American International Journal of Business Management (AIJBM)
ISSN- 2379-106X, www.aijbm.com Volume 07, Issue 07 (July-2024), PP 36-49

Analyzing the Impact Priorities of Indonesian B-Corp SMEs: A Correlation Study Across Community, Worker, Environment, Governance, and Customer Sectors

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ABSTRACT:- This chapter explores the journey of Indonesian small and medium enterprises (SMEs) towards sustainability through the lens of B-Corp certification. SMEs in Indonesia face unique challenges in integrating sustainable practices, influenced by factors such as limited awareness, financial constraints, and regulatory barriers. Despite these challenges, B-Corp certification offers a structured framework that encourages SMEs to adopt sustainable development goals, enhancing their competitiveness and contributing to Indonesia's sustainable development agenda. Through correlational analysis of B Impact Assessment data from 10 certified SMEs, this study highlights community engagement as the most influential factor positively impacting overall sustainability scores. Governance, worker, environmental, and customer dimensions also contribute variably, underscoring the need for targeted improvements across these areas. The findings emphasize the importance of fostering community relationships, implementing robust environmental practices, and enhancing governance frameworks to strengthen SMEs' sustainability and social impact.

KEYWORDS– SMEs, B-Corp Certification, Sustainability, Community, Indonesia

I. INTRODUCTION

1.1. Background of the Research

Small and Medium Enterprises (SMEs) constitute a vital pillar of Indonesia's economy, playing a crucial role in driving employment, economic growth, and societal well-being. They contribute significantly to the national GDP and provide livelihoods for a substantial portion of the population [1]. Beyond economic metrics, the adoption of sustainable practices by SMEs is increasingly recognized as pivotal for Indonesia's environmental sustainability and social equity.

SMEs in Indonesia face unique challenges in integrating sustainability into their operations, despite their potential to foster inclusive economic growth and alleviate poverty [2,3]. These challenges range from limited awareness of environmental implications and regulatory complexities to financial constraints and sociocultural factors that inhibit the widespread adoption of sustainable practices [4,5].

The concept of Benefit Corporation Certification (B-Corp Certification), spearheaded by B Lab, offers a framework that encourages SMEs to embrace sustainable development goals through rigorous standards of social and environmental performance, accountability, and transparency [6]. By certifying as B Corps, SMEs not only enhance their competitiveness in the global market but also contribute to Indonesia's sustainable development agenda by promoting ethical business practices and environmental stewardship.

This article analyses how Indonesian B-Corp SMEs prioritize impacts across community, worker, environment, governance, and customer sectors using correlation analysis. By examining these sectors, the study aims to uncover relationships between different B-Corp sectors (such as Governance, Workers, Community, and Customers) and their respective metrics (e.g., Mission & Engagement, Financial Security, Diversity, Equity, & Inclusion). The goal is to provide insights into specific impact areas for SMEs and support their dedication to sustainable and ethical business practices.

1.2. Indonesian Context of Sustainable SMEs

Small and Medium Enterprises (SMEs) are more than just the backbone of the Indonesian economy; they are a vital force for environmental and social progress. Their substantial contributions to employment, economic growth, and national well-being are widely recognized. SMEs are not only pivotal for job creation and inclusive economic growth but also play a crucial role in fostering a fair and just society. These enterprises absorb up to 97% of Indonesia's workforce and contribute over 60% of the national GDP, underscoring their significant economic impact [1,7].

However, the influence of SMEs extends beyond financial metrics. Their potential to adopt sustainable practices is essential for a brighter future for Indonesia's environment and society. By prioritizing sustainability, SMEs can ensure that their economic growth trajectory is both environmentally and socially responsible. This shift towards sustainability can lead to improved working conditions and potentially higher wages, thereby enhancing the livelihoods of those employed by SMEs and instilling optimism about the potential outcomes of sustainability initiatives.

Despite these promising prospects, SMEs in Indonesia face significant challenges in implementing sustainable practices. One major barrier is the widespread lack of awareness and knowledge among SME owners regarding the environmental impacts of their business activities [2]. This gap in understanding extends to environmental laws and regulations, making compliance with sustainability standards more difficult. Additionally, economic constraints, particularly for small and micro-enterprises, pose formidable obstacles. Limited funding and resources make the implementation of sustainable practices economically burdensome, hindering progress [3].

Regulatory barriers also impede the advancement of sustainability initiatives among Indonesian SMEs. The insufficient enforcement of environmental regulations, such as Law No. 18/2008 on Waste Management, indicates a need for stronger incentives or sanctions to ensure compliance with Environmental, Social, and Governance (ESG) frameworks [4]. Moreover, socio-cultural factors, such as a lack of customer knowledge and understanding regarding sustainability, inhibit the widespread adoption of eco-friendly practices [5].

Despite these challenges, some Indonesian SMEs have begun to embrace sustainability as a core business value. These enterprises, often founded by individuals with a sustainability mindset shaped by their educational background and traditional values, represent the beginning of a movement towards more responsible business practices [7,8]. These pioneering businesses are striving to obtain B Lab certification, which demonstrates a commitment to implementing Sustainable Development Goals (SDGs) and promoting environmental stewardship, good governance, and social impact. B Lab certification, developed by a non-profit organization, is part of a global effort to create a more inclusive, equitable, and regenerative economy through the certification of Benefit Corporations (B Corps).

Understanding the specific impact areas for SMEs is crucial to support this movement and facilitate the broader adoption of sustainable practices among Indonesian SMEs. By addressing the unique challenges and highlighting the emerging trends within these enterprises, policymakers, stakeholders, and the business community can better support SMEs in their journey toward sustainability, ultimately contributing to a more sustainable and equitable future for Indonesia.

1.3. The Fundamental of SME's Sustainable Impact

Sustainability significantly enhances the competitiveness of SMEs by improving efficiency, reducing costs, and bolstering brand reputation. Research indicates that SMEs adopting sustainable practices perform better over the long term, attracting environmentally conscious consumers and investors, thereby increasing their market share and financial performance. These businesses commonly implement energy efficiency measures, waste reduction strategies, and ethical supply chain management, which collectively contribute to their competitive advantage [9,10].

