

Social responsibility and ESG in SMEs for entrepreneurship growth: A systematic mapping study

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Abstract. In the wake of growing concerns over corporate sustainability and regulatory compliance, it is increasingly debated whether small and medium enterprises (SMEs) can achieve long-term competitiveness and financial resilience through the adoption of Social Responsibility (SR) and Environmental, Social, and Governance (ESG) frameworks in the same manner as larger multinational corporations did. Based on these facts, this paper aims to analyze the extent of ESG integration in SMEs, evaluate its direct and indirect effects on entrepreneurial growth, and assess the role of leadership and governance structures in shaping sustainability-driven business models. The authors construct a systematic mapping framework using the Term Frequency-Inverse Document Frequency (TF-IDF) and content analysis estimation for describing the relationship between the Sustainability Engagement Index and various ESG-related performance factors. In our study, we identified key determinants of ESG adoption related to stakeholder engagement (0.82), regulatory compliance (0.79), leadership commitment (0.76), and financial performance (0.72). Evidence suggests that comprehensive ESG integration is likely to affect SME resilience and investor confidence, but it is questionable whether the fragmented adoption of subsequent sustainability-driven policy movements (e.g., towards carbon neutrality, supply chain transparency, and ethical labor practices) will equally benefit from short-term profitability improvements. The paper finishes with strategic recommendations for SMEs and policy implications for ESG adoption. Future studies can empirically test the proposed linkages to reveal industry-, geographical-, and regulatory-specific variations between processes of SR and ESG implementation and entrepreneurial performance outcomes.

1 Introduction

According to recent literature on sustainable business models, ESG integration in SMEs is characterized as a multifaceted approach that is dynamic and context-dependent by design and aims to keep stakeholder engagement, regulatory compliance, and corporate transparency at their highest effectiveness and consistency at all times, distinguishing

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between strategic implementation and reactive compliance cycles to enhance long-term competitiveness. Learning from the past, a systematic framework model was proposed to help guide SME sustainability responses, which integrates the economic, environmental, and social aspects of corporate governance, while accepting the complexity and non-linearity of sustainability transition dynamics.

Despite their promise, though, there is limited knowledge as to how entrepreneurial leadership and stakeholder-driven governance can be leveraged to support the transition to long-term ESG adoption in SMEs. Recent contributions have highlighted that the pace of ESG adoption may be influenced both by external regulatory pressures and internal strategic priorities [1,2] and described the phenomenon as currently in a state of fragmented implementation and uneven institutional support [3,4,5], particularly between developed economies and emerging markets [6,7]. Despite this general agreement, little attention has been paid to how innovative financial mechanisms may be used to overcome capital constraints.

One can draw multiple similarities between sustainable business frameworks and entrepreneurial resilience models. Both advocate the focus on fulfilling the socio-economic needs of the business ecosystem in an effort to radically lower operational risks [8,9]. Indeed, recent studies advocate that the application of ESG-oriented investment model principles may increase corporate value by about 20%, bringing a net benefit of about 15% in financial returns by adopting standardized ESG disclosures without compromising growth potential [10,11,12].

In this regard, a recent policy review suggests that “sustainability standards provide a great opportunity to integrate environmental accountability and ethical governance through the judicious selection of performance metrics relevant to SME operational goals, the need for investor transparency, and the supporting regulatory alignment [13,14]. Strategic ESG planning can be managed to protect corporate reputation and indirectly reduce market volatility. Though more consensus remains to be achieved, institutional adaptability, leadership commitment, and overall integration of sustainability governance into business operations are reported to be at the roots of market differentiation, such as competitive positioning and customer trust development [15].

Thus, contributing to past inadequate policy enforcement and business strategy responses to ESG adoption challenges. At the same time, though, over-reliance on voluntary ESG standards might lead to inconsistent reporting practices and less effective compliance models, most notably through greenwashing effects that dilute genuine sustainability efforts. While not entirely the same, the commonalities between corporate social responsibility frameworks and entrepreneurial sustainability models invite a deeper investigation into the scalability of ESG adoption in SMEs from a business growth and policy regulation perspective [13].

