

Implementing a Green Business Model in the Indonesian Garment Industry

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Abstract: The increase in carbon emissions contributes to the growth of green business trends, as popularized by several climate change discourses. Ever since the Paris Agreement was established in 2015, Indonesia has declared its commitment to reducing carbon emissions. The Minister of Finance has also been elected as a co-chair of the 2021–2023 Coalition of Finance Ministers for Climate Action. As a result, the Indonesian government has begun reinforcing its green economy agenda by optimizing the green business, one of which is through the garment industry. The Law no. 3 of 2014 on the Green Industry Standard and the Ministry of Industry Regulations no. 13 of 2019 on the Green Industry Standard for textile industry and products support this notion. Consecutively, the Indonesian garment industry and textile exports show progressive annual growth as follows; 3,8% in 2017, 8,8% in 2018 and 15,3% in 2019. In spite of the following regulations, not many garment industries have implemented a green business model, as unveiled in the 2018s National Textile Dialogue. The number of Green Industry Award recipients from 2010 to 2018 still does not compare to the total number of garment factories in Indonesia. As a labor-intensive industry with competitive price, the garment industry still has a long way before green business manages to successfully penetrate through. This study aims to implement of a green business model in the Indonesian garment industry. A throughout interview was conducted with six company leaders in the related fields in Boyolali, Klaten and Yogyakarta, one of which is part of considerably the biggest garment factory in Indonesia. The novelty of this research is mainly in the methodology used. This study uses a qualitative approach with Interpretative Phenomenological Analysis (IPA), which examines how participants build the meaning of green business in the social and personal world. So far, it is rare for green business research in the garment industry to analyze using IPA. The research reveals that the green business implementation requires high costs. Regardless, when implemented thoroughly, green business increases the level of efficiency and productivity within the factory. All company leaders agreed that sustainability becomes the main goal of green businesses. The role of the government remains important in the green business implementation, especially in raw material procurement, license simplification and green business subsidies.

Keywords: business paradigm, green business, sustainability, textile.

在印尼服裝行業實施綠色商業模式

摘要：碳排放量的增加有助於綠色商業趨勢的增長，正如一些氣候變化論述所宣傳的那樣。自2015年《巴黎協定》制定以來，印度尼西亞就宣布致力於減少碳排放。財政部長還被選為從2021年到2023年年氣候行動財長聯盟的聯合主席。因此，印度尼西亞政府已開始通過優化綠色業務來加強其綠色經濟議程，其中之一就是通過服裝行業。法律沒有。2014年3號關於綠色工業標準和工業部條例第3號。2019年第13號關於紡織工業和產品的綠色工業標準支持這一觀點。印尼服裝業和紡織品出口連續呈逐年遞增趨勢，具體如下：2017年為3.8%，2018年為8.8%，2019年為15.3%。儘管有以下規定，但很少有服裝行業實施綠色商業模式，正如2018年全國紡織對話所揭示的那樣。從2010年到2018年，綠色工業獎獲得者的數量仍然無法與印度尼西亞的服裝工廠總數相比。服裝行業作為具有競爭力價格的勞動密集型產業，距離綠色商業成功滲透還有很長的路要走。本研究旨在在印尼服裝行業實施綠色商業模式。對博約拉利、克拉騰和日惹的相關領域的六家公司領導進行了全程採訪，其中一家是印

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度尼西亞最大的服裝廠的一部分。這項研究的新穎之處主要在於所使用的方法。本研究採用解釋性現象學分析的定性方法，考察參與者如何在社會和個人世界中構建綠色商業的意義。迄今為止，服裝行業的綠色商業研究很少使用解釋性現象學分析進行分析。研究表明，綠色商業的實施需要高昂的成本。無論如何，如果徹底實施，綠色業務將提高工廠內的效率和生產力水平。所有公司領導一致認為，可持續發展成為綠色企業的主要目標。政府在綠色企業實施中的作用仍然很重要，特別是在原材料採購、許可證簡化和綠色企業補貼方面。

关键词：商業範式、綠色商業、可持續性、紡織。

1. Introduction

The Brundtland Report “Our Common Future” written back in 1987, appears to balance the economic dimension, environmental dimension, social dimension, which is integrated and inseparable [14]. It takes approximately 20 years for business to adapt to green business trends and adopt its ideology to practice. Nonetheless, the defining opinions regarding the matter bear no resemblance from one another [5]. It takes approximately 20 years for business to adapt to green business trends and adopt its ideology to practice. Nonetheless, the defining opinions regarding the matter bear no resemblance from one another [5]. It is necessary to look into what meanings have been attached and balance the perceptions to compromise regarding green economy policies in Indonesia between the central government, the local government and entrepreneurs [3]. Manufacturing industries that practice green business are very few compared to the number of industries on a national scope [2].

