

# **The Relationship between Organizational Ethics and Green Marketing**

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## **Abstract**

Unconsciously consumption of nature within the framework of the existing production and consumption relations is the real reason of today's global environmental problems. As a result of destruction of natural resources for human needs, nature's carrying capacity has been exhausted. Unlimited cycle of production and consumption and toxic wastes released into the environment after this cycle cause irreversible damage to environment. Many species have either become extinct or are on the verge of extinction. However, like other extinct species the same end could wait the human beings also. Although human beings accept themselves as the masters of nature with the help of science and technology, in fact they are part of nature just like other species and need it to live. Therefore, human beings should protect nature and provide opportunities to its development while producing but shouldn't damage. In this respect, green marketing emerges as the key concept. By means of green marketing, a production method which does not harm the environment with its activities, it is possible to take concrete steps in environmental protection. To achieve harmony with nature, organizations should perform all their production activities within the framework of environmentally friendly green marketing activities. This is of great importance for more healthier and safer tomorrows. Ethical principles are able to guide organizations in internalizing the concept of green marketing. The relationship between organizational ethics and green marketing practices will be highlighted in this theoretical study.

**Keywords:** Environmental Problems, Organizational Ethics, Green Marketing, Nature.

## **1. Introduction**

Human beings have always exploited the nature to cover their basic needs and live. However, they have also caused irreparable damage to the nature. In our day, with the extraordinary improvements of science and technology, nature is condemned consumption even more. Uncontrolled population growth and housing development due to that growth speeds up the

consumption. But people should act with the awareness that the resources that are seems to be infinite are finite and one day they we will run out of them. Otherwise next generations will not be as lucky as we are today. For a safer and healthier tomorrow consumption should be treaded carefully and environment friendly production techniques should be used. According to Grant (2009), green marketing exists to put forward new standards regarding environment sensitive products, politics and processes; act with the responsibility for clients and support an organization structure always open to innovations. It can be said that ethical principles plays a crucial part in such an organization. Because, ethical principles that guides and directs the attitudes in business, probes what is right and wrong (Şimşek *et al.*, 2003: 399). In this context it can be said that organizational ethics, an organizational order which is structured in line with ethical principles, is more of an obligation rather than a necessity.

## **2. Human Impact on Environmental Problems**

Every living being who provides their breathing, feeding and shelter needs from nature are dependent on the nature. The nature, with living and nonliving elements, trees, birds and bugs, as a whole has the self-sustain ability as long as it is not interfered from outside. However, the human beings, a part of the nature itself, can unfortunately destroy natures this ability for its own benefit. It can be said that the human originated pressure, starting with the discovery of fire and gaining momentum with the Industrial Revolution, has reached the bearing capacity of nature.

The balance between human and nature is beginning to change against nature lately. Competing against human's production techniques and policies the nature's self-preservation and regeneration possibilities have become uneasy and in some cases nearly impossible. There are numerous examples for that. Climates are changing, glaciers are melting, forests are being ruthlessly cut down, seas are being polluted and the air we breathe is being intoxicated. Preventing pollution and fighting pollution have become one of the most recent and down-to-earth jobs (Baykal & Baykal, 2008). An external intervention, mostly by humans, to the natural environment which is established by diverse balances, destroys those balances and results in environment problems. In this sense it is possible to define the environment problems as an environment state, created by humans on the natural environment while creating his artificial environment, threatening the productive potential of nature (Karaca, 2008: 21).

The environments' being habitable or inhabitable while humans do their any kind of action like producing, consuming or developing is in the hands of people themselves. While the nature is able to sustain itself without humans vice versa is not true. Because humans are dependent on nature to live on. Humans need to use the natural environments which are available to them to satisfy their needs whenever they want without polluting, destroying or wasting them (Demirekin, 2001). A necessity like this important for leaving a healthier and safer tomorrow to next generations. However, humans generally choose to use the nature extravagantly in pursuit of their goals. By doing that they cause irreversible damage to both themselves and to the nature. Those damages can go beyond borders and harm even the creatures that live far away.

The negativities caused by pollution in a country can affect other countries on different scales. For example acid rains can carry pollution to another country easily. According to a data from a study on environment, while 2.2 million tons of 2.7 tons sulfuric acid released to the nature in Russia stays in the Russia itself, 0.5 ton of that sulfuric acid; however, is carried to Scandinavian countries, EU and other countries by way of acid rains. The internalization of externalities provision, in other words the polluter pays principle does not work in real applications. As environmental problems are cross-border issues they form the agenda of every nation. For example, it can be said that the Chernobyl Disaster that happened in the old Union of Soviet Socialist Republics in 1986 affected a large area (Karabıçak & Armağan, 2004). Environmental problems developed as a result of Chernobyl. Black sea's being polluted with toxic barrels, air pollution coming from Middle Europe, Union of Soviet Socialist Republics and Balkan states, and pollution of Black Sea Region with acid rains, thus

locals' being under risk of health issues are all can be stated as the examples even today as they have been before (Bat, 2007).

