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BUSINESS PLANS AS A TOOL FOR STRATEGIC ARTICULATION OF SUSTAINABLE AND SUSTAINABLE PRODUCTION.

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JOHNNY MONASTERIO PÉREZ [1]
jmonasterio@unimet.edu.ve
Universidad Metropolitana de Caracas (Venezuela)

CAR-EMYR SUESCUM-COELHO [2]
csuescum@unimet.edu.ve
Universidad Metropolitana de Caracas (Venezuela)

RICARDO RUETTE-VELÁSQUEZ [3]
rruette@unimet.edu.ve
Universidad Metropolitana de Caracas (Venezuela)

YENINY RODRÍGUEZ-PINERO [4]
yyrodriguez@unimet.edu.ve
Universidad Metropolitana de Caracas (Venezuela)

Summary

Representatives and managers of entities worldwide have been gradually adopting sustainable practices in their processes; although it is true that throughout history there have been some vestiges of commitments with respect to environmental responsibility issues, the reality shows that they were largely used only to improve brand image or as a response to the great normative pressures existing in global regulatory frameworks. The very evolutionary dynamics of societies has forced the adoption of a wide variety of international conventions, standards and initiatives that have been signed with the aim of improving the planet's environmental conditions, guaranteeing a more *eco-friendly* development. Sustainability then emerges as a key aspect, revolutionizing the way in which organizations over the last few years have been redirecting their efforts towards the creation of long-term commercial and social value, incorporating it

1 D. in Management Sciences. Research Professor of the Faculty of Economics and Social Sciences, attached to the Department of Banking, Accounting and Auditing, Universidad Metropolitana, Venezuela.

2 D. in Management. President of the Center for Advanced Management Studies - CEGA. Graduate professor at Universidad Yacambú, Venezuela, and Universidad Fermín Toro, Venezuela. Undergraduate professor at the Faculty of Economics and Social Sciences, attached to the Department of Banking, Accounting and Auditing, Universidad Metropolitana, Venezuela.

3 Specialist in Forensic Auditing and State Audit Management. Postgraduate professor at Universidad Central de Venezuela and Universidad de Margarita, Venezuela. Undergraduate professor at the Faculty of Economics and Social Sciences, attached to the Department of Banking, Accounting and Auditing, Universidad Metropolitana, Venezuela.

4 Master in Financial Management. Head of the Banking, Accounting and Auditing Department, School of Economics and Social Sciences, Universidad Metropolitana, Venezuela.

into their philosophy, strategies and main operations. Currently, sustainability as part of the organizational strategy in business plans represents a great competitive advantage, through the development of more efficient practices, greater interaction of *stakeholders*, better governance and ultimately, better financial performance in the long term; aspects that together translate into an exponential increase in the value of the entities. The intention of this scientific paper was to analyze whether business plans aligned with organizational strategy contribute to sustainable yet sustainable production. sustainable production. For this purpose, after a thorough review of the subject, four categories of analysis were revealed, which served as support to design its structure and approach; through which the benefits offered by the incorporation of sustainability as a transversal axis in the business plans of organizations are visualized, highlighting the importance of non-financial information for the decision-making process of their *stakeholders*.

Key words: business, business plan, strategic articulation, sustainable production

Abstract

The representatives and managers of entities worldwide have been gradually incorporating sustainable practices into their processes; Although it is true that throughout history there have been some vestiges of commitments regarding issues of environmental responsibility, the reality shows that to a large extent they were only used to improve the brand image or in response to large existing regulatory pressures in global regulatory frameworks. The evolved dynamics of societies has forced the adoption of a wide variety of international agreements, standards and initiatives that have been signed to raise the environmental conditions of the planet, guaranteeing an eco-friendlier development. Sustainability then emerges as a key aspect, revolutionizing the way in which organizations over the last few years have been redirecting their efforts towards creating long-term commercial and social value, incorporating it into their philosophy, strategies, and main operations. Currently, sustainability as part of the organizational strategy in business plans represents a great competitive advantage, through the development of more efficient practices, greater stakeholder interaction, better governance and, ultimately, better long-term financial performance; aspects that together translate into an exponential increase in the value of entities. The intention of this scientific article was to analyze if the business plans aligned with the organizational strategy contribute to sustainable production, but at the same time sustainable. To do this, after a thorough review of the topic, four categories of analysis were revealed that served as support to design its structure and approach; through which the benefits offered by the incorporation of sustainability as a transversal axis in the business plans of organizations are visualized, highlighting the importance of non-financial information for the decision-making process of its stakeholders.

Keywords: business, business plan, strategic articulation, sustainable production.

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Introduction

Living beings move according to their needs, among which human beings prioritize their needs with reasoning. The Oxford Lexicon (n/d), defines reasoning as "the faculty of the mind that allows learning, understanding, reasoning, making decisions and forming a determined idea of reality", we can assume that in history human beings differ from animals in this advance that we have called evolution and that depends directly on learning, understanding and reasoning. In very remote times, learning was a product of trial and error seeking to satisfy needs in the midst of a unilateral struggle with the environment, but everything advances and we learned that we must anticipate situations to take the best advantage of them, or in the worst case, to mitigate their effects. In more present times, we have learned to create models, tools, techniques and methods to anticipate in the most assertive and effective way possible. That is the contribution that the academy gives us, to civilize thinking, to turn it into the reason to advance to be a better and better society.

