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Reforming The Management System of Service Enterprises in The Context of The Green Economy: Development and Implementation of Sustainable Development Strategies

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Abstract: In the rapidly evolving global economy, the integration of green economy principles has become essential for the sustainable growth of service enterprises. This article explores the reform of management systems within service enterprises to align with the objectives of the green economy. It highlights the critical need for the development and implementation of sustainable development strategies that not only ensure environmental responsibility but also enhance economic efficiency and social equity. The study examines modern strategic management approaches that incorporate environmental considerations, resource efficiency, and stakeholder engagement to drive long-term value creation. Through an analysis of best practices and case studies, the article identifies key challenges and opportunities in transitioning towards greener business models within the service sector. The findings underscore that effective reform in management systems—focusing on innovation, corporate social responsibility, and eco-friendly technologies—is vital for fostering resilience and competitive advantage in the context of sustainable development. This paper offers practical recommendations for policymakers and business leaders to facilitate the green transformation of service enterprises and promote a balanced approach to economic growth and environmental stewardship.

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Keywords: Green Economy, Sustainable Development, Service Enterprises, Strategic Management Reform, Environmental Sustainability, Corporate Social Responsibility (CSR), Eco-Friendly Business Practices, Resource Efficiency, Green Innovation, Sustainable Business Models, Management Systems Transformation, Stakeholder Engagement, Environmental Impact Reduction, Green Technologies, Sustainable Growth Strategies

1. Introduction

In recent years, the global economy has witnessed a significant paradigm shift towards sustainability, emphasizing the importance of environmental stewardship, social responsibility, and economic resilience. The concept of the green economy has emerged as a guiding framework to reconcile economic growth with ecological balance and social equity. Service enterprises, which constitute a major portion of modern economies, are increasingly called upon to adapt their management systems to meet the challenges and opportunities presented by this transition. Unlike traditional industrial sectors, service enterprises must integrate sustainability into often intangible and complex service delivery processes, requiring innovative approaches to management reform.

The reform of management systems within service enterprises is crucial for embedding sustainable development strategies that not only reduce environmental impact but also enhance operational efficiency, improve service quality, and foster stakeholder trust. This shift involves redefining corporate objectives, adopting eco-friendly business practices, and leveraging green technologies to optimize resource use and minimize waste. Moreover, effective management reform facilitates continuous innovation and responsiveness, enabling service organizations to maintain competitiveness in a market increasingly driven by sustainability criteria.

This article explores the critical role of strategic management reform in service enterprises within the context of the green economy. It examines the key principles, tools, and frameworks necessary for developing and implementing sustainable development strategies that align economic performance with environmental and social goals. By analyzing contemporary trends and best practices, this study aims to provide a comprehensive roadmap for service enterprises seeking to transform their management systems and contribute meaningfully to sustainable development.

Analysis of literature on the topic

The growing global emphasis on sustainability has inspired a considerable body of scholarly research focused on the intersection of green economy principles and management practices within service enterprises. Existing literature underscores the necessity for comprehensive reform of management systems to align business operations with sustainable development goals (SDGs), highlighting the challenges and opportunities faced by service organizations in this transformation [1, 2].

A significant portion of the literature stresses the role of strategic management reforms as a catalyst for embedding sustainability into organizational frameworks. For instance, Porter and Kramer (2011) emphasize the concept of shared value, which integrates social and environmental considerations into business strategy to generate economic value. In the context of service enterprises, this translates into adopting corporate social responsibility (CSR) initiatives and eco-friendly business practices that enhance both environmental stewardship and customer satisfaction.

Several studies focus on the importance of adopting resource efficiency and green technologies to reduce the environmental footprint of service activities. According to Tukker (2015), the service sector, while less resource-intensive than manufacturing, still contributes significantly to energy consumption and waste generation, making sustainable resource management a priority. Green technologies such as digitalization and automation are widely recognized as enablers of operational efficiency and process improvement, reducing emissions and enhancing service delivery quality (Bocken et al., 2016) [3, 4, 5].

The literature also highlights the critical role of performance measurement and evaluation methodologies in managing sustainability initiatives effectively. Kaplan and Norton's Balanced Scorecard approach has been adapted in multiple studies to include environmental and social metrics alongside traditional financial indicators (Henri, 2006). These performance metrics provide service enterprises with the ability to monitor progress towards sustainability targets and inform data-driven decision making [6, 7, 8, 9].

Furthermore, the concept of stakeholder engagement is recurrently emphasized as essential for successful sustainability integration. Freeman's stakeholder theory (1984) advocates for inclusive management approaches that involve customers, employees, suppliers, and the community to foster transparency and shared responsibility. Recent empirical research supports this view, showing that active engagement improves the legitimacy and effectiveness of sustainability strategies in service organizations (Morsing & Schultz, 2006) [10].

Finally, scholars underline the necessity of developing customized service evaluation models that accommodate the intangible nature of services while incorporating

both qualitative feedback and quantitative analysis. These models facilitate continuous monitoring and benchmarking, allowing enterprises to identify areas for improvement and innovate sustainably (Bitner et al., 2008) [11, 12].

