

## Research Article

# Entrepreneurs in the Sustainability Sector: Could They be the Real Wealth Creators of the Future?

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## I N F O

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## A B S T R A C T

In today's world, the encouragement of entrepreneurial endeavors is not a novel strategy for alleviating poverty in any of the globe's many regions. However, with the current rise in awareness of the need to keep the environment healthy for people, planet and bio variety, the need for sustainable sustainability practices and entrepreneurship has been thrust into the spotlight. In order to attain this economic, social and environmental sustainability, entrepreneurs in both developed and developing nations have been urged on the need of becoming green in their business operations. This is to ensure that the sustainability goals can be met. The concepts of entrepreneurship and sustainability, as well as the major drivers of sustainable entrepreneurship and the benefits of green entrepreneurship, are broken down and discussed in this article. This will help to raise awareness about the need for existing entrepreneurs as well as new entrepreneurs to implement green business practices in their operations, which will ultimately help to protect people and the environment from environmental problems such as pollution and degradation while simultaneously increasing profitability.

**Keywords:** Entrepreneurship, Sustainability, Indian Economy

## Introduction

The slow spread of COVID-19 pandemic has resulted in serious financial failures around the world. There will be a loss of anywhere between 5 and 25 million jobs and the value of worker earnings will drop by between 860 billion and 3.4 trillion dollars in the United States. These projections come from the International Labor Organization (ILO). It is anticipated that over 70 million people would once again be forced to live in conditions of acute destitution and need. The second wave of the Covid-19 pandemic has a detrimental effect on India's quality of life and the financial implications associated with it are also quite substantial. On the other hand, there is no comparison to the slaughter that took place during the primary quarter of the previous fiscal year, which was

when development was expected to occur at the center. The unexpected embargo resulted in a drop of 23.9% in GDP. In 2020-21, the Gross Domestic Product had a 7.3% decrease. Since India gained its independence in 1947, this is the worst performance the Indian economy has had.

The domestic interest and fares have been forcibly lowered for some famous unique situations where high development has been detected, which has had an effect on almost every one of the sector areas that have been impacted. A big cause for concern over the second wave is the possibility that the illness has already gone into the rural areas of India and is poised to wreak havoc on urban, suburban and rural neighborhoods. Even if lockdowns could help break the chain of transmission, at best they will only postpone the arrival of the next wave of infected persons

unless the whole period of time is employed to immunize others. As things stand right now, it seems likely that the growth of the nation's GDP will be lower than the average of 10%. There are a significant number of people who are now without jobs and who are looking for as well as will continue to hunt for business opportunities as a result of the extraordinary disasters that are affecting every nation and every sector of industry.

The COVID-19 pandemic has not only caused a critical effect on that interaction but has also exposed and extended pre-emergency fragilities in the entrepreneurship venture environment and the miniature, little and medium-sized endeavor area. This is despite the fact that recent progress has been made toward advancing entrepreneurship venture strategies and fortifying the seriousness of miniature, little and medium-sized endeavors. Sound and comprehensive approach measures and drives to help and support entrepreneurship venture, remembering for post-pandemic situations, in arrangement with the cross-cutting nature of business venture, length a few interrelated regions, including administrative changes, further developed admittance to fund and markets, worked with innovation trade and advancement, improvement of human resources, expanded consciousness of enterprising freedoms and formation of encouraging environments.

The field of entrepreneurship venture is going through a cycle of progress. As a result of this transition, various new practices have emerged. Among other things, entrepreneurial practices may not always need to be linked to the expansion of the economy or the production of profits solely (Tilley and Young, 2009). One of the most important developments is that businesses are progressively shifting their primary focus from just meeting monetary needs in their first stage to coordinating maintainability practices in their final stage. This is one of the most significant advancements. Consumers' awareness of environmental concerns, along with the world's expanding population, unstable economic situation and ongoing ecological struggles, has created a new global environment that no organization can simply ignore. Because of this trend, associations are faced with the substantial challenge of addressing the ecological supportability. As a result, the conventional view of entrepreneurship has to be abandoned in favor of an emphasis on the long-term viability of the natural resources found around the globe.

### **The Concept of Entrepreneurship and Sustainability**

The English term "entrepreneur" comes from the French phrase "prenant l'initiative de passer," which may be translated as "taking the initiative to cross." Entrepreneurs are the catalysts that bring together different elements, such as funds, people, ideas and so on, to create companies that generate value. Despite the fact that all business

visionaries are responsible for managing the activities of connecting providers and customers in order to make and change markets, economical business visionaries differ from regular business people in that they are also responsible for constructing connections between organic growth and commercial success. Entrepreneurship may be defined as the capacity and willingness to create organize and manage a business operation despite the inherent risks and uncertainties involved in doing so in order to generate a profit. The establishment of brand-new businesses is perhaps the clearest manifestation of business activity.