The challenge of today's society is to achieve this evolution in an orderly and sustained manner over time, avoiding damage to the environment, while maintaining acceptable profitability margins. It is paradoxical that in its beginnings the human being fled from the adverse effects of the environment and today seeks to become aware to avoid damaging it with the great advantages provided by the result of its permanent and increasingly accelerated evolution, information technology and artificial intelligence, for it, in the development of the most artisanal economic activity, even the most industrialized, must choose very well what is its value offer and how it will carry it out, complying with the premises of sustainability and sustainability.

As a contribution to the discussion of the academic forum, we present the following study that covers essential aspects of organizations as an axis of social and humanistic growth, taking into consideration the disruption generated by technological growth through the development of sustainable value chains without losing sight of the fact that this process must last over time, consciously taking advantage of the resources provided by nature, as any process involves a stage of planning, organization, management and control that is represented in financial information that translates this set of arguments, resources and processes applied (sustainability) and non-financial (sustainability), which are sine qua non in the strategic objectives of any public or private organization, which translate into business plans as a tool to demonstrate the functioning of the organization and its activities, which constitute a sine qua non in the strategic objectives of any public or private organization. (sustainability) and non-financial (sustainability) which are constituted in a *sine qua non* way in strategic objectives of any public or private organization, which are translated into business plans as a demonstrative tool of the operation of the chosen business models.

In this sense, and based on the universal mission demanded by the knowledge society, it is propitious to approach studies that take as a reference the methodologies currently used for the design and execution of business plans that allow the timely evaluation of the considerations that result from comparing the objectives of business models with organizational strategies. In this regard, from the academia we ask ourselves, do the methodologies for the design of business plans take as a guide the driving aspects of the fourth revolution (4.0) that are leveraged in information and communications technologies (ICT)? Given the changes in business models resulting from a globalized world, is there a need to review not only business plans, but also procedures and methodologies that take into account the rapid changes and the exponential evolution from the traditional economy to the digital economy? Within the framework of this review, how does sustainable production as a strategic objective create value by taking business models and business plans as reference to be sustainable?Is financial and non-financial information considered as a neuralgic input for the management of business models?

These questions, which are addressed from the academic space with the purpose of providing information on the availability of solutions to assertively manage the challenges that business models demand, considering the factors that impact their sustainability and the challenges imposed by the sustainable development of nations, lead us to formulate the following hypothesis: Business plans aligned with organizational strategy contribute to sustainable and sustainable production.

Business as an evolving paradigm for sustainable and sustainable development

The Royal Spanish Academy (RAE) (n/d) defines the word business as: occupation, task or work where one can obtain all possible profit from a matter, with no other aim than one's own interest. The etymology of this word indicates that business comes from the Latin word *negotium*, and according to the etymology of business (n/d) this is formed from *nec* and *otium*, that is, "without leisure", we can add to occupy oneself with something for a period of time, most probably to obtain a product or service that satisfies a need.

Since man populated this planet, he has sought ways to organize himself in order to gradually adapt to new circumstances that led to new ways of life and coexistence, all leveraged on the satisfaction of their own and collective needs within the framework of the family and communities, But it was not until the arrival of barter that trade began, and therefore the first business model, which took place in the Paleolithic period when nomadic families moved in search of a better future in the face of the inclemency of nature, infant mortality and the availability of goods. This evolution brings as a consequence the barter as a way of doing business, skins are exchanged for tools, food for necklaces and even various jewelry.

Casares (2021) points out that it was through commercial activity that everything began, in the European Neolithic period, with the appearance of industrial means to process sheep wool, linen, footwear, ceramic vessels, rudimentary dyeing, as well as the appearance of livestock and

agricultural activities that favored the sedentary lifestyle of the population and the consolidation of population centers and later more organized societies. According to the author, by 2000 BC, international trade began in Lower Mesopotamia from the city of Uruk, where there was already a port, buildings and commercial warehouses from which surplus wheat was traded to Iran, Pakistan and northern India, as well as cereals, dates, earthenware and mats to Cyprus, Egypt and Lebanon in exchange for cotton, asphalt and other foreign products.

In the opinion of Casares (ob.cit), "with these activities arises writing, accounting, materials to write down, pack animals for commercial caravans, warehouses, (...) legal codes such as Hammurabi (1700 BC)". With wars and power relations that introduced social classes, comments Armesilla (2019) "Slavery arises when still land and labor are the fundamental productive forces."

For his part, Flórez (1999) points out that the strengthening of the Feudal Society is mainly due to the advantages provided by the large extensions of land, the stability of the climate, the fluvial systems, the diversity of the fauna that allowed to take advantage of food, energy, to build canals, locks and dams, all this as an advantage to produce both for the community itself and for commercial exchange. The feudal economy fell with the French revolution in 1789, initiating the capitalist era, the establishment of the bourgeoisie, social power passed from the hands of large landowners and land as a means of wealth and power to the rebirth of trade, craft production, it is a new form of wealth. The movable and with it a new social class, the bourgeoisie.

For the period 1870 - 1950 the business model is leveraged on the economic supremacy shown by the states, according to Cabrera (2013), this allowed companies, especially those belonging to the various empires, especially Great Britain, to access markets and raw materials from their overseas colonies, so being a company based in the empires gave a competitive advantage over other companies from non-imperialist or third world countries. Subsequently, just after the Second World War, at the beginning of 1947, the Marshal Plan was implemented. Cabrera (ob.cit) points out that "... it contributed decisively to the renewal of transport infrastructures, to the modernization of agricultural and industrial companies, to the revival of production, to the increase in productivity, to the dynamization of inter-European trade, to the recovery of the London money and capital markets, and to the financing of the recovery of world trade". After the Second World War, the economic model is normalized, the State is the great employer, a Keynesian vision of economic policy is applied to replace the liberal paradigm of laissez-faire, macroeconomic measures are introduced that seek to measure social welfare through the implementation of public policies that aim to underpin economic growth and full employment, all this as a result of post-war reconstruction that took place mainly in France, Great Britain, Italy, United States of America, this moment would be called the Welfare State.

