dimensions, and 3) environmental dimensions. However, Husted & Salazar (2006) found that the green organization's competitive advantage refers to an environment in which the organization has an environmental management position or green innovation where competitors cannot copy a fulfilled environmental strategy, and that the organization has benefited sustainably from environmental strategies that have made the organization successful, in line with Jabbar & Abid (2017), which found that its performance had a positive impact on the environment. Performance is the result of a system from the management of environmentally affecting organizations (Afagachie, 2013; Halkos & Sepetis, 2007). The Green Organization's competitive advantage has a positive impact on the organization's performance (Jia & Wang, 2019; Setyawati, Rosiana, & Shariff, 2017). In addition, Kang & Hur (2012) found that business organizations can benefit from the positioning of environmentally conscious brands in the minds of consumers. This brings to the strengthening of loyalty or good relationships of consumers. Due to the current, many consumers value and are aware of environmental issues (Auger, Burke, Devinney & Louviere, 2003), which pass on to the long-term image and customer relationship building (Chen, Lai & Wen, 2006; Hart, 1995; Peattie, 1995; Porter & van der Linde, 1996; Shrivastava, 1995; Chang & Fong, 2010).

Socially responsible leadership is an integration of the theory of change leadership with awareness and attention to society and the environment. Chen (2011) stated that environmental leadership refers to the process of changing where leaders in the organization influence members to achieve the management and prevention of environmental issues, in line with Augustine (2019), which found that environmental leadership was a factor in creating a competitive advantage for green organizations.

Stakeholder pressure situational factors are important for organizations to identify and assess stakeholder pressures and study corporate environmental response patterns (Hart, 1995; Murillo - Luna et al, 2008). With growing concerns about the natural environment of customers, businesses have begun driving improvements in environmental operations (Christmann, 2004; Wagner, 2007; Darnall et al., 2008; Delmas and Montiel, 2009; Massoud et al., 2010). Customer pressure may be encouraging the company to adopt a proactive strategy for green innovation (Buysse and Verbeke, 2003; Sharma and Henriques, 2005; Murillo-Luna et al., 2008; Sandhu et al., 2010; Sarkis et al., 2010). In addition, customers want to signal that is an indication of the business's commitment to environmental protection (Nishitani, 2009). These strategies differentiate the products of the business and benefit from products in terms of creating a competitive advantage. The product must be certified or have an environmental management system.

With that said, the researchers wanted to study 'Business management based on the green economy concept of business in the Thai manufacturing industry with empirical tests of cause and outcome variables.' The objective is to test the causal model and results of business management according to the green economy concept of the business in the Thai manufacturing industry for academic benefits, the form of causal relationships, and the results of business management according to the green economy concepts that affect the

performance of the business in the manufacturing industry and the practical benefits by providing a good approach to business management according to the green economy concept. This will lead to the performance and good image of the business, as well as the factors that will lead to the management of the business according to the green economy concept and policy benefits to further apply the findings in the planning of business policy according to the green economy concept.

OBJECTIVES OF THE RESEARCH

1. To study the level of business management factors under the concept of green economy, social responsible leadership, stakeholder situational factors, corporate image, and business performance in the manufacturing industry in Thailand.
2. To study the causal factors of business management under the concept of green economy, socially responsible leadership, stakeholder situational factors affecting corporate image, and business performance in the manufacturing industry in Thailand.

