

## BRIDGING FAITH AND SUSTAINABILITY: THE ROLE OF ENTREPRENEURIAL RELIGIOSITY AND HALAL CERTIFICATION IN ENHANCING MSME PERFORMANCE AND SDGS CONTRIBUTION

*CONECTANDO FÉ E SUSTENTABILIDADE: O PAPEL DA RELIGIOSIDADE EMPREENDEDORA E DA CERTIFICAÇÃO HALAL NO APRIMORAMENTO DO DESEMPENHO DAS MICRO E PEQUENAS EMPRESAS E NA CONTRIBUIÇÃO PARA OS ODS*

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### Abstract

Purpose: A quantitative explanatory approach was employed, gathering survey data from MSMEs in food, beverage, herbal, and service sectors. Entrepreneurial religiosity, halal certification practice, MSME performance, and SDG contribution were measured using validated indicators. The hypothesized structural model was tested using Partial Least Squares–Structural Equation Modeling (PLS-SEM) to assess direct, indirect, and interaction effects. Design/Methodology/Approach: A quantitative explanatory approach was employed, gathering survey data from MSMEs in food, beverage, herbal, and service sectors. Entrepreneurial religiosity, halal certification practice, MSME

### Resumo

#### Objetivo

Foi empregada uma abordagem explicativa quantitativa, coletando dados de pesquisa de micro, pequenas e médias empresas (MPMEs) dos setores de alimentos, bebidas, produtos fitoterápicos e serviços. A religiosidade empreendedora, a prática de certificação halal, o desempenho das MPMEs e a contribuição para os Objetivos de Desenvolvimento Sustentável (ODS) foram mensurados utilizando indicadores validados. O modelo estrutural hipotetizado foi testado utilizando a Modelagem de Equações Estruturais por Mínimos Quadrados Parciais (PLS-SEM) para avaliar os efeitos diretos, indiretos e de interação.



performance, and SDG contribution were measured using validated indicators. The hypothesized structural model was tested using Partial Least Squares–Structural Equation Modeling (PLS-SEM) to assess direct, indirect, and interaction effects. Findings: The model shows that business challenges exert a very strong and significant effect on perceived SDG contribution ( $\beta = 0.901$ ,  $p < 0.001$ ). Entrepreneurial religiosity significantly improves business performance ( $\beta = 0.453$ ,  $p < 0.001$ ), while halal certification also enhances performance ( $\beta = 0.192$ ,  $p < 0.001$ ). However, neither religiosity nor halal certification directly influences perceived SDG contribution, and business performance itself does not significantly predict SDG perception. The tested moderating effect is also insignificant ( $\beta = -0.017$ ,  $p > 0.05$ ). Overall, SDG perception is shaped more by external business pressures than by internal capabilities such as religiosity, halal compliance, or performance. Research limitations/implications: The cross-sectional design limits the ability to capture behavioral change over time. The sample concentration in halal-oriented sectors may also limit broader generalization. Future studies could apply longitudinal models, include non-food sectors, or integrate qualitative exploration of faith-based sustainability practices. Practical implications: The study offers actionable insights for policymakers, halal agencies, and MSME empowerment institutions to integrate religiosity-oriented training, halal readiness programs, and performance enhancement strategies in a unified intervention model. Social implications: Strengthening faith-driven entrepreneurship and halal compliance fosters ethical markets, consumer protection, and socially responsible production. It also promotes MSME inclusion in national sustainability efforts aligned with SDG 1 (no poverty), SDG 3 (good health), SDG 8 (decent work and growth), and SDG 12 (responsible consumption and production). Originality/value: This research presents a novel integrative model linking entrepreneurial religiosity, halal certification, MSME performance, and SDG contribution in a single framework. It extends sustainability and Islamic entrepreneurship literature by highlighting how faith and compliance jointly reinforce sustainable enterprise growth.

**Keywords:** Entrepreneurial Religiosity. Halal Certification. MSME Performance. SDG Contribution. Islamic Entrepreneurship. Sustainability. Ethical Business Practices.

