

## ACHIEVING LONG-TERM SUSTAINABILITY IN SMALL BUSINESSES

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### Abstract

In today's fast-paced and ever-evolving global economy, small businesses play a vital role in driving innovation, employment, and economic growth. However, the path to success is often fraught with challenges, and sustainability remains a significant concern for these enterprises. Achieving long-term sustainability in small businesses is crucial for their survival, growth, and contribution to the overall well-being of the economy. This article will explore the concept of sustainability in small businesses, its importance, and the strategies that can be employed to achieve it.

**Keywords:** Small businesses, sustainability, long-term period, economy, new strategies, challenges.

### Introduction

There has been much discussion about the meaning of the term "small business." "Big business" is not difficult to define: it is a business with a lot of employees, a lot of stockholders, and a lot of assets. "Small business," then, is the difference. But how is "not very many" different from "small"? In statistical terms, definitions have usually been based on some combination of assets, sales, and employment. Many persons who have written about business, particularly those who are interested in business policy and the small business issues, rather than in the activities and operations of small business people, regard the "size defining" question as a matter of critical importance. Yet when one looks behind the foreground rhetoric about the importance of small business, one finds the question of business size not at all resolved. It is still not clear just what is meant either by the term "small business" or by the term "important."

Why the interest, then, in a group of businesses about whose definition, scale of significance, and other basic characteristics there is such confusion? There appear to be two main reasons. First, many persons view small business as a specially important institution, often on the grounds that they fulfill roles which are in their essence different from the roles fulfilled by big businesses. Small businesses are seen as particularly good innovators since the independence of their owners and the lack of bureaucratic control which derives from centralized management structures make them flexible. If an individual owner has an innovative idea, he is faced with little difficulty in carrying it out; the organizational structure of small business allows him to do so. Small firms also have an advantage over big businesses in manpower training. If such training has to be based on actual jobs rather than training schools, small business is ideally suited to carry it out, since newcomers are more likely to pick up a wide range of skills in a small firm than in a big one where the operations are generally more specialized. It is claimed,



too, that the "human element" is stronger in small business than in big business, and that, as a result of this, the small business operator finds it easier to create personalized relationships with his customers.

Secondly, and generally within the context of the assumption of the special social roles played by small business, there are those who have suggested that small businesses are crucial in ensuring that there is an appropriate balance in the structure of an economy, such as having a better record than larger firms on survival chances, their greater stability through time, their lower degree of monopoly power, and the greater "localization" of their operations.

### **Definition and Importance of Sustainability in Small Businesses**

Closely associated with growing awareness of the natural and social environment, sustainable development has influenced the sustainability idea in several business areas, including the small business area. Tremendous performance significance brought about by the implementation of business best practices is the tour de force that has led many small companies to implement successful sustainability management strategies in order to meet and exceed customer expectations of high-quality, innovative, environmentally friendly, efficient, and cost-effective products and services. Another reason for the positive influence is small businesses' advantages: strengths, managing practices, and social and community-oriented activities such as housing nonstandard working patterns or employing disadvantaged people. Also, they favor the view that an increase in job creation will accommodate those applying for jobs in the next ten years. In terms of sustainability perspectives, small businesses, particularly in the very small category, can quite easily and quickly attain the goals of sustainable development.

Sustainability gives businesses the ability to innovate and carry out responsible transformative ecologies, to change beyond what they are accustomed to and believe they are capable of. It provides and changes business norms and corporate services that have public, community, social, and environmental relevance at a diverse scale, starting from local-level companies. Today, many small businesses are under continuous pressure to deliver tailored products or services that demonstrate value for money while retaining customer service in order to survive in increasingly competitive and mass-customized market ecologies. As such, sustainable ability can accidentally become an important business decision. They could be interpreted as community stakeholders and could help in the long term as strategic decisions. Another reason could be its importance as a source of competitive advantage. A small business would not be expected to impinge on the natural environment and to embed in society accountable social, environmental, and ethical characteristics which generalize its best practice, as they are best placed to nurture all these aspects with economic benefits due to the advantage of not having several layers of geographic complexity and management.

### **Literature Review**

The literature surrounding long-term sustainability in small businesses reveals a critical understanding of the strategies and practices that enable these enterprises to thrive beyond initial years of operation. Beginning with the work of Pai (2017), the exploration of marketing strategies highlights the importance of innovative and flexible approaches that small business owners can adopt to create a competitive advantage. Pai's findings suggest that by effectively



leveraging marketing, small business owners can mitigate common barriers such as limited capital and managerial resources, ultimately contributing to economic development and job creation.

