

# **The Impact Of Innovation On Business Sustainability: Applied To Foodics Company In Al-khobar, KSA**

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## **Dedication**

I dedicate this humble effort to my honorable parents, may God protect and protect them

To my husband and children who were my support and help in completing this journey, hoping that God Almighty will protect them and guide them to what is good and fulfilling.

To my brothers and sisters, my support and pride, and to their children, wishing them good luck and success

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# **1 Chapter 1: Introduction**

## **1.1 Introduction**

Developments in the global economy have changed the traditional balance between customer and supplier. New communications and computing technology, and the establishment of reasonably open global trading regimes, mean that customers have more choices, variegated customer needs can find expression, and supply alternatives are more transparent. Businesses therefore need to be more customer-centric, especially since technology has evolved to allow the lower cost provision of information and customer solutions. Commonly accepted explanations consider that business models refer to the logic of how a firm does business, and explain how the firm creates, delivers and captures value (Teece, 2010). Business sustainability seeks to create long-term shareholder value by embracing the opportunities and managing the risks that result from an organization's economic, environmental, and social responsibilities. Business sustainability must meet the needs of the organization and its stakeholders today while also protecting, sustaining, and enhancing the environmental, social, and economic resources needed for the future (Pojasek et al, 2007).

Business models are seen as a vehicle for innovation and a necessary means for commercializing technological innovations, as well as a subject of innovation, e.g. open innovation, collaborative entrepreneurship, the business model itself as part of the intellectual property (Zott et al, 2011). The growing complexity of different products and services, fluctuating demands in markets and shorter product life cycles urges entrepreneurs to develop new or improved capabilities and be innovative in order to secure sustainable competitive advantages. The marketing literature highlighted that firms which emphasize on the introduction of innovative products and services and promote them through digital marketing technologies can achieve distinctive advantages. Moreover, successful entrepreneurs tend to exploit business opportunities and improve their capabilities continuously in an attempt to reinforce the competitiveness and performance of their businesses (Afzali & Ahmed, 2016).

Sustainable business, operated through the implementation of many ecological concepts (such as the Industrial Ecology, Ecological Modernization, Triple Bottom Line, or Cradle-to-Cradle design), is seen as a worldview in which business managers are economically incentivized to innovate towards sustainability (Luqmani et al, 2017). Wirttenberg et al, (2017) Increased global competition is pushing companies to become more sustainable in the economic, environmental and social senses. To really become sustainable, enterprises must build true smart systems (including human and technological systems) to react rapidly and flexibly to the changing environment. Product innovation enables firms to respond to changing market

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needs and develop brand image product innovation enables firms to respond to changing market needs and develop brand image (Expósito & Sanchis Llopis, 2019).

The lack of case studies makes it challenging for firms to understand how to innovate their business models, identify and design alternatives, then assess and select the most adequate one. When considering business model innovations for sustainability, this leads to a higher complexity related to how to preliminarily assess the impact of the sustainability innovations and how to understand their effects on the whole business network (Evans et al, 2017). Innovation is an essential element of business sustainability, but there are many gaps that can hinder its impact. Some companies may have difficulty allocating the necessary resources for research, development and innovation. Companies may be concerned about the risks associated with trying new ideas, which may hinder innovation. Bureaucracy within companies may also inhibit Adopting innovative ideas quickly and efficiently.

The most prominent factors that prevent business sustainability are the lack of a focus on innovation, the lack of a culture that supports innovation, and the lack of a process for developing and implementing new ideas. Focusing on innovation is essential to the success of any business today. There are many ways to help focus on innovation and enhance the chances of long-term business success to achieve business sustainability (Pichlak, et al, 2021). To profit from innovation, business pioneers need to excel not only at product innovation but also at business model design, understanding business design options as well as customer needs and technological projects. Developing a successful business model is insufficient to assure competitive advantage as imitation is often easy: a differentiated (and hard to imitate) – yet effective and efficient – business model is more likely to yield profits. Business model innovation can itself be a pathway to competitive advantage if the model is sufficiently differentiated and hard to replicate for incumbents and new entrants alike (Teece, 2010).

This research helps companies invest in their primary goal of long-term business sustainability. Companies can succeed in improving their products and services, reducing their costs, efficiency, developing new markets, adapting to newcomers in the market, and being able to achieve the goal (Pichlak, et al, 2021). This is why it is also necessary for small businesses, as it can help them compete with larger companies, enter new markets and thus new business opportunities.

## **1.2 Research Problem**

Many companies struggle to achieve business sustainability due to a lack of focus on innovation. This includes the failure to develop a culture that encourages new ideas, and the lack of a structured process for developing and implementing them. However, innovation is critical to success today. By adopting different strategies, companies can foster an environment that embraces innovation and increase their chances of long-term success.

### **1.2.1 Theoretical Gaps:**

Previous research has indicated the important role of innovation in achieving business sustainability. However, innovation is not always compatible with the long-term strategic goals of the company. Innovation is not properly evaluated to measure its impact on business sustainability. Some companies do not have the skills to successfully develop and implement innovations and it is difficult to attract and retain innovative talent. Some companies focus on short-term profits at the expense of long-term innovation.

### **1.2.2 Empirical Gaps:**

Many empirical researches have been conducted to determine the impact of innovation on business sustainability. However, there are limited results due to the difficulty of applying the theoretical results of innovation on the ground. This is due to practical challenges such as lack of resources or regulatory restrictions, which have caused a gap in the literature that needs to be addressed. More studies can be conducted on Innovation in different contexts, developing clear plans to implement innovation taking into account practical challenges, creating a culture that supports innovation and encourages risk-taking and experimentation with new ideas, and developing a comprehensive theoretical framework that links various aspects of innovation and its impact on business sustainability.

Main research question:

"What is the impact of innovation on business sustainability?"

## **1.3 Research Significant**

Business Sustainability is Achieving Vision and Mission Through Innovation. it goes beyond mere survival; it's about thriving in the long term while creating positive social and environmental impact. This requires aligning your organization's vision and mission. Innovation plays a crucial role in bridging the gap between vision and mission. it is the introduction of a new concept, process, service, or product in an organization to adapt to environmental changes, and may be seen as the adoption of a new idea, method, service, or product.