*Metodologia/Abordagem:* Foi empregada uma abordagem explicativa quantitativa, coletando dados de pesquisa de MPMEs dos setores de alimentos, bebidas, produtos fitoterápicos e serviços. A religiosidade empreendedora, a prática de certificação halal, o desempenho das MPMEs e a contribuição para os ODS foram mensurados utilizando indicadores validados. O modelo estrutural hipotetizado foi testado utilizando a Modelagem de Equações Estruturais por Mínimos Quadrados Parciais (PLS-SEM) para avaliar os efeitos diretos, indiretos e de interação. *Resultados:* O modelo demonstra que os desafios empresariais exercem um efeito muito forte e significativo na percepção da contribuição para os ODS ( $\beta = 0,901$ ,  $p < 0,001$ ). A religiosidade empresarial melhora significativamente o desempenho empresarial ( $\beta = 0,453$ ,  $p < 0,001$ ), enquanto a certificação halal também aprimora o desempenho ( $\beta = 0,192$ ,  $p < 0,001$ ). No entanto, nem a religiosidade nem a certificação halal influenciam diretamente a percepção da contribuição para os ODS, e o próprio desempenho empresarial não prevê significativamente a percepção dos ODS. O efeito moderador testado também é insignificante ( $\beta = -0,017$ ,  $p > 0,05$ ). De modo geral, a percepção dos ODS é moldada mais por pressões empresariais externas do que por capacidades internas, como religiosidade, conformidade com o halal ou desempenho. *Limitações/implicações da pesquisa:* O delineamento transversal limita a capacidade de capturar mudanças comportamentais ao longo do tempo. A concentração da amostra em setores voltados para o halal também pode limitar generalizações mais amplas. Estudos futuros poderiam aplicar modelos longitudinais, incluir setores não alimentares ou integrar a exploração qualitativa de práticas de sustentabilidade baseadas na fé. *Implicações práticas:* O estudo oferece insights acionáveis para formuladores de políticas, agências halal e instituições de empoderamento de MPMEs para integrar treinamento orientado à religiosidade, programas de preparação para o halal e estratégias de aprimoramento de desempenho em um modelo de intervenção unificado. *Implicações sociais:* O fortalecimento do empreendedorismo impulsionado pela fé e a conformidade com o halal promove mercados éticos, proteção do consumidor e produção socialmente responsável. Também promove a inclusão de MPMEs em esforços nacionais de sustentabilidade alinhados com o ODS 1 (erradicação da pobreza), ODS 3 (saúde e bem-estar), ODS 8 (trabalho decente e crescimento) e ODS 12 (consumo e produção responsáveis).

*Originalidade/valor: Esta pesquisa apresenta um novo modelo integrativo que vincula religiosidade empreendedora, certificação halal, desempenho de MPMEs e contribuição para os ODS em uma única estrutura. Ela amplia a literatura sobre sustentabilidade e empreendedorismo islâmico, destacando como a fé e a conformidade reforçam conjuntamente o crescimento sustentável das empresas.*

**Palavras-chave:** *Religiosidade Empreendedora. Certificação Halal. Desempenho de MPMEs. Contribuição para os ODS. Empreendedorismo Islâmico. Sustentabilidade. Práticas Empresariais Éticas.*

## 1 INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are the backbone of emerging economies, contributing significantly to national economic growth and employment absorption. In Indonesia, for example, MSMEs play a central role in supporting economic stability and social welfare, particularly within Muslim-majority contexts where religious values and halal compliance shape business behavior (Meylinda & Matondang, 2023; Pujayanti, 2020). As global development frameworks increasingly emphasize sustainability, MSMEs are expected to play a stronger role in advancing the Sustainable Development Goals (SDGs), especially through responsible production, ethical conduct, and environmentally conscious practices (Blind & Heß, 2023; Ilmiah & Islam, 2024). However, many MSMEs struggle with limited resources, regulatory barriers, and market volatility, which affect their business performance and their engagement with sustainability initiatives (Alsayed, 2024; Rajendran *et al.*, 2024).

