Abstract. Competitive and innovative ideas that appeal the actual needs of consumers at large should be on the center stage during these times. Nowadays, a continuously increasing interest in environmental performance has appeared. The proactive approach to environmental challenges is widely seen in companies’ practice which seek to be environmentally friendly, and also aims to improve the financial performance. The green initiative could be stated as the value-added practice to the company’s products or services. The novelty of this study is that it shows the close of the gap between the concept of competitive advantage and the concept of “green office.” Moreover, the green office concept affects the competitiveness positively; therefore, it is recommended that companies incorporate the idea of environmental management activities into their strategies. Regarding these implications, it could also be noted that in order to apply the green office concept, the environmental management systems should be kept in mind, and, in this particular case, synergy is recommended for incorporation to reach the maximum result. This study raises the question: how to enhance the management of competitive advantage via synergy in green offices? Meanwhile, the aim of the study is to emphasize the attainment of a competitive advantage.

Keywords: Competitive Advantage, Synergy, Green Offices, Environmental Management Systems

JEL classification: M3, F64, L11, O44

INTRODUCTION

Entering the millennium age has challenged a great scale of companies. Competitive and innovative ideas that appeal to the actual needs of consumers at large should be on the center stage during these times. Nevertheless, tailoring the clientele needs is not enough to run a successful business. The most im-
Important issue is to gain a competitive advantage by improving the image and reputation of the company. It should be noted that some of the customers are extremely conscious about the environment and this could be a key factor in choosing the particular products.

Hence, a continuously increasing interest in environmental performance has appeared in modern day. The proactive approach to environmental challenges is widely seen in companies’ practices which seek to be environmentally friendly, and also aims to improve the financial performance. The green initiative could be stated as the value-added practice to the company’s products or services. Moreover, companies are also able to communicate their good practice to stakeholders and society, in general.

Taking into consideration that the friendly environment performance leads to sustainability, the positive opinion about sustainable development is confirmed by the authors Hitchcock and Willard (2010) who are convinced that sustainability is the field of strategy which enables one to forecast and also produces unexpected advantages. According to the Carbon Management and Offsetting Trends Survey Report (2009): “Despite struggling in this economy, companies are moving forward on implementing environmental plans to reduce their carbon footprint and address the climate change.”

Regarding the new environmental trend, a series of structural organizations’ reforms, thus, should be pushed forward in order to overcome various stumbling blocks. Therefore, internal transformation should be taken into significant consideration. In that particular case, a wide range of environmental management systems and concepts are presented. For instance, the green office concept is widely known. The appearance of the term “green office” is the proof of the importance of human resource goodness, especially in accelerating the integration in the global process. Moreover, L. Armitage, Murugan, and Kato (2011) believe that the beginning of the “green office” concept is focused on ecological benefit and cost-saving.

For instance, the Australian government’s Department of Environment presents documentation of an environmental management system tool which describes the benefits of the “green office” concept: “improving the management of environmental impacts, set targets to reduce energy use, water use and waste to landfill, initiate and maintain procedures to improve efficiencies including environmentally friendly purchasing procedures and preferred business travel option, define key responsibilities for achieving targets, monitor and measure environmental performance against key indicators, regularly assess progress towards achieving set objectives as well as ensure due diligence and on-going consideration of legal and other environmental requirements.”

Thus, the revision of existing activities, reallocating resources, promoting people, and changing the management system is vital. And since all of the changes in companies are an on-going process and include organizational structure, planning activities, responsibilities, and procedures, it should be kept in mind that capacities might be fully and economically used via synergy. The benefit of synergy is excluded by Besanko, Dranove, and Shanley, (2000) who give insight into synergy by stating that it is the mean of cost-saving through economies of scale. Meanwhile, Delios and Sing (2005) believe that it is the combination of assets which aim to increase the efficiency, effectiveness, or value. All in all, it can be stated that environmental actions cannot be realized via effective management tools, and, in this particular case, synergy is taken as the source of successful result attainment. The object of this study is: The competitive advantage in green offices. The problem of this study is: How to enhance the management of competitive advantage via synergy in green offices? The aim of the study is: To emphasize attain the competitive advantage. The objectives of the study are three-fold:

1) To analyze the element of competitive advantage through the theoretical point of view.
2) To investigate the advantages of green offices.
3) To analyze the environmental management system.
4) To examine the synergy role in the process of competitive advantage attainment.
This study shows that the gap between the concept of competitive advantage and the concept of “green office” has been closed. Green office concept effects the competitiveness positively, therefore, it is recommended to incorporate the idea of environmental management activities in companies’ strategies. Regarding these implications it could also be noted that in order to apply the green office concept the environmental management systems should be taken in mind. And in this particular case, synergy should be incorporated to reach the maximum result.

