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On the road to sustainability entrepreneurship: Filipino case

On the road to sustainability entrepreneurship

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255

Abstract

Purpose – There is a desire to improve economies as a way to solve social inequities while simultaneously addressing the issue of sustainability. Young and Tilley developed a model that describes a sustainability entrepreneur. The purpose of this paper is to apply the model in the Philippine setting to determine if there exists a special entrepreneur who looks beyond profit motivations, considers social inequities, and looks towards future generations.

Design/methodology/approach – The paper used the narrative approach in learning more about the motivations and sustainability practices of two Filipino entrepreneurs. The objective was not to compare the practices of both but to match it with the 12 elements of the sustainability entrepreneur model of Young and Tilley.

Findings – The concept of sustainability entrepreneurship is unknown to the two entrepreneurs. Yet, both engaged in sustainable business practices, meant to improve living conditions of marginalized groups. However, while they have actually helped communities to take better control of their livelihood, they have not yet consciously imbibed the element of futurity.

Research limitations/implications – The paper attempts to further the model of Young and Tilley. However, since the measurement of sustainable entrepreneurship is not definitive, the researcher used pseudo-measures.

Practical implications – Informing entrepreneurs of the value of sustainability entrepreneurship, may lead to more for-profit enterprises to consider the effects of their business practices on the future of marginalized group and the environment.

Originality/value – There is no publication yet that has applied the Young and Tilley model. This paper shows that the model may have practical implications for entrepreneurs.

Keywords Entrepreneurship, Sustainable development

Paper type Research paper

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Introduction

In 2006, Young and Tilley posited that sustainable entrepreneurship goes beyond the concern for the environment and the concern for society. In their sustainable entrepreneurship model, they forward the need for 12 elements working together towards a distinct goal of profiting in a sustainable manner. Pursuing the thought process further, the researchers raise the question “could [sustainability entrepreneurs] be the true wealth generators of the future?” (Tilley and Young, 2009).

Taking a step back, we look at the current global agenda. As seen in their web sites, the agenda of organizations such as the Asian Development Bank, the World Bank, the United Nations, the Organisation for Economic Co-operation, focuses on sustainable development and the eradication of poverty. Countries have committed to the United Nations Millennium Development Goals (MDG) of halving poverty in 25 years beginning 1990 (www.un.org/millenniumgoals/), and have drawn policies and programmes to achieve their respective commitments.

However, governments alone cannot achieve targets. There is a need to involve all sectors in society to pave the way for a cooperative environment, instead of individual members of civic society working within microscopic objectives oblivious of the total



picture. Then there is the entrepreneur, willing to stake their own resources to generate even more resources.

Over the years, the stereotyped entrepreneur has evolved. The changing environment has led to the rise of social entrepreneurs and ecopreneurs, differentiated by their basic philosophy. This distinctiveness has led to polarized views of the entrepreneur thus prompting Young and Tilley (2006) to develop a model that integrates to a solid whole. They continue that while social entrepreneurs and ecopreneurs do contribute to sustainable development, achieving separate purposes are insufficient. For there to be impact, the two purposes together with profit-seeking should be closely intertwined. Consequently, the more encompassing term of sustainability entrepreneurs is used. The question is – can there truly be a sustainability entrepreneur or is it simply a “theoretical abstract” that will remain so until structural changes are made by governments to support them (Tilley and Young, 2009, p. 90)?

Literature review

Sustainable development: environment degradation and social inequity

The attention to sustainable development has picked up rapidly in the new millennium. Although it was first brought to fore by the 1987 World Commission on Environment and Development (as cited in Crals and Vereeck, n.d.), many were slow to pick up. It is after all multi-dimensional, affected in part by the political environment (Pawlowski, 2008).

The inability to sustain development has implications on the rich-poor divide. Despite efforts to contain and purposively reverse poverty, Ketola (2009, p. 117) notes that “the poor have remained poor, became even poorer, and live in inhuman conditions [...] as the poor have to suffer from the degrading natural environments”. Hull (2008) laments how humanity still struggles and wonders what tomorrow brings.

Mapping the progress of the United Nations’ MDG, Wilson and Wilson (2006) note that while collectively, the total number of poor living below the controversial \$1 benchmark may decrease substantially by 2015, the standard of living of those that have moved out of the bottom rung does not necessarily improve. It simply means they are able to earn more than \$1 but not enough to break away from the hand-to-mouth existence. Yet it is a step towards a right direction. For long-term gains, industry must help support their respective governments.

