



# Green Entrepreneurial Leadership Style

E. Nivedha<sup>(✉)</sup> and M. N. Prabadevi

College of Management, SRM Institute of Science and Technology, Chennai, Tamil Nadu, India  
{ne8192,prabadem}@srmist.edu.in

**Abstract.** Technology advancement is both a blessing and a curse because it has caused a shift in people's lifestyles that is harmful to both humans and the environment. People are shifting toward more sustainable lifestyles as a result of the exploitation of the earth for the sake of development. This shift in human behavior has created opportunities for green entrepreneurs. The traditional business model prioritized profits while ignoring other social benefits, whereas green entrepreneurs are a subset of business owners who seek to profit from the purchase and sale of goods and services while minimizing their negative environmental impact. The definition of the "green entrepreneur," their evolution, leadership style and the challenges they face in running their businesses will be the focus of this paper. It will also go over the role of innovation in promoting green business. The study also finds that business with a Green Entrepreneurial Leadership Style have higher levels of sustainability performance and are more likely to innovate in environmentally friendly ways. So we came to the conclusion that green entrepreneurs prefer certain major compulsive tendencies to manage their businesses while attempting to minimize environmental degradation. The findings provide valuable insights for entrepreneurs, managers, and policy makers on how to promote and support the adoption of Green Entrepreneurial Leadership Style for better business performance.

**Keywords:** Green Entrepreneur · Leadership style · Transformational leadership · Visionary leadership · Servant leadership · Agile leadership

## 1 Introduction

Green entrepreneurs are a new breed of businesspeople who solve problems without harming the environment. In other words, they advocate for ideas that are environmentally friendly since they benefit the environment and help them make money. They place more emphasis on preventing environmental exploitation while still growing their business. This kind of entrepreneurship requires a particular kind of leadership that is not only willing to take risks and manage people, but also focuses on the innovative aspect of the business that is supportive of the environment. While there are more green start-ups than ever before due to the urgent need for answers to the world's environmental challenges, there are still many unanswered questions regarding the behavior and effectiveness of these businesses.

## 1.1 Statement of the Problem

Lack of knowledge on the effects of a develop sustainable leadership style on transnational performance is the issue this study article seeks to solve. Despite the fact that innovation and sustainability are increasingly valued in the business world, little is known about how an entrepreneurial leadership style might influence these results. There is a knowledge gap about how greener entrepreneurial leadership might affect organizational performance because the preponderance of leadership and ecological studies have concentrated on large corporations. Furthermore, little is known about the essential elements and traits of a green entrepreneurial management style and how they connect to innovation and sustainability performance. The goal is to close this knowledge gap by examining the idea of encouraging sustainable leadership style and its effects on innovation and sustainability performance in any firm. This study intends to give managers and business owners tips on how to embrace a green entrepreneurial leader behavior to boost their businesses' capacity for innovation and improve their sustainability performance.

## 1.2 Background and Significance

Growing interest in sustainable entrepreneurship, which attempts to develop novel solutions to environmental challenges while producing economic value, is a result of growing worry over environmental destruction and the exhaustion of natural resources. There is now a greater demand than ever for leaders who can successfully advance and develop green entrepreneurial ventures. In order for green entrepreneurial efforts to succeed, strong leadership is essential. Traditional leadership philosophies may be successful in fostering conventional entrepreneurship, but they might not be appropriate for the special difficulties presented by green entrepreneurship. Examining the distinctive characteristics of green entrepreneurial leadership and its effect on green entrepreneurship results is vital in order to comprehend the leadership philosophies that are most effective in fostering green entrepreneurship.

## 1.3 Research Objectives and Questions

The major research questions which are identified by reviewing the literature are,

(1) How does a green entrepreneurial leadership style affect a company's performance? (2) Which leadership ethos encourages green entrepreneurship?

The objective of this research paper is to examine the relationship between Green Entrepreneurial Leadership Style and its influence on business performance. The study aims to determine the major Leadership Style supporting green entrepreneurship.

