Journal of Entrepreneurship, Management and Innovation (2025)
Volume 21 Issue 4: 130-151

DOI: https://doi.org/10.7341/20252146
JEL Codes: L25, L26, L31, Q01, O32

Capability and resource orchestration of triple bottom line enterprises: Mediating role of social entrepreneurial orientation

***Reni Mutiarani Saraswati*[1], *Noor Raihani Binti Zainol*[2], *Sam Toong Hai*[3]**

Abstract

PURPOSE: *Triple bottom line framework (TBL)—encompassing social, environmental, and economic—is a fundamental objective for social enterprises (SEs) to ensure their long-term viability, address societal challenges, and contribute to sustainable development goals (SDGs). Nevertheless, SEs often encounter obstacles in attaining these objectives due to resource constraints and inadequate capabilities that hinder their operational effectiveness. Additionally, there is a lack of research on understanding the relationship between these factors, particularly within the context of emerging countries. Grounded in the social resource-based view (SRBV) theory and social entrepreneurial orientation (SEO), this study seeks to investigate how SEs can orchestrate their resources and capabilities to enhance sustainable performance effectively.* ***METHODOLOGY****: This study employed a quantitative approach to investigate the relationships between resources, capabilities, SEO, and sustainable performance among social enterprises in Greater Jakarta, Indonesia. 438 data were collected using a structured survey questionnaire designed with items measured on a 5-point Likert scale. Partial Least Squares Structural Equation Modelling (PLS-SEM) was used to analyze the model.* ***FINDINGS****: A total of 438 responses were obtained from social enterprises in Indonesia. The findings suggest that social resources, social capabilities, and social entrepreneurial orientation have a positive influence on sustainable performance. The findings also reveal that social resources and social capabilities influence the achievement of SEO. Furthermore, the findings indicate that SEO mediates the relationship between social capabilities and sustainability performance more effectively than social resources. This implies that SEO enhances sustainable performance by reinforcing organizational capabilities, including strategic decision-making, resource optimization, and risk management.* ***IMPLICATIONS****: This study contributes to the literature on sustainability by emphasizing the critical role of resources, capabilities, and social entrepreneurial orientation in the success of SEs. It offers valuable insights for SEs on how to navigate challenges and make strategic decisions to meet sustainable outcomes. Moreover, the findings have practical implications for researchers, enterprises, and policymakers to improve the structural support and operational environment for SEs.*
ORIGINALITY AND VALUE: *This study provides a unique integration of the SRBV theory. It contributes new insights into the role of resources, capabilities, and social entrepreneurial orientation for TBL enterprises.*

Keywords: *triple bottom line (TBL), social enterprises, social entrepreneurial orientation (SEO), resource-based view (RBV), social resource-based view (SRBV), resource orchestration, capability orchestration, sustainable performance, strategic capabilities, emerging economies, sustainable development goals (SDGs), partial least squares structural equation modelling (PLS-SEM)*

1 Reni Mutiarani Saraswati, Ph.D., Associate Professor, Department of Bio Management, School of Business, i3L University, Jl. Pulomas Barat Kav. 88, RT.4/RW.9, Kayu Putih, Pulo Gadung, East Jakarta, Jakarta, 13210, Indonesia, e-mail: reni.saraswati@i3l.ac.id (ORCID: https://orcid.org/0000-0003-2619-3923).
2 Noor Raihani Binti Zainol, Ph.D., Associate Professor, Universiti Malaysia Kelantan, UMK KAMPUS KOTA, Pengkalan Chepa,16100 Kota Bharu, Kelantan, Malaysia, e-mail: raihani@umk.edu.my (ORCID: https://orcid.org/0000-0002-6091-2509).
3 Sam Toong Hai, Ph.D., Professor, Inti International University and Colleges, No. 3, Jalan SS15/8, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia, e-mail: toonghai.sam@newinti.edu.my (ORCID: https://orcid.org/0000-0001-7145-5625).

Received 3 March 2025; Revised 3 August 2025; Accepted 10 September 2025.

INTRODUCTION

Resilient People, Resilient Planet: A Future Worth Choosing, a report developed by the United Nations (UN) Secretary General, emphasizes the world's commitment to achieving global sustainability. The commitment stems from the acknowledgment of prevailing unsustainable practices, including the excessive use of resources and the release of hazardous pollutants into the environment (Ahmed et al., 2020; Kraus et al., 2020). The unsustainable utilization of resources has resulted in negative impacts on the environment, ecosystems, and public health (Rasul, 2021), as well as significant adverse effects on business operations and the economy (World Bank & ADB, 2021). They present considerable risks to the well-being of people and the planet (U.N., 2012). Building on this urgency, all UN member states collectively adopted the Sustainable Development Goals (SDGs) in 2015. These goals offer a comprehensive framework that aims to eradicate poverty, protect the environment, and promote prosperity (Tjahjadi et al., 2021). Three important priorities are highlighted: (1) promoting sustainable production and consumption practices, addressing climate change, and adhering to various environmental limits; (2) empowering people to make sustainable decisions and fostering responsible behavior; (3) optimizing resource management to meet the demand of the 21st century across multiple sectors (Sala, 2020; U.N., 2012). This sustainable development could be accomplished through an integrated policy framework that encompasses all three pillars known as the "people, planet, profit" or „triple bottom line" (Elkington, 1998; Satar, 2022; U.N., 2012).

The triple bottom line (TBL) framework and sustainability are intricately connected, as both seek to achieve long-term goals while protecting the interests of present and future generations simultaneously (Ruggerio, 2021; Stenn, 2017). At its core, TBL highlights three primary objectives: social, environmental, and economic, each of which is essential in fostering sustainability (Hourneaux et al., 2018). The attainment of TBL requires environmentally sustainable approaches for resource utilization. Other important strategies include reducing resource intensity, ensuring cost efficiency, maintaining high product quality, and significantly enhancing profitability (Prahalad & Hart, 1999). This framework has been widely adopted worldwide, leading to changes in how enterprises approach and integrate sustainability into their operations (Høgevold et al., 2019; Solovida & Latan, 2021). These changes have impacted various aspects of business, including the costs associated with production and the provision of final services, as well as the costs incurred in the distribution of goods. The pursuit of using sustainable resources involves ensuring broad accessibility to resources and replacing raw materials with more sustainable alternatives. Enterprises also emphasize the importance of collaboration within their supply chain to cultivate new markets that are accessible to others. This suggests that they value both competitive and collaborative advantages (Longoni et al., 2024).

Despite its widespread use, the relationships between the dimensions of TBL – social, environmental, and economic – remain largely unexplored. The dimensions of TBL in sustainability studies have mostly been examined independently in prior research. While TBL is fundamentally a multifaceted concept that integrates the three dimensions (Naegler et al., 2021), a significant number of studies tend to focus predominantly on a singular dimension, such as economic (Madaleno & Vieira, 2020), or on a dual perspective, such as the economic and social dimensions, thereby neglecting the environmental dimension in their analyses (Solovida & Latan, 2021).

This study, therefore, discusses and analyzes the three dimensions simultaneously to provide a comprehensive and better understanding of their interconnectedness. Focusing on social enterprises in Indonesia, this examination explores how these enterprises achieve and balance the three aspects of the TBL, while also identifying the key resources and capabilities required to achieve these objectives. This analysis is grounded in the social resource-based view (SRBV) theory, which will be discussed further in the next section. Furthermore, this study discusses the mediating role of social entrepreneurial orientation in linking resources and capabilities to sustainability outcomes. The next section outlines the research background and the development of hypotheses, which leads to the proposed conceptual framework. The research methodology is subsequently detailed through the use of Partial Least Squares Structural Equation Modeling (PLS-SEM), followed by a presentation of results, a discussion of key findings, and practical recommendations.

CONCEPTUAL BACKGROUND AND HYPOTHESES DEVELOPMENT

Triple bottom line (TBL) enterprises prioritize the pursuit of social, environmental, and economic objectives concurrently. Nonetheless, achieving these objectives for social enterprises, particularly those in emerging countries, can be challenging. Among these challenges, achieving environmental objectives presents difficulties stemming from resource and capability limitations. One prominent hurdle is the establishment of sustainable supply chains, which require the procurement of

eco-friendly resources (Ruggerio, 2021). This process is further complicated by limited access to these resources and the substantial costs associated with acquiring them, making it difficult for social enterprises to fully implement sustainable practices (Bacq & Eddleston, 2018; Sinthupundaja et al., 2019). To overcome these challenges, social enterprises need to embrace sustainable development practices that align with the objectives of the triple bottom line (Rasul, 2021).

Social factors are as significant as environmental dimensions in achieving TBL objectives. Various indicators that represent important social dimensions have been identified within the literature, encompassing social welfare, social impacts, social missions (Gali et al., 2020), enhancements to quality of life (Hutchins & Sutherland, 2008), energy, education (Tate & Bals, 2018), community health and security, and social well-being (Yusliza et al., 2020). Despite the diverse social objectives proposed by academics in this field, accomplishing them remains a hurdle. Several critical issues are evident in social enterprises in Indonesia, including insufficient opportunities for skill development (Council, 2021) and a lack of practical experience, which culminates in a workforce that is insufficiently equipped to meet the demands of social enterprise operations (Council & ESCAP, 2020). These limitations can potentially hinder the effectiveness of social enterprises in achieving their social goals and, in turn, their TBL objectives.

The attainment of environmental and social objectives had a significant impact on the achievement of economic goals, highlighting the interconnectedness of these three objectives. These interconnected dimensions emphasize the need for a holistic approach associated with TBL. Achieving these objectives requires the mobilization of sufficient resources, including effective risk management and access to financial assets necessary for capital investment, technology advancement, and operational efficiency (Pinheiro et al., 2021). Nevertheless, within the context of social enterprises, the acquisition of these resources presents a considerable obstacle. Studies conducted in Indonesia have identified several barriers, including limited access to financial resources, rising energy costs, technological constraints, inefficient production processes, inadequate managerial capabilities, and difficulties in sourcing raw materials (Council, 2020, 2021; Maksum et al., 2020). These limitations hinder the efficient allocation of resources and limit the capability of social enterprises to achieve their full economic potential.

Social resource-based view (SRBV) theory

Glavas and Mish (2015) assert that employing a strategy for resource management, grounded in the resource-based view (RBV) theory, allows conventional or traditional businesses to achieve a competitive advantage (Kabue & Kilika, 2016). However, in the context of social enterprises, the emphasis extends beyond this objective, as they must use resources and capabilities to provide social value while also attaining sustainability (Bacq & Eddleston, 2018). The social resource-based view (SRBV) theory, in this regard, elucidates the mechanisms by which social enterprises implement socially sustainable practices, minimizing environmental costs and providing positive impacts throughout their value chain. The implementation encompasses three interrelated strategies: (1) the proactive approach of pollution prevention aimed at reducing waste, emissions, and effluents; (2) the concept of product stewardship focused on lowering overall product costs; and (3) the principle of sustainable development designed to foster organizational growth while mitigating environmental impact (Solovida & Latan, 2021). In addition, strategically leveraging these capabilities, social enterprises not only foster innovative capabilities but also develop meaningful social and environmental impacts. This innovation-driven approach enables them to address persistent social problems in emerging countries and protect the environment (Guo & Wang, 2022; Nair & Bhattacharyya, 2019). Based on these perspectives, the adoption of SRBV as the theoretical basis of this study is derived from the pursuit of competitive advantage that drives sustainable performance through social sustainable practice (Wang et al., 2022).

The relationship between resources, capabilities, and sustainable performance

The management of organizational resources is essential not merely for enhancing performance but also for securing a competitive advantage. For social enterprises to achieve this objective, it is crucial that they conduct a thorough evaluation of their internal strengths and limitations, thereby enabling them to manage their resources effectively (Othman & Arshad, 2015). Enhancing the efficiency of core businesses can facilitate the acquisition of social resources through the efficient use of resources, minimizing detrimental outputs such as pollution, reengineering, or creating new processes to benefit society (Rangan et al., 2015), and generating sustainable products (Othman & Arshad, 2015; Tate & Bals, 2018).