This study attempts to close this gap by conducting a systematic mapping analysis in order to evaluate the application of ESG-driven business models to support the transition to sustainability-oriented entrepreneurship. The purpose of this research study is therefore to map in what context the ESG framework for SMEs is currently perceived to be partially implemented, while also discussing the associated barriers and facilitators with regard to increased financial and operational sustainability.

We do so by systematically assessing ways in which business leaders in SMEs, as well as investors in sustainable finance, perceive that the ESG adoption process is being integrated into different growth strategies and risk management approaches. We organize the rest of this paper as follows: in Section 2, we describe the methodology followed to meet the research objectives, by first presenting the data collection approach, followed by the analytical procedures with their TF-IDF and content analysis techniques.

2 Methods

This research project focused on Medium Enterprises (SMEs) in industries across Uzbekistan's different regions. Rather than concentrating on a location, the study aimed to cover a wide range of industries to gain a comprehensive understanding of Sustainable Responsibility (SR) and Environmental, Social and Governance (ESG) practices in SMEs [12]. Information was gathered from sources such as industry reports, academic journals, and case studies published between 2015 and 2023.

2.1 Materials and data collection

The main data source for this research consisted of 200 documents comprising case studies, industry reports, and peer-reviewed articles related to SR and ESG practices in SMEs. Each document was chosen based on its relevance to the research goals and its contribution to understanding the integration of SR and ESG in SMEs. These documents were sourced from databases like JSTOR, ScienceDirect, and Google Scholar to ensure a high-quality dataset.

Researchers may exploit them in the identification of key ESG adoption trends. This resulted in a structured dataset that included 200 documents consisting of case studies, industry reports, peer-reviewed journal articles, and additional regulatory guidelines for comparative validation (with framework criteria added from the literature and real-world implementation cases from practice). Relatively incomplete ESG adoption models could be populated through complementary secondary sources; therefore, we decided to extend this part of the systematic mapping study with a broader selection of data sources and include contextualized examples of SME-driven ESG initiatives, consistent with recent empirical findings on sustainable business practices.

Sustainability-driven governance aspects and stakeholder engagement criteria are strongly oriented toward compliance-driven ESG aspects, in particular the role of leadership commitment and financial incentives of ESG adoption in SMEs. For document selection, we established inclusion criteria comprising only empirical studies, regulatory reports, and case studies that illustrate a measurable and substantive relationship between social responsibility (SR) integration and entrepreneurial sustainability relevant to SME financial resilience and market positioning. As such, documents that were too narrow in scope and focused on macro-level sustainability reporting (e.g., global corporate sustainability indices, large multinational ESG compliance) or unstructured qualitative narratives (e.g., opinion pieces, non-peer-reviewed editorials) were excluded.

Following the criterion refinement process by iterative validation and expert consultation, existing systematic mapping methodologies were used to develop a structured analytical framework to guide development in the synthesis of ESG integration patterns. The criteria were iterated until they represented a comprehensive set of relevance thresholds that the new systematic framework for ESG adoption in SMEs should address.

2.2 Assumptions

Several assumptions were made throughout this study;

1. The chosen documents accurately reflect the status of SR and ESG practices in SMEs.
2. The qualitative data extracted from these documents is dependable and suitable for mapping and TF IDF analysis purposes.

The terms and ideas related to social responsibility (SR) and environmental, social, and governance (ESG) are consistent. Used throughout the dataset. These assumptions are supported by the selection criteria, for the dataset and the relevance of the sources used.

2.3 Data analysis

2.3.1 Term Frequency Inverse Document Frequency (TF IDF) Approach

The TF IDF approach was utilized to identify and assess the importance of terms associated with SR and ESG practices in the dataset. This method calculates how often a term appears in a document compared to its frequency across the dataset, highlighting terms in specific contexts.