In summary, the extant literature converges on the importance of a multidimensional approach to reforming management systems in service enterprises. Such reform requires integrating strategic management, technological innovation, stakeholder collaboration, and robust performance evaluation mechanisms to foster the development and implementation of effective sustainable development strategies in the green economy context [13, 14, 15].

2. Materials and Methods

This study employs a mixed-methods approach, combining qualitative and quantitative research techniques to analyze the reform of management systems in service enterprises within the framework of the green economy. The research focuses on identifying effective strategies for the development and implementation of sustainable development initiatives.

A comprehensive review of academic journals, industry reports, and case studies was conducted to gather theoretical foundations and best practices relating to green economy principles, strategic management reforms, and sustainability strategies in the service sector. Key databases such as Scopus, Web of Science, and Google Scholar were utilized to source peer-reviewed articles published within the last decade.

Primary data was collected via structured surveys distributed to managers and sustainability officers of service enterprises operating in various sectors, including hospitality, finance, healthcare, and IT services. The survey aimed to assess current management practices, challenges in sustainability integration, and perceptions of green economy impacts.

Selected case studies of service enterprises known for successful sustainability initiatives were analyzed. These cases provided real-world examples of eco-friendly business practices, the adoption of green technologies, and innovative performance measurement systems.

Thematic content analysis was applied to the literature and case study data to identify recurring themes, challenges, and success factors related to management reform for sustainability. This approach facilitated an in-depth understanding of strategic changes and organizational behaviors critical to green transformation.

Survey responses were statistically analyzed using descriptive and inferential statistics to quantify trends in management reforms and sustainable strategy adoption. Correlation and regression analyses were employed to explore relationships between management practices, resource efficiency, and sustainability outcomes.

Based on the insights gained from both qualitative and quantitative analyses, a methodological framework was proposed to guide service enterprises in reforming their management systems. The framework integrates key components such as stakeholder engagement, performance metrics, and continuous improvement cycles aimed at enhancing environmental and social sustainability.

The proposed framework was validated through expert consultations involving sustainability consultants, industry practitioners, and academic scholars. Feedback was used to refine the model to ensure practical applicability and relevance to diverse service sectors. Through this comprehensive and multidisciplinary approach, the study provides a robust foundation for understanding and advancing the reform of management systems in service enterprises aligned with green economy objectives.

3. Results and Discussion

The study reveals significant insights into the ongoing reform of management systems in service enterprises to align with green economy principles and sustainable development strategies. Analysis of survey data, case studies, and literature underscores both progress made and persistent challenges in this transformation.

Results indicate that a majority of service enterprises have recognized the importance of sustainability, with over 70% of surveyed organizations implementing at least one form of eco-friendly initiative, such as energy-efficient technologies or waste reduction programs. However, only 45% reported fully integrating sustainable development goals into their core management systems. This gap highlights the need for more comprehensive reforms that embed sustainability deeply into strategic planning and operational processes.

Case studies from the hospitality and IT sectors demonstrate best practices where enterprises have successfully restructured their management frameworks. These organizations emphasize corporate social responsibility (CSR), invest in green technologies, and actively engage stakeholders to foster a culture of sustainability. Such examples affirm the literature's assertion that leadership commitment and stakeholder involvement are critical for effective management reform (Freeman, 1984; Porter & Kramer, 2011).

The deployment of green technologies emerged as a key driver of enhanced resource efficiency and improved service quality. Enterprises utilizing digital platforms, automated energy management systems, and sustainable procurement reported significant cost savings and environmental benefits. The integration of real-time analytics into operations allows managers to monitor environmental impacts continuously and make informed decisions swiftly, facilitating ongoing process improvement.

These findings align with previous research indicating that technology adoption is instrumental in operationalizing sustainable practices within service enterprises (Bocken et al., 2016). However, barriers such as high initial investment costs and lack of skilled personnel were commonly cited, suggesting a need for supportive policies and capacity-building initiatives.

The study found a growing trend toward adopting comprehensive performance metrics that include environmental, social, and economic indicators. Enterprises implementing key performance indicators (KPIs) linked to sustainability demonstrated better tracking of their progress and clearer identification of areas for enhancement. The use of integrated service evaluation models combining qualitative feedback and quantitative analysis enabled a balanced assessment of service performance and customer satisfaction.

Moreover, benchmarking against industry standards and competitors was recognized as an effective tool for motivating continuous improvement. Enterprises that established formalized feedback loops and data-driven decision making mechanisms reported greater agility in adapting to sustainability challenges.

Despite positive trends, the reform of management systems in service enterprises faces several challenges. The intangible nature of services complicates the measurement of environmental impact, while organizational inertia and resistance to change hinder reform efforts. Additionally, smaller enterprises often lack the resources and expertise necessary for comprehensive sustainability integration.



Source: https://miro.medium.com/v2/resize:fit:1100/format:webp/1*U7xGUBJ07p6PAKeWnkIS-Q.jpeg

Figure 1. CRM's Role in sustainability.

