





Article

Sustainable Development Goals in Strategy and Practice: Businesses in Colombia and Egypt

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Abstract: Businesses may adopt strategies and practices that support sustainable development goals. Such strategies include considering social and environmental impacts as well as prioritizing socio-environmental benefits at a higher level than profits. Supportive practices comprise enhancing social benefits and limiting environmental harm. What SDG-related strategies and practices are businesses pursuing? Are businesses implementing practices and strategies? Do the practices and strategies differ across societies? A survey of representative samples of 399 businesses in Colombia and 413 businesses in Egypt was conducted in 2021, by the Global Entrepreneurship Monitor. The owner-managers reported that they frequently had strategies that considered social and environmental impacts of business operations, and they prioritized socio-environmental considerations over financial goals. In Colombia, there were more frequent practices that enhanced social benefits and limited environmental harm than in Egypt. In addition, strategies were implemented in practices supporting the SDGs more in Colombia than in Egypt. Our findings contribute to understanding business strategies that consider SDGs and their implementation in practices that are embedded in society.

Keywords: sustainable development goals; business; strategy; practice; Colombia; Egypt



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1. Introduction

Sustainable development goals (SDGs) are goals for living a human life by enhancing the social and natural environment [1–3]. Agreement on SDGs raises awareness and expectations to take the goals into consideration in all domains of life [4–8].

Social entrepreneurship is considered to be a tool to attain sustainable development [9,10]. Businesses are expected to consider the social and environmental impacts of their operations and to value socio-environmental goals and not merely their financial goals [11]. Financial development indicators have a positive effect when they are directly related to the real investment rate [12]. This expectation is considered to be part of the corporate social responsibility of businesses, and businesses are expected to include such considerations and values into their strategies. They are expected to implement such strategies in their business practices and operations, and thereby enhance social benefit and limit environmental harm, in other words, they are expected to “walk the talk”.

These considerations frame our research questions: (1) What are the strategies and the practices that businesses pursue? (2) Are business practices implementing strategies? (3) Do strategies, practices, and implementation differ across societies?

We address these questions by analyzing the coupling between, on the one hand, business strategies that consider social benefits and environmental harm and prioritize socio-environmental considerations, and on the other hand, their operations and practices that take steps to enhance social benefits and limit environmental harm. Strategies and practices are compared between Colombia and Egypt. Colombia and Egypt are informatively compared in that the economy in Colombia is wealthier than in Egypt, the culture in Egypt is more traditional than in Colombia, and formal institutions tend to be stronger in Colombia (whereas some informal institutions such as the family are stronger in Egypt). We analyze a representative sample of 399 businesses in Colombia and 412 businesses in Egypt, surveyed in 2021, by the Global Entrepreneurship Monitor.

Our findings contribute to an understanding of business strategies that consider SDGs and their implementation in practices. Whether businesses “walk the talk” and implement strategies in practices and operations is often doubted, as when they are criticized for “greenwashing”. This critique makes it important to understand the coupling and implementation.

In the following sections, first, we outline a theoretical perspective, then, we develop hypotheses, describe our research design, report analyses, and finally discuss findings and contributions.

2. Theoretical Perspective and Hypotheses

When considering a business, we distinguish between its strategy (plan for operating) and its practice (operations that more or less implement strategy), and we consider how strategy and practice are coupled within the business. We should not assume that SDGs are inherently prominent in strategies and practices, and we should not assume that strategies are naturally implemented in practices. Indeed, SDGs are found to be peripheral and conflictual in relation to core strategies and operations [13].

2.1. Coupling between Strategy and Practice

The debate concerning the concept of values-driven management has been proven to be fundamental, providing that one is to analyze the implication of the political enterprise in service of the sustainable development goals [14]. The elevation of a business in the context of SDGs represents both a significant opportunity and it demonstrates a significant challenge [15–17]. A business adopts some strategies, and creates some designs for operating. In principle, businesses are creative in commercial objectives align with better social and environmental outcomes [3,15,18]. To comply with sustainable development goals (SDGs), a large investment is required which cannot be obtained only via public resources [3,7,18,19].

Businesses tend to go beyond the standard green business case that eventually restricts environmental strategies from developing capital efficiency [2,20–22]. Strategies may include consideration of social implications of business operations. In principle, sustainable entrepreneurs realize institutional obstacles when it comes to a lack of financial, administrative, and informational support at business start-ups as compared with regular entrepreneurs [5,8,23].