Jenkins (as cited in Wilson and Wilson, (2006) presents three possible directions that companies can take to contribute to poverty alleviation. These are through poor people as customers or distribution channel), through poor people as employees and suppliers or the enterprise channel and finally through developing country governments as recipients of tax or government revenue channel (pp. 33-35). Prahalad and Hammond (2002) are staunch believers that selling to the “bottom-of-the-pyramid” in quantities they can afford, helps the poor gain access to products that would improve their quality of life. Karnani (2006) argues that this may not necessarily be so, thus leading others to consider seriously the second option – that of hiring the poor as labour and integrating them into the company’s supply chain. It is in this area where many entrepreneurs can reconsider their corporate social responsibility (CSR) endeavours. Consequently, instead of trying to address general social problems such as hunger, healthcare, access to education, climate change, and the like, an entrepreneur can opt to focus on providing livelihood opportunities in their core business. Thus, when the poor become more equipped with livelihoods skills, they can be more secure of meeting their daily

needs and thus be more conscious of environment. While stomachs are empty, it is difficult to think sustainably.

Situating entrepreneurship

Academics and policy makers have established the role of entrepreneurship in economic growth (Tilley and Young, 2009; Volery, 2002). In question is whether the measurement parameter is more appropriately the net birth rate, the contribution to gross domestic product (GDP) or by the ability of individuals to produce and deliver innovative products or services. To O'Neill *et al.* (2009) entrepreneurship is about creating value, whether that value is economic, social, or ecological.

Traditionally, entrepreneurship simply meant making money. Individuals who opted to start businesses rather than take the employment route, generally tended to be in areas where they felt they could gain more than what they put out. Whether this stems from opportunity gaps (Kuckertz and Wagner, 2010), from the introduction of innovative products, services or services, or from lack of alternatives, this does not detract from the fact that economic gains are necessary for long-term survival. Consequently, researchers have spent time to understand the entrepreneur and the enterprise.

The concern for society, rather than economy, gave rise to social entrepreneurs. Precisely because profit motive was not a primary consideration which had been the focus of mainstream entrepreneurship literature, the attention to social entrepreneurship appeared to be lackluster (Cohen *et al.*, 2008; Steyaert and Hjorth, 2006; Zahra *et al.*, 2009). For one, critics argued that entities engaged in addressing societal problems were corporate foundations and non-governmental organizations that relied heavily on donations to sustain operations. The very essence therefore challenged the notion that entrepreneurship is an economic growth stimulator.

The presentation of case studies showing that there are entrepreneurs who are able to make profit whilst creating social value brought a new perspective to social entrepreneurship. This stirred interest as did a different category of entrepreneurs who showed concern for the environment.

It would appear that greater consciousness towards the environment resulted in the greening of products and processes by businesses already in existence (Walley and Taylor, 2002). Isaak (2002) dubbed the entities as “green” businesses. Then there are businesses that start out with the intent on making environment protection an integral part to the business’ *raison d’être* (Cooney, 2009). Isaak refers to them as “green green businesses”.

Individuals who start out with the mission of upholding environmental principles while still making profit are called ecopreneurs (Bennett, 1991; Cohen *et al.*, 2008; Gibbs, 2009; Kirkwood and Walton, 2010; Parrish, 2008; Schaltegger, 2002; Schaper, 2002) while those who continually create such businesses are known as serial ecopreneurs (Isaak, 2002). Stewardship entrepreneurs, on the other hand, are those concerned with the environment and society (Cohen *et al.*, 2008). Finally, those concerned with the triple bottom line fall under the new category of “sustainability entrepreneurs” (Tilley and Young, 2009).

Sustainability entrepreneurship

The triple bottom line has been the benchmark of corporate sustainability (Cohen *et al.*, 2008; Dyllick and Hockerts, 2002; Elkington, as cited in Hockerts and Wüstenhagen, 2010; Kuckertz and Wagner, 2010). The idea is that companies determine their success

by their contribution to economy, ecology, and society. The way to achieve these in big businesses is through their CSR endeavours.

Sustainability entrepreneurship, however, is not simply CSR. Unlike CSR, sustainability entrepreneurship calls for entrepreneurs to incorporate their development programmes in their business logic (Wilson and Wilson, 2006). For there to be any lasting effect, it is best that the route taken is to integrate the poor into the supply chain so they in turn may have opportunities for entrepreneurship with contained risks. The transfer of technology and skills is a better equalizer as it leads to improved standard of living (Wilson and Wilson, 2006).

The question is – Is sustainability entrepreneurship the intersection of the three or does it encompass all three concepts (Schlange, 2009)? Regardless, Young and Tilley (2006) argue that meeting the three objectives is still insufficient to attain the grander objectives of sustainable development.

Whether sustainability entrepreneurship is best achieved by small or large firms is still to be established (Gerstenfeld and Roberts, 2000). Crals and Vereeck (n.d.) noted large companies are more prone to integrate the concept since small and medium enterprises (SMEs) find the costs and risks exorbitant. For example, it is quite costly to secure an ISO certification not to count the actual investment in sustainable business technology and practices. Yet, Schaper (2002) makes the case for the SMEs claiming that their collective effort has impact as Wilson and Wilson (2006) call upon the larger firms who have the financial and managerial machinery to take the lead.