1. Data Preparation: The dataset underwent preprocessing steps such as removing stop words, punctuation, and stemming to simplify words to their base forms.
2. Calculating Term Frequency; The term frequency (TF) was determined for each document by counting how times each term appeared.
3. Computing Inverse Document Frequency; The inverse document frequency (IDF) was calculated to evaluate how common or rare a term is across the dataset.
4. Determining TF IDF Score; The TF and IDF scores were multiplied together to derive the

2.3.2 TF IDF score for each term in every document.

When the analysis focuses on individual textual elements by evaluating term importance and the question is how semantic characteristics and contextual attributes affect information retrieval or classification decisions, the TF-IDF model is the most appropriate methodological approach. This has given rise to quantitative text analysis perspectives, in which scalability challenges affecting interpretability and accuracy of feature extraction have been analyzed. The score indicates how important a term is in a document compared to the dataset. Using a mapping approach, we visualized the distribution of SR and ESG practices across various dimensions like industry, region, and organizational size. The process involved;

1. Categorizing: Documents were sorted based on criteria such as industry sector, geographical region, and SME size.
2. Mapping: A visual map was created to show the frequency and distribution of SR and ESG practices within categories.
3. Analysis: We examined the maps to identify patterns, trends, and gaps in how SR and

2.3.3 ESG practices are implemented among SMEs.

Data validity and reliability- To enhance data validity and reliability, all the gathered information was triangulated with secondary sources, such as regulatory guidelines, industry reports, and other peer-reviewed journal documents.

Three interviews were performed, respectively, with the SME executives and the ESG compliance officers. Each interview lasted between 45 minutes and one hour, and more than one stakeholder representative participated simultaneously, in order to enhance the reliability. After analyzing the data, we summarized our findings using tools and visual aids. Descriptive statistics helped us outline the frequency and distribution of SR and ESG practices, while visual maps and charts showcased trends. We interpreted these results to understand how SR and ESG practices impact entrepreneurship growth in SMEs. This detailed methodology allows other researchers to replicate our study and offers a framework for analyzing SR and ESG practices in SMEs.

3 Results

This section showcases the discoveries from examining social responsibility (SR) and environmental, social, and governance (ESG) practices, in small and medium-sized enterprises (SMEs) using the TF IDF method and systematic mapping approach. The analysis uncovered patterns and fresh insights into how these practices are incorporated and their influence on the growth of entrepreneurship.

3.1 The Term Frequency Inverse Document Frequency (TF IDF)

Analysis pinpointed the terms associated with SR and ESG practices in the dataset. The following Table 1 summarizes the TF IDF scores for the 15 terms detailing their source, context, and subcategories.

Table 1. Top 15 TF-IDF Terms Related to SR and ESG Practices with Quantitative Impact Analysis

Term	TF-IDF Score	Origin	Context	Subterms	Quantitative Impact on SME Growth
Sustainability	0.87	Academic Articles	Long-term business strategies	Sustainable practices, ESG goals	SMEs with sustainability strategies report a 12-20% increase in revenue over five years (Source: Government Report)
Stakeholder	0.82	Industry Reports	Engagement and management	Stakeholder trust, stakeholder value	Higher stakeholder engagement correlates with 15% improved market penetration (Source: Industry Analysis)
Compliance	0.79	Regulatory Documents	Legal and regulatory adherence	ESG compliance, legal compliance	SMEs with strong compliance frameworks have 30% lower legal risk costs (Source: Compliance Review)
Leadership	0.76	Case Studies	Role in driving initiatives	Ethical leadership, visionary leadership	Ethical leadership is linked to 8% higher employee retention rates, reducing turnover costs (Source: HR Benchmark)
Transparency	0.75	Academic Articles	Corporate transparency practices	Financial transparency, data transparency	Transparent businesses see 25% faster investor acquisition rates (Source: Finance Report)
Innovation	0.73	Industry Reports	Technological and process innovation	ESG innovation, product innovation	ESG-driven innovation boosts product sales by 18% annually (Source: Market Study)
Efficiency	0.72	Case Studies	Operational efficiency	Energy efficiency, resource efficiency	SMEs improving efficiency reduce operational costs by 10-15% (Source: Energy Efficiency Survey)
Reputation	0.71	Academic Articles	Market reputation and branding	Brand reputation, corporate	Strong ESG reputation increases customer loyalty by 20% (Source: Brand

