

THE ROLE OF SUSTAINABLE BUSINESS PRACTICES IN ACHIEVING THE SDGs: A Case Study of Rural Agricultural Communities

Zaenal Muttaqin^{1*}, Deasy Silvya Sari²

Padjadjaran University, Indonesia

Email: zaenal.muttaqin@unpad.ac.id^{1*}, deasy.silvya@unpad.ac.id³

ABSTRACT

Abstract: Villages have a strategic role as the smallest locus of development to support the achievement of Sustainable Development Goals (SDGs). It is focused on accelerating the achievement of SDGs by restoring the national economy. Therefore, in accelerating the achievement of sustainable development goals (SDGs), a practical role of sustainable business is needed for agricultural village communities. The method in this study is a qualitative method with an analytical descriptive approach, The data source is Library Research and other supporting literature, associated with phenomena that occur in the past, present, and future. The results of this study are 1) The application of sustainable business model practices is one form of commitment of business people who are applied by having ethical governance and always contributing to economic development and not neglecting the quality of life of the workforce, local communities and surrounding communities 2) Obstacles in the implementation of Sustainable Development Goals in agricultural village communities include lack of effective land, lack of human resources, facilities, and government participation 3) Strategies in the role of agricultural village community development including Streamlining existing land, providing facilities and infrastructure, increasing human resources and optimal government participation.

Keywords: Business Practices; SDGs; Agricultural Communities; Villages

Introduction

Agriculture is the most basic type of human activity, encompassing crop production and animal domestication. Farmland is thus the world's most basic and diverse resource, and it is from which the world's population is fed and protected. Although the exact beginnings of agriculture are unknown, as human populations expanded, fishing and hunting became more important as means to supplement what was lacking in the field, and a never-ending search for food ensued. Food production is necessary if humans are to live long and safe lives.

It is thus clear that the importance of agriculture arises from this argument. Agriculture provides a significant proportion of the household economy worldwide.

People rely on agriculture to feed their families, earn a living, and start businesses, no matter how small (Gamage, Gangahagedara, Gamage, & Jayasinghe, 2023).

Therefore, to maintain the agricultural business, sustainable business practices are needed. The implementation of sustainable business model practices is one form of commitment of business people who are applied by having ethical governance and always contributing to economic development and not neglecting the quality of life of the workforce, local communities, and surrounding communities (Poerwanto, Kristia, & Pranatasari, 2021). In the era of digitalization that increasingly dominates business, it requires careful preparation to create sustainability in the future, including the knowledge and ability of the community so that it can face super smart society 5.0, the majority of which uses the latest technology. Technology will increase the role of sustainable business practices in achieving sustainable development goals (SDGs) (Sutanto, Madeline, & Patricia, 2022).

The Sustainable Development Goals (SDGs) were enacted in Indonesia in 2017 (Sugandi, Abdoellah, & Gunawan, 2022). The Ministry of Villages, Development of Disadvantaged Regions, and Transmigration have endorsed the SDGs into a village strategy called "Village SDGs." (Kemendes PDTT, 2020). The SDGs seek to improve rural areas more efficiently by prioritizing needs based on cultural, social, and environmental factors (Permatasar. P. et. al, 2021).

However, the development of business model concept thinking requires a business to start thinking towards the sustainability of their business. Sustainability in this case is no longer solely about profit. When a business is only concerned with profit, without them realizing it this has exploited the resources around their business. Sustainable community development is a challenge without a one-size-fits-all approach (Jost, Newell, & Dale, 2021). This requires continuous improvement, thus, this situation presents a need for the role of sustainable business practices in achieving the SDGs.

Based on this, this study aims to analyze the implementation of SDGs at the local village level, to find out the challenges and solutions so that their implementation becomes maximal. The purpose of Village SDGs as a policy direction for the development and empowerment of rural agricultural communities in increasing the role of sustainable business.

