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ARTICLE

Working Capital Management and Triple Bottom Line Sustainability: Empirical Evidence from Microenterprises

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Abstract

This study examines the influence of working capital management (WCM) practices on the sustainability of microenterprises in the central business district of Goa, Camarines Sur, Philippines. Using a causal–explanatory research design, data were collected from 139 randomly selected microenterprises through structured survey questionnaires with high reliability (Cronbach's $\alpha = 0.91$). Descriptive statistics, weighted mean, and ordinal regression analysis were employed to analyze the economic profile, WCM practices, and sustainability across economic, social, and environmental dimensions. Results show that 57% of enterprises operate in the service sector, 41% have capitalization of Php50,000 or below, 42% are operating for 0–3 years, and 66% employ only 0–3 workers, indicating the dominance of small-scale and resource-constrained businesses. In terms of liquidity practices, 53% reported a net cash conversion cycle of 0–10 days, 81% collected receivables within 10 days, 65% turned over inventory within 10 days, and 74% settled payables within 10 days, reflecting relatively efficient short-term financial management. Overall WCM practices were rated High (mean = 3.90), particularly cash management (4.24) and inventory management (4.33). Microenterprises also demonstrated high sustainability levels, with economic sustainability (3.88), social sustainability (4.09), and environmental sustainability (4.31), yielding an overall mean of 4.12. Ordinal regression results indicate that WCM explains 30.78% of the variability in sustainability (Pseudo $R^2 = 0.3078$; LR $\chi^2 = 98.33$; $p < 0.001$). While overall WCM did not exhibit a statistically significant aggregate effect, specific practices, including cash budgeting, inventory control techniques, and timely bill payments, showed significant contributions to sustainability.

Keywords: Working Capital Management; Microenterprises; Sustainability; Business Practices; Financial Accounts; Economic Profile; Inventory Management Techniques

1. INTRODUCTION

Microenterprises play a critical role in the economic structure of the Philippines by contributing significantly to employment generation, entrepreneurial activity, and local economic development. Many of these enterprises engage in diverse economic activities ranging from retail trade and services to small-scale production, while simultaneously creating employment opportunities and supporting household incomes [1,2]. According to the Philippine Statistics Authority, there are approximately 1,109,684 business establishments in the Philippines, of which 99.59% are classified as micro, small, and medium enterprises (MSMEs). Among these, microenterprises represent the largest proportion, accounting for 90.49% of all MSMEs. In addition, MSMEs collectively provide the majority of employment in the country, followed by small enterprises, while medium enterprises contribute a comparatively smaller share to total employment [3]. These statistics highlight the substantial contribution of microenterprises to the national economy and underscore their importance in sustaining economic growth, promoting entrepreneurship, and improving livelihoods.

Given their significant contribution to economic activity and employment generation, ensuring the sustainability of microenterprises is essential for maintaining economic stability and fostering inclusive development. The long-term survival and growth of these enterprises are particularly important in

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developing economies where small businesses serve as key drivers of economic resilience and community development. However, sustainability in business extends beyond financial success. According to the Triple Bottom Line framework, sustainable enterprises must balance economic profitability with social responsibility and environmental stewardship [4]. This perspective emphasizes that businesses should not only pursue financial gains but also contribute positively to society and minimize their environmental impact. For microenterprises, adopting sustainable practices is especially important because their cumulative economic and environmental impacts can be significant when viewed collectively within the broader economy.

Despite their economic importance, microenterprises often face numerous operational and financial challenges that threaten their long-term sustainability. Limited financial resources, inadequate managerial skills, and restricted access to credit are among the common obstacles that constrain their growth and survival. Poor management practices are widely recognized as one of the primary causes of business failure, particularly among new enterprises. Harper [5] identified ineffective management as a major contributor to business failure, with insufficient capital ranked as the second most common cause. Similarly, many entrepreneurial ventures fail due to the inability of business owners to manage financial and operational aspects effectively. These challenges are particularly pronounced among microenterprises, which typically operate with minimal capital reserves and limited managerial support. Consequently, improving financial management practices becomes essential for strengthening the resilience and sustainability of these enterprises [6].

One of the most important aspects of financial management for microenterprises is working capital management. Working capital refers to the management of short-term assets and liabilities required to support daily business operations. Effective working capital management ensures that businesses maintain sufficient liquidity to meet operational expenses, pay suppliers, and respond to market demands. Proper management of working capital components such as cash, accounts receivable, inventory, and accounts payable helps businesses maintain financial stability while optimizing operational efficiency. When working capital is managed effectively, businesses are better able to avoid liquidity shortages, reduce financial risks, and sustain their operations over time.

Promoting sustainable business practices is also closely aligned with the broader global agenda of sustainable development. The United Nations Sustainable Development Goals (SDGs) emphasize the importance of responsible economic activities that contribute to social well-being and environmental protection. In particular, SDG 8 focuses on promoting sustained, inclusive, and sustainable economic growth while ensuring productive employment opportunities for all. SDG 9 highlights the importance of fostering innovation and supporting inclusive industrial development, while SDG 11 promotes the development of sustainable and resilient communities where businesses contribute to improving access to essential services and economic opportunities [7]. Microenterprises play a vital role in advancing these goals because they contribute significantly to employment creation, community development, and local economic activity. Strengthening the sustainability of microenterprises therefore supports not only individual business success but also broader socio-economic development objectives.

Existing literature suggests that working capital management practices can significantly influence business sustainability and financial performance. Several studies have demonstrated that effective management of working capital components contributes to improved liquidity, operational efficiency, and long-term business viability [8,9]. By maintaining optimal levels of cash, receivables, inventory, and payables, businesses can enhance their financial performance and reduce the risks associated with liquidity shortages. However, most of the existing studies in this area primarily focus on large corporations or SMEs in general, often overlooking the unique circumstances of microenterprises. Micro-scale businesses operate under different financial and operational conditions compared with larger firms. They typically face greater financial constraints, limited access to formal financing, and fewer managerial resources. As a result, the working capital management practices that influence sustainability in larger firms may not necessarily apply in the same way to microenterprises.

Despite the growing body of literature on working capital management and business sustainability, relatively limited research has specifically examined how these financial management practices affect the sustainability of microenterprises, particularly in developing economies such as the Philippines. Understanding this relationship is important because microenterprises often operate under resource-constrained environments where effective financial management can determine whether businesses

survive or fail. Investigating how working capital management influences sustainability can therefore provide valuable insights into strategies that microenterprise owners can adopt to improve financial resilience and long-term business performance.

In response to this research gap, this study examines the influence of working capital management practices on the sustainability of microenterprises in Goa, Camarines Sur. Guided by the Triple Bottom Line framework, the study focuses on three key dimensions of sustainability: economic, social, and environmental sustainability. Specifically, the study seeks to describe the economic profile of microenterprises in terms of business activity, business capitalization, business age, number of employees, and employment classification. It also evaluates the working capital management practices adopted by microenterprises, particularly in relation to cash management, accounts receivable management, inventory management, and accounts payable management. In addition, the study assesses the level of sustainability of microenterprises across economic, social, and environmental dimensions. Finally, it investigates the influence of working capital management practices on business sustainability to determine which financial management practices contribute most significantly to sustainable business performance.

The findings of this study are expected to provide valuable insights for several stakeholders. For microenterprise owners and managers, the results may help improve financial decision-making and enhance the management of working capital resources. For policymakers and government institutions such as local government units (LGUs) and the Department of Trade and Industry (DTI), the study may provide useful information for designing programs that strengthen financial management capabilities among microenterprises. The research may also serve as a reference for future entrepreneurs and researchers interested in exploring sustainable business practices and financial management strategies in small-scale enterprises.

Despite its contributions, the study has certain limitations that should be acknowledged. First, the research focuses exclusively on microenterprises and does not include small or medium-sized enterprises. As a result, the findings may not be fully generalizable to larger firms with different financial structures and operational capacities. Second, the study was constrained by the limited availability of previous research specifically examining the relationship between working capital management and sustainability among microenterprises. Finally, the analysis is based on cross-sectional data collected in 2023, which may limit the ability to capture long-term changes in business practices and sustainability outcomes. Future research may therefore consider longitudinal approaches and broader geographic coverage to further explore the dynamics between financial management practices and business sustainability.

2. REVIEW OF RELATED LITERATURE

2.1. Microenterprises in the Philippines

Microenterprises play a fundamental role in the Philippine economy, particularly in generating employment, stimulating local economic activity, and promoting entrepreneurial development. Several studies highlight the importance of government policies and institutional support in improving the performance and growth of micro and small enterprises in the country [10-12]. In the Philippines, microenterprises are formally defined under the Magna Carta for Micro, Small and Medium Enterprises (Republic Act No. 9501) as businesses with total assets not exceeding Php3,000,000, excluding the value of land on which their office, plant, and equipment are situated. This legal definition provides a framework for government programs designed to support microenterprise development and encourage entrepreneurship. The significance of microenterprises is further reflected in national business statistics. According to the Philippine Statistics Authority (PSA, 2022), the majority of business establishments in the country are MSMEs, with microenterprises accounting for the largest proportion. These enterprises collectively generate the majority of employment in the country and contribute approximately 25% of total export value. The dominance of microenterprises in the business landscape underscores their importance as drivers of economic activity and inclusive growth [3]. Consequently, strengthening the capacity and sustainability of microenterprises is essential for supporting national economic development and improving livelihood opportunities.

2.2. Working Capital Management (WCM)

Working capital management has long been recognized as a critical determinant of firm performance and financial stability, particularly among small and medium enterprises. Effective management of short-term assets and liabilities enables firms to maintain liquidity, operational continuity, and profitability while minimizing financial risk. Prior studies emphasize that appropriate working capital policies improve financial performance and contribute to sustainable business operations [13-15]. The efficient management of cash, receivables, inventory, and payables allows firms to balance liquidity and profitability, ensuring that sufficient resources are available to support daily operations. The literature also indicates that working capital management continues to attract increasing scholarly attention as researchers explore its role in enhancing firm efficiency and long-term competitiveness [14,15]. According to Alnuaimi [8], working capital serves as the primary source of funding for daily business operations, making its effective management essential for maintaining financial stability. However, micro and small businesses often operate under conditions of financial vulnerability due to limited capital and restricted access to external financing. Bhattacharyya and Jagadeesh [16] note that such financial constraints make small enterprises particularly susceptible to economic shocks and operational disruptions. Nevertheless, previous studies suggest that effective working capital management can significantly improve business sustainability and operational performance [9,17].