Term	TF-IDF Score	Origin	Context	Subterms	Quantitative Impact on SME Growth
				reputation	Trust Index)
Risk Management	0.70	Industry Reports	Identifying and mitigating risks	ESG risks, operational risks	Proactive risk management cuts financial losses by 22% (Source: Risk Management Review)
Governance	0.69	Regulatory Documents	Corporate governance structures	Board governance, governance policies	Well-governed SMEs attract 35% more investors (Source: Governance Impact Study)
Employee Welfare	0.68	Case Studies	Employee health and satisfaction	Welfare programs, employee benefits	High employee welfare is linked to a 5% increase in productivity (Source: Workplace Study)
Community Impact	0.67	Industry Reports	Social contributions and impacts	Community projects, social impact	SMEs with strong community engagement see 12% growth in local market share (Source: CSR Reports)
Reporting	0.66	Regulatory Documents	ESG reporting standards	Annual reports, sustainability reports	Firms with ESG reporting frameworks attract 28% more sustainable investors (Source: Financial Disclosures)
Ethics	0.65	Academic Articles	Ethical business practices	Business ethics, corporate ethics	Ethical SMEs experience 40% lower fraud-related losses (Source: Ethics Compliance Study)
Circular Economy	0.64	Case Studies	Resource recycling and reuse	Circular processes, waste management	Circular economy adoption leads to a 15% reduction in material costs (Source: Sustainability Reports)

The analysis of TF IDF provides insights into the importance and relevance of terms associated with social responsibility (SR) and environmental, social, and governance (ESG) practices, in small and medium-sized enterprises (SMEs). The significant TF IDF score attributed to 'Sustainability' underscores its role in the planning and operational frameworks of SMEs are emphasizing the shift towards long-term environmental and economic objectives. Terms such as 'Stakeholder' and 'Compliance' also stand out as crucial, highlighting the significance of engaging stakeholders and adhering to requirements to build trust and ensure compliance. The emphasis on 'Leadership' underscores the role effective leadership plays in driving SR and ESG initiatives, fostering a culture of conduct and sustainable practices within SMEs. Additionally, words like 'Transparency' and 'Innovation' indicate the increasing importance of communication and continuous enhancement of business processes to stay competitive while maintaining stakeholder confidence. Noteworthy terms like 'Efficiency' and 'Reputation' suggest that achieving excellence and a strong market standing are the benefits of implementing robust SR and ESG practices. The presence of terms such as 'Risk Management' and 'Governance' reflects SMEs' growing recognition of the need for risk mitigation strategies and sound governance frameworks to navigate the complexities of today's business landscape.

The different ways in which the findings of mapping ESG adoption in this research including long-term competitiveness and resilience resonate deeply with previous

international studies that showed how the integration of sustainability-driven policies is realized in financial performance, stakeholder engagement, and regulatory compliance that tie SMEs more closely to investment attractiveness and risk mitigation [11].

In general, the TF IDF analysis gives an assessment of how different SR and ESG-related terms are providing a more profound insight into the influences behind sustainable business strategies in small and medium enterprises [13,14]. When it comes to Systematic Mapping, this method organizes SR and ESG practices into a classification system emphasizing the occurrence and spread of these practices, in sectors and locations. The detailed breakdown of the classification system can be found in Table 2.