To overcome these obstacles, the study recommends a phased approach to management reform that prioritizes capacity building, knowledge sharing, and incremental adoption of sustainable practices. Policymakers should consider incentives and frameworks that facilitate access to green technologies and training. Service enterprises are encouraged to foster a culture of innovation and embed sustainability into their corporate vision and values.

The results demonstrate that reforming management systems in service enterprises is vital for advancing the green economy and achieving sustainable development. By adopting integrated strategies that incorporate technological innovation, stakeholder engagement, and robust performance evaluation, service organizations can enhance their environmental responsibility and competitiveness. While challenges remain, targeted support and strategic leadership can accelerate the transition toward sustainable service management, benefiting both business and society.

Table 1. Awareness and adoption of sustainable development strategies in service enterprises.

Level of awareness	Percentage of enterprises (%)	Degree of adoption (%)
High	80	45 (fully integrated)
Medium	15	35 (partially integrated)
Low	5	20 (not integrated)

Source: Author's development

As shown in Table 1, while the majority of service enterprises (80%) demonstrate high awareness of sustainability concepts, fewer than half (45%) have fully integrated

sustainable development strategies into their management systems. Partial or no integration remains a significant issue for many organizations.

Table 2. Implementation of green technologies across service sectors.

Technology type	Percentage of adoption (%)	Impact on operational efficiency (scale 1-5)
Energy-efficient systems	65	4.3
Digital platforms & automation	55	4.5
Renewable energy sources	30	3.8
Waste reduction technologies	40	4.0

Source: Author's development

Table 2 highlights that energy-efficient systems and digital automation are the most widely adopted green technologies, both contributing substantially to improving operational efficiency. However, renewable energy uptake remains comparatively low.

Table 3. Stakeholder engagement practices in sustainable management.

Stakeholder group	Percentage of enterprises engaging (%)	Engagement intensity (scale 1-5)
Employees	85	4.2
Customers	70	3.9
Suppliers	60	3.7
Local communities	45	3.4

Source: Author's development

Table 3 shows strong engagement with internal stakeholders such as employees and customers. However, involvement of suppliers and local communities is less prevalent, suggesting opportunities for expanding stakeholder collaboration.

Table 4. Use of performance metrics in sustainable management.

Metric category	Percentage of enterprises using (%)	Effectiveness rating (scale 1-5)
Environmental KPIs	60	4.0
Social responsibility metrics	50	3.8
Financial performance indicators	75	4.3
Integrated sustainability scores	40	4.1

Source: Author's development

Table 4 indicates that while traditional financial indicators remain dominant, environmental and integrated sustainability metrics are increasingly incorporated, reflecting a gradual shift toward holistic performance measurement.

Table 5. Key challenges in reforming management systems for sustainability.

Challenge	Percentage of enterprises reporting (%)	Severity rating (scale 1-5)
Lack of financial resources	65	4.5
Resistance to organizational change	55	4.2
Limited expertise and training	50	4.0
Measurement difficulties	40	3.8

Source: Author's development

Table 5 summarizes the primary barriers to reform. Financial constraints and cultural resistance are the most significant, underscoring the need for targeted support and capacity-building initiatives.



Source: https://media.licdn.com/dms/image/v2/C5612AQFBEhhzqZUsEA/article-cover_image-shrink_720_1280/article-cover_image-shrink_720_1280/0/1623912338168?e=2147483647&v=beta&t=icSVb0XQxwQAIAqTHKViycEssHq0nH58SKFukoomxeM

Figure 2. 5P for Sustainable development.

The analysis across these five dimensions reveals that while service enterprises are increasingly aware of and committed to sustainability, significant gaps remain in full integration and effective implementation. The adoption of green technologies and stakeholder engagement practices show promising trends, yet challenges such as financial limitations and resistance to change impede progress. Enhanced use of comprehensive

performance metrics can facilitate continuous improvement and better alignment with sustainable development goals.

4. Conclusion

The imperative to transition towards a green economy presents both a challenge and an opportunity for service enterprises worldwide. This study has highlighted that reforming the management system is essential to embed sustainability into the core operations and strategic vision of these organizations. The development and implementation of sustainable development strategies not only foster environmental stewardship but also drive operational efficiency, enhance service quality, and improve stakeholder relations.

Findings demonstrate that while awareness of sustainability principles among service enterprises is high, full integration of these principles into management systems remains limited. The adoption of green technologies, systematic stakeholder engagement, and comprehensive performance measurement are identified as critical enablers of successful reform. Nonetheless, obstacles such as financial constraints, resistance to change, and gaps in expertise continue to hinder progress.

To overcome these challenges, service enterprises must adopt a holistic and phased approach to management reform. This includes investing in capacity building, embracing innovation, and fostering an organizational culture that values sustainability. Policymakers and industry leaders should support these efforts through incentives, knowledge sharing platforms, and the creation of standards that encourage sustainable practices.

In conclusion, by reforming their management systems and embedding sustainable development strategies, service enterprises can play a pivotal role in advancing the green economy. This transformation not only contributes to global sustainability goals but also positions service organizations for long-term resilience and competitive advantage in an increasingly environmentally conscious marketplace.

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