

## **Achieving green strategic objectives in business organizations within the green economy path and establishing the foundations of sustainable development: A theoretical and applied analysis – The case of the American Company *Patagonia***

**Khaldi Naima** <sup>1</sup>, and **Abdelkader Lahouel** <sup>2</sup>

<sup>1</sup> University of Tissemsilt. Email: [naima.khaldi@univ-tissemsilt.dz](mailto:naima.khaldi@univ-tissemsilt.dz)

<sup>2</sup> University of Saida. Email: [abdelkader.lahouel@univ-saida.dz](mailto:abdelkader.lahouel@univ-saida.dz)

**Abstract**---The transition to a green economy has become an urgent necessity following environmental degradation, manifested in the intensification of climate change and its devastating impacts. The green economy ensures environmental balance, and the study highlighted its role in promoting sustainable economic growth, thereby reducing environmental risks and mitigating global warming. It also provides new opportunities for wealth creation and sustainable employment, which represents a primary objective of the new strategic approaches to sustainable development that have become a key concern for states. The study emphasized the importance of adopting an environmental approach to achieve sustainable development by addressing and preventing environmental waste and making business activities environmentally friendly, whether through green products, the creation of green jobs, or other methods within the framework of promoting the green economy. Furthermore, the study concluded that Patagonia stands out as one of the world's leading examples of a company implementing advanced green practices and embracing green economy principles. Through these approaches, Patagonia has been Enhancing its competitiveness and achieving added environmental and economic value.

**Keywords**---green economy, sustainable development, green growth indicators, green economy principles.

---

### **How to Cite:**

Naima, K., & Lahouel, A. (2026). Achieving green strategic objectives in business organizations within the green economy path and establishing the foundations of sustainable development: A theoretical and applied analysis – The case of the American Company Patagonia. *The International Tax Journal*, 53(1), 204–220. Retrieved from <https://internationaltaxjournal.online/index.php/itj/article/view/513>

The International tax journal ISSN: 0097-7314 E-ISSN: 3066-2370 © 2026

ITJ is open access and licensed under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License.

Submitted: 14 January 2025 | Revised: 18 February 2025 | Accepted: 10 April 2025

## Introduction

The past few years have been characterized by a succession of global crises, including rising energy prices, increasing food prices, climate change, and others, which have led to catastrophic consequences for humanity and biodiversity, reflecting the structural weaknesses of current economic models. These circumstances have given rise to an international awareness of the necessity to consider new drivers of economic growth and wealth creation that ensure sustainable development. This can be achieved by devising a vision for economic takeoff based on a strategy for transitioning to a green economy, comprising four key elements: energy, leveraging green investments as a means of economic revitalization, policies to mitigate greenhouse gas emissions that cause global warming, and a strong conviction in the necessity of establishing a new model for sustainable development centered on changing consumer and Current marketing models.

On the other hand, discussing the concept of the green economy inevitably leads to addressing the concept of sustainable development, as the two are considered two sides of the same coin. The green economy emerged as a proposal that facilitates and streamlines the implementation of sustainable development. The possibility of moving toward a green economy—through reliance on environmentally friendly industries, investment in ecotourism, and the use of new and renewable energies—aims to achieve sustainable development accompanied by clean, non-harmful environmental impacts, as well as social effects that help restore environmental balance and achieve high growth rates across all dimensions (economic, social, environmental, political, and technical). This is based on the premise that green economy policies help avoid and prevent violations of human freedoms through the governance measures of this type of economy and by controlling any negative environmental impacts that may harm the components and systems of the environment and nature.

The new global order has established fundamental plans to integrate the concept of the green economy and green development into its frameworks. Environmental standards have become among the most important requirements that products must meet in order to access global markets. This shift has been accompanied by the spread of new concepts such as green technology, green buildings, organic agriculture, green retailing, and environmentally friendly organizations. Many countries have imposed restrictions on the entry of environmentally polluting products that negatively affect ecological balance. Consequently, organizations have begun placing labels on their products indicating that they were produced through safe methods, or using symbols representing international certification standards for products that take environmental aspects into account, such as the ISO 14000 environmental certification. This has become essential within the context of the green economy, as it enhances organizational competitiveness.

In this context, leading global experiences that have adopted advanced green practices are particularly notable, such as the case of Patagonia, which serves as a prominent model for integrating strategic green objectives into its operations. The company has embraced the principles of the green economy by utilizing recycled materials in production, reducing its carbon footprint throughout the supply chain, investing in renewable energy, and implementing robust product take-back and remanufacturing programs. Through these approaches, Patagonia has succeeded in enhancing its competitiveness and generating added environmental and economic value, representing a successful practical example of how business organizations can contribute to establishing the foundations of sustainable development within the framework of the green economy.

### Research Problem:

Environmental constraints—including water stress, soil degradation, high energy dependency, vulnerability to climate change, and various forms of pollution—combined with the limited outcomes of economic growth and social development policies in creating employment opportunities and

reducing social and geographic disparities, necessitate a reorientation of the economic model toward an integrated green economy. This approach relies on activating the role of business organizations in establishing the foundations of sustainable development. Although environmental responsibility is directly related to microeconomics, and the concept of sustainable development is associated with macroeconomics, there exists a complementary relationship between the two. This is exemplified by Patagonia, which integrates environmental principles into its strategic framework.

**Accordingly, the following research questions can be posed:**

What is the role of business organizations in establishing the foundations of the green economy through achieving strategic green objectives to realize sustainable development? And How is this contribution practically manifested through the experience of the American company Patagonia?

**Research Hypotheses:** Based on the above, the following hypotheses can be formulated:

- The adoption of strategic green objectives by business organizations positively contributes to supporting the transition toward a green economy.
- The implementation of green practices within business organizations enhances their capacity to achieve the dimensions of sustainable development (economic, social, and environmental).
- The environmental strategic orientation of Patagonia represents an effective model illustrating the relationship between adopting green objectives and the organization's success in achieving sustainable development.

**Research Objectives:**

The study aimed to achieve the following objectives:

- To analyze the role of strategic green objectives in guiding business organizations toward a green economy.
- To evaluate the impact of adopting green practices on achieving sustainable development from economic, social, and environmental perspectives.
- To examine the experience of the American company Patagonia as a practical model for implementing green strategies and achieving sustainable development.
- To propose practical recommendations that can assist other business organizations in integrating strategic green objectives into their operational strategies.