Hockerts and Wüstenhagen (2010) point that enterprises of either size each have their role in sustainability objectives of an industry, even as each have their inherent weaknesses. For instance, small firms may prefer to stay within their niche and thus fail to expand their sustainability impact. On the other hand, larger firms while they possibly have resources may lack the focused passion on sustainability innovations that smaller start-ups may have. Is it more promising for start-ups? Schick *et al.* (2002) believe that it is easier for start-ups to integrate the sustainability orientation rather than to have to change mindsets.

Clearly, individual entrepreneurial ventures regardless of size cannot address the poverty gap. However, together, they may have greater impact especially when one considers the downstream effects, especially in the agriculture sector where poverty gap is most disparate (Wilson and Wilson, 2006). Consequently, it becomes imperative that entrepreneurs do their part in what World Bank (2010) dubs as inclusive growth.

Drivers of sustainability entrepreneurship

The impetus towards sustainability orientation can be externally or internally driven (Gibbs, 2009; Masurel, 2007). Governments, for instance, may press upon organizations to adapt sustainable practices and green processes. They then provide either levies or tax incentives. There is also the growing ecological awareness of consumers, who may push businesses towards marketing green products or reward those who project more social responsiveness. Then there is the entrepreneurs' value system.

Volery (2002, p. 116) suggests that, "the individual entrepreneur is still a critical linchpin in any entrepreneurial venture". Schaltegger (2002) supports this view. Environmental mindsets must reside in the entrepreneur rather than in a manager who may leave the company and thus take its substantive character.

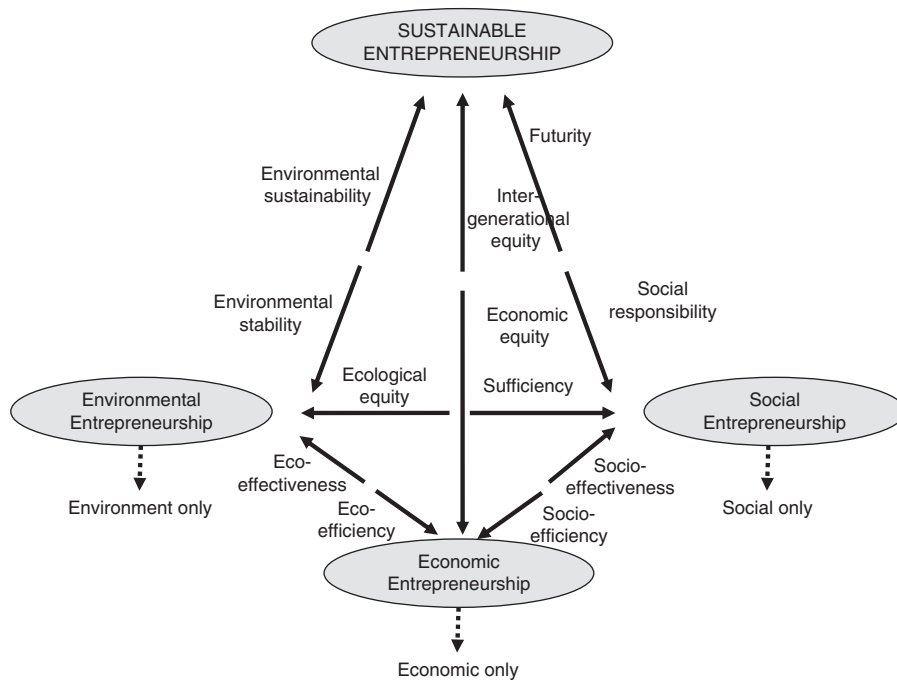
Even amongst entrepreneurs, the response to sustainability issues differs. Baumgartner (2009) disclosed that there are those who would take a more introverted approach by complying with government regulation. There are those who

would take an extroverted approach by highlighting their accomplishments in sustainability reports. Others may take a conservative approach by focusing on eco-efficient practices such as energy conservation and waste management. However, it is the visionary strategy that integrates sustainability issues in business operations. Walley and Taylor (2002) refer to individuals who use the strategy as visionary champions.

Regardless, where do entrepreneurs develop an eco-philosophy? In the study of Schick *et al.* (2002), they learned that individuals categorized as eco-dedicated were influenced by their families in their childhood. Kuckertz and Wagner (2010) propose that intervention be within the educational sector. While it is best to introduce the sustainability mindset with young children (Huckle, 2009), subjects and courses that create environmental awareness even among tertiary students could lead future entrepreneurs in the right direction (Dobson, 2007; Schaper, 2002).

Research design

This research used the narrative approach in learning more about the motivations and sustainability practices of two Filipino entrepreneurs, who coincidentally use the same natural resource – the banana tree. The objective was not to compare the practices of both but to match it with the 12 elements of the 2006 sustainability entrepreneur model of Young and Tilley (see Figure 1).