Social enterprises can draw upon a diverse array of resources (Tate & Bals, 2018). A study conducted in Indonesia revealed several significant resources that impact social enterprises, including physical, financial, and experiential resources

(Council, 2021; Harsanto et al., 2022). The importance of physical resources is highlighted by scholars, emphasizing their role in an organization's competitive capabilities in the market (Alhazmi et al., 2018; Alsyouf et al., 2021). Physical resources play a crucial role in mitigating the adverse effects of organizational operations within the framework of environmental management (Roxas, 2021). Such resources include labor, equipment, machines, plants, raw materials, financial assets (Othman & Arshad, 2015; Ramon-Jeronimo et al., 2019; Sinthupundaja et al., 2019), and information technology (Pee & Kankanhalli, 2016), all of which are crucial for ensuring operational efficiency and sustainability.

Similarly, experiential resources are important to enhance the performance of organizations (Ramon-Jeronimo et al., 2019). In social enterprises, skills, knowledge, and abilities cultivated through experiences and education are crucial. These capabilities are not only fundamental for recognizing and assessing market opportunities and risks but also for comprehending the organizational resources and effectively synthesizing existing resources (Chadwick et al., 2015).

Like other profit-driven organizations, social enterprises must also secure financial resources to remain competitive in the market (Sinthupundaja et al., 2019). Access to financial resources, such as private credit coverage, is crucial for funding and sustaining business operations (Sahasranamam & Nandakumar, 2020; Urbano et al., 2020). In the absence of sufficient resources, social enterprises may struggle to maintain their competitive advantage within the marketplace.

Likewise, capabilities are as important as resources, as they enable the social enterprises to solve societal problems such as inequality, poverty, and social conflicts (Sinthupundaja et al., 2019) and fulfill their social, environmental, and economic objectives (Bacq & Eddleston, 2018). A variety of attributes can be categorized as capabilities that encompass social and economic goals-oriented, environmentally-related management (Sinthupundaja et al., 2019), entrepreneurial skills (Zainol & Al Mamun, 2018), informational capabilities (Magesa et al., 2020), management capabilities (Tate & Bals, 2018), and innovation capabilities (Testi et al., 2018), among other attributes.

Many studies have identified entrepreneurial capabilities in different skills, behaviors, and competencies (Ṇikitina et al., 2020). Zainol and Al Mamun (2018) proposed opportunity recognition, management, commitment, conceptualization, and relationship as the key components of entrepreneurial capabilities. While Nikitina et al. (2020) identified three core areas: (i) ideas and opportunity capability, which include factors such as identifying opportunities, creativity, vision, ideas recognition, ethics, self-awareness, self-efficacy, and sustainable thinking; (ii) resources capability, which include motivation and perseverance, resources management, financial and economic knowledge and skills, and initiative; and (iii) into action capability, which include planning and management, risk management, collaboration, and experiential-based learning.

Informational capabilities play a crucial role in enabling social enterprises to make informed business decisions. It pertains to the ability for social enterprises to seek, nurture, and discern information derived from culture, social, and economic perspectives (Magesa et al., 2020). Furthermore, it facilitates collaboration among enterprises and their stakeholders by improving the sharing and dissemination of information (Tate & Bals, 2018). Informational capabilities encompass a range of practices, including the ability to acquire significant market insights (Lans et al., 2014), identify potential customers, establish and expand networks, and continuously monitor products and industry trends (Ramon-Jeronimo et al., 2019). Leveraging these capabilities empowers social enterprises to foster strategic decision-making processes, fortifying their market positioning and, consequently, promoting sustainable performance.

Another aspect of social capabilities examined in this study pertains to management capabilities, which encompass the ability to develop, organize, and oversee management systems (Lans et al., 2014). A substantial number of studies have explored these capabilities, including Tate and Balls (2018), which emphasize the importance of stakeholder management capabilities. Other scholars highlight the governance, resources, legal form, learning, and monitoring capabilities (Weerawardena & Sullivan Mort, 2006), management commitment, and employee involvement (Wong et al., 2014), along with the processes of recruiting, training, and retaining employees that are consistent with social and organizational objectives (Rahdari et al., 2016).

The final aspect of capabilities discussed in this study is innovativeness, which is a determinant factor for social enterprises, given its capacity to foster economic growth through entrepreneurial activities (Hatak et al., 2016; Pinheiro et al., 2021). Innovation refers to the implementation of innovative concepts encompassing models, products, and services aimed at addressing societal challenges while promoting collaboration (Testi et al., 2018). It not only enhances the competitiveness of production processes but also enables social enterprises to capitalize on opportunities to penetrate new markets (Galindo-Martín et al., 2020).

While both social resources and social capabilities hold considerable significance, social enterprises in Indonesia encounter substantial challenges that hinder their growth and sustainability. Of the primary limitations, one stems from

inefficiencies in factors such as high production costs, difficulties in acquiring raw materials, energy pricing, and sales competencies (ILO, 2019). Additionally, lack of access to funding and financial resources remains a persistent challenge, with many social enterprises struggling to secure financial support (Council, 2021; Desiana et al., 2022; Katsushi, 2020). Another difficulty arises from factors such as difficulties in acquiring entrepreneurial expertise (Council & ESCAP, 2020), a lack of multi-sector collaboration, and inadequate networks (Council, 2021). Past studies also revealed that technological advancements have been one of the contributors to the country's lack of informational capabilities (ILO, 2019; Magesa et al., 2020; World Economic Forum, 2019). Addressing these challenges is crucial, as is the need to find effective approaches to investigate these relationships. By examining the relationship between resources, capabilities, and the three dimensions of the triple bottom line—social, environmental, and economic—this study aims to provide valuable insights for social enterprises to thrive in today's dynamic environment. Hence, this study proposes the following hypotheses:

H1. Social resources have a positive relationship with sustainable performance in social enterprises in Indonesia.
H2. Social capabilities have a positive relationship with sustainable performance in social enterprises in Indonesia.

The relationship between social resources, social capabilities, and social entrepreneurial orientation (SEO)

The significance of social impact in business strategy is underscored by two perspectives: the social resource-based view (SRBV) and social entrepreneurial orientation (SEO). While both approaches share a common objective of generating social, environmental, and economic impacts, they differ in their strategic approach. The SRBV emphasizes the significance of resources and capabilities in attaining objectives (Tate & Bals, 2018), whereas SEO highlights the importance of an enterprise's ability to identify and pursue new opportunities (Gali et al., 2020; Halberstadt et al., 2020). Both approaches strive to achieve social impacts, which are considered important for social enterprises (Halberstadt et al., 2020; Tate & Bals, 2018).

Social enterprises often shape and strengthen their unique resources and capabilities through their social entrepreneurial orientation. In this context, social enterprises develop their capabilities to create products and services that address social needs while ensuring financial viability, thereby fostering sustainable performance. SEO, in particular, helps enterprises enhance their capabilities in identifying opportunities and risks and adopting innovative strategies to tackle social challenges. Additionally, it has the ability to effectively utilize various organizational resources – including financial, human, social capital, and social networks – to enhance operational efficiency and sustainability (Turpin & Shier, 2020). By integrating these approaches, social enterprises can strategically leverage their resources and entrepreneurial capabilities to achieve social, environmental, and economic performance, ultimately reinforcing their role as key drivers of positive social change. Drawing upon the above discussion, the following hypotheses are developed:

H3. Social resources have a positive relationship with social entrepreneurial orientation in social enterprises in Indonesia.
H4. Social capabilities have a positive relationship with social entrepreneurial orientation in social enterprises in Indonesia.

The relationship between SEO and sustainable performance

The preceding discussions surrounding social entrepreneurial orientation (SEO) reveal a scholarly consensus that social enterprises equipped with the SEO capabilities are better positioned to achieve organizational objectives. Prior research has also established a positive correlation between SEO and organizational sustainable performance (Monteiro et al., 2017). The potential for enhancing SEO within social enterprises can foster sustainable performance (Alvarez-Torres et al., 2019; Gali et al., 2020). Several factors of SEO contribute to these objectives, with proactiveness, risk-taking, and social innovation identified as critical factors (Dwivedi & Weerawardena, 2018; Gali et al., 2020; Satar & Natasha, 2019).

Proactiveness enables social enterprises to create new environments and transform the business landscape (Dai et al., 2014), as well as to influence the market through the introduction of innovative products, services, processes, and technologies (Zhai et al., 2018). At the same time, risk-taking enables social enterprises to recognize and effectively manage the inherent risks associated with assessing business opportunities and initiatives (Adel & Habib, 2018; Chavez et al., 2020). Social innovation is another facet of SEO, recognized as essential in today's dynamic environment (Satar & Natasha, 2019). The integration of social innovation is strongly linked to an enterprise's social mission in achieving social impact (Kraus et al., 2017). Social innovation enables social enterprises to develop innovative methods for addressing

social needs, integrating social mission-driven and business-driven approaches to formulate sustainable solutions (Halberstadt et al., 2020).

The comprehensive integration of proactiveness, risk-taking, and social innovation fortified the enterprise's strategic orientation and enhanced its ability to achieve TBL objectives—social, environmental, and economic. These perspectives lead to the formulation of the following hypothesis in this study:

H5. Social entrepreneurial orientation has a positive relationship with sustainable performance in social enterprises in Indonesia.

The mediating role of social entrepreneurial orientation (SEO)

Past research has investigated the mediating role of social entrepreneurial orientation (SEO) (Adel & Habib, 2018; Khedhaouria et al., 2020), specifically exploring its role within the framework of a resource-based view theory (Miao et al., 2017). In social enterprises, SEO serves as a foundational framework for the attainment of environmentally and socially responsible outcomes (Turpin & Shier, 2020). It fosters the cultivation of creative problem-solving skills, ethical decision-making, and an emphasis on sustainability-related goals (Roxas, 2021). Scholars suggest that the presence of SEO as a mediator enables the efficient allocation of resources and the development of effective capabilities that contribute to successful social, environmental, and economic performance (Miao et al., 2017).

Despite extensive research in this field, a significant gap remains in the literature regarding the mediating role of SEO in the relationship between various organizational resources and sustainable performance. In particular, existing studies have not sufficiently explored how SEO mediates the impact of physical resources, experiential resources, and financial resources on sustainable performance. Furthermore, there is a lack of studies investigating SEO as a mediator between entrepreneurial capability, informational capability, management capability, and innovativeness in relation to sustainable performance (Miao et al., 2017). Thus, this study seeks to investigate these relationships and proposes the following hypotheses:

H6. Social entrepreneurial orientation mediates the relationship between social resources and sustainable performance in social enterprises in Indonesia.
H7. Social entrepreneurial orientation mediates the relationship between social capabilities and sustainable performance in social enterprises in Indonesia.

Research framework

The framework designed for this study was underpinned by a literature review encompassing four dimensions, including social resources, social capabilities, social entrepreneurial orientation, and sustainable performance. Furthermore, it employs a multidimensional, higher-order model that aims to simplify the model, reduce model complexity (Hair et al., 2022), and enhance the instrument's capability to predict psychological and behavioral outcomes (Lindner et al., 2015). The use of higher-order constructs also aligns with previous studies in this field, such as those undertaken by Gali et al. (2020), Masud et al. (2019), Ramon-Jeronimo et al. (2019), and Sinthupundaja et al. (2019). In this study, social resources have three lower-order components (physical, experiential, and financial resources). Social capabilities have four lower-order components (entrepreneurial, managerial, informational, and innovativeness). Social entrepreneurial orientation (SEO) as a mediation dimension branches into three lower-order components (proactiveness, risk-taking, and social innovation). Finally, sustainability performance was categorized into social, environmental, and economic performance. Figure 1 illustrates the research framework, while Table 1 provides descriptions of the variables.