In order for a business to go green, leaders and their top management shall reform its business paradigm from money-oriented to integrating corporate social and environmental responsibility [15]. One of the driving factors for improving the environmental performance of companies is the commitment of top management [16, 17]. The practice of green business was first perceived as duality in business management, where one side focuses on evaluating environmental performance and the other side concentrates on making company profits for stakeholder interests. Sooner, business and ecological processes are integrated within an ecosystem instead of the duality [22]. In scientific and business studies, green economy and sustainability are often identified, which offer different recipes for economic goals, social goals, and environmental goals [9]. Environmental, economic and social practices have a positive impact on sustainability performance, while leadership competencies strengthen the performance relationship of environmental-sustainable practices [25].

Green businesses adopt green management principles, policies and practices that raise the quality of the customers, employees, community and environment [4]. CEOs and board of directors with environmental experience possess a greater degree of sensibility in such issues and dedication in sustainability [12]. A shared green vision serves as an explanatory mechanism in the impact of responsible leadership on employees' pro environmental behavior [1]. A company that has established its identity as a company is related to the company's responsibility to the environment [23].

Awareness is growing that when leaders interact directly with their employees; these employees positively influence a more eco-friendly company management [10]. Thus, it is necessary to impose green knowledge management on all employees through embracing knowledge sharing behavior [6].

The shared green vision and organizational culture in the company affect employees' ability to perceive the value of green business [8]. Four elements to measure the integration of green shared vision are a commonality of purpose, a complete agreement on the organizational vision, a commitment to the organizational goals and employees' enthusiasm about the collective goals and mission of the entire organization [13].

The market and retail competition and high consumer returns limit the implementation of green business in the garment industry [11]. Other variables such as business partners and subcontractors are also responsible for the interruption of green business implementation [19]. Not many garment factories in Indonesia have implemented green business due to relatively unclear regulations, the lack of resources, competitive market and the lack of consumer awareness on sustainable products [24]. A more sustainable behavior to deal with environmental and resource challenges is deemed essential with the growing concern over environmental and social sustainability, energy and water consumption and

pollution, scarcity of natural resources and greenhouse gas emissions, the textile industry that develops a substantial environmental footprint from cultivation, fabric manufacturing as well as the landfill disposal of post-consumer items [21].

2. Research Methodology

This study applies qualitative approaches that collect data from interviews, field observations and document analysis [7]. Interpretive research paradigms include exploring, analyzing and describing answers from participants [26].

This research object is three garment factories in Indonesia, all of which are apparel manufacturers of world-class brands. The first is Panda Garment, the largest garment factory in Indonesia with around 24.000 employees. The second is that Global is the largest garment company in Klaten, which employs 4800 employees. The last is Matar Garment, the largest garment factory in Sleman, Yogyakarta with around 2000 employees.

Purposive sampling is used to determine research objects with the following criteria: having a minimum of five years experience in serving export markets, a certification in WRAP (Worldwide Responsible Accredited Production) with minimum a Silver certificate and partially or fully implemented green business practices.

Data were collected by conducting profound online and offline interviews with six participants, in this case were company leaders, owners or the deputy leaders. Semi-structured interviews regarding green business, green management and green vision were transcribed into verbatim texts before coding and identifying the emerging themes. The results from the interviews conducted were combined with those from field observations and company data. The names of the participants were anonymous, but the authenticity of the proposed data remains credible.

