


Chapter 1

Best Practices for Transparency and Accountability in Green Entrepreneurship

Razia Nagina

 <https://orcid.org/0000-0002-0305-8393>

Lovely Professional University, India

ABSTRACT

This chapter examines the critical interplay between transparency, accountability, and financial sustainability in green entrepreneurship. It highlights the need for green entrepreneurs to integrate environmental stewardship with economic performance while meeting stakeholder demands for authenticity. The chapter identifies best practices for fostering transparency, such as public environmental disclosures, green certifications, and third-party audits, and analyzes accountability frameworks like ESG and TCFD. Major findings emphasize how these practices mitigate risks like greenwashing, attract sustainable investments, and build stakeholder trust. The contribution lies in providing actionable strategies, supported by real-world examples from India and global economies, to help green entrepreneurs balance environmental impacts with financial resilience while addressing regulatory and societal expectations.

DOI: 10.4018/979-8-3693-9306-2.ch001

1. INTRODUCTION

Green entrepreneurship has emerged as a vital driver of sustainability in the face of escalating environmental challenges. Fundamentally, that concept supports the fusion of ecological, social, and economic goals in an effort to promote innovation that reduces environmental damage while generating value (Bu, 2023). By creating and executing business plans that put an emphasis on ecological balance, renewable energy sources, and resource efficiency, green entrepreneurs have played a crucial role in guiding economies toward sustainable development. But working in this field requires negotiating a terrain of increased accountability and scrutiny, as stakeholders seek concrete proof of both economic performance and environmental sustainability (Bobkova et al., 2020).

The relevance of green entrepreneurship has increased due to the increased focus on sustainability, especially as global stakeholders, including consumers and policymakers, look for answers to urgent environmental issues including resource shortages, biodiversity loss, and climate change (Makhloufi et al., 2022). Green entrepreneurs are essential to changing sectors and promoting sustainable practices in the midst of this trend. Their activities are closely watched for their adherence to environmental commitments as well as their economic impact. Because these qualities are essential to establishing credibility and confidence with stakeholders, this dual obligation has highlighted the significance of fostering transparency and accountability as the cornerstones of green entrepreneurship (Khanna, 2020).

Transparency in green entrepreneurship is not merely a strategic choice but a necessity. Verifiable methods including third-party audits, thorough disclosure of ecological impacts, and conformity to established sustainability frameworks are necessary for entrepreneurs to prove the veracity of their environmental claims (Trapp & Kanbach, 2021). Conversely, accountability necessitates that companies put in place systems that guarantee moral leadership, adherence to environmental regulations, and ongoing advancements in sustainable practices (Chakhovich & Virtanen, 2023). Together, these components promote long-term stakeholder confidence while reducing the risks of greenwashing, a dishonest practice in which businesses falsely represent themselves as environmentally conscious (Torelli et al., 2020).

The importance of this topic goes beyond academic discussion since practical applications highlight the repercussions of disregarding these values. Greenwashing incidents have damaged public confidence and endangered the standing of companies found to be involved in the practice (Verma & Bharti, 2023). On the other hand, transparent and accountable green entrepreneurs have established industry standards and acted as role models for future companies and legislators (Mondal et al., 2023). Their contributions to the larger sustainability movement will be very beneficial,

34 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: www.igi-global.com/chapter/best-practices-for-transparency-and-accountability-in-green-entrepreneurship/383808

Related Content

City 2.0 as a Platform for Global E-Entrepreneurship and Innovation

Ari-Veikko Anttiroiko (2010). *International Journal of E-Entrepreneurship and Innovation* (pp. 1-13).

www.irma-international.org/article/city-platform-global-entrepreneurship-innovation/46052

A Business Classifier to Detect Readability Metrics on Software Games and Their Types

Yahya M. Tashtoush, Derar Darwish, Motasim Albdarneh, Izzat M. Alsmadi and Khalid Alkhatib (2013). *International Journal of E-Entrepreneurship and Innovation* (pp. 47-57).

www.irma-international.org/article/a-business-classifier-to-detect-readability-metrics-on-software-games-and-their-types/106899

A Comparative Study of Financing Innovation Capacity for Romanian SMEs in a Global Economy

Ionica Oncioiu, Ioana Duca, Mirela Anca Postoleand Marilena Ciobanasu (2018). *Financial Entrepreneurship for Economic Growth in Emerging Nations* (pp. 69-84).

www.irma-international.org/chapter/a-comparative-study-of-financing-innovation-capacity-for-romanian-smes-in-a-global-economy/186397

Cumulative Causation as Explanatory Theory for Innovation

Geoff Bamberly (2010). *Innovation in Business and Enterprise: Technologies and Frameworks* (pp. 1-18).

www.irma-international.org/chapter/cumulative-causation-explanatory-theory-innovation/43082

Mobile Virtual Heritage Exploration with Heritage Hunt with a Case Study of George Town, Penang, Malaysia

Kiam Lam Tan, Chen Kim Lim and Abdullah Zawawi bin Haji Talib (2011). *International Journal of E-Entrepreneurship and Innovation* (pp. 74-86).

www.irma-international.org/article/mobile-virtual-heritage-exploration-heritage/62083