Strategies may also include consideration of environmental implications of operations [24–26]. Ethical and socially responsible practices are perceived as important by the entrepreneurs as well as conveying a firm’s good citizenship [27,28]. Cultural values of post-materialism have a significant effect on the types of value creation corroborated by entrepreneurs [29]. Strategies may also include valuing and prioritizing social-environmental benefits rather than solely profitability and growth of the business [30]. People starting ventures in strong post-materialist societies have more social and environmental value creation goals more, and also have fewer economic value creation goals [18,29]. Such

considerations and priorities are strategies for pursuing SDGs [22], although the strategists may not even be aware of the SDGs [6]. Companies are more inclined to address sustainability when doing so aligns with their mandate to shareholders [31,32]. A business has some practices, i.e., some ways of operating. Its way of operating may enhance social benefits of its operations [18,30,33].

The phenomenon of strategy and practice being interrelated is conceptualized as a coupling. The concept of coupling is classical in studies of organizations [34,35]. Elements of an organization have a coupling, when they tend to occur together and are connected, intertwined, reciprocal, reinforcing, and mutually sustaining within the organization. The coupling has strength; it may be loose, in that the elements are rather independent of one another, or it may be tight, in that the elements are highly interdependent. Here, we apply the concept of coupling to the intertwining between two elements of a business.

A business's way of operating may limit the environmental harm of its operations [18]. Such practices are pursuits of SDGs, although the practitioners may not even be aware of the SDGs [6,17]. Strategies and practices may be loosely or tightly coupled, in that practices implement strategies [21,22,25].

Strategies are implemented in practices rather strictly in organizations such as the military. Strategies can be coupled with practices more loosely, for example, in voluntary organizations [36]. Coupling within businesses tends to be looser than within the military, but tighter than within voluntary organizations. Here, we focus on strategies and practices that a business may adopt which support SDGs. Strategies and practices around SDGs can be theorized, following neo-institutional theorizing, as peripheral to a business, and often serve ceremonially to legitimize the business, without affecting the core of the business [37].

Strategy and practice are not independent. Rather, strategy is somewhat implemented in practice. Strategy around SDGs is not at the core of the strategy for operating a business. Practice around SDGs, likewise, is not central in the practice of the business. Therefore, following neo-institutional theorizing (ibid), strategy around SDGs is unlikely to be strictly implemented. Thus, we propose that strategy and practice are not tightly coupled, but are loosely coupled. Indeed, the critique that businesses are greenwashing means, in the extreme, that strategies and practices are decoupled. Here, however, we argue, because sustainability is not at the core of businesses, that the coupling is loose.

That is, strategy and practice are not tightly coupled or synonymous and they are not decoupled or independent of one another. Rather, practice is to some extent an implementation of strategy, and, perhaps also conversely, strategy may, to some extent, be formulated so it matches practice. We posit this as our first hypothesis as follows:

Hypothesis 1 (H1). *Strategy and practice are loosely coupled.*

2.2. Embeddedness of Strategy and Practice in Society

Societies differ in their institutions. Institutions are strong in some societies and weak in other societies [38]. Organizations tend to be elaborate and effective bureaucracies where institutions are strong more than where institutions are weak, as found by Max Weber more than a century ago and by a mountain of later organizational research. Here, we apply this theorizing to strategies and practices in the context of society with more or less strong institutions.

Strategies and practices unfold in the context of society [39]. Some SDGs have been found to be more substantial for some countries as compared with others [39,40]. Society provides an embeddedness that channels, enables, and constrains strategies and practices in ways that differ from one society to another [39,41–44].

To understand this embeddedness, we compare two societies that differ in their institutional strength, i.e., Colombia and Egypt [39,41–44]. Institutions tend to be stronger in Colombia than in Egypt. Notably, the economy is stronger in Colombia, in that the GDP per capita (at purchase power parity) is higher, as recorded by the World Bank. Education, likewise, is more elaborate in Colombia. Culture in Colombia is more modern

or secular-rational in that life is guided by cost-benefit considerations, whereas life in Egypt is more traditional in that life is guided more by tradition, as examined in the World Values Survey [45]. Thus, comparatively or relatively, weak institutions prevail in Egypt, while strong institutions prevail in Colombia.