Udih and Odibo, (2016) indicated that an increase in the number of entrepreneurship, small and medium-sized enterprises (MSMEs) might boost economic development by contributing to the creation of more jobs. Schumpeter (1934) provided one of the early definitions of entrepreneurship. He defined entrepreneurship as an innovative price of creative destruction. This description is considered to be one of the most accurate. According to Majid Latif and Koe (2017), the definition of entrepreneurship is "the process of identifying, evaluating and pursuing opportunities through creative, innovative and transformational means in order to produce new products, processes and values that are beneficial to society."

(Gibbs, 2009) Entrepreneurship may also refer to the process of starting a new business venture. However, some academics believe that the entrepreneurship process is not specific to new businesses, even though the development of new businesses is a process of the entrepreneurial process (Shane and Venkataraman, 2000). In accordance with his writers, such as Greco & De Jong (2017), have recognized the significance of new and current businesses in improving the society, in addition to the distinct functions that they each play in this business. According to one source, the definition of entrepreneurship is "the process that strives for innovation and or value creation and capture through opportunity spotting and development. This implies a more or less high degree of risk taking due to the inherent uncertainty of the situation." The work of Kirzner (1973), who defined entrepreneurship as primarily the process by which opportunities are found, analyzed and taken advantage of, is the basis for one of the definitions of entrepreneurship that is considered to be among the most accepted.

To achieve environmental sustainability, which is a component of sustainable development, the route forward needs a green economy and in order to achieve a green economy, some aspects of the economy will need to be modified. In non-industrialized nations, which will be impacted by the current wave of green economy, entrepreneurship is an essential component of the economy. This is particularly true in non-industrialized

countries. The need for environmentally sensitive actions on the part of entrepreneurs is necessitated by the fact that natural disasters and the pollution they cause have an impact on the environment and the biodiversity it contains. This in turn helps to foster a spirit of sustainable entrepreneurship. The term “sustainable entrepreneurship” may be understood in a variety of ways; the need of ensuring sustainable development gives rise to the concept of entrepreneurship in the first place. It involves exhibiting entrepreneurial activity with the objective of capitalizing on the environment and the people and making a major contribution to those aspects of the environment and the people. In this manner, sustainable entrepreneurship not only satisfies the criteria of the financial sector, but it also satisfies the requirements of the green and friendly sectors. It is in no way comparable to traditional commercial business, which is predicated on monetary requirements (profits).

The only way that a firm’s operations can be considered sustainable and so fulfill the standards of sustainable development is if the three Ps in the business plan are coupled in an appropriate manner. As is well known, sustainable entrepreneurship sprang out of the concept of sustainable development and its goal is to tackle each problem with the same amount of importance and care. As a result, sustainable development should serve as the foundation of sustainable entrepreneurship practices. As a result, we should anticipate that sustainable entrepreneurs would place a significant amount of attention on advantages that are not economic in nature in addition to the economic benefits. Sustainable business owners are more inclined to place non-economic goals, such as those pertaining to the environment and society, on an equal footing with economic objectives.



**Figure 1. Ps of Sustainable Entrepreneurship**

### **Transformation of Entrepreneurship towards Sustainability**

Recent studies on the transformation of transitioning industries toward sustainability have been motivated by the research of opportunities for sustainable entrepreneurs

presented by market failures connected to sustainability. In their theoretical research, Hockerts and Wüstenhagen (2010) outlined the steps that need to be taken for an industry to make the transformation toward sustainability:

#### **The First Stage**

A sustainable entrepreneur is someone who begins sustainable innovation and also initiates the transformation of an industry to sustainable development. He or she is an active idealist.

#### **The Second Stage**

The environmentally sustainable entrepreneur builds his business, which is then followed by news stories that report on the expansion trend. The process of shifting an industry toward environmentally sustainable development is still ongoing.

#### **The Third Stage**

The rise of sustainable entrepreneurs that are savvy in business, as well as new ventures that are backed by experienced investors. They have a strong understanding of the several market categories in which they operate and are able to innovate both products and processes. These environmentally sustainable entrepreneurs have achieved profitable growth and plan to increase their market share while simultaneously defending it against competition from established companies.

#### **The Fourth and Final Stage**

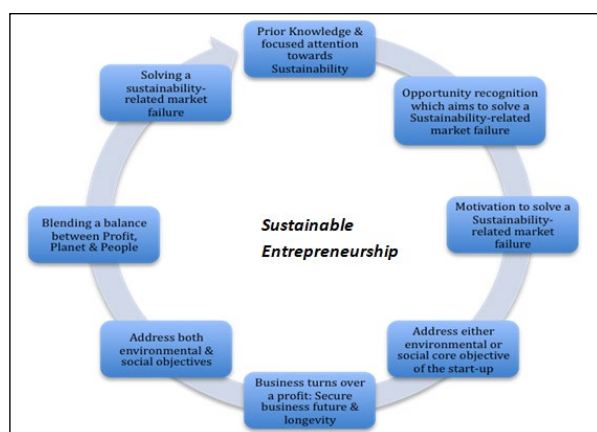
At this stage of maturation, brands aimed at the mass market recognize the rising danger posed by competition from sustainable entrepreneurs and will also attempt to grab market share. Continue to push for the transformation of the industry toward environmentally sustainable development.

