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SUSTAINABLE BUSINESS WITH A FOCUS ON SUSTAINABLE DEVELOPMENT GOALS

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Abstract: As a capable entity, human beings have the ability to make their own decisions in the exercise of their individual freedom, so that in the context of business, they can decide to open a business, its direction, and even integrate it into environmental friendliness to address the long-term continuity that can be provided to entities through full incorporation into the framework of the Sustainable Development Goals (SDGs); in this regard, an entrepreneur integrates into sustainability when he or she takes care to think about the future and not only the immediate present, when in addition to seeking profit, it allows them to analyze the long-term results of a negotiation that will also impact the social sphere. The objective of this paper is to investigate the different conceptions that have been given in various countries to refer to business models within the framework of the SDGs proposed for 2030 in attention to SDG number 8 and 8.3. which refer to enabling the achievement of development-oriented policies to support productive activities, the creation of decent jobs, entrepreneurship, creativity and innovation, and which promote the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services. To achieve this goal, documentary techniques supported by discourse analysis are used. The results of this research allow the conceptualization of a sustainable business that favors the triple impact (economic, social and environmental), as well as clarifying the capitals that are integrated into this type of business model with benefits for both the investor and the interested parties.

Keywords: Sustainable business, SDGs, Entrepreneurship, Common Good

INTRODUCTION

Seven years away from reaching the year 2030, the world continues to work hard to achieve the Sustainable Development Goals. Proof of this is the generation of new business ideas that enable the continuity of life, these ideas range from subsistence conditions to the social integration of human beings; In this sense, the United Nations Organization recognizes the significant response of national governments and local authorities, as well as civil society and the private sector, the latter sector headed by individuals with autonomous capacities to exercise their individual freedom and where the contribution to the common good is not centered on a kind of necessary renunciation of rights for the sake of coexistence, but rather focuses on providing viable strategies that generate well-being. In this regard, the contextual framework of the Millennium Ecosystems considers security, health, livelihoods, social relations and freedoms and options as components of human well-being (González et al, 2000 page 53)

In the private sector, the niche of viable ideas that contribute to the economic, social and environmental impact is developed through sustainable entrepreneurship and sustainable business as business models that allow corporate sustainability.

Therefore, the objective of this paper is to investigate the different concepts that have been given in various countries to refer to business models within the framework of the Sustainable Development Goals (SDG) set for 2030 in attention to SDG number 8 and 8.3. which refer to enabling the achievement of development-oriented policies to support productive activities, the creation of decent jobs, entrepreneurship, creativity and innovation, and that promote the formalization and growth of microenterprises and small and medium-sized enterprises, including through access to financial services.

To achieve this end, the documentary technique supported by discourse analysis is used. The information presented in this chapter has been structured into three parts. The first addresses the common good and individual freedom; the second specifies the search for a conceptualization of sustainable business based on the analysis of various authors in different countries; and finally, the last part presents the dynamic capitals that are integrated into a sustainable business model.

METHODOLOGY

In order to address this research and based on the documentary technique, discourse analysis was used, since as a field of study it stands out for its multidisciplinary nature and for the heterogeneity of currents and traditions that converge in it. Fairclough (1992) cited by Santander (2011 page 216) explains that “on the Systemic Functional Basis (SFB) he adds an additional dimension to the metafunctions of language; the ideational function (affirming that discourse contributes to the construction of belief systems); and proposes a three-dimensional model that considers three levels of analysis: textual analysis, discursive practice analysis and social practice analysis; the first being descriptive, the second interpretive and the third explanatory. To do so, he proposes seven categories of analysis, among which intertextuality stands out, which, as Fairclough himself points out, is the property of texts of being made up of fragments of other texts.” (Santander, 2011)

RESULTS

INDIVIDUAL FREEDOM IN SEARCH OF INTEGRATION INTO THE COMMON GOOD

Poole-Derqui (2008) In his work *The Common Good and Human Rights*, considers that the common good was conceived from an individual liberalism and that such relationship is incompatible, given that the author in a process of reflection considers that “[...] from a different anthropology that conceives man as a natural member of a community in whose context he finds his realization and his meaning, it is possible to defend that the common good is not a limit to tendentially unlimited rights, but a defining element of their content”, the aforementioned author discerns and explains that “From an Aristotelian Thomistic perspective, it is argued that personal freedom does not decrease as the demands of the common good increase” (Poole-Derqui, 2008, p. 97).

Contributing to the common good does not refer to a kind of necessary renunciation of rights for the sake of coexistence; seen this way, individual freedom fits well with the idea of the common good, in such a way that the fact of exchanging security for freedom is not prioritized, all of this always taking into account the duties and limitations established in the Universal Declaration of Human Rights, dictated with “the sole purpose of ensuring recognition and respect for the rights and freedoms of others” (UN, 2022, Art. 29).