When we look at the cross-border pollution articles of the final declaration of the Stockholm Conference, assembled in 1972 and underlined the cross-border dimension of the environmental problems, the "when exploiting their own resources, nations shall not cause damage to other countries" principle is seen. In the 21<sup>st</sup> Article of the Declaration it is said that "States have, in accordance with the Charter of the United Nations and the principles of international law, the sovereign right to exploit their own resources pursuant to their own environmental policies, and the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other States or of areas beyond the limits of national jurisdiction." By stating that, an emphasis is made to environmental problems' international state. At this point while referring to the nations' sovereignty, using this right's boundaries are defined juristically (Orhan, 2012: 128). Despite all the legal sanctions against environmental problems threatening the lives of any living beings beyond borders, unfortunately natural resources are ruthlessly consumed, and the environment is polluted with human originated factors for the sake of a bigger capital stock. However, through the national and international co-operations conducted in this field, it can be clearly observed that the destruction of the nature and increasing pollution in the cycle of production-consumption have resulted in an awakening and awareness in people. A lot of non-governmental organizations (NGOs), nations and governments unite and act against environmental problems, search for solutions and come up with projects. A great deal of responsibility lands with every industrial establishment and organization.

With sustainable development perspective's gaining importance while satisfying today's needs without compromising next generations' needs, attention of the people are especially turned to the actions of the producing organizations (Üstünay, 2008). Organizations cause a number of negative effects on environment by using growth and consumption focused products while they are supplying the communities' needs and demands. Those negative effects can be categorized as follows (Uydacı, 2002: 111):

- Ignoring the consumer needs and producing harmful products for both human health and environment,
- Creating consumption demand, forming wrong or unnecessary habits,
- Creating surplus garbage by product differentiating and shortening product end-of-life.

Both the legal pressures and consumer and NGO pressures, force the organizations to care for the nature and operate in non-destructive ways towards it. It can be said that the environment protection awareness', also known as the green movement, being backed up by the majority of the society caused organizations to embrace it as well and developed practices that are least hazardous to the environment (Üstünay, 2008). Because most of the consumers, who are able to see that environmental problems are a threat especially for human health, prefer to buy green products. As the environmental awareness increase in the society so does the demand for green products. In a sense environmental and economic concerns change the market order, consumer needs evolve and brand loyalty is redefined according to the environment. The organizations who are able to use and internalize green strategies for improving their products, processes and marketing activities gain advantage over their rivals (Sharma, 2011: 152).

### **3. Concept of Green Marketing and Its Importance in Social Responsibilities of Businesses**

Human activities partakes a big role in environmental problems' reaching global scales. Every society that are in consumption frenzy, always focused on consuming and causing huge harm to the nature, should get rid of this habit as soon as possible and become more sensitive to the nature. Otherwise, next generations will not be as lucky as we are. Businesses should preserve their sensitiveness to nature while producing for consumer societies and conduct their

production activities considering environmental values. This is what green marketing serves for.

Organizations, which are open to external environment and a social system, are not at the liberty of being indifferent to the changes in societies. And they have as much social effects on society as the economic effects for their production decisions. In other words the organizations have important roles on public welfare from the point of both economic and social activities (İşseveroğlu, 2001: 59). Therefore organizations' responsibilities are updated with the consumers' changing demands. Modern management philosophy brings forward the necessity for organizations to find strategic solutions to their destruction of the environment. Today's consumers decide taking the organizations' social responsibility understanding into consideration when buying. Businesses need to be transparent and able to account for themselves nowadays. In this context the consumers no longer decide just according to the brand of the product but also the organization's memberships in international level NGOs. With the environment factor's gaining importance, the production and service formation of the organizations and with those their marketing strategy changes significantly. Environment friendly products are designed and these products are presented to the customers with green marketing concept (Emgin & Türk, 2004). Because the interest of a customer, whose environmental knowledge and awareness is increased, increases towards green and environment friendly products increases day by day (Kauffmann, Panni & Orphanidou, 2012: 52).

Green marketing, whose foundations lay in the 70's when the importance of a sustainable lifestyle is started to be emphasized, is a marketing type focusing on environment friendly and harmless to consumers products and it can be defined as an instrument that can satisfy the demands of both individuals and organizations (Urzua, 2014: 13). Green marketing is a dynamic and global marketing perspective which bears the positive and negative aspects of consuming energy and exhaustible resources in mind, prioritizing work ethics and sustainable environment and being corresponding to the developments and changes in time (Özkaya, 2010: 252). Green marketing can also be defined as environmental marketing, environmentalist marketing, ecological marketing or sustainable marketing in literature as well (Prakash, 2002: 285). In green marketing which covers all stages like product development, production processes, packaging and advertisement; the marketing of the environment friendly products are at the base and the interest of the environment is favored during the processes of presenting the goods and services (Singh & Pandey, 2012: 23). Businesses should continue their activities with a responsibility for a healthier and safer future.