### **1.3.1 Theoretical Significance:**

This research aims to fill the theoretical gaps to understand the importance of the role of innovation in achieving business sustainability in the Kingdom of Saudi Arabia. By addressing these gaps, companies can improve their understanding of the impact of innovation on business sustainability and develop more effective strategies to foster innovation and achieve long-term success.

**Bridging the gap between vision and mission:** Existing research often explores innovation and sustainability in isolation. This study proposes a novel framework that examines how innovation acts as a bridge between an organization's vision and mission, specifically focusing on achieving long-term sustainability goals in Saudi Arabia. This framework can contribute to the theoretical body of knowledge by offering a more holistic perspective on how companies can align their aspirations with sustainable practices through innovative strategies.

**Understanding innovation types and sustainability impact:** While the importance of innovation for sustainability is acknowledged, limited research differentiates the impact of various innovation types (e.g., product, process, business model) on different sustainability dimensions (environmental, social, economic). This study aims to shed light on this gap by analyzing how specific innovation types contribute to achieving various sustainability goals in the Saudi Arabian context. This deeper understanding can inform future research and guide companies in selecting the most impactful innovation strategies for their unique sustainability objectives.

### **1.3.2 Empirical Significance:**

**Limited research on Saudi Arabia:** Existing empirical studies on business sustainability and innovation often focus on developed economies. This research delves into the specific challenges and opportunities faced by companies in Saudi Arabia. This research aims to examine how business can be innovated to achieve sustainability goals. Analyzing innovation activity undertaken by companies to assess sustainable business. The results will contribute to creating a culture that supports innovation, encourages risk-taking, experimenting with new ideas, and developing more effective strategies to foster innovation, enabling companies to improve their understanding of innovation.

### **1.4 Research Sub-questions**

- What is the impact of innovation in products on business sustainability in Foodics Company?
- What is the impact of innovation in operations on business sustainability in Foodics Company?
- What is the impact of innovation in marketing on business sustainability in Foodics Company?
- What is the impact of administrative innovation on business sustainability in Foodics Company?

### **1.5 Research Objectives**

- Exploring the effect of innovation on business sustainability in Foodics Company.
- Identifying the effect of innovation in products on business sustainability in Foodics Company.
- Identifying the effect of innovation in operations on business sustainability in Foodics Company.
- Identifying the effect of innovation in marketing on business sustainability in Foodics Company.
- Identifying the effect of administrative innovation on business sustainability in Foodics Company.

### **1.6 Research Hypotheses**

- Main hypothesis H:
  - There is a statistically significant effect of innovation on business sustainability in Foodics Company.
- The first sub-hypothesis Ha:
  - There is a statistically significant effect of innovation in products on business sustainability in Foodics Company.
- The second sub-hypothesis Hb:
  - There is a statistically significant effect of innovation in operations on business sustainability in Foodics Company.
- The third sub-hypothesis Hc:
  - There is a statistically significant effect of innovation in marketing on business sustainability in Foodics Company.
- The fourth sub-hypothesis Hd:
  - There is a statistically significant effect of administrative innovation on business sustainability in Foodics Company.