In addition to enhancing competitiveness, sustainability is closely linked to business resilience. SMEs that prioritize sustainability are better equipped to adapt to dynamic market conditions, such as regulatory changes, resource shortages, and evolving consumer preferences. By incorporating sustainability into their core strategies, these businesses can mitigate risks and ensure continuity during disruptions [11]. This adaptability is crucial for long-term survival and success, as resilient businesses are more likely to thrive in volatile environments.

Furthermore, according to Stakeholder Theory, businesses bear responsibilities to a diverse array of stakeholders, including customers, employees, suppliers, and the community. By adopting sustainable practices, SMEs can meet the expectations and values of these stakeholders, thereby enhancing trust and loyalty. This alignment strengthens their reputation and competitive edge, as customers and employees increasingly favor companies that demonstrate a commitment to social and environmental responsibility [10,12].

The Triple Bottom Line (TBL) framework emphasizes the importance of balancing economic, social, and environmental sustainability. For SMEs, this entails pursuing strategies that generate financial returns while delivering social and environmental benefits. By focusing on TBL, SMEs can create value beyond mere profit, fostering sustainable development and community well-being [13]. This holistic approach ensures that businesses contribute positively to society and the environment, which is essential for long-term success.

Institutional Theory suggests that businesses are influenced by external pressures from institutions such as governments, industry bodies, and societal norms. SMEs increasingly face regulatory requirements and societal expectations to adopt sustainable practices. Compliance with these pressures is crucial for maintaining a

positive reputation and avoiding penalties. By proactively adopting sustainable practices, SMEs can stay ahead of regulations, enhance their legitimacy, and attract support from governments and other institutions [10].

Therefore, SMEs should prioritize sustainability because it enhances competitiveness, promotes business resilience, aligns with stakeholder expectations, integrates the TBL framework, and responds to institutional pressures. Embedding social and environmental concerns into their business strategies enables SMEs to achieve sustainable growth, foster innovation, and contribute to a more sustainable and equitable global economy.

1.4. B Impact Assessment from B Lab

B Lab has develop the B Impact Assessment as a comprehensive tool used to measure a company's social and environmental performance. It is divided into five main impact areas: Governance, Workers, Community, Environment, and Customers, each of which assesses various aspects of the company's operations and business model. The definition of each according to B Lab [14] are as follows:

- Governance examines the company's overall mission and its engagement with social and environmental issues. This section also evaluates ethical practices, transparency, and the company's ability to safeguard its mission through its corporate structure or governing documents, such as being a benefit corporation.
- Workers look at the company's contributions to the financial security, health and safety, wellness, career development, and overall engagement and satisfaction of its employees. It highlights business models that benefit workers, such as companies that are at least 40% owned by non-executive employees and those with workforce development programs for individuals facing employment barriers.
- Community assesses the company's interaction with and impact on the communities where it operates, hires, and sources. It covers topics such as diversity, equity and inclusion, economic impact, civic engagement, charitable giving, and supply chain management. Additionally, it recognizes business models addressing community-specific issues, like poverty alleviation through fair trade practices, economic development, and formal commitments to charitable giving.
- Environment evaluates the company's environmental management practices and its impact on air, climate, water, land, and biodiversity. This includes the direct impact of the company's operations as well as its supply chain and distribution channels. The section also recognizes companies with innovative environmental practices and those offering products or services that positively impact the environment, such as renewable energy, waste reduction, conservation efforts, and environmental education.
- Customers examine the company's stewardship of its customers through the quality of its products and services, ethical marketing, data privacy, and feedback mechanisms. It also highlights products or services designed to address social issues through customer engagement, such as health or educational products, arts and media, services for underserved customers, and solutions that enhance the social impact of other businesses or organizations.

Each section of the B Impact Assessment evaluates the impact of a company's operations and business model on its stakeholders, providing a detailed analysis of its overall social and environmental performance.

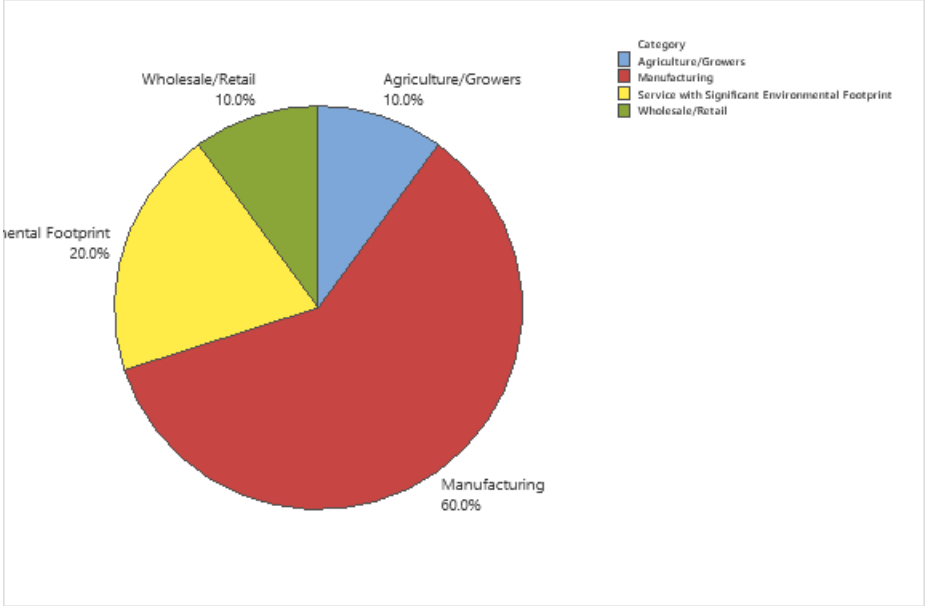
II. RESEARCH METHOD

The study employs a quantitative research design to explore the relationships between multiple variables. Specifically, Pearson's correlation coefficient is used to measure the strength and direction of the linear relationship between the Overall B Impact Score and sector-specific scores.