This theorizing about strength of institutions in society leads us to hypothesize that both strategy and practice are more elaborate in Colombia than in Egypt as follows:

Hypothesis 2 (H2). *Strategy differs between Colombia and Egypt, in that strategy is more elaborate in Colombia than in Egypt.*

Hypothesis 3 (H3). *Practice differs between Colombia and Egypt, in that practice is more elaborate in Colombia than in Egypt.*

2.3. Embeddedness of Coupling in Society

The general proposition that organizing is based on cost-benefit considerations in secular-rational culture more extensively than in traditional culture, and therefore more effective, leads to the proposition that coupling is tighter in secular-rational culture than in traditional culture. This is a general proposition that is supported by some evidence. At the level of businesses, financing and innovation within a business have been found to be coupled with a coupling that is embedded in networks with inventors and investors, as well as networks around businesses, which differ across cultures [46]. At the level of society, the coupling between entrepreneurship policy and entrepreneurship practice in a society has been found to be stronger in developed countries than in developing countries [47]. This general theorizing leads us to hypothesize the following:

Hypothesis 4 (H4). *Coupling between strategy and practice differs between Colombia and Egypt, in that coupling is tighter in Colombia than in Egypt.*

We formalize our above contextualization of the coupling of strategy and practice in society as a causal model of hypothesized effects, Figure 1. The effect of strategy upon practice is Hypothesis 1 in the model. The effect of society upon strategy is Hypothesis 2. The effect of society upon practice is Hypothesis 3. The moderating effect of society on the influence of strategies on practices is Hypothesis 4.

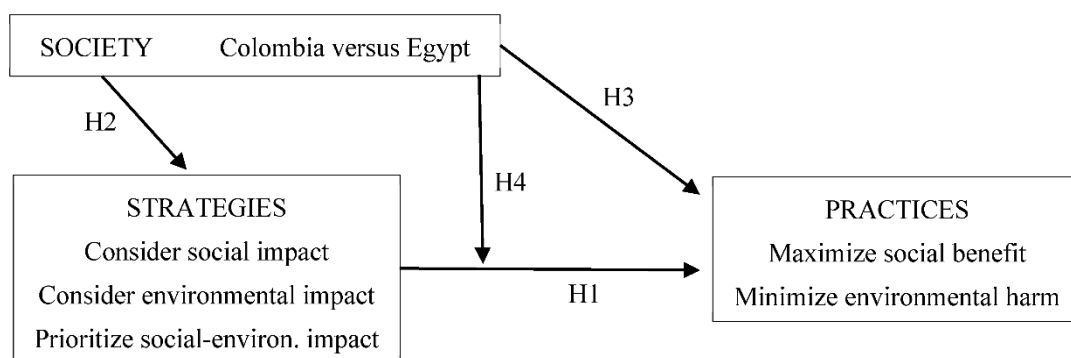


Figure 1. Hypothesized effects.

3. Research Design

The ideas concern pursuits of strategies and practices of businesses as embedded in society. Therefore, the “population” is the businesses in different societies. We study the businesses in two different societies, Colombia and Egypt; therefore, we study the population of businesses in Colombia and the population of businesses in Egypt. The businesses were surveyed in mid-2021 by the Global Entrepreneurship Monitor (GEM) [48].

GEM makes its annual surveys publicly available a few years after data collection, on its website www.gemconsortium.org (accessed on 1 November 2021).

3.1. Sampling

GEM conducts an annual survey of the adults, age 18 to 64 years old, in participating countries. In each country, the survey randomly samples adults and asks whether they own and/or manage a starting or operating business. The so-identified owner-managers reported their own attributes and characteristics of their businesses. In 2021, the survey included a set of questions about strategies and practices supporting the sustainable development goals, quoted below. Thereby, the survey randomly sampled 399 businesses in Colombia and 412 businesses in Egypt.

The random sampling entails a representativeness allowing for findings to be generalized, with usual statistical uncertainty, to the businesses in Egypt and Colombia.

3.2. Measurements

3.2.1. Strategies Supporting SDGs

Every interviewed owner-manager of a starting or operating business was asked to rate the extent of agreement with each of the following three statements:

- When making decisions about the future of your business, you always consider social implications such as access to education, health, safety, inclusive work, housing, transportation, quality of life at work.
- When making decisions about the future of your business, you always consider environmental implications such as preservation of green areas, reduction of the emission of pollutants and toxic gases, selective garbage collection, conscious consumption of water, electricity, and fuels.
- You prioritize the social and/or environmental impact of your business above profitability or growth.