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## 2 Literature Review

Entrepreneurial business enterprises must concentrate on creating their leadership teams in the competitive environment of today, which is significantly influenced by a variety of new concerns and viewpoints. This treatise's goal is to provide a conceptual, scenario analysis of this team-building procedure with a focus on the significance of leadership styles in an entrepreneurial environment [4]. Based on interviews with 130 successful Russian businesspeople over a recent five-year period, conducted by [13], explores entrepreneurial leadership styles. In another empirical research study, the leadership styles of 225 businesswomen from Shanghai and Zhejiang Province in eastern China were examined for their traits and differences [11]. Author states that make an effort to investigate how much CEOs of Tanzanian SMEs employ an entrepreneurial leadership style [15]. Finding the connection between various leadership philosophies and unconventional entrepreneurial approaches in the not-for-profit public education system is the goal of [6]. The roles of social entrepreneurship and transformational leadership in understanding the social value and organizational performance of non-profit social organizations are examined by [8]. A deep comprehension of the shifting non-profit landscape is necessary for innovative and entrepreneurial leadership styles, which have become more necessary as a result of expansion and complexity. By referencing conceptual literature that is both conceptual and empirical and emphasizing practical, actual experience through case studies and vignettes, For Not for Profits and Social Enterprises will address this need and assist readers in navigating current issues.

The main goal of [20] is to provide theoretical ideas and practical strategies by concentrating on transformational leadership facets for modernity Not for Profits, in order to assist current and future NFP autocrats at all organizational levels in supporting their organizations and employees, who in turn support their clients and communities. Thus, a fictitious framework is put forth to examine how transformational leadership can effectively manage the unavoidable organizational change process while channelling institutional pressures for a practical implementation of environmentally friendly procurement. Using a survey questionnaire, gather triadic data from 309 small and medium-sized manufacturing businesses (SMEs) [17]. Innovation and transformational leadership were proven to have a substantial impact on organisational success [25]. The purpose of this study is to investigate how green transformational leadership and green human resource management (GHRM) practices relate to encouraging employees' environmental creativity [9]. In an indigenous community located in the Ecuadorian Amazon, Pastaza Province, aim to analyse the relationship between trans-formational and transactional Leadership with entrepreneurial self-efficacy. In conclusion, the goal of this study was to evaluate a didactic model for the analysis of the goals of entrepreneurship education [2].

According [14] there are two types of charisma: visionary and crisis- responsive. In the absence of a crisis, the effects of crisis-responsive charisma fade more quickly than those of visionary charisma. A leader who is visionary in his leadership is necessary for change in an organisation. Because the leader's ambition and motivation to fulfil his or her vision and goal is one of the components that contribute to organisational change [21]. In a sample of 40 countries, the [18] study tested a framework linking

cultural descriptive norms to entrepreneurship. What qualities do effective leaders possess, and how can we identify the finest candidates for leadership roles and assist them get ready for them, according to [10]. To better comprehend the connection between various leadership styles (LS) and their correlation with organisational progress, [19] set out to answer this question (OG). The authors of this work [7] describe a servant leadership model based on the traits of vision, influence, credibility, trust, and service that have been recognized in academic and popular press literature. After classification, a constructive, logical servant leadership attribute model is created [16]. Although the connection between servant leadership and meeting follower needs has been examined in theoretical work, empirical study has not yet looked into the matter. By reporting on a survey study ( $n = 187$ ) that connects servant-leadership to follower need and work happiness through the mediating mechanism of organizational justice, seek to address this gap. The goal of [3] is to create a theoretical framework of universally praised leadership behaviors and traits. Create and test a servant leadership measure for the hotel industry at various levels using numerous validations [12]. Consider the crucial topic of organizational structure and how various structures help or impede the practice of servant leadership. [5] examine the connections between servant leadership, pro-environmental performance (P-EP) among employees, and green HRM. This study suggests that in order to create green management initiatives and foster staff green creativity, managers need to adopt a green TFL style. When organisational tactics and the HR department are fully behind transformational leaders, they may more effectively leverage pro-environmental behaviours [23]. Employees in the organisation are more motivated to do their task-related job as a result of servant leadership and supportive behaviours. This employee behaviour applies to numerous results and is not particularly tied to any particular type of performance. Whatever the organization's objectives, servant leaders motivate and guide staff members in that direction [22]. [1] investigate how leadership processes are impacted by treatments intended to strengthen inmates' sense of shared social identity. Further [14] also states that transactional leadership has a detrimental impact on employee intrapreneurial conduct, transformational leadership has a favorable benefit.

In the context of educational accountability and school reform, the author contends that transformational leadership will keep developing to appropriately address the changing demands of schools [26]. Based on agile technology methodologies and tools, this study came up with those skills. The Agile leadership and leadership behaviour patterns are built in a project management behavioural competency framework [24].

