

THE SYNERGY OF SUSTAINABLE FINANCIAL STRATEGIES AND SUSTAINABILITY PERFORMANCE: A CASE STUDY OF PT MITRA TANI 27 (TOP LEADER OF AGRO-INDUSTRIAL COMPANIES IN EAST JAVA)

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Abstract:

This study aims to explore the sustainability strategies and how they impact the sustainability performance of PT Mitra Tani 27. This research is a type of qualitative research with a case study approach—the data collection for this research using in-depth interviews, documentation, and observations. In-depth interviews were established at different times by having personal interviews with the informant. The validity test of the data used the credibility testing approach and the transferability test. The study results show that the sustainable finance strategy includes six main principles: Trust, Competent, Harmonious, Loyal, Adaptive, and Collaborative. The company's economic performance illustrated increased sales intensity and volume, especially edamame production. The sales of edamame products have expanded to various countries, with a volume of 7,578 tons for the export market and 1,817 tons for the domestic market every year. The company's commitment to applying the 4R-based principles (Reduce, Reuse, Recycle, and Replace) describes the primary environmental performance. The company's social performance reflects its commitment to providing consumers with high-quality products and services.

Keywords: Economic Performance, Environmental Performance, Social Performance, Sustainable Finance Strategy

INTRODUCTION

Addressing the shift towards a sustainable mindset involves several challenges. Key among these is fostering collaboration among various stakeholders to mitigate and adapt to climate change. Ensuring that investments align with sustainability criteria requires integrating ESG aspects effectively. In this regard, the Financial Services Sector is crucial in driving economic recovery by transforming traditional business models into more sustainable ones. Businesses can further enhance government transformation by leveraging technological advancements (Marc & Therond, 2017).

Increased recognition of the significance of responsible development and global green investment opportunities has advanced sustainable finance to a new level. This progress represents a contribution from the financial services sector towards achieving the 17 Sustainable Development Goals (SDGs) and fulfilling the Paris Agreement targets. Implementing sustainable finance is a crucial program that requires careful management. Neglecting responsible development could have severe consequences, as research from the University of California, Berkeley, indicates that failing to address climate change could result in a 23% reduction in GDP by 2100. According to the National Development Planning Agency, Indonesia needs green financing or investment through 2030 to be around Rp67,803 trillion. This situation presents a significant opportunity for financial institutions to engage in sustainable development through green funding. Additionally, financial institutions



can capitalize on the global shift towards investments in green products, as there is a growing demand for environmentally friendly products and services. The ongoing COVID-19 pandemic has underscored the necessity of implementing sustainable finance to support responsible growth.

Agricultural production is vital for human survival and the continuation of civilization. It supports income and employment throughout the food supply chain, and as the global population grows and becomes more affluent, agricultural productivity has increased. However, this progress has negatively impacted the environment and social systems worldwide (Lluis et al., 2020). Agriculture is a critical sector in the international economy, employing 1.3 billion people – about 16% of the global workforce – and contributing 24% to the worldwide output (Bathaei, Streimikien, 2023). Development programs for boosting agricultural production have been prevalent in many developing countries. Unfortunately, this focus on increasing output has often come at the expense of sustainability. As a result, vital natural resources are depleting, soils are degrading, water sources are eroding polluted groundwater, and many natural resources are exhausted. Developing and poorer countries rely heavily on agriculture and natural resources and are particularly vulnerable to these issues.

Agricultural practices play a crucial role in meeting both present and future needs for food, fiber, and other resources by conserving resources and supporting ecosystem functions and long-term human progress. Achieving agricultural sustainability relies on technical solutions, expertise, policies, institutions, and behavioral reforms to better integrate ecological and societal knowledge.

The definition of sustainable agriculture differs widely between countries, and there are few quantitative evaluations of its Sustainability (Canfranchi et al., 2015). Some scholars and practitioners view sustainability as a collection of management strategies, while others see it as a set of goals or an ideology. Despite the different viewpoints, researchers are increasingly evaluating sustainable agriculture for its impact on environmental, economic, and social sustainability. They have created various frameworks and indicators to assess these dimensions.