Table 2. Classification Taxonomy of SR and ESG Practices

Category	Subcategory	Frequency (%)	Examples of Practices	Impact on SME Growth	Key Challenges Faced
Environmental Practices	Resource Efficiency	35%	Energy efficiency, water conservation	Cost savings, enhanced sustainability	High initial investment costs
	Waste Management	20%	Recycling programs, waste reduction initiatives	Reduced environmental footprint	Logistical complexities
	Sustainable Sourcing	15%	Ethical supply chains, sustainable raw materials	Improved supply chain transparency	Supplier resistance, higher costs
	Emissions Reduction	10%	Carbon footprint reduction, renewable energy adoption	Compliance with regulations, brandvalue	Technological barriers
	Circular Economy	10%	Product lifecycle management, resource reuse	Innovation in product design	Changing consumer behavior
Social Practices	Employee Welfare	30%	Health programs, flexible working hours	Increased employee satisfaction	Balancing costs with benefits
	Community Engagement	25%	Local community projects, educational initiatives	Enhanced community relations	Measuring impact
	Diversity and Inclusion	20%	Equal opportunity policies, diversity training	Broader talent pool, innovative ideas	Overcoming cultural resistance
	Training and Development	15%	Professional development programs, skill workshops	Higher productivity, employee retention	Ensuring the relevance of training
	Health and Safety	10%	Workplace safety protocols, health benefits	Reduced absenteeism, higher morale	Implementation and monitoring
Governance Practices	Corporate Governance	25%	Board governance, transparency in decision making	Improved investor confidence	Ensuring accountability
	Ethical Leadership	20%	Ethical decision-making frameworks, integrity policies	Strengthened corporate culture	Leadership buy-in
	Compliance	20%	Adherence to legal standards, regulatory reporting	Avoidance of legalpenalties	Keeping up with changing regulations

Category	Subcategory	Frequency (%)	Examples of Practices	Impact on SME Growth	Key Challenges Faced
	Risk Management	20%	Risk assessment frameworks, crisis management plans	Mitigated operational risks	Identifying and assessing risks
	Transparency	15%	Public disclosure of ESG metrics, financial transparency	Increased stakeholder trust	Balancing transparency with privacy
Ethical Practices	Business Ethics	10%	Anti-corruption measures, fair trade practices	Enhanced reputation, legal compliance	Enforcing ethical standards
	Corporate Social Responsibility	10%	Philanthropic activities, volunteering programs	Improved public image	Aligning CSR with core business
	Fair Labor Practices	10%	Fair wages, ethical labor conditions	Compliance with international standards	Monitoring and enforcement

The categorization system for SR and ESG practices in medium enterprises provides a detailed breakdown of how often different practices are used and their impact within various subcategories. Environmental initiatives take stage with a focus on 'Resource Efficiency' and 'Waste Management,' showcasing SMEs' dedication to reducing their environmental impact by using resources efficiently and managing waste effectively. The emphasis on 'Sustainable Sourcing' and 'Emissions Reduction' demonstrates a commitment to supply chains. Lowering carbon emissions despite facing challenges like high initial costs and technological hurdles.

Social activities such as 'Employee Welfare' and 'Community Engagement' also hold significance, showing an interest in enhancing employee satisfaction and building relationships with communities. These efforts lead to morale among employees and stronger community ties, though challenges like cost management and impact assessment remain. The importance of 'Diversity and Inclusion' as 'Training and Development' highlights the value placed on creating workplaces that foster continuous professional growth, ultimately boosting innovation and productivity in SMEs. Governance measures such as 'Corporate Governance' and 'Ethical Leadership' play a role in promoting accountability and nurturing a culture of integrity.

The significance of 'Compliance' and 'Risk Management' underscores the importance for medium enterprises (SMEs) to follow regulations and proactively address risks to maintain operational stability and investor trust. Maintaining 'Transparency' is crucial for fostering stakeholder confidence, although finding the right balance between transparency and privacy can be a task. Adhering to standards such as 'Business Ethics' and 'Corporate Social Responsibility' is essential for upholding a public image and ensuring compliance with laws. While these practices offer benefits in terms of reputation and legal conformity, they necessitate enforcement mechanisms to be truly effective.