It can be said that the organizations who carry out their activities without harming their environment are acting with responsibility. Organizations with the social sensitivity that can internalize the responsibility sense will be able to develop sound relationships with their employees, clients and suppliers based on mutual trust and will achieve their sustainability. Because, consumers' attitude towards an organization can affect that organization's success significantly. Is it possible for organizations to gain reputation if they are insensitive towards nature, they lead to harm in the environment with their waste, they do not prioritize honesty with their clients and suppliers and their employees are not content with? Or how long can those organizations exist in the market and how much successful can they be in their relationships? (Doğan & Karataş, 2012: 93). It can be said that remembering social responsibilities and being sensitive to the environment are an obligation for businesses rather than a necessity. The present situation of environmental problems and destroying the natural resources ruthlessly and insensibly is related to the unethical conducts carried out in order to accumulate more capital and profit.

#### **4. Importance of Ethics in Implanting Green Marketing Understanding to Organizations**

It is a must for organizations to fulfill their social responsibilities regarding public health and environmental pollution. Otherwise, organizations have physical, chemical, social and socio-

psychological effects on environment with their unwanted waste. In this situation the natural environment is directly under the influence of the organizations' activities. But it is in a position unable to say anything. Nevertheless, it should not be ignored that the nature is not in direct control over organizations and it will punish the whole living beings and the future by way of ecological balance (Tek & Reyhanoğlu, 2004). Internalizing the ethical perspective and ethical values is crucially important in preventing such a danger (Malloy, 2003).

As a branch of psychology, ethics is the philosophy of moral values and focuses on human actions (Çobanoğlu & Tuncay, 2009: 493). Ethics investigates what makes human conducts valuable in moral perspective (Aydın, 2002: 5). Ethics' aim is to form and develop right and good behaviors (Ay, 2003: 59). Ethics is the set of norms containing the moral values and principles that guides the behaviors of individuals or groups about what is right or wrong (Ülgen & Mirze, 2004: 439). As for the organizational ethic, it forms the frame needed by organization and its employees in solving the problems stemming from inside or outside of the organization. This frame has an incentive effect on employees to act according to ethical principles, and, at the same time affects the organization's culture and defines the expected behaviors to be performed by employees (Aydın, 2002: 141). An organization in which the organizational ethic is not structured, the employees are not happy, the instrumental values are only structured on efficiency, activity and productivity, and the only focus is profit and the social and environmental responsibilities are forgotten will lose its reputation in the eyes of its employees and its success rate will drop.

In today's business world an organization's having an organizational ethic while conducting its activities is more important. Reasons for that can be put in order as follows (Şimşek, et al., 2003: 400):

- Organizations' ignoring organizational ethic for a long time while focusing on profit and rationalism.
- Realizing that a good job equals to having a good ethic.
- Manager's beginning to see organizational ethic as a natural outcome of reaching perfection and quality,
- Results of increase in the competition and change in its attributes have an effect in tendency to organizational ethic.
- Results and costs of unethical behaviors being destructive to organization.

Profiting alone is not enough for organizations to survive; they need to fulfill their obligations to society in a social responsibility consciousness (Şimşek, 2006: 41). It is mandatory for organizations to give value to the employees, aim improving the service quality towards the clients, care for protecting the environment, create harmony among employees, give importance to group work and embrace the social responsibility understanding to achieve success (Akgemci, 2007: 27). In short, organizational management anticipates organizations to be a good citizen. The foundation of organizational management depends on organization's being transparent to its shareholders and partners, reflecting its real situation, protecting its rights, complying with principles and being responsible (Koçel, 2005: 469). One of the most important responsibilities of an organization must be towards the environment it operates in. Because irresponsible conducts of organizations have big effects on environmental problems' foundations. Environmental pollution caused by irresponsible conducts of organizations reach scales that threaten all of the living creatures' future. Definition of environmental pollution clearly points that out. According to Nemli (2000: 23); environmental pollution is emerging of a substance that will harm the Earth's ecological balance in either short or long term, or reduce the quality of life. Environmental pollution, which causes irreversible harms to the nature, appears after human conducts. However, the ethical perspective requires harming no living creature along with nature. In this context, employees and managers need to be provided with ethical perspective in the frame of green marketing. In other words the organizational ethic must be formed.

## 5. Conclusion

Organizations' continuous gravitation towards expansion and consumption focused policies have an important role in emergence of current environmental problems. Increase in the production with the population growth along with the consumption frenzy brought huge pressure on the nature and caused irreversible environmental problems. Disappearing forests, depleted natural resources, destroyed natural balance and pollution reveals this situation dramatically. However, it is necessary to protect the natural balance along with economic developments to leave a habitable planet to next generations. At this point the green marketing will be able to keep the harm at minimal levels by supporting healthy and reliable production. Respect shown to the nature is no longer a necessity but an obligation for sustainability of living. Green marketing must be formed in every one of organizations, however to realize that the employees of the organizations must be provided with the ethical perspective first. Education has a great importance among the actions that can be done for this goal. Because with education, it is possible to change the human behavior towards the intended direction. Organizations, those are able to provide their employees with ethical perspective will be able to operate without harming their environment and have success in the green marketing practices.

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