



# Organizational Environmental Sustainability Business Model in Green Technology Innovation

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## ABSTRACT

This study aims to analyze the implications of the organizational environmental sustainability business model in green technology innovation. It departs assuming that the implementation of green technology innovation in organizations must be supported by an environmentally sustainable business model. The method employed is the analytical reflection based on the conceptual, theoretical, and empirical literature. It is concluded that the implementation of a green business model of technology innovation, simultaneously with an internal structure of environmental sustainability regulations, is required for organizations to improve the organic integration to achieve sustainable competitive advantage and improve the development of the green technology innovation capabilities of firms.

## KEYWORDS

Business innovation model, green technology innovation, organizational environmental sustainability

## INTRODUCTION

Organizational environmental sustainability is critical in its practice in the ecology of the organizational population (Salimath & Jones, 2011). Innovation as organizational change is a learning process through organization to develop innovation capabilities aimed to enhance the organizational performance (Chin & Chuang, 2015; Shahadan & Oliver, 2016). When green environmental performance support is high, technological innovation adapts to improve the sustainable competitive advantage. Green technology innovation increases environmental performance. Green technology innovation support shows moderate organizational innovation and environmental performance (Xing, Wang, & Tou, 2019; Porter & van der Linde, 1995). That is, when global environmental solutions are at a higher level, innovation is more willingly adapted to the improvement of sustainable competitive advantage.

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The growing interest for sustainable environmental socio-ecosystem services is a result of the social dimension that reinforces the socio-ecosystem management legitimation and contributes to enhance constructive conflict resolution. Organizations can manage their capabilities and processes to be able to innovate and compete in the global landscape (Barney, 1991; Teece et al. 1997; and Santos et al. 2009). In theory, every organization implement programs of innovation in organizational models of corporate social responsibility and customer relationship managements as the result of organizational transformations and restructuration.

Economic growth and efficiency contribute to sustainable environmental governance and affecting green sustainable development. Environmental regulations have an impact on the innovative behaviors and is not a perfect theoretical system. Environmental regulation theory linkage international environmental governance. The appropriate regulatory intensity, firms control the opportunistic behaviors to achieve environmental governance. The technology governance capabilities should be improved through environmental regulations.

Technological innovation is a factor affecting green development efficiency. The stronger the technological innovation capability is, it is more conducive to enhance green sustainable development (Chen & Golley, 2014; Guo et al., 2017; Chen et al., 2020; Wang et al., 2021). Technological innovation features and characteristics are perceived as causes of green technology innovation for sustainable competitive advantage. Green environmentally sustainable support moderates' green technology innovation and sustainable competitive advantage relationship.

Green technology innovation is a complex technological behavior and the effects of environmental sustainability regulations on green behavior are still not well known (Huang et al., 2022). Green technology innovation is a strategic contributor to advance organizational knowledge capacities and gaining a sustainable competitive advantage (Alavi & Leidner, 2001). Green technology innovation is related positively to environmental sustainability performance leading to sustainable competitive advantage in environmental sustainability (Seebode, Jeanrenaud, & Bessant, 2012; Zhang, Sun, Yang, & Li, 2018; Huang & Li, 2017; Ge et al., 2018; Chiou, Chan, Lettice, & Chung, 2011; Chang, 2011).

Organizational green technology innovation approach has the potential to protect the environment, develop competitive market leadership, become more efficient, etc. Technological innovation characteristics may lead to organizational sustainable competitive advantage.

To analyze the implications of the organizational environmental sustainability business model in green technology innovation, first it is analyzed the organizational environmental sustainability continuing with the organizational business model innovation leading to the analysis of green technology innovation, Finally, some conclusions are presented suggesting future research.

## **THEORETICAL BACKGROUND**

### **Environmental Sustainability**

In the organizational and environmental sustainability fit the organization performs better routines more valued by the environment. Theories on the effects of organizational aging on organizational process are competing to contrast claiming on the effects on the fit between the environment and organizations, growth, and survival and do not provide evidence of the different mechanisms (Ranger-Moore, 1997). The environmental sustainability effects have some negative effects. Enhancing and sustaining ecosystem resilience is a function of ecosystem management and social capacity responding to environmental sustainability feedback over time as well as space (Berkes & Folke, 1998).

Environmental protection is a path to sustainable development. Technical and environmental sustainability protection and emissions standards are naturally different for various firms. This deterioration is expected to be transitory by reducing the CO<sub>2</sub> emissions and requiring more environmental protection measures to achieve environmental sustainability. The environmental sustainability regulations are divided in the elements of command-based, incentive-based, and

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