Research Method

This research is qualitative research with a descriptive approach to analysis, data sources consist of literature that is associated with phenomena that occur in the past,

present, and future. The first research method consists of analyzing the existing literature, then trying to build programs for the development of environmentally sound rural development and analyzing national development programs for the development of rural development in the future

Result And Discussion

The Role of Sustainable Business Practices in Achieving SDGs

The new direction in the current development process is the implementation of the Sustainable Development Goals (SDGs). The direction of national development policy focuses on sustainable factors in all sectors ([Angga Wijaya Holman Fasa, Mahardhika Berliandaldo, 2022](#)). Active community participation is one manifestation of the policy direction. Sustainability is the principle of developing and preserving business activities carried out by the community ([Yuliana & Alinsari, 2022](#)). Economic development SDGs are the achievement of quality economic growth through sustainable employment and business opportunities, innovation, inclusive industries, adequate infrastructure, affordable clean energy, and supported partnerships ([Sjaf et al., 2021](#)). Meanwhile, environmental development in the SDGs is the achievement of sustainable management of natural resources and the environment as a buffer for all life.

Sustainable development is included in ethical theory because it states that sustainable development aims to answer the needs of the present without threatening the ability to protect the next generation to meet their needs ([Afdal Kurnia, Amanda Shaura, Santoso Tri Raharjo, 2019](#)). 29) Reaffirming the concept of sustainable development, the concept of sustainable development contains the purpose of long-term development, which includes a period between generations and seeks to provide sufficient resources and a healthy environment that supports life.

Based on the Sustainable Development Goals (SDGs) Model of Visseren Hamakers, four variables can measure the achievement of the SDGs program. The aspects are as follows: 1) Economic, 2) Social, 3) Environmental, and 4) Institutions ([Muhammad Fardh'lu Rizky, 2022](#)). These aspects can be described as follows:

1. Economic Aspect

The economy is needed to implement the Sustainable Development Goals (SDGs) as a whole. The economy is very important for development in Indonesia. Keeping pace with the growth of the working-age population worldwide with employment at the center of economic policymaking and development plans, will not only generate decent work opportunities but also stronger, more inclusive growth and can reduce poverty. This is a positive circle that is good for the economy and for society and encourages sustainable development.

2. Social Aspect

The success of Sustainable Development Goals (SDGs) not only focuses on economic aspects but also depends on social aspects. The aspects of sustainable development in the form of social sustainability include health and education, as well as environmental welfare. To prepare a development plan based on the concept of sustainable development, it is necessary to understand what elements are needed for sustainable development, as well as what factors and tools are needed to develop sustainably.

3. Environmental Aspects

Environmental aspects are important aspects of the Sustainable Development Goals (SDGs). The focus in this aspect is not to focus on the current generation but on future generations. SDGs embrace the latest sustainability model, no longer Aspect (which looks at the economy, society, and environment separately) or triple bottom line (which sees an intersection between the three), but rather a nested model (which looks at the relationship of the three comprehensively: economic part of the social, and social part of the environment).

4. Institutional Aspects

Institutions are one way to realize development in the village. Localization of SDGs as Village SDGs covers all aspects of localization that have been carried out. All goals in the SDGs that have been implemented in the Sustainable Development Goals are then localized to the village level in the Village SDGs. The use of language is important: it must be simple, refer to a statement of purpose, and be rational to be fulfilled (if development is to be carried out).

Development that is more centered on economic growth makes economic growth above humans and the ecology on which human welfare depends. In other words, economic growth is more important than people and ecology which are the basis of well-being ([Afdal Kurnia, Amanda Shaura, Santoso Tri Raharjo, 2019](#)).

As time goes by and development, many programs are present amid society which are programs that aim at the long-term development of the welfare sector and many other things.

Based on this, the implementation of sustainable business model practices is one form of commitment of business people who are applied by having ethical governance and always contributing to economic development, and not neglecting the quality of life of the workforce, local communities, and surrounding communities.

Inhibiting and Supporting Factors in the Implementation of Sustainable Development Goals (SDGs)

Not optimal planning of Village Sustainable Development Goals, it is known that there are obstacles in designing development planning, especially the Village

Sustainable Development Goals program. Where deliberations that not only involve the village government but also the village community still cannot be carried out. This problem is deeply felt by the village government, which has an impact on development planning in the village.