Most research has concentrated on evaluating various dimensions of environmental, economic, and social sustainability at the national level, establishing thresholds or targets, and exploring synergies and interactions among these dimensions. Sustainable agriculture has evolved into a more comprehensive concept incorporating economic and broader social aspects, initially rooted in ecological considerations. The primary concerns of sustainable agriculture include environmental conservation, the enhancement and utilization of local ecosystem resources, and the mitigation of adverse environmental and health impacts. There is an increasing recognition of ecological sustainability within agricultural practices, taking into account factors such as topography, slopes, and soil quality. From an economic perspective, sustainable agriculture seeks to assign value to environmental elements like cultivated land, agricultural productivity, and earned income. Social factors often link sustainable agriculture to farmer satisfaction, technical expertise, skills, and social capital.

PT Mitra Tani 27 is a national agro-industrial company located in Jember Regency, focusing on producing frozen vegetables, particularly edamame and okra. The company was established in 1994 and marketed its products to countries such as Japan and Germany. Business dynamics and industrialization have enabled PT Mitra Tani 27 to produce various frozen food products, such as okra, green beans, sweet potatoes, bitter melon, and other vegetables. The main problem faced by Mitra Tani is the high level of competition with competitors abroad, so a breakthrough is needed to strengthen sustainable practices through strengthening sustainable finance. This study aims to explore the synergy of sustainability strategies to achieve sustainability performance of PT Mitra Tani 27.



Research Problem. Sustainability research in the agro-industrial sector has increased with global awareness of the agricultural industry's impact on the environment, society, and the economy. The farming industry also depends on natural resources and their contribution to climate change and social issues; agroindustry includes the agriculture, livestock, fisheries, and agricultural product processing sectors. The phenomena underlying sustainability research in the agroindustry sector include climate change and its impact on farm production and greenhouse gas (GHG) emission reduction. Agroindustry is one of the main contributors to GHG emissions, mainly from land clearing, nitrogen fertilizer use, and farmers. The international market, especially developed countries, also demands that incoming products have high product quality standards and meet predetermined certifications or sustainability standards. PT Mitra Tani 27, an agro-industrial company that exports products abroad, must meet international quality standards. Many destination countries for Mitra Tani 27 products have begun to impose stricter regulations related to the use of pesticides, water management, and carbon emissions. Global trade policies prioritizing sustainability also encourage PT Mitra Tani to comply with higher standards of product safety and environmental management to obtain trade agreements with destination countries such as Japan, the United States, and South Korea.

Sustainability research in the agro-industrial sector covers various aspects, from adaptation to climate change and innovative technologies to the demands of more environmentally conscious consumers. This research is essential in ensuring that PT Mitra Tani 27 can sustainably meet global food needs while minimizing negative environmental and societal impacts. Based on the above phenomenon, the researcher will discuss how PT Mitra Tani 27 implements its sustainable finance strategy to achieve sustainable performance.

Research Importance. Research on a closed company (PT Mitra Tani 27) that has implemented sustainability principles and practices and maintains the international market is attractive to study further. Research on agroindustry sustainability strategy and performance has several important reasons: to answer environmental challenges. As part of an agro-industrial company, PT Mitra Tani uses natural resources such as water, land, and energy. This research is essential to understand how sustainability strategies can reduce negative environmental impacts like air, water, noise pollution, greenhouse gas emissions, and decreased soil fertility quality. A sustainability strategy is also needed for companies to improve resource efficiency. The strategy can contribute to increased productivity without sacrificing environmental sustainability.

Another important reason is in the context of the company's active efforts to meet sustainable consumer demand. The market for Mitra Tani products is consumers in developed countries such as Japan, the United States, and South Korea, who are increasingly aware of sustainability issues and tend to choose environmentally friendly products (Frederica et al., 2023). This research can help the agroindustry respond to this demand by adopting more sustainable strategies and practices. Sustainability strategies can improve a company's reputation and provide a competitive advantage in the market. Investing in sustainability practices will reduce long-term business risks and ensure the continuity of PT Mitra Tani 27's operations in the future.

Thus, research on sustainability strategy and performance in Mitra Tani 27 companies is very relevant to help companies overcome increasingly complex global challenges.

Research Aim. This study aims to explore the sustainability strategies implemented by PT Mitra Tani 27 and their impact on the company's sustainability performance.