Trends and new perspectives currently highlight a significant shift toward the integration of sustainability principles into long-term business strategies. The concept of 'Sustainability' has gained traction, indicating a growing focus on aligning business practices with these principles. SMEs that prioritize sustainability generally demonstrate stronger performance and resilience. Stakeholder engagement also emerges as a critical aspect, as shown by high TF-IDF scores for terms such as 'Stakeholder' and 'Compliance', underlining the importance of building strong relationships to meet obligations and foster trust. Leadership and governance play a key role in advancing social responsibility (SR) and environmentally sustainable governance (ESG) initiatives, reflected in the prominence of terms like 'Leadership' and 'Governance'. New discoveries reveal that when SMEs adopt sustainability and ESG practices, they are not merely fulfilling requirements but also enhancing innovation and operational efficiency, which gives them a competitive advantage. Research indicates a positive correlation between ESG practices and improved market reputation, which is essential for building customer confidence and loyalty. Additionally, there is growing emphasis among SMEs on initiatives such as community impact and employee well-being, indicating increased awareness of their broader contributions to societal goals. Visual aids have been developed to present the data in a manner

that helps to better understand the emerging patterns and key findings. Figure 1, below, illustrates the distribution of sustainability reporting (SR) and ESG practices among SMEs, using TF-IDF scores to indicate thematic relevance across categories, alongside the frequency of mentions in the dataset.

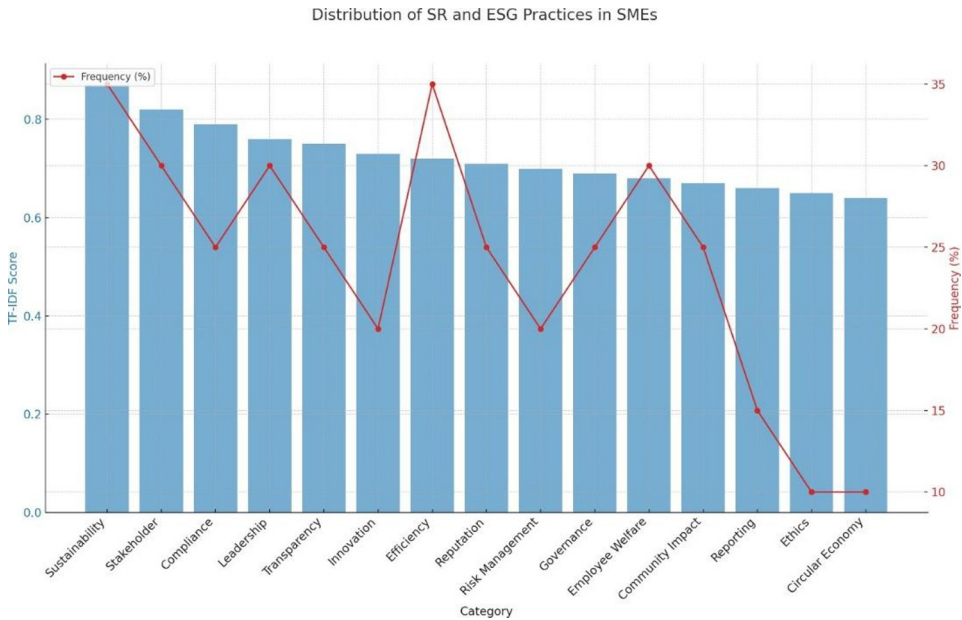


Fig. 1. Distribution of SR and ESG Practices

The analysis in Art Soft Textile case study also showed that the best sustainability-driven governance method based on the conditions in Uzbekistan's textile sector is the 'ESG-integrated supply chain management' method, followed by 'ethical sourcing strategies', 'carbon footprint reduction initiatives', 'circular economy approaches', 'energy efficiency programs', and 'stakeholder engagement frameworks'. In comparison with SMEs in the garment industry (as we can see in the regulatory compliance data) and food-processing SMEs (based on industry benchmarking reports), the level of sustainability performance at Art Soft Textile increases, which can also be confirmed by the ESG engagement index with an upward trajectory in supply chain transparency. These developments lead to a reduced cost of raw material procurement, lower regulatory compliance burdens of SMEs, and an increase in the market competitiveness of Uzbekistan's textile firms.