2.3. Cash Management (CM)

Cash management refers to the strategies and practices adopted by businesses to regulate the inflow and outflow of cash in order to maintain sufficient liquidity for operational needs. Effective cash management ensures that firms have adequate funds available to meet short-term obligations and finance daily business activities. Proper cash management is fundamental to the growth and development of MSMEs because it enables businesses to manage operational expenses and respond to financial contingencies [18]. Cash is often described as the “lifeblood” of any business, as it directly influences financial decision-making and operational stability. Effective cash management also contributes to improved financial reporting and business performance by ensuring that firms maintain adequate liquidity levels while minimizing idle cash balances. Maintaining appropriate cash reserves enables businesses to meet unexpected expenses, invest in growth opportunities, and sustain operations during periods of financial uncertainty. Finally, sound cash management practices are essential for achieving business sustainability, particularly for microenterprises operating with limited financial resources [19].

2.4. Accounts Receivable Management (ARM)

Accounts receivable management plays a crucial role in maintaining cash flow stability and reducing credit risk among businesses. Effective receivable management practices allow firms to increase sales through credit transactions while minimizing the likelihood of bad debts. According to Richard and Kabala [20], small businesses often face difficulties in evaluating customer creditworthiness due to information asymmetry between buyers and sellers. This situation may expose businesses to financial risks when credit sales are extended without adequate screening procedures. Previous studies also indicate that many SMEs rely on credit sales to expand their customer base and improve sales performance [21]. However, weak credit management systems may result in delayed payments and increased bad debts, which can negatively affect business liquidity. Some enterprises may establish credit policies but fail to consistently implement them, resulting in inefficient receivable management. Nevertheless, research findings indicate that effective accounts receivable management significantly improves financial performance and contributes to the economic sustainability of microenterprises [19,22].

2.5. Inventory Management (IM)

Inventory management is another essential component of working capital management, particularly for businesses involved in retail and product-based operations. Effective inventory management practices enable firms to maintain optimal stock levels while minimizing storage costs and reducing the risk of spoilage or obsolescence. Mbah et al. [23] note that inventory management

systems, including inventory cost management, just-in-time systems, material requirement planning, and supplier partnerships, significantly influence operational performance. Similarly, Eze and Uchenu [24] observe that SMEs employ various inventory management techniques such as purchasing control and economic order quantity to manage stock efficiently. These methods help businesses maintain appropriate inventory levels while minimizing unnecessary holding costs. Effective inventory management contributes to improved operational efficiency and financial performance, ultimately supporting business sustainability. Moreover, implementing sound inventory management practices can positively influence the economic sustainability of microenterprises [25].

2.6. Accounts Payable Management (APM)

Accounts payable represent the short-term financial obligations of a business to its suppliers and creditors. Schaeffer [25] defines accounts payable as liabilities recorded in the balance sheet that represent unpaid bills typically due within a short period, usually within twelve months. Effective accounts payable management enables businesses to manage supplier relationships while maintaining sufficient liquidity to support operational activities. Research findings suggest that efficient accounts payable management significantly influences the financial performance and economic activities of businesses [26]. Maintaining accurate and timely invoicing systems allows businesses to monitor their financial obligations and avoid unnecessary penalties or financial disruptions. Moreover, accounts payable management is closely linked with accounts receivable management, as both components influence overall cash flow and financial stability. Previous studies also indicate that effective accounts payable management significantly contributes to the economic sustainability of microenterprises [19,22].

2.7. Sustainability of Microenterprises

Corporate sustainability refers to the ability of businesses to meet the needs of present stakeholders while preserving resources and opportunities for future stakeholders [27]. For microenterprises, sustainability is particularly important because their long-term survival depends on their ability to adapt to economic, social, and environmental challenges. Chatterjee et al. [28] emphasize that factors such as economic conditions, political environments, and demographic trends significantly influence the survival and success of microenterprises. The concept of sustainability in business is often framed through the Triple Bottom Line (TBL) approach, which integrates economic performance, social responsibility, and environmental sustainability as key indicators of organizational success. The TBL framework emphasizes that business performance should not be evaluated solely on financial outcomes but also on social and environmental contributions. Studies suggest that organizations adopting TBL principles tend to improve corporate value, strengthen sustainability practices, and contribute to broader regional development [29-32]. Furthermore, integrating environmental, social, and governance (ESG) considerations into business strategies enhances corporate accountability and promotes sustainable business practices in emerging economies [29,30].

2.8. Economic Sustainability (ES)

Economic sustainability refers to the ability of businesses to maintain long-term profitability, financial stability, and continuous growth. Microenterprises play an important role in sustaining economic activity by generating employment opportunities and supporting local markets. Economic sustainability ensures that businesses remain financially viable while contributing to the broader development of the economy. Competitive advantage and entrepreneurial competencies significantly influence the economic performance of businesses [33,34]. These factors are closely linked with access to working capital, as financial resources enable businesses to invest in operations, improve productivity, and respond to market opportunities. Strengthening financial capabilities and access to working capital therefore plays a vital role in improving the economic sustainability of businesses in developing economies.

2.9. Social Sustainability (SS)

Social sustainability focuses on the impact of business activities on employees, customers, and communities. It emphasizes the importance of maintaining positive stakeholder relationships, promoting fair labor practices, and contributing to social well-being. Social sustainability enhances

overall business performance by improving customer satisfaction and strengthening organizational reputation [35]. Studies also highlight that social capital, community engagement, and ethical business practices are key determinants of social sustainability among MSMEs [36]. Businesses that maintain strong relationships with customers and communities are more likely to achieve long-term success and stability. Ghising [34,37] further emphasizes that customer relationships and service quality significantly influence the long-term health and sustainability of businesses.

2.10. Environmental Sustainability (ENVS)

Environmental sustainability refers to business practices that minimize environmental impact and promote responsible resource utilization. Although MSMEs play a significant role in economic development, their collective environmental impact can also be substantial. Therefore, adopting environmentally responsible business practices is essential for promoting sustainable development. Environmental sustainability is closely aligned with the United Nations Sustainable Development Goal 12, which promotes responsible consumption and production. Businesses are encouraged to adopt practices that reduce waste, conserve resources, and minimize environmental degradation. Anaman et al. [30] highlight the importance of encouraging enterprises to adopt environmentally sustainable practices to mitigate the environmental impact of business operations. Similarly, Bruno et al. [31] found that many microenterprises adopt green marketing practices and eco-friendly operational strategies to promote environmentally responsible business activities. By integrating environmental sustainability into business operations, enterprises can contribute to long-term environmental protection while maintaining business viability.

2.11. Research Hypotheses

The following hypotheses were tested.

1) General Research Hypothesis

WCM has no significant effect on business sustainability

2) Specific Research Hypotheses

H_{01} *WCM has no significant effect on (ES).*

$H_{01}.a$: CM has no significant effect on ES.
$H_{01}.b$: ARM has no significant effect on ES.
$H_{01}.c$: IM has no significant effect on ES.
$H_{01}.d$: APM has no significant effect on ES.

H_{02} *WCM has no significant effect on (SS).*

$H_{02}.a$: CM has no significant effect on SS.
$H_{02}.b$: ARM has no significant effect on SS
$H_{02}.c$: IM has no significant effect on SS.
$H_{02}.d$: APM has no significant effect on SS.

H_{03} *WCM has no significant effect on (ENVS)*

$H_{03}.a$: CM has no significant effect on ENVS.
$H_{03}.b$: ARM has no significant effect on ENVS.
$H_{03}.c$: IM has no significant effect on ENVS.
$H_{03}.d$: APM has no significant effect on ENVS.

2.12. Theoretical Framework

The researchers adapted the sustainability framework of John Elkington known as “triple bottom line” (TBL) to measure sustainability (Table 1) [4]. This framework is being used in accounting as it incorporates the three measurements of performance such as social, environmental, and financial or economic, mainly known as the three Ps such as people, planet, and profits [19,40]. The TBL sustainability framework has made the business engaging as it garnered numerous proven evidence in contributing towards profitability for a long period of time.

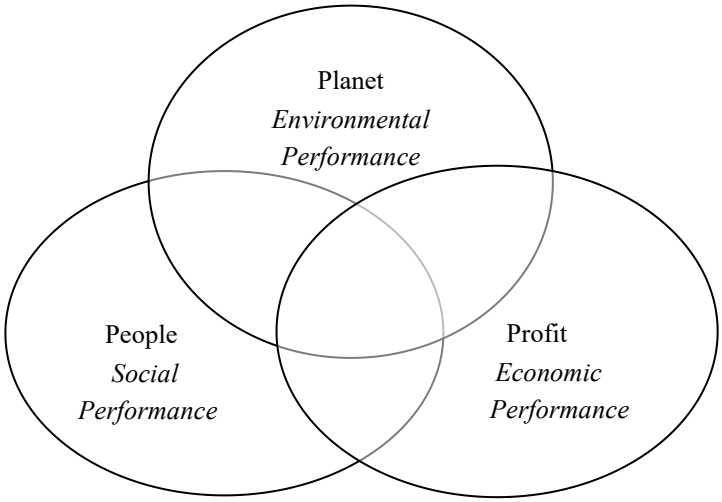

Figure 1. Theory of Sustainability [4,19,40]

2.13. Conceptual Framework

As shown in Figure 2, it described the profile (business activity, age, capitalization, and number of employees) as the control variables, WCM Practices (CM, ARM, IM, & APM) represents the independent variable, and sustainability of the microenterprises which was adopted from the 'Triple Bottom Line' of Elkington [4] (economic, social, and environmental) represents the dependent variable. The working capital management questionnaires were adapted to the constructed survey questionnaire of Corpuz & Bool [19] and modified. The questionnaires relative to APM practices were adapted to the study of Anorue & Ugwoke [41]. The questionnaires relative to the turnover days and others were self-constructed. The sustainability practices questionnaires were based on the Global Reporting Initiative (GRI) Standard Index on Sustainability.