Note: From “Can businesses move beyond efficiency? The shift toward effectiveness and equity in the corporate sustainability debate”

Source: Young and Tilley (2006). Copyright 2006 by John Wiley & Sons, Ltd and ERP Environment: reprinted with permission of the authors

Figure 1.
The sustainable entrepreneurship model

The researcher interviewed two Filipino entrepreneurs personally known for their high environment and social consciousness. Using narrative techniques, the researcher asked the entrepreneurs to describe their personal philosophy, corporate history, and the various activities they have undertaken, continually undertake, and hope to undertake to ensure they help communities whilst protecting the environment and making profits. The answers were then super-imposed to the 12 elements of the Young and Tilley model to determine if there was a fit. A fit would mean that the characteristics of the entrepreneur resembled that of a sustainability entrepreneur.

The measurability of sustainable entrepreneurship, however, is not a science. Using pseudo-metrics picked up from various work, this research focused on particular aspects of each of the 12 elements of Young and Tilley model. Positive responses from the interviews indicated the presence of the element. The study used the following measures:

- (1) Eco-efficiency: Dyllick and Hockerts (2002) present the concept of eco-efficiency as derived from definitions by DeSimone and Popoff and the World Business Council for Sustainable Development. In its simplest form, it refers to how companies are able to produce and deliver goods and services with the least ecological impact. In practical terms, this would mean corporate activities aimed at resource conservation, waste elimination, and pollution control (Ketola, 2009; Masurel, 2007).
- (2) Eco-effectiveness: Dyllick and Hockerts (2002) explain that a corporate activity may be efficient but may not necessarily be effective. Consequently, the net effect of an economic activity must be considered. For effectiveness to work, McDonough and Braungart (as cited in Young and Tilley, 2006) point that, businesses must focus on restoring, regenerating, or enhancing the environment. This means going beyond conservation that is characteristic of eco-efficiency.
- (3) Socio-efficiency: According to Dyllick and Hockerts (2002), businesses impact society both positively and negatively. Thus for socio-efficiency to exist, the businesses must operate by either increasing positive impact or by minimizing negative impact. Again, in practical terms, this refers to activities of companies aimed at improving the quality of life of the community it works with. This may be reflected in the amount of donations given to communities so that they may improve their quality life or to degree of employee participation in community projects.
- (4) Socio-effectiveness: Young and Tilley (2006) refer to socio-effectiveness as going beyond philanthropy. To them, organizations must have a purposeful mission aimed at “sustained positive impact on society” (p. 405) or make its products and services accessible to the bottom of the pyramid (Dyllick and Hockerts, 2002). This may be reflected in livelihood stimulation that has a longer impact on the community.
- (5) Ecological equity: This is at the core of sustainable development. It refers to the balance of resource utilization for the current and future generations (Dyllick and Hockerts, 2002).
- (6) Sufficiency: From a simplistic standpoint, sufficiency refers to the availability of a particular resource over a period of time. Gerlach (n.d.) reminds that

natural resources are limited. If this were the case, then sufficiency is reflected in the reduction of consumption and living on less, rather than encouraging consumers to purchase more and thus put a strain on natural resource supply.

- (7) Economic equity: Young and Tilley (2006, p. 411) refer to this as the “distribution of economic wealth fairly between existing generations as well as future generations”. In this study, economic equity is also shown in the economic benefits that are shared by the business and the community.
- (8) Environmental stability: Young and Tilley (2006) describe this element as activities aimed at stabilizing the environment or restoring imbalances.
- (9) Environmental sustainability: While stability may be looked upon as a short-term view, sustainability sets its sights to the future. Thus, a corporation is said to consider environmental sustainability, when they consciously include this in their decision making (Young and Tilley, 2006). It is a long-term commitment.
- (10) Social responsibility: This refers to the ethical way businesses should behave towards its stakeholders. In their model, Young and Tilley (2006) refer to this as concern for the current generation.
- (11) Inter-generational equity: This refers to the consideration of the economic welfare of future generations in corporate decision making (Young and Tilley, 2006). Borrowing from Rawls (as cited in Keijzers, 2002, p. 355), it could very well mean the consciousness to provide future generations no less than the resources available today, under the “justice for fairness” principle.
- (12) Futurity: From the term, this refers to the concern for the well-being of future generations (Young and Tilley, 2006).