The cycle has been completed successfully due to the fact that expenses have fallen and are now efficient throughout its whole. This idea is strengthened by Schaltegger and Wagner (2011), who state that both start-ups and incumbents need to choose what kind of sustainability innovation they participate in before engaging in any of it (radical or incremental). As a result, they were able to achieve greater success in their endeavors, which helped contribute to the transformation of industries toward sustainability.

#### **Key Drivers of Sustainable Entrepreneurship**

The findings of the research will contribute to the area of environmentally sustainable entrepreneurship in a number of different ways. In the first place, it offers a theoretical summary of the development of sustainable entrepreneurship theory. Second, this research conducted interviews with a number of sustainable

business entrepreneurs and investigated the concept of sustainable entrepreneurship in the sector. This gives valuable information regarding the motives of these entrepreneurs and recognition of opportunities, the obstacles they experience and numerous excellent practices that sustainable entrepreneurs should consider when beginning a business. The data will both disprove and provide credence to previously formed ideas and theories in a variety of different ways. As a result, the research lays a number of foundations for research that will be conducted in the future to grow the relatively new topic of sustainable entrepreneurship.



**Figure 2. Key Drivers of Sustainable Entrepreneurship**  
**Advantages of Green Entrepreneurship**

#### Prosperity for the Environment

Environmentally conscious entrepreneurship practices immediately deliver advantages to the environment. Entrepreneurs who focus on environmentally green practices have a better chance of attracting new customers thanks to the fact that their customers and services do not have a negative business on the green environment. They run their business for the welfare of the society rather than for financial gain and they are unconcerned with how well the business does financially. They implement new and different ideas and run businesses for their clients. They implement their customers' companies while implementing new and novel business ideas. (Fulvia, Marino, Sule and Philipp, 2011)

#### Commercial Advantages

As a result of the high degree of public support for environmentally responsible businesses, environmentally conscious business owners are in a better position to directly create public relations and implement new ideas for their clientele. Controlling the production process of organic goods is necessary in order to prevent harmful waste from being released into the environment. One benefit of using environmentally green items in the manufacturing process is that there is less waste generated overall.

#### Opportunities to improve the growth of businesses

Green entrepreneurs have access to a large business of companies that can help them improve or implement any innovative ideas that will benefit society. Additionally, a large number of non-profit organizations have stepped forward to promote green business for the benefit of society. Additionally, government organizations will provide sponsorships or contracts to environmentally conscious businesses in order to assist such businesses in putting their innovative ideas for society into action. The Environmental Protection Agency (EPA) grants permission to businesses so that they may use environmentally green products in an effort to improve their reputation. (Monu and Nilam, 2015).

#### Incentives offered by the government

As was noted earlier, the Environmental Protection Agency (EPA) has stringent regulations that must be met by commercial companies in order to lessen the amount of pollution produced throughout the process of industrial production. When doing business in an environmentally conscious manner, there is no pollution produced in the process and there is also less waste. As a result, the government should consider offering financial incentives to environmentally conscious business people who want to raise awareness about the green impact their entrepreneurs are having on society. (Sharma & Kushwaha, 2015)

#### Customer Opinion

Local customers will have a more favorable view of the firm since the environment has a little influence on the region. Additionally, many technical enterprises will emit smoke and intense noises, making it impossible for local customers or people to exist in this location. Particular subfields within the industry. Due to the local location of the firm, it is possible for it to obtain favorable reactions from the people and to assist society in addition to being an environmentally conscious business. (John and Stephanie, 2008)

#### Disadvantages of Green Entrepreneurship

##### Expenses

In green business, the cost of other expenses, such as raw materials, technical expenses, equipment and so on, is substantially greater than the cost of other products. The cost of doing business sustainably is considerable and products often have to be sold at a premium in the marketplace. It will have an effect on customers who purchase products that are both cheaper and better.

Given the high costs associated with engaging in environmentally responsible entrepreneurship practices, the money that is conserved cannot result in significant cost savings for the organization. When running a green business, business owners must keep in mind the high



expenses associated with running their entrepreneurs.

### The Time Element

Although the time component plays a vital part in the business process, the process will be time-consuming for the business if it is a green business. The entrepreneur has the responsibility to ensure that his product does not have any negative effects on the surrounding environment. The process of making decisions in regular businesses will be relatively backed up, but in environmentally conscious businesses, the decision-making process might take a very lengthy time.

### Conclusion

In recent years, sustainability-driven entrepreneurship has gained traction as one of the key lines of mainstay reorientation in the realm of traditional entrepreneurship. Not only does sustainable entrepreneurship close the gap, but it also functions as a catalyst in our ongoing attempts to connect the drive of our personal interests with the outcomes of the improvement of societal well-being. As a result of the questions understood up in the preceding part, the primary body of research pertaining to environmentally sustainable entrepreneurship practices is now undergoing expansion. The theoretical and practical contributions made in the area of sustainable entrepreneurship will be strengthened via the provision of answers and knowledge to these questions.

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