**Previous literature:**

Previous studies provide a rich conceptual framework regarding the notion of green strategic objectives and their role in supporting the transition toward a green economy and achieving sustainable development. These studies have focused on analyzing both theoretical and practical experiences of business organizations in adopting environmental practices :

- Seyed Meysam Khoshnava, Racheleh Rostami, Rosli Mohamad Zin - 25 August 2019 : Aligning the Criteria of Green Economy (GE) and Sustainable Development Goals (SDGs) to Implement Sustainable Development

This study aims to develop a hybrid methodological and mathematical approach to prioritize the most effective variables from classified GE and SDGs criteria (23 criteria) to implement SD. This study has deliberated over the Decision making trial and evaluation laboratory (DEMATEL) technique for considering interconnections among numerous criteria to collect the most effective variables (12 criteria) based on three pillars (3Ps) of SD. Likewise, the analytic network process (ANP) technique ranked these effective variables by considering their network relations based on three indicators. Lastly, integration was used to finalize and prioritize the most effective variables based on their weight from the ANP technique. This study will highlight the green economy with exclusive environmental issues and sustainable growth as the greatest effective variables among GE and SDGs criteria for SD implementation.

- Green Deal, Green Growth and Green Economy as a Means of Support for Attaining the Sustainable Development Goals » by Mieczyslaw Adamowicz. Published: 12 May 2022

The aim of the study is to present the concept of green economy and other notions and concepts related to it and to assess their significance for the formation of development policy and practical solution of problems of socio-economic development. Selected indicators of individual authors and countries have also been presented. The last part of the study presents the concept of the New European Green Deal and its link to the implementation of the Sustainable Development Goals adopted for the current decade. In conclusion, an attempt has been made to present both the expectations and opportunities of emphasising the issue of the greening of the economy, as well as the weaknesses and threats resulting from the excessive confidence in this concept. Green efforts to link the economy and infrastructure strategies in the context of sustainable development

- Seyed Meysam Khoshnava , Raheleh Rostami , [Rosli Mohamad Zin](#) , [Hesam Kamyab](#) , Muhd Zaimi Abd Majid , Alireza Yousefpour , [Abbas Mardani](#)

This study proposes a methodological approach to deliberate: the Analytical Network Process (ANP) to prioritise GI criteria with considering their mutual influences, which would be primed to the enactment of GE in the context of SD; and the Adaptive Neuro-Fuzzy Inference Systems (ANFIS) to implement GE in SD context. The ANP results as inputs info for ANFIS method indicated that the majority of effectiveness belonged to four primary GI criteria (approximately more than 80%), namely, Affordability, Resource Efficiency, Energy Efficiency, and Air Quality. The ANFIS results for achieving each GE indicators showed that the most effective combination of upward interaction among GI criteria are belonged to: Affordability with Resource Efficiency (Eco-Environment indicator), Energy Efficiency with Resource Efficiency (Socio-Environment indicator), and Affordability with Energy Efficiency (Socio-Economic indicator). In conclusion, the best interaction for GE implementation belonged to Socio-Environment and Eco-Environment indicators through the greatest interface among Affordability, Energy Efficiency, and Resource Efficiency.

### **1. Theoretical Framework of the Concept of Green Economy and Sustainable Development.**

Interest in and attention to the green economy began as it was recognized as an environmentally friendly economic activity and one of the means to achieve sustainable development. This interest originated with the Earth Summit in Rio de Janeiro in 1992, and twenty years later, the United Nations Conference on Sustainable Development (RIO+20), also held in Rio de Janeiro, opened new prospects for achieving sustainable development. The RIO+20 conference obligated national governments to fulfill their commitments toward fair and sustainable economic growth. Despite the conceptualization of the green economy as a new economic analytical tool, definitions of the green economy have varied across countries and international organizations.

- **The concept of the green economy:**

The concept of the green economy has emerged prominently over the past few years. It has been evident in the statements of heads of states, governments, and finance ministers within the G20. The idea of the green economy has been discussed in the context of sustainable development and poverty reduction. According to the United Nations Environment Programme (UNEP), the green economy is defined as “an economy that results in improved human well-being and social equity, while significantly reducing environmental risks, and can serve as a means to achieve a resilient economy that provides a better quality of life for all within the ecological limits of the planet.” The green economy is also considered one of the most important tools for achieving sustainable development, as it leads to the enhancement of human welfare and social equity while simultaneously aiming to substantially reduce environmental risks. <sup>1</sup>

It is also considered a link between economic, environmental, and social considerations of sustainable development, enabling the achievement of long-term economic growth through investment in

---

<sup>1</sup> Mr.steven stone. The role of green economy in sustainable development. 7-8 october 2010- page 22.

environmentally friendly solutions that promote social equity. The green economy is thus based on the knowledge of environmental economics, which aims to address the interrelationship between human economies and the natural ecosystem, as well as the adverse impacts of human activities on climate change and global warming. This approach stands in contrast to the so-called “black economy” model, which relies primarily on fossil fuels such as coal, oil, and natural gas.<sup>2</sup>

Thus, the green economy encompasses green energy, which is generated based on renewable energy sources rather than fossil fuels. It emphasizes the conservation and efficient use of energy resources. Moreover, the green economy model is important for creating so-called green jobs, ensuring genuine and sustainable economic growth, preventing environmental pollution, mitigating global warming, and avoiding resource depletion and environmental degradation.

In conclusion, the green economy requires the joint efforts of all actors, including both public and private investments, to reduce carbon emissions and pollution, and to prevent the loss of biodiversity and ecosystems. It does not replace the concept of sustainable development; rather, it reflects the growing recognition that the desired sustainable development can only be achieved through the promotion of the green economy concept and the realization of sustainability, which in turn relies on the principles of the green economy.