## 1.7 Research Model

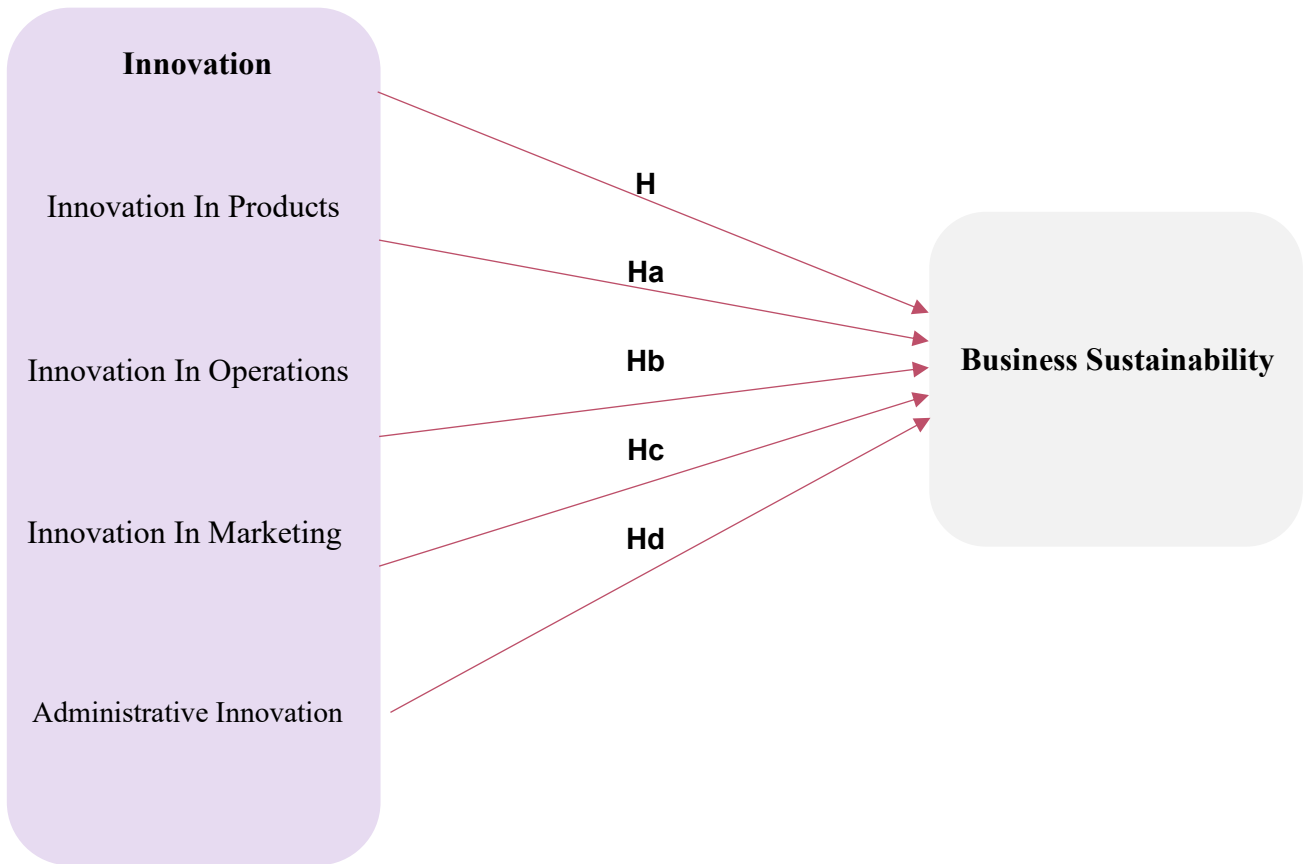
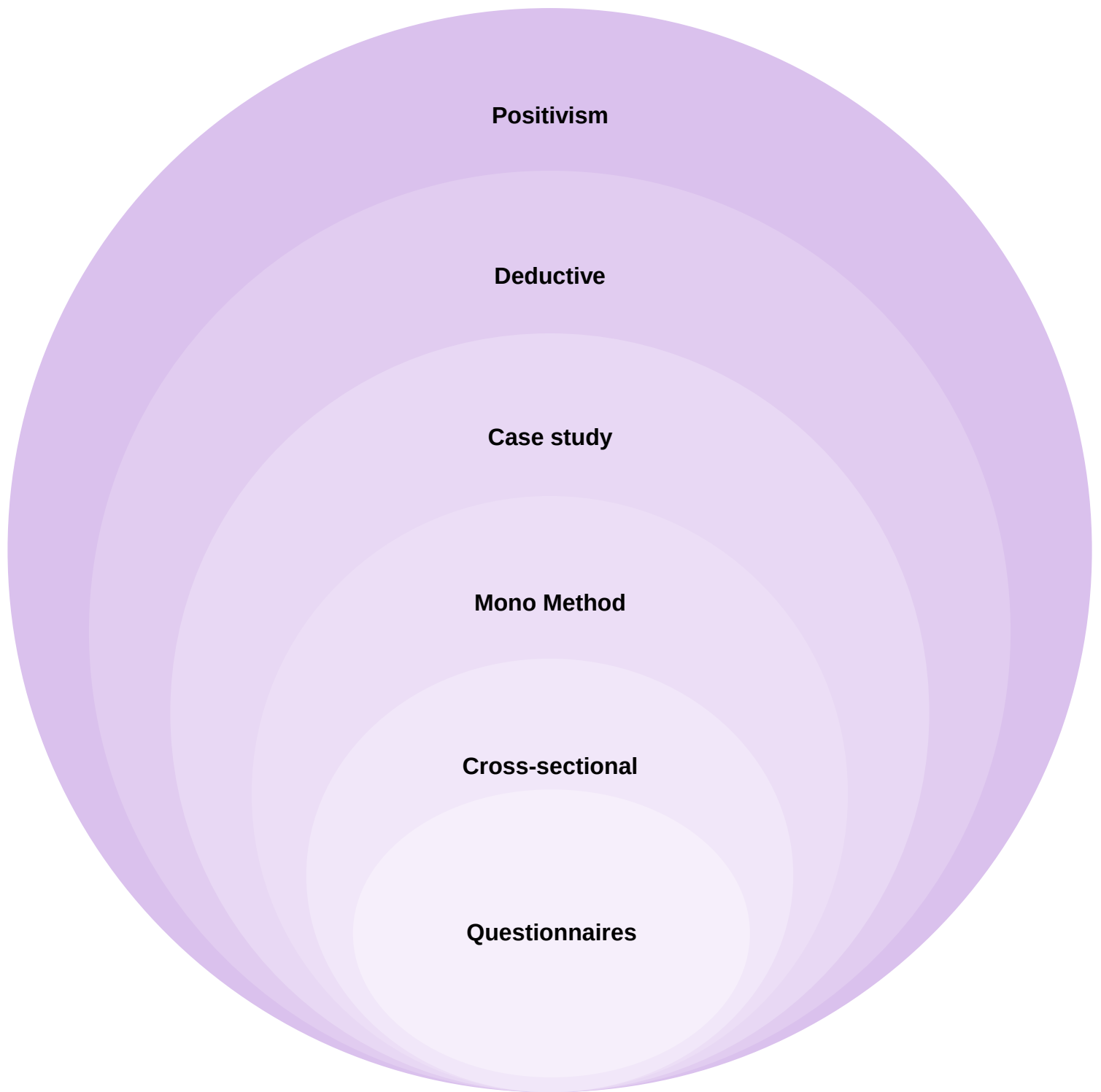


Figure 1: Designed By The Researcher, (2024)

## 1.8 Research Methodology

- **Research philosophy:** Positivism
- **Research approach:** Deductive
- **Research strategy:** Case study
- **Research choice:** Mono Method
- **Time horizon:** Cross-sectional
- **Data collection and analysis techniques:** Questionnaires



**Figure 2: Designed By The Researcher, (2024)**

## 1.9 Empirical Study

Company's website, (2024) Foodics, a leading MENA company in restaurant payment technology, offers a cloud-based software-as-a-service (SaaS) platform for managing restaurant operations. This research investigates the impact of Foodics' innovative solutions on its business sustainability. This empirical study will employ a mixed-methods approach, combining quantitative and qualitative data collection methods. This empirical study will provide valuable insights into the relationship between innovation and business sustainability in the restaurant technology sector. The findings can inform Foodics' future innovation strategy and inspire other companies in the MENA region to leverage technology for sustainable growth.

Data availability and access may limit the scope of the study. Additionally, isolating the sole impact of innovation on business sustainability might be challenging due to external factors influencing the industry. Future research could explore the long-term impact of Foodics' innovations on the restaurant industry and its competitive landscape. Additionally, investigating customer behavior changes due to Foodics' platform can provide deeper insights.