Agreement with a statement was rated on a Likert scale, from 1 for strongly disagree to 5 for strongly agree.

The three strategies are likely to be positively interrelated, of course. The correlations turn out to be between 0.30 and 0.39 with Cronbach alpha 0.62. We can, therefore, average the three variables as a formative index of strategy.

This measure of strategy in accordance with SDGs can be validated. We should expect our three measures to correlate positively, across businesses, with the measure of the motive for the business that concerns improving the world. The correlations are positive, between 0.11 and 0.14. This indicates validity of our measure of strategy.

3.2.2. Practices Supporting SDGs

The owner-manager was also asked two Yes/No questions as follows:

- Have you taken any steps to minimize the environmental impact of your business over the past year? This could include energy saving measures, measures to reduce carbon emissions or introducing more efficient machinery, take care of the solid waste generated, use of recyclable material, use of alternative means of transportation, such as cycling, walking, collective rides, public transportation, etc.
- Have you taken any steps to maximize the social impact of your business over the past year? This could include creating posts for young unemployed and other groups with limited access to the labor market; including social enterprises into your supply chain; ensuring a diverse workforce; prioritize companies and/or suppliers that take actions that respect human rights and the environment, when buying a product or service; fight against any form of child or slave labor; invest or support projects or social organizations that develop the community and include less favored groups.

The two variables are positively related, of course. Their intercorrelation is 0.58 when each is coded as a 0–1 dummy. Therefore, the two variables are appropriately averaged

as a formative index of practice. Practice is, thus, measured with the values 0, 0.5, and 1, on a scale that is ordinal, and therefore we model it with a multinomial logistic regression (rather than a linear regression).

3.2.3. Society

Society refers to Egypt or Colombia, so it is a dichotomous variable, and for multivariate modeling we code 0 for Egypt and 1 for Colombia.

3.2.4. Control Variables

The GEM survey enables us to control for several characteristics of the business and its responding owner-manager, notably, four motives for starting or running the business, age of the business, the number of owners and employees, and also the gender, age, and education of the responding owner-manager. These characteristics are known to be related to country and to many kinds of business behaviors [48], although we do not yet have much knowledge of business characteristics related to strategies or practices around SDGs.

The control variables are as follows:

- Importance of the motive of desiring to improve the World, measured by agreement with the statement, “Please tell me the extent to which the following statements reflect the reasons you are involved in this business. To make a difference in the world. . . .” The respondent rated agreement on a Likert scale from strongly disagree to strongly agree, coded 1 to 5.
- Importance of the motive of becoming wealthy, likewise coded 1 to 5.
- Salience of the motive of continuing a family tradition, coded 1 to 5.
- Prominence of the motive of earning a living because jobs are scarce, coded 1 to 5.
- Age of the business, measured in years, and logged to reduce skewness.
- Owners, measured as a count from 1 upwards, and logged to reduce skewness.
- Employees, measured as a count from 0 upward, and logged to reduce skewness.
- Gender of the owner-manager, coded 0 for women and 1 for men.
- Age of the owner-manager, coded as years of age, between 18 and 64 years.
- Education of the owner-manager, coded as years of schooling to highest degree.

3.3. Techniques for Analysis

For a first look at the variation among businesses in their strategies and practices, we use frequencies and averages (Table A1 in Appendix A) and correlations (Table A2 in Appendix A). For testing hypotheses about effects on strategies, we use OLS linear regression. For testing hypotheses about effects on practices, we use multinomial logistic regressions, because it is more appropriate than linear regression when the dependent variable is ordinal, here, practice with three ordered categories.

4. Results

Here, first, we describe the background of the businesses, then, examine strategy, and then analyze practice, and finally test our hypotheses.

4.1. Background of the Businesses

The background of the businesses is described by their characteristics, Appendix A and Table A1. The owner-managers in Colombia were a little older and less frequently males than the owner-managers in Egypt.

The background is described further by the correlations, Appendix A and Table A2. The correlations among the independent variables of interest are weak, indicating that no problem of multicollinearity will emerge.

4.2. Strategy

Our first substantive question concerns strategy. Does strategy consider social and environmental impact? The owner-managers’ self-reported strategy is tabulated in Table 1.

Table 1. Strategies.