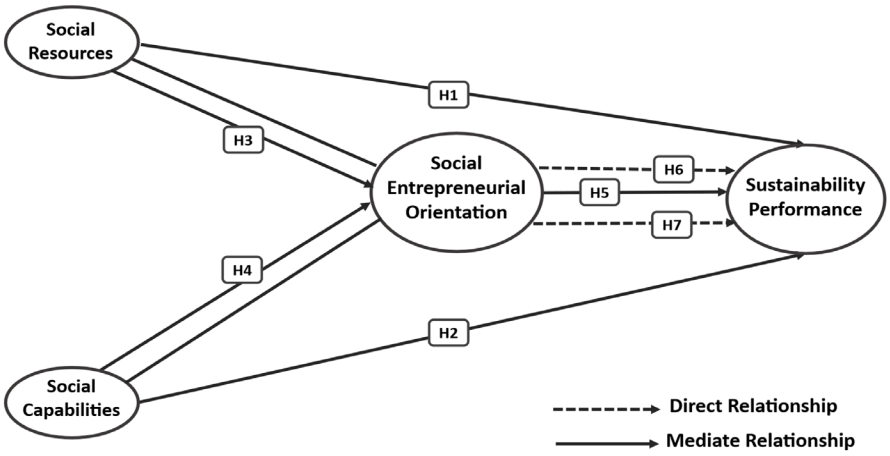

Figure 1. Research framework

Table 1. Description of variables

Variable description	Sample manifest variables	Source
Physical Resources	Better technology equipment; availability of production capacities; improved access to key sources	Othman & Arshad, 2015; Ramon-Jeronimo et al., 2019; Sinthupundaja et al., 2019
Experiential Resources	Managerial experience in the current business, experience in running a business	Ramon-Jeronimo et al., 2019; Staniewski, 2016
Financial Resources	Financial resources availability associated with the social entrepreneurship activities	Ramon-Jeronimo et al., 2019; Sinthupundaja et al., 2019; Tate & Bals, 2018
Entrepreneurial Capability	Capabilities to generate revenue, achieve environmental and/or social objectives	Sinthupundaja et al., 2019; Tate & Bals, 2018
Management Capability	Communication ability with stakeholders; support from stakeholders	Bacq & Eddleston, 2018; Sinthupundaja et al., 2019
Informational Capability	Capability of acquiring important market information; capability of identifying prospective customers; social network capability related to the market, capability in monitoring competitive products in the market	Ramon-Jeronimo et al., 2019
Innovativeness	Continuous renewal and social innovation, new development, and ideas to increase social impact and solve social issues	Hatak et al., 2016; Ramon-Jeronimo et al., 2019
Social Entrepreneurial Orientation	Social proactiveness Social risk-taking Social innovation	Dwivedi & Weerawardena, 2018; Gali et al., 2020; Halberstadt et al., 2020; Kraus et al., 2017; Sinthupundaja et al., 2019
Social Performance	Social element/ awareness / cognitive, such as stakeholder welfare; health and safety awareness of the community; and intellectual property rights	Bacq & Eddleston, 2018; Gali et al., 2020; Kraus et al., 2017; Sinthupundaja et al., 2019; Tate & Bals, 2018
Environmental Performance	Waste reduction; resource consumption reduction; environmental improvement	Sinthupundaja et al., 2019; Tate & Bals, 2018
Economic Performance	Higher revenue; higher profits; affordable product innovation; high sales growth; good reputation	Gali et al., 2020; Ramon-Jeronimo et al., 2019; Sinthupundaja et al., 2019; Tate & Bals, 2018

RESEARCH METHODOLOGY

This study aims to investigate the relationships between factors essential for sustainable performance, utilizing a research design designed to provide a thorough assessment and test the hypotheses derived from the theoretical framework. This investigation focuses on social enterprises in Indonesia as the primary unit of analysis, with the characteristics of these enterprises conforming to the criteria set forth by the Indonesian government. The government defines a social enterprise as having the following characteristics: (i) the enterprise is required to derive its major income from the sale of items

or the provision of paid services; (ii) the principal objective of the enterprise is a "social mission," an "environmental mission," or a combination of both (Council & ESCAP, 2020). Furthermore, this study focuses on several key industries that represent the most prominent and prevalent areas of social enterprise activity in Indonesia. This includes education, which constitutes 15% of the sector, agriculture (16%), and the creative industry (22%) (Council & ESCAP, 2020).

The question statements delineated in this study employ a 5-point Likert scale. The Likert scale is favored, as it captures a broader spectrum of transactional coping behaviors compared to alternative assessment methods (Bougie & Sekaran, 2019). Furthermore, it allows for both relative and absolute evaluations to be conducted on various attitude measurements (Maeda, 2015). The 5-point Likert scale has been employed in prior research addressing a comparable subject to this study, including the works of Bacq and Eddleston (2018), Hatak et al. (2016), and Sinthupundaja et al. (2019).

A purposive sampling technique was utilized to identify participants who fulfilled the predetermined criteria (Creswell, J. W., & Creswell, 2018). These individuals occupy positions ranging from low to top managerial levels within social enterprises located in Jakarta, Bogor, Depok, Tangerang, and Bekasi. In addition, snowball sampling was used to enhance the methodology used in this study. This technique enables researchers to access targeted populations through peer networks or referrals, thereby ensuring a diversity of perspectives aligned with the study's objectives (Lohr, 2021).

This study employed the Partial Least Squares Structural Equation Modeling (PLS-SEM) method due to its ability to handle large sample sizes and complex models involving multiple constructs and mediation paths. The method is particularly suitable for exploratory research, especially in contexts where the interrelationships among constructs are not well-defined, as it helps explain the causal relationships and provides deeper insight into the phenomenon under investigation (Hair Jr et al., 2021). It also assists in handling non-normal data (Hair Jr et al., 2021) and in examining the predictive value of exogenous variables (Kock, 2016). Furthermore, this method is consistent with prior studies within the same field, including studies by Aranda-Usón et al. (2019), Maletič et al. (2018), Masud et al. (2019), and Ramon-Jeronimo et al. (2019).

The proposed assessment for the PLS-SEM involves a two-stage process. The initial phase involves a thorough evaluation of the measurement model, with a focus on assessing reliability and validity. The subsequent phase involves analyzing the structural model, focusing on assessing the path analysis, confidence interval, variance inflation factor, and effect size (Hair Jr et al., 2021).

RESULTS

Following a data cleaning process that rectified data entry errors, addressed missing values, and removed outliers, a total of 438 valid data points were gathered from the social enterprises in the Greater Jakarta area of Indonesia. Upon evaluating this dataset, it was observed that 55.02% of the survey participants identified as female, while 44.98% identified as male. The present findings contradict earlier research concerning social enterprises in the country, which indicated that the majority of respondents were male (Council & ESCAP, 2018). This observation suggests a significant increase in the participation of women in this field compared to previous periods. The findings indicate that most respondents were young adults, specifically those aged 24 to 33. This finding aligns with previous studies, which indicate that a significant proportion of participants in social enterprises falls within the 25-34 age range (Council & ESCAP, 2018, 2020). Additionally, the analysis indicates that 74.43% of respondents held an undergraduate degree, with 64.84% classifying their roles within the social enterprises as low-level management positions. Although the representation of high- and middle-level managers in this study was limited, the existing literature substantiates that low response rates are commonly observed and often deemed acceptable in surveys that encompass different levels of management. This phenomenon can be attributed to factors such as restricted availability, gatekeeping practices, and the substantial volume of unsolicited inquiries they encounter (Borgholthaus et al., 2025). Additionally, the response rates of high-level managers generally fall around 32%, which is considered acceptable (Cycyota & Harrison, 2006).

Table 2. Demographic profile of respondents and social enterprises

Variable	Description	Frequency	Percentage
Profile of the respondent			
Gender	Male	197	44.98
	Female	241	55.02
Age	Below 24	74	16.89
	24 – 33	212	48.40
	34 – 43	105	23.97
	Above 43	47	10.73
Education	High School Graduate	89	20.32
	Undergraduate	326	74.43
	Graduate	23	5.25
Position in the Organization	High-Level Managers	46	10.50
	Middle-Level Managers	108	24.66
	Low-Level Manager	284	64.84
Profile of the social enterprises			
Business industry	Creative industry	350	79.91
	Agriculture	72	16.44
	Education	16	3.65
Business location	Jakarta	253	57.76
	Bogor	22	5.02
	Depok	19	4.34
	Tangerang	134	30.59
	Bekasi	10	2.28
Business establishment	Less than 5 years	191	43.61
	5 -10 years	212	48.40
	11 – 15 years	14	3.20

The findings also revealed a diverse range of social enterprise sectors, including the creative industry (79.91%), agriculture (16.44%), and education (3.65%). These results are consistent with the British Council's (2021) findings, which identified creative industries as the leading social enterprise sector in Indonesia, while agriculture and education ranked second and third, respectively. Table 2 presents the demographic profiles of the respondents and the social enterprises.

Following the examination of the respondents' demographic profile, the subsequent step included analyzing the data using PLS-SEM with SmartPLS version 4. This analysis employed a two-stage approach, consisting of the measurement model followed by the structural model. During the initial phase, the measurement model is employed to analyze the loading of the indicators corresponding to each research construct (Hair Jr et al., 2021). Hair et al. (2019) assert that an item exhibiting a factor loading within the range of 0.50 to 0.70 demonstrates acceptable reliability levels, whereas loadings that surpass 0.70 are considered to be well-defined. Items with values below 0.5 are excluded from the model. The study's findings, presented in Table 3, indicated that the item loadings ranged from 0.564 to 0.887. The results suggest an acceptable outcome between the indicators and the latent construct being examined (Hair, Risher, et al., 2019; Jun et al., 2021). Although it is typically advisable for item loadings to exceed 0.7 (Hair, Risher, et al., 2019) or 0.708 (Hair Jr et al., 2021), it is not uncommon for scholars, particularly within the social sciences, to observe indicator loadings below these thresholds (Hulland, 1999). In this study, six items were eliminated, including one from the higher-order items and five from the lower-order items. These items were removed since they contain values that did not meet the minimum requirement of 0.5 suggested by Hair et al. (2021). Figure 2 illustrates the findings using SmartPLS 4.