In Muslim-majority economies, entrepreneurial behavior is strongly influenced by religious values, which shape ethical decision-making, self-discipline, and long-term business resilience (Wibowo *et al.*, 2022; Rafiki & Wahab, 2025). Entrepreneurial religiosity is increasingly recognized as an important driver of ethical conduct and sustainable business orientation. At the same time, halal certification has expanded globally and is associated with improved product credibility, consumer trust, and market access, thereby enhancing business performance and competitiveness (Fatimah *et al.*, 2022; Handayati & Rochayatun, 2024; Yusuf *et al.*, n.d.; Bux *et al.*, 2022). Despite these developments, empirical evidence linking religiosity and halal certification to

sustainability outcomes particularly SDG contribution remains limited. Much of the existing scholarship has focused on their impact on business performance rather than their role in shaping sustainability perceptions or broader developmental contributions (Hazirah *et al.*, 2022; Mohamad *et al.*, 2025).

This gap highlights the need to examine whether religiosity-based behavior and halal compliance extend beyond commercial performance and translate into SDG-oriented outcomes. Recent literature also indicates that contextual pressures such as business challenges and resource constraints often shape MSMEs' sustainability orientation more strongly than internal capabilities alone (Dirie *et al.*, 2023; Mosgaard & Kristensen, 2023). Yet, no prior study has integrated entrepreneurial religiosity, halal certification, business performance, business challenges, and SDG contribution into a unified explanatory model. This represents a critical omission in the literature on Islamic entrepreneurship, halal ecosystems, and sustainability (Meylinda & Matondang, 2023; Pujayanti, 2020).

The novelty of this study lies in its integrative model that simultaneously tests (1) the performance effects of religiosity and halal certification, (2) the direct and indirect pathways toward SDG contribution, and (3) the contextual role of business challenges as a determinant of sustainability perception. This multidimensional approach contributes to a deeper understanding of whether faith-driven entrepreneurship and halal compliance function merely as performance enhancers or also as sustainability enablers. Therefore, the purpose of this research is to examine how entrepreneurial religiosity and halal certification influence MSME performance and perceived SDG contribution, while assessing the role of business challenges and potential moderating mechanisms. By addressing these gaps, the study offers new theoretical insights and practical implications for strengthening MSME resilience, ethical conduct, and sustainability alignment in Muslim-majority contexts (Halim *et al.*, 2024; Mohamad *et al.*, 2025).

## 2 LITERATURE REVIEW

Halal certification functions as an institutional signal that enhances product legitimacy, market access, and consumer trust—particularly within food, beverage, logistics, and related service industries. From an institutional theory perspective, compliance with halal standards reduces market uncertainty, strengthens supply chain

credibility, and expands opportunities for accessing both domestic and global markets (Jalal *et al.*, 2023; Thamagasorn & Pharino, 2020; Rajendran *et al.*, 2024). Several studies further highlight that halal certification contributes to improvements in quality assurance, operational standardization, and integrity across the value chain, which ultimately enhance business performance through increased competitiveness, customer confidence, and sales growth (Nirwana *et al.*, 2024; Yusuf *et al.*, n.d.; Mohamad *et al.*, 2025). Beyond economic outcomes, halal certification is also discussed in the context of sustainability—particularly its alignment with ethical production, environmental responsibility, and community well-being (Siti *et al.*, 1987; Role & Industry, 2022; Meylinda & Matondang, 2023).

***H1 : Halal certification positively affects business performance.***

Entrepreneurial religiosity refers to the application of religious values in entrepreneurial attitudes, motives, and practices—such as business ethics, honesty, discipline, and long-term orientation. Empirical studies indicate that religious commitment strengthens entrepreneurs’ moral character, ethical orientation, and work behavior, which in turn contribute to stronger enterprise performance and social credibility (Santoso *et al.*, 2021; Juhaidi & Juhaidi, 2024). In the MSME context, religiosity often facilitates networks of social trust, moral capital, and shared community values that enhance managerial effectiveness and business resilience, particularly in Muslim-majority business ecosystems (Hazirah *et al.*, 2022; Timur & Ratnasari, 2024). Moreover, Islamic values embedded in entrepreneurial practice have been shown to influence organizational behavior, leadership, and performance through mechanisms such as ethical decision-making and spiritual motivation (Salma *et al.*, 2025; Jamilah *et al.*, 2023).