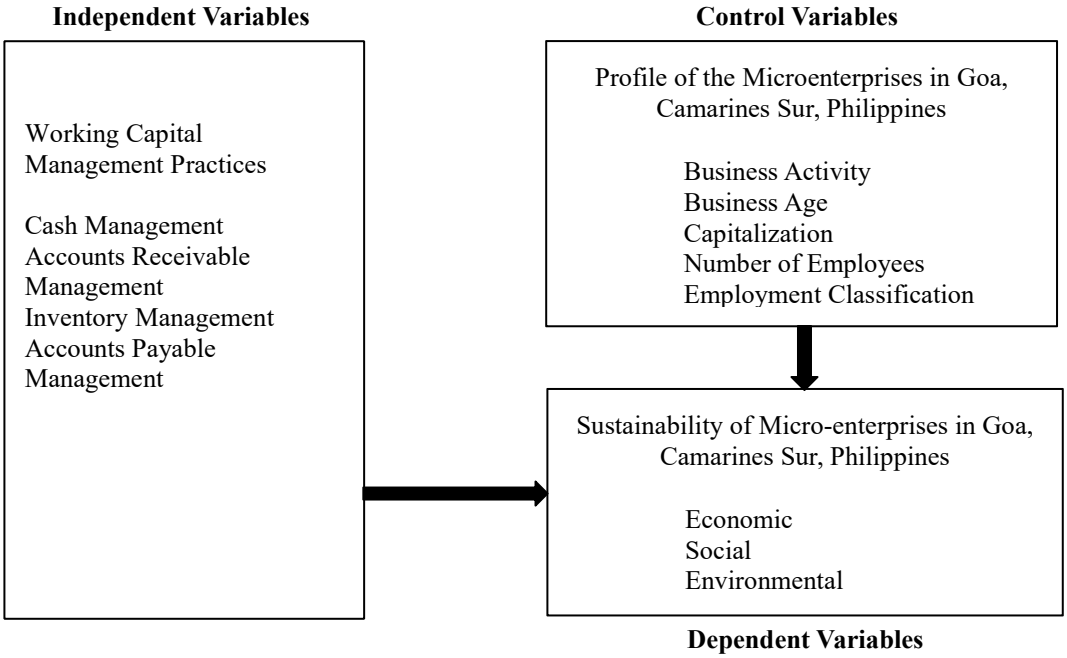

Figure 2. Conceptual framework

3. RESEARCH METHODS

3.1. Research Design

The researchers used a causal-explanatory research design to be employed in achieving the objectives of the study [34,42]. In this study, the researchers investigate the influence of working capital management on the sustainability of micro enterprises. Structured survey questionnaires used in

the study to collect and analyze the data from the respondents. The results of the study were interpreted using statistical and analytical tools.

3.2. Sampling Design

The researchers used random sampling. In this study, they only focused on the micro enterprises in the central business district of Goa, Camarines Sur thus, they covered the micro enterprises located in the area. The sample size is determined using Slovin's formula [43].

Formula:

$$n=\frac{N}{1+Ne^2}$$

$$n=\frac{304}{1+304\ (0.08)^2}$$

$$n=103.21$$

Where:

n = sample size (103)

N = population size (304)

e = margin of error (0.08)

The actual sample size (139) exceeded the calculated sample size (103) due to higher response and inclusion of additional participants. The analysis includes all gathered data to ensure robust results.

3.3. Respondents of the Study

The researchers' target respondents are the registered micro-enterprises in the central business district of Goa, Camarines Sur. There are a total of 139 micro enterprises responding in the study along Poblacion, Goa, Camarines Sur consisting of 10 barangays.

3.4. Data Gathering Procedures

The researchers acquired a list of registered micro-enterprises in the Municipality of Goa, Camarines Sur. The researchers also created survey questionnaires validated by three competent research individuals. After validation, this has been pre-tested to 30 other microenterprises and tested for reliability using Cronbach's Alpha. Questionnaires have a Cronbach's Alpha of 0.91. The questionnaires were distributed to the owners of micro enterprises located in the central business district of Goa, Camarines Sur, Philippines [44].

3.5. Data Gathering Instruments

The instrument used in gathering data was the survey questionnaire developed by the researchers. This is composed of three parts namely; the economic profile of the micro enterprises, assessment of WCM, and the evaluation of its sustainability.

3.6. Data Analysis

The data obtained will be analyzed using the Percentage Technique, Frequency Count, Weighted Mean, and Ordinal Regression.

Percentage Technique and Frequency Count. Percentage will be used to obtain the ratio and proportion relative to a whole of the economic profile of the respondents and data with regards to the WCM.

Formula:

$$Percentage=\frac{f}{n}x\ 100$$

Where:

f = frequency

n = population

Weighted Mean. The weighted mean is used to weigh the data obtained in assessing the level of observance of the WCM as to CM, ARM, IM, & APM and the level of ES, SS, & ENVS.

Formula:

$$Wm = \frac{\Sigma fx}{n}$$

Where:
Wm = weighted mean
Σfx = sum of the products of the frequency with weights
n = sample size

The researchers used Likert Scale where each point and range was given a corresponding verbal interpretation such as follows;

Table 1. Range of Values with their Descriptive Interpretation

Statistical Range	Descriptive Interpretation	Descriptive Rating
4.20-5.00	Always	Very High
3.40-4.19	Often	High
2.60-3.39	Sometimes	Moderate
1.80-2.59	Seldom	Low
1.00-1.79	Never	Very Low

Ordinal Regression. The data obtained are to be analyzed using ordinal regression as a statistical technique to investigate the influence of WCM as predictors on business sustainability (economic, social, and environmental). It is used as the data are Likert-driven and the variables and ordinal variables [45].

Formula:

$$log\left(\frac{P(Y\leq k)}{1\text{-}P(Y\leq k)}\right) = \beta_0 + \beta_1 x_1 + \beta_2 x_2 \ldots + \beta_p x_p$$

Where:
$P(Y\leq k)$ = cumulative probability of the dependent variable (Y) being less than or equal to category (k);
β_0 = the intercept;
β_1 = coefficient of independent variable;
x = independent variables; and
k = 1

Model 1 Cash Management and Economic Sustainability

$$ES=\beta_0+\beta_1 CM1+\beta_2 CM2+\beta_3 CM3+\beta_4 CM4+\beta_5 CM5+\beta_6 CM6+\beta_7 CM7+\beta_8 ADC+\beta_9 SCB$$
$$+\beta_{10} NCCCD+\beta_{11} BA+\beta_{12} BC+\beta_{13} BAGE+\varepsilon$$

Where:

ES = Economic sustainability (ordinal dependent variable)
CM1 = Monitoring daily cash inflows and outflows
CM2 = Maintaining adequate cash balances
CM3 = Preparing cash budgets and forecasts
CM4 = Performing bank reconciliation
CM5 = Monitoring cash collections and disbursements
CM6 = Understanding factors affecting cash flow
CM7 = Maintaining cash records and controls
ADC = Average daily cash balance maintained
SCB = Sales on cash basis
NCCCD = Net cash conversion cycle days
BA = Business activity
BC = Business capitalization
BAGE = Business age
ε = Error term

Model 2 Accounts Receivable Management and Economic Sustainability

$$ES=\beta_0+\beta_1 ARM1+\beta_2 ARM2+\beta_3 ARM3+\beta_4 ARM4+\beta_5 ARM5+\beta_6 ARTD+\beta_7 BD+\varepsilon$$

Where:
ES = Economic sustainability
ARM1 = Granting credit to customers
ARM2 = Implementing credit policy
ARM3 = Evaluating customer creditworthiness
ARM4 = Monitoring customer receivable records
ARM5 = Providing incentives for timely payment
ARTD = Accounts receivable turnover days
D = Bad debt percentage
ε = Error term

Model 3 Inventory Management and Economic Sustainability

$$ES=\beta_0+\beta_1IM1+\beta_2IM2+\beta_3IM3+\beta_4IM4+\beta_5IM5+\beta_6IM6+\beta_7ITD+\varepsilon$$

Where:
ES = Economic sustainability
IM1 = Returning spoiled goods to suppliers
IM2 = Installing CCTV for inventory security
IM3 = Preparing inventory reports and reconciling them with physical counts
IM4 = Applying inventory management techniques to maintain optimal stock levels
IM5 = Observing the First-In, First-Out (FIFO) method
IM6 = Minimizing inventory carrying costs
ITD = Inventory turnover days
ε = Error term

Model 4 Accounts Payable Management and Economic Sustainability

$$ES=\beta_0+\beta_1APM1+\beta_2APM2+\beta_3APM3+\beta_4APM4+\beta_5APM5+\beta_6APTD+\beta_7APL+\varepsilon$$

Where:
ES = Economic sustainability
APM1 = Determining appropriate credit management policies
APM2 = Monitoring accounts payable obligations
APM3 = Paying bills on time
APM4 = Scheduling payable payments efficiently
APM5 = Obtaining discounts for early payment
APTD = Accounts payable turnover days
APL = Percentage of purchases made on credit
ε = Error term

Model 5 Cash Management and Social Sustainability

$$SS=\beta_0+\beta_1CM1+\beta_2CM2+\beta_3CM3+\beta_4CM4+\beta_5CM5+\beta_6CM6+\beta_7CM7+\beta_8ADC$$
$$+\beta_9SCB+\beta_{10}NCCCD+\beta_{11}BA+\beta_{12}BC+\beta_{13}BAGE+\varepsilon$$

Where:
SS = Social sustainability
(All CM variables and control variables remain the same as defined above.)