In the post-war period, the economic predominance was marked by the financial markets, the dollar as a commercial currency and the world economies seeking stability through exchange parity, which forced different models and agreements at world level, Capital became an important variable in the business world, and different agreements were promoted, one of the most important being the Bretton Woods agreement, which, according to Herrera (n/d),

This model failed when the powers allied to the USA demanded compensation in gold for the reserves of their countries, which the United States could not comply with due to the use of the currency for geopolitical purposes, which broke the relationship between currency and gold standard, thus starting a new cycle, where third world countries supplying raw materials such as oil became unusually important (Arabian countries, Venezuela, etc.), giving greater power to their economies.) giving greater power to their economies and creating an imbalance in the world economy, now the competitive advantages of business will come from the strength that may have the economies where they have a seat, access to raw materials and geopolitical relations.

In recent times, new variables are added to the dynamics of business, globalization, new and increasingly disruptive technologies, the use of unstructured information in conjunction with artificial intelligence, pandemics, the threat of a third world war with the risk of the use of weapons of mass destruction, it is logical to think that a new world order is emerging, Those who lead organizations, countries must take into account all these variables and the vertiginous events, the new generations have taken advantage of the sustained sacrifice to generate wealth to bet on immediacy to the detriment of sustainable and sustainable growth of human knowledge, organizations, productive processes and the global community.

Undoubtedly, necessity led to production and organization, these two led to trade and from there to a growth and evolution of human beings, always looking for an improvement in their lifestyle, in coping with the day to day, in feeling more security in surviving the inclemencies, in progressing. Subsequently, the human being knew how to take advantage of the environmental situation within its geographical sphere of influence, learned to divide the social classes, later conflicts forced him to assume changes in the modes of production, in the most current times to avoid conflicts was the order in which depended the conduct of business, until these days in which, paraphrasing the popular culture, “the only constant is change”.

It can be said that, from the first value propositions of the individual to society, represented in the first business model based on producing from hunting and fishing and then marketing these products for other goods once more advanced the evolution. For Llorens (2010), the business model is the representation of how the business will work, i.e. it is the detailed description of the value proposition for the market (customers), how we are going to reach them (distribution of the good or services), how the interrelation with the different stakeholders of the organization will be.

In short, says Llorens (ob.cit), “it is a representation of how the company is organized to achieve its objectives”. It would seem that the business model precedes everything”, it is a start, it is the sock we put on before the shoe, but for Demil and Lecocq (2009) “A business model is a delicate process of adjustment, based on the construction of strategic resources that allow generating more offers and income”, that is to say, business models are perfectible over time, they are not static, they must be adjusted through managerial processes that allow noticing changes that affect their sustainability.

In the past, human beings struggled to survive the inclemency of the weather; today, in the second decade of the 21st century, human beings face new challenges, the change of the world order, climate change, the disruption of new technologies, i.e. human beings face new threats to their subsistence that require transformation, resilience and long-suffering to meet this challenge, as stated by Demil and Lecocq (ob. cit.).cit), the sustainability of an organization can refer to its ability to foresee the systemic consequences of a given change in a given component of its business model, which can be contrasted with what is stated by Barrios (2010), who also defines the business model as "a complex set of interdependent routines that are discovered, adjusted and nuanced through action".

The main objective of a company is none other than to last over time, for which it must know how to choose its corporate purpose, what it is going to do, its business model, which is nothing more than the value offer and the business plan, how it is going to deliver that value offer in a sustainable and long-lasting manner.

Business models can be oriented from the activity, so we have the Manufacturer, whose activity is to convert raw materials into final products. The distributor, which is responsible for buying products from a manufacturer, and then placing them on the market through retailers, wholesalers or even directly to the public. The *retailer*, who purchases products from a distributor or wholesaler and sells them directly to the public. Franchises, who use the *know-how* and the model of a company to which they pay royalties and technical assistance, are also observed in the business models.

Today, due to the impact that new technologies have on business, *Ecommerce* has emerged with force, transferring the traditional business in any of its modalities to sales through the Internet. *Ecommerce* has brought with it business modalities typical of the digital era, such as *Freemium*, which consists of offering basic services for free and complementary ones at an additional cost; the Aggregator, where several service providers of a niche are aggregated and sell their own services under their own brand, thus obtaining income from commissions; the evolution of Advertising, whose business consists of providing free information which is paid for by sponsors. And finally, we mention here the models that come from associations such as *joint ventures*, profit sharing, consortiums, etc.

Now, in order to carry out any of these ways of doing business, human beings have planned, whether to move from one place to another due to inclement weather, carrying embers on their backs, or to take advantage of nature or other geographical, economic or geopolitical advantages, they have always thought, analyzed, evaluated and made decisions. Today, not only must it plan, but it must anticipate events, create scenarios, study them, consider risks, costs and benefits, work collaboratively, differentiate itself from the competition, adapt to changes if it intends to be sustainable, considering the maintenance of business profitability under clear principles of sustainability.