It is from the perspective of individual freedom and considering the benefit to society in order to privilege the common good, that people undertake sustainable businesses where the economic, environmental and social sectors are privileged, businesses whose purpose of creation can range from family subsistence or as businesses of opportunity, that is, as businesses that can be replicated

in their entirety. The United Nations Organization formulates various regulations in order to regulate the actions of those involved in various sectors, thus, it has formulated the Universal Declaration of Human Rights, which is prepared in order to serve as a kind of guide that allows inspiration for both individuals and institutions and constantly promotes respect for rights and freedoms, through effective universal recognition and application.

It is precisely in a collective effort that the elaboration of the Sustainable Development Goals (SDG) begins, which from the perspective of the United Nations Organization, “constitute a universal call to action to end poverty, protect the planet and improve the lives and prospects of people around the world” (UN, 2022, paragraph 1), that is, in the search for collective well-being. The United Nations does not rest in its efforts to seek collective well-being. For this reason, the agenda for 2030, proposed in 2015, established 17 objectives, whose progress was reviewed at the SDG summit, held on September 24 and 25, 2019, at the United Nations headquarters in New York. Among the many important agreements, agreement number 16 (within section II Our World Today) can be seen, which attests to a significant response from national governments and local authorities, as well as from civil society and the private sector, and also from young people; in the same way, it is recognized that the participation of the private sector in sustainable investment is increasing (United Nations, General Assembly, 2019). Schaltegger et al (2018) consider that addressing these 17 objectives raises the possibility of creating companies focused on these fields from a vision based on sustainability, which in addition to having positive effects on society, can also be economically viable (Meseguer-Sánchez, et al, 2021, cite Schaltegger et al., 2018).

In Mexico, through the Ministry of Economy (n.d.) the agenda was implemented according to its context and priorities. In this regard, the country promotes the vision of sustainable development prioritizing different dimensions, such as: well-being, the environment with a vision of a fair and equitable transition, and economic reactivation.

The political declaration of the summit on the SDGs frames fifteen points within section I entitled Our Commitments, the points deal with the collective good. Point 7 supports the commitment by reaffirming among several [...] “We also remain determined to create the necessary conditions for sustainable, inclusive and sustained economic growth, shared prosperity and decent work for all, taking into account the different national levels of development and capacity.” (United Nations, General Assembly, 2019, page 2). It is within this responsibility that the SDGs are accommodated in attention to sustainable economic growth, mainly SDG 8, which corresponds to Decent Work and Economic Growth, established under the idea that “Inclusive and sustained economic growth can drive progress, create decent jobs for all and improve living standards.” (United Nations, 2022). Within this objective, ten goals are subdivided; table 1 presents the goals in which sustainable businesses are immersed.

Goal	Content
8.3	Promote development-oriented policies that support productive activities, the creation of decent jobs, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services.
8.9	By 2030, develop and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.
8.10	Strengthen the capacity of national financial institutions to promote and expand access to banking, financial and insurance services for all.
8.10 a	Increase support for Aid for Trade in developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries

Table 1: Goals of Objective 8, which are related to sustainable business

Source: Prepared by the authors based on the SDGs (United Nations, 2022)

The analysis of the goals contained in objective 8, which are inserted in table 1, allows us to identify concepts that are directly intertwined with the sustainable economy, among which are: entrepreneurship, productive activities, jobs, creativity and innovation, inclusive financial services, sustainable tourism, trade and MSMEs.

In Mexico, in order to generate sustainable development, the following actions are addressed to promote decent work and economic growth in the company: Create decent conditions for all, train employees and eliminate all forms of abuse (Secretary of Economy, n.d.). Regarding generating sustainable development, in the field of the business context, steps are supported to obtain support for trade that are subdivided into obtaining support for local and national trade and acquiring support for foreign trade, in addition, trade guides are provided. (Secretary of Economy).

In Spain, in an effort to modernise its economy and strengthen its production model, the Sustainable Economy Act was published in 2003. It defines the sustainable

economy as a strategy to reduce the excessive dependence on a few sectors subject to the current situation and to maximise the possibilities opened by the advancement of new activities that offer greater stability in their development, especially in terms of generating and maintaining employment (which is why higher qualifications are required for its workers). The strategy includes the priority given to increasing investment in research, development and innovation, or to promoting activities related to clean energy and energy savings.

IN THE EFFORT TO CONCEPTUALIZE SUSTAINABLE BUSINESS

In different countries, terms related to sustainability are addressed, and from this, the effort made to generate businesses capable of creating value from an economic, social and environmental perspective is observed. The strategies occur as sustainable ventures, sustainable business models, sustainable businesses, sustainable companies, and corporate sustainability, among others, below are presented various ways of conceptualizing them.