2.1. Data Collection

Data were sourced manually from all Indonesian B-Corp SMEs certified by B Lab, the organization responsible for B-Corp certification. There are 24 Indonesian companies certified as B-Corps, only 14 are SMEs, and just 10 of these operate with direct environmental implications. This study focuses exclusively on analyzing these 10 SMEs to gain insights into their B Impact scores and environmental impact metrics. The chosen companies and sectors were selected based on their carbon footprint, particularly because these sectors have long supply chains, which tend to have a more significant environmental impact

Figure 1. Pie Chart of B-Corp SMEs Activity Sector



The dataset includes 10 SMEs operating in sectors such as wholesale/retail, agriculture/growers, service providers with significant environmental impact, and manufacturing. These companies—namely Bhineka Rahsa Nusantara, Aliet Green LTD, Instellar Indonesia, Kmana, Lusana, Gree Energy Limited, SukkhaCitta, Ekoluxe & Love Khaos, Faithfull the Brand, and Miko Bahtera Nusantara (MYCL)—provided their B Impact Assessment scores across various sectors and sub-dimensions during their certification process.

2.2. Data

The study focuses on five primary impact sectors and their respective sub-dimensions:

Table 1. Indonesian B-Corp Sectors and Dimensions

Sectors	Dimensions		Codes
Governance	Mission and Engagement	OI	GOV_ME
	Ethics and Transparency	OI	GOV_ET
	Mission Locked	IBM	GOV_ML
Worker	Financial Security	OI	WOR_FS
	Health, Wellness, & Safety	OI	WOR_HWS
	Career Development	OI	WOR_CD
	Engagement & Satisfaction	OI	WOR_ES
	Workforce Development	IBM	WOR_WD
Community	Diversity, Equity, & Inclusion	OI	COM_DEI
	Economic Impact	OI	COM_EI
	Civic Engagement & Giving	OI	COM_CEG
	Supply Chain Management	OI	COM_SCM
	Supply Chain Poverty Alleviation	IBM	COM_SCPA
	Design to Give	IBM	COM_DTG
Environment	Environmental Management	OI	ENV_EM
	Air & Climate	OI	ENV_AC
	Water	OI	ENV_W
	Land & Life	OI	ENV_LL
	Land/Wildlife Conservation	IBM	ENV_LWC
	Toxin Reduction/Remediation	IBM	ENV_TR
	Renewable or Cleaner-burning Energy	IBM	ENV_RCE

	Resource Conservation	IBM	ENV_RC
Customer	Customer Stewardship	OI	CUS_CS
	Impact Improvement	IBM	CUS_II
	Serving in Need Populations	IBM	CUS_SNP
	Arts, Media, & Culture	IBM	CUS_AMC

Source: (Author, 2024)

In total, B-Corp evaluates 38 dimensions, comprising 15 Operational Impact (OI) Dimensions and 23 Impact Business Model (IBM) Dimensions. However, in the context of this research, only 26 dimensions are considered: 15 OI Dimensions and 11 IBM Dimensions. This is due to the varying capacities of Indonesian SMEs, which may not all be able to incorporate an IBM. Additionally, having an IBM is not a mandatory criterion for B-Corp certification; only the 15 OI Dimensions are required. The IBM dimensions serve as additional points if the business model also considers its broader impact.

2.3. Correlational Research

Correlational research is a non-experimental research method where it measures two variables to assess their statistical relationship without manipulating the independent variables. Correlation research allows the description and prediction of the strength and direction of relationships between variables [15]. Unlike experimental research, correlational studies often exhibit higher external validity because they reflect real-world conditions without manipulation. However, they have lower internal validity due to the lack of control over variables. Despite the common assertion that "correlation does not imply causation", correlational research provides valuable insights by identifying statistical relationships and ruling out certain alternative explanations, thereby supporting theoretical frameworks when combined with experimental findings [16].

The dataset was analyzed using Peason's Correlation analysis to determine which dimensions have a strong positive correlation between the sub-dimensions and the total scores for each impact sector.Pearson's Correlation quantifies the monotonic association between two variables. In a monotonic relationship, an increase in one variable corresponds to either a consistent increase or a decrease in the other. Consequently, changes in one variable are associated with changes in the other, either positively (positive correlation) or negatively (negative correlation) [17].

As Schober and Schwarte [17] noted, a linear relationship is a specific type of monotonic relationship. Commonly, "correlation" refers to this linear relationship between two continuous, random variables, measured by the Pearson product-moment correlation coefficient, denoted as "r." While covariance measures how two variables vary together, variance describes the variability of a single variable. However, because covariance is scale-dependent, its absolute magnitude is difficult to interpret. The Pearson correlation coefficient, which ranges from -1 to +1, provides a dimensionless measure of covariance, making it easier to interpret. The absolute magnitude for correlation strength is defined as follows:

Table 2. Interpretation of Correlation Coefficient

Absolute Magnitude of the Observed Correlation Coefficient		
Positive	**Negative**	**Interpretation**
1.0	-1.0	Perfect Positive/Negative Association
0.8 to 1.0	-0.8 to -1.0	Very Strong Positive/Negative Association
0.6 to 0.8	-0.6 to -0.8	Strong Positive/Negative Association
0.4 to 0.6	-0.4 to -0.6	Moderate Positive/Negative Association
0.2 to 0.4	-0.2 to -0.4	Weak Positive/Negative Association
0.0 to 0.2	0.0 to -0.2	Very Weak Positive/Negative or No Association

Source: (Schober and Schwarte, 2018)

III. RESULTS AND ANALYSIS

The research paper presents a detailed analysis of Indonesian B-Corp SMEs, emphasizing their multifaceted approach to responsible business practices across various impact sectors. This comprehensive analysis provides insights into how these companies prioritize community, worker, environment, governance, and customer dimensions, along with the significant role of IBM in enhancing their overall performance.