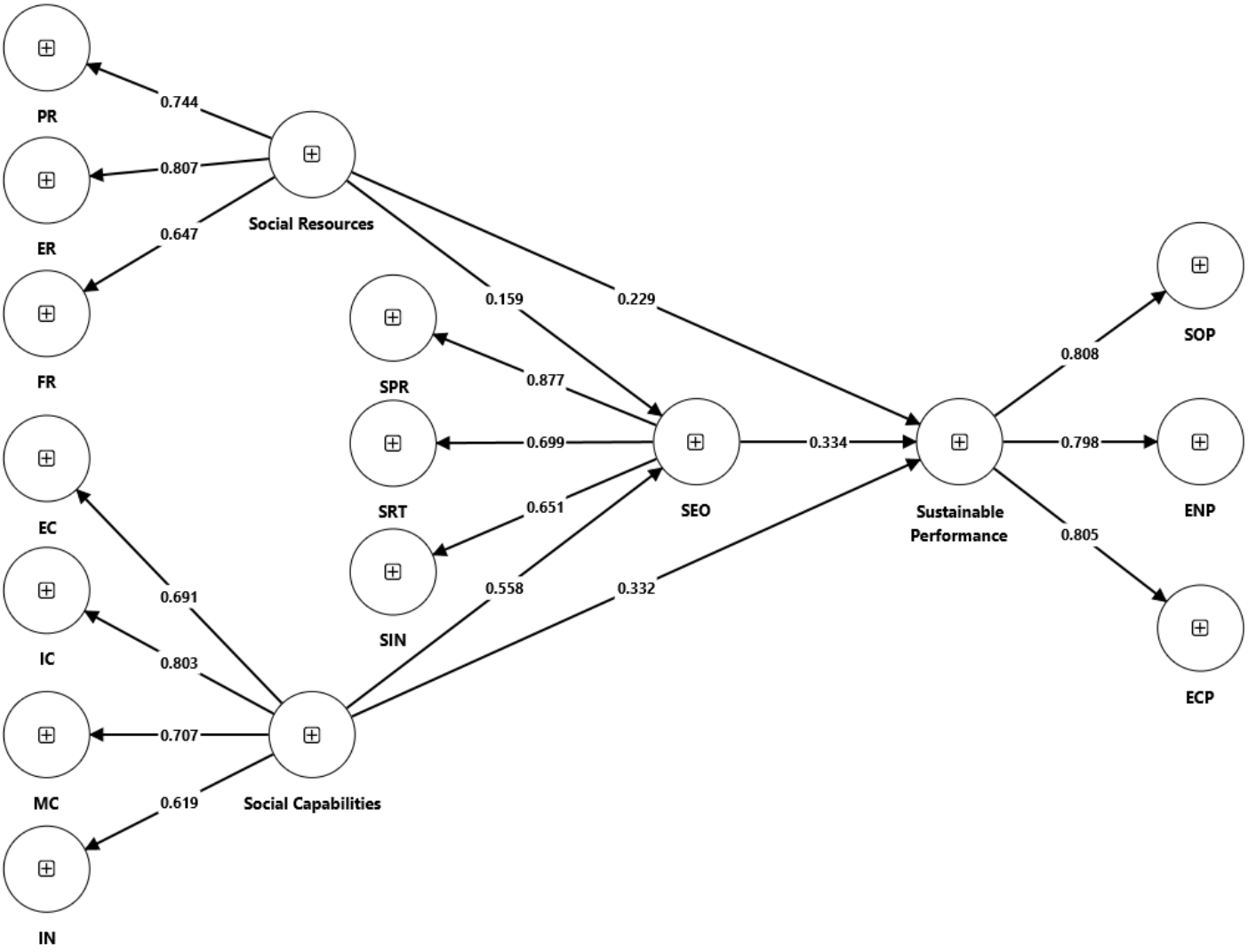

Figure 2. The measurement model

Following a thorough examination of the indicator loading, the assessment of construct reliability and validity was conducted using SmartPLS, such as composite reliability (CR) and average variance extracted (AVE). Composite reliability evaluates the items or indicators in relation to their loadings. The existing literature indicates that a composite reliability (CR) assessment falling within the range of 0.70 to 0.90 is deemed acceptable (Hair Jr et al., 2021). The results presented in Table 3 indicate that the composite reliability of all constructs ranges from 0.778 to 0.875, suggesting that the model's composite reliability is both acceptable and valid.

This study further examined the convergent validity, commonly known as average variance extracted (AVE). The designation "AVE" refers to the mean value of the extracted variance associated with items pertinent to a specific construct. The findings of this study indicated that AVE values vary from 0.500 to 0.777. Values between 0.5 and 0.6, while not as desirable as 0.7, remain acceptable (Hair Jr et al., 2021). This indicates that the construct exhibits moderate convergent validity.

Another approach to the measurement model is discriminant validity, particularly through heterotrait-monotrait (HTMT) analysis. Hair Jr et al. (2021) define HTMT as the average values of indicator correlations across all constructs. The HTMT cutoff value of 0.90 or 0.85 serves as a criterion for discerning structural models that encompass constructs that are conceptually closely related (Henseler et al., 2015). An HTMT value that surpasses 0.90 signifies a lack of discriminant validity. This study evaluated the datasets related to HTMT analysis using SmartPLS. The findings presented in Table 4 revealed that the majority of the HTMT values ranged from 0.336 to 0.851. The values fell below the conservative threshold of 0.90, indicating that the results of HTMT were considered acceptable.

Table 3. Reliability and validity constructs

Higher-order construct	Lower-order construct	Item	Loading	CR	AVE
	Physical Resources	PR1	0.764	0.830	0.620
		PR2	0.846		
		PR3	0.749		
	Experiential Resources	ER1	0.813	0.814	0.594
		ER2	0.774		
		ER3	0.723		
	Financial Resources	FR1	0.876	0.875	0.777
		FR2	0.887		
	Entrepreneurial Capabilities	EC1	0.734	0.801	0.505
		EC2	0.758		
		EC3	0.767		
		EC4	0.564		
	Informational Capabilities	IC1	0.743	0.814	0.523
		IC2	0.753		
		IC3	0.726		
		IC4	0.668		
	Management Capabilities	MC1	0.778	0.800	0.572
		MC2	0.760		
		MC3	0.729		
	Innovativeness	IN1	0.699	0.803	0.577
		IN2	0.815		
		IN3	0.762		
	Social Proactiveness	SPR1	0.659	0.800	0.502
		SPR2	0.748		
		SPR3	0.788		
		SPR4	0.627		
	Social Risk-Taking	SRT1	0.793	0.791	0.560
		SRT2	0.668		
		SRT3	0.777		
	Social Innovation	SIN1	0.595	0.791	0.563
		SIN2	0.844		
		SIN3	0.788		
	Economic Performance	ECP1	0.804	0.814	0.525
		ECP2	0.781		
		ECP3	0.687		
		ECP4	0.611		
	Environmental Performance	ENP1	0.762	0.831	0.551
		ENP2	0.740		
		ENP3	0.729		
		ENP4	0.737		
	Social Performance	SOP1	0.725	0.799	0.500
		SOP2	0.752		
		SOP3	0.620		
		SOP4	0.724		
Social Resources	Physical Resources	PR	0.744	0.778	0.541
	Experiential Resources	ER	0.807		
	Financial Resources	FR	0.647		
Social Capabilities	Entrepreneurial Capabilities	EC	0.691	0.799	0.501
	Informational Capabilities	IC	0.803		
	Management Capabilities	MC	0.707		
	Innovativeness	IN	0.619		
Social Entrepreneurial Orientation	Social Proactiveness	SPR	0.877	0.790	0.561
	Social Risk-Taking	SRT	0.699		
	Social Innovation	SIN	0.651		
Sustainable Performance	Economic Performance	ECP	0.805	0.845	0.646
	Environmental Performance	ENP	0.798		
	Social Performance	SOP	0.808		

Table 4. Discriminant Validity (Heterotrait–monotrait (HTMT)) analysis

	ECP	ER	ENP	IC	IN	MC	PR	SOP	EC	FR	SPR	SRT	SIN
ECP													
ER	0.676												
ENP	0.612	0.660											
IC	0.605	0.638	0.648										
IN	0.531	0.622	0.524	0.538									
MC	0.630	0.851	0.617	0.598	0.586								
PR	0.643	0.532	0.468	0.553	0.663	0.387							
SOP	0.734	0.681	0.655	0.723	0.499	0.558	0.451						
EC	0.751	0.545	0.584	0.588	0.455	0.429	0.494	0.648					
FR	0.528	0.478	0.363	0.439	0.467	0.424	0.336	0.404	0.698				
SPR	0.641	0.481	0.605	0.647	0.491	0.554	0.438	0.675	0.722	0.473			
SRT	0.668	0.697	0.630	0.527	0.491	0.629	0.443	0.624	0.607	0.479	0.763		
SIN	0.617	0.628	0.644	0.593	0.419	0.791	0.414	0.743	0.622	0.487	0.543	0.554	

Note: 438 Dataset. PR=Physical Resources; ER=Experential Resources; FR=Financial Resources; EC=Entrepreneurial Capabilities; IC=Informational Capabilities; MC=Management Capabilities; IN=Innovativeness; SPR=Social Proactiveness; SRT=Social Risk-Taking; SIN=Social Innovative; ECP=Economic Performance; SOP=Social Performance; ENP=Environmental Performance.

The second phase of the PLS-SEM methodology involves a structural model that illustrates the relationships among latent variables (Sung & Park, 2018). PLS-SEM assessed these relationships through percentile bootstrapping (Chin W, 1998), employing a computation based on 10,000 bootstrap samples (Streukens & Leroi-Werelds, 2016). Multiple analyses were performed using this methodology, including significance level, t-value, p-value, confidence interval, variance inflation factor (VIF), and the effect size (f^2). A hypothesis is deemed valid if the beta value corresponds with the hypothesis direction, the t-value is larger than or equal to 1.645, and the p-value is less than or equal to 0.05. Furthermore, collinearity among predictors was assessed using the Variance Inflation Factor (VIF). A VIF value less than 3.3 is considered acceptable (Hair et al., 2017; Hair, Black, et al., 2019; Hair Jr et al., 2021). The confidence interval (CI) must not include zero between the lower limit (LL) and upper limit (UL) of the interval (Hair, Risher, et al., 2019). Effect size (f^2) values of 0.35 are considered large; 0.15 represents medium; and 0.02 represents a small effect for direct relationships (Chin, 2010; Cohen, 1988). For indirect relationships, effect size values of 0.25 signify a large effect, 0.09 denotes a medium effect, and 0.01 represents a small effect (Hair Jr et al., 2021; Kenny, 2018).

This study proposed seven hypotheses, with the findings outlined in Table 5. Hypothesis 1 examines the direct relationship between social resources and sustainable performance. The findings indicated a statistically positive outcome, as shown by the parameters (β = 0.229, SE = 0.047). The t-value of 4.921 is well above the threshold of 1.645 (Hair, Risher, et al., 2019), and the p-value of 0.000 confirms significance at the 5% level (Hair, Risher, et al., 2019). The VIF value of 2.040 falls below the threshold of 3.3, indicating no collinearity issues in the model (Hair et al., 2017). These results ensure that social resources contribute to sustainable performance. The confidence interval (CI) did not include zero between the lower level (LL = 0.152) and upper level (UL = 0.305), indicating satisfactory findings. The effect size was 0.067, indicating a small effect.

Hypothesis 2 examines the direct relationship between social capabilities and sustainable performance. The findings demonstrated that the path coefficient and confidence interval all pointed to a positive outcome (β = 0.332, SE = 0.052, t = 6.329, p = 0.000, LL = 0.245, UL = 0.418). The VIF values were 2.57, which is below the recommended threshold of 3.3 set by Hair et al. (2021). This evidence suggests that the predictor's construct does not exhibit collinearity issues, allowing for a confident interpretation of the results. Regardless, the results may require further evaluation, given that the constructs might share some conceptual proximities that contribute to the observed VIF levels. The effect size was 0.111, indicating a small effect. The findings suggest that both H1 and H2 are supported, indicating a positive relationship between social resources, social capabilities, and sustainable performance in social enterprises in Indonesia.

Table 5. Direct and indirect relationship of the constructs

Hypothesis	Relationship	Beta coefficient	SE	t-value	p-value	LL	UL	VIF	f^2	Decision
H1	Social Resources → Sustainable Performance	0.229	0.047	4.921	0.000	0.152	0.305	2.040	0.067	Supported
H2	Social Capabilities → Sustainable Performance	0.332	0.052	6.329	0.000	0.245	0.418	2.573	0.111	Supported
H3	Social Resources → Social Entrepreneurial Orientation	0.159	0.060	2.638	0.004	0.061	0.257	1.993	0.023	Supported
H4	Social Capabilities → Social Entrepreneurial Orientation	0.558	0.056	9.986	0.000	0.466	0.649	1.993	0.291	Supported
H5	SEO → Sustainable Performance	0.334	0.044	7.541	0.000	0.260	0.406	1.859	0.156	Supported
H6	Social Resources → SEO → Sustainable Performance	0.053	0.023	2.340	0.010	0.020	0.093	-	0.002	Supported
H7	Social Capabilities → SEO → Sustainable Performance	0.186	0.029	6.430	0.000	0.143	0.238	-	0.030	Supported

Hypotheses 3 and 4 examine the relationship between social resources and social entrepreneurial orientation (SEO), as well as the relationship between social capabilities and SEO, respectively. The findings revealed that hypothesis 3 was supported and deemed satisfactory (β = 0.159, SE = 0.060, t = 2.638, p = 0.004, VIF = 1.993, LL = 0.061, UL = 0.257). The effect size was 0.023, indicating a small effect. Hypothesis 4 yields a substantial result (β = 0.558, SE = 0.056, t = 9.986, p = 0.000, VIF = 1.993, LL = 0.466, UL = 0.649) with an effect size of 0.291, indicating a medium effect. While both findings indicate a positive relationship between the constructs, the results reveal that social capabilities exert a greater influence on SEO for social enterprises in Indonesia than social resources.

