

ANALYSIS OF GREEN INNOVATION ON SUSTAINABLE BUSINESS IN SRI REJEKI GORENG PALU

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ABSTRACT

Introduction: One of the industrial sectors in hammer city that has the potential to implement green innovation is the food industry, like the fried garlic industry. Fried onions are a trendy food in the Hamlet town community because they have distinctive characteristics, ranging from their aroma and flavor to having no bitter taste. Large-scale and domestic garlic industry is found in various areas, one of them is Sri Rejeki Cabbage Fries Palu, Central Sulawesi. In its production process, the fried garlic industry produces liquid waste that could potentially pollute the environment if not properly managed. Therefore, the implementation of green innovation is important so that the fried garlic industry can grow sustainably.

Design/Methods: This research aims to analyze the green innovation applied by the Sri Rejeki Bawang Goreng Palu industry towards achievement of sustainable business. The research uses a semi-structured interview method where researchers perform to obtain direct information from sources related to research topics and questions remain focused on the topic as well as give open space to the source views..

Finding/Results: The results of an interview with the owner of Garmented Garment Palu showed that the industry has implemented some green innovations in the production process. Green innovations include the use of environmentally friendly packaging, liquid waste treatment, and modification of production machinery to reduce energy consumption. **Research Limitation/Implication:** The scope of the Research is limited to more than one fried garlic company in Palu, so the results may not necessarily be generalized for other fished garlic companies. Then, the Research has yet to be able to compare the implementation of green innovation between Fried Garlic Palu and other similar companies, and the results are qualitative, so they are limited to the interpretation of researchers without statistical generalization. **Originality/Value:** Expanded the scope of research not only on one company but on several chopped garlic companies so that the results of the research are more representative, then Using indicators and research variables more complete and detailed to measure green innovation and sustainable business, as well as conducting comparative studies of implementation of green innovation among several chopsticks in different areas.

Keywords: Green Innovation; Business Practices; Business Sustainability; Cabbage Fries; Palu.

INTRODUCTION

Economic growth and industrial development have had a significant impact on the environment. Sustainable business has become necessary in this era to balance economic growth, social well-being, and environmental protection. One sector that gets attention is the food industry, which needs to adopt green innovation as a strategic step in creating a sustainable business, (Ferawati, 2023). Environmental issues and sustainability have been significant concern for many companies in this modern era. Various environmentally friendly innovations and technologies are constantly being developed to support the creation of sustainable businesses.

Nowadays, issues of environmental sustainability and business have become global concerns. Green innovation is regarded as one of the most important strategies for companies to sustainable business. Green innovation refers to product, process, and policy innovation to reduce environmental impact. The implementation of green innovation provides many benefits, not only for the environment but also for the sustainability of the business itself in the long term.

One of the industrial sectors in Indonesia that has the potential to implement green innovation is the food industry, such as the fried garlic industry. Fried onion is a trendy food in Indonesian society. Large-scale and domestic fried onion companies are found in various areas, including Palu and Central Sulawesi. The onion industry produces liquid waste that could pollute the environment if not properly managed, (Yustian, 2021).

One of the latest phenomena affecting the sustainability of UMKM in Kota Palu is the application of digital technology in marketing UMKM products. In addition, training and support programs are also increasingly being observed to improve the quality and competitiveness of products. However, the challenges faced by UMKM at Kota Palu include access to capital, changes in government policy, and economic uncertainty due to the COVID-19 pandemic. With various governmental initiatives and related institutions, it is hoped that UMKM in Palu City can continue to grow and contribute to the regional economy, (Andilala, 2024).

Green innovation refers to developing and implementing products, processes, systems, services, and technologies that minimize the negative impact on the environment. Implementing green innovation provides many benefits, not only to maintain environmental sustainability but also to improve companies' efficiency and long-term competitiveness, (Saleh et al., 2018). By understanding the importance of implementing green innovation, a thorough analysis related to the impact of green innovation on sustainable business on Strawberries Hj. Mbo Sri became relevant. The best strategy for integrating green innovation in the fried garlic sector is expected to be found through comprehensive analysis. This will improve competitiveness and make a positive contribution to the environment.

LITERATURE REVIEW & HYPOTHESIS DEVELOPMENT

Green innovation and sustainable business are two interrelated concepts in this study. Green innovation is defined as innovation that aims to reduce environmental impact by modifying processes, products, or organizational procedures (Chang, 2011). Green innovation covers technological innovation, management innovation, and green product innovation.