		Colombia			Egypt		
		Considering Social Impact	Considering Environmental Impact	Prioritizing Social and Environmental Impact	Considering Social Impact	Considering Environmental Impact	Prioritizing Social and Environmental Impact
Strongly agree	5	52%	59%	35%	55%	68%	46%
Somewhat agree	4	35%	29%	37%	31%	20%	35%
Neither agree nor disagree	3	5%	5%	9%	4%	3%	4%
Somewhat disagree	2	6%	5%	10%	5%	3%	6%
Strongly disagree	1	2%	2%	8%	5%	6%	9%
Sum		100%	100%	100%	100%	100%	100%
Mean		4.29	4.38	3.82	4.28	4.40	4.004
N businesses		390	393	387	411	412	408

The owner-managers reportedly gave much consideration to social and environmental impacts, and also gave considerable priority to socio-environmental impacts over profits and growth of the business. Even if responses are somewhat exaggerated, to be politically correct, the strategies seem in substantial accord with the SDGs.

How is strategy affected by society, controlling for characteristics of the businesses and their owner-managers? The effects are ascertained in a linear regression, Table 2.

Table 2. Strategy of businesses affected by characteristics of businesses and their owner-managers.

	Metric Coefficients	Standardized Coefficients
Society: Colombia	−0.082	−0.05
Motive: Improve World	0.080 **	0.14 **
Motive: Enhance wealth	0.027	0.05
Motive: Family tradition	0.027	0.06
Motive: Earn a living	0.046	0.06
Age of business	−0.035	−0.04
Owners	−0.041	−0.03
Employees	−0.032	−0.04
Age of owner-manager	0.005	0.07
Education	0.012 *	0.08 *
Gender: Male	0.053	0.03
Intercept	3.334 ***	

Linear regression, OLS. N = 755 businesses. F = 3.2 with $p = 0.0003$. $R^2 = 0.045$ and $R^2_{adj} = 0.031$. * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

Hypothesis 2 posits that strategy differs between Colombia and Egypt, in that strategy is more elaborate in Colombia than in Egypt. This hypothesis is tested by the coefficient for society (coded 0 for Egypt and 1 for Colombia, as described in the above Measurement section). The coefficient is insignificant, lending no support for Hypothesis 2, so there is no discernible difference between Colombia and Egypt in strategy. Rather, strategies in Colombian businesses are similar to strategies in Egyptian businesses.

4.3. Practice

Our second substantive question concerns practice. Does practice in a business enhance social benefit and limit harm of the business? The owner-managers' self-reported steps toward maximizing social benefits and minimizing environmental harm are tabulated in Table 3.

Table 3. Practices of businesses.

		Colombia		Egypt	
		Maximize Social Benefit	Minimize Environmental Harm	Maximize Social Benefit	Minimize Environmental Harm
Practicing this	Percent of businesses	71%	61%	39%	46%
Not practicing this	Percent of businesses	29%	39%	61%	54%
Sum		100%	100%	100%	100%
N businesses		384	387	405	406

In Colombia, more than half of the owner-managers reported to have taken steps to maximize social benefit and minimize environmental harm. In Egypt, conversely, fewer than half of the businesses were enhancing social benefit and limiting environmental harm.

How is practice affected by society, controlling for characteristics of the businesses and their owner-managers? Predictions are first tested by a multinomial logistic regression, Table 4.

Table 4. Practice, predicted by society and characteristics of businesses and owner-managers.

Threshold	Practice = 0	1.220 **
	Practice = 0.5	2.221 ***
Location	Colombia	1.213 ***
	Motive: Improve the World	0.252 ***
	Motive: Great wealth	−0.040
	Motive: Family tradition	0.057
	Motive: Earn a living	−0.010
	Age of business	−0.051
	Owners	0.052
	Employees	0.230 **
	Age of owner-manager	−0.002
	Education	0.014
Gender: Male	0.265 †	

Multinomial logistic regression. Nagelkerke pseudo- $R^2 = 0.145$. $N = 744$ businesses. † $p < 0.10$, ** $p < 0.01$, *** $p < 0.001$.

Hypothesis 3 posits that practice differs between Colombia and Egypt, in that practice is more elaborate in Colombia than in Egypt. This hypothesis is tested by the coefficient for society in Table 4. The positive coefficient 1.213 is statistically significant, indicating that the practices of enhancing social benefits and minimizing environmental harm are more prevalent in Colombia than in Egypt, controlling for other conditions. This supports Hypothesis 3.