## 1.10 Project Structure

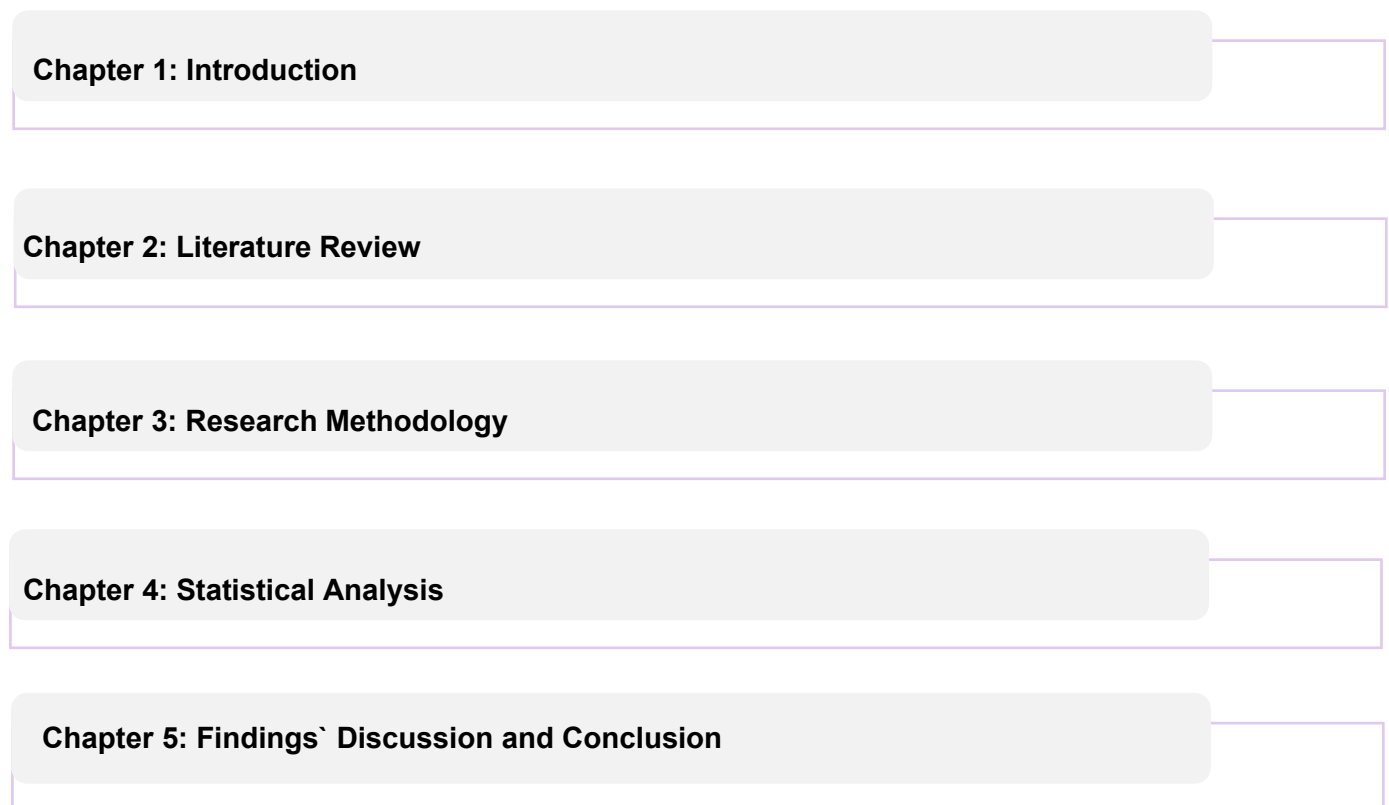


Figure 3: Designed By The Researcher, (2024)

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## **2 Chapter 2: Literature Review**

### **2.1 Introduction**

In a world full of challenges and changes, where the pace of technical and technological progress is accelerating, and the needs of the market and consumers are constantly changing, innovation has become essential to ensure business sustainability in the long term. Innovation is a key driver of growth and competitiveness, through which companies can develop new products and services, improve operations, increase resource efficiency, and create new market opportunities. Innovation is considered one of the most important factors that drive business sustainability in light of the rapid changes in the business environment. As innovation enables companies to develop new products and services, improve the efficiency of operations, reduce costs, and enhance their ability to adapt to new challenges, projects can reduce their impact on the environment and increase their ability to survive in the long term (Lijster & et al, 2018).

This research aims to analyze the impact of innovation on sustainability in projects by comprehensively understanding the relationship between innovation and business sustainability, identifying the most important types of innovation that affect business sustainability, and analyzing the impact of innovation on various aspects of business sustainability. Gaps in knowledge about the impact of innovation will also be identified. On business sustainability and identify recommendations to enhance the use of innovation to achieve sustainability in projects. The research will rely on an analytical methodology, as the study will collect data through scientific references, websites, reports, and case studies.

The literature review will provide a comprehensive understanding of the relationship between innovation and business sustainability, identify the most important types of innovation that affect business sustainability, analyze the impact of innovation on various aspects of business sustainability, identify gaps in knowledge about the impact of innovation on business sustainability, and identify opportunities for future research in this area, including :

- The concept of innovation and its types.
- The concept of business sustainability and its dimensions.
- The relationship between innovation and business sustainability.
- The impact of innovation on various aspects of business sustainability.

## **2.2 First variable: Innovation**

Surveys of the literature on innovation have found a variety of definitions. Baregheh et al ,(2009) found around 60 definitions in different scientific papers, while (Edison et al, 2014)'s survey found over 40. Based on their survey, attempted to formulate a multidisciplinary definition and arrived at the following:

Innovation is the multi-stage process whereby organizations transform ideas into new/improved products, service or processes, in order to advance, compete and differentiate themselves successfully in their marketplace (Baragheh et al, 2009).

Innovation is production or adoption, assimilation, and exploitation of a value-added novelty in economic and social spheres; renewal and enlargement of products, services, and markets; development of new methods of production; and the establishment of new management systems. It is both a process and an outcome (Edison et al, 2014)

According to (Altshuler et al, 2010), innovation includes original invention and creative use. These writers define innovation as generation, admission and realization of new ideas, products, services and processes.

Two main dimensions of innovation are degree of novelty (i.e. whether an innovation is new to the firm, new to the market, new to the industry, or new to the world) and kind of innovation (i.e. whether it is process or product-service system innovation) (Edison et al, 2014).

Organizational researchers have also distinguished innovation separately from creativity, by providing an updated definition of these two related constructs:

Workplace creativity concerns the cognitive and behavioral processes applied when attempting to generate novel ideas. Workplace innovation concerns the processes applied when attempting to implement new ideas. Specifically, innovation involves some combination of problem/opportunity identification, the introduction, adoption or modification of new ideas germane to organizational needs, the promotion of these ideas, and the practical implementation of these ideas (Hughes et al, 2018).

Drucker (2002), Innovation is the specific function of entrepreneurship, whether in an existing business, a public service institution, or a new venture started by a lone individual in the family kitchen. It is the means

by which the entrepreneur either creates new wealth-producing resources or endows existing resources with enhanced potential for creating wealth, Innovation may occur due to effort from a range of different agents, by chance, or as a result of a major system failure, the general sources of innovations are changes in industry structure, in market structure, in local and global demographics, in human perception, in the amount of available scientific knowledge, etc.



