

Environmental, Social, and Governance (ESG) Impact on Non-Traditional Sectors: SMEs, Gig Economy, and Emerging markets

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With businesses increasingly realising the value of Environmental, Social, and Governance (ESG) management, ESG implementation has mostly been explored in large companies in developed economies. Newer areas, such as SMEs, the gig economy and emerging markets businesses are facing special pressures and opportunities based on ESG activities. Though critical to growth and social development, they are often less well researched on ESG issues, and there are gaps in the knowledge of what is and is not challenging with ESG practice in these sectors.

Reason for the Research Project

This research is motivated by a demand to understand the way in which ESG practices are integrated and valued outside big, established companies. Small and medium enterprises (SMEs), the main sources of global employment and economic growth, face different operating and resource pressures than large enterprises that might drive ESG more differently. Then there's the gig economy, a rapidly growing sector in which workers do short-term, flexible work via online platforms, that faces ESG issues in terms of worker protections, labour practices and social obligations. The emerging markets impose different types of ESG requirements on businesses as they struggle with economic growth, social equity and sustainability under a wide variety of socio-economic circumstances. Knowing the details of ESG in these niche industries is vital for governments, investors and companies who want to support responsible business models aligned with sustainability ambitions globally.

Reason for the Research

This research addresses critical gaps in the ESG literature by studying industries that are under-presented in ESG. In particular, SME's typically struggle for ESG due to resource and skills constraints, while the gig economy, where labour relations and governance are also a concern. Emerging markets, however, have unique ESG barriers and pitfalls due to regulatory landscapes, economic volatility, and social concerns. Analysing these industries results to findings about how ESG frameworks can be customized for smaller and more mobile companies and sectors as well as emerging economies. It will be invaluable for policymakers and investors looking for sustainable practices globally.

Research Questions

The following research questions will be answered in this paper:

1. What are the effects of ESG implementation on SMEs in emerging markets for resilience and growth?
2. What does ESG commitments tell us about worker rights and gig economy worker satisfaction?
3. What impact do ESG expectations from investors have on funding and business model of SME in new categories?
4. What are the barriers and incentives to ESG for gig economy platforms (in terms of social and governance metrics)?

Such questions will inform the research to determine the particular ESG effects, drivers and challenges of various non-traditional sectors of different types.

Research Methods Overview

The study will be a mixed-methods study capturing qualitative and quantitative data to answer the interlocking issues of ESG in diverse industries.

Literature Analysis:

Comprehensive literature review and research papers will give an introduction to ESG in unconventional sectors to reveal common problems, frameworks, and best practices.

Questionnaire and Interviews:

Surveys will be sent out to SME, gig economy employees, and Emerging Market businesses to collect information on perceptions, reasons, and challenges of ESG practice.

Case Studies:

In order to get real-time context, case studies will highlight companies that have successfully integrated ESG into SMEs, the gig economy and emerging markets.

Data analysis:

Quantitative survey data will be statistically evaluated for trends and correlations in ESG adoption. Qualitative interview and case study data will be thematically evaluated for common themes and insights to research questions.

This study focuses on an underexplored gap in ESG research, the impacts, and challenges of ESG for SMEs, the gig economy and emerging markets. Addressing the ESG concerns for these industries will also be of benefit to businesses, policymakers and investors interested in ensuring sustainable growth in various economic environments. Understanding ESG and how it drives resilience, growth, labour rights and investment appeal, this research will help to push for tailored ESG structures that are suited to the needs and limitations of non-traditional sectors. Finally, the findings are expected to support an inclusive approach to sustainability and to recognise the role and the problems of small, fast-growing, and new companies in the wider ESG ecosystem around the world.

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