THEORIES AND RESEARCH CONCEPTUAL FRAMEWORK

Green Economy Concept

Green Economy is an economic system that results in improvements in human well-being and social equality. At the same time, it significantly reduces the risk of environmental harm and ecological scarcity by means of use and low carbon emissions, efficient use of resources, and by the cooperation of people in society (The UNEP-led Green Economy Initiative, 2011). The green economy is a flexible economy that improves the quality of life for everyone under global ecological constraints (Green Economy Coalition, 2010). In addition, the International Chamber of Commerce has defined the economic system that grows the economy and environmental responsibility together to promote each other. While encouraging progress in social development (International Chamber of Commerce, 2012), it can be seen that the definitions mentioned above are not the best. There's an important part of that: 1) Care about the environment and ecosystem as a whole, and some also take biodiversity into account, 2) Aim to improve well-being and improve the quality of human life in society, 3) There are some that focus on energy efficiency and resources, which will indirectly reduce the environmental impact. The OECD green growth 2011 is defined as growth that aims to embrace economic growth and development while sustainably utilizing natural assets and continuing to provide environmental resources and services that help to eat well. Green growth is good economic progress for the environment, low greenhouse gas emissions, and contributing to social participation (UNESCAP, 2012). A green economy can only happen if green growth is achieved alongside it in order not to slow down or disrupt the economy. It can be considered a sustainable and good choice for the world's economy and environment at the same time.

Green business means the use of the management of all resources to be used cost-effectively, alongside efforts to preserve the environment, which also benefits the business. There is a good image of friendliness for society and communities that should be better managed. Green business certification has general principles based on three pillars of sustainability: 1) business dimensions, 2) social dimensions, and 3) environmental dimensions. This research can summarize the elements of business management based on the green economy model: businesses that want to deliver products and services to customers or consumers with value in 3 dimensions:

1. Green business dimension, the organization must develop the operation of the green business regularly, be transparent in all parts of the business, and have the right offer of environmentally friendly products and services. There is no misleading of environmental policies and operations that the Company does not implement. In the environmental aspects, the Company is responsible for the environment from raw

material purchase, production of goods, sale of goods, as well as the making of offices and/or green factories. In social aspects, the Company must provide social equality and pledge to operate in a way that benefits employees, customers, and society.

2. Green environmental dimension, the organization shall be responsible for the environment from raw material purchase, production of goods, sales of goods, as well as office and/or green factories.
3. The green social dimension, the organization must provide social equality and pledge to operate in a way that benefits employees, customers, society, and the environment.

Corporate Image Concepts

Philip Kotler (2000:296) describes the image in the context of marketing as an image as a way of knowing about the organization, or the product of asking for the organization, and the image is possible from a number of factors under the control of the business. When considering the image that a business organization can create, it may clearly limit the scope of the types of images involved in marketing promotion, classified into three categories: 1) Product or Service Image, 2) Brand Image, and 3) Institutional Image. The image of a particular organization focuses on the overall picture of the organization, from the organizational management system, goods or services, branding, stability, having qualified personnel, modern production, and social responsibility (Jefkins, 1977: 56). The organizational image can be divided into 4 dimensions: 1) Common Product Attributes, Benefits, or Attitudes, 2) Corporate Employees and Relationships, 3) Values and Programs, and 4) Corporate Credibility (Kellers, 1998: 416 - 428).

The Relationship between Business Management Based on Green Economy Concept and Corporate Image

A review of the factors affecting the organization's image found that knowing your company as a 'green organization' has a significant impact on your brand. A study by the Nielsen Study (2015) found that in 2015, 66% of participants worldwide were willing to pay more for sustainable goods, up from 55% in 2014. Sustainability-related products and services are more valuable, and this sense of sustainability value is more consistent at all socioeconomic levels. Kotler (2000: 553) defines that image refers to the holistic of faith, thought, and the impression that a person has towards something, that a person's attitudes and actions are highly related to the image of it, and describes the image of the organization as a way that the public perceives about the organization or the product of the organization can be caused by a number of factors. It is classified as follows: 1) product or service image, 2) brand image, 3) image of an institution or organization. Business organizations seek to provide environmentally friendly products and develop production processes, as well as manage environmentally friendly organizations to consumers. Business organizations benefit from positioning and branding in the minds of consumers. This brings to the strengthening of loyalty or good relationships of the consumers (Kang & Hur, 2012). Due to the current, many consumers value and are aware of environmental issues (Auger, Burke, Devinney & Louviere, 2003), which pass on to long-term image and customer relationship building (Chen, Lai & Wen, 2006; Hart, 1995; Peattie, 1995; Porter & van der Linde, 1996; Shrivastava, 1995; Chang & Fong, 2010).