**Figure 4: Original model of three phases of the process of Technological Change**

**By Aguzanotti, (2008)**

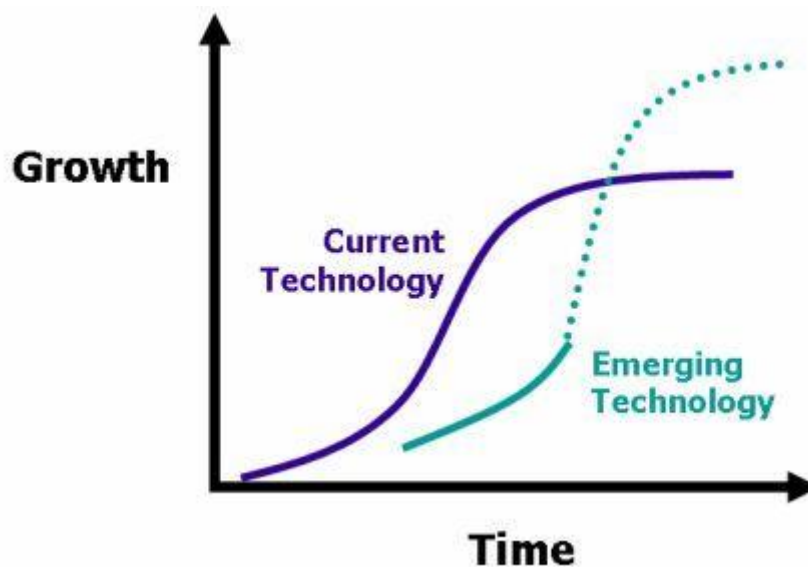
Innovation by businesses is achieved in many ways, with much attention now given to formal research and development (R&D) for "breakthrough innovations". R&D help spur on patents and other scientific innovations that leads to productive growth in such areas as industry, medicine, engineering, and government (Muro et al, 2008). Yet, innovations can be developed by less formal on-the-job modifications of practice, through exchange and combination of professional experience and by many other routes. Investigation of relationship between the concepts of innovation and technology transfer revealed overlap (Dubickis et al, 2015). The more radical and revolutionary innovations tend to emerge from R&D, while more incremental innovations may emerge from practice – but there are many exceptions to each of these trends.

An important innovation factor includes customers buying products or using services. As a result, organizations may incorporate users in focus groups (user centered approach), work closely with so-called lead users (lead user approach), or users might adapt their products themselves. The lead user method focuses on idea generation based on leading users to develop breakthrough innovations. U-STIR, (2011) a project to innovate Europe's surface transportation system, employs such workshops. Regarding this user innovation, a great deal of innovation is done by those actually implementing and using technologies and products as part of their normal activities. Sometimes user-innovators may become entrepreneurs, selling their product, they may choose to trade their innovation in exchange for other innovations, or they may be adopted by their suppliers. Nowadays, they may also choose to freely reveal their innovations, using

methods like open source. In such networks of innovation the users or communities of users can further develop technologies and reinvent their social meaning (Siltala, 2010).

Tarde, (1903) Diffusion of innovation research was first started in 1903 by seminal researcher Gabriel Tarde, who first plotted the S-shaped diffusion curve. Tarde defined the innovation-decision process as a series of steps that include:

1. Knowledge
2. Forming an attitude
3. A decision to adopt or reject
4. Implementation and use
5. Confirmation of the decision



**Figure 5: Innovation Life Cycle**

**By Davidmountain, (2006)**

Once innovation occurs, innovations may be spread from the innovator to other individuals and groups. This process has been proposed that the lifecycle of innovations can be described using the 's-curve' or diffusion curve. The s-curve maps growth of revenue or productivity against time. In the early stage of a particular innovation, growth is relatively slow as the new product establishes itself. At some point, customers begin to demand and the product growth increases more rapidly. New incremental innovations or changes to the product allow growth to continue. Towards the end of its lifecycle, growth slows and may even begin to decline. In the later stages, no amount of new investment in that product will yield a normal rate of return.

### **2.3 Second variable: Business Sustainability.**

A sustainable business, or a green business, is an enterprise that has a minimal negative impact or potentially a positive effect on the global or local environment, community, society, or economy—a business that strives to meet the triple bottom line. They cluster under different groupings and the whole is sometimes referred to as "green capitalism" (Balch, 2019). Often, sustainable businesses have progressive environmental and human rights policies. In general, a business is described as green if it matches the following four criteria: (Cooney, 2009).

1. It incorporates principles of sustainability into each of its business decisions.
2. It supplies environmentally friendly products or services that replace demand for nongreen products and/or services.
3. It is greener than traditional competition.
4. It has made an enduring commitment to environmental principles in its business operations.

A sustainable business is any thing that participates in environmentally friendly or green activities to ensure that all processes, products, and manufacturing activities adequately address current environmental concerns while maintaining a profit. In other words, it is a business that “meets the needs of the present [world] without compromising the ability of future generations to meet their own needs (Anderson, 2006).

Rennie, (2008) It is the process of assessing how to design products that will take advantage of the current environmental situation and how well a company’s products perform with renewable resources.

The Brundtland Report emphasized that sustainability is a three-legged stool of people, planet, and profit (Zhivkova, 2022). Sustainable businesses with the supply chain try to balance all three through the triple-bottom-line concept—using sustainable development and sustainable distribution to affect the environment, business growth, and society (Galvao, 2008-2020).

Everyone affects the sustainability of the marketplace and the planet in some way. Sustainable development within a business can create value for customers, investors, and the environment. A sustainable business must meet customer needs while, at the same time, treating the environment well (Rennie, 2008).

To succeed in such an approach, where stakeholder balancing and joint solutions are key, requires a structural approach. One philosophy, that includes many different tools and methods, is the concept of Sustainable Enterprise Excellence (Edgeman, & Eskildsen, 2014). Another is the adoption of the concept of responsible growth.

