Title: **Empowering organisations to embrace UN Sustainable Development Goals: Post-Covid-19 Scotland**

Full names: Ana Paula Fonseca; Kenny Crossan; Miles Weaver; Hock Tan; Andrew Bratton; Dr Elena Pershina
Organisation: Edinburgh Napier University
Country: Scotland
E-mail: a.fonseca@napier.ac.uk
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Abstract

The United Nations Environment Programme (UNEP) argues that the global coronavirus pandemic has caused unimaginable consequences to the global community's economy, social structure, and ecosystem. Overcoming this situation is only possible when environmental responses, plans, and policies are prioritized. The Organisation for Economic Co-operation and Development (OECD) has emphasised that the network of public, business, and non-government entities should collaborate to create better conditions for economic growth, social cohesion, and employment generation. The Sustainable Development Goals (SDGs) provide a framework for businesses to act responsibly. Although the SDGs are an international agenda, they emphasise that local organisations and national governments should implement them through their business plans and policies. This chapter explores how owner-managers of Scottish small-and medium-sized enterprises (SMEs) are implementing the SDGs agenda 2030 by using the UN SDG Action Manager tool. Our approach considers three levels. First, this article explores the meaning of the SDGs within the Scottish business context and highlight the role of learning and development in creating more sustainable organisations. Second, the paper examines the action research approach used to support participants to learn and implement the UN SDG Action Manager tool in their organisations. Finally, based on the participants' reflection, the article discusses the key findings related to (1) the lack of partnership and collaboration, (2) the lack of understanding and the language used in the regulations, and (3) the lack of communication and incentives. Analysing the 15 Scottish SMEs through this research provides a greater understanding of the business reality of planning, implementing, and learning about the 17 SDGs.

Keywords: sustainable development goals, sustainability, small- and medium-sized enterprises, organisational learning, action research, action learning, SDG Action manager

Introduction

Sustainability and Sustainable Development Goals (SDGs)

The triple bottom line of sustainability has become the foundation to assess the overall performance of organisations to meet the demands of stakeholders. In recent years, the triple bottom line of sustainability—people, profit, and planet—have evoked organisational leaders to consider how to integrate sustainability into their management practice and business strategy (Laszlo and Zhexembayeva 2017). The United Nation Sustainable Development Goals framework seeks to strengthen universal peace, eradicate poverty in all its forms and dimensions, implement responsible consumption and production, address climate change, and reduce inequality. Meaningful progress towards meeting the 17 sustainable development goals and 169 targets requires collaboration amongst governments, businesses, and society (United Nations 2015a). The concept of sustainable development provides a holistic view of the 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs' (Brundtland 1987).

Sustainability addresses three key areas: people, the planet, and prosperity (Elkington 1998). Recently, 'sustainability has become a global buzzword in many sectors, especially after the publication of the United Nations Sustainable Development Goals (SDGs) agenda 2030' (Fonseca and Carnicelli 2021). Sustainability is underpinned by an ethical principle that recognises that present actions impact on future generations on the financially, socio-culturally, and environmentally (United Nations 2019a). The United Nations World Tourism Organisation (UNWTO) defines,

> 'Sustainability principles refer to the environmental, economic, and socio-cultural aspects of tourism development, and a suitable balance must be established between these three dimensions to guarantee its long-term sustainability' (UNWTO 2005).

Sustainability is a concept in which businesses must develop strategies that integrate economic aspects and social demand and environmental issues (Carroll and Buchholtz 2015). Sustainability promotes a vision of business accountability and responsibility to a wide range of stakeholders.

The concept of sustainable development 'formed the basis of the United Nations Conference on Environment and Development held in Rio de Janeiro in 1992' (Sustainable Development Commission 2011). The Earth Summit agreement launched in Brazil in 1992 marked the historical agreement on climate change with 197 parties agreeing to stabilise 'greenhouse gas concentrations in the atmosphere at a level that would prevent danger in the climate system' (United Nations 1992; Mensah 2019). However, the first conference of parties (COP) was held

in 1972, Stockholm conference. It marked a decisive moment in the international environmental politics to promote sustainability, safeguard the natural environment, and contributed to the creation of the United Nations Environment Programme (UNEP). Another important COP, held in 1997, Japan, named the protocol to the UN Framework convention on climate change (the Kyoto Protocol) was adopted by consensus with more than 150 signatories (United Nations 1998). The Protocol included the obligation of reducing emissions with targets for developed countries. Under the Protocol, developed countries' actual emissions must be informed and monitored to stakeholders and shareholders. This agreement marked the first era of environmental agreements (Sustainable Development Commission 2011).

In 2015, 169 parties and governments welcomed the ambitious goal of the Paris Agreement to keep temperatures 'well below 2°C' and to 'pursue efforts to limit the temperature increase to 1.5°C' (United Nations 2015b). Areas of activity, including education, training, and public awareness, were discussed in Buenos Aires in 2010, and these became part of the agreement and future strategies—the 17 goals. in September 2015, the world leaders agreed and adopted a new 2030 Agenda for sustainable development which is 'a plan of action for people, planet, prosperity, peace, and partnership designed to shift the world into a sustainable and resilient path' (United Nations 2015a).

> 'At the heart of the universal world and transformative agenda are the 17 sustainable goals: (1) no poverty; (2) no hunger; (3) good health and well-being; (4) quality education; (5) gender equality; (6) clean water and sanitation; (7) affordable and clean energy; (8) decent work and economic growth; (9) industry, innovation, and infrastructure; (10) reduced inequality; (11) sustainable cities and communities; (12) responsible consumption and production; (13) climate action; (14) life below water; (15) life on land; (16) peace, justice, and strong institutions; and (17) partnerships for the goals' (United Nations 2015a) .

