

Mapping the Role of Corporate Entrepreneurship in Realizing Sustainable Business Based on SDGs

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ABSTRACT

This study explores the role of corporate entrepreneurship in fostering sustainable business practices aligned with the Sustainable Development Goals (SDGs) through a qualitative analysis of five informants. Findings highlight that corporate entrepreneurship drives innovation, identifies sustainability opportunities, and supports risk-taking for long-term gains. However, challenges such as balancing profitability with sustainability, stakeholder misalignment, and resource constraints persist. The study emphasizes strategic approaches, including integrating sustainability into organizational visions, fostering cross-departmental collaboration, and engaging stakeholders to overcome these challenges. The findings contribute to the understanding of corporate entrepreneurship as a lever for achieving SDGs and provide actionable insights for practitioners and policymakers.

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1. INTRODUCTION

The increasing urgency of global environmental, social, and economic challenges has placed sustainable development at the forefront of corporate agendas, with the United Nations' Sustainable Development Goals (SDGs) providing a comprehensive framework to guide business efforts in fostering innovation, promoting social equity, and ensuring environmental stewardship. In response, corporate entrepreneurship has emerged as a pivotal mechanism for driving transformational change within organizations, aligning business operations with the principles of sustainable development. This involves

integrating sustainability into corporate strategies, cultivating innovation, and engaging in practices that address stakeholder demands while contributing meaningfully to the SDGs. Sustainable innovation and entrepreneurship, as emphasized by [1], play a critical role in addressing global challenges through innovative solutions, as demonstrated by companies like Tesla and Unilever that highlight the importance of stakeholder collaboration and long-term commitment. These sustainable ventures not only support environmental conservation and social equity but also fuel economic growth in line with the SDGs [1]. Furthermore, corporate

entrepreneurship facilitates SDG achievement by embedding sustainability into business operations, reducing environmental impacts, and creating shared value, which is particularly vital in developing countries such as India [2]. The success of the SDGs depends significantly on active business engagement, with innovation acting as a key enabler and multi-stakeholder collaboration becoming increasingly necessary [3], [4]. Embedding sustainability within corporate entrepreneurship frameworks further stimulates the discovery and exploitation of entrepreneurial opportunities, enabling managers to enhance their company's reputation and gain competitive advantage by adhering to sustainability principles [5].

Corporate entrepreneurship, characterized by innovation, proactiveness, and risk-taking, enables companies to explore new opportunities, rethink traditional business models, and respond to dynamic market demands while enhancing their competitiveness and contributing to broader societal goals. In the context of sustainability, it serves as a powerful tool for developing innovative solutions that align business objectives with long-term environmental and social impacts. However, integrating entrepreneurial approaches with sustainability remains a complex endeavor that demands strategic alignment, stakeholder engagement, and a sustained commitment to impact. Successful integration requires cultivating an organizational culture that supports creativity and risk-taking, alongside leadership that is deeply committed to sustainability and empowers employees to innovate in alignment with these values, as exemplified by companies like Orsted in the renewable energy sector [6]. Embedding sustainability into corporate entrepreneurship not only uncovers new opportunities but also enhances corporate reputation and competitive advantage [5], with sustainable corporate entrepreneurship (SCE) conceptualized as a dynamic capability that prioritizes value creation through innovation rather than treating sustainability as a limitation [7]. Despite the challenges faced by large corporations in balancing

financial performance with sustainability goals, companies such as Tesla and Patagonia illustrate how sustainable innovation can drive transformative societal change [1]. A comprehensive framework for SCE—encompassing focus, approach, and evaluation—can effectively guide organizations in building capabilities for sustainability-oriented innovation [7].

This study examines the intersection of corporate entrepreneurship and sustainable business practices, focusing on how entrepreneurial strategies can facilitate the achievement of the SDGs. Through qualitative analysis and insights from five informants—comprising corporate leaders, sustainability managers, and innovation experts—this research aims to map the role of corporate entrepreneurship in transforming businesses into drivers of sustainable development.

