

Green Organizational Identity and Green Competitive Advantage

Yeşil Örgüt Kimliği ve Yeşil Rekabet Avantajı

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Abstract

“Green competitive advantage” is a concept that differentiates a organization’s environmental performance and sustainable practices from its competitors and provides a competitive advantage. An important step towards achieving a green competitive advantage is raising the organization’s awareness of social responsibility beyond the perception of integrating an organization’s environmental goals into its mission and strategies. Interpretive framework for environmental management and preservation that organizational members jointly develop to provide meaning to their green actions is referred to as a “green organizational identity.” “Green competitive advantage” not only strengthens the company’s sustainability image but also may offer the opportunity to elevate the organization to a leading position in its sector. This review study seeks to raise awareness and offer guidance for researchers who want to work in this area by focusing on the connection between “green organizational identity” and “green competitive advantage,” two concepts that have received little attention in the literature.

Keywords: Green Competitive Advantage, Green Organizational Identity, Sustainability

Jel Codes: M10, M19, O32, Q01

Özet

“Yeşil rekabet avantajı”, örgütün çevresel performansını ve sürdürülebilir uygulamalarını rakiplerinden farklılaştıran ve rekabet avantajı sağlayan bir kavramdır. Yeşil rekabet avantajı elde etmeye yönelik önemli bir adım ise, örgütün sosyal sorumluluk bilincini, örgütün çevresel hedeflerine, misyon ve stratejilerine entegre etme algısının ötesinde yükseltmektir. Örgütsel üyelerin yeşil eylemlerine anlam sağlamak için ortaklaşa geliştirdikleri çevresel yönetim ve ko-

ruma için yorumlayıcı çerçeveye ise, “yeşil örgütsel kimlik” denilmektedir. “Yeşil rekabet avantajı”, şirketin sürdürülebilirlik imajını güçlendirmenin yanı sıra, kuruluşun kendi sektöründe lider bir konuma yükselmesine de olanak sağlayabilir. Derleme niteliğindeki bu çalışma, literatürde çok az çalışılmış iki kavram olan “yeşil örgütsel kimlik” ve “yeşil rekabet avantajı” kavramları arasındaki bağlantıya odaklanarak bu alanda çalışmak isteyen araştırmacılara farkındalık yaratmayı ve yol gösterici olmayı amaçlamaktadır.

Anahtar Kelimeler: Yeşil Rekabet Avantajı, Yeşil Örgütsel Kimlik, Sürdürülebilirlik

Jel Kodu: M10, M19, O32, Q01

Introduction

The increasing importance of sustainability and environmental awareness in our age has led businesses to a different perspective from the traditional understanding of competition. Today, businesses not only focus on financial success but also have to fulfill their social and environmental responsibilities by minimizing their environmental impact. In this context, concepts such as “green competitive advantage” and “green organizational identity” address the efforts of businesses to achieve sustainability goals and at the same time gain competitive advantage. According to Lin and Chen (2017), the idea of a “green competitive advantage” refers to a company’s unique conditions, such as its commitment to ecological management or sustainable innovation. It is expected that business processes and organizational green capabilities would be dynamic. It is anticipated that the development of these green dynamic capabilities will be dependable and ongoing in enterprises (Chen, 2011). Organizations that see the competitive advantage as a primary goal use ecological strategies to shape their green competitiveness and carry out green organizational processes

as a responsibility with the ability to create a green image and effectively monitor sustainability.

Green competitive advantage refers to the ability of businesses to provide positive impacts on both the environment and business performance by ensuring environmental sustainability. This advantage involves businesses using environmental resources more effectively and efficiently and solving environmental problems by offering green products or services. Green competitive advantage provides businesses with opportunities to differentiate not only at the environmental level but also in the areas of marketing, innovation, and reputation. In this context, green organizational identity means that businesses adopt sustainability values as a core part of their corporate identity. This identity refers to an environment in which environmental responsibility is emphasized within the organization, employees are made partners in sustainability goals, and environmental impacts are continuously monitored by management (Zhou, Brown, & Dev, 2009). Only in the past ten years has the literature begun to discuss the connection between green organizational identity and green innovation performance as it relates to green competitive advantage, and it has been established that this relationship can have a positive impact on green innovation performance (Linlin, 2019).