Model 6 Accounts Receivable Management and Social Sustainability

$$SS=\beta_0+\beta_1ARM1+\beta_2ARM2+\beta_3ARM3+\beta_4ARM4+\beta_5ARM5+\beta_6ARTD+\beta_7BD+\varepsilon$$

Model 7 Inventory Management and Social Sustainability

$$SS=\beta_0+\beta_1IM1+\beta_2IM2+\beta_3IM3+\beta_4IM4+\beta_5IM5+\beta_6IM6+\beta_7ITD+\varepsilon$$

Model 8 Accounts Payable Management and Social Sustainability

$$SS=\beta_0+\beta_1APM1+\beta_2APM2+\beta_3APM3+\beta_4APM4+\beta_5APM5+\beta_6APTD+\beta_7APL+\varepsilon$$

Model 9 Cash Management and Environmental Sustainability

$$ENV=\beta_0+\beta_1CM1+\beta_2CM2+\beta_3CM3+\beta_4CM4+\beta_5CM5+\beta_6CM6+\beta_7CM7+\beta_8ADC$$
$$+\beta_9SCB+\beta_{10}NCCCD+\beta_{11}BA+\beta_{12}BC+\beta_{13}BAGE+\varepsilon$$

Where:
ENV = Environmental sustainability

Model 10 Accounts Receivable Management and Environmental Sustainability

$$ENV=\beta_0+\beta_1 ARM1+\beta_2 ARM2+\beta_3 ARM3+\beta_4 ARM4+\beta_5 ARM5+\beta_6 ARTD+\beta_7 BD+\varepsilon$$

Model 11 Inventory Management and Environmental Sustainability

$$ENV=\beta_0+\beta_1 IM1+\beta_2 IM2+\beta_3 IM3+\beta_4 IM4+\beta_5 IM5+\beta_6 IM6+\beta_7 ITD+\varepsilon$$

Model 12 Accounts Payable Management and Environmental Sustainability

$$ENV=\beta_0+\beta_1 APM1+\beta_2 APM2+\beta_3 APM3+\beta_4 APM4+\beta_5 APM5+\beta_6 APTD+\beta_7 APL+\varepsilon$$

Model 13 Overall Working Capital Management and Sustainability

$$SUS=\beta_0+\sum CM_i+\sum ARM_i+\sum IM_i+\sum APM_i+\beta_{Controls}+\varepsilon$$

Where:
SUS = Overall sustainability
CM = Cash management practices
ARM = Accounts receivable management practices
IM = Inventory management practices
APM = Accounts payable management practices
Controls include:
ADC = Average daily cash balance
SCB = Sales on cash basis
NCCCD = Net cash conversion cycle days
ARTD = Accounts receivable turnover days
BD = Bad debt percentage
ITD = Inventory turnover days
APTD = Accounts payable turnover days
APL = Accounts payable level
BA = Business activity
BC = Business capitalization
BAGE = Business age
ε = Error term

4. RESULTS AND DISCUSSIONS

4.1. Economic Profile of Microenterprises

Table 2 indicates that microenterprises in the central business district of Goa, Camarines Sur are predominantly service-oriented, with relatively low capitalization and small workforce sizes. The large proportion of businesses operating for only 0–3 years suggests a growing entrepreneurial environment, possibly driven by the municipality's expanding economic and tourism activities. The prevalence of enterprises with limited capital and few employees reveal the resource constraints faced by microenterprises, emphasizing the importance of efficient financial and operational management. These results imply that support programs from local government units and development agencies should focus on capacity building, financial management training, and access to capital to enhance the sustainability and growth potential of microenterprises.

Table 2. Economic Profile of Microenterprises in Goa, Camarines Sur

Economic Profile	Frequency	Percentage (%)
Business Activity		
Service	79	57
Merchandising	59	42
Manufacturing	1	1
Total	**139**	**100**

Table 2. Economic Profile of Microenterprises in Goa, Camarines Sur (continued)

Economic Profile	Frequency	Percentage (%)
Business Capitalization		
Php50,000 and below	57	41
Php50,001-Php100,000	16	12
Php100,001-Php150,000	22	16
Php150,001-Php200,000	7	5
Php200,001 & above	37	27
Total	**139**	**100**
Business Age		
0-3 years	59	42
4-6 years	27	19
7-9 years	12	9
10-12 years	8	6
13-15 years	2	1
16 years & above	31	22
Total	**139**	**100**
Number of Employees		
0-3	92	66
4-6	19	14
7-9	13	9
10 & above	15	11
Total	**139**	**100**
Employment Classification		
Permanent	92	66
Part-time	19	14
Contractual	20	14
N/A	8	6
Total	**139**	**100**

4.2. Working Capital Management

Table 3 indicates that most microenterprises maintain relatively small daily cash balances, with 39% holding Php5,000 or less, reflecting limited liquidity and financial capacity typical of micro-scale businesses. Despite this constraint, 45% reported that 81–100% of their sales are conducted on a cash basis, suggesting that many enterprises rely on immediate cash transactions to sustain daily operations. Furthermore, 53% reported a net cash conversion cycle of 0–10 days, indicating efficient turnover of inventory and timely collection of receivables. These findings imply that microenterprises prioritize short cash cycles to maintain operational liquidity. Strengthening cash planning and liquidity management could further enhance financial stability and resilience.

Table 3. Cash Management

Cash Management	Frequency	Percentage (%)
A. Cash Maintained Daily		
Php5,000 & below	54	39
Php5,001-Php10,000	38	27
Php10,001-Php15,000	3	2
Php15,001-Php20,000	21	15

Table 3. Cash Management (continued)

Cash Management	Frequency	Percentage (%)
Php20,001 & above	23	17
Total	**139**	**100**
B. Percentage of Sales on Cash Basis		
0-20	37	27
21-40	12	9
41-60	24	17
61-80	4	3
81-100	62	45
Total	**139**	**100**
C. NCCCD		
0-10 days	74	53
11-20 days	22	16
21-30 days	43	31
Total	**139**	**100**

Table 4 shows that most microenterprises experience relatively low levels of bad debts, with 77% reporting only 0–20% bad debt, indicating effective credit monitoring and relatively low credit risk. Additionally, 81% of customers settle their credit purchases within 0–10 days, suggesting efficient accounts receivable turnover and timely collection practices. These results imply that many microenterprises maintain short credit terms to protect liquidity and reduce the risk of delayed payments. Efficient receivable management helps ensure stable cash inflows, which are essential for sustaining daily operations. Strengthening credit policies and monitoring receivables can further enhance financial stability and support the long-term sustainability of microenterprises.

Table 4. Accounts Receivable Management

Accounts Receivable Management	Frequency	Percentage (%)
A. Percentage of Bad Debts		
0-20	107	77
21-40	19	14
41-60	12	9
61-80	0	0
81-100	1	1
Total	**139**	**100**
B. APTD		
0-10 days	113	81
11-20 days	7	5
21-30 days	18	13
31 days & above	1	1
Total	**139**	**100**

Table 5 shows that 65% of microenterprises maintain an inventory turnover period of 0–10 days, indicating relatively fast movement of goods and efficient inventory management practices. Short inventory turnover days suggest that products do not remain in stock for long periods, reducing the risks of spoilage, obsolescence, and unnecessary storage costs. This efficiency also supports better cash flow, as inventory is quickly converted into sales revenue. The findings imply that many microenterprises manage their stock carefully to match customer demand and avoid overstocking.

Strengthening inventory planning and monitoring systems could further enhance operational efficiency and contribute to the financial stability and sustainability of microenterprises.

Table 5. Inventory Management

Inventory Management	Frequency	Percentage (%)
A. ITD		
0-10 days	90	65
11-20 days	23	17
21-30 days	24	17
31 days & above	2	1
Total	**139**	**100**

Table 6 indicates that most microenterprises maintain relatively low reliance on credit purchases, with 76% reporting accounts payable levels of only 0–20%. This suggests that many businesses limit their dependence on external credit, which helps reduce financial risk and debt burden. In addition, 74% of the respondents settle their payables within 0–10 days, indicating prompt payment practices and good relationships with suppliers. Although 18% take up to 21–30 days to settle obligations, this still reflects manageable payment periods. These findings imply that microenterprises prioritize timely payments to maintain supplier trust, ensure continuous supply of goods, and support stable business operations and sustainability.

Table 6. Accounts Payable Management

Accounts Payable Management	Frequency	Percentage (%)
A. Percentage of AP		
0-20	106	76
21-40	24	17
41-60	8	6
61-80	0	0
81-100	1	1
Total	**139**	**100**
B. APTD		
0-10 days	103	74
11-20 days	9	6
21-30 days	25	18
31 days & above	1	1
Total	**139**	**100**

Table 7. Working Capital Management Practices (WCMPs)

WCM Practices	Weighted Mean	Descriptive Interpretation
CM	4.24	Always
ARM	3.36	Sometimes
IM	4.33	Always
APM	3.67	Often
Average Weighted Mean	**3.90**	**Often**

Legend: *4.20-5.00 (Always), 3.40-4.19 (Often), 2.60-3.39 (Sometimes), 1.80-2.59 (Seldom), 1.00-1.79 (Never)*

Table 7 shows that microenterprises generally demonstrate strong working capital management practices, with an overall weighted mean of 3.90 interpreted as “Often.” Cash management (4.24) and inventory management (4.33) received the highest ratings, indicating that microenterprises consistently monitor cash flows and inventory levels to maintain operational efficiency. Accounts payable management (3.67) is also frequently practiced, reflecting responsible handling of credit obligations

and timely payments to suppliers. However, accounts receivable management (3.36) was only rated as "Sometimes," suggesting room for improvement in credit monitoring and collection practices. Strengthening receivable management policies may help reduce bad debts, improve liquidity, and enhance the long-term financial sustainability of microenterprises. Refer to Appendix A for detailed descriptive statistics of the variables.

4.3. Business Sustainability

Table 8. Descriptive Statistics of Business Sustainability

Sustainability	Weighted Mean	Descriptive Interpretation
ES	3.88	High
SS	4.09	High
ENVS	4.31	Very High
Average Weighted Mean	**4.12**	**High**

Legend: *4.20-5.00 (Very High), 3.40-4.19 (High), 2.60-3.39 (Moderate), 1.80-2.59 (Low), 1.00-1.79 (Very Low)*

Table 8 indicates that microenterprises demonstrate a high level of overall business sustainability, with an average weighted mean of 4.12. Economic sustainability (3.88) is rated high, suggesting that microenterprises prioritize financial stability, efficient resource management, and business continuity. Social sustainability (4.09) is also high, reflecting strong relationships with employees, customers, and suppliers, as well as contributions to the local economy. Environmental sustainability (4.31) received the highest rating, indicating that many microenterprises adopt practices that minimize environmental harm. These findings imply that microenterprises recognize the importance of balancing economic, social, and environmental responsibilities to ensure long-term sustainability and resilience in their operations.