To shoot first, you must have identified the business model, the strategy, the objective and the action plan, i.e. the business plan. The academy plays a fundamental role in the achievement of the objectives of an organization, collects historical data for analysis and

understanding, studies methods, techniques and instrumentalizes knowledge for the benefit of society, contributes to the economic development and welfare of the universality, according to Pascale (s/f citing Etzkowitz and Leydesdorff, 1995; Etzkowitz et al 2000) the university provides "....applied, problem-focused, transdisciplinary, heterogeneous, hybrid, demand-driven, entrepreneurial, networked, and not necessarily university-led" research. while citing Brundenius, Goransson and Agren, (2006) considers that the third mission has been defined as "that to which universities are obliged to interact with the society in which they are immersed and with economic life".

The work carried out by Pascale (ob.cit) is based on empirical evidence revealed by Kranzberg, (1985); Mokyr, (1990); David, (1990), OECD, (2000), Castells, (1996) where they have shown "...that another productive factor, in fact, practically not considered before, is the one that makes the greatest contribution to explain the economic growth of countries. This productive factor is knowledge. It is therefore the economic application of knowledge that is the central explanatory factor in the economic evolution of countries". Pascale (ob.cit) continues, "This knowledge, which began to play such a transcendental role in the last quarter of the 20th century, has its driving force in the Information and Communication Technologies (ICTs)".

Business plans in the face of the productive disruption generated by technological innovation

In a world where we intend, through business and governments, to achieve the sustainable development of nations, considering the satisfaction of economic and social needs in a healthy current environment, without putting at risk future generations; we must take into account that today companies of all sectors and sizes are exposed to the impacts generated by the global economy, which is increasingly digitized.

Identically, in a context where economic growth is slow and uneven, in which we are in the presence of a slowing economy that needs oxygen, it is necessary to understand that the way in which companies design their business plans must be addressed, in an environment where the available technologies are highly disruptive, generating pockets of risk and potential rewards, which require assertive and accelerated strategies in order to be sustainable and sustainable. sustainable and sustainable. Therefore, companies need to evaluate their current strategies, models and business plans in advance, consciously and without wasting time, in order to focus their course of action, in a way that allows them to face their situation by truly offering solutions to a market that operates at a dizzying pace.

When we talk about strategies, models and business plans, the term strategic business units (SBU) cannot be dissociated from the term, as described by Francés (2006) quoting Hamermesh (1986), this concept was introduced by General Electric of the United States in the early 70's of the last century, during the process of industrial transformation (third industrial revolution) produced by the automation of production, based on the use of electronic systems and information technologies (p.188) since these constitute the fundamental component of corporations, being focused on markets, competitors and the resources available to make

the business plan viable. In turn, business plans must be leveraged on a business model that allows describing how an organization creates, captures and delivers value, whether economic or social, in perfect synchrony with its strategy.

According to Alcaraz (2006), the term business model encompasses a wide range of activities that make up key aspects of the company, such as its purpose, strategies, infrastructure, goods offered, organizational structure, operations, policies, relationship with customers, financing schemes, and obtaining resources, among others (p. 38). This explanatory narrative is especially important because we should not confuse the business model as a general formula for selling a product or service, with the business plan as a descriptive guide that indicates how the business goal will be achieved based on its sales forecasts.

Thus, in addition to the three (3) traditional factors of production (land, labor and capital), it is necessary to contemplate a fourth factor in business models and plans: technology, which has transformed the world economy, impacting people's lives and their consumption habits, generating a radical and accelerated change in the existing global value chains.

In this order of ideas, Alfaro (2019), indicates that in the Davos forum held in 2019, the meeting of the world's main leaders in the economic, social, business and political areas took place, which had as its motto: Globalization 4.0: Configuring a global architecture in the era of the Fourth Industrial Revolution*,* giving greater preponderance to the technological theme, in view that digitization has become a transforming element of the processes and sub-processes of organizations, making society today live immersed in technology. Therefore, it was determined that the disruption generated by new technologies is modifying the structures and relationships between individuals, governments and companies, generating the so-called: new architecture of relationship at a global level, an aspect that contemplates as a challenge the strategic and formal inclusion of technology in business models and plans, so that the production of goods and services is sustainable and sustainable in this XXI century.

This is not unrelated to what Fuenmayor (1995) indicates in his book Principles of Political Economy, which mentions that: "The economic systems in which products are produced for sale in the market are systems based on exchange, that is, on exchange relations. Market is understood as the whole area of the city or the nation, where daily, at all hours and on a large scale, operations of exchange, purchase and sale of products are carried out." (p.71).

In view of the above, there is no doubt that we are facing a change, because although it is true that the Davos forum spoke of Globalization 4.0, or 4th industrial revolution (see Figure 1), in just 3 years a new industry 5.0 is already mentioned, based on a technology that works in conjunction with human intelligence. Under this scenario, we cannot and should not pretend to maintain the strategies, models and business plans as we have been developing them during the last century and the course of the present, an aspect that not only contemplates the evaluation of the model and the plan, but should also lead us to reflect on the methodology that will be developed to outline the new business plans, given the disruptive and rapid change of business models impacted by the technological revolution.