This study aims to examine the interaction between the concepts of green competitive advantage and green organizational identity. The relationship between the two concepts has been addressed in a limited way in the literature, and in the following sections of this study, the variables that these two concepts are associated with separately are examined, followed by a review of studies that bring the two concepts together.

Conceptual Framework

Green Organization Identity

Common interpretive framework called organizational identity provides context for members' decisions, deeds, and behaviors (Gioia, 1998). According to Albert and Whetten (1985), organizational identity is a collection of convictions about what is most fundamental, enduring, and distinctive about an organization. Every organization needs a distinct identity so that internal and external stakeholders can understand how it engages with other groups, individuals, and organizations. Members can better understand their actions in relation to how they perceive the nature of their organization by using organizational identities. Shared interpretive schemas that members develop collectively to give meaning to their experiences are where organizational identity is found. Organizational members, particularly leaders, may advocate for new conceptualizations or alter their interpretations in order to remodel

organizational identity, despite the fact that organizational identity can affect organizational members' ideas and behaviors. According to organizational identity theory, "a interpretive schema about environmental stewardship and protection that members collectively construct to give meaning to their behavior" (Chen, 2011) is what is meant by a green organizational identity. From the organizational identity theory put forward by Gioia and Thomas (1996) Chen (2011) created the idea of green organizational identity. To give significance to members' efforts, it is described as a collaboratively produced interpretation of environmental management and conservation. Green organizational identity not only fosters teamwork but also has significant effects on the individual (Besharov, 2013).

Six items are included in the organizational identity measurement (Song & Yu, 2018):

- The firm's senior managers, employees and mid-level managers are proud of the firm's environmental goals and missions;
- Senior executives, mid-level managers, and staff members of the organization are well-versed in its history of environmental management and protection;
- Firm managers, middle managers, and employees feel that the firm has a clear set of environmental goals and missions;
- The firm's senior management, middle managers and employees believe that the firm has reached an important level in environmental management and protection.
- The senior management, middle managers, and staff members of the organization are familiar with its environmental customs and norms;
- The firm's senior executives, middle managers, and staff members enthusiastically support the firm's environmental management and preservation efforts.

Green organizational identity helps individual members to form a common concept of the organization, encourages members to understand the link between the organization's environmental management objectives and business activities, and integrates environmental protection awareness throughout the organization (Chulin & Hong, 2017).

Green Organizational Identity and Green Competitive Advantage

Table 1. Summary of Studies Related to Green Organizational Identity

Reference	Research Methodology	Analysis Unit	Topic
Chen (2011)	Quantitative	Environmental leadership, environmental organizational culture, green competitive advantage, green organizational identity	He discovered that green corporate identity and environmental leadership are favorably correlated with each other as well as with a green competitive advantage.
Song, Ren & Yu, (2019)	Quantitative	Green organizational identity, corporate social responsibility, new green product success,	It demonstrates how CSR(Corporate social responsibility) has a favorable impact on both organizational green identity and green adaptability.
Chang, Chen, Luan, & Chen, (2019)	Quantitative	Green product development performance, green organizational identity, green shared vision, and organizational citizenship behavior for the environment	It demonstrates the importance of organizational environmental citizenship behavior for businesses' success in developing green products. In order to improve their organizational citizenship behavior and heighten the performance of their green product development, businesses should build a green organizational identity and a green shared vision.
Soewarno, Tjahjadi & Fithrianti, (2019)	Quantitative	Environmental organizational legitimacy, green innovation strategy, green innovation, green organizational identity, green innovation strategy, green innovation	It shows that green innovation strategy positively affects green innovation.
Muisyo, Qin, & Ho, (2021)	Quantitative	Green human resource management, organizational green performance, organizational competitiveness, green corporate identity, green leadership	It reveals how firms can utilize green human resource management to create a green competitive advantage
Al-Ghazali, Gelaidan, Shah, & Amjad, (2022)	Quantitative	Green transformational leadership, Employees' responsibility taking behavior, personal initiative	It was found that green transformational leadership has a significant positive effect on employees' taking responsibility behaviors and personal initiative plays a mediating role.
Chen, Gao, & Zhang, (2022)	Quantitative	Green organizational identity, green competitive advantage, green exploitative innovation and green exploratory innovation, organizational flexibility	Both green exploitative innovation and green exploratory innovation have a positive impact on green competitive advantage.
Haldorai, Kim, Agmapisarn & Li, (2023)	Quantitative	Green organizational identity, green service innovation and hotel environmental performance	Green organizational identity has a positive effect on green service innovation and hotel environmental performance.