The UN Global Impact SDG Action Manager Tool—Track and Measure Business

Businesses are vital partners in achieving the SDGs through their core activities (Scottish Government 2020) . For this reason, the United Nations SDGs initiative is a new 'north star' for a world in continual change. As a result of this collective call to action, businesses understand the commercial potential that the 17 SDGs present as well as the risk of failing to address the present key social and environmental challenges. In 2016, more than half of all businesses ignored the UN SDGs (Earley 2016). However, the situation has improved according to the 2019 UN Global Compact Accenture CEO Study (Accenture 2021). Over 87% of 1,000 CEOs surveyed believe the SDGs represent a critical opportunity for businesses to rethink approaches to long-term value generation (Accenture 2021). These issues require leadership, action, and the necessary resources to address them.

Businesses leaders want to know to what degree they have met the 17 SDGs, how they compare to their competitors, and how they can advance directly and meaningfully. While a variety of business-focused initiatives have been established to promote corporate contributions to the SDGs, there was no platform currently exists that allows all types of enterprises to learn about, manage, and actively improve their activities and performance in relation to the SDGs (Chakravorti 2017). The introduction of SDG Action Manager enables all types of businesses to learn and manage their impact. This web-based impact management system was developed by B Lab and the United Nations Global Compact to enable enterprises to act on the SDGs until 2030.

B Lab's B Impact Assessment and the UN Global Compact's Ten Principles as well as their respective content knowledge are combined in the SDG Action Manager to allow corporate action that uses dynamic self-assessment, benchmarking, and optimisation. The SDG Action Manager tool is based on the current SDG business efforts as well as on the work and insights of various stakeholders, including corporate sustainability professionals, non-governmental organisations, the UN, and academia. The SDG Action Manager was released in January 2020, and is accessible in English, French, Italian, Portuguese, and Spanish.

The SDG Action Manager assists companies in determining a beginning point. An organisation may use the Action Manager to understand which SDGs are most important to them based on their profile and how to act immediately. The firm will be able to comprehend and communicate the effect of the evaluation after it is completed. To be effective and to identify possible risks for each SDG, a business needs to obtain a better understanding of its operations, supply chain, and business model. The progress toward the stated objectives may also be tracked. Furthermore, the SDG Action Manager enables cross-company collaboration, and co-workers can be invited to join the SDG Action Manager, where they can offer knowledge and track progress in real-time. The tool also provides benchmarking options and improvement guides. The following sections discuss the SDG Action Manager's importance for business and how it could help owner-managers align their strategy and communicate the results.

Sustainability in an Organisational Learning and Development

Organisational learning is defined in various ways and is understood as the creation of knowledge and its use within an organisation (Örtenblad 2018). Organisational learning is defined as 'learning by shared-interest groups within the organization' (Field and Foley 2004). The practical aspect of organisational learning comprises (a) practice as a learning method, in which people or individuals learn by doing constant repetition of their activities and discussions; (b) practice as an occupation or field of activity which an individual works to achieve the knowledge; and (c) practice as the way of doing something, like practitioners

produce and formulate standards of everyday affairs of life (Gherardi 2009). In mainstream literature, organisational learning is often presented as unproblematic: 'learning is a "win-win" situation benefiting everyone' (Bratton et al. 2022). Critical perspectives understand that learning is intertwined with culture, economics, power, and social dynamics. Learning is also intertwined with other areas of human resource management (HRM), since sustainability and SDGs are bound to raise difficult questions and choices for governments, organisations, and individuals in terms of upskilling and reskilling organisational learning and development.

Consensus is growing among academics and practitioners that the issues of sustainability, organisational learning, and development are closely interrelated (Valentin 2017; Paillé and Valéau 2021; Battistella et al. 2021). From a socio-technical systems approach, creating individual and collaborative learning opportunities is an important part of designing a sustainable work system (Zink 2014). Collaboration for sustainable organisational learning may be based on the inclusion of employees, internal and external stakeholders, systematic employee development, and encouragement for experimentation and learning (Battistella et al. 2021). Training is a primary intervention for developing green abilities in the workplace (Joshi and Dhar 2020), and 'green' training is positively associated with career growth (Xie et al. 2020). Developing green abilities through training and learning interventions is also present under the ability dimension of the ability, motivation, opportunity (AMO) model (Amrutha and Geetha 2020). Much of organisational greening training appears to be related to improving employees' health and safety, saving energy, and managing waste. Concomitantly, research suggests that the social dimension of organisational sustainability includes promoting diversity and inclusion in the workplace (Härenstam 2017) and ensuring employee wellness and wellbeing (Amrutha and Geetha 2020). This dimension may also include offering organisational-sponsored volunteerism and community involvement as well as service-learning opportunities that promote citizenship and sustainable development (Caligiuri et al. 2013).

The social dimension of organisational sustainability relates to Sustainable Development Goal 3 regarding 'good health and well-being', Goal 4 'lifelong learning, and Goal 8 'decent work for all'(Amrutha and Geetha 2020; Stahl et al. 2020; Kramar 2022). Unlike economic and environmental pillars that can be more easily evaluated using quantitative indicators, social sustainability requires a balance between quantitative and qualitative indicators, and some ambiguity still exists about what social sustainability means within an organizational context (Staniškienė and Stankevičiūtė 2018). Nonetheless, the literature suggests that the social dimension of sustainable HRM has both an internal and external element, which entails how people within organizations are treated and the needs of external stakeholders. The internal elements include organisational learning and development, good health and well-being, quality of work and job security, and effective employee voice (Stahl et al. 2020; Paulet et al. 2021; Kramar 2022). The external elements may include a commitment to societal development by engaging in company-sponsored volunteerism and service-learning programmes, sensitivity to the needs and rights of workers in the global supply chain, and

engagement in human rights issues (Ikram et al. 2020). Therefore, the social pillar of the triple bottom line focuses on employees as the key internal stakeholder group and has 'an external element in ensuring that HRM practices comply with laws and regulations, are aligned with the needs of external stakeholders, and help address societal challenges in line with Sustainable Development Goals' (Stahl et al. 2020). In summary, there is a consensus in the literature that the concept of sustainability is linked to organisational learning and development, corporate social responsibility, and environmentalism.