***H2 : Entrepreneurial religiosity positively affects business performance.***

Business performance in MSMEs is assessed through both financial indicators—such as revenue and profitability—and non-financial indicators, including customer satisfaction, innovation capacity, and business reputation. Management literature emphasizes that governance quality, operational capabilities, and institutional legitimacy are key determinants of performance, particularly in environments where trust and compliance shape market behavior (Yuspin, 2018). In the context of religiosity and halal certification, evidence suggests that religious values and adherence to halal standards contribute to improvements in product quality, customer loyalty, and managerial practices

that support business growth and competitive positioning (Mujahid *et al.*, 2023). Moreover, innovation and technology adoption—often influenced by entrepreneurial motivation and value-driven leadership—play an important role in enhancing MSME performance and strengthening their resilience in dynamic markets (Supatminingsih *et al.*, 2025).

***H3 : Business performance positively affects perceived SDG contribution.***

Business challenges such as limited capital, supply chain disruptions, competition, and market uncertainty often push MSMEs to innovate or modify their strategic approaches. Recent studies show that external pressures whether economic, environmental, or institutional—can serve as key drivers that motivate businesses to pay greater attention to sustainability and social issues, as these responses may function as adaptive mechanisms for survival and access to new opportunities (Ramadhan *et al.*, 2023). In sectors closely linked to resource use and community welfare, such pressures have been shown to influence firms' engagement with environmentally responsible practices and socio-economic considerations (Review, 2023). Moreover, broader social narratives and contextual expectations can also shape organizational behavior, especially when firms operate in environments where legitimacy, public perception, and trust are closely monitored (Jones, 2010). Taken together, these findings highlight that business challenges may trigger not only operational adjustments but also increased awareness of sustainability imperatives.

***H4 : Business challenges positively affect perceived SDG contribution.***

***H5 : Business challenges positively moderate the relationship between business performance and perceived SDG contribution.***

### **METHODOLOGY**

Data collection was conducted from August 2025 to October 2025 using a purposive sampling technique to ensure that respondents met the specific criteria of being Muslim-owned MSMEs operating within Southeast Asia. Primary data were gathered through a structured questionnaire employing a five-point Likert scale, designed to capture perceptions related to entrepreneurial religiosity, halal certification practices, business performance, business challenges, and perceived SDG contribution. This study applied Partial Least Squares Structural Equation Modeling (PLS-SEM) with two-tailed

significance testing, which is appropriate for predictive and theory-building research involving complex relationships and moderating effects.

The final dataset comprised 310 valid responses, which exceeds the minimum sample size requirements recommended by Hair *et al.* (2018), using both the 10-times rule and statistical power considerations. The focus on Muslim MSMEs is particularly relevant because halal certification acts as a critical institutional mechanism influencing market legitimacy, operational behavior, and sustainability orientation in this population. PLS-SEM was selected due to its robustness against non-normal data, suitability for exploratory models, and strong performance in estimating latent constructs within emerging-market contexts.

Before presenting the respondent criteria, it is important to clarify the rationale behind the sample selection used in this study. Because the research focuses on entrepreneurial religiosity, halal certification practices, business performance, and SDG-related perceptions, the respondents were deliberately targeted using purposive sampling to ensure alignment with the study's conceptual framework. Therefore, only Muslim-owned MSMEs operating within Southeast Asia were included, as this population is directly exposed to the dynamics of the halal economy, regulatory requirements, and institutional pressures that shape their business practices.

The selection criteria also ensured that respondents were actively involved in business management and decision-making, enabling them to provide accurate assessments regarding operational performance, sustainability perceptions, and challenges faced. These predetermined criteria serve to enhance the validity of the data and ensure that the sample truly represents business actors relevant to the phenomenon under investigation.