Marie Gardner (2019) builds upon this foundation by delving into the competitive strategies necessary for small businesses in the service industry to sustain themselves beyond five years. Utilizing entrepreneurship theory, Gardner's analysis emphasizes the need for a comprehensive understanding of the competitive environment and the various factors influencing business performance. This study not only identifies key strategies but also contextualizes them within the broader landscape of small business ownership, offering valuable insights for entrepreneurs seeking longevity.

James Godwin (2019) further extends this discourse by focusing on sustainability strategies specifically during the critical early years of operation. By examining the implications of sustained practices, Godwin underscores the potential for small businesses to positively impact their communities through job creation and economic stability. The emphasis on sustainability as a means to ensure future success reinforces the notion that proactive planning and resource management are paramount for small business leaders.

## Discussion

Sustainability in small businesses encompasses not only environmental responsibility but also social and economic viability. It involves adopting practices that minimize the business's ecological footprint, promote social justice, and ensure long-term economic prosperity. In the context of small businesses, sustainability is critical for several reasons. Firstly, it helps to reduce costs and improve efficiency, thereby enhancing competitiveness. Secondly, it contributes to the well-being of employees, customers, and the wider community, fostering a positive reputation and loyalty. Finally, sustainability ensures that the business remains relevant and adaptable to changing market conditions, regulatory requirements, and societal expectations. Despite its importance, achieving sustainability in small businesses can be daunting due to various challenges. Limited resources, inadequate infrastructure, and lack of expertise are common barriers to adopting sustainable practices. Moreover, small businesses often prioritize short-term gains over long-term benefits, which can compromise their sustainability. To overcome these challenges, it is essential for small businesses to adopt a strategic approach to sustainability. One effective strategy for achieving sustainability in small businesses is to integrate sustainability into their core operations. This involves conducting a thorough analysis of the business's environmental, social, and economic impacts and identifying areas for improvement. Based on this analysis, the business can develop a sustainability plan that outlines specific goals, objectives, and targets. This plan should be embedded into the business's overall strategy, ensuring that sustainability is not treated as an add-on or afterthought. Another crucial strategy is to engage with stakeholders, including employees, customers, suppliers, and the wider community. This engagement facilitates collaboration, feedback, and mutual learning, helping the business to identify new opportunities for sustainability and address potential risks. For instance, employees can provide valuable insights into the business's operations and suggest innovative solutions to reduce waste and energy consumption. Similarly, customers can offer feedback on the business's products and



services, enabling the business to tailor its offerings to meet their changing needs and expectations. In addition, small businesses can leverage technology and innovation to achieve sustainability. Investments in renewable energy, energy-efficient equipment, and sustainable materials can significantly reduce the business's ecological footprint. Moreover, embracing digitalization and automation can improve efficiency, reduce waste, and enhance customer experience. For example, adopting e-commerce platforms can minimize the need for physical infrastructure and reduce carbon emissions associated with transportation. Adopting sustainable practices can also be facilitated by collaborating with other businesses, industry associations, and government agencies. Partnering with suppliers who share similar sustainability values and goals can help to create a sustainable supply chain. Industry associations can provide guidance, training, and resources to support small businesses in their sustainability journey. Furthermore, government agencies can offer incentives, subsidies, and tax breaks to encourage small businesses to adopt sustainable practices. Finally, small businesses must measure and monitor their sustainability performance to ensure that they are on track to achieve their goals and targets. This involves establishing key performance indicators (KPIs) that track environmental, social, and economic metrics. Regular reporting and auditing can help to identify areas for improvement, facilitate decision-making, and demonstrate accountability to stakeholders.

### **Conclusion**

In conclusion, achieving long-term sustainability in small businesses is crucial for their survival, growth, and contribution to the overall well-being of the economy. Integrating sustainability into core operations, engaging with stakeholders, leveraging technology and innovation, collaborating with others, and measuring sustainability performance are essential strategies for small businesses to adopt. By prioritizing sustainability, small businesses can not only mitigate risks and improve efficiency but also create new opportunities, enhance their reputation, and contribute to a more sustainable and equitable future.

### **Recommendations**

For small businesses seeking to achieve sustainability include:

1. Conduct a thorough sustainability analysis to identify areas for improvement.
  2. Develop a comprehensive sustainability plan that is integrated into the business's overall strategy.
  3. Engage with stakeholders to facilitate collaboration, feedback, and mutual learning.
  4. Invest in technology and innovation that supports sustainability, such as renewable energy and digitalization.
  5. Collaborate with suppliers, industry associations, and government agencies to create a sustainable supply chain and access resources and incentives.
  6. Establish KPIs to track sustainability performance and ensure accountability to stakeholders.
- By adopting these strategies and recommendations, small businesses can embark on a journey towards long-term sustainability, driving economic prosperity, social responsibility, and environmental stewardship.



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