Performance

The performance of the business is an evaluation of the performance according to the reflection of the results of the business's operations to know the operating status of the business. The focus is on the benefits that the organization receives, as measured by the results of the green innovation strategy of the manufacturing industry business, including sales growth, market share growth, increased profitability, and performance achieved as

intended. Jiménez- Jiménez and Cegarra-Navarro (2007) proposes that the performance of the organization is a variable that presents the relationship of the effectiveness of the organization. Therefore, Nunta, Ooncharoen, and Jadesadalug (2012:40) said its performance meant monetary results included increased operating income and increased market share. Non-monetary results include a positive image that results in confidence in the business's operations and increased competitiveness. Thus, Liao and Kuo (2014: 300) defined the components of the performance in 3 dimensions: 1) financial performance measured by revenue and operating profit, 2) business performance measured by increased market share, and 3) customer value, measured by customer satisfaction and increased customer presence, as well as new products that can respond to customer changes.

The relationship between business management based on green economy and performance. The green organization's competitive advantage refers to an environment in which the organization has an environmental management position or green innovation where competitors cannot copy a fulfilling environmental strategy, and the organization benefits sustainably from the environmental strategy that makes the organization successful (Husted & Salazar, 2006). The organization's performance has a positive impact on the environment (Jabbar & Abid, 2017), which is the result of a system based on the management of the organization affecting the environment (Afgachie, 2013; Halkos & Sepetis, 2007). According to previous research, green organization competitive advantage has a positive impact on corporate performance (Jia & Wang, 2019; Setyawati, Rosiana, & Shariff, 2017).

The Relationship between Corporate Image and Performance

From the review of the literature on the image of the organization and the performance of the business, it found that corporate image is important for both business and customer as it can indicate the success of the business and also bridge the relationship between business and customer perspective. Businesses need to find strategies that can lead to competitive efficiency, including building business identity and reputation (Keith, 2003). In addition, Porter (1985) described competitiveness, which creates a competitive advantage, as the value of a business that can be created for customers that contribute to customer satisfaction and affect the good image of the organization. Research by Souiden, Norizan, and Heung (2006) found that the operation of an effective business is the support that suggests an organization or business is significant to its image. At the same time, the reputation of the enterprise is significant with its loyalty to the organization.

Socially Responsible Leadership

Socially responsible leadership is a combination of the theory of change leadership and awareness and attention to society and the environment. Socially responsible leadership applies personal behavior to both science and arts ability to create a vision, motivate, influence positive thoughts and behaviors for stalkers, and be conscious of environmental social responsibility, as well as to achieve the ultimate operational goals of environmental organizations (Western, 2008; Flannery & May, 1994; Berry & Gordon, 2012). Socially Responsible Leadership is a leadership that has a concept of values focused on social responsibility, similar to responsible leadership that is phenomenal morally and socially driven by moral scandals in management, businessman greed and the impact on human life from management. The other side also comes from the realization that transnational corporations and their leaders, have vast potential to help make the world better (Pless, 2007). The reason why the Green HR trend is becoming an idea that is interested in executives and academics is because of four reasons: 1) the trending CSR trend, 2) the interest in

sustainability in business operations, 3) helping to strengthen the brand. 4) Young employees (Gen Y) are more likely to work with eco-friendly organizations (Siriyupa Rungreungsuk, 2009).

The Relationship between Socially Responsible Leadership and Business Management Based on Green Economic Concept

Chen (2011) stated that environmental leadership refers to the process of changing leaders in the organization to influence members to achieve the management and prevention of environmental issues, in line with Augustine (2019), which found that environmental leadership was a factor in creating a competitive advantage in green organizations. Socially responsible leadership is a leadership that has a value-oriented value that focuses on social responsibility. It is similar to responsible leadership, a moral and social phenomenon driven by moral scandals in the management of businessmen's greed and its impact on life on Earth, and the other side comes from the realization that transnational corporations and their leaders have vast potential to help make the world better (Pless, 2007).