### Why the Green Economy?

The importance of the green economy lies in its role in environmental preservation, as it contributes to achieving sustainable development that promotes social equity while simultaneously ensuring economic prosperity. This is accomplished through the adoption of sustainability-focused projects, such as clean production, renewable energy, responsible consumption, and others. The main aspects can be summarized as follows:<sup>3</sup>

- **Green Economy for Poverty Reduction:** The green economy contributes to alleviating poverty through the prudent management of natural resources and ecosystems, ensuring that the benefits derived from natural capital flow directly to the poor. In addition, it creates and expands new employment opportunities, particularly in sectors such as agriculture, forestry, energy, transportation, and health. This is especially crucial in low-income countries.<sup>4</sup>
- **Green Economy Creates Jobs and Supports Social Equity:** The transition to a green economy also entails a transformation in employment, generating at least an equivalent number of jobs compared to those created under conventional approaches. However, total employment gains under a green investment scenario can be higher, with growth observed in sectors such as agriculture, construction, energy, and transportation. In green investment scenarios, job growth in the short, medium, and long term surpasses that projected under conventional employment approaches.<sup>5</sup>
- **The Green Economy Replaces Fossil Fuels with Sustainable Energy:** Increasing energy supply through renewable sources reduces the risks associated with high and unstable fossil fuel prices. Moreover, it provides benefits indicating that renewable energy represents significant economic opportunities.
- **The Green Economy Encourages Improved Resource and Energy Efficiency:** The green economy can promote resource efficiency by decoupling waste generation from economic growth and improved living standards. This contributes to reducing waste and enhancing the efficiency of sectoral and agricultural systems in ensuring global food security.

---

<sup>2</sup> [New challenges for corporate sustainability reporting: United Nations' 2030 Agenda for sustainable development and the sustainable development goals](#), 2020, Corporate Social Responsibility and Environmental Management

<sup>3</sup> United Nations Environment Programme: *Towards a Green Economy – Pathways to Sustainable Development and Poverty Eradication*

<sup>4</sup> Cato, M. S. (2008). *Green Economics: An Introduction to Theory, Policy and Practice*. Routledge. ISBN: 9781844075713.

<sup>5</sup> Sahil, M., & Talbi, M. (2008). The Importance of Renewable Energy in Environmental Protection for Sustainable Development. *Al-Bahith Journal*, Issue 6.

- **The Green Economy Provides More Sustainable Urban Living and Transportation:** By reducing carbon emissions, improving energy efficiency in the transportation sector, transitioning to clean fuels, and shifting from private to public transport not reliant on conventional engines, the green economy can yield significant health and economic benefits.

### Requirements for Transitioning to a Green Economy

The transition to a green economy is neither easy nor straightforward; rather, it is a long and challenging process guided by both political and public perspectives. The requirements for transitioning to a green economy can be summarized as follows:<sup>6</sup>

- **Focus on Rural Development:** This aims to alleviate poverty in rural areas through the prudent management of natural resources and ecosystems, thereby ensuring that the benefits derived from natural capital reach the poor.
- **Attention to Water Management and Pollution Prevention:** Improving water efficiency and usage can significantly reduce consumption, while enhancing water collection methods contributes to the replenishment of groundwater in wells and the preservation of surface water resources.
- **Addressing the Issue of Solid Waste and Promoting Recycling:** The production of phosphoric acid, fertilizers, and concentrated metals for use in agriculture, the pharmaceutical industry, and manufacturing generates waste, more than 50% of which is often discharged into water bodies. The resulting emissions contribute to water pollution; however, proper disposal through sanitary landfilling or recycling can lead to environmental cleanliness and a reduction in toxic emissions.
- **Promoting Increased Sustainable Investments in Energy and Measures to Enhance Efficiency:** Transitioning to a green economy will result in a significant reduction in greenhouse gas emissions. In an investment scenario allocating 2% of GDP to key sectors of the green economy, more than half of this investment is directed towards improving energy efficiency, expanding production, and utilizing renewable energy resources. The outcome is a global reduction of approximately 36% in energy intensity.

### The Green Economy and Its Role in Achieving Integration Across the Dimensions of Sustainable Development

Since the early 1980s, the world began to awaken to the alarming noise of numerous serious environmental problems that threatened various forms of life on Earth. This situation was a natural consequence of development's long-standing neglect of environmental considerations throughout previous decades. Consequently, there arose an urgent need for a new developmental philosophy capable of addressing and overcoming these challenges. International efforts ultimately gave rise to a new concept of development known as sustainable development. This concept was articulated for the first time in the report of the World Commission on Environment and Development, titled *Our Common Future*, which was published in 1987.<sup>7</sup>

It is based on the principle of meeting the needs of the present without compromising the ability of future generations to meet their own needs, while taking into account equity and justice across generations. Several definitions have been attributed to this concept, the most significant of which include the following:<sup>8</sup>

<sup>6</sup> <https://admin.un-page.org/wp-content/uploads/2023/04/00->

<sup>7</sup> This report is often referred to as the Brundtland Report, in reference to Gro Harlem Brundtland, the former Prime Minister of Norway and the Chair of the World Commission on Environment and Development that prepared it. It is worth noting that the report was translated into Arabic and published in Issue No. 142 of the *Alam Al-Ma'rifa* (World of Knowledge) series, issued by the National Council for Culture, Arts, and Letters in the State of Kuwait.

<sup>8</sup> World Commission on Environment and Development, *Our Common Future*, translated by Muhammad Kamil 'Aref, 'Alam al-Ma'rifah Series, No. 142, National Council for Culture, Arts and Letters, Kuwait, November 1989, p. 83.

The concept of sustainable development was first introduced in the 1987 report of the World Commission on Environment and Development, where it was defined as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” Sustainable development is considered a new pathway for development that aims to maintain human progress not only in specific regions or over short periods but globally and for the long-term future<sup>9</sup>.

It represents development that meets the needs of the present without compromising the ability of future generations to meet their own needs. In other words, it refers to development characterized by stability, continuity, comprehensiveness, long-term perspective, and sustainability.<sup>10</sup>

The philosophy of sustainable development also emphasizes an important fact: that environmental care is at the core of economic development, given that natural resources form the foundation of industrial and agricultural activity. The present generations often exploit these resources, achieving success in growth or competition, while neglecting the rights of future generations to the environment and natural resources. This, undoubtedly, threatens the continuity of development in the future. True success lies in preserving the natural resource base and environmental determinants while achieving the desired economic and social growth. The following figure illustrates this concept.