### 3 Research Methodology

This study attempts to investigate different viewpoints on green entrepreneurship to clarify some important issues and consolidate existing ideas. An holistic study of the literature was the methodology used to attain this study's goal. Through a methodical search of pertinent articles in the subject, researchers were able to investigate historical, contextual, and contemporary trends in entrepreneurial intention as a result. The first stage of the current study was a survey of the literature using pertinent sources from internet databases including EBSCO Host, JSTOR, Oxford Journals, ResearchGate, SpringerLink, Wiley Online Library, and search engines such as Google Scholar, Science Direct, and Emerald. The appropriate literature review has been identified using keywords like "Green

entrepreneur,” “sustainability,” “Green Entrepreneurship,” “leadership style” “leadership for green entrepreneur,” and “leadership for sustainability.”

## **4 Leadership Style for Green Entrepreneur**

### **4.1 Transformational Leadership Style**

Researchers has been demonstrated that a transformational leadership style is a successful strategy for encouraging green business. Green entrepreneurship is the practice of starting enterprises that are friendly to the environment and work to advance sustainability. Entrepreneurs that are capable of inspiring and motivating their teams to collaborate more towards a shared objective of economic and environmental sustainability are needed for this kind of entrepreneurship. Focusing on inspiring and motivating people to reach their greatest potential defines a transformational leadership style. The ability to envision the future and communicate it in a way that excites and motivates their people is a trait of transformational leaders. They also give their followers personalized consideration and assistance, assisting them in overcoming any individual or professional obstacles they may be up against. By offering a compelling and clear vision for a sustainable future, transformational leadership may support sustainability performance and creativity in the environment of green entrepreneurship.

The relevance of sustainability and the part that their organizations may play in encouraging environmental responsibility can both be articulated by transformational leaders. They are also equipped to provide their adherents the assistance and tools required to turn this vision into reality. Additionally, innovative cultures can be promoted by trans-formational leaders in their firms. They inspire those who follow them to be bold and take chances, especially when these chances are out of their echo chambers. This kind of leadership approach contributes to the development of an atmosphere that fosters creativity, which is essential for success in the field of green entrepreneurship. In essence, a transformational leadership style is an effective method for promoting green entrepreneurship. Transformational leaders have the capacity to urge and inspire their followers to strive toward a shared objective of economic and environmental sustainability by presenting a compelling and clear vision for the future. A culture of creativity is also fostered by this leadership approach, which is important for success in the field of green entrepreneurship. As a result, the promotion of sustainable business practices and the encouragement of innovation in the field of green entrepreneurship can both benefit greatly from transformational leadership style.

### **4.2 Visionary Leadership Style**

Encouraging green entrepreneurship and advancing environmental sustainability requires a visionary leadership style. This type of leadership is characterized by those who are adept at motivating and inspiring others to strive toward a clear future vision. A visionary leader has a powerful sense of mission and is able to persuade people to act by sharing this vision in a way that is inspiring and motivating. When it comes to green entrepreneurship, visionary leadership is essential for determining the organization's

course and for keeping it focused on its environmental objective. A leader with vision has the capacity to see beyond the status quo and to spot fresh chances for environmental solutions. They are able to communicate this idea to their group, motivating them to cooperate in order to realize the organization's objectives for green entrepreneurship. In green entrepreneurship, the visionary leadership style is especially crucial because it aids in overcoming the difficulties that can arise when promoting environmentally sustainable ventures. For instance, even when the path to accomplishing this objective may be challenging, a visionary leader can motivate and in-spire their team to strive toward it. Additionally, they are able to convey to their group and the rest of the business the significance of environmental sustainability, guaranteeing that everyone is working toward the same goal. A visionary leadership approach is essential for fostering green business development and advancing environmental sustainability. Visionary leaders are able to convey the significance of environmental protection to the larger organization and inspire and encourage their team to strive toward a common objective. In order to promote green entrepreneurship efforts and ensure their success, this leadership style is crucial for overcoming the difficulties that may arise. Visionary leaders may instill a culture of resilience and propel the growth of green entrepreneurship activities that provide both economic and ecological advantages by setting a clear direction for the ahead and motivating and encouraging people to strive towards it.

### **4.3 Servant Leadership**

A leader who puts servicing the concerns of others and of the organization over their own interests is said to be practicing servant leadership. In the context of environmentally friendly entrepreneurship, this leadership style is becoming more and more significant since it offers a framework for encouraging environmental sustainability while producing economic benefit. When it comes to green entrepreneurship, servant leaders' priorities collaboration and teamwork by working closely with their group to create original solutions to environmental issues. They priorities the needs of their colleagues and the environment over their own interests because they are so concerned about these needs. This strategy promotes a culture of trust in which team members are treated with respect and support while collaborating to achieve a common objective.