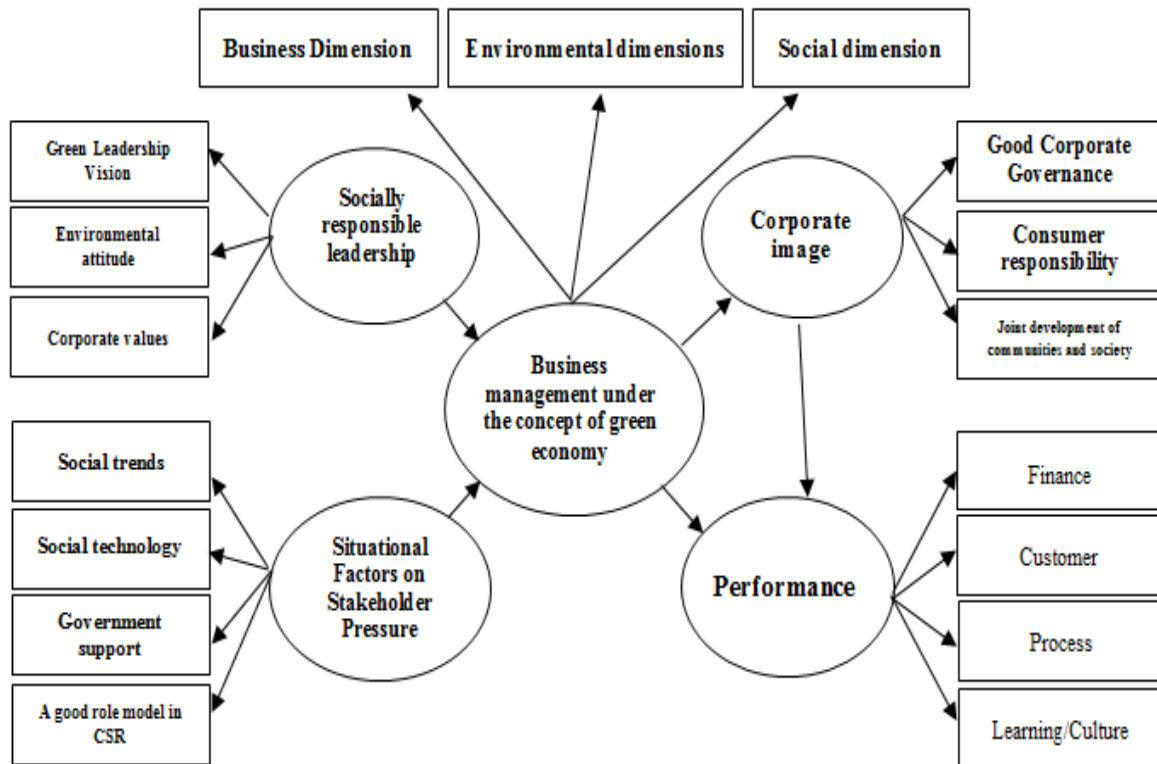
Situational Factors in Stakeholder Pressures

Lawrence (2002) defines stakeholders as individuals or groups, which are affected or affected by corporate policy and practice decisions. In a study by Henriques and Sadosky (1999), they identified four types of stakeholders: environmental supervision (e.g. government), organizations (e.g. customers), communities (e.g. NGOs) and media. Companies that succumb to pressure from these stakeholders are vulnerable and have a high probability of failure. On the other hand, the systematic management of business relationships with stakeholders. It can lead to benefits in improving the organization that operates the environment and finance of the business (Darnall et al., 2008; Dangelico and Pujari, 2010; Harrison et al., 2010). Businesses are responsible for improving environmental operations to meet the needs of communities, and with increasingly interdependent economic relationships between domestic and foreign organizations. Green innovation management is a widely practiced and extensive priority (Perkins and Neumayer, 2009), and to maintain legality that varies from country to country. Multinationals may take aggressive environmental measures to meet the needs of stakeholder networks (Jiang and Bansal, 2003).