Sustainability in Scotland – SMEs perspective

A practical guide was developed by (Laszlo and Zhexembayeva 2017) to support organisations to embed sustainability into organisational culture—in other words, into the hearts and minds of employees, customers, suppliers, and stakeholders. Ecological and social pressures require a new type of business response to the government norms and societal expectations (UK, 2021). Debates on corporate social responsibility (CSR) have focused on the socio-political and institutional infrastructure, along with strategic frameworks involving various regulatory authorities (Palazzo and Scherer 2008; Commission 2013, 2017), and they have emphasised the necessity to redesign organisational strategies. Despite such discussions in the field, the management literature on sustainability largely ignores the role of SMEs in implementing the SDGs. Similarly, the language used in government sustainability frameworks also neglects the role of SMEs (Müller and Siebenhüner 2007; Vargas et al. 2019).

Historically, researchers and practitioners have used a myriad of labels to refer to organisational responsibility and responsible business. These terms include CSR, corporate citizenship, corporate sustainability, sustainable development, environmental stewardship, and sustainable entrepreneurship (Aguinis 2011). The concept of responsible business has evolved from discretionary or philanthropic actions to also include socially responsible business activities related to economic, legal, and ethical responsibilities (Carroll 1991; Carroll and Buchholtz 2015). However, owner-managers need to understand how to implement CSR or sustainability into their business activities, integrate SDGs into strategy and policy documents, and use sustainable development as an anchor in their team.

In Scotland, 99.3% of firms are classified as SMEs, and these firms account for 54.9% of all employment and over 40% of private sector turnover. Small- and medium-sized enterprises play a vital role in the Scottish economy and employability. Furthermore, Scottish SMEs can actively support the transition to a net-zero economy by implementing SDGs into their business strategy. However, SMEs need support from policymakers, academics, and government bodies to ensure they will recover from the pandemic. The UNEP suggests that overcoming the social and economic issues caused by the pandemic is only possible when environmental responses, plans, and policies are prioritised (UN Environment Programme

2020). The concept of sustainability, the SDGs, Scottish SMEs, and organisational learning will be further discussed.

Small- and Medium-sized Firms in Scotland—Landscape and Context

Without exception, SMEs dominate the landscape of all modern economies when considering the number of businesses (Ross et al. 2015). Whilst large firms (those employing more than 250 employees) account for a sizeable part of any economy measured by turnover, GDP, or share of employment, they are usually a small proportion of the business stock.
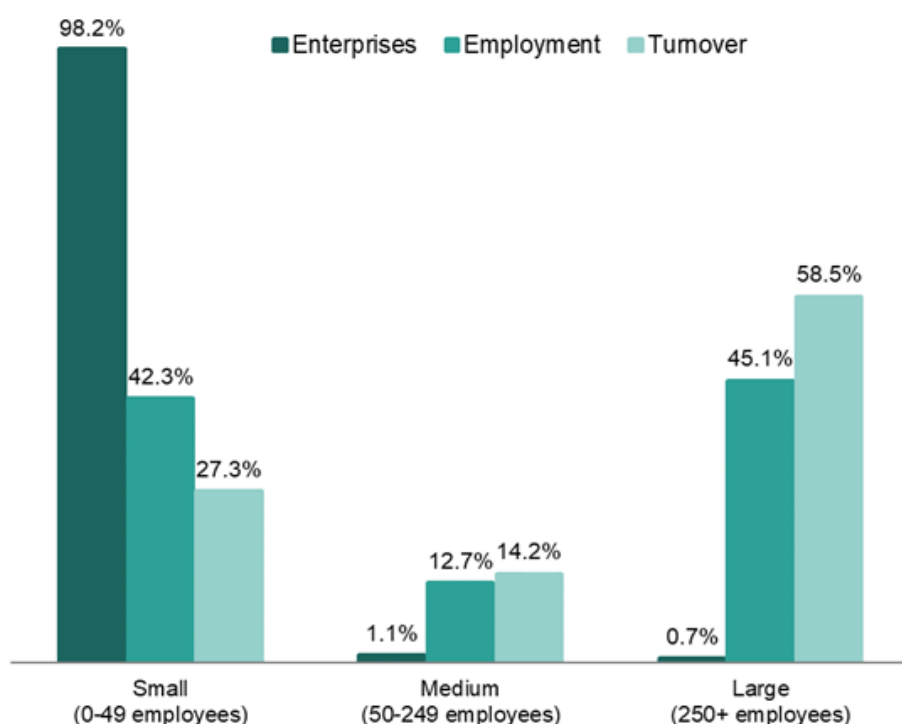

Figure 1: Share of business, turnover, and employment by size in Scotland, as of March 2020. Scottish Source: (Scottish Government 2020) (page 5).

The structure of the Scottish economy is similar to most countries in the respect that more than 90% of all firms in Scotland are classified as SMEs (see Figure 1). Given this proportion, if responsible business is to be embedded into the Scottish economy, then SMEs need to play a prominent role and become a key enabling force. Whilst the contribution that a single SME might make towards achieving the UN SDGs might be negligible, if enough of these firms engage and embrace more responsible business practices then the aggregated outcome could be significant. If a system is in place for SMEs to work together and with larger firms, the third sector, and governments, then the overall contribution can be amplified to contribute far more than the aggregated total of each individual firm's activities.

If the data is considered in more depth, focusing on the term 'SME' masks the true structure of the Scottish economy in this respect. As of March 2020, businesses with no employees—sole proprietors/partnerships comprising only the owner-manager or companies comprising only the employee director—accounted for 68.7% of all private sector businesses in Scotland. Over 90% of businesses in Scotland employ fewer than 10 staff members and would be classified as micro firms (Scottish Government 2020).