**Figure 01 – Model of the Balance Among the Ecological, Economic, and Social Systems**

*Affana, M. M. A.-R. (2010). Sustainable development strategies for agricultural lands in the West Bank (Master's thesis). An-Najah National University, Nablus, Palestine. p. 2*

The dimensions of sustainable development are interconnected, interdependent, and integrated. These dimensions can be regarded as subsystems within the overall sustainable development framework. However, the prevailing discourse on sustainable development today places greater emphasis on the environmental dimension.

- **Sustainable Development Indicators**

Sustainable development indicators contribute to assessing the extent to which countries and institutions are effectively achieving sustainable development. This, in turn, informs numerous national and international decisions regarding economic and social policies. The following table presents a set of key indicators from the 21st Century Agenda of the United Nations Economic and Social Commission for Western Asia (ESCWA).<sup>11</sup>

<sup>9</sup> World Commission on Environment and Development (1987), *Our Common Future*, Oxford University Press.

<sup>10</sup> Farghaly Hassan, A. (2008). *Environment and Sustainable Development: The Conceptual Framework and Accounting Assessment* (1st ed.). Center for the Development of Graduate Studies and Research in Engineering Sciences, Faculty of Engineering, Cairo University, March, pp. 23–24.

<sup>11</sup> United Nations Economic and Social Commission for Western Asia (ESCWA) (2000), *Applying Sustainable Development Indicators in ESCWA Countries: An Analysis of the Results*, New York, p. 6.

**Table N. 01: Core Set of Sustainable Development Indicators**

<b>Economic Indicators</b>	
<b>International Cooperation for Accelerating Sustainable Development</b>	Per capita Gross Domestic Product (GDP)
	Share of Gross Fixed Capital Formation in Gross Domestic Product (GDP)
	Exports of goods and services / Imports of goods and services
Changes in Consumption Patterns	Annual Per Capita Energy Use
Financial Resources and Mechanisms	Current Account Balance as a Percentage of Gross Domestic Product (GDP)
	Debt as a Percentage of Gross Domestic Product (GDP)
	Total Official Development Assistance (ODA) Disbursed or Received
<b>Social Indicators</b>	
<b>Poverty Alleviation</b>	Unemployment Rate
	Human Poverty Index (HPI)
	Population Living Below the Poverty Line
Population Growth Rate – Demographic Dynamics and Sustainability	Population Growth Rate.
Adult Literacy Rate – Promoting Education, Public Awareness, and Training	Adult Literacy Rate
	Gross Enrollment Ratio in Secondary Education
Protection and Promotion of Human Health	Life Expectancy at Birth
	Population Without Access to Safe Drinking Water
	Population Lacking Access to Sanitation Facilities
Promoting Sustainable Development of Human Settlements	Percentage of Urban Population
<b>Environmental Indicators</b>	
Protection of the Quality and Supply of Freshwater Resources	Renewable Resources per Capita
	Water Use per Renewable Water Resources
Advancing Sustainable Agriculture and Rural Development	Per Capita Agricultural Land
	Per Capita Arable and Permanently Cultivated Land
	Fertilizer Use
Combating Deforestation and Desertification	Change in Forest Area
	Percentage of Land Affected by Desertification
<b>Institutional Indicators</b>	
Number of Television and Radio Sets per 1,000 Inhabitants	<b>Access to Information</b>
Number of Daily Newspapers per 1,000 Inhabitants	
Number of Personal Computers per 1,000 Inhabitants	
Number of Main Telephone Lines per 1,000 Inhabitants	
Number of Internet Subscribers / Users per 1,000 Inhabitants	
Number of Scientists and Engineers Engaged in Research and Development per Million Inhabitants	<b>Science and Technology</b>
Expenditure on Research and Development as a Percentage of Gross National Product (GNP)	

**Source: United Nations Economic and Social Commission for Western Asia (ESCWA), Application of Sustainable Development Indicators in ESCWA Countries, pp. 6, 8.**

These indicators reflect the extent to which countries succeed in achieving sustainable development. They primarily assess the status of countries using quantitative criteria that can be measured and compared with other nations. Moreover, they allow for monitoring changes and trends in the progress or decline of these indicators, thereby providing insight into whether national policies in the field of sustainable development are on the right path or are still lagging behind.

The green economy can be understood, in its simplest terms, as an extension and evolution of the concept of sustainable development, which has gained prominence since the Stockholm Conference on the Human Environment, an event that also established the United Nations Environment Programme. This clearly underscores the importance of adopting a green economy due to its potential to achieve sustainable development, combat poverty on a broad scale, and promote growth and employment. The dissemination of the green economy concept also provides a new perspective on the interconnection between the economic and environmental dimensions of sustainable development, in addition to the social dimension, as it aims to reduce poverty and enhance welfare. Consequently, it opens the way for mobilizing support for sustainable development through a new conceptual framework that does not replace sustainable development but rather reinforces the integration of its three dimensions: economic, social, and environmental.



**Figure 02 – Processes of Transition to Sustainable Development**

Jawwa, Y. J. (2014). Green economy: Concept and requirements. *Journal of Educational Sciences*, 3(1), 433. Cairo: Institute of Educational Studies and Research.

## **2. Drivers for Business Organizations to Adopt Green Policies**

The philosophy of organizations achieving green strategic objectives is based on the necessity of considering social and ethical factors in their production and marketing practices, as advocated by associations, agencies, and organizations dedicated to environmental protection and consumer rights. It also emphasizes the need to balance organizational interests, primarily profit maximization, with the broader societal interest and the attainment of public satisfaction.

### **Aspects of Environmental Degradation Attributed to Organizations**

There are numerous environmental violations caused by economic organizations due to their industrial waste, which includes various pollutants affecting air, water, and soil, including:<sup>12</sup>

- **Air pollutants:** including carbon oxides, hydrocarbons, nitrogen oxides, and sulfur dioxide, pose significant environmental and health risks. Their dispersion into the atmosphere disrupts the natural air composition, leading to respiratory and cardiovascular diseases and contributing to the deterioration of the ozone layer.
- **Water Pollutants:** Among the most significant are oil spills in seas and oceans, as well as various industrial wastes discharged into water bodies. These pollutants primarily threaten marine resources, causing diverse forms of damage to aquatic ecosystems.
- **Soil Pollutants:** Among the most significant are:
  - ✓ Various industrial wastes in their solid form, such as plastic, glass, metals, and others.
  - ✓ Liquid wastes, consisting of multiple toxic chemical substances.