4.4. Influence of Working Capital Management (WCM) on Business Sustainability

Table 9 presents the regression results examining the influence of cash management on the economic sustainability of microenterprises. The results show that most cash management variables are not statistically significant. However, sales on a cash basis (SCB) and net cash conversion cycle days (NCCCD) exhibit significant negative effects on economic sustainability. The negative coefficient of SCB suggests that excessive reliance on cash sales may limit business growth opportunities, such as expanding credit-based transactions that attract more customers. Meanwhile, a longer cash conversion cycle negatively affects economic sustainability as it delays the conversion of resources into cash, creating liquidity constraints. These findings emphasize the importance of balanced cash management strategies to maintain financial stability and support long-term economic sustainability.

Table 9. Cash Management on Economic Sustainability

Economic Sustainability	Coef.	Std. Err.	Z	P > z	Interpretation
Cash Management Practice: Monitoring Daily Cash Inflows and Outflows (CM1)	0.111	0.368	0.300	0.764	Not Significant
Cash Management Practice: Maintaining Adequate Cash Balances (CM2)	-0.359	0.272	-1.320	0.186	Not Significant
Cash Management Practice: Preparing Cash Budgets and Forecasts (CM3)	-0.157	0.403	-0.390	0.697	Not Significant
Cash Management Practice: Performing Bank Reconciliation (CM4)	0.509	0.265	1.920	0.055	Not Significant
Cash Management Practice: Monitoring Cash Collections and Disbursements (CM5)	0.575	0.390	1.480	0.140	Not Significant
Cash Management Practice: Understanding Factors Affecting Cash Flow (CM6)	-0.566	0.436	-1.300	0.194	Not Significant

Table 9. Cash Management on Economic Sustainability (continued)

Economic Sustainability	Coef.	Std. Err.	Z	P > z	Interpretation
Cash Management Practice: Maintaining Cash Records and Controls (CM7)	0.623	0.455	1.370	0.171	Not Significant
Average Daily Cash Balance Maintained	0.166	0.142	1.170	0.242	Not Significant
Sales on Cash Basis (SCB)	-0.220	0.107	-2.060	0.039**	Significant
Net Cash Conversion Cycle Days (NCCCD)	-0.045	0.022	-2.070	0.038**	Significant
Business Activity	0.195	0.378	0.520	0.606	Not Significant
Business Capitalization	0.075	0.126	0.600	0.552	Not Significant
Business Age	-0.007	0.071	-0.090	0.926	Not Significant
LR chi2(13) = 31.35	Prob > chi2 = 0.003***			Pseudo R2 = 0.0868	
Dependent Variable: Economic Sustainability					

Legend: ***significant at 5%, *** significant at 1%*

Table 10 presents the regression results on the influence of accounts receivable management on the economic sustainability of microenterprises. The findings show that ARM2 (implementation of credit policy), ARM5 (providing incentives for timely payment), and accounts receivable turnover days (ARTD) have significant positive effects on economic sustainability. These results indicate that establishing clear credit policies enables microenterprises to manage customer credit responsibly while minimizing the risk of bad debts. Providing incentives for timely payments also encourages faster collection of receivables. Moreover, efficient receivable turnover improves cash flow and liquidity. These findings suggest that strengthening credit management and monitoring receivables can significantly enhance the financial stability and economic sustainability of microenterprises.

Table 10. Accounts Receivable Management on Economic Sustainability

Economic Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Accounts Receivable Practice: Granting Credit to Customers (ARM1)	-0.215	0.173	-1.240	0.214	Not Significant
Accounts Receivable Practice: Implementing Credit Policy (ARM2)	0.458	0.204	2.250	0.025**	Significant
Accounts Receivable Practice: Evaluating Customer Creditworthiness (ARM3)	-0.011	0.261	-0.040	0.966	Not Significant
Accounts Receivable Practice: Monitoring Customer Receivable Records (ARM4)	-0.347	0.246	-1.410	0.159	Not Significant
Accounts Receivable Practice: Providing Incentives for Timely Payment (ARM5)	0.697	0.238	2.930	0.003***	Significant
Accounts Receivable Turnover Days (ARTD)	5.081	2.546	2.000	0.046**	Significant
Bad Debt Percentage (BD)	0.262	0.262	1.000	0.318	Not Significant
LR chi2(7) = 35.95	Prob > chi2 = 0***			Pseudo R2 = 0.1093	
Dependent Variable: Economic Sustainability					

Legend: *** significant at 5%, *** significant at 1%*

Table 11 presents the regression results examining the influence of inventory management on the economic sustainability of microenterprises. The findings show that IM2 (ensuring the presence of CCTV to prevent theft) and IM3 (preparing inventory reports and reconciling them with physical counts) have significant positive effects on economic sustainability. These results indicate that effective monitoring and control of inventory help safeguard business assets and reduce losses due to theft or inventory discrepancies. Regular reconciliation of inventory records also enhances accuracy and operational efficiency. These practices strengthen financial stability by minimizing inventory shrinkage

and improving resource management, thereby contributing to the long-term economic sustainability of microenterprises.

Table 11. Inventory Management on Economic Sustainability

Economic Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Inventory Practice: Returning Spoiled Goods to Suppliers (IM1)	-0.235	0.296	-0.790	0.429	Not Significant
Inventory Practice: Installing CCTV for Inventory Security (IM2)	0.597	0.196	3.050	0.002***	Significant
Inventory Practice: Preparing Inventory Reports and Physical Count Reconciliation (IM3)	1.464	0.557	2.630	0.009***	Significant
Inventory Practice: Applying Inventory Management Techniques to Maintain Optimal Stock Levels (IM4)	0.324	0.433	0.750	0.454	Not Significant
Inventory Practice: Observing the First-In, First-Out (FIFO) Method (IM5)	0.384	0.393	0.980	0.327	Not Significant
Inventory Practice: Minimizing Inventory Carrying Costs (IM6)	0.054	0.352	0.150	0.879	Not Significant
Inventory Turnover Days (ITD)	-28.036	14.533	-1.930	0.054	Not Significant
LR chi2(7) = 69.40	Prob > chi2 = 0***			Pseudo R2 = 0.3129	
Dependent Variable: Economic Sustainability					

Legend: *** significant at 5%, **** significant at 1%*

Table 12. Accounts Payable Management on Economic Sustainability

Economic Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Accounts Payable Practice: Determining Appropriate Credit Management Policies (APM1)	0.721	0.265	2.720	0.006***	Significant
Accounts Payable Practice: Monitoring Accounts Payable Obligations (APM2)	0.289	0.252	1.150	0.251	Not Significant
Accounts Payable Practice: Paying Bills on Time (APM3)	0.279	0.232	1.200	0.229	Not Significant
Accounts Payable Practice: Scheduling Payable Payments Efficiently (APM4)	0.210	0.137	1.530	0.125	Not Significant
Accounts Payable Practice: Obtaining Discounts for Early Payment (APM5)	-0.358	0.179	-2.010	0.045**	Significant
Accounts Payable Turnover Days (APTD)	5.197	13.848	0.380	0.707	Not Significant
Percentage of Purchases Made on Credit (Accounts Payable Level)	0.060	0.342	0.180	0.860	Not Significant
LR chi2(7) = 29.56	Prob > chi2 = 0.0003***			Pseudo R2 = 0.1002	
Dependent Variable : Economic Sustainability					

Legend: *** significant at 5%, **** significant at 1%*

Table 12 presents the regression results examining the influence of accounts payable management on the economic sustainability of microenterprises. The findings indicate that APM1 (determining appropriate credit management policies) has a significant positive effect on economic sustainability, suggesting that well-structured credit policies help businesses manage liabilities efficiently, reduce dependence on costly borrowing, and maintain adequate cash flow for operations. Conversely, APM5

(obtaining discounts through early payment) shows a significant negative effect on economic sustainability. This suggests that prioritizing early payments may reduce available working capital needed for other operational activities. These results emphasize the importance of balancing payment schedules and liquidity management to sustain financial stability and long-term business performance.

Table 13. Cash Management on Social Sustainability

Social Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Cash Management Practice: Monitoring Daily Cash Inflows and Outflows (CM1)	-0.095	0.366	-0.260	0.796	Not Significant
Cash Management Practice: Maintaining Adequate Cash Balances (CM2)	0.119	0.263	0.450	0.652	Not Significant
Cash Management Practice: Preparing Cash Budgets and Forecasts (CM3)	1.117	0.388	2.880	0.004***	Significant
Cash Management Practice: Performing Bank Reconciliation (CM4)	0.159	0.225	0.710	0.481	Not Significant
Cash Management Practice: Monitoring Cash Collections and Disbursements (CM5)	-0.036	0.336	-0.110	0.916	Not Significant
Cash Management Practice: Understanding Factors Affecting Cash Flow (CM6)	0.883	0.404	2.180	0.029**	Significant
Cash Management Practice: Maintaining Cash Records and Controls (CM7)	-0.656	0.369	-1.780	0.076	Not Significant
Average Daily Cash Balance Maintained	0.167	0.140	1.190	0.233	Not Significant
Sales on Cash Basis (SCB)	-0.031	0.108	-0.290	0.773	Not Significant
Net Cash Conversion Cycle Days (NCCCD)	0.037	0.022	1.690	0.091	Not Significant
Business Activity	0.281	0.395	0.710	0.477	Not Significant
Business Capitalization	-0.261	0.131	-2.000	0.045**	Significant
Business Age	-0.104	0.071	-1.460	0.143	Not Significant
LR chi2(13) = 57.98	Prob > chi2 = 0***			Pseudo R2 = 0.1606	
Dependent Variable : Social Sustainability					

Legend: *** significant at 5%, *** significant at 1%*

Table 13 presents the regression results examining the influence of cash management on the social sustainability of microenterprises. The findings show that CM3 (preparing cash budgets and forecasts) and CM6 (having a clear understanding of factors affecting cash flow) have significant positive effects on social sustainability. These results suggest that effective financial planning enables microenterprises to ensure timely payment of wages and employee benefits, thereby strengthening trust, job stability, and positive relationships with stakeholders. However, business capitalization (BusCap) shows a significant negative effect on social sustainability, implying that increased financial resources may sometimes lead businesses to prioritize economic expansion over social initiatives.