Regarding entrepreneurship, defined as “the ability to start from scratch to create a project, an initiative or a business. Today, entrepreneurship takes many forms and, therefore, we can talk about techno-entrepreneurs, intrapreneurs, social entrepreneurs, self-employed workers and many others.” (Pérez, 2022 paragraph 2).

Sustainable entrepreneurship is also present, “Unlike commercial or economic entrepreneurship, where the priority or main objective is the maximization of economic benefit for the so-called shareholders (managers and owners), in Sustainable Entrepreneurship SE seeks to satisfy all stakeholders [translated into Spanish as

interested parties - not a note from the authors] and the value generated must be threefold: economic, social and environmental.

This type of BM [Business Model - not an author's note] focuses on value creation from the triple perspective of sustainability: economic, which has as its priority the desire for profit; social, which seeks to solve a specific social problem such as the labor insertion of people with difficulties in accessing the labor market; and environmental, ecological or green (eco-entrepreneurship), which develops aspects related to the environment such as recycling, the use of renewable energies or promoting organic farming." (Sanchis & Campos, 2022, page 8)

Upward & Jones consider that a business model must be able to describe the financial viability of the company as a result of the interaction and dialogue between the different Stakeholders and their interests and needs, generating value for each one, that is, it must be capable of generating a triple impact, in addition to the fact that to be strongly sustainable business models they must resolve weaknesses and include functionally necessary relationships. (Upward & Jones (2016, page 108).

In Mexico, Prado indicates that the business model becomes sustainable "when the entrepreneur introduces sustainable aspects into his business model and therefore captures economic value, but also social and environmental value for all his stakeholders" (Prado, 2013, page 8).

Carvajal (2020, page 16) refers that sustainable businesses represent "a disruptive option within common economic practices since they enter into competition with a different vision, and this requires innovation processes that allow them not only to sustain themselves, but to boost and increase their competitive opportunities by getting closer to more and more customers and enhancing

their impact on society and the environment."

Elkington (1998, p. 23) considers that the value of a company can be evaluated and expressed in terms of its sustainability, and also believes that there is a new value formula in which the "triple bottom line" is present. In this regard, the author considers that when a company addresses sustainability, it must agenda topics attached to the triple bottom line, referring to how organizations measure their performance. The triple bottom line referred to considers the economic, environmental and social aspects as the bottom line.

Corporate Sustainability (CS) from the point of view of Wandemberg (2015) and Meseguer-Sánchez et al. (2021) cited by Sanchis and Campos (2022), is a management model that guarantees the long-term continuity of the company while contributing to the current and future progress of society through the balance between the three dimensions of sustainability, economic, social and environmental.

The authors of this article conceptualize Sustainable Business as the activity that creates value through the generation of a triple impact, in economic, social and environmental matters; economic because through the measurement of the entity's performance and based on financial indicators its business viability is known; social because with this type of business the generation, insertion and development of jobs is made possible; and environmental, given that the business idea is based on the appropriate use of resources, taking into account the functional ecosystem, all of the above, through disruptive innovation that guarantees long-term continuity for the entity and contributes to the current and future progress of the society of shareholders and stakeholders.

THE CAPITALS INVOLVED IN A SUSTAINABLE BUSINESS MODEL

Regarding sustainable business models, a sustainable business model directly implies the appropriate management of its own resources. In this regard, NTT DATA (2021) considers that in a business sustainability model there are six types of capital, where the basis for the sustainability model is natural capital and from it the development and well-being of the other five capitals occurs, which are namely social, human, intellectual, financial and built, in these last two their growth is also made possible. Within this business model, a comprehensive sustainability framework is created where the value of natural capital and social capital is added to the other capitals, the dynamism of the set of capitals is observed in figure 1.

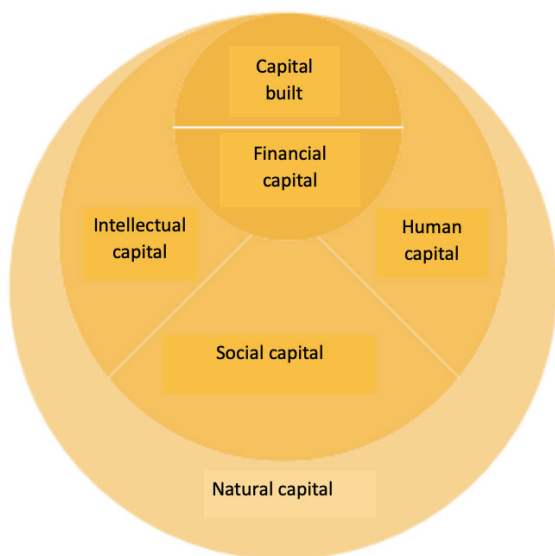


Figure 1: Dynamic set of capitals

Source: Taken from (NTT DATA, 2021 page 12)

Human, intellectual and financial capital are found in any business model, and when added to other capitals, they make up the integral or real value of a company.