The Relationship between Stakeholder Pressure Situational Factors and Business Management Based on Green Economic Concept

Based on a review of the impact of stakeholder pressure situational factors on business management based on green economic concepts, it found that it was important for green organizations to identify and assess stakeholder pressures and study corporate environmental response patterns (Hart, 1995; Murillo - Luna et al, 2008). With growing concerns about customers' natural environment, businesses have begun pushing for improvements to environmental operations (Christmann, 2004; Wagner, 2007; Darnall et al., 2008; Delmas and Montiel, 2009; Massoud et al., 2010). Customer pressure may encourage companies to adopt aggressive green innovation strategies (Buysse and Verbeke, 2003; Sharma and Henriques, 2005; Murillo-Luna et al., 2008; Sandhu et al., 2010; Sarkis et al., 2010). In addition, customers want signals that are indicative of the business's commitment to environmental protection (Nishitani, 2009). These strategies differentiate the products of the business and benefit from products in terms of creating a competitive advantage. The product must be certified or have a good environmental management system, can provide reliable information for production processes and products (Zhu and Sarkis, 2004).

Based on the relevant review of business management studies based on the green economic concept of business in the Thai manufacturing industry with empirical tests of cause and outcome variables, it can define the conceptual framework in research as follows



**FIGURE 1
RESEARCH FRAMEWORK**

RESEARCH METHODOLOGY

The population used in this study was 622 Thai manufacturing enterprises certified with ISO14001 environmental standards (List of accredited systems accredited ISO 14001 : 2015 Environmental Management System. Thai Industrial Standards Institute (TISI), 2021). The unit of analysis of this research was at the organization level. This research used a postal data collection questionnaire, which has a response rate constraint to provide a good representation of information (Panayides, 2007). The researcher therefore studied the entire population.

Instrument quality testing. 1) Content validity was found to have a content validity index of the entire instrument (S-CVI/Ave) of 0.97, which satisfies the criteria accepted by Polit & Beck (2006) suggesting that the S-CVI/Ave value should not be below 0.90. 2) The discrimination by using the correlation method between the question and the total score of the whole item-total correlation was found to be between 0.365-0.890 consistent with Nunnally & Bernstein (1994) that should be 0.30 or higher. 3) Reliability was found that Cronbach's alpha coefficient was 0.92, which was greater than 0.70 (Nunnally, 1978; George & Mallery, 2010) to be considered valid. Cronbach's alpha coefficient reliability criterion used the law of clarity (George and Mallery, 2010).

RESEARCH RESULTS

The results of the correlation coefficient analysis to test the correlation between the observed variables showed that the correlation was between 0.257–0.758, which was less than 0.80 (Cooper & Schindler, 2006), and showed that they had no relationship. The results of the confirmation component analysis showed a structural validity of less than 5.00 was therefore acceptable (Wheaton, Muthén, Alwin & Summers, 1977) and consistent with the CFI and TLI analysis results of more than 0.900. The RMSEA and SRMR index values were lower than 0.08. Thus, it was recognized that the model was harmonious with the empirical data (Bentler, 1990; Browne, et al., 1993; MacCallum, Browne & Sugawara, 1996; Hu & Bentler, 1999; Diamantopoulos & Siguaw, 2000) (see details in the table at 1).