Reference: Prepared by the author

As can be understood from the table above, when the studies related to green organizational identity are reviewed in the literature, it is observed that green innovation and green leadership variables are also used in the studies.

Green Competitive Advantage

The main objective of many firms is to gain a significant competitive edge. In order to gain a competitive edge and improve firm performance, companies concentrate on creating competitive activities (Chang & Liu, 2009). The resource-based view emphasizes that an organization’s distinct resources and capabilities are the main factors that influence competitive advantage and commercial performance. According to Leonidou, Fotiadis, and Zeriti (2013), green innovation and a green corporate culture can lead to a competitive edge in the green market. The comparative positional advantage of a firm, which makes it outperform its rivals in the market, is the major focus of competitive advantage. When an organization’s strategies are in a position where they cannot be duplicated by its present or potential competitors, and it obtains more durable benefits, it has a competitive edge.

Chen, who draws attention with his studies in the field of green organizational culture, has brought a new perspective to this field by highlighting the concept. According to Chen, green leadership influences an organization’s views on environmental issues

and can become a symbol of organizational identity. “Green organizational identity” is formed by combining the concepts of green leadership and green organizational culture. This approach also provides an important competitive advantage in green innovation and competition (Chen, 2011). As Tepe Küçükolu (2018:80) emphasizes, sustainability factors are related to both green organizational culture and green innovation performance. Businesses should manage these three factors together. Through green innovation, businesses not only improve resource efficiency but also design and develop green products to generate higher profits and strengthen their corporate reputation. The essence of this approach is that by combining factors such as environmental sustainability, green leadership, and green organizational culture, businesses can create a green organizational identity and gain a competitive advantage in green innovation. This not only improves business performance but also has a positive impact on fulfilling environmental responsibilities. Organizations with a green organization identity help to create new business areas in the national economy (Köşker & Güre, 2020).

In the literature, Roulin and Hong (2019), in their most recent research on manufacturing enterprises in the Beijing-Tianjin-Hebei region, found that organizational environmental identity is positively associated with green competitive advantage (Roulin & Hong, 2019).

Table 2. Summary of Studies on Green Competitive Advantage

Referance	Research Methodology	Analysis Unit	Topic
Lin, & Chen, (2017)	Quantitative	Green service innovation, green knowledge sharing, green dynamic capabilities, green competitive advantage	It was found that green competitive advantage and green dynamic capabilities have a positive link that is mediated through green service innovation and green dynamic capabilities.
Astuti & Datrini, (2021)	Quantitative	Green intellectual capital, green competitive advantage, environmental awareness, green human capital, green relationship capital, green structural capital	According to the findings, there is a strong and positive correlation between environmental awareness and each element of green intellectual capital, including green human, green relational, and green structural capital.
Alam & Islam, (2021)	Quantitative	Environmental corporate social responsibility (ECSR) dimensions, green corporate image (GCI) and firms’ green competitive advantage	Environmental corporate social responsibility dimensions have a critical role in creating green competitive advantage at the firm level.