4.4. Effects of Strategy on Practice, Embedded in Society

Our other substantive questions concern the implementation of strategies in practices. How is strategy in a business affecting its practice? Is implementation different from one society to another? The effect of strategy on practice is tested by multinomial logistic regression, Table 5.

Table 5. Practice, affected by strategy and society.

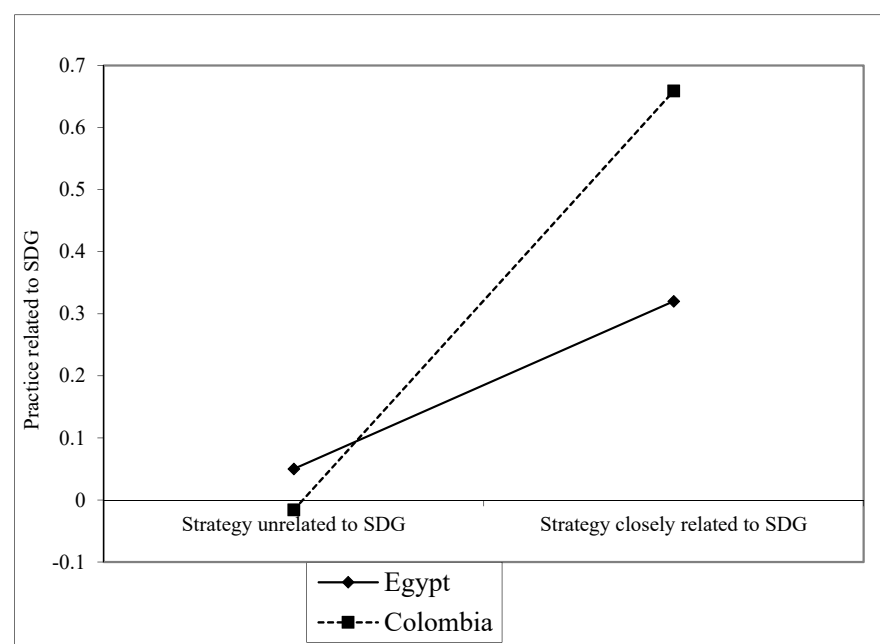
Threshold	Practice = 0	2.640 ***	1.941 **
	Practice = 0.5	3.657 ***	2.962 ***
Location	Strategy	0.427 ***	0.256 *
	Society: Colombia	1.289 ***	−0.330
	Strategy * Society Colombia		0.384 *
	Motive: Improve the World	0.219 ***	0.222 ***
	Motive: Great wealth	−0.050	−0.043
	Motive: Family tradition	0.040	0.035
	Motive: Earn a living	−0.027	−0.024
	Age of business	−0.033	−0.025
	Owners	0.064	0.063
	Employees	0.251 **	0.245 **
	Age of owner-manager	−0.005	−0.005
	Education	0.009	0.011
	Gender: Male	0.263 †	0.271 †

Multinomial logistic regression. Nagelkerke pseudo- R^2 is 0.174 in the first model and 0.180 in the second model. $N = 744$ businesses. † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

Hypothesis 1 states that strategy in a business tends to be implemented in its practice. This hypothesis is tested by the coefficient for strategy, in the first regression in Table 5. The positive coefficient 0.427 is statistically significant, showing that the strategy of socio-environmental considerations promotes a practice of enhancing social benefits and limiting environmental harm. This supports Hypothesis 1.

Hypothesis 4 claims that society moderates the effect of strategy on practice, in that the effect is stronger in Colombia than in Egypt. This hypothesis is tested by including the interaction term, the product of strategy, and the dummy for society, in the second regression in Table 5. The coefficient is statistically significant and positive, 0.384, indicating that the effect of strategy on practice is stronger in Colombia than in Egypt, i.e., the coupling between strategy and practice is weaker in Egypt than in Colombia, thus, supporting Hypothesis 4.

The effect of strategy on practice in the two societies, as estimated in a linear regression corresponding to the model in Table 5, with interaction, can be seen more clearly by graphing the effect, Figure 2. The graph displays the important conclusions.

**Figure 2.** Effects of strategy on practice in Colombia and Egypt.

First, as seen in the bottom left of Figure 2, businesses without strategy related to SDGs have low practice related to SDGs, and similarly low in Colombia and Egypt. Second, as seen in the right side of the graph, businesses with strategy strongly related to SDGs have much practice related to SDGs, and more in Colombia than in Egypt.