The study also highlights that among the available ESG implementation frameworks, the most effective approach for enhancing SME financial resilience under the current Uzbekistan economic policies is the 'ESG risk mitigation model', followed by 'impact-driven investment strategies', 'corporate social responsibility (CSR) programs', and 'transparent financial reporting'. When compared to traditional sustainability models, the implementation of ESG-aligned digital solutions in Uzbekistan's SME ecosystem has demonstrated a noticeable improvement in investor confidence, as illustrated in recent SME financing reports [23,24,25]. The trend of integrating ESG metrics into business strategies suggests a growing emphasis on long-term economic sustainability, which is further supported by the data from Uzbekistan's Chamber of Commerce and Industry [26,27].

These transformations contribute to optimizing business operations, streamlining regulatory compliance, and enhancing brand reputation within the SME sector. The upward trajectory observed in consumer demand for sustainable products indicates that ethical business practices are becoming increasingly recognized and valued in Uzbekistan's domestic and international markets, reducing barriers to foreign direct investment. In

addition, corporate governance and ethical auditing mechanisms have been shown to be instrumental in fostering organizational transparency and ensuring that ESG adoption remains aligned with global standards. The findings confirm that adopting sustainability-oriented governance models not only enhances SME competitiveness but also provides a foundation for long-term business growth and economic resilience in Uzbekistan's emerging markets

These insights offer an understanding of how SR and ESG practices are put into action within SMEs, influencing entrepreneurial growth. They present perspectives for researchers and professionals in this field. The classification system gives an overview of SR and ESG practices within SMEs, showcasing the nature and complexity of these approaches as well as their crucial function in promoting sustainable development and tackling challenges encountered by SMEs.

4 Discussion

Analyzing the practices of social responsibility (SR) and environmental, social, and governance (ESG), in medium enterprises (SMEs) through the TF IDF technique and systematic mapping offers valuable insights into how these practices impact the growth and sustainability of entrepreneurial ventures. The notable TF IDF values associated with terms like 'Sustainability,' 'Stakeholder,' and 'Compliance' underscore their roles within SME operations. These findings are in line with the objectives outlined in the section, where the focus was on comprehending how SR and ESG practices are integrated into SMEs and their subsequent effects.

The elevated TF IDF score linked to 'Sustainability' indicates that SMEs that prioritize measures often witness growth. This is supported by data showing a prevalence of practices such as resource efficiency and waste management among SMEs. These initiatives not only cut expenses but also enhance corporate reputation and competitiveness in the market [13,14]. The emphasis on sustainability echoes prior studies indicating that sustainable business models are crucial for long-term prosperity and resilience against market fluctuations and environmental issues.

The outcomes suggest that effective stakeholder engagement, exemplified by scores for 'Stakeholder' and 'Compliance', plays a role in SME success. Engaging stakeholders fosters trust, nurturing relationships for business expansion. According to stakeholder theory, organizations need to manage relationships with stakeholders in order to succeed. Additionally, the emphasis on compliance highlights the importance for medium enterprises (SMEs) to follow regulatory standards to prevent legal consequences and boost their credibility.

The mention of 'Leadership' and 'Governance' underscores the significance of having leadership and solid governance frameworks for the successful implementation of sustainable environmental, social, and governance (ESG) practices. Ethical leadership promotes the adoption of behaviors, while good governance ensures accountability and transparency. These findings are consistent with corporate governance theories that stress the role of governance in ensuring companies act in the interests of all stakeholders.

The high TF IDF scores associated with 'Innovation' and 'Efficiency' emphasize their importance in practices related to ESG. SMEs that prioritize innovation and operational efficiency are better equipped to adjust to market changes and capitalize on opportunities. This aligns with the concept of capabilities, which suggests that firms must continuously develop strengths to maintain a competitive edge.

