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**ECOPRENEURSHIP: THE REALITY CULTURED FOR TODAY AND TOMORROW**

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## **ECOPRENEURSHIP: THE REALITY CULTURED FOR TODAY AND TOMORROW**

***“Ecopreneurship became first a marketing ploy, and with time it evolved into a philosophy of life, geared entrepreneurs to earn profits plus nurturing and restoring the environment.”***

### ***INTRODUCTION:***

Business world, subject to typical changes evolve as a result of innovations. Innovations alter the economy and society fundamentally. To be innovative means to provide organizational and technical improvements that can be sold successfully in the marketplace. But the market systems have adversely affected the environment by: (a) failing to deal with negative environmental externalities and (b) undervaluing natural resources, leading to their over exploitation and depletion. In addition, imperfect market conditions, unclear definition of property rights and misplaced government policies (such as subsidies in various forms for exploitation of natural resources) have often led to the undervaluation of natural resources and to unsustainable exploitation. These market failures have caused irreparable damage to ecosystems and threaten to destroy life-support systems. In dealing such

situations the potent weapon is ecopreneurship, which refers to a process by which entrepreneurs introduce eco-friendly (or relatively more eco-friendly) products and process into the marketplace.

In a market system, sustainable development requires sustainable innovations and entrepreneurs who can achieve environmental goals with superior innovations stay alive in marketplace. Market innovations do not occur by accident; they have to be created by leaders who put them into the nucleus of their business activities. Actors and companies making environmental progress in their core business may be called 'ecopreneur'. They generate new products, services, techniques and organizational modes that substantially reduce environmental impacts and increase the quality of life. Joseph Schumpeter (1934) referred to such entrepreneurial activities as 'creative destruction'. Ecopreneurs destroy existing conventional production methods, products, market structures and consumption patterns and replace them with superior environmental products and services. They create the market dynamics of environmental progress.

Now the question which pinches the mind is the role entrepreneurial individuals have to play in the adoption of more sustainable business practices. Traditionally, environmental business management had focused its attention on how and why existing firms can become greener. There is need of time and effort examining the tools that can be use to make firms more sustainable and environmentally responsible. It is need of the hour to pay more attention to the role that entrepreneurs can play in the move to a more sustainable economic and commercial system.

Entrepreneurship is not confined to any one particular industry, country or group of persons. Enterprising behavior can be found in all societies and in all types of economic circumstances. Entrepreneurship arises when enterprising individuals identify an unsolved problem, or an unmet need or want, which they then proceed to satisfy. In the process, they transform the existing situation into a future opportunity and turn ideas into a commercial reality. Entrepreneurs seek to bring about change and new opportunities, both for themselves and for the communities they belong to. In this way, entrepreneurs often play an important role as engines of change in market-based economies, because they are responsible for introducing innovation, adaptation and new ideas.

#### **ROLE OF ECOPRENEURS:**

What role do entrepreneurial individuals and firms have to play in the adoption of more sustainable business practices? As the first decade of the twenty-first century draws to a close, increasing concern

about the environment is providing one of the biggest new global markets – a phenomenon that has been referred to as a ‘clean tech boom’ (Warren 2007), and which some suggest may ultimately be more enduring than the dot.com boom that preceded it. This development has been driven by the recognition that business has a key role to play in combating issues like climate change, since the traditional response of many environmentalists and governments (namely, to encourage behavioral and attitudinal change amongst the general population) is not enough in itself to ultimately produce desired environmental outcomes. Market-based solutions are a critical component in the drive to sustainability, and in turn have led to a marked growth in the number of new, supposedly green, firms. This marks a new phase for researchers and policy-makers seeking to understand the nature of ‘green’ business practices. Traditionally, environmental business management has focused on how and why existing firms can become greener. It has spent a substantial amount of time and effort examining the tools that can be used to make firms more sustainable and environmentally responsible; attempting to classify and categorize the responses of existing firms to the environmental and sustainability agendas; and identifying the barriers and triggers that can be used to make firms ‘go green’.

#### **ENHANCEMENTS:**

Ecopreneurship differ from conventional entrepreneurs for the reason that they also build bridges between environmental progress and market success. Ecopreneurs are able to utilize green issues as a competitive advantage for their enterprise through energy and resource maximization, waste reduction, utilization and respect of ecosystem services. Thus, this project start from the consciousness that environmental challenges can be addressed through the development of environmental products and services that provides both business opportunity and environmentally sustainable options. The Ecopreneurship motto is a good way to teach potential young business person to not only gain profit from business but also give contribution to tackle global environmental problems. It is a purposeful activity with the goal to maintain and improve the state of an environmental resource affected by human activities. It is not, as the phrase suggests, the management of the environment as such, but rather the management of the interaction and impact of human societies on the environment. Environmental resources management aims to ensure that ecosystem services are protected and

maintained for equitable use by future human generations, and also, maintain ecosystem integrity as an end in itself by taking into consideration ethical, economic, and scientific (ecological) variables)

### **NEED OF ECOPRENEURSHIP:**

Sustainable business leaders and environmental entrepreneurs or ecopreneurs, come from a mindset that embraces and adapts to the dynamic changes both in the natural world and the global marketplace. They recognize that environmental challenges can be addressed through the development of environmental products and services that provide both business opportunity and environmentally sustainable options. Ecopreneur are able to utilize green issues as a competitive advantage for their enterprise through energy and resource maximization, waste reduction, utilization and respect of ecosystem services, and an understanding of the Natural Step Principles, among other means. Nature is a storehouse of raw materials. We use these materials as the base of the products and services that we trade as human beings, and they are therefore valued in our current economic system. However the global ecosystem provides additional services that are indispensable to economies, such as mitigation of droughts and floods, soil generation, and waste detoxification and breakdown. Though these services are critical for ongoing economic sustainability, they services do not traditionally have monetary value in the economy and therefore have not been considered in business finances. In recent years economists have begun to recognize and explore the value of nature's services, as more and more frequently businesses and economies are losing income and growth potential due to environmental degradation. This has resulted in the development of markets for carbon, biodiversity, and water. These marketplaces provide opportunity for small businesses to gain income from protecting local resources and preventing environmental damage, a service that helps ensure our continued economic well-being. On a more individual, entrepreneurial level, reflecting upon the ecosystem services in our lives and in our community can be inspiration for a green business idea and/or green business practice.