The conclusions may be stated in terms of effects of strategy. As seen by the upward slope of both graphs, business strategies positively affect business practice in both Colombia and Egypt. But the upward slope is steeper in Colombia than in Egypt, therefore, business strategies affect practice more in Colombia than in Egypt.

In short, the owner-managers reported to frequently have strategies that consider social and environmental impacts of business operations and prioritize socio-environmental considerations over financial goals. They have practices that enhance social benefits and limit environmental harm, more frequently in Colombia than in Egypt. Strategies tend to be implemented in practices supporting the SDGs, more in Colombia than in Egypt.

5. Discussion

The analyses have addressed our research questions: (1) What are the strategies and the practices that businesses pursue? (2) Are business practices implementing strategies? (3) Do strategies, practices, and implementation differ across societies?

The questions were addressed by analyzing a survey of representative samples of 399 businesses in Colombia and 413 businesses in Egypt, conducted in 2021 by the Global Entrepreneurship Monitor.

Here, we discuss the findings, contributions, relevance, limitations, and further research.

5.1. Findings

The owner-managers reported to frequently have strategies that consider social and environmental impacts of business operations and prioritize socio-environmental considerations over financial goals.

We hypothesized (H2) that strategies were more elaborate in Colombia than in Egypt, but the evidence did not support this. We also hypothesized (H3) that practices supporting the SDGs are more elaborate in Colombia than in Egypt. The evidence supports this hypothesis. That is, practices enhance social benefits and limit environmental harm more frequently in Colombia than in Egypt.

Several research papers have shown a slow adoption of the Colombian companies of the SDGs. Pineda-Escobar explained, "Although companies show a general interest in adopting the SDGs as part of their sustainability strategies, the findings demonstrate that very few companies (i.e., only two of the nineteen in the sample) would go deeply into the analysis of the SDG targets" [44] (p. 184). University students in Colombia show a low level of interest in SDGs as compared with other Latin-American countries [44]. However, the particular context of Colombia in 2020 and 2021 have changed the social conditions, and the owner-managers' social perceptions. In Colombia, some recent riots in main cities during May 2021, were motivated by a mix of the claim of young population, with limited resources and limited education, who were used by the political opposition to the government. Perhaps the ignition point was the growing number of families under the monetary poverty line (not able to cover 100% expenses of a family by the end of the month), i.e., from 37.5% to 42.4% of the population [33]. This situation is a consequence of the COVID-19 pandemic that has affected mainly the families that get their income from low added value jobs. Employees of services and small convenience shops, personal care services, are examples of this group that was very hard impacted by the closure of small business. This social turmoil may explain the social consciousness and new oriented strategies of the owner-managers, and the explosion of new programs with subsidies from the government that support the decision of companies to hire young new employees, and the expansion of the program of universities studies free of charge to the young people coming from the lowest income families in the country.

We hypothesized (H1) that strategy and coupling are loosely coupled, rather than tightly coupled or decoupled. This hypothesis was corroborated.

We also hypothesized (H4) that the coupling between strategy and practice is stronger in Colombia than in Egypt. The evidence supports this hypothesis. We can attempt to interpret this particularly strong effect in Colombia. The pressing context of the society to the owner-managers, may be seen as an effective solution to get out of the crisis supported by the government programs, and the positive reinforcing message of a positive gain in the gross domestic product [33] resulting from the efforts of the owner-managers, are generating a reinforcing positive effect on implementing new actions according to the social impact strategies.

From a comparative perspective, we interpret the differences between Colombia and Egypt in strategy and practice as emerging from the difference between the stronger institutions in Colombia and the weaker institutions in Egypt.

5.2. Contributions

The findings contribute to understanding business strategies considering SDGs and their implementation in practices, as this behavior is embedded in society.

At the micro-level of behavior of businesses, this study contributes to understanding the adoption of strategies and practices or operations in accordance with sustainable development goals. More generally, the analysis of the coupling between strategy and practice contributes to the classical theorizing about loose versus tight coupling between components in a social system.

At the macro-level of society, this study contributes to understanding societies characterized by having strong or weak institutions.

As a macro-to-micro effect, this study contributes to understanding how strong institutions in society tend to create tight coupling, while weak institutions entail loose coupling between endeavors in a business.