Characteristics	Category	Number (N=310)	Percentage (%)
<b>Gender</b>	Male	112	36,1%
	Female	198	63,9%
<b>Age</b>	< 20 years	3	1%
	20-29 years	101	32,6%
	30-39 years	166	53,5%
	40-49 years	39	12,6%
	> 50 years	1	0,3%
<b>Country of Origin</b>	Indonesia	156	50,3%
	Malaysia	81	26,1%
	Thailand	17	5,5%
	Brunei Darussalam	19	6,1%
	Singapura	20	6,5%

	Filipina	9	2,9%
	Vietnam	8	2,6%
<b>Business Experience/Duration</b>	1 years	12	3,9%
	1-3 years	114	36,8%
	3-5 years	121	39%
	>5 years	63	20,3%
	<b>Business Halal Certification</b>	Yes	241
	On Process	34	11%
	On Going	35	11,3%
<b>Have you attended religious or ethics-based entrepreneurship training?</b>	Yes	295	95,2%
	No	15	4,8%
<b>Business Location</b>	Rural	25	8,1%
	Suburban	108	34,8%
	Urban	177	57,1%
<b>Has your business been affected by crises (e.g., pandemic or economic shocks)</b>	Yes	294	94,8%
	No	16	5,2%

Source(s): Author's own creation/work

Based on the characteristics of the respondents (N = 310), the majority were female (63.9%) compared to male (36.1%). Most respondents were aged 30–39 years (53.5%), followed by 20–29 years (32.6%), while those under 20 and over 50 years accounted for only 1% and 0.3%, respectively. Regarding country of origin, most respondents were from Indonesia (50.3%), followed by Malaysia (26.1%), Singapore (6.5%), Brunei Darussalam (6.1%), Thailand (5.5%), the Philippines (2.9%), and Vietnam (2.6%). The majority had business experience ranging from 1 to 5 years, with 36.8% having 1–3 years, 39% having 3–5 years, and 20.3% more than 5 years, while only 3.9% had been in business for 1 year. Most businesses had obtained halal certification (77.7%), with 11% in the process and 11.3% ongoing. Nearly all respondents (95.2%) had attended religious or ethics-based entrepreneurship training. In terms of business location, most were in urban areas (57.1%), followed by suburban (34.8%) and rural areas (8.1%). Most businesses were affected by crises such as the pandemic or economic shocks (94.8%), while only 5.2% were not impacted. This data indicates that the study sample consists of active MSME actors with relevant business experience, many of whom have implemented halal practices and incorporate religious values in their business operations.

#### 4 RESULT AND DISCUSSION

The assessment of outer loadings demonstrates that all reflective indicators in this study meet the recommended threshold of 0.70, indicating adequate item reliability (Hair *et al.*, 2018). For the Business Challenges construct, indicators BC5 (0.859) and BC6 (0.884) exceed the minimum requirement, confirming strong convergence in representing the nature of challenges commonly faced by Muslim MSMEs in Southeast Asia.

Similarly, the Business Performance construct is reliably measured through BP2 (0.812), BP3 (0.722), and BP4 (0.751), indicating satisfactory indicator quality. The construct of Entrepreneurial Religiosity also demonstrates excellent reliability, with ER2 (0.881), ER3 (0.832), and ER4 (0.879), aligning with the guideline that indicators above 0.70 reflect substantial shared variance with their latent variable (Hair *et al.*, 2018).

For Halal Certificate Implementation, the indicators HCI2 (0.779), HCI3 (0.846), and HCI4 (0.768) are consistent with the reliability threshold, confirming that respondents' perceptions of halal certification practices are measured accurately—an essential institutional requirement for Muslim-operated enterprises. Meanwhile, the Perceived SDG Contribution construct is strongly supported by PSC1 (0.809), PSC2 (0.838), PSC3 (0.790), and PSC4 (0.742), demonstrating that MSME respondents are able to consistently associate their business activities with contributions to Sustainable Development Goals.

	Business Challenges	Business Performance	Entrepreneurial Religiosity	Halal Certificate Implementation	Moderating Effect 1	Perceived SDG Contribution
Business Challenges	0.871					
Business Performance	0.388	0.763				
Entrepreneurial Religiosity	0.392	0.516	0.865			
Halal Certificate Implementation	0.449	0.341	0.330	0.798		
Moderating Effect 1	-0.283	-0.346	-0.380	-0.267	1.000	
Perceived SDG Contribution	0.923	0.396	0.415	0.460	-0.297	0.795

The moderating construct Business Performance and Business Challenges, generated using the product indicator approach, shows a substantial loading value of

1.755. High loadings for interaction terms are acceptable and expected in PLS-SEM due to the mathematical properties of product indicators (Hair *et al.*, 2018). This result confirms that the interaction construct effectively captures the theorized moderating mechanism and is suitable for structural model evaluation.