Sustainable business refers to a company that meets the needs of today's customers without compromising the ability of future generations to meet their needs. (Jain & Kedia, 2011). Sustainable business has three main pillars: profit, planet, and people.

Previous research has shown that green innovation has a positive impact on sustainable business. Chen et al. (2006) research on companies in Taiwan found that green innovations in processes and products contribute to the economic, environmental, and social performance of companies. Similar findings were obtained by Przychodzen & Przychodzen (2015) regarding the influence of green innovation on triple-bottom-line sustainable business.

Other research by Goh & Pujawan (2014) also found that the adoption of green innovation helps companies improve sustainability performance. Thus, green innovation is needed for sustainable business in the Palu garlic industry. This research is expected to strengthen empirical evidence of the relationship between the two concepts.

Hypothesis 1: Green product innovation has a positive impact on sustainable business in Garlic Palu.

Development of the hypothesis: Green product innovation includes the development of environmentally friendly products by minimizing the negative impact on nature. The application of eco-friendly packaging and the use of organic raw materials by Palu's Baked Onion is supposed to boost the positive image of the company as well as consumer loyalty, which ultimately increases profits. (Chang, 2011). Therefore, the higher the green product innovation, the better the achievement of sustainable business.

Hypothesis 2: Green process innovation has a positive impact on sustainable business in Garlic Palu.

Development Hypothesis: Environmentally friendly production processes through waste treatment, energy efficiency, etc. (green process innovation) are supposed to undermine the company's operating costs. (Przychodzen & Przychodzen, 2015). In addition, green process innovation can also improve the corporate image in the eyes of the public. Thus, high green process

innovations are expected to enhance the economic, social, and environmental performance of the company in achieving sustainable business.

RESEARCH METHODOLOGY

This research is qualitative research to understand the implementation of green innovation and how companies sustain business. This research can use interviews and observations to obtain data about the green innovation process and its impact on the economic, social, and environmental dimensions of the company.

The research was conducted in Sri Rejeki Palu, Central Sulawesi.

Population and sample The Population in this study is the owner of Sri Rejeki Palu's roasted onion, which is Sri Astuti's mother.

The variable and variable indicator in the research is green innovation, which consists of green product innovation and green process innovation, as well as sustainable business, which consists of economic, environmental, and social aspects.

Data collection techniques Data collection using questionnaires. In addition, documentation studies and interviews are conducted.

RESULT AND DISCUSSION

The results of interviews with the owners of Raspberry Palu show that the company has implemented some green innovations in the production process. Green innovations include:

1. The use of environmentally friendly packaging.
2. The treatment of liquid waste.
3. The modification of production machinery to reduce energy consumption.

On the packaging side, Palu Palu has shifted from conventional plastic to paper packaging and biodegradable natural materials. It helps reduce plastic waste and facilitates recycling. Next, the liquid waste produced is treated with wastewater treatment facilities before discharging into the environment. This process reduces the potential for water and soil pollution from production waste.

Meanwhile, modifying the production machinery increased energy consumption efficiency by 30%. This has an impact on reduced CO₂ emissions as well as lower production costs. The company owner stated that implementing green innovation gives a positive image while increasing the company's profits in the long term. Green innovation supports the creation of sustainable business in this chopped garlic company. Thus, the results of interviews show that green innovation has a positive impact on the efforts of the chopsticks in Palu to be sustainable from the economic, environmental, and social side.

CONCLUSION

This is the conclusion of the research on the analysis of green innovation and its impact on sustainable business in Garlic Palu. This research provides benefits and is a reference for developing science related to the topics studied.

IMPLICATION/LIMITATION AND SUGGESTIONS

The limitations of this research include: 1. The scope of the study is limited to more than one chopped garlic company in Palu, so the results may not necessarily be generalized for other choppy garlic companies. 2. The variables and indicators used in measuring green innovation and sustainable business have certain limitations and have yet to represent the entire aspect of the concept. 3. The results are qualitative, so they are limited to the interpretation of researchers without statistical generalization.

Recommendations for further research include: 1. Expand the scope of research not only on one company but also on several companies like garlic fries so that the results of the research are more representative. 2. Use indicators and research variables that are more complete and detailed to measure green innovation and sustainable business. 3. Conduct a comparative study of the implementation of green innovation among several companies in different areas.

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