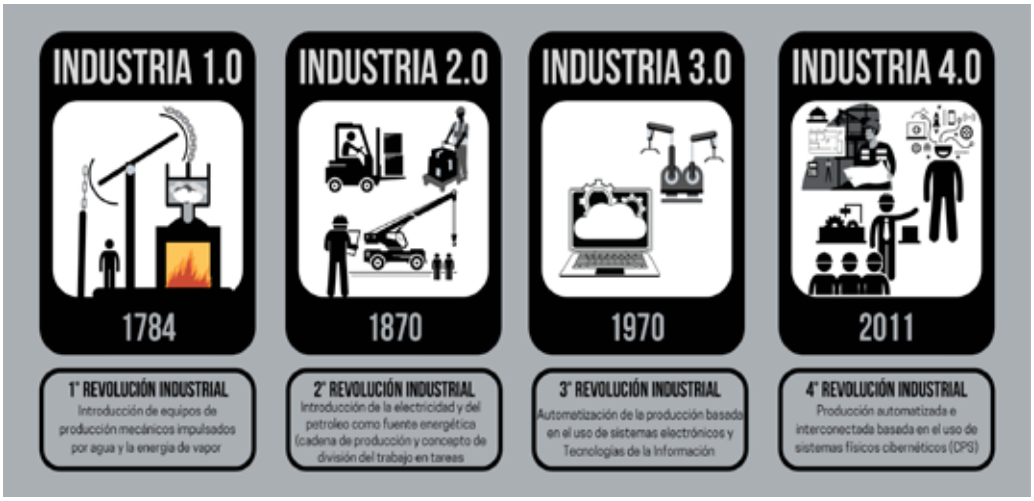


Figure 1: Source: IESB (S/F).

Antagonistically to the methodology of business plans that we have been using for the last 50 years, which can take months for its final version, even years, before being presented to third parties, the so-called *Lean Startup (*see figure 2), a methodology created by Ries (2011), based on Lean Manufacturing, has emerged to create successful business plans, using continuous innovation under a scheme of extreme uncertainty, so that the path of uncertainty can be crossed to find the way to a successful business plan. (2011), based on *Lean Manufacturing*, to create successful business plans, using continuous innovation under a scheme of extreme uncertainty, in such a way that the path of uncertainty can be crossed to find the path of a sustainable and sustainable business in a sustainable and sustainable business in an agile way, considerably reducing business plan design times, maximizing the creation of value for the client.

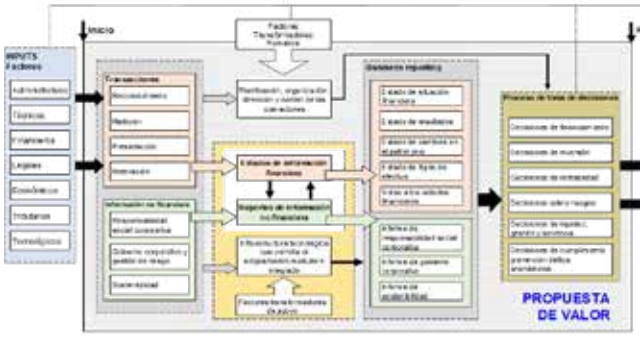


Figure 2: Source: Harvard Business Review (n/d).

According to the circumstances and the facts described above, it seems that a threshold has been reached where it is no longer only necessary to promote the revision and focus of business strategies, models and plans, so that sustainable and sustainable production is considered as a strategic objective as an alternative for the development of the value chain in business plans; rather, we are in the presence of an imperative need to change the methodology of business plans for other, more effective ones.sustainable production as a strategic objective as an alternative for the development of the value chain in business plans; but we are in the presence of an imperative need to change the methodology of business plans for other more agile ones that can adapt to a changing world, in which the waiting for long periods of time to plan and make sustainable and sustainable, not only for the development of the value chain in business plans, is avoided, but also for the development of the value chain as an alternative for the development of the value chain in business plans. sustainable and sustainable, not only the production, but also the value chains that support the business; in a world where technological interconnection has a direct impact on economic, political and social relations, increasingly accelerated, and the way to face challenges and challenges.

Sustainable production as a strategic objective: value creation in business plans

The issue of sustainable production as a strategic alternative for the development of the value chain through the use of tools such as business plans, starts from the understanding of aspects related to the global economy, this type of interdependent activity is designed around the consumption of goods and services, to such an extent that the measurement tool used to determine the success of nations, the Gross Domestic Product (GDP), only measures the value of goods and services produced and sold in a country. This tool does not consider the losses of the systems from which it is drawn, ignores any activity that does not have an economic aspect, and ultimately creates a very narrow view of value and wealth, It is therefore necessary to treat it not in isolation, but with additional consideration of business sustainability.

Traditional or linear production systems have contributed to the progress of humanity, but this contribution has had a significant cost for the ecological systems that sustain life on earth, affecting, among other aspects, the quality of life, altering the climate, generating uncontrollable levels of pollution and the destruction of diverse ecosystems. All these problems are interrelated, and until these kinds of production systems are massively modified, humanity will continue to be negatively affected by their actions.

The traditional measurement of GDP is one of the driving forces that created the linear economy, whereby every day millions of tons of raw materials are extracted from nature (through mining, harvesting, cultivation, among others); these are mechanically processed into usable goods in factories, shipped around the world and then bought, used and discarded. When discarded, they often end up in landfills, incinerators or dumps, or worse, they are returned to nature in a harmful way because they were only designed to maximize profits for producers without considering the impact they may have during their entire life cycle. This situation has unleashed enormous pressure on waste and recycling systems, which have exhausted their

capacity and are no longer sufficient to contain the ecological, equity and health implications, prompting the need for conglomerates to transform their business models so that their strategic objectives include production with a sustainable focus while keeping profitability as an important factor.