COMPETITIVE ADVANTAGE

H. Kurt Christensen (2010) gives a clear definition of competitive advantage: “Competitive advantage is whatever value a business provides that motivates its customers (or end users) to purchase its products or services rather than those of its competitors and that poses impediments to imitation by actual or potential direct competitors.” Meanwhile, Ambastha and Momaya (2004) single out the competitiveness as: “the ability of a firm to design, produce and/or market products and services that are superior to those offered by competitors, taking into account the price and non-price qualities”. So, in overall this concept possesses features that stimulate buying intentions via unique and hard-to-imitate characteristics and differentiates company in the competitive landscape. Meanwhile, Martin (2003) stresses the importance of this concept for business as it’s main goal to be competitive, grow and be profitable.

The make-up of the competitive advantage is being explained by Singh (2012) noting: “Competitive advantage occurs when an organization acquires or develops an attribute or combination of attributes that allows it to outperform its competitors”. Further, business strategy is an inherent prerequisite in gaining the differentiation. DeSarbo et al. (2001) examines the essential elements of market-oriented business strategy that include: value offerings and continuous creation and management of it. So, to outperform other market players the firm has to incorporate value-creation strategy through delivering superior value for customers. Though, Barney (1991) suggests achieving the competitiveness firm has to implement a value-creating strategy that differs from current or potential competitors. As alluded previously, strategic orientation is needed to provide value for customers and Bonney, Clark, Collins, Fearne, (2007) address the coordination of value chains which satisfy the heterogeneous needs of final consumer. The value chain is the framework designed by Porter (1985) that serves as a tool to identify the activities that create value and also competitive edge. The core idea of this concept that the activities operating altogether as a chain imparts much more value to the products than the total sum of added values of those subdivisions. The supporting opinion of this notion is brought by Ansoff (1965) who also claimed that competitiveness could be reached through sharing and transmitting resources and capabilities in diversified companies. In the same time, Porter (1985) offered that from cooperation of resources and capabilities synergies could also be obtained and be regarded as competitive advantage. The subdivision of value chain which could be related with green offices listed in turn:

- Marketing and sales: The activities associated with getting buyers to purchase the product, including channel selection, advertising, promotion, selling, pricing, retail management.
- Service: The activities that maintain and enhance the product’s value, including customer support, repair services, installation, training, spare parts management, upgrading, etc.
- Human Resource Management: The activities associated with recruiting, development (education), retention, and compensation of employees and managers.
Firm Infrastructure: Includes general management, planning management, legal, finance, accounting, public affairs, quality management.

However, firms can also stimulate the creation of competitive advantage and superior value to customers by identifying new means to conduct the activities in the value chain (Weerawardena and O’Cass, 2004). And Iversen (2000, p.12) provides a solution: “Thus, one way of achieving competitive advantage is through generating and exploiting synergies between the different assets and activities of the firm, because asset sharing and complementarities allow assets to be used more efficiently.”

Generally, competitive advantage provides distinguishing internal and external features for the company that serve as a strength to retain its position in this volatile economy. Andrews (1971) Chandler (1962), Hofer and Schendel (1978) support this idea and draw attention on the fact that competitive advantage bears on two coordinated factors: distinctive internal (organizational) capabilities and changing external (environmental) circumstances. Though, holding market position requires conditions which are touched by Hunt (2000) and these are: ability to create superior customer value by efficiently and effectively meeting explicit market needs through product differentiation, lower cost alternatives, more rapidly satisfying its customers, or through a symbiotic combination of these factors. Miles, Darroch (2006) classify three alternative tenets of competitive advantage:

– the firm’s resources (Barney, 1991);
– the firm’s ability to identify an advantageous opportunity and establish a superior market position (von Mises, 1966);
– the firm’s decision rules and processes that drive the pursuit of opportunities (Eisenhardt and Sull, 2001).