<sup>12</sup> Ben Aichaoui, A. (n.d.). The Economic Enterprise and the Strategic Dimension of Environmental Management (EM). Retrieved from <https://manifest.univouargla.dz/index.php/archives>

These wastes introduce various harmful elements into the soil, causing severe contamination. Additionally, chemical fertilizers and pesticides contribute further risks by polluting the soil with phosphate and nitrate compounds, which persist in the soil, dissolve into irrigation water, and eventually seep into groundwater and river systems. These substances pose serious threats to life on Earth.

Notably, radioactive pollutants arising from the increased use of nuclear technologies must also be considered, particularly due to uncontrolled radiation leaks, which remain largely uncontained to date.

### **Reasons for Organizations to Adopt Green Policies**

Economic experts agree that organizations derive their resources from nature while discharging the waste of their products back into the environment. Such practices often result in environmental violations affecting soil, groundwater, the atmosphere, and other natural systems, due to the irrational use of resources and the application of polluting and unsustainable technologies. On the other hand, numerous legislative, health, social, and scientific voices have demanded that those responsible for these violations address these concerns seriously. These issues have been formally addressed through multiple conferences and seminars aimed at simultaneously promoting international trade freedom and environmental protection.

There are four main drivers for any organization to adopt green policies, which can be summarized as follows:<sup>13</sup>

- **For the Environment:** Evidence shows that a medium-sized company consumes approximately 3.6 tons of paper annually, which is equivalent to a garden full of trees. Assuming a medium-sized city contains one hundred such companies, each company consumes 480,000 cubic meters of water per year—equivalent to 2.4 million barrels of water! Alarmingly, more than 20% of this water consumption is unnecessary. Additionally, the average company consumes 1,175,000 kilowatt-hours of electricity annually, sufficient to supply electricity to 65 average households for an entire year. Companies account for approximately 40% of total energy consumption in any country. Therefore, organizations must recognize that maintaining environmentally friendly practices is both a social responsibility and an ethical obligation.
- **For Reducing Waste:** Suppose an organization decides to adopt a green policy. The first tangible and desired change would be a reduction in waste volume, which in turn lowers costs—two factors that together lead to an overall improvement in organizational efficiency. For instance, turning off unnecessary lights in offices directly reduces energy consumption, just as printing fewer sheets of paper or using double-sided printing decreases paper usage. Similarly, refilling ink cartridges instead of discarding them and purchasing new ones reduces the amount of plastic waste generated annually. Consequently, these practices positively impact the organization's profitability.
- **For Enhancing Organizational Image:** Environmental issues have moved from the periphery to become a central and highly serious concern, to the extent that consumers no longer perceive the adoption of green policies as an additional effort by organizations, but rather as a requirement. Studies have shown that organizations implementing green initiatives—and those offering green products—have experienced increased profits. For example, Walmart, after adopting green initiatives including recycling, optimizing transportation to reduce gaseous emissions, and expanding green product inventory, reported a 20% increase in sales.
- **For Internal Stakeholders:** Not all motivations for adopting green policies are external; internal factors often play a critical role. Providing a high-quality working environment for employees is essential. Research indicates that organizations with superior air quality experience reduced employee absenteeism due to illness and increased productivity. Additionally, implementing green initiatives positively influences employee morale and strengthens organizational loyalty.

---

<sup>13</sup>Reasons for Organizations to Adopt Green Policies (n.d.), Wamda. Retrieved September 12, 2025, from <https://www.wamda.com/ar>

Moreover, there is a new driving force motivating global organizations to adopt options that ensure energy efficiency or transition toward greener practices. The global scientific community largely believes that global warming is very likely anthropogenic in origin, and that Earth's climate and ecological systems are currently being impacted by greenhouse gases. These circumstances have compelled environmental protection organizations to establish production standards that consider both societal and environmental interests, granting compliance certifications such as ISO 14000 to organizations that adhere to them, while implementing punitive measures against those that fail to comply with environmental protection requirements.

### **3. The Role of Business Organizations in Promoting the Green Economy through Strategic Green Objectives**

Investment in the green economy is not solely aimed at generating profit; rather, it seeks to satisfy human needs and promote social development while preserving the environment and natural resources. This necessitates the application of the principle of shared responsibility between business organizations and state institutions. In light of these global developments, many business organizations have begun to reassess their social and ethical responsibilities in marketing practices, giving environmental considerations a prominent place in their strategies. Green marketing practices have thus become an integral tool for effective management of the cost-benefit (quality) duality within organizations, through efforts such as waste reduction, recycling, and the rational use of raw materials and energy resources (electricity and water). Moreover, this concept embodies the dimensions of sustainable development, encompassing environmental, economic, and social aspects.

#### **- Green Marketing:**

Green marketing is regarded as a response to the growing market opportunities, particularly in light of increasing consumer awareness. This approach supports organizations in adapting to the evolving transition toward a green economy, thereby enabling them to achieve their strategic objectives. Moreover, the adoption of a green marketing philosophy in organizational practices serves as a clear indicator of commitment to social responsibility, which in turn enhances the organization's image and competitiveness by creating specific environmental value for customers and serving green markets. Additionally, it helps organizations avoid regulatory pressures regarding the societal impacts of their activities and represents a positive approach toward sustainable development, emphasizing the utilization of resources while respecting the rights of future generations.

The dimensions of the significance of green marketing in business organizations are as follows:



**Figure N. (03): Dimensions of the Importance of Green Marketing in Business Organizations**

**Source:** MRS .Nandini, M. Deshpande : A Conceptuel Framework on Green Marketing – a Tools for sustainable Développement, International Journal of Sales And Marketing Mngement;Vol1,issue 2011

- **Green Production:**

The term Green Product is used to describe products that protect or enhance the natural environment by conserving energy and resources, minimizing or eliminating the use of harmful materials, producing the least possible emissions or waste, and having a long lifespan while being recyclable at the end of their useful life. Green products include household appliances, electronic devices, cleaning agents, automobiles, and others.