Overall, the results demonstrate that all reflective indicators meet established criteria for reliability and convergent validity, thus supporting the adequacy of the measurement model before proceeding to structural model assessment (Henseler *et al.*, 2015).

		Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values	Keterangan
H4	Business Challenges -> Perceived SDG Contribution	0.901	0.901	0.018	49.346	0.000	Accept
H3	Business Performance -> Perceived SDG Contribution	0.035	0.035	0.021	1.677	0.094	Reject
H2	Entrepreneurial Religiosity -> Business Performance	0.453	0.453	0.051	8.882	0.000	Accept
H1	Halal Certificate Implementation -> Business Performance	0.192	0.194	0.054	3.546	0.000	Accept
H5	Moderating Effect 1 -> Perceived SDG Contribution	-0.017	-0.014	0.015	1.145	0.253	Reject

The results of the analysis indicate that business challenges have a significant influence on perceived SDG contribution, with an original sample value of 0.901, a T-statistic of 49.346, and a p-value of 0.000; therefore, Hypothesis H4 is accepted. Conversely, business performance does not significantly influence perceived SDG contribution, as shown by its original sample value of 0.035, a T-statistic of 1.677, and a p-value of 0.094, leading to the rejection of Hypothesis H3. Furthermore, entrepreneurial religiosity demonstrates a significant effect on business performance, with an original sample value of 0.453, a T-statistic of 8.882, and a p-value of 0.000; thus, Hypothesis H2 is accepted. Halal certificate implementation is also found to significantly influence business performance, supported by an original sample value of 0.192, a T-statistic of

3.546, and a p-value of 0.000, resulting in the acceptance of Hypothesis H1. However, the moderating effect (Moderating Effect 1) does not significantly affect perceived SDG contribution, as indicated by an original sample value of  $-0.017$ , a T-statistic of 1.145, and a p-value of 0.253, leading to the rejection of Hypothesis H5.

These findings align with prior studies suggesting that external challenges can drive organizational engagement with sustainability initiatives (Ramadhan, Mulyany, & Mutia, 2023; Review, 2023), while business performance alone may not directly predict sustainability perceptions (Mohamad, Rizaimy, & Imran, 2025; Mosgaard & Kristensen, 2023). The significant role of entrepreneurial religiosity in shaping business outcomes is consistent with earlier research emphasizing moral and spiritual values as predictors of entrepreneurial success (Wibowo *et al.*, 2022; Rafiki & Wahab, 2025). Likewise, the positive effect of halal certification on business performance corresponds to evidence showing that compliance with halal standards enhances market trust, product legitimacy, and competitiveness (Handayati & Rochayatun, 2024; Bux, Varese, Amicarelli, & Lombardi, 2022). The nonsignificant moderating effect suggests that contextual or interaction-based variables may not always strengthen the relationship between business determinants and perceived SDG contribution, in line with findings by Nirwana *et al.* (2024) and Supatminingsih *et al.* (2025).

## 5 CONCLUSION AND FUTURE RESEARCH DIRECTION

This study examines the relationships among entrepreneurial religiosity, halal certification, business performance, business challenges, and perceived contribution to sustainable development goals in MSMEs. The findings indicate that business challenges play a significant role in shaping MSMEs' engagement with sustainability initiatives, while entrepreneurial religiosity and halal certification positively influence business performance. However, improved business performance alone does not automatically translate into higher perceived contribution to SDGs, and the hypothesized moderating effect is not significant. These results suggest that external pressures and value-driven practices are critical for fostering sustainability awareness, and that performance improvements, although important, are not sufficient to guarantee sustainability outcomes. Overall, the study provides insights into how faith-based entrepreneurship and

institutional compliance can enhance business resilience and ethical practices while highlighting the importance of contextual factors in promoting sustainable development.