Hypothesis 5 examines the relationship between SEO and sustainable performance in social enterprises. The results indicated a favorable relationship among the constructs, thereby supporting H5 (β = 0.334, SE = 0.044, t = 7.541, p = 0.000, VIF = 1.859, LL = 0.260, UL = 0.406). Furthermore, the effect size (f = 0.156) of this relationship falls within the medium range. These findings emphasize the importance of SEO in enhancing sustainable performance within the context of the study.

Hypotheses 6 and 7 examine the mediating role of SEO in the relationship between social resources, social capabilities, and sustainable performance. The findings for hypothesis 6 revealed a statistically positive outcomes (β = 0.053, SE = 0.023, t = 2.340, p = 0.010, LL = 0.020, UL = 0.093). Similarly, the result for hypothesis 7 also showed a positive outcomes (β = 0.186, SE = 0.029, t = 6.430, p = 0.000, LL = 0.143, UL = 0.238). The effect size for hypothesis 6 was 0.002, indicating no effect, whereas hypothesis 7 had an effect size of 0.030, indicating a small effect. This suggests that, although the path relationship for hypothesis 6 is present, its practical impact on the coefficient of determination is negligible and should be interpreted with caution (Hair Jr et al., 2021). Nonetheless, hypothesis 6 is supported and can still contribute to the overall model. The findings also indicate that SEO mediation has a more significant impact on the relationship between social capabilities and sustainable performance compared to its effect on the association between social resources and sustainable performance. It highlights the significance of social capabilities through SEO for enhancing sustainable performance.

DISCUSSION

The findings derived from the PLS-SEM analysis provide empirical evidence of both direct and indirect relationships with sustainable performance. The analysis of direct relationships between social resources and sustainability performance reveals that, although the effect of these resources – namely, physical, entrepreneurial, and financial – was small, they still positively influence sustainability performance in social enterprises in Indonesia. These findings align with prior investigations conducted by Roxas (2021), Pee and Kankanhalli (2016), Alsyouf et al. (2021), and Aboelmaged (2018). They suggest that key physical resource factors, including the utilization of advanced technologies, access to essential supply sources, and the availability of manufacturing capacity, are crucial for social enterprises to be competitive in the market. In contrast to these findings, a previous study presented a contradictory perspective (Klimas, 2019). Klimas (2019) argued that physical resources were not as significant as the other forms of resources in enhancing the performance of enterprises. In particular, when physical resources exhibit a lack of uniqueness, they become easily imitated by competitors, and their impact on sustainable performance becomes less significant (Adnan et al., 2018). Instead, social enterprises can enhance their entrepreneurial capabilities by developing skills in building brand reputation and fostering

innovation capabilities. This strategic approach will empower them to tackle social and environmental challenges effectively. Despite the importance of physical resources on sustainable performance not being universally accepted, and their effect may appear small, recognizing and leveraging the resources – physical, entrepreneurial, and financial – is still crucial for social enterprises (Aboelmaged, 2018; Roxas, 2021). Effectively managing these resources enables enterprises to allocate them in ways that enhance operational efficiency, address social and environmental challenges, and promote sustainability (Maletič et al., 2018). This strategic approach can significantly contribute to the resilience of social enterprises in Indonesia in achieving their objectives (Ramon-Jeronimo et al., 2019; Roxas, 2021).

The experiential dimension, another aspect of social resources investigated in this study, yielded unique findings. Although the findings suggest that these resources provide a positive influence on sustainable performance, the effect was small. A study conducted by the British Council (2021) indicates that over 40% of individuals engaged in social enterprises in Indonesia lack experience. These inadequacies often result in poor decision-making, ineffective resource management, and inadequate risk assessment (Chadwick et al., 2015). This obstacle highlights a significant gap in the operational resources of social enterprises, which frequently undervalue or overlook experiences. The skills, knowledge, and abilities gained from various experiences can help identify market opportunities and risks, enhance an organization's understanding of its strengths, and encourage the creative use of available resources. The broader implications of experiential resources are evident in a study in emerging economies, which revealed that prior work experience significantly enhances confidence and self-efficacy in pursuing entrepreneurial endeavors (Matos & Hall, 2020). Therefore, raising awareness about the importance of experience in social enterprises is crucial for fostering innovative ideas that enable them to remain competitive in the market.

The availability of adequate financial support and funding from investment for social activities is as important as other resources to ensure growth and sustainability. Nevertheless, previous research concerning Indonesian social enterprises indicates that they encountered challenges in securing finance and funding (Council, 2021; Desiana et al., 2022; Katsushi, 2020). These challenges are often attributed to a lack of information on financing opportunities and the burden of collateral requirements imposed by formal financial institutions, which many social enterprises struggle to meet (Saraswati et al., 2024). As a result, these obstacles impede the growth of social enterprises and limit their capabilities to compete in the market. Considering the obstacles faced by social enterprises in the country, researchers emphasize that financial resources are critical to the enterprises' capacity to address societal issues, scale their business, and achieve long-term impact (Council & ESCAP, 2018, 2020). This perspective aligns with the findings of this study, which indicated that financial resources positively influenced sustainable performance. Therefore, addressing the financial barriers of social enterprises and for the government to assist in this matter is essential. The government has the capacity to facilitate progress by enacting initiatives that bolster the ecosystem, including the creation of private finance infrastructure aimed at fostering social impact (Saraswati et al., 2024). These initiatives have demonstrated success in Central and Eastern Europe (European Commission, 2020). Other initiatives can include providing access to cost reduction, microfinance loans, market potential and market data, and sales prospects. The implementation of these programs has proven effective, consistently offering support to social enterprises in India (Sengupta et al., 2018). Beyond offering financial support, the government has the capacity to enhance the visibility of social enterprises' objectives within its agenda and to facilitate their growth through the enactment of relevant laws and regulations (Bacq & Eddleston, 2018).

Several social capabilities factors were taken into consideration in this investigation, including entrepreneurial, informational, management, and innovation capabilities. Social enterprises in Indonesia emphasize entrepreneurial capabilities through effective internal governance and operational efficiency, along with a strategic commitment to their social and economic missions. These capabilities, when integrated with social and environmental objectives, offer a competitive advantage for enterprises (Sinthupundaja et al., 2019; Tate & Bals, 2018). Similarly, informational capabilities make a positive contribution to sustainable performance. Prior investigations have demonstrated that the strategic utilization of information empowers enterprises to improve their market position (Lans et al., 2014). These capabilities enable them to gather valuable market information, observe competitive dynamics, build relationships with customers, and effectively engage with stakeholders (Tate & Bals, 2018), all of which play a significant role in improving decision-making and fostering sustainable performance (Magesa et al., 2020; Whitmore et al., 2017). Developing strategic management practices in social enterprises also enable them to effectively coordinate and manage abilities in achieving objectives (Bacq & Eddleston, 2018; Sinthupundaja et al., 2019). Furthermore, innovative strategies such as improving current products in response to market demand and adopting new ideas for production processes allow social enterprises to efficiently address social issues (Council & ESCAP, 2018), and economic challenges (Sinthupundaja et al., 2019). These capabilities,

in turn, enable social enterprises to enhance their performance and growth rate (Clemente-Suárez et al., 2021; Saraswati et al., 2024) and achieve favorable outcomes (Hendarman & Cantner, 2018).

The analysis of the relationship between social entrepreneurial orientation (SEO) and sustainable performance also yielded favorable outcomes. This is characterized by acceptable path analysis results and a moderate effect size. The higher effect size than other direct factors associated with sustainable performance in this study demonstrates that SEO significantly enhances the performance of social enterprises. These findings align with previous research by Alvarez-Torres et al. (2019), Gali et al. (2020), Halberstadt et al. (2020), and Monteiro et al. (2017), which emphasize the important role of SEO on sustainable performance. Their perspectives on SEO underscore its critical role as a strategic tool for social enterprises to enhance their operations, thereby fostering advancements in sustainable performance (Martínez-Climent et al., 2019). Through proactivity, risk-taking behaviors with efficacy, and cultivation of innovation, SEO enables social enterprises to navigate challenges better, effectively address societal problems, and adapt to changing environments (Saraswati et al., 2024).

This study further clarifies the role of SEO as a mediating factor in the observed relationships. Two relationships were examined. First, SEO mediates the relation between social resources and sustainability performance; second, SEO mediates the relationship between social capabilities and sustainability performance. The results demonstrated that both relationships were positively influenced by SEO, highlighting the significance of SEO as a mediator between these variables. Nonetheless, two primary distinctions exist between these relationships. The observation that the impact on social capabilities demonstrated a small effect, whereas social resources exhibited no apparent effect, is noteworthy. The fact that SEO had little effect as a mediator between social resources and sustainable performance resembles observations made in European social enterprises, especially in countries with lower purchasing power parity, where there is a tendency to prioritize capability development over strategies that require significant resources (European Commission, 2020). Despite being conceptually relevant, the influence of SEO as a mediator without effective execution may prove to be insignificant. Furthermore, resources might have a more profound impact on sustainable performance when directly linked, rather than relying on SEO as a mediator. The role of SEO as a mediator between social capabilities and sustainable performance demonstrated a larger effect size, indicating a significantly heightened importance of its influence. The findings align with the management capabilities theory proposed by Helfat and Martin (2015), which posits that SEO serves as a mediating factor in improving social enterprises' decision-making capabilities. This enhancement enables them to embrace risk-taking, engage in proactive decision-making, stimulate innovation, and adeptly leverage their capabilities to execute strategic initiatives that bolster the organization's sustainability performance. These perspectives were supported by scholars such as Deslatte and Swann (2020), Huebeck (2023), Imran et al. (2019), and Khedhaouria (2015).

CONCLUSIONS

This study aimed to bridge the knowledge gap by enhancing the understanding of the triple bottom line (TBL) – encompassing social, environmental, and economic aspects – within the context of social enterprises in Indonesia. TBL framework has emerged as a significant concept in recent years owing to apprehensions over the effects of business activities on the environment (Ruggerio, 2021). Scholars and policymakers worldwide have continually expressed their concerns about the escalating crises of environmental degradation, social issues, and economic difficulties (Sung & Park, 2018). TBL, conversely, emphasizes the attainment of social, environmental, and economic outcomes and ensures that development is sustainable.

This study addresses a theoretical gap in literature. While most past studies on social enterprises have focused on one or two aspects of sustainability performance, this study investigates all three pillars of TBL. It also integrates the factors associated with resources and capabilities as outlined in the social resource-based view (SRBV) theory. These factors, including financial access, unique physical resources, and entrepreneurial capabilities, have been identified as the most prominent impediment for social enterprises in Indonesia (Council, 2021; Desiana et al., 2022; Harsanto et al., 2022; Maksum et al., 2020; Saraswati et al., 2024). The findings revealed that optimizing the orchestration of these factors enables the social enterprises to enhance social, environmental, and economic performance, thereby fostering sustainable development.

This study also investigates SEO, which is widely recognized for its potential to foster innovation and strengthen strategic adaptability in social enterprises. Nonetheless, there has been a lack of empirical research on the direct and indirect influence of SEO on sustainable performance in the Indonesian context. This research explores this relationship, aiming to

fill the existing gap. The findings show that SEO influences both social resources and social capabilities on sustainability performance. Although the mediation paths were statistically acceptable, they differed in practical relevance. The mediation role of SEO between social resources and sustainability performance was negligible, suggesting that resource-related strategies may contribute directly rather than through SEO. On the other hand, the mediation effect between social capabilities and sustainability performance was more meaningful. This implies that SEO improves sustainable performance by strengthening organizational capabilities, such as strategic decision-making, resource optimization, and risk management. These capabilities enable social enterprises to address social and environmental challenges effectively, leading to more favorable sustainability outcomes.