Green Organizational Identity and Green Competitive Advantage

Zameer, Wang, Vassiev & Abbas, (2021)	Quantitative	Green process innovation, environmental orientation, green competitive advantage, environmental performance	It has been determined that green process innovation, environmental focus and green competitive advantage have a significant impact on environmental performance.
Kuo, Fang & LePage, (2022)	Quantitative	Green process innovation, environmental orientation, green competitive advantage, environmental performance	It has been observed that proactive environmental strategies positively affect eco-innovation and this effect has direct effects on green core competence.
Nuryakin, & Maryati, (2022)	Quantitative	Green innovation, green competitive advantage, green marketing orientation	Green innovation and green competitive advantage play a critical role in achieving green marketing performance.

Reference: Prepared by the author

When Table 2 above is examined, it is seen that the concept of green competitive advantage is mostly associated with the variables of environmental performance, green innovation, and green process innovation.

Method

The study was prepared with the qualitative research method as a compilation, and the qualitative data analysis program MAXQDA2022 was used to visualize the concepts examined. Interactive word tree and word cloud analysis were used to better understand the variables associated with the concepts examined with the Maxqda 2022 program.

Findings

"Green Organizational Identity" and "Green Competitive Advantage" at all times in the Google academic database. When we search for the concepts together, only three publications are found. Similarly, when we search in English, two hundred and twenty-four (224) publications are found. When we search for the concepts in the "Web Of Science" database in the "English" language in the same way as we search for the concepts in the "Google Academic" database, no publications can be reached. Table 3 below shows how many publications were accessed by including the criteria for searching the publications and the limitations (if any) used.

Table 3. Overview of Publications that Examine Green Organizational Identity and Green Competitive Advantage Concepts Together

Research Database	Language Used in Search	Number of Publications	Number of Publications
Web Of Science Database	English	0	None
Google Scholar	English	224	None
Google Scholar	English	28	Only Article
Google Scholar	Turkish	3	None
Google Scholar	English	2	Only Title

Reference: Prepared by the author

Green Organizational Identity and Green Competitive Advantage

were subjected to “interactive word tree” analysis to determine the variables they were most related to by word cloud analysis with the MAXQDA 2022 qualitative data analysis program. As a result of these analyses, it was determined that the most frequently used word was sustainability, and the most related concepts were innovation and leadership.

In the social entrepreneurship dimension, it may be of interest for researchers to examine whether social entrepreneurs have a competitive advantage after incorporating the environmental factor into their business ideas and vice versa

Future research could aim to empirically examine organizations’ sustainability principles in combination with the concepts of green organizational identity and green competitive advantage. These studies could go into greater detail about the connections between green organizational identity and green competitive advantage and things like employee retention strategies, increased competitiveness, market share changes, service quality improvements, sales growth, and share price changes. To further understand how green organizational identity and green competitive advantage impact company performance, in-depth research can also be done in this context.

In the existing literature, studies can be conducted to analyze the relationship between “green organizational identity” and “green competitive advantage” in more depth. These studies can address the effects of organizational identity components on green innovation and competitive advantage in more detail.

Studies can be conducted to investigate the sectoral differences between green organizational identity and green competitive advantage. How these concepts differ in different sectors and their impact level can be analyzed in more detail.

Using larger datasets, studies can be conducted to comprehensively analyze the effects of green organizational identity and green competitive advantage on critical variables such as business performance, market share, and sustainability.

- By organizing studies that examine the relationship between green organizational identity and green competitive advantage with corporate strategies and leadership, the impact of management decisions on these concepts can be addressed.

- Studies examining the successful practices and good examples of green organizational identity and green competitive advantage in the business world can be conducted and can be a source of inspiration for other organizations with a focus on social benefit.

- We can better understand the importance of these ideas in the corporate world by conducting long-term research that look at how green organizational identity and green competitive advantage alter and

develop over time.

With these recommendations, a broad roadmap for future research on green organizational identity and green competitive advantage can be created to provide more in-depth knowledge in these areas.

Contribution Of Authors

All sections of this study were prepared by Meri Takisi Deveciyan.

Conflict Of Interest Statement

There is no financial conflict of interest with any institution, organization, person and there is no conflict of interest between the authors

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Meri Taksi Devciyan

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