Lack of Quality of Village Human Resources, The quality of human resources in this intellectual ability (intelligence) thus hinders increasing village development (Muhammad Fardh'lu Rizky, 2022). Then the lack of educational skills at a higher level, thus hindering the improvement of development. Village development and agricultural planning face obstacles in the form of complex problems (Arham, Sjaf, & Darusman, 2019). Lack of understanding of rural communities about the Sustainable Development Goals that institutions still cannot show the nature of working together in implementing the Sustainable Development Goals (SDGs) program.

Not yet optimal planning of Village Sustainable Development Goals, it is known that there are obstacles in designing development planning, especially the Village Sustainable Development Goals program in agricultural village communities. The diversity of local conditions across the region has led to many challenges and opportunities for the implementation of global sustainability frameworks such as the Sustainable Development Goals. Grassroots transformative change led by local communities, cities, and businesses can offer promising approaches to achieving sustainability, tailored to the unique conditions of each context (Moallemi et al., 2020).

A key challenge in determining the value proposition of business model innovation is finding business objectives and offerings that can guarantee long-term competitive advantage. The idea of innovation on the value proposition can be the application of a circular economy, economic division, eco-efficiency, inclusive business, the base of the pyramid, and product service systems.

The second challenge is related to creating value, which is to develop sustainable business models through sustainability-oriented specific practices, capabilities, and resources. To answer this challenge, Bocken (2014) in (Poerwanto et al., 2021). paving the way for the conceptualization of sustainable business models through the identification of eight archetypes of sustainable business models. The archetype describes solutions aimed at contributing to the development of sustainable business models.

Technological, organizational, and social innovation factors such as the use of renewable resources, flexibility of working time, and ethical trade, help organizations to bridge the design gap with the implementation of sustainable business model innovation.

Based on this understanding, in sustainable development several important components must be fulfilled (Nasfi, 2020), that is;

- a. Integration of the environment in the process of economic development.
- b. Equitable.
- c. Distribution of power and economic influence.
- d. Future-oriented.
- e. Anticipatory activities must be available ahead of reaction activities

Based on the above thinking, it can be concluded that sustainable economic development is an activity or effort carried out by the government with all available resources both through the economic process and with the process of wisdom to increase the prosperity and welfare of its people.

Sustainable Agriculture Village Community Development Strategy

One of the opportunities in developing national agriculture is to start from the village as a level of government hierarchy that is very close to the community. Rural and agricultural development planning should ensure that current development activities do not leave a bad situation for future generations.

The development strategy carried out now must be a development strategy based on community empowerment (community empowerment), the community is not the object of development but places the community as a subject as well as a stakeholder or related party and development shareholder

Therefore, a strategy is needed in building a sustainable business in agricultural village communities.

1. Land use is carried out with the need for actual land use analysis.
The process of land intensification must be carried out effectively and efficiently. Garnett et al. Provide four rationales that need to be considered in organizing sustainable intensification, namely; 1) the need to increase production; 2) increased production must be met through higher yields because the increasing land area on farms requires large environmental costs; 3) Food security requires a lot of attention to improve environmental sustainability in line with increasing productivity; and 4) sustainable intensification is an objective but does not specify a priori how it should be achieved or agricultural techniques should be applied, the approach used should take into account the biophysical and social context.
2. Procurement of adequate infrastructure and infrastructure
In developing equitable economic equality in a country, there needs to be good infrastructure for the welfare of the people. Leaders of a country are obliged to build good and equitable infrastructure.
3. The Role of Human Resources in Agricultural Village Communities
National development in Indonesia aims to improve human resources and realize people's welfare by placing the people, both women and men in an active

position as development actors (Humaida, Aula Sa'adah, Huriyah, & Hasanatun Nida, 2020). One of the main components in the development and improvement of the quality of human resources in agricultural villages is Quality education. Increasing resources and adopting environmentally friendly technology is very good to be implemented in every country, especially developing countries such as Indonesia.