2. LITERATURE REVIEW

2.1 Corporate Entrepreneurship: Definitions and Dimensions

Corporate entrepreneurship, or intrapreneurship, is a strategic approach that enables established organizations to foster innovation, anticipate market trends, and manage risks to maintain competitiveness, especially in addressing complex challenges like the Sustainable Development Goals (SDGs). Defined by innovation, proactiveness, and risk-taking, this approach enhances adaptability and long-term resilience. By embedding entrepreneurial behaviors into internal processes, firms can pursue disruptive innovations while optimizing existing operations for sustainability and growth. Innovation drives the development of novel products and services that reshape markets [8], [9], while organizations that embrace it are better positioned for industry leadership [8]. Proactiveness allows firms to act on emerging trends, sustaining relevance in volatile markets [9], [10]. Risk-taking, including through corporate venture capital, empowers companies to explore new business models despite uncertainty [10], [11]. These

dimensions collectively form a robust framework for sustainable corporate entrepreneurship.

2.2 Sustainable Business Practices

Sustainability is increasingly seen as a core element of corporate strategy, aimed at balancing economic, social, and environmental goals through frameworks like the triple bottom line. This integration is vital for long-term business viability and addressing global challenges such as climate change and resource scarcity. Companies are adopting sustainability as a strategic focus, recognizing the link between social responsibility, environmental care, and financial performance [12]. Key practices include resource efficiency, waste reduction, renewable energy use, and ethical sourcing, which support both environmental goals and profitability [13]. To advance these goals, firms are implementing innovations such as sustainable product design and emerging technologies, despite challenges like regulations, funding, and stakeholder engagement [14]. Ultimately, sustainable strategies aim to create long-term value by aligning with stakeholder needs while safeguarding future resources [15].

2.3 Corporate Entrepreneurship and Sustainable Development

Corporate entrepreneurship provides a dynamic approach to embedding sustainability within organizational practices. Research indicates that entrepreneurial initiatives within firms foster the creation of sustainable solutions, such as renewable energy technologies, circular economy models, and inclusive business strategies (Schaltegger & Wagner, 2011). These innovations align closely with several SDGs, including Goal 7 (Affordable and Clean Energy), Goal 9 (Industry, Innovation, and Infrastructure), and Goal 12 (Responsible Consumption and Production).

2.4 Framework for Integrating Corporate Entrepreneurship and SDGs

Scholars have proposed various frameworks to guide organizations in leveraging corporate entrepreneurship for sustainable development. For instance, the Strategic Entrepreneurship Framework (Hitt

et al., 2001) advocates for balancing opportunity-seeking behaviors with resource optimization to achieve sustainability goals. Similarly, the Sustainability-Oriented Innovation Framework (Adams et al., 2016) emphasizes the importance of aligning innovation efforts with environmental and social imperatives.

2.5 Theoretical Foundations

This study is grounded in several theoretical perspectives that collectively support the integration of corporate entrepreneurship with sustainability. The Resource-Based View (RBV) emphasizes the strategic importance of leveraging internal resources—such as innovative capabilities and entrepreneurial talent—to gain a sustainable competitive advantage (Barney, 1991). Stakeholder Theory highlights how corporate entrepreneurship can address the needs of various stakeholders, including employees, customers, and communities, thereby contributing meaningfully to the achievement of the Sustainable Development Goals (Freeman, 1984). Additionally, the Dynamic Capabilities Theory focuses on a firm's ability to adapt, reconfigure, and innovate in response to environmental changes, which is essential for aligning entrepreneurial initiatives with long-term sustainability goals (Teece, Pisano, & Shuen, 1997).

2.6 Gaps in Literature

Despite the growing body of research on corporate entrepreneurship and sustainability, several gaps remain. There is limited empirical evidence on how specific entrepreneurial practices directly contribute to individual SDGs. Additionally, studies often focus on large multinational corporations, overlooking the role of small and medium-sized enterprises (SMEs) in this domain.

This study aims to address these gaps by exploring the nuanced role of corporate entrepreneurship in realizing sustainable business practices. By focusing on qualitative insights from industry experts, this research seeks to contribute to a deeper understanding of the mechanisms through which

entrepreneurial efforts can be harnessed to achieve the SDGs.