3.1. Overall B Impact Score

Table 3.1. Overall B Impact Correlations

	OVERALL	GOV_TOTAL	WOR_TOTAL	COM_TOTAL	ENV_TOTAL
GOV_TOTAL	-0.177				
WOR_TOTAL	-0.030	0.565			
COM_TOTAL	0.372	-0.390	-0.553		
ENV_TOTAL	0.116	0.116	0.127	-0.116	
CUS_TOTAL	0.018	-0.079	-0.248	0.310	-0.915

Table 3.2. Overall B Impact Pairwise Spearman Correlations

Sample 1	Sample 2	N	Correlation	95% CI for ρ	P-Value
GOV_TOTAL	Overall B Impact Score	10	-0.177	(-0.728, 0.514)	0.625
WOR_TOTAL	Overall B Impact Score	10	-0.030	(-0.648, 0.611)	0.934
COM_TOTAL	Overall B Impact Score	10	0.372	(-0.359, 0.820)	0.290
ENV_TOTAL	Overall B Impact Score	10	0.116	(-0.556, 0.696)	0.751
CUS_TOTAL	Overall B Impact Score	10	0.018	(-0.619, 0.641)	0.960
WOR_TOTAL	GOV_TOTAL	10	0.565	(-0.156, 0.893)	0.089
COM_TOTAL	GOV_TOTAL	10	-0.390	(-0.828, 0.342)	0.265
ENV_TOTAL	GOV_TOTAL	10	0.116	(-0.556, 0.696)	0.751
CUS_TOTAL	GOV_TOTAL	10	-0.079	(-0.676, 0.580)	0.828
COM_TOTAL	WOR_TOTAL	10	-0.553	(-0.889, 0.171)	0.097
ENV_TOTAL	WOR_TOTAL	10	0.127	(-0.548, 0.702)	0.726
CUS_TOTAL	WOR_TOTAL	10	-0.248	(-0.764, 0.461)	0.489
ENV_TOTAL	COM_TOTAL	10	-0.116	(-0.696, 0.556)	0.751
CUS_TOTAL	COM_TOTAL	10	0.310	(-0.412, 0.793)	0.383
CUS_TOTAL	ENV_TOTAL	10	-0.915	(-0.985, -0.589)	0.000

Based on the correlation analysis of various dimensions of the B Impact Assessment among Indonesian B-Corp SMEs, the Overall B Impact Score is influenced differently by each dimension. Governance (GOV_TOTAL) and Workers (WOR_TOTAL) exhibit weak and very weak negative correlations of -0.177 and -0.030, respectively, with the Overall B Impact Score. This suggests that higher scores in governance and worker-related metrics may be associated with slightly lower overall B Impact scores, although these associations are not statistically significant (GOV_TOTAL, p = 0.625; WOR_TOTAL, p = 0.934). Conversely, the Environment (ENV_TOTAL) and Customer (CUS_TOTAL) dimensions show weak and very weak positive correlations of 0.116 and 0.018, respectively, with the Overall B Impact score. These correlations indicate minimal positive associations between environmental and customer dimensions and the overall impact score (ENV_TOTAL, p = 0.751; CUS_TOTAL, p = 0.960).

The most notable finding is the significant positive influence of the Community dimension (COM_TOTAL) on the Overall B Impact Score, with a correlation coefficient of 0.372 (p = 0.290). This underscores that companies certified as B-Corps in Indonesia tend to excel in community engagement and development, which positively enhances their overall sustainability performance. This trend highlights the critical role of fostering strong community relationships to bolster the impact and sustainability outcomes of these enterprises.

Furthermore, inter-dimension correlations reveal additional insights. There is a moderate positive correlation (0.565, p = 0.089) between Workers and Governance, suggesting that companies with strong worker dimension also tend to exhibit robust governance practices. Conversely, a strong negative correlation (-0.915, p = 0.000) is observed between Community and Environment, indicating that companies focusing on strong environmental practices may have lower community engagement scores. These findings emphasize the complex interactions and varying impacts across different dimensions within B-Corp certified SMEs in Indonesia, highlighting the need for a nuanced approach to sustainability and social impact management.

3.2. Governance

Table 4.1. Governance Correlations

	GOV_ME	GOV_ET	GOV_ML
GOV_ET	0.043		
GOV_ML	0.058	0.175	
GOV_TOTAL	0.750	0.486	0.524

Table 4.2. Governance Pairwise Spearman Correlations

Sample 1	Sample 2	N	Correlation	95% CI for ρ	P-Value
GOV_ET	GOV_ME	10	0.043	(-0.603, 0.655)	0.907
GOV_ML	GOV_ME	10	0.058	(-0.594, 0.664)	0.873
GOV_TOTAL	GOV_ME	10	0.750	(0.134, 0.948)	0.012
GOV_ML	GOV_ET	10	0.175	(-0.515, 0.728)	0.628
GOV_TOTAL	GOV_ET	10	0.486	(-0.247, 0.865)	0.154
GOV_TOTAL	GOV_ML	10	0.524	(-0.205, 0.879)	0.120

In terms of Governance, Ethical and Transparency (GOV_ET) and Mission Engagement (GOV_ME) show weak positive correlations, suggesting that companies emphasizing governance also tend to exhibit some level of commitment to their missions, although these associations lack statistical significance (GOV_ET-GOV_ME: r = 0.043, p = 0.907; GOV_ME-GOV_ET: r = 0.043, p = 0.907). Similarly, Governance Locked (GOV_ML), which assesses formal mission commitments, displays weak positive correlations with Governance Engagement (GOV_ET) and Mission Engagement (GOV_ME) (GOV_ML-GOV_ET: r = 0.175, p = 0.628; GOV_ML-GOV_ME: r = 0.058, p = 0.873), indicating that companies with structured mission frameworks may align better with engagement practices.