Philippine context

The 2010 publication of the World Bank Group on Philippine poverty reports that the Philippines is doing dismally in their poverty alleviation programmes when compared to regional neighbours resulting from slow economic growth. Real income declined even as GDP improved in the periods 2000-2006 although the World Bank believe that this should be tempered due to inaccurate data taken from the Family Income and Expenditure Survey (FIES) and the National Account. Notwithstanding, the country shares the profile of other countries in that the rural poor accounts for the greater portion of the poverty index, mostly in the agricultural sector comprised of large households. The gap between the urban and rural poor has, however, narrowed more from the rise in urban poverty than improvement in the latter (World Bank Group, 2010). Moreover, it would appear that any poverty improvement results more from remittances of overseas Filipino workers than from entrepreneurial income, as it is typical for at least one family member to work abroad.

This strategy is logically unsustainable. The more appropriate approach would be to improve income opportunities of the poor so they become more productive members of society. It is this approach, that Rommel Juan and Dita Sandico-Ong supports.

Case 1: Rommel Juan, Binalot Fiesta Foods

Rommel Juan is the figure behind the award-winning Binalot Fiesta Foods. His attention to CSR endeavours since 2006 has garnered him three national and regional awards. These are the 2007 United Parcel Services (UPS) Centennial award for

the “Out-of-the-Box” Small Business Solutions, the 2008 Anvil Award of Merit, and the 2010 Intel-AIM Corporate Social Responsibility Award (IACRA). His unique selling proposition is to use banana leaves to wrap cooked food sold in fast-food outlets. He secures his supply of wrapping from locals in two communities who their company trained to clean and cut the leaves to size. His strategy of transferring technology and managerial skills and paying premium price for the leaves that he purchases on a regular basis, has allowed the locals to earn at least five times more than the universal benchmark of \$1.00 a day.

Corporate history

Binalot Fiesta Foods began in 1996. Rommel Juan and his brother Raffy, coming from a line of entrepreneurs, partnered with Aileen Anastacio, a friend who had graduated from a culinary school. The trio was not particularly ambitious and simply wanted to be productive after graduating from college. Given their combined interest and talent, they decided to focus on the food business, by supplying office workers with freshly cooked lunch packages wrapped in banana leaves. They initially operated from a residential condominium unit where they cooked and wrapped the packed lunch. They relied on word-of-mouth to be known and they were happy when their peak volume at that time reached 500 lunch packs.

From the start, the trio felt that wrapping the packed lunch in banana leaves set them apart from competition. At that time, they were not thinking about the environmental impact of using banana leaves. To them, banana wrapping enhanced the flavour of traditional Filipino cuisine and reminded them of picnics where families would usually frolic and enjoy eating meals on banana leaves. Thus, when they sold their meals, they were hoping that the aroma of the leaves would trigger happy memories in their patrons, thus making lunch meals a fun-filled experience.

The dream almost shattered when in 1997, the Asian financial crisis hit the country. The contracted economy forced many businesses to scale their operations or close down, thus affecting the customer base of Binalot Fiesta Foods. Unbeknown, their food delivery business was becoming a by-word, and because of this, a shopping mall owner offered them an opportunity to open an outlet in their food court. Apprehensive yet encouraged, the young entrepreneurs took the risk and ventured into the mall-based fast-food industry. As luck would have it, sales boomed. Soon, the number of outlets increased.

Meanwhile, the trio began to pursue separate interests. Aileen concentrated on her culinary interests while Raffy managed the family business. Rommel took up his Masters in Entrepreneurship and after graduating, he focused all his efforts in Binalot Fiesta Foods. He rode with the franchising wave and opened his business for franchise. Today, 32 of his 41 outlets are franchise operations.

Sustainable practices

Rommel disclosed that the use of banana leaves for wrapping food as against using plastic containers currently replaces about 1.5 million pieces of polystyrene packaging per month. Initially, the banana leaves were sourced in the local market. However, a tropical storm in 2006 affected the supply of leaves, thus prompting Rommel to find a steady, reliable source. This led him to the sleepy town of Nagcarlan, Laguna where he chanced upon a local who was selling banana leaves. As fate would have it, the chance meeting led to a sustained supplier relationship. This marked a new milestone for Binalot Fiesta Foods, one that would completely entrench Rommel's commitment to sustainability.

With the help of a manager who had experience working with non-government organizations, Rommel built the livelihood opportunity of 31 families in Laguna. He brought in technological and managerial know-how and trained the workers to do their tasks effectively. Productivity increased 300 fold and the community is consistently able to produce the growing number of banana leaves needed to keep up with expanded retail operations. The company also taught the locals how to compost so that wastes are not simply strewn in the work area.

Rommel is also introducing other products needed by the business that the community can produce in their backyards. Because the soils are not favourable to certain fruits and vegetables, he is thinking of investing in fishponds so that the locals can supply the tilapia and milkfish variety, for their fish meals.

The company is replicating their success at Nagcarlan to another community in the more distant San Marcelino, Zambales. This time, Rommel has tapped the Aeta community to be part of the supply chain. Basically using the same model, he identified a local champion and encouraged him to seek the cooperation of the community. Admittedly, the cultural upbringings of the Aetas, who are used to living with less, are different from the natives of Laguna. This makes it challenging to interest them to become productive and to earn their keep rather than continuously relying on dole-outs. Notwithstanding, Rommel reports that he is able to help about 20 families in the one year he has been in contact with community.