These firms do not have the type of structures or resources that a large- or even medium-sized firm may have. The tendency to focus on SMEs means that many treat these firms as a small version of a large firm and assume that they have similar management and structures in place, just on a lesser scale. This is not the case for micro firms, since firms in this category often employ no staff, and all activities are conducted by the owner-manager. Even if these firms do have employees, it is unlikely that a firm with fewer than 10 staff members will have a complex structure of departments, planning, and strategy cycles (Crossan et al. 2018). The sample of firms used for this study is largely drawn from micro firms. This selection is important as this project's aim is to provide expertise, resources, and opportunities. It also aims to provide opportunities for firms to work together and co-create solutions to the sustainability challenges that they are motivated to resolve.

Recently, there has been a growing call for businesses to become more connected to society and move beyond simple corporate social responsibility reporting (CSR) and articulate values beyond profits (Porter and Kramer 2011; Bansal and DesJardine 2014; Weaver et al. 2018). This outlook is true in Scotland as much as the rest of the world. In a recent survey, only 29% of businesses supported the view that the sole responsibility of business is to maximise profits (Social Value Lab 2015), and over 85% agreed that community, social, and environmental issues were important to their business (Social Value Lab 2015). Scotland is ahead of the UK and many other countries in this approach and researchers reference several Scottish Government initiatives, such as the Scottish Business Pledge and the offer of free university tuition (Weaver et al. 2018). This understanding is supported by the fact that 78% of Scottish SME employers paid all their employees aged 18 or over a living wage (excluding volunteers, apprentices, and interns), which is defined by the Living Wage Foundation (Scottish Government 2018).

Researchers also argue that how SMEs are governed and operate is strongly influenced by the characteristics of their owner-manager, particularly their educational and prior professional experience (Crossan et al. 2018); this is particularly the case for micro firms where the owner-manager is likely to determine the strategy and direction of the organisation. Whilst various studies (Woods and Joyce 2003; Richbell et al. 2006) link the characteristics of owner-managers to firm performance and various business activities, but also provide evidence that owner-manager characteristics have a significant influence on activities such as business planning and governance. According to (Segaro 2012) the characteristics of the owner-

manager also have a strong effect on SMEs' internationalization activities, and studies by (Cossan et al. 2015) and (Thomas 2007) both find a strong relationship between characteristics such as education and prior professional experience and how SMEs are governed. This analysis is extended by (Chanakira 2019) to consider how CSR is implemented in SMEs. However, few studies address how the owner-manager's characteristics influence SMEs' general engagement with responsible business and with some of the principles that underpin the UN SDGs. The results from this study suggest that the owner-managers' attitudes toward such activities are a key driver of the firm's engagement. Whilst this relationship might appear to be intuitive, it is interesting to consider what types of characteristics are more likely to influence this behaviour. This study also considers what other factors might influence SMEs' attitudes and action towards engaging with responsible business practices in general and in relation to the UN's SDGs in particular.

The practical implication – Sustainability in Action – Case study in Scotland

A team of researchers who collaborated with 15 (for-and non-profit) SMEs to empower them to embrace and accelerate progress towards the SDGs agenda. The SDG Action Manager tool was used to help SMEs participants (owner-managers) to improve their performance, scale up, improve strategic areas, and advance research. The qualitative method using action research (AR) was underlined by epistemological inquiry to follow a recurring spiral process of diagnosing (observing), planning, acting, and evaluating to contribute to and support SME owner-managers to create value and search for integrated solutions to make development more sustainable.

The 15 SMEs participated in online workshops, since COVID regulations did not allow face-to-face contact. The university marketing team and researchers invited SMEs randomly through social media using LinkedIn and Twitter and in partnership with the Edinburgh Chamber of Commerce. The learning goals (Figure 2) were designed to explain the rationale of the workshops in terms of the 17 SDGs for the 2030 agenda followed by the SDG Action Manager application (sensemaking). The business purpose is the organisation's heart, why businesses exist and how they can be sustainable. The communication allows great reflection and implementation through collaboration. The SME participants had different types of profiles, such as size, sector, and number of employees. A two-hour online workshop was conducted to discuss and engage with (1) Scotland SDGs 17 framework, (2) SDG Action Manager (an impact measurement tool), (3) Scotland SDG network, and (4) opportunities for cross-sector collaboration. Capturing the perceptions and discussion, the researchers used a rich image technique, and a mural was created to allow participants the freedom to share their ideas, concerns, understandings, and comments (Berg and Pooley 2013). The workshops were recorded using WebEx platform, which helped with the process of transcribing the data.
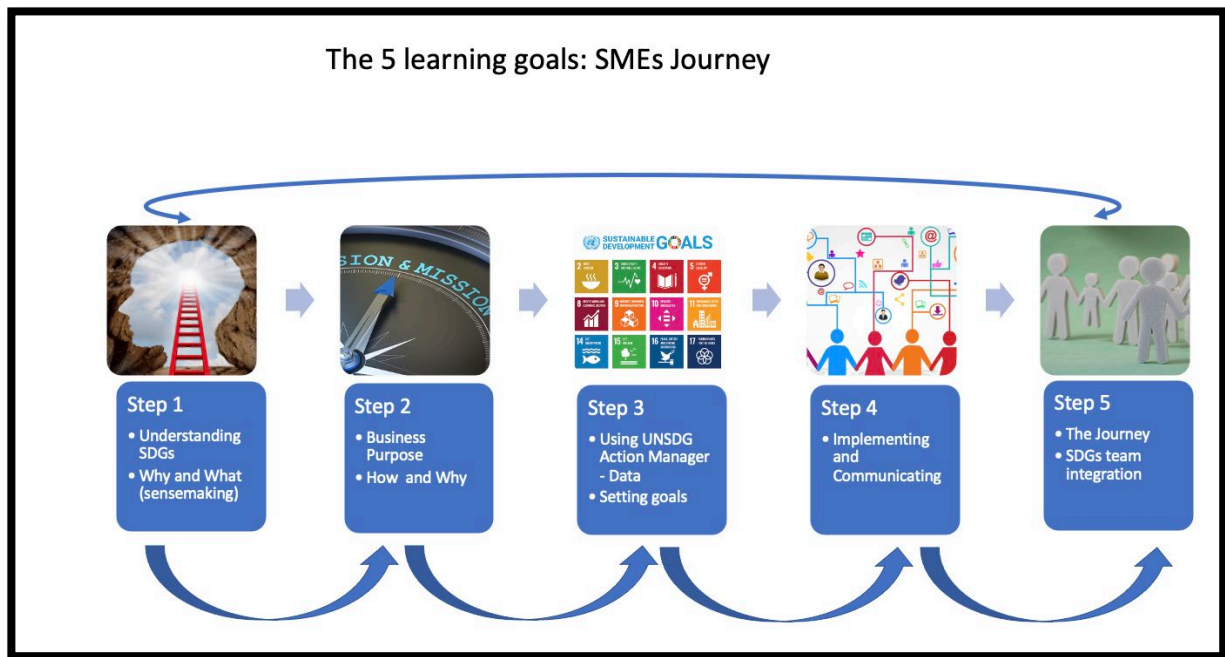
Figure 2. The five steps for SMEs (United Nations 2019b) (Note: The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States) (https://www.un.org/sustainabledevelopment/)