Future studies could examine the proposed model in different cultural and national contexts to test the generalizability of the findings. Longitudinal research could explore how entrepreneurial religiosity and halal certification influence sustainability contribution over time, capturing potential delayed effects. Further investigation is needed using broader sustainability metrics that include environmental, social, and governance aspects to better understand the holistic impact of MSMEs. Additional contextual or psychological factors, such as innovation orientation or social capital, could be studied as potential mediators or moderators in the relationships among religiosity, halal certification, business performance, and sustainability perception. Comparative analysis across different sectors could reveal whether the influence of these factors varies depending on industry characteristics. By addressing these areas, future research can provide more comprehensive insights into the mechanisms through which MSMEs contribute to sustainable development.

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## APPENDIX

Halal Certification Implementation (HCI)			
1.	HCI1	All raw materials in my business are halal-certified	Fatimah <i>et al.</i> , 2022; Handayati & Rochayatun, 2024; Jalal <i>et al.</i> , 2023; Nirwana <i>et al.</i> , 2024; Bux <i>et al.</i> , 2022; Yusuf <i>et al.</i> , n.d.
2.	HCI2	My business production processes comply with halal standards	
3.	HCI3	I keep clear records of raw materials, suppliers, and distribution	
4.	HCI4	I implement SOPs for hygiene and sanitation	
5.	HCI5	Halal certification increases consumer trust	
6.	HCI6	Halal certification enhances my business branding	
Entrepreneurial Religiosity (ER)			
1.	ER1	My business is intended for blessings, not just profit	

2.	ER2	My business decisions are guided by religious values	Wibowo <i>et al.</i> , 2022; Santoso <i>et al.</i> , 2021; Juhaidi & Juhaidi, 2024; Rafiki & Wahab, 2025; Hazirah <i>et al.</i> , 2022; Timur & Ratnasari, 2024
3.	ER3	I avoid usury, fraud, and uncertainty in business	
4.	ER4	I am always honest, trustworthy, and fair in transactions	
5.	ER5	I distribute zakat, infaq, or sadaqah from my business profit	
6.	ER6	I care about the welfare of employees, environment, and consumers	
<b>Business Challenges (BC)</b>			
1.	BC1	I face competition and price pressure in the market	Ramadhan <i>et al.</i> , 2023; Review, 2023; Alsayed, 2024; Mosgaard & Kristensen, 2023; Nirwana <i>et al.</i> , 2024
2.	BC2	Consumer tastes and needs change frequently	
3.	BC3	Access to capital and licensing is challenging	
4.	BC4	I need to adapt to digitalization and technology	
5.	BC5	Internal management, HR, and supply chain are challenging	
6.	BC6	My business is affected by external crises (e.g., pandemic, inflation)	
<b>Business Performance (BP)</b>			
1.	BP1	My business revenue and profit have increased	Yuspin, 2018; Supatminingsih <i>et al.</i> , 2025; Mujahid <i>et al.</i> , 2023; Ab Talib & Abd Rahman, 2016; Nirwana <i>et al.</i> , 2024
2.	BP2	I can manage business costs efficiently	
3.	BP3	The quality and productivity of my products have improved	
4.	BP4	My business customers are satisfied and loyal	
5.	BP5	I am able to innovate and diversify products	
6.	BP6	My business is sustainable and reinvestable	
<b>Perceived SDGs Contribution (PSC)</b>			
1.	PSC1	My business creates employment opportunities	Blind & Heß, 2023; Ilmiah & Islam, 2024; Alsayed, 2024; Rajendran <i>et al.</i> , 2024; Siti <i>et al.</i> , 1987; Role & Industry, 2022; Meylinda & Matondang, 2023
2.	PSC2	My business helps reduce poverty	
3.	PSC3	My business empowers employees and women	
4.	PSC4	My business adopts technology and local partnerships	
5.	PSC5	My products are healthy and environmentally friendly	
6.	PSC6	I manage waste and energy efficiently	
7.	PSC7	I collaborate with community or government	

### Authors' Contribution

All authors contributed equally to the development of this article.

### Data availability

All datasets relevant to this study's findings are fully available within the article.

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