Table 14 presents the regression results examining the influence of accounts receivable management on the social sustainability of microenterprises. The findings show that ARM2 (implementing credit policy) has a significant positive effect on social sustainability, indicating that clear credit policies promote fair transactions, strengthen customer relationships, and encourage responsible lending practices. In contrast, ARM1 (granting credit to customers) shows a significant negative effect, suggesting that excessive or poorly monitored credit may lead to delayed payments or defaults, which can strain customer relationships and affect business stability. These results reveal the

importance of structured credit policies and careful monitoring of receivables to maintain trust and support the social sustainability of microenterprises.

Table 14. Accounts Receivable Management on Social Sustainability

Social Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Accounts Receivable Practice: Granting Credit to Customers (ARM1)	-0.556	0.212	-2.620	0.009***	Significant
Accounts Receivable Practice: Implementing Credit Policy (ARM2)	0.721	0.244	2.950	0.003***	Significant
Accounts Receivable Practice: Evaluating Customer Creditworthiness (ARM3)	-0.237	0.265	-0.890	0.372	Not Significant
Accounts Receivable Practice: Monitoring Customer Receivable Records (ARM4)	0.191	0.232	0.830	0.409	Not Significant
Accounts Receivable Practice: Providing Incentives for Timely Payment (ARM5)	0.196	0.169	1.160	0.247	Not Significant
Accounts Receivable Turnover Days (ARTD)	-29.677	25.316	-1.170	0.241	Not Significant
Bad Debt Percentage (BD)	-0.179	0.254	-0.700	0.481	Not Significant
LR chi2(7) = 20.98	Prob > chi2 = 0.0093***			Pseudo R2 = 0.0543	
Dependent Variable : Social Sustainability					

Legend: *** significant at 5%, *** significant at 1%*
ARM1 Grants credit to customers, ARM2 Implements credit policy

Table 15. Inventory Management on Social Sustainability

Social Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Inventory Practice: Returning Spoiled Goods to Suppliers (IM1)	-0.724	0.243	-2.980	0.003***	Significant
Inventory Practice: Installing CCTV for Inventory Security (IM2)	0.356	0.159	2.240	0.025**	Significant
Inventory Practice: Preparing Inventory Reports and Physical Count Reconciliation (IM3)	1.826	0.434	4.210	0***	Significant
Inventory Practice: Applying Inventory Management Techniques to Maintain Optimal Stock Levels (IM4)	-0.155	0.343	-0.450	0.651	Not Significant
Inventory Practice: Observing the First-In, First-Out (FIFO) Method (IM5)	-0.341	0.335	-1.020	0.308	Not Significant
Inventory Practice: Minimizing Inventory Carrying Costs (IM6)	0.654	0.298	2.190	0.029**	Significant
Inventory Turnover Days (ITD)	-23.237	11.825	-1.970	0.049**	Significant
LR chi2(7) = 65.98	Prob > chi2 = 0***			Pseudo R2 = 0.1834	
Dependent Variable : Social Sustainability					

Legend: *** significant at 5%, *** significant at 1%*

Table 15 presents the regression results on the influence of inventory management on the social sustainability of microenterprises. The findings indicate that IM2 (installation of CCTV), IM3 (preparing inventory reports and reconciling them with physical counts), and IM6 (minimizing inventory carrying costs) have significant positive effects on social sustainability. These practices enhance accountability, protect employees and customers, and improve resource efficiency. However, IM1 (returning spoiled goods to suppliers) and longer inventory turnover days (ITD) show significant negative effects. Frequent returns may weaken supplier trust, while slower inventory turnover can tie up capital and limit operational efficiency.

Table 16. Accounts Payable Management on Social Sustainability

Social Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Accounts Payable Practice: Determining Appropriate Credit Management Policies (APM1)	0.717	0.238	3.010	0.003***	Significant
Accounts Payable Practice: Monitoring Accounts Payable Obligations (APM2)	-0.045	0.228	-0.200	0.845	Not Significant
Accounts Payable Practice: Paying Bills on Time (APM3)	-0.214	0.210	-1.020	0.308	Not Significant
Accounts Payable Practice: Scheduling Payable Payments Efficiently (APM4)	-0.058	0.115	-0.500	0.616	Not Significant
Accounts Payable Practice: Obtaining Discounts for Early Payment (APM5)	0.001	0.133	0.010	0.991	Not Significant
Accounts Payable Turnover Days (APTD)	-23.465	12.398	-1.890	0.058	Not Significant
Percentage of Purchases Made on Credit (Accounts Payable Level)	0.722	0.379	1.900	0.057	Not Significant
LR chi2(7) = 20.36	Prob > chi2 = 0.009***			Pseudo R2 = 0.0578	

Dependent Variable: Social Sustainability

Legend: *** significant at 5%, *** significant at 1%*

APM1 Determine the types of credit management policies that are appropriate for the business.

Table 16 presents the regression results examining the influence of accounts payable management on the social sustainability of microenterprises. The findings indicate that APM1 (determining appropriate credit management policies) has a significant positive effect on social sustainability. This suggests that establishing clear and suitable credit policies helps microenterprises manage their obligations responsibly while maintaining positive relationships with suppliers and other stakeholders. Effective payable management also promotes trust, reliability, and long-term partnerships within the business network. Although the other accounts payable variables are not statistically significant, the results show the importance of well-structured credit policies in strengthening stakeholder relationships and supporting the social sustainability of microenterprises.

Table 17 presents the regression results examining the influence of cash management on the environmental sustainability of microenterprises. The findings indicate that CM6 (having a clear understanding of factors affecting cash flow) has a significant positive effect on environmental sustainability. This suggests that businesses that effectively understand and manage their cash flow are better able to allocate resources efficiently and support environmentally responsible practices. Proper cash flow management allows microenterprises to plan expenditures and invest in sustainable operations that minimize environmental impact. Although the other cash management variables are not statistically significant, the results depict the importance of financial awareness and planning in supporting environmentally sustainable business practices.

Table 17. Cash Management on Environmental Sustainability

Environmental Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Cash Management Practice: Monitoring Daily Cash Inflows and Outflows (CM1)	0.000	0.366	0.000	0.999	Not Significant
Cash Management Practice: Maintaining Adequate Cash Balances (CM2)	-0.221	0.295	-0.750	0.454	Not Significant
Cash Management Practice: Preparing Cash Budgets and Forecasts (CM3)	0.549	0.397	1.380	0.167	Not Significant
Cash Management Practice: Performing Bank Reconciliation (CM4)	-0.146	0.273	-0.530	0.593	Not Significant
Cash Management Practice: Monitoring Cash Collections and Disbursements (CM5)	-0.037	0.380	-0.100	0.921	Not Significant
Cash Management Practice: Understanding Factors Affecting Cash Flow (CM6)	1.040	0.439	2.370	0.018**	Significant
Cash Management Practice: Maintaining Cash Records and Controls (CM7)	-0.097	0.394	-0.250	0.806	Not Significant
Average Daily Cash Balance Maintained	-0.158	0.155	-1.020	0.306	Not Significant
Sales on Cash Basis (SCB)	0.222	0.117	1.900	0.058	Not Significant
Net Cash Conversion Cycle Days (NCCCD)	0.015	0.024	0.610	0.544	Not Significant
Business Activity	-0.686	0.435	-1.580	0.115	Not Significant
Business Capitalization	-0.128	0.144	-0.890	0.375	Not Significant
Business Age	0.150	0.087	1.710	0.086	Not Significant
LR chi2(13) = 35.39	Prob > chi2 = 0.0007***			Pseudo R2 = 0.1243	
Dependent Variable : Environmental Sustainability					

Legend: *** significant at 5%, **** significant at 1%*

Table 18. Accounts Receivable Management on Environmental Sustainability

Environmental Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Accounts Receivable Practice: Granting Credit to Customers (ARM1)	-0.393	0.229	-1.720	0.086	Not Significant
Accounts Receivable Practice: Implementing Credit Policy (ARM2)	-0.047	0.271	-0.170	0.863	Not Significant
Accounts Receivable Practice: Evaluating Customer Creditworthiness (ARM3)	0.179	0.320	0.560	0.576	Not Significant
Accounts Receivable Practice: Monitoring Customer Receivable Records (ARM4)	0.626	0.289	2.170	0.03**	Significant
Accounts Receivable Practice: Providing Incentives for Timely Payment (ARM5)	-0.648	0.268	-2.420	0.016**	Significant
Accounts Receivable Turnover Days (ARTD)	-24.671	29.087	-0.850	0.396	Not Significant
Bad Debt Percentage (BD)	2.387	2.829	0.840	0.399	Not Significant
LR chi2(7) = 14.74	Prob > chi2 = 0.0643*			Pseudo R2 = 0.0583	
Dependent Variable: Environmental Sustainability					

Legend: *** significant at 5%, **** significant at 1%*

Table 18 presents the regression results examining the influence of accounts receivable management on the environmental sustainability of microenterprises. The findings show that ARM4 (monitoring receivables by maintaining individual customer records) has a significant positive effect on environmental sustainability. Effective monitoring of receivables improves cash flow management, enabling businesses to allocate resources efficiently and avoid excessive inventory or waste. Conversely, ARM5 (providing incentives for timely payment) shows a significant negative effect on environmental sustainability, suggesting that such incentives may encourage higher consumption or increased sales volume that could lead to greater resource use. These results present the importance of balanced receivable management in supporting both financial efficiency and environmentally responsible operations.