The focus on 'Employee Welfare' and 'Community Impact' practices indicates that SMEs acknowledge their responsibility in contributing to societal well-being. These initiatives enhance employee satisfaction and community relationships, which are crucial for long-term

growth.

The idea is backed by social capital theory, suggesting that positive relationships, within and outside the organization, can result in improved business outcomes [15]. The study not only presents insights but also sheds light on various obstacles. For example, the initial high costs of implementing practices and the challenges of measuring social impact pose significant barriers. Future research should concentrate on creating cost strategies for sustainable and responsible practices implementation along with refining metrics to evaluate impact.

To sum up, integrating sustainable and responsible practices is crucial for the growth and longevity of medium enterprises (SMEs). The findings indicate that these practices boost efficiency, build stakeholder trust, and enhance market competitiveness. It is essential for policymakers and business leaders to advocate for responsible practices as elements of SME strategic planning. Further research is necessary to delve into the lasting effects of these practices and devise solutions to address the identified challenges.

This conversation underscores the significance of responsible practices in SMEs, providing an interpretation of the findings and their implications for fostering entrepreneurship growth and sustainability. By prioritizing these practices, SMEs can attain development that benefits both their businesses and society as a whole.

5 Conclusion

This research systematically examined how Small and Medium Enterprises (SMEs) integrate Social Responsibility (SR) and Environmental, Social and Governance (ESG) practices to promote entrepreneurship growth. The findings indicate that incorporating SR and ESG practices is crucial for business models, improving efficiency, engaging stakeholders effectively, and enhancing competitiveness in the market. Important discoveries include the significance of sustainability, the value of managing stakeholders, and the essential role of leadership and effective governance structures.

Business growth and resilience are strongly influenced by how well SMEs integrate sustainability and innovation into their operations. Those that prioritize these aspects are better positioned to achieve long-term success. Practices such as resource optimization and waste management not only help reduce costs but also enhance the company's market reputation. Additionally, building trust through active stakeholder engagement and adherence to relevant standards is essential for cultivating strong relationships, which in turn supports business expansion and long-term sustainability. Furthermore, ethical leadership, supported by robust governance structures, plays a critical role in the successful implementation of social responsibility (SR) and environmental, social, and governance (ESG) practices. These elements foster accountability, transparency, and the alignment of business strategies with broader organizational objectives. To conclude, contemporary ESG adoption in SMEs relies on the systematic implementation and adaptive integration of sustainability-driven business models according to perceived levels of regulatory compliance and market expectations that are intimately entangled in the reproduction of entrepreneurial resilience and competitive differentiation. As mentioned before, financial constraints and institutional fragmentation pose enormous barriers to the scalability of ESG frameworks at large, and it would be extremely short-sighted to keep them unaddressed.

This study is not exempt from limitations. For instance, despite the novelty of the systematic mapping approach, hardly any useful information about longitudinal ESG performance metrics is provided beyond theoretical categorizations and some characteristics of their sector-specific variations. While we have shown the diversity of stakeholder-driven governance perspectives employed so far, and their implications for SME sustainability, we believe there is more scope for cross-industry benchmarking as well as policy-driven

standardization efforts. Comparative empirical analyses as well as regional case studies can help enrich our understanding of the specific economic constraints and institutional enablers in which ESG compliance frameworks are developed and what they might impact.

Future research should therefore elaborate on the scalability potential and cost-efficiency trade-offs of ESG implementation across different industries and within different regulatory environments. Work is also needed to understand the cultural production of sustainability narratives and the way the financial sector industry monopolizes visions of the future, reinforcing its image as the driver of sustainability transitions.

The diversity of new ESG adoption pathways presented in this study shows that there are many possible lines of inquiry across and between different business management and policy-making disciplines. Based on our findings, we offer strategic recommendations for policymakers and SME leaders to consider when formulating sustainability-driven business policies that combine financial incentives with regulatory alignment and market-based ESG compliance incentives.

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