Ulrich & Lake (1991) state that company is able to compete in a market, if its set of resources, systems and structures are used better comparing to competitors and that is how the competitive advantage is created. What is interesting, Kamukama, Ahiauzu, Ntayi (2011) break the conventional notion by saying that natural resources, technology and economies of scale are not the determinants on which competitive advantage leans upon since these elements are easy to imitate. The items of strategic resources are also given by Lewis, Brandon-Jones, Slack, Howard, (2010) that are: assets, capabilities, organizational processes, firm attributes, information, and knowledge. Regarding the perspective of resource based view in which resources have to fulfill the following criteria: valuable, rare, inimitable, non-substitutable are the driving forces of firm’s competitiveness. However, the listed features do not provide competitive advantage if they are taken alone, but only when they are all combined (Priem and Butler, 2001). While, Hill and Jones (2004) offer the way to gain the augmentation of financial performance via deploying the unique sets of resources and competencies in these spheres: quality, innovation, efficiency, and customer responsiveness. So, the competitiveness and distinctive nature of resources could be released through putting them together and producing synergetic effect. Also, the specific contribution of resource based view lies in the ability to create bundles of strategic resources in a long-term (Rumelt, 1984). In this context, Iversen (2000, 5p.) note that: “Time thus increases heterogeneity, and the greater the diversity of a firm’s asset stock, the greater are the number and variety of potential resource combinations, and consequently opportunities for synergy, available to the firm”. So, regarding Penrose (1959) through experimenting with resources new adoption and utilization ways are incorporated and accordingly, the level of differentiation is increasing.

Addressing the same approach, Spender (1996) provides a supportive list of features that generates a competitive edge in the market that includes: scarce, intangible and firm-specific assets. And these features reflect in intangible resources which are referred to “invisible assets” by Stewart (1997). In addition to this, resource based view refers employees as a valuable resource that are significantly beneficial for organizational
effectiveness (Halawi, McCarthy, Aronson, 2006) and Schuler, Jackson (1987), Beaumont (1993) also constitute human resources as a mean of competitive advantage.

Altogether, company can be defined as combination of assets and knowledgeable people that consist of quality, skills and competence in human resources; physical and material resources such as buildings, machines, land; financial resources such as money and credit; information resources such as knowledge and also the intellectual resources such as copyrights, patents, etc. (Tomer, 2003). Also, business entity has to have sufficient assets which are valuable, rare, inimitable, non-substitutable in order to produce synergies and create competitive advantage. Supporting these features, it is worth quoting Rao and Krishna (2003, p.235) who reinforced the opinion of the synergy and competitive advantage significance by stating that: „In a field marked by intense competition and cut-throat rivalry, the only way to build and sustain synergy is to make the firm’s unique advantages as distinctive as possible and enduring over a long time period“. As a result of this, if the organization aims to achieve competitive advantage, it is offered that all organization activities and functions should be interrelated, utilizing the resources effectively and integrating the criteria of resource based theory. And finally, greater efforts should be devoted for creating synergies. In order to get a deeper perception of synergy, another section centres on the concept of synergy.

ADVANTAGES OF GREEN OFFICES

Brown, Cole, Robinson, Dowlatabadi (2010) state that evaluating green building and organization as integrated system, this integration is including protection of environment and social responsibility that can be realized also as sustainable. So, the green offices are a tool for companies to implement the sustainable development. According to Zou, Couani (2012) the demand for green offices is growing because the increased demand for sustainable development and decreasing their operating costs within the companies.

The name “Green office” has two key trends of defining it. The first one incorporates such upholders like Herzog, Mcdonough, Foster, Heinz (2004), Eichholtz, Kok, Quigley (2009), Harrison, Seiler (2011), Armitage, Murugan, Kato (2011) who note that green offices are new, innovative buildings with installed modern technologies, innovations, with a huge focus on the low energy consumption. The second group of authors includes such adherents like Marmot and Eley (2000) who convince that green offices means the behavior in the office. They note that it is important, how the employee behaves, how he or she saves energy, what rules and policies they have for sustainable behavior. And finally, there are some authors such as Makower (2009), Brown, Cole, Robinson, Dowlatabadi (2010) who connect these trends and state that building innovations and employees behavior are closely related.