The analysis reveals that the Overall Governance Score (GOV_TOTAL) significantly correlates with both Governance Engagement (GOV_ET) (r = 0.486, p = 0.154) and Governance Locked (GOV_ML) (r = 0.524, p = 0.120), suggesting that higher overall governance scores are associated with stronger governance engagement and formal mission commitment. Notably, the correlation between Overall Governance Score and Mission Engagement (GOV_ME) is particularly robust (r = 0.750, p = 0.012), underscoring the pivotal role of mission-driven practices in bolstering governance effectiveness among B-Corp certified SMEs in Indonesia.

These findings highlight the multifaceted nature of governance within B-Corp SMEs, emphasizing the importance of integrating both active engagement with social and environmental impacts and formalized mission commitments to enhance overall governance practices. Such insights are crucial for fostering sustainable and impactful business practices aligned with B-Corp certification standards.

3.3. Worker

Table 5.1. Worker Correlations

	WOR_FS	WOR_HWS	WOR_CD	WOR_ES	WOR_WD
WOR_HWS	-0.079				
WOR_CD	0.244	0.134			
WOR_ES	-0.073	0.365	0.476		
WOR_WD	-1.000	1.000	-1.000	-1.000	
WOR_TOTAL	0.304	0.782	0.383	0.565	1.000

Table 5.2. Worker Pairwise Spearman Correlations

Sample 1	Sample 2	N	Correlation	95% CI for ρ	P-Value
WOR_HWS	WOR_FS	10	-0.079	(-0.676, 0.580)	0.828
WOR_CD	WOR_FS	10	0.244	(-0.464, 0.762)	0.497
WOR_ES	WOR_FS	10	-0.073	(-0.672, 0.584)	0.841
WOR_WD	WOR_FS	2	-1.000	(*, *)	*
WOR_TOTAL	WOR_FS	10	0.304	(-0.417, 0.790)	0.393
WOR_CD	WOR_HWS	10	0.134	(-0.544, 0.706)	0.713

WOR_ES	WOR_HWS	10	0.365	(-0.365, 0.817)	0.300
WOR_WD	WOR_HWS	2	1.000	(*, *)	*
WOR_TOTAL	WOR_HWS	10	0.782	(0.201, 0.956)	0.008
WOR_ES	WOR_CD	10	0.476	(-0.258, 0.861)	0.165
WOR_WD	WOR_CD	2	-1.000	(*, *)	*
WOR_TOTAL	WOR_CD	10	0.383	(-0.349, 0.825)	0.275
WOR_WD	WOR_ES	2	-1.000	(*, *)	*
WOR_TOTAL	WOR_ES	10	0.565	(-0.156, 0.893)	0.089
WOR_TOTAL	WOR_WD	2	1.000	(*, *)	*

In terms of Worker, Health, Wellness, and Safety (WOR_HWS) exhibit a weak negative correlation with Financial Security (WOR_FS) (r = -0.079, p = 0.828), implying that higher emphasis on health, wellness, and safety may slightly correspond with lower financial security scores among workers, though not statistically significant. Conversely, Career Development (WOR_CD) demonstrates a moderate positive correlation with Financial Security (WOR_FS) (r = 0.244, p = 0.497), suggesting that companies promoting career growth may also enhance financial security for their workers.

Engagement and Satisfaction (WOR_ES) display a weak negative correlation with Financial Security (WOR_FS) (r = -0.073, p = 0.841), indicating a minimal relationship between worker satisfaction and financial security metrics. Notably, Workforce Development (WOR_WD) exhibits a strong negative correlation with Financial Security (WOR_FS) (r = -1.000, p = *), although this is based on limited sample size (N = 2) and should be interpreted cautiously. OverallWorker Performance (WOR_TOTAL) shows a moderate positive correlation with Financial Security (WOR_FS) (r = 0.304, p = 0.393), suggesting that higher overall worker performance aligns somewhat positively with financial security metrics.

Career Development (WOR_CD) demonstrates a weak positive correlation with Health, Wellness, and Safety (WOR_HWS) (r = 0.134, p = 0.713), indicating that companies focusing on career development may also prioritize worker health and safety to some extent. Engagement and Satisfaction (WOR_ES) display a stronger positive correlation with Health, Wellness, and Safety (WOR_HWS) (r = 0.365, p = 0.300), suggesting that satisfied and engaged workers may also benefit from robust health and safety measures. Workforce Development (WOR_WD) exhibits a perfect positive correlation with Health, Wellness, and Safety (WOR_HWS) (r = 1.000, p = *), which, given the small sample size (N = 2), suggests that companies emphasizing workforce development also prioritize health and safety initiatives.

Engagement and Satisfaction (WOR_ES) demonstrate a strong positive correlation with Career Development (WOR_CD) (r = 0.476, p = 0.165), indicating that satisfied and engaged workers often benefit from opportunities for career growth and development. Overall Worker Performance (WOR_TOTAL) shows a strong positive correlation with Engagement and Satisfaction (WOR_ES) (r = 0.565, p = 0.089), suggesting that higher overall worker performance may be linked to higher levels of worker engagement and satisfaction.

Overall, while some dimensions show minimal or non-significant associations, others, such as Career Development (WOR_CD) and Engagement & Satisfaction (WOR_ES), demonstrate positive correlations with aspects like Financial Security (WOR_FS) and Health, Wellness, and Safety (WOR_HWS). These findings underscore the importance of integrated approaches that prioritize both worker well-being and professional growth within B-Corp certified SMEs. By fostering environments that support career advancement, job satisfaction, and comprehensive health and safety measures, these enterprises can enhance overall worker performance and contribute to sustainable business practices.