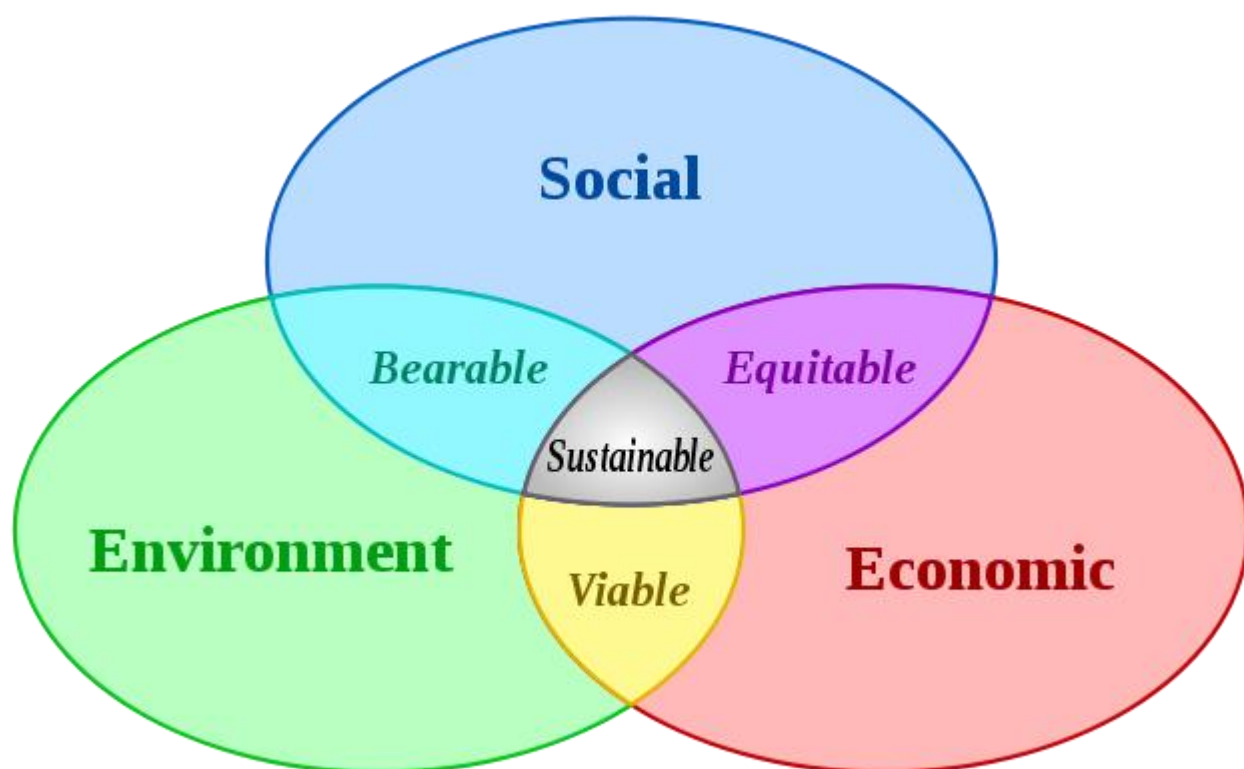
Sustainability is often confused with corporate social responsibility (CSR), though the two are not the same. Bansal and DesJardine (2014) state that the notion of 'time' discriminates sustainability from CSR and other similar concepts. Whereas ethics, morality, and norms permeate CSR, sustainability only obliges businesses to make intertemporal trade-offs to safeguard intergenerational equity.

Short-termism is the bane of sustainability (Bansal et al, 2014). While CSR and sustainability are not the same, they are related to each other. Determining salaries, implementing new technology, and retiring old plants all have an impact on the firm's stakeholders and the natural environment (Hussain et al, 2023).

Green business has been seen as a possible mediator of economic-environmental relations, and if proliferated, would serve to diversify our economy, even if it has a negligible effect on lowering atmospheric CO<sub>2</sub> levels. The definition of "green jobs" is ambiguous, but it is generally agreed that these jobs, the result of green business, should be linked to "clean energy" and contribute to the reduction of greenhouse gases. These corporations can be seen as generators of not only "green energy", but as producers of new "materializes" that are the product of the technologies, these firms developed and deployed (Caprotti, 2012).

Organizations that give back to the community, whether through employees volunteering their time or through charitable donations, are often considered socially sustainable. Organizations can also encourage education in their communities by training their employees and offering internships to younger members of the community. Practices such as these increase the education level and quality of life in the community.

For a business to be truly sustainable, it must sustain not only the necessary environmental resources, but also social resources—including employees, customers (the community), and its reputation (Keenan et al, 2008).



**Figure 6: Business Sustainability Resources**

**By Keenan, (2008)**

A term that is directly relates to the social aspect of sustainability is Environmental justice. Sustainability and social justice are directly connected to one another, and seeing these as separate unrelated issues can lead to more problems for the environment and potentially businesses (Sze et al, 2018).

When people are choosing to purchase goods or services, they care what a company stands for. This includes social and environmental aspects that may not have seemed important in business in the past. Consumers nowadays are demanding more sustainable goods and services (Ahmad et al, 2021). Because of this demand, companies must focus on their environmental impact to gain consumer loyalty.

Ahmad et al, (2021) Because ecological awareness can be treated as a choice of personal taste rather than a necessity, it can be a method to try to increase capital from a marketing standpoint.

Kemper et al, (2019) When marketing a product or service it is important that a business is actually following through with environmental claims, and not just pretending to be in order to gain customers. False advertising leads to distrust among consumers and can ultimately end a company.

## **2.4 The Relationship Between Innovation And Business Sustainability**

Innovation and sustainability form an important link in the pursuit of environmental, economic, and social development (Michelino et al., 2019). Innovation has been seen as an important tool for achieving sustainability (Adams et al., 2016). The extraction and use of resource resources continues to grow in absolute terms, due to the magnitude of production growth, mainly related to excessive consumption and excessive use of natural resources. Society and organizations, therefore, demand innovation systems oriented towards sustainability that allow for increasingly rational consumption. Many studies highlight the importance of innovation for sustainability as well as the goals of sustainable development (Hallenga-Brink and Brezet, 2005). Given this abundant research, innovation is recognized as the main engine of industrial growth on the planet, as well as one of the main causes of social and environmental disturbance, due to the amount of resources consumed and the levels of pollution inherent to the production process (Hall and Vredenburg, 2003). Innovation is an important development mechanism, especially if encouraged by public policy or voluntary initiatives.