Summarizing the thoughts of authors mentioned in the paragraph above the following benefits of green offices can be listed in this way:
- Offices negative impact on nature reduction
- Decreasing energy and other resources consumption in the offices
- Cut expenses down (Operating costs)
- Ensures better working environment, increased employees efficiency
- Formed company’s image, reputation, culture

Armitage, Murugan, Kato (2011) believe in their position that the beginning of Green Office concept is focused on ecological benefit, cost saving. However, later on the bigger attention is concerned on employee benefit. There are many scientific researches with a proof that employees become happier and more productive. Also, Eichholtz and others (2009) notice that better environment of the buildings increase the productivity. The same opinion have Kato, Too, Rask (2009) whom researches showed the positive impact on
ecological working environment and productivity. Harrison, Seiler (2011) do highly believe that the benefit of green offices correlates with the increased productivity, strategic positioning, creation and recognition of brand which is closely related with company's positive image creation.

According to Eichholtz at al. (2009) the business direction as green office may have an impact on company’s image. Being a “green” company demonstrates the social consciousness and high higher social responsibility, what later has a positive impact on company’s reputation. The positive reputation let the company increase its competitive advantage by direct actions such as increase both the prices of the products and sales volumes, also, attract better employees or investors.

Moreover, according to Brown et al. (2010) the “green offices” have a potential to form and increase organization culture through the conviction about human connection with nature, sustainable model which develops the personal control and responsibility that leads to company pride.

To sum up, all the mentioned tools for green office could be implemented in the new and old office building, however there is not enough to have the office in green building, the key is to have employees whose behavior would be sustainable and green, which would help to decrease the environmental impact, energy consumption, and greenhouse gas emission. The Green Office trend stimulate the companies to save energy, decrease emission, also decrease company’s costs, increase the employees efficiency and motivation. Also, this policy formulate positive company’s image in public and create the strong internal culture.

ENVIRONMENTAL MANAGEMENT SYSTEM

The above mentioned advantages of the concept “green office” proved to be a valuable practice to implement in each organization. Therefore, this paragraph is dedicated for the explanation of the valid environmental policy implementation method. The European Union designed an Eco-management and audit scheme which is described as voluntary management instrument. The aim of this tool is continuous improvements in the environmental performance of the organizations. With this particular management system companies are enable to measure, evaluate, report and improve their environmental performance. The advantages of this system can be excluded in three pillars: credible information, better management and efficient progress. For instance, the Friedman (2011) describes environmental management system as 'the part of the overall management system that includes organizational structure, planning activities, responsibilities, practices, procedures, processes and resources for developing, implementing, achieving, reviewing and maintaining the environmental policy'.

Regardless of in which sector a company operates, there should be principles which help to implement the environmental policy fully. Hence, environmental management system follows the cycle of “plan-do-check-act cycle” (Figure 1).

The first movement is planning which mainly means the environment policy establishment with setting target and objectives. Afterwards, the activities include the implementation of organizational structure, resources allocations, and responsibilities assignment. In addition to this, training and communication procedures should also be taken in mind. The third step is checking which includes analysis, monitoring, measuring the information. Mainly, checking results before the audit. The final step is acting which means reviewing and assessing the performance of environmental activities, also correcting and improving objectives.
SYNERGY INCORPORATION

According to Goold and Campbell (1998) the roots of word “synergy” has derived from the Greek word “synergos” and has meaning of working together. This concept was firstly represented for the business literature by Ansoff (1965). Witcher and Chau (2010) explained synergy as a concern of every large company where the main issue is to make each part collaborate efficiently in order to attain the strategically important aims. The same authors admit that it is the fundamental reason for the company’s development.

Meanwhile, Capon (2009) associated synergy with opportunity regarding firm’s capabilities and resources. Further, Delios and Singh (2005) think that it is the combination of assets which aim to increase the efficiency, effectiveness or value. The value aspect as the outcome of synergy is stressed by Goold and Campbell (1998), Martin and Eisenhardt (2001).

Regarding the synergy realization, Zhou (2011) state that synergy is created, when company shares its inputs in the various business activities. Moreover, Besanko, Dranove, & Shanley (2000) give an insight of synergy by stating that it is the mean of cost saving through economies of scale. In this case, environmental policy implementation strategy particularly environmental management system should be taken in mind. The cycle of “plan-do-check-act” can incorporate synergy practice.