Observable variables	Items loading	AVE	CR
1. Socially responsible leadership			
1.1 Green Leadership Vision	0.85		
1.2 Environmental attitude	0.94	0.81	0.92
1.3 Values	0.91		
2. Situational Factors on Stakeholder Pressure			
2.1 Social trends	0.83		
2.2 Social technology	0.89	0.76	0.92
2.3 Government support	0.88		
2.4 A good role model in CSR	0.90		
3. Business management under the concept of green economy			
3.1 Business Dimension	0.78		
3.2 Environmental dimensions	0.80	0.48	0.73
3.3 Social dimension	0.82		
4. Corporate image			
4.1 Good Corporate Governance	0.82		
4.2 Consumer responsibility	0.88	0.54	0.78
4.3 Joint development of communities and society	0.86		
5. Performance			
5.1 Finance	0.81		
5.2 Customer	0.92	0.71	0.91
5.3 Process	0.89		
5.4 Learning/Culture	0.76		

The results of the validity analysis of the causal model showed that the model was consistent with the empirical data. When considering χ^2/df values less than 5, the analysis results for CFI and TLI index values close to 1 (>0.90), RMSEA index values and SRMR index values lower than 0.08 (Hu & Bentler, 1999), showing that the main hypothesis was accepted that the theoretical model was consistent with the empirical data or that the model had a positive straightness of 0.56 ($\beta=0.56$) with a statistical significance at the .01 level.

The results of the analysis of the estimation of the factor loading of the performance variables were statistically significant at the .01 level for all of them. It was shown that the observed variables of the four latent variables were important elements in describing the results of operations. The most important components were customers ($\beta=0.89$), followed by finance ($\beta=0.86$), processes ($\beta=0.79$), and learning/innovation ($\beta=0.76$). The factor loading of corporate image was found to be statistically significant at the .01 level for all of them. It shows that the observed variables of the three latent variables were important elements in describing the corporate image. The most important elements were consumer responsibility

($\beta=0.87$), good corporate governance ($\beta=0.79$), and community and social development ($\beta=0.76$). The factor loading of business management c under the concept of green economy was found to be statistically significant at the .01 level for all of them. This shows that the observed variables of the three latent variables were important elements in describing business management under the concept of green economy. The most important elements were the business dimension ($\beta=0.90$), the environmental dimension ($\beta=0.89$), and the social dimension ($\beta=0.84$). The factor loading of socially responsible leadership was found to be statistically significant at the .01 level for all of them. It shows that the observed variables of the three latent variables were important elements in explaining socially responsible leadership. The most important elements were the Green Leadership Vision ($\beta=0.94$), Environmental Attitude ($\beta=0.88$), and Values ($\beta=0.90$). The factor loading of all stakeholders' stressful situational factors was also found to be statistically significant at the .01 level. It was shown that the observed variables of the four latent variables were important elements in describing the situational factors of stakeholder pressure. The most important elements were CSR role models ($\beta=0.92$), social trends ($\beta=0.89$), government support ($\beta=0.80$), and social technology ($\beta=0.78$).

When considering the magnitude of direct influence between variables, it was found that management under the green economy had a positive direct influence size coefficient of 0.83 ($p<.01$). The corporate image influenced the performance with a positive direct influence size coefficient of 0.56 ($p<.01$). Management under the green economy had a positive influence on corporate image with a positive direct influence magnitude coefficient of 0.62 ($p<.01$). In addition, socially responsible leadership influenced management in the green economy with a positive direct influence magnitude coefficient of 0.57 ($p<.01$). Situational factors of stakeholder pressure influence management in the green economy with a positive direct influence magnitude coefficient of 0.46 ($p<.01$).

When looking at indirect influence through management under the green economy, it was found that socially responsible leadership and situational factors of stakeholder pressure had an indirect influence on performance significantly, they were statistically significant at the .01 level with positive magnitude coefficients of 0.21 ($p<.01$) and 0.30 ($p<.01$), respectively. Socially responsible leadership and situational factors of stakeholder pressure also indirectly influenced corporate image through management in the green economy at a statistically significant level of .01, with the positive magnitude coefficients of 0.56 ($p<.01$) and 0.23 ($p<.01$). All predictors in the model accounted for 70.0, 83.0, and 86.0% ($R^2=0.70, 0.83, 0.86$), respectively (Table 2 and Figure 2). The results of the validity analysis of the causal model showed that the model was consistent with the empirical data. When considering χ^2/df values less than 5, the analysis results for CFI and TLI index values close to 1 (>0.90), RMSEA index values and SRMR index values lower than 0.08 (Hu & Bentler, 1999), showing that the main hypothesis was accepted that the theoretical model was consistent with the empirical data or that the model had a positive straightness of 0.56 ($\beta=0.56$) with a statistical significance at the .01 level.