Despite the presumption that innovation breeds sustainability, innovations should generate positive economic, social, and environmental outcomes at the same time. Those outcomes are not easy to establish given the uncertainties that innovations bring, especially when they are radical, disruptive, or highly novel to the mainstream (Hallenga-Brink and Brezet, 2005; Nill and Kemp, 2009; Barbieri et al., 2010). The mapping carried out in previous studies does not indicate the existence of studies that assess the combined effects of the implications of innovation on sustainability performance, nor the size of the effect in the organizational contexts in which it occurs (Jin et al., 2018; Borsato et al., 2020). This study contributes to providing a combined effect of innovation on the sustainability performance of organizations.

There are studies that address the transformation from innovation to sustainability (Leach et al., 2012); environmental innovation and transition to sustainability (Truffer and Coenen, 2012); social sustainability and supply chain innovations (Beltagui et al., 2019); the key drivers of lean innovation-led approaches to achieve sustainability in manufacturing supply chain, the impact of Lean and Sustainability Oriented Innovation on Sustainability Performance (Debashree De et al., 2019), service innovation in sustainable product service systems (Tseng et al., 2018), innovation, lean manufacturing, and sustainability (Ghobadian et al., 2018); innovation-led Lean programs and sustainability (Genc and Giovanni, 2018); eco-efficient Lean innovation in operations through maintenance organization (Ball and Lunt, 2018); Lean, green practices and process innovation (Cherrafi et al., 2018); eco-innovations in more sustainable supply chains for a low-carbon economy (Jabbour et al., 2015), the role of 3D printing and open design on adoption of

socially sustainable supply chain innovation (Beltagui et al., 2019); stakeholder engagement to profitability through sustainability-oriented innovation (Bogers and Ghassim, 2019), anchoring innovations in oscillating domestic spaces to transition to sustainability (Cherunya et al., 2020), among others.

Given the context, this article aims to analyze the effects of innovation on sustainability performance, and it considers the economic, environmental, and social dimensions. Such sustainability performance focuses on the definition of the triple bottom line, which considers sustainability in environmental, economic, and social areas of concern.

The selection of articles and study screening procedures followed the methodology proposed by Field and Gillett (2010). This set of procedural methods and actions has been widely used in several meta-analytic studies related to the environmental and business areas. The search for empirical articles was performed with quantitative data that could be combined in the effects of meta-analysis. The databases used were the Web of Science, Scopus, Science Direct, Emerald, Sage, ProQuest, and Wiley Online Library. The search was performed in July and August 2019. No chronological restriction was employed in the selection of studies. From the search problem question, the following keywords were defined to compose the search strings, using the logical operator AND and OR to add combinations, as follows: “innovation” AND “sustainability” OR “sustainable practices” OR “sustainable operations” AND “quantitative”. To ensure maximum amplitude in the return of articles, considering generic terms in the search, this search resulted in 5209 articles. After screening, the final return was 15 articles, of which 37 studies were identified and 9785 total effects were obtained.

The main results of the meta-analysis contribute to the existing literature as follows:

1. A positive and significant relationship has been demonstrated between innovation and sustainability, corroborating previous findings identified in the literature.
2. The effects of innovation on sustainability performance, considering the economic, environmental, and social dimensions had a positive and significant effect on the relationship between the constructs.
3. Innovation positively influences organizational sustainability performance.
4. The study provides evidence that organizations can benefit from achieving better sustainability performance from innovation-driven practices.

From a managerial point of view, the ability to propose innovative product, service or process solutions is a valuable skill and can be converted into a range of valuable organizational resources. Considering the long-term perspective, that guides sustainability, the possibility of innovating and improving the way the company operates is of considerable relevance. The gains from the incorporation of differentiated and innovative forms, both in terms of operations and in terms of the management and decision process, allow for an improvement in the efficiency of the use of materials and energy and the optimization of resources. Therefore, higher levels of innovation imply significant and positive effects on the performance that the organization obtains in the environmental, social and economic dimensions of sustainability.

Business sustainability is understood as the ability to generate resources to compensate factors of production, to replace used assets, and to invest to continue competing (Barbieri et al., 2010). Further, we must take into account the dimensions of the triple bottom line that include environmental and social-economic factors (Elkington, 2013). Although sustainability has become a kind of mantra in the contemporary world, there are significant gaps in commitments related to reducing

Innovation is an essential element of the *modus operandi* of organizations. It assumes that the organization continually develops tangible and intangible resources to continuously innovate. Ideally, companies must balance concerns of economic and environmental aspects while they promote themselves as an instrument of social justice, encourage social inclusion, the protection of minorities and vulnerable groups, and observe gender equality, etc. (Barbieri et al., 2010).

In any case,

The selection of articles and study screening procedures followed the methodology proposed by Field and Gillett (2010). This set of procedural methods and actions has been widely used in several meta-analytic studies related to the environmental and business field (Byron and Post, 2016; Field, 2005; Van Essen et al., 2012; Suurmond et al., 2017). In addition to these, we can mention the meta-analytic studies of Zubeltzu Jaka et al. (2018), Mardani et al. (2017), and Fang (2018).

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## 2.5 Conclusion

In conclusion, this article provides a compelling analysis of the synergy between innovation and sustainability performance. The meta-analysis confirms a positive and significant relationship between these two constructs, emphasizing that innovation can be a powerful driver of progress across the environmental, economic, and social dimensions of sustainability. This finding aligns with previous research and offers valuable insights for both academics and practitioners.

For academics, this study contributes to the growing body of knowledge on innovation and sustainability. The methodology employed, including the comprehensive search strategy and robust meta-analysis techniques, strengthens the validity of the results. Future research could delve deeper into specific types of innovation and their differential effects on sustainability performance. Additionally, exploring the role of moderating variables, such as industry context or organizational culture, could provide further nuance to the understanding of this complex relationship.

From a managerial perspective, the article offers practical guidance for organizations seeking to enhance their sustainability performance. The ability to develop innovative solutions, whether in products, services, or processes, presents a valuable opportunity to improve resource efficiency, reduce environmental impact, and contribute to social well-being. The article emphasizes the long-term benefits of integrating sustainability considerations into innovation strategies.

By fostering a culture of innovation that embraces environmental and social responsibility, organizations can gain a competitive edge and contribute positively to a more sustainable future. The limitations of the study, such as the potential for publication bias or the focus on quantitative data, highlight the need for further research that incorporates qualitative methods and explores the specific mechanisms through which innovation translates into improved sustainability performance.

However, the overall findings provide a strong foundation for organizations to leverage innovation as a key driver of their sustainability journey.