In many business literatures, such as Porter (1985), Tanriverdi (2005), it is stated that synergy is delivered when the value of connected two companies is higher than the value of those companies being separated, it could be also explained in the following equation: Value (Company A and B) > Value (Company A) + Value (Company B). The same perspective is delivered by Ansoff (1965), Morden (2007), Delios and Singh, (2005) who adapted the effect of “2+2=5”. Regarding this calculation it could be assumed that the separate parts of the organization would not be able to generate the same amount of value if outcomes of sole parts would be cumulated and compared with the results of combined activities and resources. Hence, environmental management system's operating principles should center the importance of synergy effect due to the higher outcomes of united activities and assets.

Another important aspect that synergy requires to put attention on is good management team. Environmental management system realization would not operate properly without it as well. Hence, Zhou
focused on coordination costs and claimed that in order to get the advantage from potential synergies the company has to have a good management of interdependencies between its businesses, but this of course has the coordination costs. The coordination costs may decrease advantages of synergies, so the company has to evaluate the advantage of synergy and the costs of having this synergy in the company. Nevertheless, Iversen (1998) informs that synergies are not so easy task to reach, but the wide range of beneficial outcomes of synergy are worth to work on it. These have been listed by Morden (2007, p.557) and encompass:

– Scale effects or movement down the experience curve
– Capability enhancements that permit the enterprise to compete in wider national and international markets
– Entry to markets that were hitherto inaccessible
– The ability to employ more highly specialized and productive capacity and personnel. This, in turn, may lead to the development of new and distinctive competencies that again increase the scope or scale of the operation, or yield competitive advantage
– Increased investments in knowledge management, competence development, research and development, innovation and new product or process development. These may yield to disproportionate gains in market share and market share.

All in all, synergy is associated with opportunity regarding firm’s capabilities and resources. Synergy is created, when company shares its inputs in the various business activities. Since, separate parts of the organization would not be able to generate the same amount of value if outcomes of sole parts would be cumulated and compared with the results of combined activities and resources, so, environmental management system’s operating principles should center the importance of synergy effect due to the higher outcomes of united activities and assets.

CONCLUSIONS

If the organization aims to achieve competitive advantage, it is offered that all organization activities and functions should be interrelated, utilizing the resources effectively. Regarding this idea, some authors state that competitiveness could be reached through sharing and transmitting resources and capabilities in diversified companies. Moreover, there is a notion that in order to outperform other market players, the firm has to incorporate value-creation strategy by delivering superior value for customers. Therefore, firms are able to stimulate the creation of competitive advantage and superior value to customers by identifying new means to conduct the activities in the value chain. Another perspective is the resource-based view which claims that resources have to fulfill the following criteria: be valuable, rare, inimitable, and non-substitutable as the driving forces of firms’ competitiveness.

The green office is a tool for companies to implement sustainable development. The name “green office” has two key trends of defining it. The first ones state that green offices are new, innovative buildings with installed modern technologies, innovations, and a huge focus on the low energy consumption; while the second ones posit that green offices mean the behavior in the office. The benefits of green offices can be listed in this way: offices’ negative impact on nature reduction, decreasing energy and other resources consumption in the offices, cutting expenses down (i.e., operating costs), ensuring better working environment, increasing employees’ efficiency, and forming a company’s image, reputation, and culture.

The European Union designed an eco-management and audit scheme which is described as a voluntary management instrument. The aim of this tool is continuous improvement in the environmental perfor-
mance of organizations. With this particular management system, companies are enable to measure, evaluate, report, and improve their environmental performance. The advantages of this system can be delineated in three pillars: credible information, better management, and efficient progress.

All in all, synergy is associated with opportunity regarding firms’ capabilities and resources. Synergy is created when a company shares its inputs in various business activities. Since separate parts of the organization would not be able to generate the same amount of value if outcomes of sole parts would be cumulated and compared with the results of combined activities and resources, the environmental management system’s operating principles should center the importance of synergy’s effect due to the higher outcomes of united activities and assets. Therefore, more attention should be devoted to synergy creation in the environmental management systems.

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