Table 19. Inventory Management on Environmental Sustainability

Environmental Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Inventory Practice: Returning Spoiled Goods to Suppliers (IM1)	0.013	0.211	0.060	0.952	Not Significant
Inventory Practice: Installing CCTV for Inventory Security (IM2)	0.239	0.163	1.460	0.143	Not Significant
Inventory Practice: Preparing Inventory Reports and Physical Count Reconciliation (IM3)	-0.397	0.405	-0.980	0.326	Not Significant
Inventory Practice: Applying Inventory Management Techniques to Maintain Optimal Stock Levels (IM4)	1.265	0.372	3.400	0.001***	Significant
Inventory Practice: Observing the First-In, First-Out (FIFO) Method (IM5)	0.921	0.334	2.750	0.006***	Significant
Inventory Practice: Minimizing Inventory Carrying Costs (IM6)	-0.249	0.306	-0.810	0.417	Not Significant
Inventory Turnover Days (ITD)	-2.305	12.104	-0.190	0.849	Not Significant
LR chi2(7)) = 53.73	Prob > chi2 = 0***			Pseudo R2 = 0.1682	
Dependent Variable : Environmental Sustainability					

Legend: *** significant at 5%, *** significant at 1%*

Table 19 presents the regression results examining the influence of inventory management on the environmental sustainability of microenterprises. The findings show that IM4 (applying inventory management techniques to determine optimal stock levels) and IM5 (observing the First-In, First-Out or FIFO method) have significant positive effects on environmental sustainability. These practices help businesses maintain appropriate inventory levels, reduce overstocking, and minimize product spoilage or waste. By ensuring that older stock is used or sold first, the FIFO method promotes efficient resource utilization and environmentally responsible operations. These results imply that effective inventory control practices not only improve operational efficiency but also contribute to reducing environmental impacts and supporting sustainable business practices.

Table 20 presents the regression results examining the influence of accounts payable management on the environmental sustainability of microenterprises. The findings indicate that APM5 (obtaining discounts through early payment) has a significant positive effect on environmental sustainability. This suggests that improved cash flow from early payment discounts may enhance operational efficiency, allowing businesses to allocate resources more effectively and adopt environmentally responsible practices. Conversely, accounts payable turnover days (APTD) show a significant negative effect on environmental sustainability, implying that faster payment cycles may prioritize short-term financial efficiency over investments in environmental initiatives. These results describe the need for balanced payable management strategies that support both financial efficiency and sustainable environmental practices.

Table 20. Accounts Payable Management on Environmental Sustainability

Environmental Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Accounts Payable Practice: Determining Appropriate Credit Management Policies (APM1)	-0.155	0.234	-0.660	0.508	Not Significant
Accounts Payable Practice: Monitoring Accounts Payable Obligations (APM2)	0.191	0.232	0.820	0.410	Not Significant
Accounts Payable Practice: Paying Bills on Time (APM3)	-0.053	0.205	-0.260	0.794	Not Significant
Accounts Payable Practice: Scheduling Payable Payments Efficiently (APM4)	-0.018	0.113	-0.160	0.871	Not Significant
Accounts Payable Practice: Obtaining Discounts for Early Payment (APM5)	0.441	0.130	3.390	0.001***	Significant
Accounts Payable Turnover Days (APTD)	-26.089	13.041	-2.000	0.045**	Significant
Percentage of Purchases Made on Credit (Accounts Payable Level)	0.185	0.324	0.570	0.568	Not Significant
LR chi2(7) = 25.76	Prob > chi2 = 0.0012***			Pseudo R2 = 0.0678	
Dependent Variable: Environmental Sustainability					

Legend: *** significant at 5%, *** significant at 1%*

Table 21. Overall Influence of Wcm on the Sustainability

Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Cash Management Practice: Monitoring Daily Cash Inflows and Outflows (CM1)	-0.233	0.532	-0.440	0.661	Not Significant
Cash Management Practice: Maintaining Adequate Cash Balances (CM2)	-0.592	0.447	-1.320	0.185	Not Significant
Cash Management Practice: Preparing Cash Budgets and Forecasts (CM3)	2.740	0.764	3.590	0.000***	Significant
Cash Management Practice: Performing Bank Reconciliation (CM4)	-1.761	0.514	-3.430	0.001***	Significant
Cash Management Practice: Monitoring Cash Collections and Disbursements (CM5)	-0.940	0.668	-1.410	0.159	Not Significant
Cash Management Practice: Understanding Factors Affecting Cash Flow (CM6)	0.349	0.784	0.440	0.657	Not Significant
Cash Management Practice: Maintaining Cash Records and Controls (CM7)	0.327	0.679	0.480	0.630	Not Significant
Average Daily Cash Balance Maintained	0.357	0.248	1.440	0.150	Not Significant
Sales on Cash Basis	-0.114	0.177	-0.640	0.519	Not Significant
Net Cash Conversion Cycle Days	-0.092	0.051	-1.790	0.073	Not Significant
Business Activity	0.749	0.609	1.230	0.219	Not Significant
Business Capitalization	-0.261	0.223	-1.170	0.241	Not Significant
Business Age	0.064	0.107	0.610	0.545	Not Significant
Accounts Receivable Practice: Granting Credit to Customers (ARM1)	-0.716	0.350	-2.050	0.0410**	Significant

Table 21. Overall Influence of Wcm on the Sustainability (continued)

Sustainability	Coef.	Std. Err.	Z	P>z	Interpretation
Accounts Receivable Practice: Implementing Credit Policy (ARM2)	0.837	0.469	1.780	0.075	Not Significant
Accounts Receivable Practice: Evaluating Customer Creditworthiness (ARM3)	-0.386	0.412	-0.940	0.348	Not Significant
Accounts Receivable Practice: Monitoring Customer Receivable Records (ARM4)	0.228	0.405	0.560	0.574	Not Significant
Accounts Receivable Practice: Providing Incentives for Timely Payment (ARM5)	0.032	0.356	0.090	0.928	Not Significant
Accounts Receivable Turnover Days	-6.295	23.267	-0.270	0.787	Not Significant
Bad Debt Percentage	-0.210	0.412	-0.510	0.611	Not Significant
Inventory Practice: Returning Spoiled Goods to Suppliers (IM1)	-0.599	0.312	-1.920	0.055	Significant
Inventory Practice: Installing CCTV for Inventory Security (IM2)	0.180	0.252	0.710	0.476	Not Significant
Inventory Practice: Preparing Inventory Reports and Physical Count Reconciliation (IM3)	0.586	0.607	0.970	0.334	Not Significant
Inventory Practice: Applying Inventory Control Techniques (IM4)	2.335	0.750	3.110	0.002***	Significant
Inventory Practice: Observing First-In First-Out (FIFO) Method (IM5)	1.187	0.608	1.950	0.051	Not Significant
Inventory Practice: Minimizing Inventory Carrying Costs (IM6)	-1.461	0.596	-2.450	0.0140**	Significant
Inventory Turnover Days	-19.106	24.578	-0.780	0.437	Not Significant
Accounts Payable Practice: Determining Appropriate Credit Policies (APM1)	0.378	0.577	0.650	0.513	Not Significant
Accounts Payable Practice: Monitoring Payable Obligations (APM2)	-0.438	0.517	-0.850	0.397	Not Significant
Accounts Payable Practice: Paying Bills on Time (APM3)	1.329	0.493	2.700	0.007***	Significant
Accounts Payable Practice: Scheduling Payable Payments (APM4)	0.028	0.176	0.160	0.876	Not Significant
Accounts Payable Practice: Obtaining Discounts for Early Payment (APM5)	-0.329	0.234	-1.400	0.161	Not Significant
Accounts Payable Turnover Days	-4.649	47.508	-0.100	0.922	Not Significant
Percentage of Purchases on Credit (Accounts Payable Level)	-0.143	0.653	-0.220	0.826	Not Significant
LR chi2(34) = 98.33	Prob > chi2 = 0.000***		Pseudo R2 = 0.3078		
Dependent Variable: Sustainability					

Legend: *** significant at 5%, *** significant at 1%*

Table 21 presents the overall regression results examining the influence of working capital management (WCM) practices on the sustainability of microenterprises. The model is statistically significant (LR $\chi^2 = 98.33$, $p < 0.001$), with a pseudo R^2 of 0.3078, indicating that 30.78% of the

variation in sustainability can be explained by the variables included in the model. However, overall WCM does not have a statistically significant aggregate effect on sustainability. Nevertheless, several individual practices significantly influence sustainability. Preparing cash budgets and forecasts (CM3), applying inventory management techniques (IM4), and paying bills on time (APM3) positively contribute to sustainability by improving financial planning, resource efficiency, and supplier relationships. Conversely, excessive credit extension (ARM1) and certain inventory cost reduction practices (IM6) negatively affect sustainability, suggesting that overly aggressive financial strategies may strain liquidity or operational balance. These findings imply that targeted financial management practices, rather than general WCM adoption, are more critical in enhancing the long-term sustainability of microenterprises.

5. DISCUSSIONS

Microenterprises play a vital role in the Philippine economy, particularly in employment generation and local economic development. The descriptive results of this study confirm that most enterprises in Goa, Camarines Sur operate within the service and merchandising sectors, with limited participation in manufacturing activities. This pattern is consistent with the national structure of microenterprises in the Philippines, where the majority of businesses are MSMEs and most of them operate with relatively small capital and workforce sizes [3,10,12]. These characteristics reflect the typical operational environment of microenterprises, which often rely on owner-managed structures and small-scale operations due to financial and resource constraints. As such, effective management practices, particularly in financial management, are essential to ensure business continuity and long-term sustainability.

The findings also reveal that many microenterprises operate with relatively low capitalization and small workforce sizes, indicating limited financial resources and operational capacity. These conditions emphasize the importance of sound financial management practices, particularly working capital management, in sustaining business operations. Previous studies emphasize that inadequate management and insufficient capital are among the primary reasons for business failure, particularly among small enterprises [5,6]. In such contexts, the ability of entrepreneurs to effectively manage financial resources becomes critical for maintaining liquidity and operational stability. Proper management of working capital ensures that businesses have sufficient funds to support daily activities while maintaining financial resilience in the face of economic uncertainties.

The descriptive results on working capital management practices indicate that microenterprises in the study area generally adopt relatively efficient financial practices, particularly in terms of cash and inventory management. The presence of short cash conversion cycles and fast inventory turnover suggests that many businesses prioritize liquidity and operational efficiency. Effective management of working capital has long been recognized as a key determinant of business performance because it allows firms to maintain optimal levels of current assets and liabilities while minimizing operational risk [13-15]. For microenterprises operating with limited financial resources, efficient working capital management is especially important in ensuring that businesses can meet their short-term obligations and sustain their operations over time.