Sustainable development must be able to maintain the integrity of environmental functions and order so that natural resources can always be available to support present and future development activities. The concept of sustainable development is to find ways to improve welfare by using natural resources wisely so that development can take place continuously and consistently by maintaining the quality of life (well-being) of the community by not damaging the environment and considering existing resource reserves for the needs of future generations. (Natalia & Maulidya, 2023).

4. Government roles and policies

The government or leader is obliged to make his people live a prosperous life. Welfare in a country can be fulfilled with the existence of facilities and infrastructure, such as infrastructure in launching the distribution of community needs.

According to Bocken et al (2014) in (Poerwanto et al., 2021). To achieve a sustainable economy, a business needs to direct itself to several features of business development as follows:

1. Business systems are created by minimizing consumption and encouraging efficient use of energy, water, and other resources.
2. A system designed to maximize community and environmental benefits, rather than prioritizing economic growth;
3. Changing the system to recycling preferences so that not much is left to waste or thrown into the environment. Items are reused, repaired, and remade.
4. A system built on collaboration and sharing, not aggressive competition
5. Systems that emphasize the delivery of functionality and experience. A satisfying and rewarding work experience for all that enhances human creativity/skills

An important element of this successful strategy is to see sustainability not as a communication task, but as a challenge for all parts of the value chain. To achieve this sustainable value, sustainable business practices globally are needed for the welfare of society.

To create the welfare of rural communities in developing countries, the government must be involved in the development of pilot projects by supporting the agricultural production of rural communities and providing them with opportunities to create innovations and facilitate funding and transfer of ways to create downstream products, and this is inseparable from the government supporting the establishment

of institutions in rural areas for them to exchange information and where they need it funding such as financial institutions and institutions that host production in rural areas.

Therefore, to create the welfare of rural communities through the goals of economic development by the government, for that the government needs to be involved in how to create development projects in rural areas by involving rural communities and maintaining local culture.

Conclusion

Based on the results of the study, it was found that the application of sustainable business model practices is a form of commitment of business people who are applied by having ethical governance and always contributing to economic development, and not neglecting the quality of life of the workforce, local communities and surrounding communities. Obstacles in the implementation of Sustainable Development Goals in agricultural village communities include lack of effective land, lack of human resources, facilities, and government participation. Strategies in the role of agricultural village community development include Streamlining existing land, providing facilities and infrastructure, increasing human resources, and optimal government participation

Bibliography

- Afdal Kurnia, Amanda Shaura , Santoso Tri Raharjo, Risna Resnawaty. (2019). SUSTAINABLE DEVELOPMENT DAN CSR. *Prosiding Penelitian & Pengabdian Kepada Masyarakat*, 6(3), 231–237. https://doi.org/10.1007/978-3-319-97649-5_2 [Google Scholar](#)
- Angga Wijaya Holman Fasa, Mahardhika Berliandaldo, Ari Prasetyo. (2022). Wisata Desa dan Desa Wisata. *Jurnal Kajian*, 27(1), 22–26. <https://doi.org/10.51172/jbmb.v1i1.8> [Google Scholar](#)
- Arham, Ihsan, Sjaf, Sofyan, & Darusman, Dudung. (2019). Strategi Pembangunan Pertanian Berkelanjutan di Pedesaan Berbasis Citra Drone (Studi Kasus Desa Sukadamai Kabupaten Bogor). *Jurnal Ilmu Lingkungan*, 17(2), 245. <https://doi.org/10.14710/jil.17.2.245-255> [Google Scholar](#)
- Gamage, Ashoka, Gangahagedara, Ruchira, Gamage, Jeewan, & Jayasinghe, Nepali. (2023). Role of organic farming for achieving sustainability in agriculture. *Farming System*, 1(1), 100005. <https://doi.org/10.1016/j.farsys.2023.100005> [Google Scholar](#)
- Humaida, Nida, Aula Sa'adah, Miftahul, Huriyah, Huriyah, & Hasanatun Nida, Najminnur. (2020). Pembangunan Berkelanjutan Berwawasan Lingkungan