Table 1 Names of participants

No	Name	Position	Company	Location
1	Setya	GMHRM National Corporate	IPAN	Jakarta
2	Rapi	GMHRM Central Java	IPAN	Boyolali
3	Maria	Director/Owner	Global	Klaten
4	Yosep	Factory Manager	Global	Klaten
5	Harta	Director	Matar	Yogyakarta
6	Junior	Deputy Director/Owner	Matar	Yogyakarta

3. Results and Discussion

3.1. Green business Definition in the Garment Industry

Based on the data collected, the definitions of green business model in the garment industry are as follows:

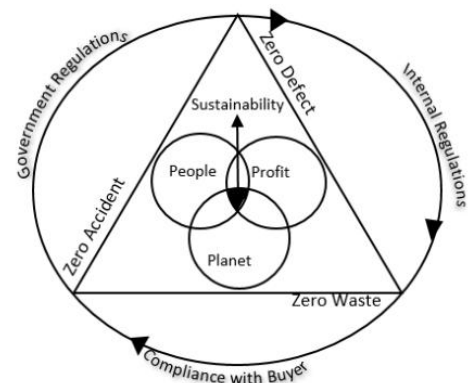


Fig. 1 Model of green business in the garment industry

All participants generally defined the term green business by a type of business with eco-friendly operation that aspires to achieve a sustainable environment, company and humanity.

3.1.1. Three Driving Factors of Green Business in the Garment Industry

These are government regulations, internal regulations and compliance with the buyer. Green business implementation in the garment industry is driven by three main factors such as government regulations, internal regulations and compliance with the buyer. Regulations that are imposed properly by the government move green business practices. Another trigger is the set of internal regulations suggested by company leaders as a token of awareness and commitment to environmental sustainability. Lastly, there is compliance with the buyer for business. According to Setya, a participant, *“In 2018, business meetings were officially held with the theme of Triple Bottom Line, which have been undergoing development up to this day.”* (Setya)

In his interview, Setya emphasized the company’s commitment to environmental responsibility through its Triple Bottom Line policy. The fellow participants supported the opinion that green business should be implemented to follow government regulations and compliance with the buyer. It is highly unlikely that a company would defy the stated regulations considering the possible penalty received due to employing thousands of staff under them. Violating compliance with buyers results in severe trade sanctions that put a company in a disadvantage.

“Doing business, I hold onto two main principles. The first one is by not damaging the environment, and the second one is by going in line with the government regulations.” (Maria)

“In practicing green business, it is essential to comply with the government regulations on environmental affairs.” (Harta)

“Compliance with buyer is just as crucial to keep the business afloat and avoid order cancelation from

customers.” (Junior)

3.1.2. Three Principles in Green Business in the Garment Industry

These are zero waste, zero accidents, and zero defects to support the Triple Bottom Line. All participants agree that green business is strongly-connected to waste management. The concept of reduce, reuse, recycle and recovery is adapted to achieve the zero waste goal. Waste management includes managing industrial waste, household waste to harmful toxic waste. A participant added, *“The corporation holds to the principle of zero waste after the production process. We turn from clothing waste to clothes with the help of textile producers in East Java and Central Java.”* (Setya)

The company encompasses CHSA slogan (Clean, Healthy, Strong and Active), which is implemented in action and measure in the company. Other participants shared similar sentiments, in that their respective companies pursue zero waste by collaborating with local communities or small enterprises in the town. Yosep said, *“Our company strives for zero industrial waste. We partnered up with local communities and small enterprises to achieve the target.”* (Yosep)

“Industrial waste is distributed to the local community to be recycled into new products with economic values. Household waste is also properly handled with the help of the Environmental Agency.” (Junior)

Furthermore, home industries have the resources to turn the waste into new products with higher economic values. Clothing waste is processed with the help of local communities to support the economy of local people.

PANDA Garment Boyolali suggested Zero accident concerning OHS (Occupational Health and Safety). It allows all employees to work under safe working conditions and the management rewards employees who have safely completed tens of thousands of working hours. Occupational health and safety positively boost productivity at work. A participant reported, *“We pay a great deal of attention to the health and safety in the workplace. At the end of the day, good health and spirit generate good productivity.”* (Maria)

According to fellow participants, occupational safety is strictly enforced by closely monitoring room temperature, humidity, the number of emergency exits, and safety equipment. They implement a zero tolerance policy, meaning that occupational health and safety is an absolute value.

Garment factories mostly implement zero defects that target global market. Overseas buyers are sensitive to product quality that it becomes the top priority for

some companies.

“Zero defects are a top priority before the environment. When the products are of high quality, the market will create the demand and our business will keep running.” (Junior)

All participants acknowledge that to optimize a product’s quality, it is essential to upgrade the production machine since this will minimize the possibility of failures in the production processes.