The journey is not a static process; rather, it entails continuous development and understanding of the data, goals, and regulations which may be changed depending on the environment where the business is inserted. Action research also helped identify the social changes (e.g., norms, legal, and other environmental facts).

The Action research (AR) enables an understanding of the key actors and situation as well as a participant's reflection in a collaborative approach between researchers and practitioners (Coghlan and Brydon-Miller 2014). In contrast to case study research, AR is directly involved in planned organisational change (Weaver et al. 2021). Simultaneously, the intervention by participants and researchers can shape the organisations to learn (Rollinson 2008; Flood 2010). AR studies consider the theoretical approaches to select a research method to explain the validity and reliability of the data (Fonseca and Carnicelli 2021). (Checkland and Holwell 1998) FMA model considers the framework of ideas (F) upon which their methodology (M) defines the roles and takes part in the change or modifies processes that interact in some area of concern (A) to reflect and learn (Figure 1) (cited in (Fonseca and Carnicelli 2021)). Considering Checkland and Holwell's FMA model and the importance of researchers and participants identifying, judging, understanding, planning and taking action to the real problem as presented in Figure 3.
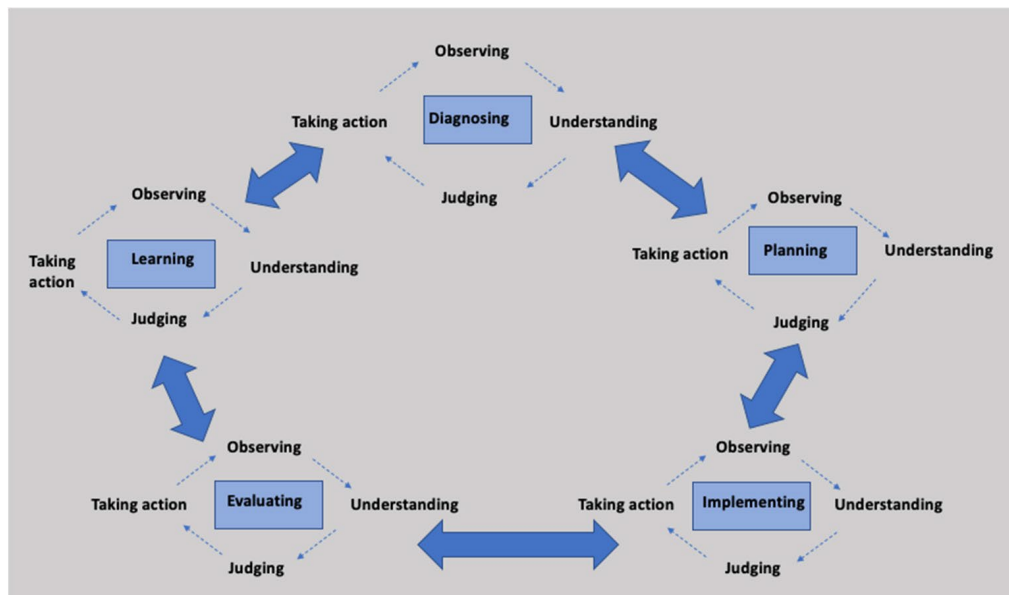
Figure 3. The cyclical process of action research (Fonseca and Carnicelli 2021)

In the AR cyclical process framework, Figure 3, the rationality of 'diagnosing' investigates and identifies business needs (i.e., observing and understanding), 'planning' targets underlying causes of a business's desire for change (i.e., judging), and theory is applied by 'implementation' (i.e., acting). The AR phases are embedded by 'learning and reflection' in relation to the entire process to contribute to knowledge and organizational learning (Coghlan 2019). Scholars highlight that the researcher should first acknowledge the organization's nature, characteristics, and background during the diagnosis phase (Cummings and Worley 2015), and the researchers explored the meaning of the United Nations Sustainable Development Goals (SDGs) within a Scottish business context and landscape (Step 1, Figure 1).Second, the researchers encouraged the participants to define their purposes and priorities based on their positive, negative, current, and potential impact on the SDGs (Step 2, Figure 1). Third, researchers presented the Action Manager tool and helped participants understand their data to feed the tool as well as to set their goals to generate an initial report that would help them evaluate their performance (Step 4, Figure 1). In the fourth step, the researchers worked with participants to integrate the SDGs into their business and to align their strategy and staff in this transition. The journey to do so is an ongoing process, and both the researchers and the participants are still working collaboratively to identify targets to support owner-managers improve their performance and to embed SDGs and pursue shared objectives within their team. Finally, the learning process of the researchers and participants working in clusters and co-creating value was observed and shared as a best practice.