This study delineates significant implications for social enterprises and scholars regarding the enhancement of sustainable performance. It emphasizes the potential to concurrently utilize resources and capabilities, strategically harnessing them within a particular framework of the social entrepreneurial process. Furthermore, it underscores the integration of social entrepreneurial orientation into their strategy to influence the efficacy of each operational behavior, presenting a valuable opportunity to bolster the success of social enterprises and, consequently, their sustainable performance. The results are pertinent and potentially replicable in other emerging markets with similar characteristics, which could improve the sustainability performance of social enterprises. The study further establishes the implications for policymakers, suggesting that they can enhance the visibility of social enterprises by integrating social objectives into the governmental agenda. This can be achieved through the formulation of programs and initiatives that bolster the ecosystem, including the establishment of private finance infrastructure, facilitating access to cost-reduction opportunities, microfinance loans, market potential and market data, sales prospects, essential raw materials, and pertinent laws and regulations.

This study is limited to particular geographic and sectoral areas, potentially impacting the generalizability of the findings. Additionally, it highlights specific influential factors and employs a quantitative methodology, which may not fully encapsulate the complexities of the underlying dynamics. Future research should investigate a variety of industries and include enterprises from a broader range of geographical locations. Furthermore, the examination of additional factors, including research and development (R&D), technological investment, and stakeholder engagement, may be investigated concerning sustainable performance (Adnan et al., 2018). Exploring the dynamic aspects of resource orchestration over time is also encouraged, particularly through longitudinal studies, as well as investigating other mediating and moderating variables. Furthermore, future research may employ qualitative methodologies to help elucidate the complexities and nuances associated with these phenomena.

References

Aboelmaged, M. (2018). The drivers of sustainable manufacturing practices in Egyptian SMEs and their impact on competitive capabilities: A PLS-SEM model. *Journal of Cleaner Production*, *175*, 207–221. https://doi.org/10.1016/j.jclepro.2017.12.053

Adel, G., & Habib, A. (2018). Mediating role of entrepreneurial orientation on the relationship between relational network and competitive advantages of Tunisian contractors. *Journal of the Knowledge Economy*, *9*(2), 665–679. https://doi.org/10.1007/s13132-016-0358-8

Adnan, M., Abdulhamid, T., & Sohail, B. (2018). Predicting firm performance through resource based framework. *European Journal of Business and Management*, *10*(1), 31–40.

Ahmed, U., Mozammel, S., & Zaman, F. (2020). Impact of ecological innovation, entrepreneurial self-efficacy and entrepreneurial orientation on environmental performance and energy efficiency. *International Journal of Energy Economics and Policy*, *10*(3), 289–295. https://doi.org/10.32479/ijeep.9227

Alhazmi, N., Lavy, S., & Lai, J. (2018). A theoretical framework for physical asset management practices. *Facilities*, *34*(1), 1–5. https://doi.org/https://doi.org/10.1108/F-02-2016-0025

Alsyouf, I., Alsuwaidi, M., Hamdan, S., & Shamsuzzaman, M. (2021). Impact of ISO 55000 on organisational performance: Evidence from certified UAE firms. *Total Quality Management and Business Excellence*, *32*(1–2), 134–152. https://doi.org/10.1080/14783363.2018.1537750

Alvarez-Torres, F. J., Lopez-Torres, G. C., & Schiuma, G. (2019). Linking entrepreneurial orientation to SMEs' performance - Implications for entrepreneurship universities. *Management Decision*, *57*(12), 3364–3386. https://doi.org/10.1108/MD-11-2018-1234

Aranda-Usón, A., Portillo-Tarragona, P., Marín-Vinuesa, L. M., & Scarpellini, S. (2019). Financial resources for the circular economy: A perspective from businesses. *Sustainability (Switzerland)*, *11*(3). https://doi.org/10.3390/su11030888

Bacq, S., & Eddleston, K. A. (2018). A resource-based view of social entrepreneurship: How stewardship culture benefits scale of social impact. *Journal of Business Ethics*, *152*(3), 589–611. https://doi.org/10.1007/s10551-016-3317-1

Borgholthaus, C. J., Bourgoin, A., Harms, P. D., White, J. V., & Fezzey, T. N. A. (2025). Surveying the Upper Echelons: An update to Cycyota and Harrison (2006) on top manager response rates and recommendations for the future. *Organizational Research Methods*, *January*. https://doi.org/10.1177/10944281241310574

Bougie, R., & Sekaran, U. (2019). *Research methods for business: A skill building approach*. John Wiley & Sons.

Chadwick, C., Janice, S., & Kwon, K. (2015). Resource orchestration in practice: CEO emphasis on SHRM, commitment-based HR systems, and firm performance. *Strategic Management Journal, 36*(3), 360–376. https://doi.org/doi:10.1002/smj.2217

Chavez, R., Yu, W., Sadiq Jajja, M. S., Lecuna, A., & Fynes, B. (2020). Can entrepreneurial orientation improve sustainable development through leveraging internal lean practices? *Business Strategy and the Environment*, *29*(6), 2211–2225. https://doi.org/10.1002/bse.2496
Chin, W. W. (2010). How to write up and report PLS analyses. In V. Esposito Vinzi, W. W. Chin, J. Henseler, & H. Wang (Eds.), *Handbook of partial least squares* (pp. 655–690). Springer. https://doi.org/10.1007/978-3-540-32827-8_29
Chin W, M. G. (1998). The partial least squares approach to structural formula modeling. *Advances in Hospitality and Leisure*, *8*(2), 5. https://doi.org/10.4324/9781410604385-10
Clemente-Suárez, V. J., Navarro-Jiménez, E., Moreno-Luna, L., Saavedra-Serrano, M. C., Jimenez, M., Simón, J. A., & Tornero-Aguilera, J. F. (2021). The impact of the covid-19 pandemic on social, health, and economy. *Sustainability (Switzerland)*, *13*(11), 1–25. https://doi.org/10.3390/su13116314
Cohen, J. (1988). *Statistical power analysis for the behavioral sciences* (2nd ed.). Lawrence Erlbaum Associates. https://doi.org/https://doi.org/10.4324/9780203771587
Council, B. (2020). *Investing in Creative and Social Enterprise in Indonesia*. https://www.britishcouncil.id/sites/default/files/dice_creative_and_social_enterprise_in_indonesia_report_en_final.pdf
Council, B. (2021). *Supporting Social Enterprises in Indonesia* (Issue July). https://www.ilo.org/media/234126/download
Council, B., & ESCAP, U. N. (2018). *Developing an Inclusive and Creative Economy: The State of Social Enterprise in Indonesia*. https://www.britishcouncil.org/sites/default/files/the_state_of_social_enterprise_in_indonesia_british_council_web_final_0.pdf
Council, B., & ESCAP, U. N. (2020). *Creative and Social Enterprise in Indonesia*. https://www.britishcouncil.id/sites/default/files/dice_creative_and_social_enterprise_in_indonesia_report_en_final.pdf
Creswell, J. W., & Creswell, J. D. (2018). Research design: qualitative, quantitative, and mixed methods approaches. In *Writing Center Talk over Time* (5th ed.). https://doi.org/10.4324/9780429469237-3
Cycyota, C. S., & Harrison, D. A. (2006). What (not) to expect when surveying executives: A meta-analysis of top manager response rates and techniques over time. *Organizational Research Methods*, *9*(2), 133–160. https://doi.org/10.1177/1094428105280770
Dai, L., Maksimov, V., Gilbert, B. A., & Fernhaber, S. A. (2014). Entrepreneurial orientation and international scope: The differential roles of innovativeness, proactiveness, and risk-taking. *Journal of Business Venturing*, *29*(4), 511–524. https://doi.org/10.1016/j.jbusvent.2013.07.004
Desiana, P. M., Ma'arif, M. S., Puspitawati, H., Rachmawati, R., Prijadi, R., & Najib, M. (2022). Strategy for sustainability of social enterprise in Indonesia: A structural equation modeling approach. *Sustainability (Switzerland)*, *14*(3). https://doi.org/10.3390/su14031383
Dwivedi, A., & Weerawardena, J. (2018). Conceptualizing and operationalizing the social entrepreneurship construct. *Journal of Business Research*, *86*(January), 32–40. https://doi.org/10.1016/j.jbusres.2018.01.053
Elkington, J. (1998). Triple bottom line. *Environmental Quality Management*, *8*(1), 37–51.
European Commission. (2020). *Social enterprises and their ecosystems in Europe. Comparative synthesis report*. https://doi.org/10.2767/567551
Gali, N., Niemand, T., Shaw, E., Hughes, M., Kraus, S., & Brem, A. (2020). Social entrepreneurship orientation and company success: The mediating role of social performance. *Technological Forecasting and Social Change*, *160*(June), 120230. https://doi.org/10.1016/j.techfore.2020.120230
Galindo-Martín, M. A., Castaño-Martínez, M. S., & Méndez-Picazo, M. T. (2020). The relationship between green innovation, social entrepreneurship, and sustainable development. *Sustainability (Switzerland)*. https://doi.org/10.3390/su12114467
Guo, Y., & Wang, L. (2022). Environmental entrepreneurial orientation and firm performance: The role of environmental innovation and stakeholder pressure. *SAGE Open*, *12*(1). https://doi.org/10.1177/21582440211061354
Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2019). *Multivariate data analysis*. Cengage. https://doi.org/10.1002/9781119409137.ch4
Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2017). *A primer on partial least squares structural equation modeling (PLS-SEM)* (2nd ed.). Sage.
Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2022). *A primer on partial least squares structural equation modeling (PLS-SEM)* (3rd ed.). Sage.
Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review, 31*(1), 2–24. https://doi.org/10.1108/EBR-11-2018-0203
Hair, J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N. P., & Ray, S. (2021). *Partial least squares structural equation modeling (PLS-SEM) using R: A workbook*. Springer. https://doi.org/10.1007/978-3-030-80519-7
Halberstadt, J., Niemand, T., Kraus, S., Rexhepi, G., Jones, P., & Kailer, N. (2020). Social entrepreneurship orientation: Drivers of success for start-ups and established industrial firms. *Industrial Marketing Management*. https://doi.org/10.1016/j.indmarman.2020.06.012
Harsanto, B., Mulyana, A., Faisal, Y. A., & Shandy, V. M. (2022). Open Innovation for sustainability in the social enterprises: An empirical evidence. *Journal of Open Innovation: Technology, Market, and Complexity*, *8*(3). https://doi.org/10.3390/joitmc8030160
Hatak, I., Kautonen, T., Fink, M., & Kansikas, J. (2016). Innovativeness and family-firm performance: The moderating effect of family commitment. *Technological Forecasting and Social Change*, *102*, 120–131. https://doi.org/10.1016/j.techfore.2015.02.020
Helfat, C. E., & Martin, J. A. (2015). Dynamic managerial capabilities: Review and assessment of managerial impact on strategic change. *Journal of Management*, *41*(5), 1281–1312. https://doi.org/10.1177/0149206314561301
Helfat, C. E., & Peteraf, M. A. (2015). Managerial cognitive capabilities and the microfoundations of dynamic capabilities. *Strategic Management Journal*, *36(6)*, *831*, 1–43. https://doi.org/doi:10.1002/smj.2247
Hendarman, A. F., & Cantner, U. (2018). Soft skills, hard skills, and individual innovativeness. *Eurasian Business Review*, *8*(2), 139–169. https://doi.org/10.1007/s40821-017-0076-6
Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science*, *43*(1), 115–135. https://doi.org/10.1007/s11747-014-0403-8
Høgevold, N. M., Svensson, G., Rodriguez, R., & Eriksson, D. (2019). Relative importance and priority of TBL elements on the corporate performance. *Management of Environmental Quality: An International Journal*, *30*(3), 609–623. https://doi.org/10.1108/MEQ-04-2018-0069
Hourneaux, F., Gabriel, M. L. da S., & Gallardo-Vázquez, D. A. (2018). Triple bottom line and sustainable performance measurement in industrial companies. *Revista de Gestao*, *25*(4), 413–429. https://doi.org/10.1108/REGE-04-2018-0065
Hulland, J. (1999). Use of partial least squares (PLS) in strategic management research: a review of four recent studies. *Acta Pharmacologica Sinica*, *20*(2), 195–204. https://doi.org/10.1038/aps.2012.31
Hutchins, M. J., & Sutherland, J. W. (2008). An exploration of measures of social sustainability and their application to supply chain decisions. *Journal of Cleaner Production*, *16*(15), 1688–1698. https://doi.org/10.1016/j.jclepro.2008.06.001