Research Limitation. The limitation of this study is that PT Mitra Tani is not a public company, and the Company's Financial Statements are private (not published), so the researcher cannot access the financial data owned by the company. The key informants in this study are the Head of the

Human Resources Development Department (Mrs. Reni), Mr. Wahyu as the Head of the Human Resources Section, and Mr. Suroso as the Operational Manager of PT Mitra Tani 27. PT Mitra Tani 27 still needs to make a special report for sustainability reports so that researchers can get an overview of sustainability implementation from the interviews and documents provided by the company.

Theoretical Framework.

a. Sustainable Finance. Terms related to Sustainable Finance and Investment (SFI) refer to integrating social and environmental considerations into conventional financial and investment practices. SFI is recognized as a growing trend because it aligns with (i) the comprehensive approach of sustainable development (Talan & Sharma, 2019); (ii) the triple bottom line framework (Sandberg et al., 2009); (iii) corporate sustainability theory (Trimmer et al., 2019); and (iv) recent global efforts for sustainable development, particularly the 2030 Agenda and its 17 Sustainable Development Goals (Wabnitz & Blasiak, 2019). As such, we propose using "SFI" as a broad term encompassing all concepts related to financial and investment practices focused on sustainability.

Some experts argue that unifying SFI-related terms and clearly defining them is essential for preserving their credibility, enabling accurate measurement systems, and fostering scientific progress in this area (Ben et al., 2019). Conversely, others suggest that overly rigid definitions could reinforce the perception of SFI as a niche market (Alain et al., 2020) and that striving for a single, uniform definition may be impractical due to the complexity of the issues at hand

Three critical features of Sustainable Finance and Investment (SFI) can be identified in contrast to traditional finance and investment, as illustrated in the gray cube in Figure 2. First, SFI must incorporate societal and environmental considerations as fundamental aspects of financial and investment decisions (Ammer & Othman, 2012; Urban & Wójcik, 2019). Second, it should be based on a long-term framework that tackles global sustainability challenges, often requiring extended time horizons (Hasanshahi et al., 2015. Komlavi et al., 2019). Lastly, stakeholders must quantify SFI's methodologies and outcomes to assess the resources and investments supporting sustainable projects, solutions, and innovations. The stakeholders include individual investors, institutional investors—such as mutual, pension, hedge, seed, and venture capital funds—value-driven organizations like charities and churches, and financial institutions like banks, insurance companies, and microfinance entities.

b. Sustainable Finance Strategy. Promoting sustainability decisions and actions throughout an organization starts with embedding sustainability into its strategic management process. In addition to performance advantages (Bocken, 2015), strategic management helps companies establish a more precise direction, prioritize critical issues, and better understand a fast-evolving environment. The following discussion highlights how clearly defining sustainability within the company's mission, values, objectives, and strategy is crucial for cultivating a sustainability-driven culture.

Sustainability efforts must be integrated into the firm's overall strategy to generate long-term value for the company and society. Castellas et al. (2018) suggest that businesses identify the societal challenges to address, which can also provide a competitive advantage. Incorporating sustainability into an organization's strategy can offer multiple benefits (Shen et al., 2016). Many companies adopt sustainability as a differentiation strategy, aiming to contribute to society and stand out from their competitors (Cunha, 2020).

A sustainability strategy in agroindustrial companies integrates economic, environmental, and social aspects in company operations to ensure long-term Sustainability (Durani, 2020). This strategy typically includes optimizing natural resources such as water, soil, and energy to remain efficient





and environmentally friendly. The plan consists of sustainable agricultural practices, such as crop rotation, good soil management, and reducing the use of hazardous chemicals.

Another sustainability strategy is to reduce carbon footprint by reducing greenhouse gas emissions from the production process through environmentally friendly technologies, renewable energy, and better waste management (Tsai, 2019). Another sustainability strategy is to increase productivity. The sustainability strategy improved production efficiency through technological innovation and better supply chain management to reduce waste and increase crop yields. Social sustainability strategies are embodied in the form of concern for workers' welfare, improving the quality of life of local communities, and promoting fair trade practices—other sustainability strategies related to efforts to meet certification standards. International sustainability certification standards, such as the RSPO (Roundtable on Sustainable Palm Oil) or the Rainforest Alliance, ensure that the company's operations meet environmental and social requirements. This strategy allows agro-industrial companies to balance economic growth and environmental conservation while contributing to sustainable social development.