“I strongly hope that the employees can quickly learn and adapt to the latest technology to increase the product quality.” (Maria)

Companies continue to advance with the latest technology to enhance product quality, supported by their commitment to preparing for Industry 4.0.

On another note, the transformation in the business paradigm also occurs in companies, especially those related to green business. This is to help employees deal with competitive pressure in the garment industry. In each company, there is AoC (Agent of Change) team that is responsible for socializing the green business paradigm to all departments.

“We created AoC to raise awareness of the company cultures, the concepts of business strategy in all departments and the employees under.” (Setya)

“AoC was formed to transform the mindset of our employees from the conventional garment industry to Industry 4.0 and green business.” (Maria)

Aside of transforming the business paradigm, AoC is also responsible for organizing skills workshops for employees. Thus, many participants believe that AoC is a good medium to facilitate the paradigm transformation from the conventional one to Industry 4.0.

3.1.3. The Integration of Planet, People and Profit (3P) in the Garment Industry

This is doable with the help of three principles: zero waste, zero accidents, and zero defects. Employees who understand the three principles of zero waste, zero accidents, and zero defects are more likely to integrate 3P better. Preserving a clean and healthy environment (planet) will bring a positive impact toward achieving zero waste.

“We have long declared that our company doesn’t allow hazardous waste that will potentially damage the environment. We stand by the principle of 3R.” (Maria)

To preserve a clean environment, Maria emphasized the importance of building the mindset of each employee. The company actively holds seminars on related topics and award employees who have successfully achieved a clean and healthy environment. All participants agreed upon the fact that everything starts with good people management. Thus, occupational health and safety of the employees

becomes the utmost priority.

“We also have a people empowerment centre in each department for holistic employee development.” (Setya)

Setya highlighted the company’s concern about people empowerment ever since the recruitment process. Employees are selected based on their skills, attitude and mentality. After passing the recruitment process, there is employee-onboarding step and accelerated the reorganization process to maintain sustainability. A participant shared her thoughts, *“To succeed in the garment industrial operations, the most valuable investment is in the development of human resources.” (Maria)*

His belief was imposed upon the HR manager so that employees receive better treatments and services according to their respective needs. The company must stand out among other conventional companies in the garment industry that suppress their employees with targets within the allotted time. It allows its employees to rate their managers and share what to improve in their own departments at the beginning of the year. By doing so, the employees show positive loyalty in that Global Garment becomes the company with the lowest turnover rate in Klaten and Yogyakarta with 1 percent score. Some participants recognized the correlation between 3P and zero waste, zero accidents, and zero defect principles. That being said, the implementation of green business brings good impacts and benefits on the garment industry.

3.1.4. The Integration of People, Planets, and Profit Generates the Sustainability of a Company

Participants who have implemented green business in their management believe that the integration of people, planet and profit will result in sustainability. The business doesn’t only revolve around profits for the present but also for the next generations. PANDA Garment is committed to sustainable development to ensure the longevity of the future generations and minimize negative impacts on the company ecosystem. One participant added, *“To keep it sustainable, we carry a development program as an accelerated reorganization effort. This is what we create from the outside.” (Setya)*

The company also established an internal sustainability advisory committee (ISAC committee) and sustainability task force with the concept of people, planet and profit. Globalindo Garment conveyed similar concerns by proposing environmental sustainability as one of the company’s visions and the guidelines for future strategies in all departments. People-oriented commitment motivates the employees to work with a different mindset, that is, to inherit ecological assets to the future generations. According

to Maria, *“We are always learning about reducing carbon emissions. Air conditioners stopped using Freon.” (Maria).*

3.2. Perceptions of Green Business Implementation in the Garment Industry

3.2.1. The Implementation of Green Business Requires High Costs

Participants share a common belief about the high prices of implementing green business. Regardless, they practice different methods to stick to the allocated budget. Those who understand the goal of green business are more likely to be willing to implement it. *“Implementing green business requires high costs, but we get round the problem by partnering with a solar panel vendor.” (Setya)*

By partnering with a vendor, companies spend nothing on solar panels because payments are installed on the basis of the price difference between the electricity bill before and after using the solar panel. Monthly payments are installed for two years. Thus, the price of implementing a green business is no longer seen as a financial challenge. Maria supported the idea, *“The process of building sunroof, changing fluorescent lamps to LEDs and installing solar panels cost a lot. However, once they are properly installed, electricity bills are significantly reduced. In two or three years, our investment will reach a break-even point.” (Maria)*

Almost all answers indicate that financial challenges are not exactly hindering companies from implementing green business. A great determination and good business networking abilities enable a company to apply a green business model in their workplace.

