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Green Strategy and Its Impact on Supporting Corporate Environmental Sustainability an Applied Study in Al-Etihad Nutritional Company in Babylon

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Abstract: In Terms of taking in to account the rising and increasing pressure on organizations to comply with sustainability requirements, the need to reconsider traditional corporate strategies and replace them with more environmentally compatible policies has emerged. Despite of the increasing awareness of the importance of green strategy, many organizations, especially in developing countries, still face difficulties in integrating the environmental dimension into their strategic plans. The study sought to analyze the concept of green strategy and its dimensions within the corporate context, evaluate the extent to which organizations adopt green practices within their strategies, examine the relationship between implementing green strategy and achieving environmental sustainability, identify the challenges facing organizations in implementing green strategy, and finally provide practical recommendations for improving the integration of environmental sustainability into strategic planning. AL-Etihad Nutritional Company in Babylon adopted a research of purposire sample of 75 departments heads, divisional and units' managers. The research concluded that: Improving environmental performance: A green strategy can improve a company's environmental performance by reducing the consumption of natural resources and limiting pollution. Reducing costs: A green strategy can help reduce costs by reducing energy and resource consumption and improving production efficiency. Enhancing reputation: A green strategy can enhance a company's reputation and make it more attractive to customers and investors interested in environmental sustainability.

Keywords: Strategy, green strategy, sustainability, environmental sustainability, corporate reputation.

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1. Introduction

In recent decades, the world has witnessed a radical transformation in administrative and economic concepts. Organizations are no longer evaluated solely by their profits or the market portion, but are also held accountable for their environmental and social impact. In this context, the green strategy has emerged as a modern concept that aims to integrate environmental considerations into the core of corporate strategic planning, with the goal of achieving environmental sustainability and promoting long-term social responsibility. Escalating environmental challenges such as climate change, pollution, and the depletion of natural resources have prompted organizations to reconsider their operating and productive patterns in accordance with societal and regulatory pressures calling for the adoption of sustainable production and consumption patterns [1], [2].

Therefore, implementing green strategies is no longer a voluntary option, but rather a strategic necessity to maintain the organization's survival and enhance its competitiveness, especially in markets witnessing a rise in consumer awareness of environmentally friendly products and services.

A green strategy defined as a set of policies and practices adopted by an organization with the aim of reducing the environmental impact of its activities, improving resource efficiency, and enhancing environmental added value across all stages of corporate operations. These strategies include adopting clean technology, improving supply chains, reducing emissions, and developing environmentally sustainable products and services [3], [4]. By integrating these principles into the organization's vision and mission, the organization becomes capable to adapt with environmental and legislative changes in the future and legislative.

In the other hand, environmental sustainability is a central goal on the global agenda, as organizations seek to ensure the sustainability of their natural resources and reduce their negative impact on the environment, contributing to building a green economy that balances economic growth with ecosystem preservation [5]. Hence, it becomes necessary to study the relationship between implementing a green strategy and achieving environmental sustainability goals, especially in light of the evident absence of systematic application of these concepts in many organizations, particularly in developing countries.

A. Research Problem

In terms of the increased global environmental risks and increasing pressure on organizations to comply with sustainability requirements, the need to reconsider traditional Institutional strategies and replace them with the policies that are more compatible with the environment. Despite of the awareness of the importance of green strategy, many organizations, especially in developed countries, still facing difficulties in integrating the environmental dimension into their strategic plans. Hence, the research problem arises in the following main question:

To what extent does adopting a green strategy contribute to supporting and achieving environmental sustainability within the Al-Etihad Nutritional Company in Babylon?

This problem stems from a set of sub-questions that will be addressed in the study.

1. Does the green strategy contribute to improving the company's environmental performance?
2. What is the level of senior management's commitment to implementing environmental initiatives?
3. What is the consequences of green innovation on the company's sustainability?
4. Does the organization face challenges in implementing the green strategy?
5. What is the relationship between environmental policies and long-term sustainability?
6. How do green practices affect a company's reputation?

B. Research Objectives

This study aims to:

1. Analyze the concept of green strategy and its dimensions within the institutional context.
2. Evaluate the extent to which organizations adopt green practices within their strategies.
3. Study the relationship between implementing green strategy and achieving environmental sustainability.
4. Identify the challenges facing organizations in implementing green strategy.
5. Provide practical recommendations for improving the integration of environmental sustainability into strategic planning.

C. Research Importance

The importance of this study lies in the following points:

1. Academically: The study contributes to enriching the scientific literature in the field of green strategic management by presenting a theoretical and applied framework on the relationship between green strategy and environmental sustainability.