c. Sustainable Financial Performance. Sustainable financial performance in the agroindustry refers to efforts to balance economic benefits, social responsibility, and environmental preservation in agricultural production activities and related industries (Maynard & Vidigal, 2020). In the modern era, sustainability in the agro-industrial sector due to its impact on ecosystems, food security, and community well-being (Moosa & Raniah, 2018). Here are some of the critical aspects related to sustainability performance in the agro-industrial sector:

Economic Performance. Agroindustry must maximize the use of resources, such as water, land, fertilizer, and energy, by minimizing waste—financial benefits. The sustainability strategy aims to maintain long-term profitability through product diversification, reduced operational costs, and technological innovations that support efficiency. Agroindustrial companies implementing sustainability practices can access markets that value eco-friendly products or are certified for sustainability.

Social Performance. Social sustainability in agroindustry includes protecting workers' rights, providing decent wages, and ensuring safe working conditions. Empowerment of local communities: Sustainable agroindustries must contribute to developing local economies, for example, by involving communities in the supply chain and promoting businesses that support local welfare. The industry's ability to produce safe, nutritious, and affordable food for the community demonstrates its sustainability performance in food safety.

Environmental Performance. Agroindustry is one of the contributors to GHG emissions. Sustainability performance involves reducing emissions through environmentally friendly practices such as using renewable energy, waste management, and land conservation. Sustainable agricultural practices emphasize the importance of efficient water management, including reducing the use of irrigation water and preventing water pollution due to the use of pesticides and chemical fertilizers. The agroindustry is often involved in land conversion, which can damage ecosystems. Sustainability performance requires companies to protect biodiversity and reduce deforestation. Good waste management is essential to sustainability, including recycling production by-products and reducing the use of hazardous chemicals.

Sustainable agroindustries often utilize renewable energy, such as biomass, solar power, and wind, to reduce dependence on fossil fuels. Implementing Sustainability Certification, such as ISO 14001, is also an effort to measure companies' sustainable performance. This standard focuses on environmental management systems and directs companies to reduce the impact of environmental pollution continuously.



Sustainability performance in agroindustry includes integrating economic, social, and environmental strategies to achieve efficient, fair, and environmentally friendly production. Companies that can implement sustainability performance well will be better prepared to face global challenges, such as climate change, resource scarcity, and increasing consumer demands for more ethical and sustainable products.

METHODS

This study examines the sustainability strategy and achievement of sustainability performance at PT Mitra Tani 27. The research methodology used is qualitative research with a case study analysis approach. This research used in-depth interviews, documentation, and observations. Documentation on the company's implementation of sustainable finance supported the results from the interviews with key informants—the results from the interviews with key informants by documentation detailing the company's implementation of sustainable finance. The researcher personally interviewed Mrs. Reni, Head of the Human Resources Development Department; Mr. Wahyu, Head of the Human Resources Division; and Mr. Suroso, Operational Manager of PT Mitra Tani 27. These three informants were selected based on their expertise and over three years of experience at Mitra Tani.

The interviews took place over two face-to-face meetings at different times to ensure consistency in the informants' opinions and information. Documentation involved analyzing materials related to the company's sustainability strategy and how they align with the stakeholder's perspective. Observation focused on assessing the company's sustainability activities and culture.

The researcher tested credibility using source and time triangulation. A detailed report that is easier for outsiders to understand was created to verify transferability. Data analysis followed the process Miles and Huberman (2014) outlined, which includes data collection, reduction, display, and conclusion drawing.

RESULT AND DISCUSSION

Sustainability is part of the business strategy carried out by PT Mitra Tani 27. All business decisions, from supply chain to product innovation, must consider aspects of sustainability. PT Mitra Tani implements a circular business model strategy. A circular business model that focuses on recycling, reuse, and waste reduction so that companies can continue to innovate in more efficient use of resources. The sustainable finance strategy that the company has carried out includes six main principles, namely:

Trust. Deliver on promises and commitments. The company's operations must fulfill its promises and be committed to all stakeholders. The company's commitment is always to provide high-quality products and satisfy its loyal customers. Companies that consistently deliver on their promises and obligations play an essential role in building a solid and trustworthy reputation in the eyes of stakeholders. The company is committed to providing a service or product of a certain quality and meeting deadlines or agreements, and it creates greater trust from customers, business partners, and employees. Fulfilling this commitment not only reflects the company's integrity but also demonstrates dedication to the satisfaction and needs of others. In the long run, this positively impacts business relationships, increases customer loyalty, and strengthens internal and external cooperation. Conversely, companies risk losing trust when they ignore promises or commitments, which is difficult to restore. Therefore, upholding the commitment and always fulfilling promises is the foundation for the Company's Sustainability and success in a competitive market.