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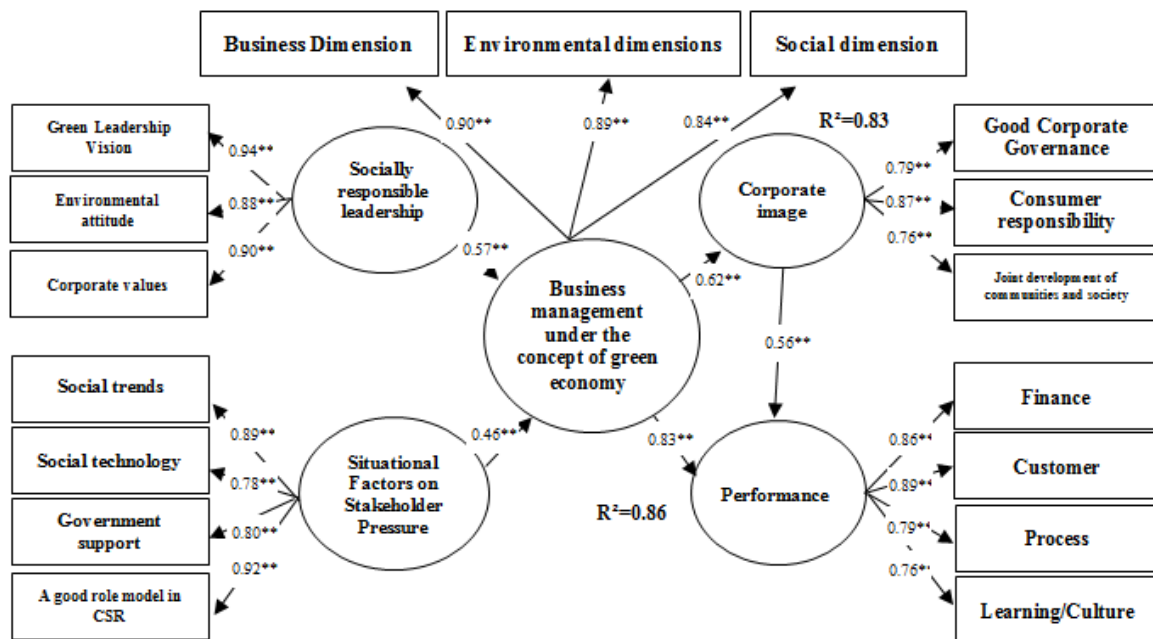
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Table 2
THE MAGNITUDE OF DIRECT INFLUENCE, INDIRECT INFLUENCE, AND OVERALL INFLUENCE IN THE CAUSAL MODEL OF VARIABLES

Predictor variable	Effect Size								
	Business management under the concept of green economy			Corporate image			Performance		
	DE	IE	TE	DE	IE	TE	DE	IE	TE
1. Socially responsible leadership	0.57**	-	0.57**	-	0.36**	0.36**	-	0.21**	0.21**
2. Situational Factors on Stakeholder Pressure	0.46**	-	0.46**	-	0.23**	0.23**	-	0.30**	0.30**
3. Business management under the concept of green economy	-	-	-	0.62**	-	0.62**	0.83**	-	0.83**
4. Corporate image	-	-	-	-	-	-	0.56**	-	0.56**

$\chi^2=264.403$, $df=153$, $p=0.000$, $\chi^2/df=1.728$, $CFI=0.98$, $TLI=0.97$, $RMSEA=0.06$, $SRMR=0.01$
* mean $p < .05$ ** mean $p < .01$



$\chi^2=264.403, df=153, p=0.000, \chi^2/df=1.728, CFI=0.98, TLI=0.97, RMSEA=0.06, SRMR=0.01$