ILO. (2019). *Financing Small Businesses in Indonesia: Challenges and Opportunities*. https://www.ilo.org/publications/financing-small-businesses-indonesia-challenges-and-opportunities

Jun, W., Ali, W., Bhutto, M. Y., Hussain, H., & Khan, N. A. (2021). Examining the determinants of green innovation adoption in SMEs: A PLS-SEM approach. *European Journal of Innovation Management*, *24*(1), 67–87. https://doi.org/10.1108/EJIM-05-2019-0113

Kabue, L. W., & Kilika, J. M. (2016). Firm resources, core competencies and sustainable competitive advantage: An integrative theoretical framework. *Journal of Management and Strategy*, *7*(1), 98–108. https://doi.org/10.5430/jms.v7n1p98

Katsushi, N. (2020). Social enterprise development in Indonesia by transdisciplinary approach. *IOP Conference Series: Earth and Environmental Science*, *536*(1). https://doi.org/10.1088/1755-1315/536/1/012010

Kenny, D. A. (2018). *Moderator*. http://davidakenny.net/cm/moderation.htm

Khedhaouria, A., Nakara, W. A., Gharbi, S., & Bahri, C. (2020). The relationship between organizational culture and small-firm performance: Entrepreneurial orientation as mediator. *European Management Review*, *17*(2), 515–528. https://doi.org/10.1111/emre.12383

Klimas, P. (2019). Key resources in game developers' business models. *Journal of Management and Financial Sciences*, *XI*(31), 135–149. https://doi.org/10.33119/jmfs.2018.31.11

Kock, N. (2016). Non-normality propagation among latent variables and indicators in PLS-SEM simulations. *Journal of Modern Applied Statistical Methods*, *15*(1), 299–315. https://doi.org/10.22237/jmasm/1462076100

Kraus, S., Niemand, T., Halberstadt, J., Shaw, E., Syrjä, P., Kraus, S., & Niemand, T. (2017). *Social entrepreneurship orientation: Development of a measurement scale*. https://doi.org/10.1108/IJEBR-07-2016-0206

Kraus, S., Rehman, S. U., & García, F. J. S. (2020). Corporate social responsibility and environmental performance: The mediating role of environmental strategy and green innovation. *Technological Forecasting and Social Change*, *160*(July), 120262. https://doi.org/10.1016/j.techfore.2020.120262

Lans, T., Blok, V., & Wesselink, R. (2014). Learning apart and together: Towards an integrated competence framework for sustainable entrepreneurship in higher education. *Journal of Cleaner Production*, *62*, 37–47. https://doi.org/10.1016/j.jclepro.2013.03.036

Lindner, C., Nagy, G., & Retelsdorf, J. (2015). The dimensionality of the Brief Self-Control Scale-An evaluation of unidimensional and multidimensional applications. *Personality and Individual Differences*, *86*, 465–473. https://doi.org/10.1016/j.paid.2015.07.006

Lohr, S. L. (2021). *Sampling Design and Analysis*. CRC Press. https://doi.org/10.1111/rssa.12820

Longoni, A., Luzzini, D., Pullman, M., Seuring, S., & van Donk, D. P. (2024). Social enterprises in supply chains: Driving systemic change through social impact. *International Journal of Operations and Production Management*, *44*(10), 1814–1830. https://doi.org/10.1108/IJOPM-10-2023-0835

Madaleno, M., & Vieira, E. (2020). Corporate performance and sustainability: Evidence from listed firms in Portugal and Spain. *Energy Reports*, *6*, 141–147. https://doi.org/10.1016/j.egyr.2020.11.092

Maeda, H. (2015). Response option configuration of online administered Likert scales. *International Journal of Social Research Methodology*, *18*(1), 15–26. https://doi.org/10.1080/13645579.2014.885159

Magesa, M. M., Michael, K., & Ko, J. (2020). Access and use of agricultural market information by smallholder farmers: Measuring informational capabilities. *Electronic Journal of Information Systems in Developing Countries*, *86*(6), 1–21. https://doi.org/10.1002/isd2.12134

Maksum, I. R., Sri Rahayu, A. Y., & Kusumawardhani, D. (2020). A social enterprise approach to empowering micro, small and medium enterprises (SMEs) in Indonesia. *Journal of Open Innovation: Technology, Market, and Complexity*, *6*(3). https://doi.org/10.3390/JOITMC6030050

Maletič, M., Maletič, D., & Gomišček, B. (2017). The role of contingency factors on the relationship between sustainability practices and organizational performance. *Journal of Cleaner Production*, *171*, 423–433. https://doi.org/10.1016/j.jclepro.2017.09.172

Maletič, Maletič, M., Al-Najjar, B., & Gomišček, B. (2018). Development of a model linking physical asset management to sustainability performance: An empirical research. *Sustainability (Switzerland)*, *10*(12). https://doi.org/10.3390/su10124759

Martínez-Climent, C., Rodríguez-García, M., & Zeng, J. (2019). Ambidextrous leadership, social entrepreneurial orientation, and operational performance. *Sustainability (Switzerland)*, *11*(3). https://doi.org/10.3390/su11030890

Martínez-Román, J. A., & Romero, I. (2017). Determinants of innovativeness in SMEs: disentangling core innovation and technology adoption capabilities. *Review of Managerial Science*, *11*(3), 543–569. https://doi.org/10.1007/s11846-016-0196-x

Masud, A. K., Rashid, H. U., Khan, T., Bae, S. M., & Kim, J. D. (2019). Organizational strategy and corporate social responsibility: The mediating effect of triple bottom line. *International Journal of Environmental Research and Public Health*, *16*(22). https://doi.org/10.3390/ijerph16224559

Matos, S., & Hall, J. (2020). An exploratory study of entrepreneurs in impoverished communities: When institutional factors and individual characteristics result in non-productive entrepreneurship. *Entrepreneurship and Regional Development*, *32*(1–2), 134–155. https://doi.org/10.1080/08985626.2019.1640476

Miao, C., Coombs, J. E., Qian, S., & Sirmon, D. G. (2017). The mediating role of entrepreneurial orientation: A meta-analysis of resource orchestration and cultural contingencies. *Journal of Business Research*, *77*, 68–80. https://doi.org/10.1016/j.jbusres.2017.03.016

Monteiro, A. P., Soares, A. M., & Rua, O. L. (2017). Linking intangible resources and export performance: The role of entrepreneurial orientation and dynamic capabilities. *Baltic Journal of Management*, *12*(3), 329–347. https://doi.org/10.1108/BJM-05-2016-0097

Naegler, T., Becker, L., Buchgeister, J., Hauser, W., Hottenroth, H., Junne, T., Lehr, U., Scheel, O., Schmidt-Scheele, R., Simon, S., Sutardhio, C., Tietze, I., Ulrich, P., Viere, T., & Weidlich, A. (2021). Integrated multidimensional sustainability assessment of energy system transformation pathways. *Sustainability (Switzerland)*, *13*(9), 1–28. https://doi.org/10.3390/su13095217

Nair, A., & Bhattacharyya, S. S. (2019). Mandatory corporate social responsibility in India and its effect on corporate financial performance: Perspectives from institutional theory and resource-based view. *Business Strategy and Development*, *2*(2), 106–116. https://doi.org/10.1002/bsd2.46

Othman, R., & Arshad, R. (2015). Organizational resources and sustained competitive advantage of cooperative organizations in Malaysia. *Procedia - Social and Behavioral Sciences*, *170*, 120–127. https://doi.org/10.1016/j.sbspro.2015.01.021

Pinheiro, P., Daniel, A., & Moreira, A. (2021). Social Enterprise Performance: The role of market and social entrepreneurship orientations. *Voluntas*, *32*(1), 45–60. https://doi.org/10.1007/s11266-020-00266-x

Prahalad, C., & Hart, S. (1999). Strategies for the bottom of the pyramid: Creating sustainable development. *Ann Arbor, 1001, 48109.*, *January 1999*, 1–26. http://www.bus.tu.ac.th/usr/wai/xm622/conclude monsanto/strategies.pdf

Rahdari, A., Sepasi, S., & Moradi, M. (2016). Achieving sustainability through Schumpeterian social entrepreneurship: The role of social enterprises. *Journal of Cleaner Production*, *137*, 347–360. https://doi.org/10.1016/j.jclepro.2016.06.159

Ramon-Jeronimo, J. M., Florez-Lopez, R., & Araujo-Pinzon, P. (2019). Resource-based view and SMEs performance exporting through foreign intermediaries: The mediating effect of management controls. *Sustainability (Switzerland)*, *11*(12). https://doi.org/10.3390/SU1112324

Rangan, K., Chase, L., & Karim, S. (2015). The truth about CSR. *Harvard Business Review*, *January-February 2015*, 1–9. https://hbr.org/2015/01/the-truth-about-csr

Rasul, G. (2021). Twin challenges of COVID-19 pandemic and climate change for agriculture and food security in South Asia. *Environmental Challenges*, *2*(January). https://doi.org/10.1016/j.envc.2021.100027

Roxas, B. (2021). Environmental sustainability engagement of firms: The roles of social capital, resources, and managerial entrepreneurial orientation of small and medium enterprises in Vietnam. *Business Strategy and the Environment*, *30*(4), 2194–2208. https://doi.org/10.1002/bse.2743

Ruggerio, C. A. (2021). Sustainability and sustainable development: A review of principles and definitions. *Science of the Total Environment*, *786*, 147481. https://doi.org/10.1016/j.scitotenv.2021.147481

Sahasranamam, S., & Nandakumar, M. K. (2020). Individual capital and social entrepreneurship: Role of formal institutions. *Journal of Business Research*, *107*(February), 104–117. https://doi.org/10.1016/j.jbusres.2018.09.005

Sala, S. (2020). Triple bottom line, sustainability and sustainability assessment, an overview. *Biofuels for a More Sustainable Future: Life Cycle Sustainability Assessment and Multi-Criteria Decision Making*, 47–72. https://doi.org/10.1016/B978-0-12-815581-3.00003-8

Saraswati, R. M., Vong, J., & Zainol, N. R. B. (2024). An exploratory study on the impact of social entrepreneurship orientation on business survival during the COVID-19 Pandemic in Indonesia. *The International Journal of Interdisciplinary Civic and Political Studies*, *19*(1). https://doi.org/10.18848/2327-0071/CGP/v19i01/1-28

Satar, M. S. (2022). Sustainability and triple bottom line planning in social enterprises: Developing the guidelines for social entrepreneurs. *International Journal of Sustainable Development and Planning*, *17*(3), 813–821. https://doi.org/10.18280/ijsdp.170311

Satar, M. S., & Natasha, S. (2019). Individual social entrepreneurship orientation: Towards development of a measurement scale. *Asia Pacific Journal of Innovation and Entrepreneurship*, *13*(1), 49–72. https://doi.org/10.1108/apjie-09-2018-0052

Sengupta, S., Sahay, A., & Croce, F. (2018). Conceptualizing social entrepreneurship in the context of emerging economies: An integrative review of past research from BRIICS. *International Entrepreneurship and Management Journal*, *14*(4), 771–803. https://doi.org/10.1007/s11365-017-0483-2

Sinthupundaja, J., Kohda, Y., & Chiadamrong, N. (2019). Examining capabilities of social entrepreneurship for shared value creation. *Journal of Social Entrepreneurship*, *11*(1), 1–22. https://doi.org/10.1080/19420676.2018.1543726

Solovida, G. T., & Latan, H. (2021). Achieving triple bottom line performance: Highlighting the role of social capabilities and environmental management accounting. *Management of Environmental Quality: An International Journal*, *32*(3), 596–611. https://doi.org/10.1108/MEQ-09-2020-0202

Stenn, T. (2017). *Social Entrepreneurship as Sustainable Development: Introducing the Sustainability Lens*. Palgrave Macmillan. https://doi.org/10.1007/978-3-319-48060-2