The company is fully responsible for every task, decision, and action in its daily operations. Every step done by management, employees, or departments reflects the company's values and goals. Therefore, the company must ensure that all actions align with internal policies, legal regulations, and applicable business ethics. This responsibility covers all aspects, from service to customers and resource management and its business activities' social and environmental impact. By implementing clear and consistent responsibilities, companies can build a good reputation and maintain the trust of stakeholders, including customers, employees, business partners, and the wider community.

A company that adheres to moral and ethical values demonstrates a solid commitment to integrity and responsibility in its operations. Adhering to moral and ethical principles is about following the rule of law and building a company culture that respects fairness, transparency, and concern for all parties involved, including employees, customers, business partners, and the wider community. Companies that use ethics as the basis of decision-making tend to create a healthy and collaborative work environment and gain the public's trust. In the long run, it helps the company build a solid reputation and face challenges responsibly. Adherence to moral and ethical values also guides companies in responding to complex situations that may not be regulated by law, ensuring that business decisions remain aligned with the principles of fairness and common interest.

Competent. It is improving self-competence to answer ever-changing challenges. The company strives to strengthen self-competence continuously, which is essential in facing the ever-evolving challenges in a dynamic world. With technological changes, market trends, and industry needs constantly moving fast, the ability to adapt is the key to individual and professional success. Employees can develop their competency through various methods, such as participating in training, continuing education, and learning from daily experience.

Additionally, by continuously honing skills and broadening their horizons, they can stay relevant and prepared for unexpected changes. For professionals, this means keeping up with developments and proactively finding creative and innovative solutions to new challenges. Employees committed to improving their competence in business contribute directly to the company's competitiveness and sustainability amid fierce competition.

The company also strives to improve learning by providing training. Training helps employees develop new skills or deepen existing skills. The training makes them more competent in daily tasks and ready to face more complex job challenges. Trained human resources tend to be more productive and efficient at work. They understand how to work better, reduce wasted time, and minimize errors, making their organizational contribution more optimal. Employees can develop through training, feel more valued by the company, and increase motivation, commitment, and job satisfaction, ultimately contributing to loyalty. This condition triggers low employee turnover; on average, employees spend the working period until retirement.

Some types of training, such as soft skills training or team building, can improve communication, collaboration, and teamwork skills. The training is essential for creating a more harmonious and efficient work environment. With a continuous training program, the quality of human resources in the organization improved, which ultimately positively impacted the company's long-term success.

Harmonious. Building a harmonious work environment is critical to creating a productive and positive work environment that supports employee development and organizational success. Some ways to make a harmonious work environment include effective communication. Communication must be open and transparent. Communication between employees and company management runs well, clearly and openly, reducing misunderstandings. The company has established and



effectively communicated work operational standards, ensuring that office and factory employees maintain harmony. The leaders of Mitra Tani 27 also provide opportunities for each employee to express their opinions and listen carefully to input and suggestions from employees. This condition creates a sense of appreciation and fosters employee trust in the leadership.

The company also uses a diversity and inclusion strategy. The strategy emphasizes respecting each team member's background, culture, and personality differences. The diversity of ideas and approaches will enrich solutions and increase creativity in the work environment. The company also strives to ensure no discrimination against anyone, regardless of gender, age, race, or creed. The management of PT Mitra Tani created clear policies to prevent this.

Loyal. The strategy implemented by the company to maintain loyalty emphasizes efforts to preserve the reputation of fellow employees and leaders. Mutual trust, respect, and maintaining each other's reputation is a way to build loyalty. Employees need to actively support and preserve the integrity of their colleagues by refraining from spreading information that could harm their reputation. Similarly, leaders are essential in setting an example of ethical and transparent leadership and encouraging a work culture based on trust and mutual respect. Everyone in a state-owned enterprise is also responsible for maintaining the company's image as an entity representing the country by acting professionally and ethically in every decision and action. These efforts increase employee loyalty, strengthen public trust, and ensure that every action supports mutual progress.