FIGURE 2
MEASUREMENT MODEL

DISCUSSION AND CONCLUSION

The results of the analysis revealed that the causal and effect model of business management based on the concept of green economy of businesses in the Thai manufacturing industry developed from theoretical assumptions was consistent with the empirical data. Management under a green economy influences performance. This was consistent with Husted & Salazar (2006) who found that the competitive advantage of green organizations or green innovations that competitors cannot copy environmental strategies results in organizations sustaining benefits from green strategies. environment that makes the organization successful. This was also consistent with Jabbar & Abid (2017), who found that organizational performance had a positive impact on the environment. It was also consistent with Afagachie (2013); Halkos & Sepetis (2007) who found that performance was the result of an organization's management that affects the environment. According to previous research, the competitive advantage of green organizations has a positive effect on corporate performance (Jia & Wang, 2019; Setyawati, Rosiana, & Shariff, 2017). In addition, the results of the analysis revealed that management under the green economy influenced corporate image. This was consistent with the Nielsen Study (2015) which found that sustainability-related products and services have greater value, sense of sustainability, and corporate image. Business organizations strive to provide environmentally friendly products and develop production processes, including environmentally friendly corporate management to consumers. Businesses can benefit from brand placement in the minds of consumers, which leads to enhancing consumer loyalty or relationship (Kang & Hur, 2012). The importance and awareness of environmental issues (Auger, Burke, Devinney & Louviere, 2003), which contribute to the image and building of long-term customer relationships (Chen, Lai & Wen, 2006; Hart, 1995). The results of the Corporate Image Analysis Influence on Performance were consistent with Souiden, Norizan, and Heung (2006), who found that effective business operations were supportive, indicating that the organization has a significant impact on corporate image. Corporate image is important to both business and customers as it can indicate the success of the business and also a bridge between business

and customer perspective. Businesses need to find strategies that can lead to competitive efficiency, including building a business identity and reputation (Keith, 2003).

Socially responsible leadership influences management under a green economy. This was consistent with Siriyupa Rungreungsuk (2009), who stated that the GreenHR trend started as an idea that executives and academics were interested in for four reasons. 1) Be the strong trend of CSR. 2) Interest in building sustainability in business operations 3) Help strengthen the brand. 4) New generation employees (GenY) were more likely to want to work with an environmentally friendly organization. Environmental leadership refers to the process of change in which organizational leaders influence members to achieve management and prevention of environmental issues (Chen, 2011). Previous studies have shown that environmental leadership was a factor in creating a more competitive advantage for green organizations (Augustine, 2019). The results of the analysis revealed that situational factors of stakeholder pressure had influence on management under the green economy. This was consistent with Christmann and Taylor (2001) ; Perkins and Neumayer (2009); and Zeng et al., (2009), who found that businesses have an obligation to improve environmental performance to meet community needs and the increasingly interdependent economic relationship between domestic and international organizations. abroad. Green innovation management was an important and widely practiced aspect. To maintain legality which varies from country to country, multinational companies may take proactive environmental measures to meet the needs of their stakeholder networks (Jiang and Bansal, 2003).

SUGGESTIONS

1. Based on the findings that managing under the green economy influences better performance and corporate image. Therefore, organizations should focus on managing the organization under the concept of green economy, which consists of business dimensions, environmental dimensions, and social dimensions, which will lead to the performance of the organization in terms of financial, customer, process, and better learning/culture, and corporate image, good corporate governance, consumer responsibility, and better community and social development.
2. Based on the findings that socially responsible leadership and situational factors of stakeholder pressure influence business management in the green economy. Therefore, businesses must address the vision, values, and environmental attitudes that were components of socially responsible leadership that will lead to management under a business's green economy and indirectly affect corporate performance and image. Likewise, the situational factors of stakeholder pressure include social trends, social technology, government support, and CSR role models that will lead to management under the green economy of business and deliver indirect effects on the operating results and corporate image.

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