The diagnosis is the most complex phase to understand how business operates 'the social system' (i.e., the business and individuals) currently functions (Cummings and Worley 2015). It collects information, conducts analysis, and designs a plan to test the theory in practice.

The diagnosis phase occurred between November 2020 and September 2021. Rather than being rigid, this process was dynamic and flexible (Dey 1993; Rigg and Coghlan 2016), considering the nature of SMEs. The social norms such as the SDG Action Manager tool, the SDGs framework, and secondary data (Table 1) were observed within the initial phase.

The document analysis was elicited through an examination of reports, plans, and projects that were made available by government websites as well as by other relevant local and online materials (Table 1).

Table 1. Document analysis

(United Nations 2019c)	Sustainable development goals. The energy progress report. Tracking SDG, 7.
(Compass 2015)	The guide for business action on the SDGs.
(UN Global Compact 2020)	UN Global Impact—SDG Action Manger—Access tool.
(Scottish Government 2020)	Scotland and the sustainable development goals: a national review to drive action.
(OECD 2019)	OECD and the Sustainable Development Goals: Delivering on universal goals and targets.
(Scottish Government 2019)	Place Principle: Introduction to provide a shared context for place-based work.
(Scottish Government 2020)	Scotland and the sustainable development goals: a national review to drive action.

The researchers attended at numerous workshops and through email conversations provided rich data. Conducting AR, the volume of data collected should be considered. Data should be analysed and revisited to enable researchers to codify, identify themes and reflect from participants' voices (Reason and Bradbury 2008). The analysis of the data by codifying the word using thematic analysis to search patterns (i.e., back-and-forth movement of the data) across a data set (e.g., transcripts from interviews and document analysis) (Braun and Clarke 2006; Gioia et al. 2013).

Scholars highlighted that when the researchers have the complete set of the concepts (i.e., the interview transcript and participant observation notes), themes emerge (second order), which are connected or aggregated to the main dimensions to analyse and implement actions in a rigorous and quality process (Gioia et al. 2013). Words can be powerful, and images or icons can also communicate feelings. Visual language offers a way of communication using images and symbols to enable participants to break down barriers of language, perceptions, education, and culture (Berg and Pooley 2013). Figure 5 illustrates the words and images that were captured during the workshops.

Figure 5. Rich image—evidence from participants based on (Berg and Pooley 2013; United Nations 2019b) (Note: The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States)(https://www.un.org/sustainabledevelopment/)

Participants were invited to share and draw their perceptions and what they understand about SDGs. This invitation sparked dialogue about their conflicts, challenges, and needs and offered insight into their organisational learning (Avison and Wood-Harper 1991).

SMEs Participants: Organisational learning insight

The 17 SDGs agenda and information appeared unproductive and did not include SMEs; (ii) the lack of collaboration and partnership (SDG 17), participants' reflection felt a lack of support and collaboration from the government and local authorities; and (iii) the lack of communication and organisational culture. Participants noted that there is missing communication (i.e., poor communication) between government and businesses in terms of strategies and regulations, and conscious culture to determine the importance of the SDGs into their business activities to build back together. The action planning began with an initial analysis of the collected data, followed by a discussion of the routes to address the central

issues regarding the observed challenges. The initial data analysis (Figure 6) revealed that three key issues emerged from the participation observation were caused by (i) the lack of understanding.
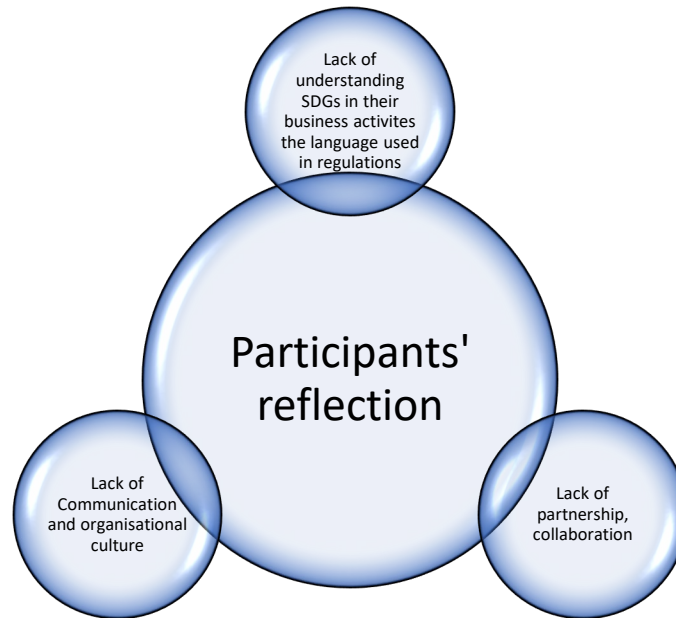