In terms of cash management, the results indicate that most microenterprises maintain relatively small daily cash balances but rely heavily on cash-based transactions. This practice may help businesses avoid the risks associated with delayed payments and bad debts. However, the regression results reveal that excessive reliance on cash sales negatively affects economic sustainability. This finding suggests that while cash transactions improve liquidity in the short term, they may also limit opportunities for expanding customer markets through credit sales. Previous studies emphasize that effective cash management is fundamental to business growth and financial stability because it enables firms to manage their operational expenditures and investment activities more effectively [18,19]. Maintaining appropriate cash management strategies therefore allows microenterprises to balance liquidity needs with opportunities for business expansion.

Accounts receivable management also plays an important role in influencing economic sustainability. The regression results indicate that implementing clear credit policies and providing incentives for timely payments significantly improve economic sustainability. These findings suggest

that structured credit management practices enable businesses to balance the benefits of offering credit to customers with the risks associated with delayed payments. Previous research has highlighted that effective receivable management improves profitability and reduces the likelihood of bad debts by ensuring that customers meet their financial obligations on time [20,21]. Moreover, studies have found that accounts receivable management significantly contributes to the economic sustainability of microenterprises because it stabilizes cash flow and enhances financial performance [19,22].

Inventory management practices were also found to significantly influence sustainability outcomes. The results show that internal control mechanisms, such as installing CCTV systems and reconciling inventory records with physical counts, positively affect economic sustainability. These practices help prevent losses due to theft or inventory mismanagement and improve operational efficiency. Effective inventory management allows businesses to maintain optimal stock levels while minimizing costs associated with storage and spoilage. Previous studies emphasize that proper inventory management techniques, including strategic supplier partnerships and inventory planning systems, improve operational performance and resource efficiency among small businesses [23,24]. These findings support the argument that strong inventory control practices contribute to improved financial performance and business sustainability.

Accounts payable management also influences sustainability outcomes, particularly through the implementation of appropriate credit policies. The regression results indicate that establishing clear credit policies significantly improves economic sustainability by enabling businesses to manage their financial obligations more effectively. This finding is consistent with previous studies showing that effective accounts payable management contributes to improved financial performance and overall business activity [25,34]. Managing accounts payable efficiently allows businesses to maintain positive relationships with suppliers while optimizing their cash flow management strategies. However, the results also suggest that excessive prioritization of early payment discounts may negatively affect economic sustainability by reducing the availability of working capital for other operational needs.

The results also emphasize the role of working capital management in supporting social sustainability. Financial planning practices such as preparing cash budgets and understanding cash flow dynamics significantly contribute to improved stakeholder relationships. These practices help ensure timely payment of wages and strengthen trust among employees, customers, and suppliers. Social sustainability is closely associated with the ability of businesses to maintain positive relationships with stakeholders and contribute to community well-being [35,36]. Businesses that prioritize responsible financial management are more likely to maintain stable employment conditions and develop stronger relationships with their customers and communities.

Environmental sustainability was also found to be influenced by specific working capital management practices, particularly inventory and receivable monitoring systems. Efficient inventory management practices such as maintaining optimal stock levels and implementing the FIFO method help reduce waste and minimize product spoilage. These findings align with the broader principles of sustainable business practices, which emphasize the importance of responsible resource utilization and environmentally friendly operations [38,39]. Businesses that carefully manage their inventory and financial resources are better positioned to adopt environmentally sustainable practices that reduce operational waste and improve long-term efficiency.

The findings of this study further support the Triple Bottom Line (TBL) sustainability framework, which emphasizes that business performance should be evaluated not only in terms of economic outcomes but also social and environmental impacts [4,29,40] The results demonstrate that effective financial management practices contribute to improvements across multiple dimensions of sustainability. Businesses that manage their financial resources efficiently are more capable of maintaining profitability, fostering positive stakeholder relationships, and minimizing environmental impacts [46-50].

6. CONCLUSION AND RECOMMENDATIONS

This study examined the influence of working capital management (WCM) practices on the sustainability of microenterprises in Goa, Camarines Sur using the Triple Bottom Line framework. The findings reveal that microenterprises generally demonstrate effective WCM practices, particularly in

cash and inventory management, and exhibit high levels of economic, social, and environmental sustainability. However, the regression results show that only specific WCM practices significantly influence sustainability outcomes. Practices such as implementing credit policies, preparing cash budgets, monitoring inventory, and managing payables effectively contribute to improved sustainability. The results indicate that targeted financial management strategies, rather than general WCM adoption, are essential in strengthening the long-term sustainability of microenterprises.

Based on the findings, microenterprise owners should strengthen their working capital management practices, particularly in financial planning, credit policy implementation, and inventory monitoring to improve sustainability outcomes. Training programs on financial management and cash flow planning should be provided by government agencies such as the Department of Trade and Industry (DTI) and local government units (LGUs) to enhance the financial capabilities of microenterprise owners. In addition, improving access to financing and advisory services may help microenterprises maintain adequate working capital and expand operations. Future researchers may explore additional factors affecting sustainability, such as technological adoption and entrepreneurial competencies, and conduct longitudinal studies to examine long-term sustainability outcomes.

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Informed Consent Statement: The research project, identified as PARSU-CBM-ACCT-7, was authorized by the College of Business and Management at Partido State University. Approval for data collection, processing, and usage was sanctioned by the Local Government Unit of Goa, Camarines Sur. Researchers independently carried out data analysis and procedures in a non-laboratory setting. The study focused solely on socioeconomic data, thereby obviating the need for ethical clearances, as it did not involve laboratory experiments, animal testing, human subjects, or data sourced from social media platforms. Prior to data collection, all participants provided informed consent after receiving comprehensive explanations about the study's objectives, potential risks, and benefits. Participants were assured of confidentiality and their right to decline participation. Formal authorization to access agency data was sought through the submission of a letter endorsed by research specialists and the relevant department.

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APPENDICES

Appendix A Cash Management Practices

CMPs	Weighted Mean	Descriptive Interpretation
Maintains an optimal level of cash daily.	4.27	Always
Keeps proper cash books and petty cash books.	4.23	Always
Prepares cash budgets and forecasts.	4.19	Often
Performs bank reconciliation.	3.86	Often
Separates business money from personal money.	4.38	Always
Has a good understanding of what impacts the cash flow of our organization.	4.35	Always
Ensures the safekeeping of our cash i.e. cash safe deposit box, bank deposit, or any appropriate cash keeping activity.	4.42	Always
Total Weighted Mean	**4.24**	**Always**

Appendix B Accounts Receivable Practices

ARMPs	Weighted Mean	Descriptive Interpretation
Grant credit to customers.	3.02	Sometimes
Implement credit policy such as credit terms.	3.01	Sometimes
Implement accounts receivable collection policy.	3.51	Often
Monitor receivables by maintaining individual records of customers.	3.62	Often
Give customers incentives for paying on-time like discounts or any appropriate early payment policy.	3.46	Often
Total Weighted Mean	**3.36**	**Sometimes**

Appendix C Inventory Management Practices

IMPs	Weighted Mean	Descriptive Interpretation
Returns spoiled goods to suppliers to minimize inventory shrinkage.	4.14	Often
Esures CCTVs are in place to prevent theft.	4.37	Always
Prepares ending inventory reports and compares them with the physical count.	4.29	Always
Applies different inventory management techniques to determine the desired level of inventory.	4.19	Often
Observes the First-In, First-Out (FIFO).	4.57	Always
Effectively minimizes carrying costs for inventory, resulting in reduced expenses for storage, handling, and obsolescence.	4.42	Always
Total Weighted Mean	**4.33**	Always

Appendix D Accounts Payable Management Practices

APMs	Weighted Mean	Descriptive Interpretation
Determines the types of credit management policies that are appropriate for the business.	4.11	Often
Analyzes repayment alternatives with creditors/suppliers, such as installments payments.	3.88	Often
Pay bills on-time.	4.46	Always
Failed to pay bills by the due date.	2.45	Seldom
Get a discount for paying early.	3.44	Often
Total Weighted Mean	**3.67**	**Often**

Appendix E Business Sustainability

Sustainability	Weighted Mean	Descriptive Interpretation
Economic Sustainability		
Able to pay our operating expenses and salaries or wages of our employees.	4.16	Very High
Able to pay our liabilities using our general resources.	4.5	Very High
Have separate funds to pay for our daily expenses.	4.37	Very High
Received financial assistance from the government.	2.22	Low
There is development in our equipment/resources invested.	3.81	High
Resources are generated and well-distributed for our operation, employees, government, and community.	4.12	High
Consider the risks and opportunities caused by climate change in our operation.	4.03	High
Total Weighted Mean	**3.88**	**High**
Social Sustainability		
Hires new employees.	3.67	High
Gives benefits to employees like bonuses.	4.09	High
Allows employees to take a leave.	4.24	Very High
Ensures employees are covered by occupational health or any safety management system like life insurance and health care	4.01	High
Assesses or identifies the potential risk on a routine and non-routine work basis.	3.94	High
Observes open communication with employees and provides consultation about their development.	4.32	Very High
Provides training to workers like training on work-related hazards.	4.01	High
Participates in activities implemented by the local community.	4.06	High
Ensures the business operation will not negatively impact our local community.	4.43	Very High
Total Weighted Mean	**4.09**	**High**

Appendix E Business Sustainability (continued)

Sustainability	Weighted Mean	Descriptive Interpretation
Environmental Sustainability		
Practice recycling inside the business.	4.27	Very High
Use reclaimed materials in product manufacturing and packaging	3.88	High
Practice energy consumption within the business.	4.29	Very High
Practice water conservation or reservation.	4.36	Very High
Practice waste segregation.	4.38	Very High
Efficiently use the resources.	4.42	Very High
Ensure that the biodiversity value area outside of the location of our business operation is protected.	4.37	Very High
Ensure the products and services will not negatively impact our environment.	4.47	Very High
Total Weighted Mean	**4.31**	**Very High**
Overall Weighted Mean	**4.12**	**High**