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## **List Of Appendices**

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## 4 Appendices

Kind regards

This questionnaire aims to better understand the behavior of organizations in the Kingdom of Saudi Arabia. We will use the information collected through this survey to improve and better meet the needs of our customers.

The target audience is employees and managers at Foodics Al-Khobar

This questionnaire takes 10 minutes to complete and will be distributed online and by email.

Innovation: At the unit or project level, innovation represents the launch of new products or services or the improvement of existing ones through innovative methods, and it may also relate to operations and methods of management and improvement.

Based on scientific knowledge on the one hand and the accumulated experiences of users on the other hand.

Sustainability is an ongoing journey. It's not something you achieve once and then forget about. It's a continuous process of learning, improving, and adapting.

Thank you for your time and efforts in completing this survey. Your contribution will help us improve our products and services and better meet your needs.

| Variable                | Variable Dimensions                                                                                                                                                                   | Number Of Statements | Source                                                                                                                        |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------|
| Innovation              | <ul style="list-style-type: none"> <li>• Innovation in product</li> <li>• Innovation in operations</li> <li>• Innovation in marketing</li> <li>• Administrative innovation</li> </ul> | 1-12                 | Darar (2024)<br>The role of innovation in improving the profitability of agricultural projects in the eastern Algerian region |
| Business Sustainability | <ul style="list-style-type: none"> <li>• Business Sustainability</li> </ul>                                                                                                           | 1-14                 | SCHWARZKOPF, et al (2019)<br>Self-assessment questionnaire on CSR/sustainability for automotive sector suppliers              |

| 4.1 Personal Information: |                   |  |               |  |                   |  |
|---------------------------|-------------------|--|---------------|--|-------------------|--|
| Gender                    | Male              |  | Female        |  |                   |  |
| Age                       | From 20 to 30     |  | From 30 to 40 |  |                   |  |
| Qualification             | Secondary         |  | Bachelor's    |  | Master's          |  |
| Seniority in the company  | Less than 3 years |  | 3-5 years     |  | More than 5 years |  |

## 4.2 First variable: Innovation

| No.                                           | Statement                                                                     | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|-----------------------------------------------|-------------------------------------------------------------------------------|----------------|-------|---------|----------|-------------------|
| 1. Innovation in product: represented by:     |                                                                               |                |       |         |          |                   |
| 1                                             | • Introducing a new product to the market                                     |                |       |         |          |                   |
| 2                                             | • Delivering a dramatically improved product                                  |                |       |         |          |                   |
| 3                                             | • Finding new uses for the product                                            |                |       |         |          |                   |
| 2. Innovation in operations: represented by:  |                                                                               |                |       |         |          |                   |
| 4                                             | • Using modern machines or techniques in production                           |                |       |         |          |                   |
| 5                                             | • Finding new uses for existing assets                                        |                |       |         |          |                   |
| 6                                             | • Use economical energy sources and equipment                                 |                |       |         |          |                   |
| 3. Innovation in marketing: represented by:   |                                                                               |                |       |         |          |                   |
| 7                                             | • Using new channels to sell the product                                      |                |       |         |          |                   |
| 8                                             | • Adapting the product according to market requirements                       |                |       |         |          |                   |
| 9                                             | • Using new ways to display and market products                               |                |       |         |          |                   |
| 4. Administrative innovation: represented by: |                                                                               |                |       |         |          |                   |
| 10                                            | • Using information technology in project management and employee training    |                |       |         |          |                   |
| 11                                            | • Involving employees in facilitating the project and solving urgent problems |                |       |         |          |                   |
| 12                                            | • Using new mechanisms to finance the project                                 |                |       |         |          |                   |

### 4.3 Second variable: Business Sustainability.

| No. | Statement                                                                                                                                                                                                                                                                                                                                    | Yes | No |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| 1   | <ul style="list-style-type: none"> <li>Does your company have a management person responsible for Social Sustainability?</li> </ul>                                                                                                                                                                                                          |     |    |
| 2   | <ul style="list-style-type: none"> <li>Does your company have a management person responsible for Compliance?</li> </ul>                                                                                                                                                                                                                     |     |    |
| 3   | <ul style="list-style-type: none"> <li>Does your company have a management person responsible for Environmental Sustainability?</li> </ul>                                                                                                                                                                                                   |     |    |
| 4   | <ul style="list-style-type: none"> <li>Does your company publish a Sustainability Report?</li> </ul>                                                                                                                                                                                                                                         |     |    |
| 5   | <ul style="list-style-type: none"> <li>Does your company have a Code of Conduct? <ul style="list-style-type: none"> <li>A Code of Conduct is a set of rules outlining the responsibilities or proper practice for an individual (employee) and organization. It could cover social, ethical and environmental aspects</li> </ul> </li> </ul> |     |    |
| 6   | <ul style="list-style-type: none"> <li>Does your company provide a grievance mechanism through which impacted stakeholders and rightsholders can raise complaints and seek to have them addressed with the enterprise?</li> </ul>                                                                                                            |     |    |
| 7   | <ul style="list-style-type: none"> <li>Does your company have a formal policy covering working conditions and human rights?</li> </ul>                                                                                                                                                                                                       |     |    |
| 8   | <ul style="list-style-type: none"> <li>Does your site have a management system in place to manage the working conditions and human rights issues?</li> </ul>                                                                                                                                                                                 |     |    |
| 9   | <ul style="list-style-type: none"> <li>Does your company have a formal written health and safety policy, which complies with local law, industry requirements and international standards?</li> </ul>                                                                                                                                        |     |    |
| 10  | <ul style="list-style-type: none"> <li>Does your site have a health and safety management system in place?</li> </ul>                                                                                                                                                                                                                        |     |    |
| 11  | <ul style="list-style-type: none"> <li>Does your company have a formal policy covering business ethics?</li> </ul>                                                                                                                                                                                                                           |     |    |
| 12  | <ul style="list-style-type: none"> <li>Does your company have a formal environmental policy, which includes a commitment to legal compliance, continuous measurement and continuous improvements in environmental performance?</li> </ul>                                                                                                    |     |    |
| 13  | <ul style="list-style-type: none"> <li>Does your site have an environmental management system in place?</li> </ul>                                                                                                                                                                                                                           |     |    |
| 14  | <ul style="list-style-type: none"> <li>Does your site have an energy management system?</li> </ul>                                                                                                                                                                                                                                           |     |    |