3.2.2. The Implementation of Green Business Requires the Government’s Intervention

Some other challenges in implementing green business require the government’s involvement, for example, in domestic raw material procurement to shorten the manufacturing lead time. Raw materials are usually imported from China and Thailand, which affects the production rate and less competitive pricing. Setya explained, *“We are developing kapok fiber to substitute regular cotton fiber as a raw clothing material. It requires the help of research institutions and the government to put the idea into practice.” (Setya)*

The Indonesian garment industry has been facing raw material procurement issues considering that the current procurement is far from buyer recommendations. Issues are mostly related to insufficient capacity or the lack of product quality. Besides procurement issues, there are also licensing

issues that require government intervention. Procedures for obtaining a license are complicated and take a long time. A participant gave her statement, *“Licensing procedures for investors urgently need simplification, for example in location and spatial permits, not to mention the environmental impact assessment procedures that take much time.”* (Maria)

3.2.3. The Implementation of Green Business Increases Efficiency

Many participants believe that the implementation of green business increases the working efficiency. Using solar panels effectively reduces the electricity bills of the company. In factories, green building design creates a comfortable atmosphere for employees who help boost work productivity. Eco-friendly technology, such as sewing and cutting machines have resulted in a significant decline in product rejection rate, which subsequently positively impacts the company profits. Additionally, one participant revealed that the company’s commitment to building an office and a factory with the concept of green building alludes to a positive achievement of the production target, in terms of quality and quantity.

“Our company pioneered the green building design in the Indonesian garment industry with a premium certificate. Green building contributes to a healthier working environment and greater outputs for the company.” (Setya)

“Implementing Clean, Healthy, Strong and Active (CHSA) slogan enhances employees’ performance at work and motivates them to pursue their given target.” (Rapi)

Participants of the green business model in their respective companies that pursued comfortable workplace environments emphasized the increase in efficiency.

“Office room temperature and ergonomic control measures of distance from a seat to the machine adjusted for the height improve the stamina and productivity of our employees.” (Yosep)

The transformation to Industry 4.0 inspires the implementation of eco-friendly technology that saves energy and pursues zero waste, especially from paper waste. Reporting systems in the digital economy and automation machines shorten the production lead time and increase production outputs in quality and quantity. Maria expressed, *“Digitalization in reporting systems is a way to invent paperless business. As a result, communication and time coordination are quicker.”* (Maria)

3.2.4. The Implementation of Green Business Increases Employees’ Loyalty

Not only affecting their productivity and efficiency,

the implementation of green business is also proven to increase the loyalty of employees. Companies integrate the management of humans, environment and the economy immediately. In managing humans, companies are expected to provide proper treatment and develop their employees through office facilities, careers and compensation. One participant asserted, *“In our company, there is a GM Development Program that allows employees to learn about transforming their mindset, including moving to a green business from the conventional one.”* (Setya)

The principles of how to work and win together are demonstrated through teamwork and team building programs. Panda Garment stakeholders hold on to the principle of *less pride but greater competency* to maintain the trust given to the company. Other participants considered the eco-friendly culture both top-down and bottom-up approaches to communication to provide the means of resolution for every problem in their workplace. Consequently, participants saw an increase in their loyalty to employees.

“HR department is envisioned to manage the workplace environment and atmosphere. As a result, we have the lowest turnover rate in Klaten and Yogyakarta (less than one percent).” (Maria)

“We have transformed the environment of the workplace and factory just like in Google office. Employees are willing to work for the company because the company is providing them with a good environment and facilities. It almost feels like the company is taking care of them as what parents do.” (Yosep)

3.3. Perceptions of Green Vision in the Garment Industry

3.3.1. Green Vision as a Reflection of Environmental Care

All participants regarded green vision as a reflection of the companies’ concern for the future environment. This concern is closely-related to the garment industry that involves thousands of employees who operate machines from day to night, thus potentially damaging the environment. Ecological footprints from the garment industry in general have positively contributed to minimizing negative impacts on the ecosystem.