As this new era progresses, organizations need to reconfigure and reorient their approach, where standard business models, policies, products and services no longer fit. To meet the demand for environmentally friendly products and the political shifts towards green industries, companies need to embrace these new trends while balancing their relationship with the environment.

However, to achieve this task requires a redesign of traditional business models, where sustainability and sustainability represent an essential objective in business strategies, as they interrelate to provide a pathway from linear to circular production systems. This transition encourages the massive reduction of waste, promoting instead a variety of reuse approaches, for which organizations must leave behind the orthodox process of exploitation, transformation and sale. It is necessary to have a system whose inputs are mostly from reused sources or represent renewable products, and whose outputs are goods whose permanence in the environment is planned, i.e. the organization must have strategies to recover the waste of these products and reinsert them into the production chain, as conceived in the circular economy.

Within a circular economy, goods go through two (2) main types of metabolism flows. According to MacArthur (2014) cited by Durán (2020), one is the technical system, which includes all man-made and technically modified goods, and these must be designed to be recaptured, reused, repaired, remanufactured and, where appropriate, recycled, in order to ensure that material values are maximized and that technical products do not escape into the natural environment, which brings us to the other main metabolism, the biological. This encompasses all goods and materials that have a biological basis and can be easily and benignly metabolized back into nature. All food products, for example, are biological, while all food packaging that has some technical addition, such as plastic, is in the technical stream.

Many of the ecological impacts generated as a result of supply chain relationships are largely due to the resistance and preponderance of the economic benefits of the organization over the benefits of the environment, leaving sustainability in the background. For this reason, much of the investment and activation for change has so far focused on waste management, rather than designing waste out of the system from the start. In part, sustainable production under the circular economy approach seeks to address this issue by providing pathways for complete redesign of systems, rather than simply making end-of-life adjustments.

In this order of ideas, it is necessary to highlight the approach made by Guldmann and Huulgaard (2019), by indicating that circular business models are special, in the sense that they seek value creation in areas that are usually of little interest to companies operating under the traditional linear production paradigm, i.e., a circular or sustainable business model articulates the logic of how an organization creates, offers and delivers value to its wide range of stakeholders while minimizing ecological and social costs. These new models may include

different approaches to closing the loop, so that end-to-end material flows are managed by producers. The burden of waste would not be transferred to the end user, but rather the company manages its products throughout their life cycle and designs products to be recovered in a way that maximizes material values and embodied impacts.

In line with the European Commission's approaches (2020), to generate value, each industry and product category will need a different combination of business and design approaches, as some materials are easily remetabolized and others are not, some product categories are much simpler to deal with than others. The fundamental change is how to design goods to flow through the economy and the responsibility that producers take for their goods, allowing customers to return, reuse or repair them to ensure that value continually increases.

Since the nature of the linear business model is purely transactional, i.e., maintaining and restoring value over time are not priorities, which means that the value of the good or service is gradually and inevitably eroded for the customer. When customers no longer benefit, they discard the products, and since they were not intended to have subsequent economic value, it is difficult for another company to use the discarded products as raw material, thus generating waste. This gives a glimpse of the fact that they do not intend to constantly create value for stakeholders and companies further down the value chain, i.e. recyclers, repair shops, collectors, among others. For this reason, the business plans of sustainable enterprises must consider these aspects when setting out their vision and strategic objectives. In this sense, business plans represent the tool to articulate and support the execution of the organizational function under this sustainable model.

Now, in order to redesign or reorient business plans, it is necessary for their representatives and managers to nourish the decision-making process with as much and as good quality information as possible. The feedback process should consider both financial and non-financial information, allowing to consider also the qualitative aspects representative of the causes and consequences of the various events that affect or could affect the entities.

In this sense, the operational and strategic management of economic entities through the respective business plans requires the integration and adequate interpretation of different variables: financial, non-financial, marketing, human resources and operations; these aspects are key elements for the analysis of indicators of profitability, economic solvency, financing, risk assessment, performance, positioning, sustainability, among others.

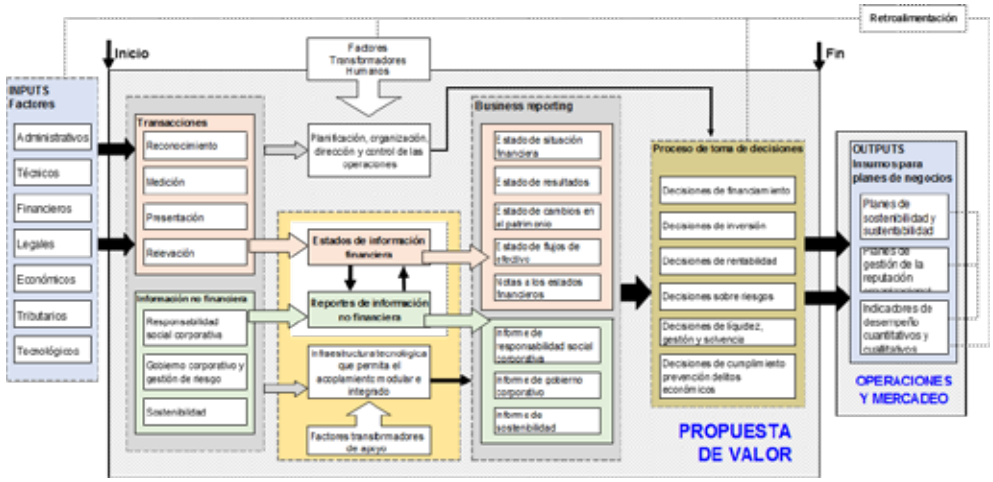
Financial and non-financial information as a key input for business model management.