Trujillo, Eraso and Loaiza (2018, page 52), when developing a methodological proposal to evaluate the sustainability of development

processes, considered that it is relevant to involve the components of territorial capital and in that sense, to define territorial capital, the authors cite Requejo Liberal (2007) to understand territorial capital as “the physical and intangible heritage that a territory possesses, which unites inhabitants, companies, the environment and local society”; the authors consider that territorial capital is made up of joint capitals that generate interconnection networks. Territorial capital is made up of three main components: natural capital, built capital, social capital, and its different subdivisions.

Social capital can be defined as “the set of norms and values that govern the interaction between people, the institutions in which they are incorporated, the networks of relationships established between different social agents and cohesion” (Camagni, 2004)

Constructed capital is the accumulated physical and material capital generated from economic activity, human innovation, the application of human knowledge to existing resources and technological change (Capello, Caragliu, & Nijkamp, 2009, cited by Trujillo-Osorio, Eraso-Torres and Loaiza-Trejos in 2018)

Regarding natural capital, González, Montes, Santos and Monedero (2000) consider functional ecosystems as natural capital that, through adequate management, produces various services on which it is possible to build a process of socially, economically and environmentally sustainable development, processes with which a minimum condition of well-being can be guaranteed. It is worth reflecting that with the implementation of multiple businesses that aim to increase the state of well-being of human beings (consumers), there has been a significant reduction in the planet’s natural capital and with it the Earth’s capacity to sustain future generations is minimized.

Therefore, a comprehensive sustainability framework has the potential to reduce the physical, transitional and systemic risks of a business towards a sustainable business with greater comprehensive value.

FINAL THOUGHTS ON THE STUDY, DEVELOPMENT AND MONITORING OF SUSTAINABLE BUSINESSES

There are at least six relevant reasons why we must focus on the study, development and monitoring of sustainable businesses, given that they must have a much greater relative weight than they currently have in the policies and agendas of each country interested in complying with the SDGs:

- a) The date on which compliance with the SDGs will be reviewed is very close. There are governments in the world that had already begun to work on them long before waiting for the goals for sustainable development to be set, for example, in Spain, with the promulgation of the Sustainable Economy Law of 2003. Other countries have marked some actions on their websites and have limited themselves to writing good texts that, although understandable and adjusted to the framework of the SDGs, still leave many areas of opportunity in the real world.
- b) In Mexico, support for the business sector to meet goals 8 and 8.3 is limited to some programs for microenterprises and these supports require completing extensive and bureaucratic procedures (which also require formal operation - according to the National Institute of Statistics, Geography and Informatics, in Mexico, in 2020 the informal economy observed a participation of 21.9% in the national GDP - (INEGI,

2021). During the pandemic period, the business sector was little favored with government support, since no programs were generated to support them in fiscal matters.

- c) Of the stakeholders as producers and as consumers. For years, humans have focused on satisfying their needs in the most immediate way possible, and in this effort have required items that are quickly acquired and not very durable. Companies involved in this type of demand have focused on offering what is demanded in the required time, sacrificing the durability and quality of a product. Thus, humanity is now busy solving environmental, social and economic problems, and it is now up to those involved in generating these problems to find solutions that will allow the continuity of humanity. Therefore, it is essential that humans, both producers and consumers, exercise their individual freedom to decide for the common good and thus become true stakeholders.
- d) Shareholders. In the business sector, in the field of sustainable business, shareholders do the same when their investments are aimed at generating a triple impact in the economic, social and environmental spheres. Their investments must be aimed at seeking profit but must also focus on the functional ecosystem in order to enable real and long-term well-being of human beings.
- e) Sustainable entrepreneurs join this business environment with disruptive ideas and by their own personality that distinguishes them mainly by their high tolerance to risk, commitment and great perseverance. They respectfully

lean towards environmentally friendly ideas, in such a way that their actions enable a society deserving of well-being with direct inclusion in natural capital.

- f) A sustainable business must generate a triple impact in the economic, social and environmental spheres, integrating from human innovation and the application of human knowledge to existing resources and technological change, all in order to generate its own built capital.

FOR FUTURE RESEARCH

The study, development and then comparison of various sustainable business models will allow the unification of ideas and the diversification of the actions of stakeholders and shareholders in favour of collective well-being.

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