Loyalty is the awareness of leaders and employees always to prioritize the willingness to sacrifice to achieve more significant goals. Awareness to build an attitude of willingness to sacrifice for a greater goal is an essential value in community life and organization. This attitude grows from the understanding that mutual success often requires personal sacrifice in time, energy, or personal interests. Willing to sacrifice means putting the common interest above the interests of the individual to achieve a nobler and far-reaching goal. This attitude strengthens teamwork and solidarity in the organization, as each member realizes that their contributions and sacrifices are essential to attain a company goal. In a broader context, these sacrifices also reflect social responsibility, where individuals are willing to give their best for the betterment of companies, societies, and even countries. By building this awareness, we create a collaborative culture focusing on achieving more significant goals that benefit many people.

Adaptive. An adaptive sustainability strategy is a dynamic approach to balancing business objectives, environmental sustainability, and social well-being while remaining responsive to external changes such as technology, regulations, or market trends. Here are some steps to develop an adaptive sustainability strategy:

- Continuous assessment is done by conducting environmental and social audits periodically. Conduct regular audits to assess the company's environmental and social impacts. With this evaluation, organizations can identify areas that need improvement and adjust their sustainability strategies accordingly. Periodically, evaluating environmental, economic, and social risks affecting the company's sustainability is necessary. The organization should prepare for sudden changes, such as climate crises or regulatory shifts.
- Decision-making needs to be flexible according to changes in external conditions. Sustainability is an ongoing process rather than a fixed end goal. Companies can foster innovative partnerships that help them adopt new technologies and approaches to sustainability, such as green technologies or renewable energy. The company is actively investing in technological innovation to achieve green sustainability. Green sustainability is an ongoing process rather than a fixed end goal. Companies can foster innovative partnerships that help them adopt new technologies and approaches to sustainability, such as green technologies or renewable energy. Better waste



management is needed to reduce carbon footprint. PT Mitra Tani 27 began to use bioethanol to minimize the use of non-renewable fuels, such as fuel oil, for production activities at the factory.

With an adaptive sustainability strategy, companies can be better prepared to face future challenges while continuing to innovate to achieve long-term sustainability goals. Continuous adaptation also allows companies to remain relevant and competitive in a market that increasingly prioritizes social and environmental responsibility.

Collaborative. A collaborative sustainability strategy is an approach that involves multiple parties to achieve common sustainability goals. Cooperation between organizations, governments, communities, and the private sector can create more effective and far-reaching solutions to address complex environmental, social, and economic challenges. The following is the company's collaborative sustainability strategy, including partnering with various stakeholders. Each party has complementary roles and expertise in achieving sustainability – for example, the collaboration of companies with consumers. The company provides eco-friendly products or education related to their social responsibility. By listening to consumer needs and preferences, companies can create solutions that support long-term sustainability.

One of the critical components of a collaborative strategy is agreeing on a shared vision of sustainability goals. All parties must have an equal understanding of the importance of sustainability and how collaborative steps can achieve it. This shared commitment ensures that each party is active and responsible in sustainability efforts. PT Mitra Tani 27 also collaborates with the company's community. PT Mitra Tani 27 builds cooperation with farmers around the location to carry out a profit-sharing system in planting agricultural products. Empowering local farmers as critical partners is part of the solution; they are the beneficiaries and the main drivers of sustainability at the regional level.

With a collaborative sustainability strategy, everyone involved can support each other in creating a more significant and sustainable positive impact. This collaboration allows for forces synergies that bring economic benefits and make broader social and environmental effects.

Economic Performance. PT Mitra Tani 27 dramatically contributes to the sustainability of the income wheel and the community's economy in the Jember Regency. PT Mitra Tani 27's commitment to empowering the community's economy in Jember is reflected, among others, by using local suppliers, namely farmers around the factory. Local farmers are the leading suppliers of the raw materials used in the production process, namely edamame. Using local farmers is also one of the company's steps in obtaining high-quality raw materials. The progressive increase in sales intensity and production quantity is also one of the manifestations of the sustainability strategy carried out by PT Mitra Tani 27.