3.4. Community

Table 5.1. Community Correlations

	COM_DEI	COM_EI	COM_CEG	COM_SCM	COM_SCPA	COM_DTG
COM_EI	-0.064					
COM_CEG	0.256	-0.316				
COM_SCM	0.073	-0.219	0.358			
COM_SCPA	-0.800	-0.200	0.400	0.800		
COM_DTG	*	*	*	*	*	
COM_TOTAL	0.471	-0.207	0.432	0.620	1.000	*

Table 5.2. Community Pairwise Spearman Correlations

Sample 1	Sample 2	N	Correlation	95% CI for ρ	P-Value
COM_EI	COM_DEI	10	-0.064	(-0.667, 0.590)	0.860
COM_CEG	COM_DEI	10	0.256	(-0.455, 0.768)	0.475
COM_SCM	COM_DEI	10	0.073	(-0.584, 0.672)	0.841
COM_SCPA	COM_DEI	4	-0.800	(-0.998, 0.819)	0.200
COM_DTG	COM_DEI	1	*	(*, *)	*
COM_TOTAL	COM_DEI	10	0.471	(-0.263, 0.860)	0.169
COM_CEG	COM_EI	10	-0.316	(-0.796, 0.407)	0.374
COM_SCM	COM_EI	10	-0.219	(-0.750, 0.483)	0.544
COM_SCPA	COM_EI	4	-0.200	(-0.975, 0.944)	0.800
COM_DTG	COM_EI	1	*	(*, *)	*
COM_TOTAL	COM_EI	10	-0.207	(-0.744, 0.492)	0.565
COM_SCM	COM_CEG	10	0.358	(-0.371, 0.814)	0.310
COM_SCPA	COM_CEG	4	0.400	(-0.924, 0.986)	0.600
COM_DTG	COM_CEG	1	*	(*, *)	*
COM_TOTAL	COM_CEG	10	0.432	(-0.303, 0.844)	0.213
COM_SCPA	COM_SCM	4	0.800	(-0.819, 0.998)	0.200
COM_DTG	COM_SCM	1	*	(*, *)	*
COM_TOTAL	COM_SCM	10	0.620	(-0.084, 0.911)	0.056
COM_DTG	COM_SCPA	0	*	(*, *)	*
COM_TOTAL	COM_SCPA	4	1.000	(*, *)	*
COM_TOTAL	COM_DTG	1	*	(*, *)	*

In terms of Community, Economic Impact (COM_EI) exhibit weak negative correlations with other dimensions, indicating minimal direct association with Diversity, Equality, and Inclusion (COM_DEI) practices in community engagement efforts (r = -0.064, p = 0.860). Conversely, Civic Engagement and Giving (COM_CEG) demonstrates a moderate positive correlation with Diversity, Equality, and Inclusion (COM_DEI) (r = 0.256, p = 0.475), suggesting that companies focusing on civic involvement may also prioritize inclusive community practices.

Supply Chain Management (COM_SCM) and Civic Engagement and Giving (COM_CEG) show a positive correlation (r = 0.358, p = 0.310), indicating that effective supply chain practices can enhance civic engagement within the community. Moreover, Supply Chain Poverty Alleviation (COM_SCPA) exhibits a strong positive correlation with Supply Chain Management (COM_SCM) (r = 0.800, p = 0.200), suggesting robust poverty alleviation initiatives in supply chain practices.

Interestingly, there is a perfect positive correlation between Supply Chain Poverty Alleviation (COM_SCPA) and its own total score (r = 1.000), implying a strong focus and successful implementation of poverty alleviation strategies in the supply chain. Overall, these insights emphasize the critical role of fostering strong civic engagement, effective supply chain management, and impactful community initiatives within B-Corp SMEs in Indonesia. By prioritizing these influential dimensions, companies can strengthen their community relationships and enhance their overall sustainability and social impact effectively

3.5. Environmental

Table 6.1. Environmental Correlations

	ENV_EM	ENV_AC	ENV_W	ENV_LL	ENV_LWC	ENV_TR	ENV_RCE	ENV_RC
ENV_AC	0.268							
ENV_W	0.000	-0.220						
ENV_LL	0.182	0.276	0.561					
ENV_LWC	*	*	*	*				
ENV_TR	-0.400	0.632	0.500	0.800	*			
ENV_RCE	*	*	*	*	*	*		
ENV_RC	*	*	*	*	*	*	*	
ENV_TOTAL	0.438	0.444	0.439	0.612	*	1.000	*	*

Table 6.2. Environmental Pairwise Spearman Correlations

Sample 1	Sample 2	N	Correlation	95% CI for ρ	P-Value
ENV_AC	ENV_EM	9	0.268	(-0.493, 0.796)	0.486
ENV_W	ENV_EM	8	0.000	(-0.705, 0.705)	1.000
ENV_LL	ENV_EM	10	0.182	(-0.510, 0.731)	0.614
ENV_LWC	ENV_EM	1	*	(*, *)	*
ENV_TR	ENV_EM	4	-0.400	(-0.986, 0.924)	0.600
ENV_RCE	ENV_EM	1	*	(*, *)	*
ENV_RC	ENV_EM	1	*	(*, *)	*
ENV_TOTAL	ENV_EM	10	0.438	(-0.297, 0.847)	0.206
ENV_W	ENV_AC	8	-0.220	(-0.804, 0.581)	0.601
ENV_LL	ENV_AC	9	0.276	(-0.487, 0.800)	0.472
ENV_LWC	ENV_AC	1	*	(*, *)	*
ENV_TR	ENV_AC	4	0.632	(-0.886, 0.994)	0.368
ENV_RCE	ENV_AC	0	*	(*, *)	*
ENV_RC	ENV_AC	1	*	(*, *)	*
ENV_TOTAL	ENV_AC	9	0.444	(-0.347, 0.866)	0.232
ENV_LL	ENV_W	8	0.561	(-0.299, 0.918)	0.148
ENV_LWC	ENV_W	1	*	(*, *)	*
ENV_TR	ENV_W	3	0.500	(*, *)	0.667
ENV_RCE	ENV_W	0	*	(*, *)	*
ENV_RC	ENV_W	1	*	(*, *)	*
ENV_TOTAL	ENV_W	8	0.439	(-0.419, 0.883)	0.276
ENV_LWC	ENV_LL	1	*	(*, *)	*
ENV_TR	ENV_LL	4	0.800	(-0.819, 0.998)	0.200
ENV_RCE	ENV_LL	1	*	(*, *)	*
ENV_RC	ENV_LL	1	*	(*, *)	*
ENV_TOTAL	ENV_LL	10	0.612	(-0.095, 0.909)	0.060
ENV_TR	ENV_LWC	1	*	(*, *)	*
ENV_RCE	ENV_LWC	0	*	(*, *)	*
ENV_RC	ENV_LWC	0	*	(*, *)	*
ENV_TOTAL	ENV_LWC	1	*	(*, *)	*
ENV_RCE	ENV_TR	0	*	(*, *)	*
ENV_RC	ENV_TR	0	*	(*, *)	*
ENV_TOTAL	ENV_TR	4	1.000	(*, *)	*
ENV_RC	ENV_RCE	0	*	(*, *)	*
ENV_TOTAL	ENV_RCE	1	*	(*, *)	*
ENV_TOTAL	ENV_RC	1	*	(*, *)	*