The United Nations Principles for Consumer Protection emphasize the consumer's right to obtain accurate information regarding the environmental impact of products and services, through means such as informational brochures, environmental reports on products, or eco-labels. Furthermore, the United Nations calls for the encouragement and development of products that are safe in terms of energy and resource usage, considering the full lifecycle impacts, as well as the promotion of recycling programs and the purchase of recycled products.<sup>14</sup>

- **Waste Recycling and Reuse:**

One of the most prominent indicators of organizations' commitment to environmental and ethical responsibilities is the development of marketing programs aimed at protecting and preserving the natural environment. Organizations support and fund activities dedicated to environmental protection and promote recycling projects to reduce waste and pollution. Additionally, they reassess the environmental impacts of their products to ensure they are eco-friendly. For instance, S.C. Johnson redesigned some of its pesticide products, such as "Raid," to be less harmful to the environment. Furthermore, most organizations are now moving toward making the packaging materials used in various products recyclable, in order to minimize environmental pollution and conserve natural resources.

- **Creation of Green Jobs**

"Green jobs" represent a central approach within the green economy paradigm, which aims to restructure and realign economic activities to enhance environmental sustainability and social development, thereby providing a concrete pathway toward sustainable development. These jobs play a crucial role in reducing energy consumption and optimizing the use of raw materials and water. They are implemented through strategies designed to decarbonize the economy, mitigate greenhouse gas emissions, minimize or eliminate all forms of waste and pollution, and preserve and restore ecosystems and biodiversity.

- **Contribution to Poverty Alleviation**

Organizations play a significant role in alleviating poverty through targeted green investments in sectors such as agriculture, fisheries, forestry, and other natural resources, as well as in construction, transportation infrastructure, and other primarily urban sectors. These sectors also heavily rely on unskilled and manual labor, thereby creating employment opportunities and supporting local livelihoods.

- **Issuance of Green Bonds**

It should be noted that building a green economy is not possible without establishing partnerships between business organizations, local communities, and civil society, as this constitutes a foundational process. Such partnerships help mobilize investments, identify necessary technological solutions, promote local talent, and strengthen the commitment of all stakeholders while fostering solidarity. Business organizations serve as the primary drivers of the green economy through their commitment to strategies aimed at promoting renewable energy use, preserving natural habitats in industrial areas, and reducing carbon emissions while conducting industrial development activities.

---

<sup>14</sup> Bhardwaj, A. K., Garg, A., Ram, S., Gajpal, Y., & Zheng, C. (2020). Research Trends in Green Product for Environment: A Bibliometric Perspective. *International Journal of Environmental Research and Public Health*, 17(22), 8469. <https://doi.org/10.3390/ijerph17228469> MDPI

#### 4. An Applied Analysis of Implementing Green Strategies at Patagonia"

Patagonia has become a global leader in sustainable business by integrating green strategies into its operations. This study analyzes how the company implements environmentally responsible practices to reduce its ecological footprint while maintaining profitability.

##### - **Patagonia Inc. under a sustainability perspective**

Textiles and their end-products rank as the world's second largest industry, just after food products. Approximately, 10% of the world's productive energies go into clothing manufacturing, making textiles one of the largest polluting industries in the country.

Ethical, environmentally friendly, and outdoors" are words that come to mind when one hears Patagonia. Founded in 1973, Yvon Chouinard combined his passion for sustainability with his love of being in the great outdoors . Now a well-known brand, Patagonia is a leading outdoor apparel company focused on environmental conservation and activism [1]. In the 2020 Fashion Transparency Index, Patagonia was ranked 7th out of 250 apparel companies . With just 37 stores and a presence in the US, Europe, Japan, Argentina, Chile, and more, the sustainable company has kickstarted progressive actions that radically change how we now think of the fashion industry <sup>15</sup>.

Patagonia is one of the most caring and responsible companies in the world and certified by Fair trade. The Patagonia corporation is built up in four core values : " <sup>16</sup>

- Quality: Pursuit of ever-greater quality in everything we do;
- Integrity: Relationships built on integrity and respect;
- Environmentalism: Serve as a catalyst for personal and corporate action; and
- Not Bound by Convention: Our success—and much of the fun—lies in developing innovative ways to do things."

The 1st core value focuses on quality and refers to the continuous quality improvement, which is part of the total quality management and linked to Kaizen manufacturing tool and the basement of the lean management system<sup>17</sup>.

##### - **Evaluation of the Impact of Green Economy Adoption at Patagonia on Environmental, Social, and Economic Performance**

Patagonia is often taken as a role model when it comes to sustainable clothing producers. In the last year, Patagonia attracted a lot of attention, because of the introduction of a new product "Don't buy this jacket", which called attention to sustainable production and the choice of the customer<sup>18</sup>

Patagonia is an outdoor apparels companies which stands for sustainability and eco-friendly products all over the world. The outdoor apparel and equipment company have been founded by Yvon Chouinard in 1973 with the idea of sell climbing equipment and is operating in 50 countries with 3,000 employees and has generated \$ 1 billion in revenue in 2018 and a turnover of \$ 356 million .<sup>19</sup>

Thirdly, the environmentalism announcement stands for the base of every decision, to use the environment without itself undergoing any permanent change. The last statement of the core values show that Patagonia don't want to be perceived as standard brand, following the rules and seems boring. This also shows, that the employees should see the work as fun at not as fixed period of time just to receive a payment at the end of the month.

<sup>15</sup> Patagonia. (2016). Patagonia Wool Standard (PWS) For Animal Welfare, Land Management and Traceability. Retrieved from <https://www.patagonia.com/static/on/demandware.static/-/Library-SitesPatagoniaShared/default/dwbad96c65/>

<sup>16</sup> Chouinard, Y. (2016). Let My People Go Surfing: The Education of a Reluctant Businessman--Including 10 More Years of Business Unusual: Penguin.