2. Practically: The research results provide direct recommendations for organizations on how to integrate the environmental dimension into their strategies and improve their environmental commitment.
3. Developmentally: The research findings support national and international trends toward sustainable development and the preservation of environmental resources for future generations.

D. Methodology and Tools

1. Study Type: An applied study adopting the descriptive analytical approach.
2. Study population: Al-Etihad Food Industries Company in Babylon.
3. Study sample: A purposive sample of 75 individuals was selected from the company's leaders, department heads, and divisions.
4. Data collection tool: A questionnaire directed to the administrative or environmental officials in institutions.
5. Analysis tools: Statistical analysis using SPSS to analyze the relationship between variables.
6. Time period: The research took (30) days to complete, beginning with selecting the title and continuing through all research stages until the most important conclusions and recommendations were developed.

2. Theoretical Literature

First: Does a green strategy contribute to improving a company's environmental performance?

A green strategy effectively contributes to improving a company's environmental performance by integrating the environmental dimension into its various activities and operational processes. Adopting green practices such as reducing emissions, improving energy efficiency, managing waste sustainably, and using recyclable materials reduces the negative environmental impact of a company's activities [6], [7]. This strategy also contributes to compliance with environmental standards and regulatory laws, reducing risks and potential fines.

In addition, improving the environmental performance can lead to a refinement to the company's image and investors, which sometimes translates into competitive advantages. A green strategy also helps reduce operating costs in the long term due to the efficient use of resources. Therefore, the relationship between a green strategy and environmental performance is not only direct, but is also an essential part of achieving long-term corporate sustainability [8], [9].

Second: What is the level of commitment of senior management to implementing environmental initiatives?

Senior management's commitment to implementing environmental initiatives is a crucial factor in the success of green strategy adoption within organizations. When senior leadership adopts a clear approach to sustainability, this is directly reflected in the organizational culture, and all administrative and functional levels are motivated to be committed to the environmental practices. This commitment is demonstrated by allocating budgets for environmental projects, supporting innovation in sustainable products and services, and integrating environmental objectives into the organization's strategic plans [10], [11], [12].

The level of commitment often varies from one organization to another, based on management's awareness of the importance of the environmental dimension, market pressures, and government legislation. In some entrepreneurial organizations, environmental initiatives are part of the corporate vision, while in others they may be merely a formal response to organizational demands. Therefore, a high level of senior management commitment is a strong indicator of seriousness in implementing a green strategy and achieving tangible and sustainable environmental results [13].

Third: What is the impact of green innovation on corporate sustainability?

Green innovation is a key factor in supporting a company's long-term sustainability. It refers to the development of new products, services, or operational processes that take environmental considerations into account and reduce the negative impact on natural resources. By adopting green innovation, companies can reduce energy consumption, minimize emissions, and improve waste management, which directly contributes to enhancing their environmental performance.

Moreover, green innovation opens up new opportunities for growth and expansion in markets that are becoming more environmentally conscious, and it reinforces the company's image and relationships with stakeholders [14], [15]. Green innovation can also reduce operating costs and give an organization greater flexibility to adapt to regulatory and technological changes. Therefore, the positive impact of green innovation goes beyond environmental conservation to also include supporting profitability and competitiveness, making sustainability an achievable goal rather than just an organizational slogan.

Fourth: Does the organization face challenges in implementing its green strategy?

Organizations face multiple challenges when executing a green strategy. The high initial cost is one of the most prominent of these challenges, as some environmental practices require significant investments in clean technology or redesigning production lines. The lack of environmental awareness and knowledge within some departments, especially in small and medium-sized enterprises (SMEs), may hinder the effective adoption of these strategies [16], [17].

In addition, some organizations face difficulties in complying with global environmental standards due to overlapping regulatory policies or the absence of a clear legislative framework at the local level. Also the Resistance to the change within the organization and the lack of direct incentives to implement the green strategy can obstruct the transition to more sustainable practices.

Despite these challenges, they can be overcome by strengthening the role of senior leadership, investing in training and environmental awareness, and adopting encouraging government policies. The long-term benefits of a green strategy—in terms of reducing risks and improving the organization's image—make it a strategic investment rather than an operational burden.

Fifth: What is the relationship between environmental policies and long-term sustainability?

Environmental policies are a fundamental pillar for achieving long-term sustainability for organizations, establishing a systematic framework that guides operational activities toward respecting the environment and protecting natural resources. When an organization adopts clear policies to regulate energy consumption, manage waste, reduce emissions, and preserve biodiversity, it contributes to reducing environmental risks that could threaten its long-term sustainability.

Furthermore, environmental policies contribute to improve the regulatory compliance and enhancing the confidence of stakeholders, including customers, investors, and society. This, in turn, supports organizational stability and sustainable growth. These policies also stimulate innovation and sustainable development, ensuring the organization's flexibility on facing the environmental and legislative changes in the future.