Beyond the supply chain, Rommel has made it a point to care for the environment. He has introduced eco-campaigns in his stores, creating greater awareness. He has remodelled his retail outlets so that environmentally friendly materials are used. He has also shifted to the use of electric motorcycles, assembled by his brother and co-partner Raffy, for the delivery side of his business.

Personal philosophy

Rommel did not start out with a particularly strong sustainability orientation. As a third-generation entrepreneur, he engaged in small selling ventures while growing up. He would sell small souvenirs that his father brought home from trips and when he was much older, sold t-shirts with innovative designs. Thus, his primary concern was how to generate income to meet his personal needs. One thing, however, that was strong in Rommel was his love for family and Filipino way of life.

Perhaps it was a convolution of several events that made Rommel more attuned to societal and environmental problems. In 2006, Chit Juan, his environmentally conscious aunt who leads the League of Corporate Foundations, encouraged him to attend a CSR conference in Indonesia. This was at the same time that he had his first encounter with the Laguna community. Both exposures made him more conscious about the need for his business to create societal and environmental value. His efforts were quickly noticed, garnering him several awards some accompanied with cash prizes. This affirmed his determination to pursue his endeavours and transforming it to become his personal and business advocacy.

Rommel's philosophy can be summed in his often quoted words "we will do our share to save the planet – one meal at a time".

Case 2: Dita Sandico-Ong

Dita Sandico-Ong is a Filipino designer who uses indigenous raw material as the foci of her wardrobe creations. She uses the trunk of the banana-abaca tree to get fibre for the clothing material she uses for her fashion collection. She has been able to revive the

weaving industry at Virac, Catanduanes where her supply operations have improved the lives of about 200 locals. She also supports the weaving industries of tribes in Ilocos Sur, Oriental Mindoro, and South Cotabato.

Corporate history

Dita celebrated her 25 years in the fashion industry in 2010. She first worked in her mother's family business, a department store that catered to lower social classes. However, her fashion taste was meant to serve a different market. She then ventured into her own clothing business by creating designs using the traditional cloth made from linen that was usually in basic beige.

Dita was very interested in weaving, using fibre and weaving techniques from different places in the country. Her mother was from Vigan, Ilocos Sur, which is a place in northern Philippines known for Abel weaving. The woven cotton cloth is normally used for blankets but she was able to find new uses for it. In 1988, she established weaving facilities in Bulacan, a nearby province south of Manila.

It was in 1995 when a weaver from Virac, Catanduanes approached Dita. Virac is a place where abaca trees are abundant. Moving away from the traditional uses of the banana-abaca tree fibre, the local weaver experimented with the fibre and began using it for clothing accessories. The meeting came at an opportune time as Dita was considering the closure of her Bulacan facilities. The combined talents of a fashion designer and a weaver raised the stature of the banana-abaca tree. Outside the Philippines, Dita's clothes, bags, and accessories are available in Copenhagen, Singapore, and Japan.

Sustainable practices

Abaca trees are plentiful in Virac. Usually, farmers would use the fibre for rope. However, the outer and inner layers of the stem can be knotted and woven into cloth. If used for this purpose, there is less waste.

Dita has chosen to perfect her craft using hand-woven material by minority tribes across the country. While she primarily uses cloth made from banana-abaca fibres, she incorporates in her designs other indigenous material so that she can also support other weavers. She uses cotton fibre that is hand-spun and woven in Vigan. She has also introduced cloth woven by the Mangyans from Oriental Mindoro as well as the tinalak fabric from the Tboli weavers of Lake Sebu in southern part of the Philippines (Goodnews Pilipinas, 2010). Dita continually experiments with material so that she retains her edge in the market. She prefers to niche market rather than mass-producing her work, thereby allowing her to pass on the cost of natural fibre to the consumer.

In Virac alone, Dita's fashion business is able to support over 200 locals. While she deals only with the primary weaver, the downstream effect of her business is tremendous. She is able to provide livelihood to the banana tree growers, strippers, knotters, dyers, spinners, and weavers.

Personal philosophy

Dita recalls how she would ride horses in the mountains of Mindoro with her father during summer time. She was especially intrigued as a child on how the weavers she met along the way spent hours turning natural fibres into cloth. She was greatly affected when she returned to the place 20 years later to discover that the weaving industry in the place vanished. She silently vowed to revive it.