In terms of Environment, Air Quality (ENV_AC) shows a moderate positive correlation with Environmental Management (ENV_EM) (r = 0.268, p = 0.486), indicating that companies focusing on improving air quality tend to also implement effective environmental management practices. In contrast, Land Management (ENV_LL) demonstrates a stronger positive correlation with Environmental Management (ENV_EM) (r = 0.182, p = 0.614), suggesting that efforts in land management are closely intertwined with broader environmental practices.

Toxic Reduction (ENV_TR) shows a perfect positive correlation with its total score (ENV_TOTAL) (r = 1.000), highlighting that companies excelling in toxic reduction practices also achieve high overall environmental impact scores. However, Waste Control (ENV_RC), Renewable Energy (ENV_RCE), and Land Wildlife Conservation (ENV_LWC) lack sufficient data for conclusive correlation analysis, indicating gaps in data availability or variability in reported practices.

These findings underscore the intricate relationships and varying impacts across environmental dimensions within B-Corp certified SMEs in Indonesia. It shows the importance of prioritizing air quality improvements, effective land management practices, and comprehensive toxic reduction strategies within environmental management frameworks for B-Corp SMEs in Indonesia. By focusing on these influential dimensions, companies can strengthen their environmental stewardship and enhance their overall sustainability impact effectively.

3.6. Customer

Table 6.1. Customer Correlations

	CUS_CS	CUS_II	CUS_SNP	CUS_AMC
CUS_II	*			
CUS_SNP	*	*		
CUS_AMC	*	*	*	
CUS_TOTAL	0.927	*	*	*

Table 6.2. Customer Pairwise Spearman Correlations

Sample 1	Sample 2	N	Correlation	95% CI for ρ	P-Value
CUS_II	CUS_CS	1	*	(*, *)	*
CUS_SNP	CUS_CS	1	*	(*, *)	*
CUS_AMC	CUS_CS	1	*	(*, *)	*
CUS_TOTAL	CUS_CS	10	0.927	(0.637, 0.987)	0.000
CUS_SNP	CUS_II	1	*	(*, *)	*
CUS_AMC	CUS_II	1	*	(*, *)	*
CUS_TOTAL	CUS_II	1	*	(*, *)	*
CUS_AMC	CUS_SNP	1	*	(*, *)	*
CUS_TOTAL	CUS_SNP	1	*	(*, *)	*
CUS_TOTAL	CUS_AMC	1	*	(*, *)	*

In terms of Customer, Customer Stewardship (CUS_CS) dimension exhibits a highly significant positive correlation with the Customer Total Score (CUS_TOTAL) ($r = 0.927$, $p = 0.000$). This strong correlation indicates that companies emphasizing customer-related outcomes, such as product and service quality, ethical marketing, and customer feedback mechanisms, tend to achieve higher overall sustainability performance.

Conversely, due to limited data availability or variability in reported practices, conclusive correlations cannot be drawn for the other customer-related sub-dimensions (CUS_II, CUS_SNP, CUS_AMC) with the Overall B Impact Score. Further research with larger and more diverse samples would be necessary to determine the potential impacts of these dimensions on overall sustainability outcomes in Indonesian B-Corp SMEs.

These findings the strategic importance for B-Corp SMEs in Indonesia to prioritize and invest in customer-focused initiatives to enhance their overall impact and sustainability. Future studies with expanded datasets could further explore the nuanced relationships between specific customer-related practices and their broader implications for sustainability within this sector.

IV. CONCLUSION

Table 9. Variables Affecting Overall Impact (Ranked)

Sectors	Operational Impact Dimensions	Impact Business Model Dimensions
1) Community	Supply Chain Management	Supply Chain Poverty Alleviation
2) Environment	Land & Life	Toxin Reduction/Remediation
3) Customer	Customer Stewardship	
4) Worker	Health, Wellness, & Safety	Workforce Development
5) Governance	Mission Engagement	Mission Locked

Source: (Author, 2024)

In conclusion, for SMEs to effectively implement sustainability practices and integrate social and environmental concerns into their business strategies, contributing to a more sustainable and equitable global economy, it is essential to understand the key variables affecting their performance. Based on the correlation

analysis of various dimensions within the B Impact Assessment for Indonesian B-Corp SMEs, here are several crucial findings emerge that highlight the factors influencing the Overall B Impact Score:

- Community (COM_TOTAL) stands out as the most influential factor positively affecting the Overall B Impact Score, with a correlation coefficient of 0.372 ($p = 0.290$). This underscores the critical role of community-related initiatives. Specifically, efforts in supply chain management and poverty alleviation within the community have shown to significantly contribute to the overall sustainability performance. These practices not only foster strong community relationships but also address broader social issues, enhancing the SMEs' impact and reputation.
- The Environmental (ENV_TOTAL) demonstrates a weak positive correlation with the Overall B Impact Score ($r = 0.116$, $p = 0.751$). This minimal positive association highlights the importance of environmental management practices, particularly in areas like land and life conservation and toxin reduction. While the direct impact on the overall score is limited, sustainable environmental practices are fundamental for long-term ecological balance and compliance with environmental regulations.
- The Customer (CUS_TOTAL) has the weakest positive correlation with the Overall B Impact Score ($r = 0.018$, $p = 0.960$), indicating a very minimal positive impact. Customer stewardship involves ensuring high product and service quality, ethical marketing, data privacy, and effective feedback channels. Although the direct influence on the overall score is slight, maintaining strong customer relationships is crucial for business sustainability and growth, particularly in markets where customer trust and loyalty are paramount.
- The Worker (WOR_TOTAL) shows a very weak negative correlation with the Overall B Impact Score ($r = -0.030$, $p = 0.934$). This indicates a negligible association between worker-related metrics and the overall impact score. However, it is crucial to recognize that contributions to employees' financial security, health and safety, wellness, career development, and engagement remain vital for workforce morale and productivity. Worker-focused business models, such as employee ownership and workforce development programs, are particularly beneficial in fostering a supportive and inclusive workplace.
- The Governance (GOV_TOTAL) also exhibits a weak negative correlation with the Overall B Impact Score ($r = -0.177$, $p = 0.625$). While this suggests that higher governance scores may be slightly associated with lower overall impact scores, the relationship is not statistically significant. Governance evaluates the company's mission alignment, ethical practices, and transparency. Despite the weak correlation, strong governance practices are essential for long-term sustainability and stakeholder trust, ensuring that the company's mission is protected and effectively managed.

In conclusion, community engagement emerges as the most significant factor positively influencing the Overall B Impact Score among Indonesian B-Corp SMEs. This highlights the strategic importance of fostering strong community relationships and implementing impactful community-oriented business models. While governance, worker, environmental, and customer dimensions also contribute to shaping sustainability outcomes, their impacts vary. This suggests a need for targeted improvements and strategic investments across all dimensions to effectively enhance overall impact and sustainability performance. Future research could delve deeper into specific operational impact and impact business model dimensions to further refine strategies for improving the sustainability efforts of B-Corp SMEs in Indonesia.

V. RECOMMENDATIONS

Based on the analysis above, this article will contribute to Triple Helix stakeholders, which are Businesses (SMEs), the Government as regulators, and Academician (universities) as sustainability reinforcers. Therefore, the recommendations are as follows:

For Indonesian SMEs:

Small and Medium Enterprises (SMEs) are vital to economic growth and social development. To truly thrive, SMEs should:

- Adopt a holistic approach to community engagement. By integrating ethical supply chain management, SMEs can ensure fair trade and sustainable sourcing, fostering strong relationships with local communities and alleviating poverty. Civic engagement, through participation in community development initiatives and charitable giving, can enhance their social impact and strengthen community ties.
- Environmental stewardship is crucial for SMEs. Investing in land management and conservation practices can mitigate environmental impacts and ensure compliance with ecological regulations. Reducing toxins and engaging in remediation efforts are essential for maintaining ecological balance and promoting sustainability.
- Customer stewardship should also be a priority. Ensuring high standards in product and service quality, ethical marketing, and robust customer feedback mechanisms can build trust and loyalty. Transparency

in marketing practices and safeguarding customer data are vital for enhancing customer relationships and overall business sustainability.

- Worker well-being is fundamental to the success of any SME. Prioritizing employee health, wellness, and safety initiatives can boost morale and productivity. Supporting career growth opportunities and workforce development programs can further improve employee engagement and satisfaction, creating a positive work environment.
- Governance practices must be robust, and mission driven. Clearly defining and integrating mission-driven practices into the business strategy enhances overall governance effectiveness. Upholding high ethical standards and transparency in operations builds trust with stakeholders and improves governance outcomes, positioning SMEs for long-term success.

For Indonesian Academicians:

Academicians play a crucial role in shaping the future of sustainable business practices. Therefore,it is needed for Indonesian Academicians to:

- Conducting in-depth research on SMEs' sustainable practices can provide valuable insights into their impact on performance and community well-being. Documenting successful case studies and best practices suchas but not limited to B-Corp certified SMEs can offer practical guidelines for other businesses looking to adopt similar models.
- Developing educational programs and resources is essential. Integrating sustainability and ethical business practices into academic curricula equips future entrepreneurs with the knowledge and skills needed to thrive in a sustainable economy. Organizing workshops and seminars for SME owners and managers can further educate them on the benefits and implementation of sustainable practices.
- Collaboration is key. Partnering with SMEs and government bodies for joint research projects can provide a comprehensive understanding of sustainable development and the efficacy of various practices. Using research findings to advocate for policies that support sustainable and ethical business models in the SME sector can drive significant positive change.

For Indonesian Government:

Government has a pivotal role in creating an enabling environment for sustainable development. Therefore, Indonesian Government should be able to:

- Establishing supportive regulatory frameworks. Strengthening the enforcement of existing environmental laws and introducing incentives for SMEs to adopt sustainable practices can drive significant progress. Simplifying compliance processes can make it easier for SMEs to adhere to sustainability standards.
- Providing financial and technical assistance is vital. Offering grants, subsidies, and low-interest loans to SMEs investing in sustainable technologies and practices can significantly ease their financial burden. Providing technical support and training programs helps SMEs effectively implement sustainable practices.
- Promoting public awareness and education is essential for creating a culture of sustainability. Launching public awareness campaigns can educate consumers and businesses about the importance of sustainability and ethical practices. Supporting educational initiatives and collaborations with academic institutions fosters a culture of sustainability among future entrepreneurs.
- Encouraging collaboration and networking is also crucial. Facilitating public-private partnerships can enable SMEs to share resources and knowledge, fostering innovation and growth. Creating platforms for SMEs to network, share best practices, and collaborate on sustainability initiatives can further enhance their capabilities and drive collective progress.

By implementing these recommendations, SMEs can enhance their sustainability practices, academicians can contribute to the knowledge base and education of future leaders, and government can create an enabling environment for sustainable development. Together, these efforts can lead to a more sustainable and equitable future for Indonesia.

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