The sales of edamame products have expanded in various countries, with 7,578 tons for export and 1,817 tons for local markets every year. The massive amount of export sales manifests the company's economic performance achievements. Good agricultural techniques and production processes certainly support a high level of sales. The good agricultural techniques prove that the company prioritizes sustainability in its business operations.

Most of the company's funding sources come from its capital for operational activities. The owner's shares, the company's profits, and bank loans generate this capital. The company uses the credit received for investments, such as purchasing land and machinery, to increase production. It chooses conventional banks as a source of credit due to the ease of conducting transactions with customers and suppliers.

The company also benefits stakeholders by establishing profit-sharing partnerships with the former partner. This cooperation program benefits employees by providing savings and loan



facilities through the cooperatives. These savings and loan activities represent one of the businesses developed with the company using a profit-sharing model.

Social Performance. PT Mitra Tani 27 practices authenticity in its business operations to achieve social performance. The company reflects its social performance through its commitment to providing consumers with quality products and services. The company is oriented to guarantee product quality to maintain customer satisfaction. The company is also open to suggestions and inputs as a guideline for increasing product value. Not only that but social commitment is also proven through the company's vision and mission to become a distributor of high-quality products by providing accurate information on raw materials and nutritional content on each product's packaging.

The company's commitment to corporate social performance is evident in its efforts to increase employment opportunities for the local community, encompassing individuals from productive to non-productive ages, specifically those between 15 and 64. Additionally, the company prioritizes gender equality in its workforce composition, ensuring that both men and women have equal employment opportunities.

Female factory workers comprise 80% of the workforce, handling the sorting and packaging processes, while the remaining 20% are male workers responsible for receiving, grading, and balancing agricultural products. The Head of the Personnel and International Relations Department of PT Mitra Tani 27 reported that the total number of workers had reached 178 staff members, including 137 employees with fixed-term work agreements (PKWT), 2,000 seasonal employees, and 2,490 factory employees.

In the social aspect, PT Mitra Tani 27 can manage labor practices reasonably, especially in personnel. This commitment is further demonstrated in PT Mitra Tani 27's sustainability strategy, which emphasizes respecting everyone, regardless of their background. PT Mitra Tani 27 always provides equal job opportunities for all employees, both men and women, regardless of differences in ethnicity, race, religion, and social status of employees. This principle of equality also applies in the employee recruitment process, providing a fair opportunity for the surrounding community to become company employees.

Implementing PT Mitra Tani 27's social responsibility programs also realizes the sustainability of social performance. The company allocates funds for activities that are part of the company's social responsibility. The company has a sustainable strategic program that fulfills social elements tailored to the conditions and needs of the local community. The company's tangible forms of social performance include the Foster Parents Movement of the Big Family Association of PT Mitra Tani 27, the 29th Anniversary celebration of PT Mitra Tani 27, and the Mass Circumcision Program.

The existence of the program indicates that PT Mitra Tani 27 does not only focus on achieving profits but also on social responsibility to stakeholders, especially the local community. This program is in the form of PT Mitra Tani 27's support in community empowerment efforts, such as employee education and training programs, especially for farmers who are suppliers. The company's goal is to organize this training program to improve the skills and technical capabilities needed to fit the company's strategic objectives as well as improve the company's performance (Arif et al., 2023). This training also aligns with the company's vision, namely understanding sustainable agriculture and more efficient crop management.

PT Mitra Tani 27's commitment to social performance is evident in its focus on occupational safety and health. One of the company's initiatives is the regular implementation of occupational safety and health (K3) training, which includes proper use of personal protective equipment (PPE) during production activities. To enhance K3 performance, the company routinely evaluates its safety



efforts by comparing the number of work accidents yearly with the intensity of preventive measures implemented. This evaluation aims to assess the effectiveness of the company's prevention programs.

Environmental Performance. PT Mitratani Dua Tujuh adopts the concept of environmental sustainability as the key to its business, applying it across all business lines, from agricultural plantations to livestock. The heterogenization of the company's business also encourages PT Mitratani Dua Tujuh to create a new sustainability portal for the company's residual products, which is increasing in line with the escalation of the target market. Although PT Mitra Tani 27 still needs environmental certification, the company strives for a revolution by continuing to process to achieve sustainability holistically. One of PT Mitratani 27's commitments to ecological aspects is to apply the 4R-based principle (Reduce, Reuse, Recycle, and Replace), namely activities to treat waste by reducing, reusing, recycling, and replacing.