The servant leadership style plays a crucial role in green entrepreneurship because it fosters an environment that is encouraging and empowering for the creation of novel solutions. Believing that their leader would support them and endeavor to foster an innovative environment, this leadership style enables team members to express their ideas and take risks. The promotion of environmental sustainability is another goal shared by servant leaders, both within their own organizations and in the larger community. They seek to spread the idea that it is crucial to protect the environment for coming generations. Additionally, they actively encourage environmentally friendly behavior within their company, creating a climate of sustainability that motivates others to take action. In inevitable conclusion, a servant leadership style is essential for encouraging green entrepreneurship and advance environmental sustainability. A friendly and empowering environment is created by this leadership style, which also motivates team members to take initiative and share their thoughts. Additionally, it encourages environmental sustainability both within the company and in the larger community, developing a culture of

sustainability that motivates people to act. Serv-ant leaders are able to promote the creation of green entrepreneurship ventures that provide both economic and environmental benefits by placing the needs of others and the organization first.

#### **4.4 Agile Leadership**

Agile leadership is a leadership approach that places a high importance on adaptability, flexibility, and response to changing conditions. In the context of green entrepreneurship, this leadership style is becoming more and more significant since it offers a framework for promoting environmental sustainability while adapting to the ever-changing demands of the firm and the environment. Agile leaders in the field of green entrepreneurship are aware of the fact that environmental problems are ever evolving, and they strive to remain ahead of these changes by being flexible and responsive. They make judgements based on the scenario at hand rather than following a set course of action. They are quick to spot new opportunities and quickly change course when necessary. They may create creative solutions to environmental issues using this method, and they can react swiftly to evolving situations. Because it enables firms to be more adaptable and sensitive to change, the agile leadership style is especially crucial in the field of green entrepreneurship. Agile leaders have the ability to spot new possibilities as they arise and take prompt action to seize them. They may also swiftly adapt to changing conditions, changing their strategy as necessary to satisfy the demands of the company and the environment. Additionally, agile leaders seek to make sure that their company is in line with this objective since they are dedicated to supporting environmental sustainability. They seek to spread the idea that it is crucial to protect the environment for coming generations. In conclusion, fostering green entrepreneurship and advancing environmental sustainability require an adaptive leadership style. This leadership style enables businesses to be more nimble and responsive in the face of change by offering a flexible and adaptive approach to environmental constraints. Agile leaders are devoted to advancing environmental sustainability and make an effort to ensure that their company shares this objective. Agile leaders are able to drive the creation of green entrepreneurship programmes that provide both economic and environmental benefits by embracing flexibility, adaptation, and reactivity.

## **5 Result**

Creative problem-solving skills, prudent risk-taking, and the capacity to motivate others to adopt sustainable behaviours are characteristics of green entrepreneurial leaders. The direction and results of projects in green entrepreneurship are greatly influenced by leadership. While standard leadership philosophies might be successful in fostering conventional entrepreneurship, they might not be appropriate for the particular difficulties that green entrepreneurship presents. It's critical to look at the distinctive characteristics of green entrepreneurial leadership and how they affect the outcomes of green entrepreneurship in order to comprehend the leadership philosophies that are most effective in fostering this sector of the economy. The study also discovered that green entrepreneurial leadership significantly affects the outcomes of green entrepreneurship. They work to

establish companies that are both financially successful and ethically responsible because they are dedicated to having a good impact on society and the environment. The development and implementation of green entrepreneurship programmes are more likely to be effective for green entrepreneurial leaders who demonstrate visionary, transformational, agile leadership and servant leadership styles, improving environmental results and increasing the economic value of their firms.

## 6 Conclusion

Creative problem-solving skills, prudent risk-taking, and the capacity to motivate others to adopt sustainable behaviors are characteristics of green entrepreneurial leaders. The direction and results of projects in green entrepreneurship are greatly influenced by leadership. While standard leadership philosophies might be successful in fostering conventional entrepreneurship, they might not be appropriate for the particular difficulties that green entrepreneurship presents. It's critical to look at the distinctive characteristics of green entrepreneurial leadership and how they affect the outcomes of green entrepreneurship in order to comprehend the leadership philosophies that are most effective in fostering this sector of the economy. The study also discovered that green entrepreneurial leadership significantly affects the outcomes of green entrepreneurship. They work to establish companies that are both financially successful and ethically responsible because they are dedicated to having a good impact on society and the environment. The development and implementation of green entrepreneurship programmes are more likely to be effective for green entrepreneurial leaders who demonstrate visionary, transformational, agile leadership and servant leadership styles, improving environmental results and increasing the economic value of their firms.

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