Streukens, S., & Leroi-Werelds, S. (2016). Bootstrapping and PLS-SEM: A step-by-step guide to get more out of your bootstrap results. *European Management Journal*, *34*(6), 618–632. https://doi.org/10.1016/j.emj.2016.06.003

Sung, C. S., & Park, J. Y. (2018). Sustainability orientation and entrepreneurship orientation: Is there a tradeoff relationship between them? *Sustainability (Switzerland)*, *10*(2). https://doi.org/10.3390/su10020379

Tate, W. L., & Bals, L. (2018). Achieving shared triple bottom line (TBL) value creation: Toward a social resource-based view (SBRV) of the firm. *Journal of Business Ethics*, *152*(3), 803–826. https://doi.org/10.1007/s10551-016-3344-y

Testi, E., Biggeri, M., Bellucci, M., & Persson, H. T. R. (2018). An introduction to social entrepreneurship in Europe. In *Social Entrepreneurship and Social Innovation* (pp. 1-12). *Routledge*. (1st ed.). https://doi.org/10.1002/9781119176558.ch11

Tjahjadi, B., Soewarno, N., & Mustikaningtiyas, F. (2021). Good corporate governance and corporate sustainability performance in Indonesia: A triple bottom line approach. *Heliyon*, *7*(3), e06453. https://doi.org/10.1016/j.heliyon.2021.e06453

Turpin, A., & Shier, M. L. (2020). Social Entrepreneurial orientation in human service organizations: A scoping review. *Human Service Organizations Management, Leadership and Governance*, *44*(2), 144–168. https://doi.org/10.1080/23303131.2019.1700580

U.N. (2012). *Resilient People Resilient Planet: A Future Worth Choosing*. https://sustainabledevelopment.un.org/index.php?page=view&nr=374&type=400&menu=35

Urbano, D., Audretsch, D., Aparicio, S., & Noguera, M. (2020). Does entrepreneurial activity matter for economic growth in developing countries? The role of the institutional environment. *International Entrepreneurship and Management Journal*, *16*(3), 1065–1099. https://doi.org/10.1007/s11365-019-00621-5

Wang, X., Yang, M., Park, K., Um, K. H., & Kang, M. (2022). Social sustainability of a firm: Orientation, practices, and performances. *International Journal of Environmental Research and Public Health*, *19*(20). https://doi.org/10.3390/ijerph192013391

Weerawardena, J., & Sullivan Mort, G. (2006). Investigating social entrepreneurship: A multidimensional model. *Journal of World Business*. https://doi.org/10.1016/j.jwb.2005.09.001

Whitmore, R., Crooks, V. A., & Snyder, J. (2017). A qualitative exploration of how Canadian informal caregivers in medical tourism use experiential resources to cope with providing transnational care. *Health and Social Care in the Community*, *25*(1), 266–274. https://doi.org/10.1111/hsc.12302

Wong, W. P., Tseng, M. L., & Tan, K. H. (2014). A business process management capabilities perspective on organisation performance. *Total Quality Management and Business Excellence*, *25*(5–6), 602–617. https://doi.org/10.1080/14783363.2013.850812

World Bank, & ADB. (2021). *Climate Risk Profile: Indonesia*. https://climateknowledgeportal.worldbank.org/sites/default/files/2021-05/15504-Indonesia Country Profile-WEB_0.pdf

World Economic Forum. (2019). *The Global Competitiveness Report*. https://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf

Yusliza, M. Y., Yong, J. Y., Tanveer, M. I., Ramayah, T., Noor Faezah, J., & Muhammad, Z. (2020). A structural model of the impact of green intellectual capital on sustainable performance. *Journal of Cleaner Production*, *249*, 119334. https://doi.org/10.1016/j.jclepro.2019.119334

Zainol, N. R., & Al Mamun, A. (2018). Entrepreneurial competency, competitive advantage and performance of informal women micro-entrepreneurs in Kelantan, Malaysia. *Journal of Enterprising Communities*, *12*(3), 299–321. https://doi.org/10.1108/JEC-11-2017-0090

Zhai, Y. M., Sun, W. Q., Tsai, S. B., Wang, Z., Zhao, Y., & Chen, Q. (2018). An empirical study on entrepreneurial orientation, absorptive capacity, and SMEs' innovation performance: A sustainable perspective. *Sustainability (Switzerland)*, *10*(2). https://doi.org/10.3390/su10020314

Appendix

Appendix 1. Measurement items

Construct	Code	Measurement Items	Source
Social Resources			
Physical Resources	PR1	We use cutting-edge technology equipment	(Ramon-Jeronimo et al., 2019)
	PR2	We have access to valuable supply sources	
	PR3	We meet capacity availability for production	
Experiential Resources	ER1	We achieve a very good entrepreneurship performance	(Ramon-Jeronimo et al., 2019)
	ER2	We have experience based on number of years	
	ER3	We have experience based on number of products being marketed	
Financial Resources	FR1	We have sufficient financial support for social activities	(Ramon-Jeronimo et al., 2019)
	FR2	We have sufficient funds derived from investments	(Aranda-Usón et al., 2019)
Social Capabilities			
Entrepreneurial Capabilities	EC1	We focus on social economic mission-driven commitments	(Tate & Bals, 2018)
	EC2	We implement strategies capable of sustaining social entrepreneurship's multiple goals	
	EC3	We implement internal governance to drive social behaviour	
	EC4	We are able to maximize profits by minimizing costs	(Masud et al., 2019)
Informational Capabilities	IC1	We capture important market information	(Ramon-Jeronimo et al., 2019)
	IC2	We identify potential customers	
	IC3	We maintain good relationship with customers	
	IC4	We monitor competitive products in the market	
Management Capabilities	MC1	We respond to the dynamic environment's expectation	(Helfat & Peteraf, 2015)
	MC2	We have sufficient education in entrepreneurship	
	MC3	We communicate effectively with various stakeholders	(Helfat & Martin, 2015; Sinthupundaja et al., 2019)
Innovativeness	IN1	We transform product development into new product or services	(Hatak et al., 2016; Martínez-Román & Romero, 2017; Ramon-Jeronimo et al., 2019)
	IN2	We improve current products in response to market demand	(Hatak et al., 2016; Ramon-Jeronimo et al., 2019)
	IN3	We adopt new ideas of production process.	(Martínez-Román & Romero, 2017; Ramon-Jeronimo et al., 2019)
Social Entrepreneurial Orientation			
Social Proactiveness	SPR1	We use forecasting to prevent unexpected events	(Dwivedi & Weerawardena, 2018; Sinthupundaja et al., 2019)
	SPR2	We use financial modelling to plan for the future.	
	SPR3	We monitor external influences regularly	
	SPR4	We recognize opportunities in every social problem	(Kraus et al., 2017)
Social Risk-Taking	SRT1	We manage the risks associated with our business	(Dwivedi & Weerawardena, 2018; Sinthupundaja et al., 2019)
	SRT2	We perform cost & benefit analysis for every project we undertake	
	SRT3	We make careful decisions on resource allocation	
	SRT4	We avoid taking the cautious approach if it means missing out on social opportunities.	(Gali et al., 2020)
Social Innovation	SIN1	Social innovation is crucial to our business	(Gali et al., 2020; Sinthupundaja et al., 2019)
	SIN2	We make investment in social innovation	
	SIN3	We regularly develop innovative approaches to solve societal issues	
Sustainability Performance			
Economic Performance	ECP1	We have a high-profit growth rate	(Gali et al., 2020; Maletič et al., 2017; Sinthupundaja et al., 2019)
	ECP2	We have high sales growth	
	ECP3	We have a high return on investment	(Maletič et al., 2017; Sinthupundaja et al., 2019)
	ECP4	We have a good reputation	
Environmental Performance	ENP1	We have achieved substantial progress in solving social problem	(Bacq & Eddleston, 2018; Maletič et al., 2017; Sinthupundaja et al., 2019)
	ENP2	We generate stakeholder welfare	
	ENP3	We improve health conditions of people in the community	
	ENP4	We protect the rights of persons in the community served.	
Social Performance	SOP1	We use resources efficiently	(Maletič et al., 2017; Sinthupundaja et al., 2019)
	SOP2	We reduce our use of resources.	
	SOP3	We reduce waste (liquid and solid).	
	SOP4	We enhance community environmental conditions.	(Sinthupundaja et al., 2019)

Biographical notes

Reni Mutiarani Saraswati is the Head of the Bio Management Department at i3L University, Jakarta, Indonesia, where she also contributes as a senior faculty member. She holds a Bachelor's degree in Economics from the University of Nottingham, United Kingdom, and a Master's degree in Business Information Systems from Monash University, Australia. She earned her Doctorate in Entrepreneurship from the University of Malaysia Kelantan, where her research advanced the understanding of sustainability-oriented entrepreneurship. Her academic and research interests lie in social entrepreneurship, sustainability, and innovation. She has served as principal investigator and project leader on several research projects funded by the Directorate General of Higher Education (DIKTI), Ministry of Education, Indonesia, securing competitive national research grants. These projects have examined areas such as innovation capabilities, green design, sustainable performance, circular economy, and AI-driven risk management.

Noor Raihani Binto Zainol is a senior lecturer at the Faculty of Entrepreneurship and Business, Universiti Malaysia Kelantan, where she has been a faculty member since 2012. She received her Master of Science (Management) (2011) and a Bachelor of Business Administration from Universiti Utara Malaysia (2008). She completed her Ph.D. in social entrepreneurship at UNISZA, Terengganu, Malaysia. Currently, she serves as the Director of ANGKASA-UMK Research Academy (AURA), where she is responsible for training, consulting, producing research and publications, and contributing to policy development in the cooperative sector. With a prolific academic career marked by ground-breaking research and scholarly contributions, she has established herself as a leading figure in social entrepreneurship. Her work, spanning numerous publications, has been widely recognized and indexed in prestigious databases, including Scopus and the Web of Science (WOS). She received many grants, including international and national grants. She was the leader of two projects under the Ministry of Higher Education in Malaysia, namely KPT-PACE and KPT-CAP, aimed at producing student entrepreneurs. Furthermore, she has been awarded more than twenty grants for entrepreneurship projects, including the Fundamental Research Grant Scheme (FRGS), the Ministry of Finance Grant, International Matching Grant with UMRI, Indonesia-UMK, and UMK-Mercu Buana, Indonesia. She has actively participated in policy development, primarily focusing on entrepreneurship, including Entrepreneurship Integrated Education (EIE) under the Ministry of Higher Education, Social Accountability, and SIRIM (as chairman), as well as the Malaysian Digitalisation of Cooperatives (DigiKOP). She is also actively involved in consultations and training with international and national entrepreneurs, in collaboration with international governments, local agencies, and the Cooperative Sector.

Sam Toong Hai is a Professor, a distinguished academic, a multidisciplinary researcher, and an entrepreneur with over 20 years of global business expertise. Honored as a Young Talented Scientist for ASEAN by China, he represents Malaysia at ASEAN forums. His research spans intelligent and precision agriculture, earning acclaim for advancing international scientific research, higher education, and talent cultivation in business and academia, seamlessly integrating his achievements in science, research, and innovation.

Author contributions statement

Reni Mutiarani Saraswati: Conceptualization, Data Curation, Formal Analysis, Funding Acquisition, Investigation, Methodology, Project Administration, Resources, Software, Validation, Visualization, Writing, Review & Editing. **Noor Raihani Binti Zainol**: Conceptualization, Data Curation, Formal Analysis, Methodology, Project Administration, Resources, Software, Validation, Visualization, Writing, Review & Editing. **Toong Hai Sam**: Conceptualization, Formal Analysis, Funding Acquisition, Project Administration, Resources, Writing, Review & Editing.

Conflicts of interest

The authors declare no competing interests.

Citation (APA Style)

Saraswati, R. M., Binti Zainol, N.R., & Sam, H.S. (2025). Capability and resource orchestration of triple bottom line enterprises: Mediating role of social entrepreneurial orientation. *Journal of Entrepreneurship, Management and Innovation, 21*(4), 130-151. https://doi.org/10.7341/20252146