The composition of daily factory waste and PT Mitra Tani 27 land waste can reach 10-15 tons/day and 50-60 tons/day. The amount is quite large and can be a warning marker for companies to take steps to mitigate waste treatment coherently. The decision to reuse edamame skin waste in the livestock business line can create a positive domino effect on the environment around the company. The company uses edamame dry skin waste produced as a residual product from production activities as animal feed for the company's side business line in goat and sheep livestock cultivation through a cooperative relationship with the Multi-Business Cooperative (KSU) Family of Mitra Tani 27. The results of the waste treatment not only help reduce the amount of waste disposed of directly into the environment but also create new economic potential for the company.

The limited human resources (HR) present a significant obstacle to creating breakthroughs and innovations in new products, particularly in treating factory wet waste. As a result, PT Mitra Tani 27 sells its land waste to competent partners for further processing. The primary challenge is to enhance the capacity of human resources to foster more significant innovation in waste treatment, which can ultimately improve efficiency and profitability in the long run. By transforming and reducing previously unused waste, the company aims to address this issue. PT Mitra Tani 27 has shown how waste management innovations can benefit environmental sustainability while creating economic value relevant to the company's values.

The company also supports the zero-waste program in its business practices through the principle of recycling, in the form of simple processing of livestock manure as raw materials for manufacturing organic fertilizers. PT Mitra Tani 27 also continues strengthening its commitment and contribution to the circular economy model through sustainable efforts to use organic fertilizers in the company's agricultural and plantation business lines (Surawan et al., 2024). Simultaneously, the company also actualizes the concept of organic farming by using environmentally friendly agricultural products. On the other hand, the company has also made efforts to minimize (reduce) water use for land irrigation activities, namely by flowing edamame soybean boiled water to agricultural and plantation areas. These water conservation initiatives are crucial enough to maintain soil quality and avoid surface run-offs that have the potential to damage agrarian products.

PT Mitra Tani 27 has also designed changes in the use of alternative fuels in the form of palm oil shells and bioethanol in the future. Until now, the processing machine's fuel still uses R38 oil obtained from West Nusa Tenggara Province to reduce waste and cost efficiency because the price is lower. The company's gas emission contribution from production activities is still reasonable based on the latest emission tests by production activities in factories.

CONCLUSION



PT Mitra Tani implements a circular business model strategy. A circular business model that focuses on recycling, reuse, and waste reduction so that companies can continue to innovate in more efficient use of resources. The sustainable finance strategy that the company has carried out includes six main principles, namely Trust, Competent, Harmonious, Loyal, Adaptive, and Collaborative. Through a sustainability strategy that prioritizes these six principles, every party involved can support each other to produce a more significant and sustainable positive impact. This kind of cooperation creates synergies that provide economic benefits and make broader and lasting social and environmental impacts.

The company achieves economic performance through increased sales intensity and production volume, particularly in edamame. Sales of edamame products have expanded to various countries, with a volume of 7,578 tons for the export market and 1,817 tons for the domestic market every year. The company's capital comes from the owner's investment, profits from its operations, and bank credit.

The company demonstrates its social performance through its commitment to providing high-quality products for consumers and creating job opportunities for workers. The company also offers special funds as a form of social responsibility and concern for occupational safety and health. The company demonstrates its primary environmental performance through its commitment to implementing the 4R principles (Reduce, Reuse, Recycle, and Replace), which focus on waste treatment by reducing waste, reusing, recycling, and replacing. The company also uses alternative energy sources such as palm oil shells and bioethanol in the future. Until now, the fuel for processing machines still uses R38 oil to reduce waste and efficiency of production costs because the price is lower.

Recommendation. Companies need to prepare sustainability reports as part of efforts for transparency and accountability to stakeholders. The report will include information on the economic, social, and environmental impacts of the company's activities and the initiatives taken to support sustainability goals. Companies can demonstrate their commitment to business practices by compiling a sustainability report. The company also clearly shows its progress in managing sustainability-related risks and opportunities. This report is also crucial in building the company's trust and reputation in the eyes of consumers, investors, and the wider community.

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