“We always refer to the integration of people, planet and profit in doing business. It is by developing human resources with an awareness of environmental sustainability.” (Setya)

“People, planet and profit are closely-interconnected with one another. Humans who can take care of nature and business will generate a sustainable profit.” (Rapi)

Several participants who started off from the bottom

as sewing operators before becoming leaders as they are today also conduct business with morality and ethics triggered by environmental sensitivity.

“Doing business, I hold onto two main principles. The first one is by not damaging the environment, and the second one is by going in line with the government regulations.” (Maria)

“Business should not only be all about pursuing financial benefits but also be conducted responsibly so that the future generations may still appreciate the fine environment.” (Yosep)

3.3.2. Green Vision as a Movement That Anticipates Upcoming Eco-Friendly Business Trends

Participants predicted that future clothing consumers in developing and developed countries will grow their awareness of environmental issues. That being said, customers expect eco-friendly procedures in the processes of turning raw materials into end products. The Indonesian garment industry anticipates such issues by adopting green vision in the production process.

“Bringing Indonesia’s name in our company, we strongly hope that our contribution in textile products will achieve at least five percent of the world’s total textile products by 2030.” (Setya)

Maria’s participant confirmed this, reporting that the competition in the garment business is becoming tighter, especially regarding environmentally friendly issues.

“Buyers are getting stricter in conducting quality assessments of eco-friendly garment products. They keep asking eco-friendly breakthroughs that our company has invented.” (Maria)

3.3.3 Green Vision and Technology and Regulations Evolution

The opinion exists that the green vision is not inherent to the pace at which technology and regulations evolve. Information technology increases the speed of business transactions, especially in marketing, sales and customer behavior. Consequently, changes in business regulations are inevitable. In that sense, participants are still hesitant to implement green vision since the longevity of green business trends is still unknown.

“Vision, missions, etc., measured for the long run, no longer seem relevant. We are still unsure of how long this green business trend will continue.” (Harta)

“The garment industry prioritizes product quality and efficiency in production. This is our utmost priority in the company’s vision.” (Junior)

Green business is considered a business trend, with an uncertain time span. So, the top priority of the garment industry is quality and pricing.

3.4. Understanding of Green Business in Management

3.4.1. Integration of Green Operations into All Management Functions

In the practice of green business implementation, all management functions must be involved in order for the company to be sustainable. Participants suggested that green business implementation should be taught to all management functions. Not only about pursuing a clean environment, green business also talks about providing support in finance, technology, human resources and marketing. Hence, companies are responsible for comprehensively educating green business on all management functions.

“ISAC committee established sustainability strategies and formed AoC, which is responsible for socializing about green business to all management functions comprehensively.” (Setya)

“Managers from all departments are under an obligation to understand green vision as a good environment, good people and business. It involves everyone within the company, especially those from HR, Finance, Accounting and Production functions.” (Maria)

3.4.2. Incorporation of HR and Production Functions in Green Businesses

Among all management functions within a company, HR and Production are the functions which are directly involved in the implementation of green business. Environmental management is closely-related to ecological and social issues, implying a significant correlation with HR and production functions.

“Green business is about eco-management including locals, the government, and compliant buyers. The role of HR function is undoubtedly essential in this case.” (Harta)

“The journey toward green environment starts with managing people who are directly involved.” (Maria)

3.4.3. Green Business Model in the Garment Industry

Based on all the data presented and investigated above, the green business model in the garment industry is as follows (Fig. 2):

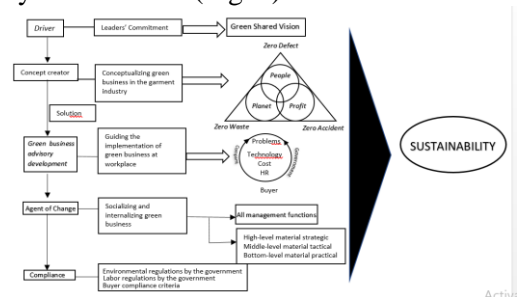


Fig. 2 Green business model

To construct a green business in the garment industry, the main driving force is the commitment from leaders to morality and ethics to avoid damaging the environment. The notion is then converted to green shared vision that drives all employees to get involved.