### **OPPORTUNITIES IN ECOPRENEURSHIP:**

The adoption of environmentally responsible business practices can, credibly, open up an additional range of opportunities for entrepreneurs. The move to a sustainable business framework provides numerous edges that enterprising individuals and firms can successfully identify and service. These include, among other things, the development of new products and services, improvements to the

efficiency of existing firms, new methods of marketing and the reconfiguration of existing business models and practices. However, green entrepreneurship is not only important because it provides new opportunities for the lively first movers who identify and exploit such opportunities but also because it has the potential to be a major force in the overall transition to a more sustainable business paradigm. In a market-based economy, entrepreneurs play a critical role in the eventual adoption of green business practices by the wider business community through the lead role that they provide to other firms. By demonstrating the economic benefits that come from being greener, ecopreneurs act as a 'pull' factor that entices other firms to proactively go green, thus creating the competition for the survival in the market. For practicing entrepreneurs in business, a number of micro-finance and business funding schemes have been introduced to provide start-up and growth capital for green enterprises.

Entrepreneurs, in search of opportunities, including environment-related ones, for making extraordinary profits. If no profitable opportunities existed, there would be no entrepreneurs. Since there are many entrepreneurs, it follows logically that many more such profit opportunities exist. In recent years, since environmental concerns have become pressing, surprisingly many profitable opportunities have been found to reduce environmental pollution. Indeed, contrary to neoclassic economics teachings, free markets are characterized by a constant disequilibrium, which allows the emergence of extraordinary profits. The entrepreneurs who improve their technology, organization and processes, and innovate are the catalysts of this disequilibrium. Such imbalance in the market is not only the result of the creative destruction of entrepreneurship. They originate also in numerous "market failures". For example, industry and consumers have not always chosen the optimal energy technologies, even at present prices. Entrenched oligopolies or monopolies, established regulatory bodies, institutional separation between decision-makers and final consumers who pay the costs, lack of technical information are the most likely failures.

Yet another source of opportunities for environmental-friendly goods and services comes from the market place. Consumers are willing to spend up to 10 percent more for products which are environmentally safe. Consumers, aware of the environment and what they eat pose an ever increasing demand for ecological goods and services. This largely fuelled some companies having established what amounts to a complete "green philosophy". The cosmetic industry is perhaps the

archetype of this new approach that covers the ingredients, production, packaging, advertising, and general image. Over the last two decades, a variety of inter-organizational partnerships and networks have been formed to raise consciousness, share best practice, and co-ordinate action. Examples of such networks include the Social Ventures Network, Business for Social Responsibility and the World Business Council for Sustainable Development. There have been instances, too, of companies working jointly with non-profit organizations to promote environmentalism and business. Ben & Jerry's and The Body Shop, for example, work with Cultural Survival in their rain forest ventures. Yet another example of green partnership is the China Energy Technology Program devised between ABB and the Alliance for Global Sustainability to develop cost-effective and efficient power generation in China about environmentalism and about deeper interconnections between nature and humankind.

## **CONCLUSION**

Ecopreneurship is not just anybody's existentialism. Businesses that are not designed to be sustainable decrease our health shorten our time on Earth and destroy the heritage we leave for our children, no matter where we are located globally. In contrast, green businesses are models that can help show the way to increase productivity while reducing resource use in a manner that is melodious with human health and the sustainability of non-human species as well.

Theoretically, the existence of any one or more of the forces described in this paper can trigger change and promote ecopreneurship. However, whether such change can be sustained over longer periods of time will depend on the support gained from other forces. The competitive and economic advantages of going green are not very strong and hence it may take some time for ecological values to express themselves in the business arena. At the grass-root level, where economic stakes are not very high, expression of such values seem to be less inhibited—a situation that also applies to the upper end of industry, where large industrial houses and multinationals have to meet international standards to remain competitive.

For the bulk of India's small and medium-sized firms, however, it is business as usual. The Indian government could do much to strengthen external forces, especially with respect to establishing national standards for the quality of environment and maintenance of these regulations. Such an analytical framework can help in identifying the areas in which policy-makers must focus their efforts if they are to strengthen the various drivers of change.



Green start-ups make it easier to 'fix' environmental components and processes from the outset. Green subsidiaries of larger firms can foster innovation and bring back the heightened motivation of social solidarity to businesses where it may be all too easy to slip into sarcasm in an era of global economic crises. The choice is clear. The technology is there. Only the political will is lacking. Sustainability is the ultimate political commitment and epitomizes common sense from the perspective of corporate citizenship. Every time we invest we should think of our own personal values and use a 'blended value' approach combining social and environmental as well as financial objectives. Only by so doing can we enable 'serial ecopreneurship' to thrive and be cultivated. The key is to bring green-green businesses to a critical mass and thereby assure global sustainable development.