Dita was also greatly influenced by her environmentalist aunt. Among her cousins in her mother's side, she was the only who grew very close to her aunt, a woman she considers her second mother. The two understood each other's idiosyncrasies and shared the same passion for humanity. Together, Dita and her aunt set-up Earthlite Foundation that manages Earthaven, an eco-village in San Mateo, Rizal. It covers 27 hectares of the only remaining forested area along the metropolis and is used as venue for mental and spiritual rejuvenation usually by students and office workers. Her aunt, Belen Rosario King, was a stalwart supporter of Haribon Foundation for the Conservation of Natural Resources where she served as a trustee for years before she passed in 2010.

It was certainly not always a smooth path for Dita. She was ahead of her time when she introduced environment-friendly stylish clothes in the market. Her fashion line was not perceived to be for daily use and her premium price did not help. However, she persisted in her advocacy to help local weavers and continued to be creative in developing new uses for the natural fibres. Today, Dita stands out as the icon for sustainable fashion.

Dita's philosophy is captured in her belief of "weaving dreams into the fabric of life".

Applying the 12 elements of the sustainability entrepreneurship model

The two Philippine cases reveal entrepreneurs committed to both community building and environmental protection, whilst making profit. Profit is necessary to ensure sustained operations of the business so that the targeted communities continue to thrive.

Tables I and II lists the sustainable practices of each entrepreneur with indications of possible directions they are contemplating. There is still great opportunity for both entrepreneurs to solidify their sustainability endeavours.

Discussion

Rommel and Dita are using different parts of the same natural resource – a tree – as part of their sustainability endeavours. Considering that the banana tree has different uses and can regenerate, it indeed becomes the tree of life. The approach of the two, however, differs much like the Goliath and David strategies presented by Hockerts and Wüstenhagen (2010). Yet in their different approaches, they aim to transform their respective industries to think sustainably.

Rommel is targeting to be the meal of choice within the highly competitive fast-food industry. They are continually looking for ways to be present in many geographical areas and to price at par with the leaders in the industry so that consumers do not feel they have to compromise. They are also making a strong campaign to be known as an eco-friendly establishment to capture the growing market of health and environment conscious consumers.

In contrast, Dita prefers to niche market. She is resisting the pressure to produce more at lower prices since she believes this may place an undue strain on her operations thus affecting the quality of work and her positioning in the fashion industry. She recognizes that more people are looking towards natural fabrics as environment consciousness increases and in this regard, competitors may penetrate her market. Nonetheless, she believes she has an edge over future designers who may begin to use the materials she uses since she has been intimately involved with the natural fibres. She is constantly trying new ideas and working with the different material so she can stay several steps ahead. She would not mind the entry of other designers as this would mean a stronger weaving industry.

Elements	Sustainable practices	Sustainable directions
Eco-efficiency	Locals were trained to compost banana trimmings	Gather waste in the retail outlet so that it may be composted instead of disposed in metro trash bins
Eco-effectiveness	Retail outlets use eco-friendly lights Banana leaves rather than plastic containers are used in food delivery Electric motorcycles are used for food delivery Retail outlets were refurbished to use eco-friendly products	Re-evaluate other raw material. Consider tying banana leaves with fiber strings rather than covering banana leaves with paper Shift to the use of electric vehicles in the transportation of leaves from community to the commissary
Socio-efficiency	The community day care center was established and locals were trained how to maintain it Contributions are made to the community church	Continue to be present in community activities
Socio-effectiveness	The integration of locals to the supply chain provides stable livelihood opportunities for the community that is long-lasting. Extra income is used for education and health Their presence provided good prospects to the community so that they are encouraged to be hard working Family members prefer to stay in their communities than leave homes for employment opportunities	Continue to pursue other livelihood opportunities (e.g. other farm produce used for their fast food business)
Ecological equity	The company uses the rotation system in cutting the leaves such that only select trees are harvested at a time to allow the trees time to regenerate. It takes two weeks for leaves to grow	
Sufficiency	Binalot sells alternatives to calorie rich foods, thus encouraging consumers to take healthy meals	
Economic equity	The locals are not direct employees of the firm and thus have the flexibility to work within their existing constraints e.g. the women have to manage their homes and can work and tend the home at the same time with this opportunity The locals working in the operations are mostly women and old folk. If livelihood is engrained, it gives opportunities for the younger generation to earn. Instead of going abroad, they can work at home It is the local champion who serves as the supervisor and thus has the responsibility to make financial considerations Since the community workers are not employees of the firm, they may at will deal with other entities	Further enhance the managerial ability of local champions so they in-turn can transfer the knowledge to others Replicate business model to other communities so that more may benefit

Table I.
Sustainable practices
of Rommel Juan and
sustainable directions

(continued)

Elements	Sustainable practices	Sustainable directions
Environmental stability	The community is paid at a premium rate since the middle man was eliminated The technology used in trimming and cutting the banana leaves to size is manual and does not use unsustainable energy sources	Continue to invest in environment protection projects
Environmental sustainability	Proper farming techniques allow regeneration of natural resources	
Social responsibility	One of the expressed mission statement of the firm is to improve the quality of life of all employees Food products are being sold at affordable prices	
Inter-generational equity	The local community is being introduced to other forms of livelihood so as not to be dependent on the company Moreover, the company introduced the community to other companies willing to purchase their produce Both strategies would ensure that the livelihood opportunity continues in the unfortunate event that the company is no longer able to support the community	
Futurity	Both the Laguna and Zambales community are being exposed to productive work so they learn to be more forward looking than laid-back. The children of the current works will learn from the industriousness of their parents and hopefully pass this on to their children	Continue expansion in other communities

Table I.