As a new business paradigm, green business formulations have to be inherent in the characteristic traits of the company. Concept creators are responsible for integrating the green business model with zero waste, zero accident and zero defect principles and triple bottom line (3P) to achieve sustainability.

The implementation of green business requires monitoring and advisory to deal with challenges (technology, cost and human resources) within the company. An Advisory Board consists of managers from all management functions under the top management.

Agent of Change (AoC) is also essential to provide socialization and internalization of the green business model from the bottom to the top level of all departments. By doing so, a new green business paradigm can be implemented in every layer of management.

In the end, they are all applied at the workplace for a collective goal of green business that is the sustainability of a company.

The green business model in the garment industry because of this research will complement the green business theory in the manufacturing industry, especially regarding the strategy of greening the company. The results of research on the green business model also complement the strategy of changing the conventional business paradigm into a green business paradigm.

The green business model, as a result of this research, can be used as a reference for company leaders who want to practice green business. This model shows the stages in building a green business – socializing, practicing, managing, and developing a green business.

3.4.4. Finding

Our findings may be essential to corporate leaders who want to implement green business but face difficulties in financing. Companies that have implemented green business have been able to overcome cost barriers by building partnerships with vendors, for example, in the construction of solar panels, development with green building designs. The results of this study also found that companies that implement green business are not determined by the scale of their business, but by the awareness and understanding of company leaders about sustainability.

To build a green business paradigm, an Agent of

Change (AoC) is needed who internalizes, socializes and motivates employees to understand the integration of people, planet, and profit. This AoC performs its functions to all management functions and all levels of positions.

All participants agree that the role of government in implementing green business remains crucial in the Indonesian garment industry. Firstly, domestic raw material procurement is highly fundamental to improving the competitiveness of the pricing of Indonesian garment products. Most companies still rely on imported garments, which lead to higher prices and longer production. Secondly, procedures for obtaining a license are complicated and take a long time. Thirdly, small enterprises in the garment industry feel the need for better socialization and education in terms of technical procedures and strategies. Lastly, the government shall allocate fund supports and subsidies to help garment entrepreneurs implement green business in their companies.

3.4.5. Comparison with Other Studies

Several studies focused on leadership and green business in industry exist. The authors of [10] examine the development of cognition of company leaders due to their association with business partners who understand sustainability. [27] researched the preparation of a green strategy in the garment industry despite intense competition in the global market; some research began to be specific in the analysis of Green Supply Chain Management in the garment industry in relation to China-Korea Cooperation. Research in the garment industry also leads to the production section, namely, examining the toxicity levels of clothing raw materials on humans and the environment [18].

Previous research with the theme of green business in industry and leadership researched more about leader cognition, stakeholder influence, GSCM, green production, and green strategy. This research complements previous research, namely, the understanding of corporate leaders about green business. An understanding of green business will influence the leader's commitment to the environment, the performance of the management function in the context of green business, and the realization of green business practices.

4. Conclusion

The implementation of green business must be with an understanding of sustainability, through the integration of people, planet, and profit. Because it is proven that companies that have practiced green business with an understanding of sustainability can actually increase efficiency, employee loyalty, productivity, and ultimately generate corporate profits.

We recommend the government to socialize about green business, especially those related to financing issues for implementing green business. For business, people should understand the triple bottom line integration. Because only with planetary integration, people, will it generate profit.

This study has three strengths. First, the object of this research is the largest garment in Indonesia, the largest in Klaten City, and the largest in the city of Sleman, Jogjakarta, which has implemented green business. Second, the participants have top management in garment companies. Third, the strength of the science method is that it allows participants to freely interpret green business according to their personal experiences.

This study has three limitations. First, the research was conducted during the COVID-19 pandemic, so interviews were mostly conducted online rather than offline. Second, the location of the research object is located in three different cities, so the duration of the interview is limited. Third, not all garment companies allow photoshoots in factories.

The research results on how companies overcome obstacles in implementing green business can be a reference for company leaders who have difficulty implementing green business in their companies.

Future research can be carried out using a mixed method approach with a larger number of participants, for example, by adding managers from various management functions. Research objects can be carried out for industries in different sectors. Data mining was added to the questionnaire, so that the consistency of participants' answers could be measured.

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