Thus, the relationship between environmental policies and long-term sustainability is complementary, as policies constitute a means of controlling environmental performance, and sustainability is the ultimate goal pursued by these policies within the organization's strategic vision.

Sixth: How do green practices affect a company's reputation?

Green practices significantly affect a company's reputation, as they can reinforce its image among customers and society. Here are some ways in which green practices can affect a company's reputation:

1. Reputation Reinforcement: Green practices reinforce a company's reputation and make it more attractive to customers and investors. Companies that adopt green practices appear responsible and concerned with the environment and society.
2. Trust Increase: Green confidence practices increase customer and community confidence in a company. When a company demonstrates its commitment to the environment and society, customers increase their trust in the company and are more likely to support it.
3. Company Defferentiation: Green practices can be a differentiator for a company from its competitors. Companies that adopt green practices appear innovative and progressive.
4. Improv Relationships: Green practices strengthen relationships between the company and the community. When a company demonstrates its commitment to the environment and society, its relationships with the local community can improve.
5. iscrease Value: Green practices can increase a company's value. Companies that adopt green practices can increase their market value and attract investors interested in sustainability.

By adopting green practices, companies can enhance their reputation and increase customer and community trust.

3. Results and Discussion

Hypothesis Testing:

First: Testing the first hypothesis: There is a significant correlation at a significance level of (1%) between green strategies and environmental sustainability.

This section will test the first main hypothesis, which states that (there is a significant correlation at a significance level of (1%) between green strategies and environmental sustainability in the company under study). Table 1 was prepared, indicating the existence of a significant correlation, with the overall index reaching (**0.624), which confirms the validity of the first main hypothesis.

Table 1. Correlation between green strategy and environmental sustainability

Independent Variable Dependent Variable	Green Strategy	Morale Level Sig.
	0.624**	0.01

** Correlation is significant at the 0.01 Level 2-tailed

Source: Prepared by the researcher based on SPSS results.

Second: Testing the second hypothesis: There is a significant relationship at a significance level of (1%) between green strategies and environmental sustainability.

The content of this relationship represents a test of the second main study hypothesis, which indicates that "there is a significant relationship at a significance level of (1%) between green strategies and environmental sustainability in the company under study." Table 2 for the regression analysis indicates a significant effect of the green strategy as an independent variable on environmental sustainability as a dependent variable. This is according to the calculated (F) value of (12.813), which is greater than its table value of (4.689), and is significant at the (0.00) level with two degrees of freedom (1.32). As long as the calculated (T) values are significant for the independent variable, which are (11.803), which is greater than its table value of (3.392), this reflects the significance of the model. It is clear that the coefficient of determination (R²) reached a value of (0.427), and thus the second main hypothesis is accepted.

Table 2. shows the regression analysis indicating the presence of an effect between the research variables.

Independent Variable Dependent Variable	Green Strategy		F		T		R ²
	B ₀	β	Calculated	Tabular	Calculated	Tabular	
Environmental Sustainability	0.538	0.487	12.813	4.689	10.803	3.392	0.427

Source: Prepared by the researcher based on SPSS results.

•:P ≤(0.01)

d.f: (1,32)

N =75

4. Conclusion

Green strategy plays an important role in supporting the environmental sustainability of companies, especially in the food manufacturing sector. This strategy can contribute to improving a company's environmental performance and reducing its negative impact on the environment.

1. Impact of Green Strategy on Environmental Sustainability

- Improving Environmental Performance: A green strategy can improve a company's environmental performance by reducing the consumption of natural resources and limiting pollution.
- Reducing Costs: A green strategy can help reduce costs by reducing energy and resource consumption and improving production efficiency.
- Reinforcing Reputation: A green strategy can reinforce a company's reputation and make it more attractive to customers and investors interested in environmental sustainability.

2. A Case Study at Al-Ittihad Food Industries Company in Babylon

- Implementing Green Manufacturing Practices: Al-Ittihad Food Industries Company can implement green manufacturing practices such as using renewable energy, improving production efficiency, and reducing waste.
- Developing Eco-friendly: The company can develop Eco-friendly such as organic and recyclable products.
- Improving the Supply Chain: The company can improve its supply chain by purchasing from suppliers committed to environmental sustainability.

3. Recommendations

- Implementing environmental management practices: Al-Ittihad Food Industries Company should implement environmental management practices such as environmental impact assessment and improving resource efficiency.
- Using modern technology: The company should use modern technology to improve production efficiency and reduce environmental impact.
- Promoting environmental sustainability awareness: The company should promote environmental sustainability awareness among employees, customers, and the local community.

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