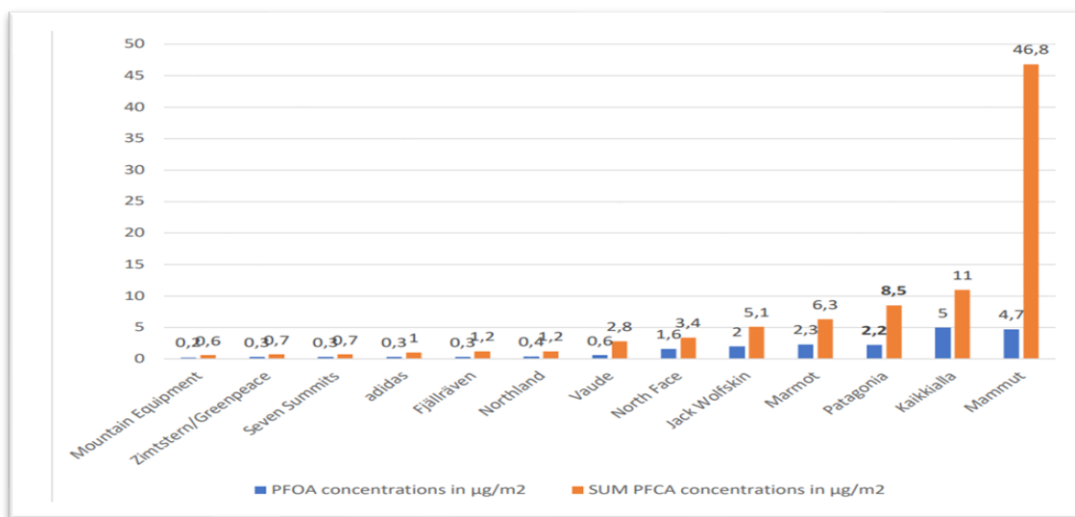
<sup>17</sup> Kakuro, A. (2004). Development of 'Science TQM', a new principle of quality management: effectiveness of strategic stratified task team at Toyota. *International Journal of Production Research*, 42(17), 3691-3706.

<sup>18</sup> O'Rourke, D., & Strand, R. (2017). Patagonia: Driving Sustainable Innovation by Embracing Tensions. *California Management Review*, 60(1), 102-125. doi:10.1177/0008125617727748 .

<sup>19</sup> Anderson, B. (2019). 5 'Ridiculous' Ways Patagonia Has Built a Culture That Does Well and Does Good. Retrieved from <https://business.linkedin.com/talent-solutions/blog/talentconnect/2019/5-ways-patagonia-built-ridiculous-culture>

### - Patagonia in the business functions

Patagonia is a member of several associations, takes regular audits and receives various certificates. Particular focus is placed on the supply chain and the materials used; employees have advantages that no other company can offer and Patagonia's unique repair focuses on reusing clothing that has already been worn. However, Patagonia is planning by 2025 to become carbon neutral across the all business functions and by 2020 all entire electricity will be generated from renewable energies<sup>20</sup>.



**Figure 1: Concentrations of per fluorinated carboxylic acids (PFCAs) in 13 samples of outdoor clothing (Christian Schillmann 2021 p14)**

In 2015, Patagonia was also certified by the bluesign organization, which ensures that its manufactures products with responsible resources that have the least impact on the environment. According to Patagonia's website, this is only the case for 56% of the annual material mass. Thus 46% of purchases have not been confirmed by be bluesign®. Patagonia (2020a) published that 8 out of "top 10 material suppliers" in the current collection use chemicals that are bluesign certified.<sup>21</sup>

Patagonia works hand in hand with its suppliers. Thai Alliance Textile is a wool manufacturer that Patagonia can ensure that it is 100% organic wool. A third partner, Control Union, has been involved to ensure that it is certified again, but Control Union is a private organization and does not publish its monitoring processes. Due to Control Union's profit-oriented intent and the high costs of the annual certification for Thai Alliance Textile, there is an incentive to coordinate with one another in order to save costs.<sup>22</sup>

In summary, Patagonia is a brand like no other, it puts profit in the background and environment and animals in the foreground. This has been shown by the response after animal protection organizations were uncovered. The company is extremely transparent and also comments on unpleasant topics. In

<sup>20</sup> Bustamante, R. (2020). 2025 Or Bust: Patagonia's Carbon Neutrality Goal. Retrieved from <https://www.patagonia.ca/stories/2025-or-bust/story-74769.html>

<sup>21</sup> Patagonia. (2020e). Our Business And Climate Change. Retrieved from <https://www.patagonia.com.au/pages/our-business-and-climate-change>

<sup>22</sup> Patagonia. (2020f). Our DWR Problem. Retrieved from <https://www.patagonia.com/stories/our-dwr-problem/story-17791.html>

addition, it also makes a political statement on the topic of the environment and uses its own available funds, which is also easy because it is managed privately<sup>23</sup>

## 5. Conclusion

It has become evident that economic development theories distinguish between development approaches that take environmental considerations into account—commonly referred to as green or sustainable development—and purely economic development models that neglect the environmental dimension. The latter have increasingly become the subject of widespread criticism at the global level. In this context, the green economy has emerged as a key instrument for achieving sustainable development. It is based on the adoption of green energy generated from renewable sources, the conservation and efficient use of energy resources, the creation of so-called green jobs, and the promotion of green production, including organic agriculture, the encouragement of organic products, and the expansion of green markets. Moreover, the green economy contributes to ensuring genuine and sustainable economic growth while preventing environmental pollution, mitigating global warming, and reducing the depletion of natural resources.

The green economy entails the decoupling of resource use and environmental impacts from economic growth. It is characterized by a significant increase in investments in green sectors, supported by enabling policy reforms. These investments—both public and private—provide the necessary mechanisms to reshape business activities, infrastructure, and organizational structures, thereby facilitating the adoption of sustainable consumption and production processes. This process of structural transformation is expected to increase the share of green sectors in the overall economy, expand the number of green jobs, reduce energy and material intensity in production processes, decrease waste and pollution, and lead to a substantial decline in greenhouse gas emissions

At the practical level, a case study of the American company Patagonia highlighted an advanced model in adopting green strategies. The company has successfully translated its environmental commitments into tangible practices, including sustainable product design, responsible supply chains, and fostering an organizational culture grounded in environmental and social responsibility. This strategic orientation has enabled Patagonia to enhance its corporate reputation, build stakeholder trust, and generate sustainable added value without compromising its economic performance.

The study also concluded that the effectiveness of green strategies is closely linked to their alignment with the organization's strategic vision, support from top leadership, the availability of environmental monitoring and evaluation mechanisms, and the involvement of various stakeholders in achieving sustainability objectives. In this context, the Patagonia experience serves as a practical example of the possibility of reconciling profitability with environmental responsibility within the framework of the green economy.