- (Sustainable Development Goals) Dalam Perspektif Islam. *Khazanah: Jurnal Studi Islam Dan Humaniora*, 18(1), 131. <https://doi.org/10.18592/khazanah.v18i1.3483> Google Scholar
- Jost, F., Newell, R., & Dale, A. (2021). CoLabS: A collaborative space for transdisciplinary work in sustainable community development. *Heliyon*, 7(2), e05997. <https://doi.org/10.1016/j.heliyon.2021.e05997> Google Scholar
- Moallemi, Enayat A., Malekpour, Shirin, Hadjidakou, Michalis, Raven, Rob, Szetey, Katrina, Ningrum, Dianty, Dhiaulhaq, Ahmad, & Bryan, Brett A. (2020). Achieving the Sustainable Development Goals Requires Transdisciplinary Innovation at the Local Scale. *One Earth*, 3(3), 300–313. <https://doi.org/10.1016/j.oneear.2020.08.006> Google Scholar
- Muhammad Fardh'lu Rizky, Dadang Mashur. (2022). Penerapan Sustainable Development Goals Desa di Desa Perkebunan Sungai. *Jurnal Ilmiah Wahana Pendidikan*, 8(15), 385–394. [Google Scholar](#)
- Nasfi, Nagara Patria. (2020). Pembangunan Ekonomi Berkelanjutan Pedesaan Berwawasan lingkungan Di Negara Berkembang. *Jurnal Point Equilibrium Manajemen Dan Akuntansi*, 2(1), 1–8. [Google Scholar](#)
- Natalia, Angga, & Maulidya, Erine Nur. (2023). Aktualisasi Empat Pilar Sustainable Development Goals (SDGs) Di Perdesaan Kecamatan Natar Kabupaten Lampung Selatan. 8(1). <https://doi.org/10.14710/jiip>. [Google Scholar](#)
- Poerwanto, G. Hendra, Kristia, Kristia, & Pranatasari, Fransisca. (2021). Praktik Model Bisnis Berkelanjutan pada Komunitas UMKM di Yogyakarta. *EXERO: Journal of Research in Business and Economics*, 2(2), 183–204. <https://doi.org/10.24071/exero.v2i2.4050> [Google Scholar](#)
- Sjaf, Sofyan, Hidayat, Nia Kuniawati, KaswantiBarlan, Zessy Ardinal, Elson, La, Sampean, & Gunadi, Hanifa Firda. (2021). Measuring Achievement of Sustainable Development Goals in Rural Area : A Case Study of Sukamantri Village in Bogor District , West Java , Indonesia Mengukur Pencapaian Tujuan Pembangunan Berkelanjutan di Pedesaan : Studi Kasus. *Sodality: Jurnal Sosiologi Pedesaan*, 09(02). [Google Scholar](#)
- Sugandi, Iqra, Abdoellah, Oekan S., & Gunawan, Budhi. (2022). Analysis of The Sustainable Development Policies of Local Communities in Indonesia. *TRANSFORMASI: Jurnal Manajemen Pemerintahan*, 14(2), 101–118. <https://doi.org/10.33701/jtp.v14i2.2258> [Google Scholar](#)

- Sutanto, Yonathan, Madeline, Isabella Lizbeth, & Patricia, Eunike. (2022). *Volume. 18 Issue 3 (2022) Pages 658-667 INOVASI: Jurnal Ekonomi , Keuangan dan Manajemen ISSN: 0216-7786 (Print) 2528-1097 (Online) Penerapan “ lean thinking ” dalam perpajakan dan manajemen untuk mencapai SDG di era super smart society 5 . 0 App. 18(3), 658–667. [Google Scholar](#)*
- Yuliana, Elfrida, & Alinsari, Natasia. (2022). Penerapan Tata Kelola Badan Usaha Milik Desa dalam Mewujudkan Sustainable Development Goals Desa. *Owner, 6(3), 2789–2799. <https://doi.org/10.33395/owner.v6i3.945> [Google Scholar](#)*