Figure 6. The participants' reflection

SMEs participants: Understanding the SDGs Framework

Following the participants' reflection, the three key elements were considered. In AR, the researcher is 'required to play a part in the implementation process. Action research allows the researcher to actively participate in some form of change in a system' (Liu 2009). As such, it is important for the researchers to actively engage in the action planning following the data collection and data analysis as well as in the actions and implementation processes. As part of a systemic intervention, 'action by an agent to create change' (Midgley 2015) researchers were part of the dialogue to support participants to understand and implement SDGs. Scholars note that action taken involves the selection and implementation of one of the courses of action considered in the previous stage (Susman and Evered 1978). In this research, one of the key actions that emerged from the data collected in the two first phases of the AR process regarded the SDG 17 goals. With the lack of understanding and the language used in regulations, the researchers decided to cluster the 17 goals into five pillars (5Ps)—people, prosperity, planet, partnership, and peace—as presented in Figure 7.
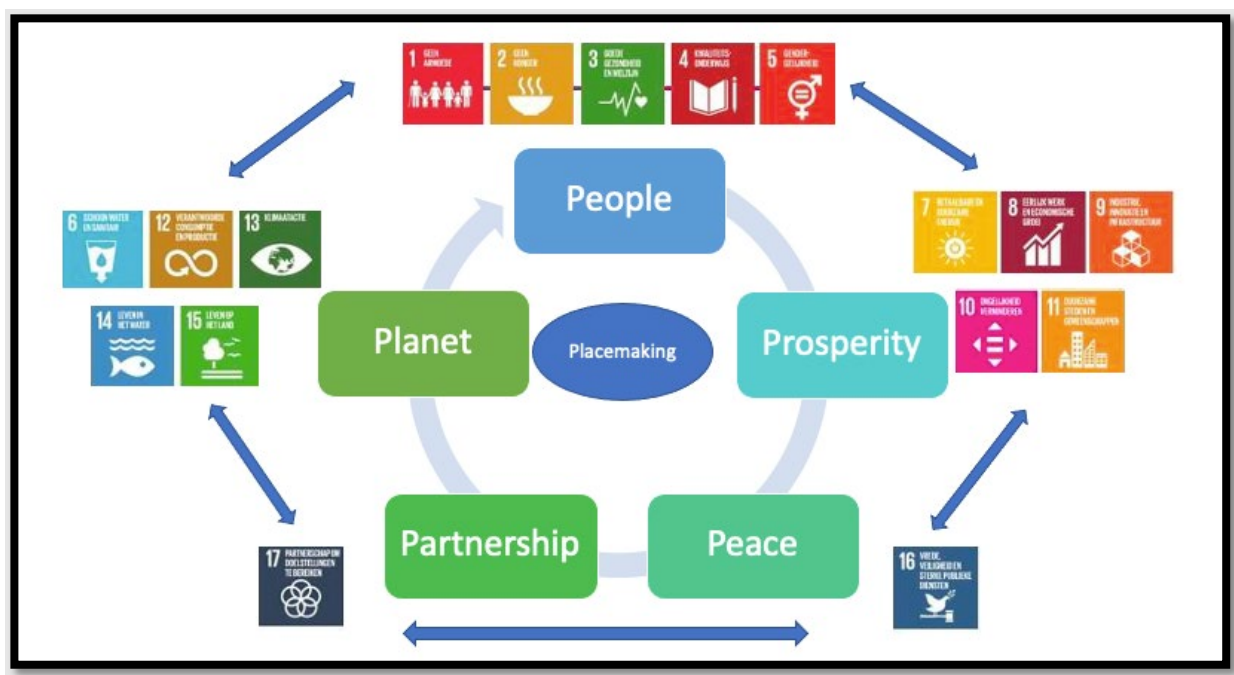
Figure 7. The five pillars of the 17 SDGs (United Nations 2019b)

The five pillars of the sustainable development goals (Figure 7) are applied to inner placemaking where actors and individuals participate, co-create, build communities as part of the process, share their challenges, and have their opinions heard, and this engagement fosters open dialogue between government, policymakers, society, and businesses. Integrating SDGs into the five pillars means linking individuals and stakeholders to the goals and actions (Suwala and Albers 2020). One significant theme that emerged from the data is the value. The factors that influence the organisations in this study sample to focus on responsible business do not appear to be rooted directly to the owner-manager's education or their prior work experience; rather, these factors are linked to value, such as personal values or a shared value of doing something beyond profit. Shared value is addressed in placemaking, which is at the centre of Figure 6 and connects the 17 goals and the five pillars.

Given the arguments developed in the literature review that SMEs do not have the appropriate systems or structures to address many of the issues on their own, the co-creation of solutions and sharing of resources appear to be the most appropriate direction for change. Researchers argue that a need exists for a conduit to bring about this co-creation, and SDG 17 is focused on partnership to work toward the goals (Weaver et al. 2018). The research team in this study acted as the conduit by bringing together SMEs and trying to develop and foster partnerships to work towards the goals.

Organisational Learning: **Communication and Organisational Culture**

Organisational sustainability is associated with specific pro-environmental attitudes, values and behaviours, and organisational learning for sustainability. The emergent literature on sustainable human resource management emphasises that 'action learning processes' promote pro-sustainable behaviours at work and build a more sustainable organisation (Kramar 2022). Creating a sustainable organisation involves organisational learning and changing employees' behaviours (Battistella et al. 2021). An action research approach adopts a multi-stakeholder perspective and attention is given to the role of leadership and stakeholder engagement in sustainability. Early involvement with employees to help in the design and implementation of any sustainability initiative is an effective means of managing organisational changes. Creating a sustainable organisation is a discursive undertaking and fostering creativity and dialogue about sustainability as well as investing in resources (e.g., time) for employees and organisational leaders to work together could help embed sustainable values and behaviours. Maximising the benefits of shared knowledge and distributive leadership also helps. In this context, organisational behaviour theorists have tried to identify effective elements to target to change manifestations of organisational culture, such as visible artifacts, including language and shared behaviour; work values, which are invisible, but can be espoused; and various sets of human resource management practices (e.g., appraising and rewarding sustainable performance) and employee voice mechanisms that reinforce a culture of learning for sustainability (Bratton 2020).