- Patagonia, an outdoor retailer and leader in the green apparel market, is committed to achieving the triple bottom line: being profitable as well as environmentally and socially responsible in its business practices. Patagonia has used its environmental achievements to differentiate itself in the marketplace and in doing so has received great brand recognition within the apparel industry and amongst consumers

- Patagonia, an outdoor retailer and leader in the green apparel market, is committed to achieving the triple bottom line: being profitable as well as environmentally and socially responsible in its business practices. Patagonia has used its environmental achievements to differentiate itself in the marketplace and in doing so has received great brand recognition within the apparel industry and amongst consumers

---

<sup>23</sup> Christian Schillmann; Patagonia Inc. under a sustainability perspective, <https://www.researchgate.net/profile/Christian-Schillmann>; Nottingham University Business School China Academic Year 2019/20 Spring Semester,p9

In light of these findings, the study recommends the widespread adoption of green strategic objectives across business organizations, particularly in economies transitioning toward more sustainable development models, while taking into account the specificities of different organizational and economic contexts. Furthermore, this study opens avenues for future research, including comparative analyses of organizations across sectors and countries, and assessments of the impact of green strategies on overall organizational performance and the long-term achievement of sustainable development goals.

#### **- Results of Hypothesis Testing:**

- The adoption of strategic green objectives by business organizations positively contributes to supporting the transition toward a green economy.
- The implementation of green practices within business organizations enhances their capacity to achieve the dimensions of sustainable development (economic, social, and environmental).
- The environmental strategic orientation of Patagonia represents an effective model illustrating the relationship between adopting green objectives and the organization's success in achieving sustainable development.

All three hypotheses are supported by the analysis. The adoption of strategic green objectives and the implementation of green practices are shown to positively influence the transition toward a green economy and enhance Patagonia's ability to achieve sustainable development.

## **6. References**

- Anderson, B. (2019). 5 'Ridiculous' Ways Patagonia Has Built a Culture That Does Well and Does Good. Retrieved from <https://business.linkedin.com/talent-solutions/blog/talentconnect/2019/5-ways-patagonia-built-ridiculous-culture>
- Ben Aichaoui, A. (n.d.). The Economic Enterprise and the Strategic Dimension of Environmental Management (EM). Retrieved from <https://manifest.univouargla.dz/index.php/archives>
- Bhardwaj, A. K., Garg, A., Ram, S., Gajpal, Y., & Zheng, C. (2020). Research Trends in Green Product for Environment: A Bibliometric Perspective. *International Journal of Environmental Research and Public Health*, 17(22), 8469. <https://doi.org/10.3390/ijerph17228469> MDPI
- Bustamante, R. (2020). 2025 Or Bust: Patagonia's Carbon Neutrality Goal. Retrieved from <https://www.patagonia.ca/stories/2025-or-bust/story-74769.html>
- Cato, M. S. (2008). *Green Economics: An Introduction to Theory, Policy and Practice*. Routledge. ISBN: 9781844075713.
- Chouinard, Y. (2016). *Let My People Go Surfing: The Education of a Reluctant Businessman-- Including 10 More Years of Business Unusual*: Penguin.
- Christian Schillmann ; Patagonia Inc. under a sustainability perspective, <https://www.researchgate.net/profile/Christian-Schillmann>; Nottingham University Business School China Academic Year 2019/20 Spring Semester,p9
- Farghaly Hassan, A. (2008). *Environment and Sustainable Development: The Conceptual Framework and Accounting Assessment (1st ed.)*. Center for the Development of Graduate Studies and Research in Engineering Sciences, Faculty of Engineering, Cairo University, March, pp. 23–24.
- Kakuro, A. (2004). Development of 'Science TQM', a new principle of quality management: effectiveness of strategic stratified task team at Toyota. *International Journal of Production Research*, 42(17), 3691-3706.
- Mr.steven stone. The role of green economy in sustainable development. 7-8 october 2010- page 22.
- New challenges for corporate sustainability reporting: United Nations' 2030 Agenda for sustainable development and the sustainable development goals, 2020, Corporate Social Responsibility and Environmental Management

- O'Rourke, D., & Strand, R. (2017). Patagonia: Driving Sustainable Innovation by Embracing Tensions. *California Management Review*, 60(1), 102-125. doi:10.1177/0008125617727748.
- Patagonia. (2016). Patagonia Wool Standard (PWS) For Animal Welfare, Land Management and Traceability. Retrieved from <https://www.patagonia.com/static/on/demandware.static/-/Library-SitesPatagoniaShared/default/dwbad96c65/>
- Patagonia. (2020e). Our Business And Climate Change. Retrieved from <https://www.patagonia.com.au/pages/our-business-and-climate-change>
- Patagonia. (2020f). Our DWR Problem. Retrieved from <https://www.patagonia.com/stories/our-dwr-problem/story-17791.html>
- Reasons for Organizations to Adopt Green Policies (n.d.), Wamda. Retrieved September 12, 2025, from <https://www.wamda.com/ar>
- Sahil, M., & Talbi, M. (2008). The Importance of Renewable Energy in Environmental Protection for Sustainable Development. *Al-Bahith Journal*, Issue 6.
- This report is often referred to as the Brundtland Report, in reference to Gro Harlem Brundtland, the former Prime Minister of Norway and the Chair of the World Commission on Environment and Development that prepared it. It is worth noting that the report was translated into Arabic and published in Issue No. 142 of the *Alam Al-Ma'rifa* (World of Knowledge) series, issued by the National Council for Culture, Arts, and Letters in the State of Kuwait .<https://admin.un-page.org/wp-content/uploads/2023/04/00->
- United Nations Economic and Social Commission for Western Asia (ESCWA) (2000), *Applying Sustainable Development Indicators in ESCWA Countries: An Analysis of the Results*, New York, United Nations Environment Programme: *Towards a Green Economy – Pathways to Sustainable Development and Poverty Eradication*
- World Commission on Environment and Development (1987), *Our Common Future*, Oxford University Press.
- World Commission on Environment and Development, *Our Common Future*, translated by Muhammad Kamil 'Aref, 'Alam al-Ma'rifah Series, No. 142, National Council for Culture, Arts and Letters, Kuwait, November 1989.