3. METHODS

A qualitative approach was selected to capture the nuanced perspectives of individuals directly involved in implementing corporate entrepreneurship and sustainability practices. This design is well-suited for understanding how entrepreneurial strategies are conceptualized, implemented, and aligned with the Sustainable Development Goals (SDGs) within organizational contexts. The study was conducted across a purposively selected sample of organizations operating in diverse industries, including manufacturing, technology, and consumer goods. Five key informants were identified based on their roles and expertise, including corporate leaders, sustainability managers, and innovation experts. The inclusion criteria for participants were: (1) active involvement in corporate entrepreneurship or sustainability initiatives, (2) at least five years of professional experience in relevant roles, and (3) familiarity with SDG frameworks and their application in business contexts. Data were collected through in-depth, semi-structured interviews that allowed participants to share detailed insights while enabling the researcher to explore specific areas of interest. An interview guide, developed based on key themes from the literature, focused on topics such as the integration of corporate entrepreneurship and sustainability, challenges and opportunities in aligning business practices with SDGs, and the impact of entrepreneurial initiatives on achieving specific SDGs. Interviews were conducted both virtually and in-person, based on participant availability and preference, each lasting approximately 60–90 minutes and recorded with consent to ensure data accuracy.

Thematic analysis was employed to analyze the interview data, following the framework developed by Braun and Clarke (2006), which involves identifying, analyzing, and reporting patterns or themes within the

data. The process began with familiarization, involving transcription and thorough reading of interview transcripts to gain a holistic understanding of the content. This was followed by coding, where significant segments of the data were systematically labeled with descriptive codes related to corporate entrepreneurship and SDG alignment. The next stage involved developing broader themes from the codes to capture recurring patterns and insights across the interviews. Finally, these themes were refined to ensure they were coherent, meaningful, and aligned with the research objectives. NVivo software was utilized to facilitate data organization and analysis, enhancing the rigor and transparency of the analytical process through efficient code management and theme development.

4. RESULTS AND DISCUSSION

4.1 The Role of Corporate Entrepreneurship in Sustainable Business

The informants unanimously emphasized that corporate entrepreneurship is a critical driver of sustainable business practices. One of the most prominent themes was the role of innovation in addressing sustainability challenges. Informant A, a sustainability manager, highlighted that “our entrepreneurial teams consistently develop innovative solutions such as biodegradable packaging and renewable energy technologies, which directly align with SDG goals.” This innovation-driven approach was echoed across all participants, demonstrating how entrepreneurial initiatives are instrumental in creating environmentally conscious and socially responsible solutions.

Another recurring theme was the proactive mindset fostered by corporate entrepreneurship, enabling organizations to anticipate and act on sustainability opportunities. Informant B, a corporate leader, remarked, “we actively monitor market trends and emerging technologies to integrate sustainability into our core operations before it becomes a regulatory requirement.” Additionally, informants stressed the importance of risk-taking in

sustainable innovation. As noted by Informant C, an innovation expert, “our company’s entrepreneurial culture supports risk-taking in areas like green technology development, despite the uncertainty of immediate returns.” These insights underscore how corporate entrepreneurship not only drives innovation but also encourages strategic foresight and bold investments in sustainable solutions.

4.2 Challenges in Aligning Corporate Entrepreneurship with SDGs

Despite the positive impact of corporate entrepreneurship on sustainability, informants identified several significant challenges. A common concern was the tension between short-term financial goals and long-term sustainability objectives. Informant D, a corporate strategist, noted, “investing in sustainability initiatives often involves significant upfront costs, which can be difficult to justify in highly competitive markets.” This highlights the financial pressure organizations face when attempting to balance profitability with sustainable investment, especially when immediate returns are not guaranteed.

Another major challenge involved discrepancies in stakeholder priorities. Informant E, a sustainability consultant, explained, “while internal teams focus on innovation, external stakeholders, such as investors, may prioritize immediate financial returns over sustainable outcomes.” This misalignment can hinder progress, as support from key stakeholders is crucial for the success of sustainability-driven initiatives. In addition, several participants pointed out that limited resources—whether financial, human, or technological—pose obstacles to scaling entrepreneurial sustainability efforts, particularly in organizations with constrained capacities or competing operational demands.

4.3 Strategic Approaches for Overcoming Challenges

Informants proposed several strategies to mitigate the identified challenges, including integrating sustainability into the organizational vision by aligning corporate goals with the Sustainable Development Goals (SDGs) to

embed sustainability within the company’s strategic framework. They also emphasized the importance of cross-departmental collaboration, encouraging synergy between innovation, operations, and sustainability teams to enhance resource utilization and strategic alignment. Additionally, stakeholder engagement was highlighted as a critical approach, where building partnerships with external stakeholders allows organizations to share resources, distribute risks, and collectively pursue sustainable outcomes.