Organisational learning: Partnership and Collaboration

The first phase, the evaluation stage, was helpful to identify some areas for learning, and at the same time, it illustrated how AR and system soft methodology contribute to fostering communities of practice (Midgley 2015; Toledano and Anderson 2020). The ability of the researchers to become part of the process and be immersed in the organization may provide a framework for evaluation and future learning (Fonseca and Carnicelli 2021). The social system sharing social norms and values within the community enriched the opportunities for reflection (Midgley 2015). Reflection and evaluation indicate the urgent need to open a dialogue between business, government, and policymakers to include SMEs in their agenda and support them to be sustainable and grow. In the study, the participants acknowledged that SDG Action Manager can support them to plan and improve their business activities. However, the size of the organisation can impact the SDG Action Manager. For example, a small business owner-manager who has five or fewer employees does not have enough data to inform the SDG Action Manager to generate a report and future strategy. Time, resources, and other constraints (e.g., training, and digital skills) can also interfere in the process. Reflecting on the rich image to check the feasibility of the ideas (Berg and Pooley 2013) can be observed in Figure 8 (Are they listening?), which evidences the perception of the lack of partnership at the local and national levels. Figure 9 (Sense of disconnect) highlights that the participants do not feel part of the SDG Agenda or the SDG Action Manager tool structure.
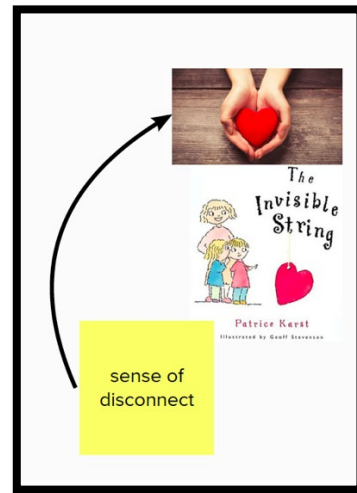
Figure 8. Lack of partnership

Figure 9. Participants
are disconnected from SDGs agenda

This section discusses why the SDG Action Manager tool matters for business and how this tool could help owner-managers align their strategy and communicate their results.

Small- and medium-sized firms are under growing pressure to raise their awareness of sustainability and to report on it actively. Customers, competitors, regulators, and other stakeholders are all major sources of pressure for understanding and taking subsequent action. Some SME executives regard the sustainability movement as a requirement and have already begun to integrate sustainability factors into their operations (Brammer et al. 2012). For example, the participants were able to focus on their effect by using the SDG Action Manager. Participant 4 stated that,

> 'I am not sure we are focusing on the SDG goals and whether the goals can have a particular impact. I am here today because it is not done. At the moment the SDG goals are not helping my organisation but for tomorrow the answer would be yes.'

Any impact assessment tool would require having access to relevant data, assessing the company's present sustainability performance, and implementing initiatives to improve performance. Given SMEs' common lack of human and financial resources (Gadenne et al. 2009), incorporating an impact assessment tool may appear to be a daunting challenge at first. However, the SDG Action Manager tool provided the participants with a blank canvas of paper piece of paper to plan. For example, Participant 3 stated that the SDG Action Manager provided a 'nearly blank canvas around reviewing, even though it may seem challenging at first, it can be achieved'.

Recommendations and Conclusion

The UN Global Impact: SDG Action Manager

The UN SDG Action Manager assists companies in determining a beginning point. An organisation may use the Action Manager to understand which SDGs are most important to them based on their profile and act immediately. The firm will be able to comprehend and communicate the effect of the evaluation after it is completed. The progress toward the stated objectives may also be tracked.

The UN SDG Action Manager frames the key sustainability concerns in a concise format. After understanding and reflecting on intended outcomes, in this case study, the SME owner-managers can uncover or construct sustainable performance indicators based on this awareness. With these performance measures, the SMEs can begin to engage stakeholders, as stated by Participant 2: 'I think the challenge is to get everyone on board […] within the organization.' A small business that has not yet started to manage its environmental and social performance could begin with small initiatives that can yield significant results. Actions such as recycling, ensuring fuel efficiency, procuring renewable energy, and reducing procurement of hazardous products are all helpful starting points. The SDG Action Manager can assist in the discovery of low-hanging fruit. For example, Participant 1 noted that the tool has helped their company focus on energy efficiency and that by addressing this goal 'We've created some really nice fit. So, I'm really proud of. And I think the next step is actually to consult young people.'

The UN SDG Action Manager can help a resource-constrained SME analyse its present quality of sustainable activity, set targets, understand what it should monitor to continue sustainability reporting, and define clear measures inside a framework. One participant 2 who used the tool to review the company's strategy said that 'We have a vision or mission of values, our strategic games, and all of those things. Okay, when I'm populate in [analysis from the Action Manager] then we really are at quite a blank canvas.' The participants realised they were missing explicit rules and policies for some of their current systems and practises after using the SDG Action Manager. While they have rules that are understood internally, they do not have all of their values published as formal statements that are available to the general public and their employees. As noted by Participant 1, 'The teams work directly with clients on board to share the leaflets and to create and to have conversations with clients around it.' Once these principles are formalised, they can be utilised to engage stakeholders in a conversation. Furthermore, the SDG Action Manager enables cross-company collaboration, and co-workers can be invited to join the SDG Action Manager, where they can offer knowledge and track progress in real-time. The tool also provides benchmarking options and improvement guides.

Take action and amplify impact

To understand why businesses must respond to social demands, scholars suggest that there are three stages for organisational behaviour (i) social obligation - organisations should respond to the legal and economic criteria; (ii) social responsibility – organisations should behave according to norms, values and stakeholder's expectations; and (iii) social responsiveness – organisations should anticipate and prevent social demands as part of the individuals who possess an interest in the business ecosystem (Epstein, 1897; Aguinis & Glavas, 2012; Mullins & Christy, 2016). Businesses should respond to stakeholders' interests and consider the merit of urgency in responding to those who have legal or moral rights (Carroll & Buchholtz, 2015). From a management efficiency perspective, stakeholder power might majorly influence business activities (Lahdesmaki et al.,2017; Johnson et al., 2011). Thus, the crucial functions of stakeholder management are to describe, understand, analyse, and finally manage the expectations of the various stakeholder groups (Freeman et al., 2020).

The results from this project can be reported at two levels. First, at a practical level researchers worked collaboratively to support participants to understand, implement, evaluate, and learn the SDG Action Manager tool to improve their business activities. The SME participants acknowledged that the SDG Action Manager is important for them as a starting point for learning about and implementing actions to improve their sustainability performance. Second, at the theoretical level, the rich image of the participants highlighted that policymakers and governments need to increase SMEs' awareness of the SDGs and tailor the language used to better involve organisational leaders in the dialogue. Therefore, the results of this case study could be tested and discussed, and further research should consider cross-cultural perspectives, different countries, or other locations in the UK.

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