The creation and constitution of economic entities that aim at a sustainable and sustainable production oriented to value generation is based on a number of considerations that influence their organization, structuring and implementation (see Figure 3). sustainable and sustainable production oriented to generate value, takes into account a number of considerations that influence the organization, structuring and implementation of these (see Figure 3). Administrative, technical, financial, financial, legal, tax and economic factors, among others, constitute the

basic principle for the operation of sustainable and sustainable enterprises over time (see Figure 3). Hence the importance that business plans, in addition to the strategy and the business model, consider these variables based on the financial and non-financial information generated in them. By giving a central and strategic character to the use of this information, it is possible for business plans to seek a strategic and operational balance at the different levels of the organization, in order to face the possible challenges and trends of the changing environment with better and optimal conditions.

The *inputs* from which these business plans are nourished are necessarily related to the information used in the determination of capacities and resources, the projection of coverage, as well as the objectives of control, monitoring and evaluation of specific actions. Even when quantitative information, product of business operations, involving the practical exercise of recognizing, measuring, presenting and disclosing financial information through financial statements and their respective notes, however, according to Malgioglio et al. (2012), the demand for non-financial information, by different users, This is why the dissemination of this type of information through non-financial reports, such as sustainability reports and corporate governance reports, is currently setting a relative trend in the economic disclosure of organizations worldwide.

Factors and elements present in the business decision-making process based on financial and non-financial information.



Source: Prepared by Rodríguez, Ruette, Suescum & Monasterio (2022).

Under the systemic approach presented in Figure 3, it is possible to visualize the stages that integrate the different phases to which organizations are exposed for the generation of economic value with a view to ensuring the sustainability of economic entities. Note how the *inputs are* identified as those factors that import certain resources from the external environment

and once they enter the systemic cycle they become inputs to other sub-processes. The initial factors are comprised of those activities and actions susceptible to the management of the business itself, which are subsequently translated into the determination of value through the recognition, measurement and recording of economic events and other financial transactions, thus, the fair presentation of financial information leads to the transparent disclosure of the results of the management carried out by the administrators with the resources made available by the shareholders and owners.

The traditional treatment of such practical criteria is contrasted with the framework of the current paradigm of user-oriented utility, which shows that the disclosure of exclusively financial information is no longer sufficiently useful for decision making. Along these lines, Larrán and García-Mecca (2004) point out that this loss of relevance of financial information leads to the presumption of the existence of value generators that are not recognized in accounting terms but that the market appreciates in the valuation of securities and that refer to aspects of the company's strategic and operating environment. In this regard, García and Sánchez (2011) point out that the non-financial information that is usually disclosed is of a voluntary nature and is comprised of any data that the company is not obliged to issue by legal or accounting regulations, normally comprising information that accompanies the annual accounts and also information disclosed through the Internet, the financial press, meetings with analysts,

Both financial and non-financial information (*inputs*) are elements that end up modifying their initial characteristics through the transforming factors (see Figure 3). In this sense, the human factors: plan, organize, direct and control the entity's operations, while the support factors are linked to the technological infrastructure (*hardware*), intangibles such as computer programs or applications (*software*), among others. The transforming factors are characterized by providing capabilities and knowledge from the different interdisciplinary approaches that make life in the organization and, having devices, instruments and technical resources that are used in the different operational phases of the productive sectors. The actual processing or transformation flow behaves as the conduit or medium into which the human factors and support factors (technological) necessary for the generation of value are incorporated (see Figure 3).

Adequate and timely management of information by organizations has become the core process that precedes decision-making. While the financial information contained in the financial statements leads to the analysis of profitability, growth, financing, risk, liquidity and business solvency ratios, preventing the commission of economic crimes, non-financial information reveals qualitative information (not quantified in monetary terms) on those aspects of the business that are not reflected in the basic financial statements (social responsibility reports, sustainability reports and corporate governance reports). Financial and non-financial information together make up the total information on the company's business (business reporting) (FASB, 2001), which guides decision-making on business strategies through the maximization of demand and the optimal configuration of the supply of its capabilities (value proposition) (see Figure 3).

The reliable presentation of the effects of business transactions, as well as the use of qualitative (non-financial) information, reveal not only the financial situation, financial performance and cash flows of companies, but also aspects of the business that concern corporate management and strategic vision. According to Elliot and Jacobson (1994) cited by Malgioglio et al. (ob.cit), the greater disclosure of information implies intangible benefits in that it allows a better understanding of the economic risk of investors and creditors, reducing the cost of capital (Larrán & García-Mecca, 2004). The greater or lesser amount of information disclosed would impact the cost of capital and the market price (Malgioglio, et al., 2012), as well as affect the interest rate of future loans because risk analysts could take the share price as an indicator of the company's level of realization to evaluate its risk premium Malgioglio & others (2012; citing Meek & Gray, 1989).

According to Malgioglio et al. (ob.cit), the greater amount of information would bring benefits related to the reduction of the GAP between the intrinsic price of the share and its market value, as well as, the improvement of liquidity and image, benefits in internal management, reduction of information asymmetry, increase in analysts' coverage, credibility and reputation of the company, collective benefits derived from the improvement in economic growth, employment and standard of living (García & Sánchez, 2011). From the empirical analysis it emerges that companies disclose more information than required, from which, Garcia et al. (2006) cited by Malgioglio et al. (ob.cit) deduce that the benefits outweigh the costs of disclosing more information. In this sense, the disclosure of information other than the mandatory information will depend on the managers' perception of the cost-benefit associated with such disclosure.