DISCUSSION

The findings affirm existing literature that corporate entrepreneurship enhances organizational adaptability and innovation, enabling businesses to tackle sustainability challenges effectively. Informants indicated that entrepreneurial initiatives are especially impactful in achieving Sustainable Development Goals (SDGs) related to innovation (SDG 9), responsible consumption (SDG 12), and climate action (SDG 13). Sustainable Corporate Entrepreneurship (SCE) emerges as a key mechanism for embedding sustainability into corporate strategies, shifting the view of sustainability from a limitation to a value-generating opportunity [7]. A proposed SCE framework, encompassing focus, approach, and evaluation, is essential for building dynamic capabilities to support sustainability-driven innovation [7].

Corporate Entrepreneurial Leadership (CEL) also plays a significant role in enhancing organizational resources and capabilities, thereby boosting both business and social performance in alignment with SDGs [16]. Theoretical models suggest that CEL can transform contextual and policy environments to better support sustainable development initiatives. Moreover, core determinants of corporate entrepreneurship—such as organizational culture, leadership, and innovation—create an internal climate conducive to sustainable initiatives [6]. The success of companies like Orsted demonstrates how strong corporate entrepreneurial practices can drive impactful sustainability outcomes. As a top-down innovation strategy led by senior executives,

corporate entrepreneurship (CE) provides the structure for building competitive organizations capable of adapting to modern market demands [8]. When sustainability is embedded within CE frameworks, it stimulates opportunity discovery and enhances corporate reputation and strategic advantage [5].

These findings contribute to the extension of the Resource-Based View (RBV) by showing that organizations with robust entrepreneurial capabilities are better equipped to create and implement sustainable solutions, thereby securing a competitive edge. The study also underscores the importance of dynamic capabilities in aligning entrepreneurship with sustainability goals. Informants' emphasis on opportunity recognition and strategic risk-taking reflects Teece's (1997) view that dynamic capabilities are vital for organizational effectiveness, particularly in navigating volatile and complex business environments.

The challenges of stakeholder misalignment identified in this study resonate with Stakeholder Theory (Freeman, 1984), which underscores the need for balanced consideration of diverse stakeholder interests. Informants' proposed strategies for engagement suggest that businesses can overcome these challenges by fostering transparent communication and collaborative partnerships.

Practical Implications

The findings suggest several actionable strategies for practitioners, including developing entrepreneurial ecosystems by establishing internal structures that encourage and reward innovation and sustainability-focused initiatives, adopting long-term investment strategies that highlight the financial and reputational benefits of sustainable practices, and leveraging public-private partnerships through collaboration with governments and NGOs to gain access to funding, expertise, and technologies that support sustainability projects.

Theoretical Contributions

This study contributes to the growing body of research on corporate

entrepreneurship and sustainability by providing empirical insights into their integration. It bridges gaps in the literature by highlighting specific entrepreneurial practices that directly contribute to SDG achievement, particularly in industries that have historically struggled with sustainability integration.

5. CONCLUSION

This study confirms the pivotal role of corporate entrepreneurship in advancing sustainable business practices aligned with the Sustainable Development Goals (SDGs). Through its capacity to drive innovation, foster opportunity recognition, and promote risk-taking, corporate entrepreneurship emerges as a key mechanism for addressing complex sustainability challenges. Nonetheless, the study also reveals significant barriers, including tensions between short-term profitability and long-term sustainability, misaligned stakeholder priorities, and limited organizational resources. To overcome these challenges, strategic approaches such as embedding sustainability into the organizational vision, fostering cross-departmental collaboration, and engaging external stakeholders are essential.

The findings highlight the value of cultivating entrepreneurial ecosystems, adopting long-term investment strategies, and leveraging public-private partnerships to support sustainable transformation. From a theoretical standpoint, the study bridges corporate entrepreneurship and sustainability by identifying practices that directly support SDG achievement. Practically, it offers a roadmap for organizations to harness entrepreneurial capabilities in pursuit of sustainability, providing actionable insights for business leaders, policymakers, and researchers. Future research should consider expanding the sample size and examining industry-specific dynamics to enrich understanding and enhance the applicability of these findings across diverse business contexts.

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