It is clear, however, that both entrepreneurs have redirected their lives so their way of life and the manner by which they manage their businesses are in harmony with the environment. They have taken the cause of environmental protection to heart by trying to influence others to think alike. They also acknowledge that wealth imbalance is fertile ground for unsustainable living and have thus reached out by sharing their economic wealth by engaging communities in livelihood opportunities that can be passed on to future generations. This way the children of tomorrow can take pride in their heritage.

Conclusion and practical implications

Sustainable entrepreneurship should be at the fore of each country's agenda. If indeed entrepreneurs spur economies and utilize available resources in the process, then it makes sense that they do so in a responsible manner. Unfortunately, not everyone is oriented towards sustainable living. In the two cases discussed, both entrepreneurs were influenced by relatives, one earlier than the other. This implies, it is never too late to do something positive for society and the environment, and that persistent

Elements	Sustainable practices	Sustainable directions
Eco-efficiency	Hand-weaving rather than commercial weaving New products developed to make use of cloth scraps	The factory, where sewing is done should make use of energy-saving alternatives
Eco-effectiveness	Use of banana fiber as raw material Natural farming processes utilized	Eventual use of natural dyes to complement the natural fibers. Natural dyes are currently expensive Shift to electric vehicles in the transport of raw materials to the factory
Socio-efficiency	Materials are directly sourced from local communities not normally tapped	Invest in small projects that will improve the lives of community
Socio-effectiveness	Younger generation trained to continue the weaving tradition thus keeping them in the community	Support education and develop programmes so that the youth are encouraged to expand their knowledge and learn the craft, respectively
Ecological equity	Niche pricing tempers over – consumption of natural resources today	Influence consumers so that the use of natural fibers becomes more trendy
Sufficiency	Products are long-lasting and can be handed down to the next generation Apparel is versatile and can be used in many way thus encouraging repeat usage	
Economic equity	Payment is made directly to the weavers who in turn distribute the earnings to all those who contributed in the production of woven cloth	Continued investment in research and development projects geared towards finding other uses of banana fiber to allow the community additional sources of income. For instance, it is possible culture mushrooms in the banana plantations
Environmental stability	There is a conscious effort to control production to what is manageable instead of reaping all profits today, by rejecting large orders at lower price. By keeping prices up, entrepreneur can give more to the weavers Only natural farming processes are used. This eliminates unnecessary use of energy	
Environmental sustainability	New R&D endeavour beyond weaving (e.g. banana fiber on construction boards) can help reduce consumption of steel bars	Eventual shift to natural dyes so the run-off does not contaminate the rivers
Social responsibility	Entrepreneur purposely targets “dying” communities so as to revive the weaving industry across the various regions in the country	Be more deliberate in decision-making so that social responsibility and sustainability are imbedded in the corporate processes and not simply an advocacy of the entrepreneur

Table II.
Sustainable practices
of Dita Sandico-Ong and
sustainable directions

(continued)

Elements	Sustainable practices	Sustainable directions
Inter-generational equity	Target communities are ethnic groups Women given opportunity, without prejudicing the men who do the more manual type of work	Continue targeting the untapped communities and providing opportunities especially for women and elderly
Futurity	The revival of the weaving industry in this community is meant to provide livelihood for future generations With products sold in the global market, the children of the weavers may be encouraged to learn the craft and pass it on to future generations	

Table II.

advocacies as well as a changing consumer market may actually lead to entrepreneurs contributing to sustainable development. Consequently, instead of simply making money today and doing so in a way that does not harm the environment, entrepreneurs can look towards management practices and processes that consider the fate of future generations.

Limitations

This study attempted to further the 2006 model of Young and Tilley. Field research was conducted to determine whether entrepreneurial activities of two Filipino entrepreneurs could fit the model. However, since the measurement of sustainable entrepreneurship is not definitive, the researcher used pseudo-measures. Consequently, this can lead to weaknesses in the study results.

The researcher also relied on the responses of the interviewees and thus assumed the responses were factual. It is possible over the years that the interviewees may have fudged some memories. Consequently, the researcher also reviewed publications of previous interviews to determine consistency in responses. For both cases, there were no inconsistencies noted. For future research, expanding the interview base to include other stakeholders may address this limitation.

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