In this order of ideas Janampa (2017), infers that business decisions are made on a highly complex reality due to the enormous number of variables that come into play (p. 3). On the one hand, the treatment of working capital and capital goods depends on making financing decisions, in this regard Terry (2013) and Weston (2014) argue that companies need to carry out investment decisions to dispose of working capital or current assets, and capital goods or non-current assets; Flores (2015) refers that the profitability of companies is associated with the profit that a person receives for putting his savings in a financial institution and is expressed through interest; Mascareñas (2013) argues that companies must make decisions about risks, debts, investments and the profitability of their activities. Decision-making based on the appropriate treatment of these variables and the variables of liquidity, management, solvency, making use of financial and non-financial information, have an impact on the prevention of economic crime, the achievement of goals, the development of the company's mission or other benefits; the appropriate management of these variables guides the purpose of the value proposition established in the organization's strategic objectives (see Figure 3).

Decision making based on *business reporting* has become a process oriented towards improving business intelligence and knowledge management. The adequate management of quantitative variables (financial information) and qualitative variables (non-financial information) through the management of performance indicators, provides timely information to the different business areas; in this sense, the operations and marketing areas will improve their efficiency, competitiveness and productivity, to the extent that adequate use is made of the information and knowledge of the operational processes. From this decision making process,

based on *business reporting*, inputs (outputs) are generated for business plans (see Figure 3); while sustainability plans integrate environmental, socioeconomic and territorial sustainability elements in their offer, as well as the development of resilience strategies to face the new challenges imposed by the productive sectors, organizational reputation management plans allow companies to proactively manage and measure their reputation, to turn it into a lever that multiplies the generation of value, thus enhancing operational strengths and facilitating business objectives with a view to guaranteeing their sustainability and sustainability in the market. sustainability and sustainability in the productive market.

Closing

The development of human capital and social capital in society implies the evolution or change in the way individuals, sectors, groups and institutions in a society relate to each other. This appreciation mainly includes the capacity to produce wealth (economic development) in order to not only maintain the economic and social well-being of the inhabitants of that society (social development), but also to promote environmental conservation and the satisfaction of present needs without compromising the capacity of future generations (sustainable development) (CMMAD, 1987). Sustainable development thus proposes the achievement of a balance or interaction between economic, social and environmental aspects, leading to an equitable distribution of resources and access to opportunities for the most vulnerable communities, in congruence with organizational profitability.

Part of the task pursued by the purpose of sustainability and sustainability in societies is given by the production of wealth, the result of individual or collective, public or private sustainability and sustainability in societies is given by the production of wealth, the result of individual or collective, public or private initiatives, which do not derive exclusively from capital investments and labor employed, but from the interdependence between the different factors of production and their relationship with the environment. and their relationship with the environment. This wealth, susceptible to equal distribution, will necessarily depend on the productive capacities made available by the business sector through the execution of transformation processes (industrial), the exchange of goods through the intermediation of commercial operations (purchase and sale) and the provision of services, so that these economic entities, from their value proposals, will promote the creation and development of strategies with a view to maximizing the demand for their products and services through the optimal configuration of their capacities (supply), promoting sustainable development.

In order to generate value from a proposal that weighs the specific benefits of the products or services demanded against the company's available capabilities, without compromising the capacity of future generations, instruments are required to link the operational and strategic variables of this proposal; business plans have become tools that guide business management from the planning phase to the development of daily activities that guide the fulfillment of objectives. The purpose of this tool is to combine the way to achieve the objectives with the

investment proposal, the use of financial information and the analysis of market opportunities, thus reducing uncertainty and risks not initially identified.

The disruptive stage we are currently going through has not limited the role played by companies within societies; the environment in which they develop their productive capacities has had an impact on the business model they choose, the establishment of objectives, the definition of strategies and the organization of production, sales, logistics, personnel and financial processes, with a view to meeting the needs of potential customers. Part of this analysis allows not only to reduce the risk of inoperability, but also to maintain the reputation of the business, to know the expected economic and financial performance and to have indicators that allow to control the growth and development of the business in a sustainable and sustainable way. business plans have been used as written communication tools that measure the performance of internal (management) and external (financial performance in harmony with the environment) functions. in harmony with the environment).

The information used as input for business plans and subsequently taken into consideration for decision making through *business reporting* has become a step towards improving business intelligence. The management of financial and non-financial information related to the different business areas guides the performance towards efficiency, competitiveness and productivity of economic entities. While financial results guide decision making on financing, investment, profitability, risk, liquidity and solvency, anticipating the commission of economic crimes, sustainability plans integrate environmental, socioeconomic and territorial elements, resilience strategies in the face of new challenges imposed by the productive sectors and organizational reputation variables, with the aim of multiplying the generation of value.

The generation of value from the different productive sectors, as well as the categorization of products and services offered by them, will require a constant combination of business approaches that involve the determination of neuralgic variables and those that require permanent control, the objective is to optimize the use of information that weighs potential demand and the characteristics of the market, evaluating sensitivity scenarios based on the factors of greater variation (exchange rates, price of inputs, environmental impacts, among others), environmental impacts, among others). Business plans will be distinguished as tools for strategic articulation between sustainable and sustainable production to the extent that they contribute to the business decision-making process and support the handling and management of timely, accurate and reliable information, from and for the different processes of the respective value proposition.

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