5.3. Limitations

Major limitations concern both sources and consequences of strategies and practices supporting SDGs.

Concerning sources, this study shows that strategy and practice differ between societies, but we only examined two societies, so our evidence is weak. We interpret that their difference emerges from their strong versus weak institutions, but our evidence is limited by only coming from two societies.

Furthermore, this study shows that firm-level and individual-level conditions affect strategy and practice, but, here, they were merely control variables and neither theorized nor systematically investigated.

Concerning consequences, this study did not consider how strategy and practice are related to outcomes of the businesses. Notably, we do not know whether strategies and practices are related to performance in innovation, exporting, and growth of the businesses.

5.4. Further Research

The limitations suggest that it will be theoretically fruitful to broaden the view to examine national-level, firm-level, and individual-level sources of strategy and practice supporting SDGs. The Global Entrepreneurship Monitor survey in mid-2021 asked about strategy and practice in businesses in 47 countries, and these data will soon become available for large-scale cross-nationally comparative analyses, for example, the effects of institutions, including policies, on strategy and practice.

Further research can informatively be broadened to investigate, also with the new GEM data, how strategy and practice are related to business outcomes such as innovation, internationalization, as well as expectations and growth of businesses.

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Appendix A

Table A1. Frequencies and means.

		Colombia	Egypt
Samples	Number of businesses	399	413
Motive: Improve World	Mean on scale 1 to 5	3.54	3.44
Motive: Enhance wealth	Mean on scale 1 to 5	3.49	3.65
Motive: Family tradition	Mean on scale 1 to 5	2.88	2.96
Motive: Need to earn a living	Mean on scale 1 to 5	4.07	4.31
Age of business	Median number of years	1 year	2 years
Owners	Median number of owners	2 owners	2 owners
Employees	Median number of employees	0 employee	1 employee
Age of owner-manager	Mean number of years	36.6 years	33.5 years
Education of owner-manager	Mean number of years	12.9 years	12.5 years
Gender of owner-manager	Percent males	54%	77%

Table A2. Correlations (Pearson correlation between numerical variables, Spearman if one is dichotomous).

	Col	Max	Min	Priorit	C.Env	C.Soc	World	Wealth	Family	Need	b.Age	Own	Empl	Agse	Educ
Society: Colombia															
Maximize social benefit	0.14 ***														
Minimize environmental	0.32 ***	0.58 ***													
Prioritize soc-env impact	−0.09	0.12 ***	0.14 ***												
Consider environm harm	−0.01	0.13 ***	0.17 ***	0.39 ***											
Consider social benefit	0.00	0.10 **	0.13 ***	0.30 ***	0.38 ***										
Motive: Improve World	0.03	0.16 ***	0.18 ***	0.10 **	0.11 **	0.14 **									
Motive: Enhance wealth	−0.06	0.02	0.05	0.06 †	0.09 *	0.06 †	0.32 ***								
Motive: Family tradition	−0.02	0.03	0.06	0.07 *	0.03	0.03	0.17 **	0.18 ***							
Motive: Need to earn living	−0.10 **	−0.02	−0.02	0.07 *	0.07 †	0.08	0.00	0.06	0.12 ***						
Age of business	−0.22 **	−0.01	−0.05	−0.02	−0.03	−0.06	−0.04	0.01	0.07 †	0.02					
Owners	0.02	0.03	0.01	−0.03	−0.04	0.00	−0.03	−0.07 †	0.11 **	0.03	−0.05				
Employees	−0.21 **	0.08 *	0.03	−0.03	−0.05	0.01	0.06 †	0.06 †	0.12 ***	0.00	0.47 ***	0.13 ***			
Age of owner-manager	0.013 ***	−0.03	0.04	−0.02	0.05	0.04	−0.09 *	−0.19 **	−0.03	0.01	0.16 ***	−0.01	0.04		
Education	0.03	0.03	0.06	0.04	0.03	0.07 *	−0.05	0.03	−0.20 **	−0.12 **	0.00	0.01	0.04	−0.08 *	
Gender: Male	−0.24 **	0.03	−0.06	0.05	−0.01	−0.02	0.02	0.06	0.09*	0.00	0.17 ***	0.02	0.12 ***	−0.05	−0.02

† $p < 0.10$ * $p < 0.05$ ** $p < 0.01$ *** $p < 0.001$.

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