Social Responsibility and Community Development in Vermont’s Food Business

David S. Conner¹, Rocki-Lee DeWitt², Shoshanah M. Inwood¹ & Michael Archer ³

¹ Department of Community Development and Applied Economics, University of Vermont, USA
² Grossman School of Business, University of Vermont, USA
³ Good Works Ventures, Missoula MT, USA

Correspondence: David S. Conner, Associate Professor, Department of Community Development and Applied Economics, University of Vermont, 205H Morrill Hall, 146 University Place, Burlington VT 05405, USA. Tel: 1-802-656-1965. E-mail: 97dconne@uvm.edu

Received: August 22, 2015   Accepted: September 16, 2015   Online Published: November 16, 2015
doi:10.5539/jfr.v4n6p93          URL: http://dx.doi.org/10.5539/jfr.v4n6p93

Abstract
Businesses are increasingly expected to contribute to community development and sustainability. This exploratory research examines how food and agriculturally-based Vermont businesses are defining the concept of social responsibility (SR), incorporating it into their enterprises, and linking their enterprises to their communities. We develop indicators of SR and use them to examine qualitative interviews of 20 food entrepreneurs. We find that these businesses expressed commitment to and claimed actions to contribute to a broad array of SR goals, including community (with specific mention of employee well-being and improved access to healthy foods), local economy, and the environment. In many cases the respondents cited measurable impacts their actions made such as employee retention, food access, improved farm nutrient management and support for and assistance to local businesses. Contrary to prior studies, firm age did not have a measurable impact on SR values or practices. However, we found evidence of a U-shaped relationship between SR and scale, where small and large firms were more highly engaged and medium scale ones slightly less so. Implications focus on strategies for improved metrics for validation of impacts.

Keywords: sustainable agriculture, food systems, community development, values, metrics

1. Introduction
1.1 Problem Introduction
Businesses are increasingly expected to go beyond the traditional roles of creating wealth for shareholders through the provision of goods and services to the marketplace. They are expected to contribute positively to society and the sustainability of their communities (Inyang, 2013; Jenkins, 2009; Kakava, 2013), a notion that harkens back six decades when Bowen (2013) first used the term “social responsibility” (SR). More recently, the term “triple bottom line” has emerged to incorporate environmental goals alongside meeting social and economic goals (Elkington, 1997).

The majority of research on SR has focused on understanding how large-scale, mature, publicly traded businesses have considered the relationship between their economic outcomes and social and environmental initiatives. Their intentions have been linked to a set of targeted actions and they have created a variety of internal processes and systems to provide oversight, coordination, and reporting of their SR efforts (Graafland, van de Ven, & Stoffele, 2003). However, our understanding of the motivations, goals, intentions, actions and outcomes of smaller scale more entrepreneurial businesses in relation to SR in more rural settings is less developed (Besser, 1998). Even less considered is the relationship between rural and agricultural SR initiatives and community impact (Besser, 1998).

1.2 Relevance
These businesses are also part of a broader movement to create new economic development opportunities in both rural and urban areas through food and agriculture (Vermont Sustainable Jobs Fund, 2014), yet we actually know very little about these businesses (Knudson, Wysocki, Champagne, & Peterson, 2004) or how they address SR.
There is an opportunity to undertake an examination of SR as it pertains to agri-food systems research. These questions are particularly timely as states like Vermont are trying to grow the number of jobs in the food and agriculture sector through the Sustainable Jobs Act, which focuses on providing a road map to increase food systems jobs, market share and bring public health, economic and environmental benefits to the state (Vermont Sustainable Jobs Fund, 2014). In this paper we study how small and medium scale food and agriculturally based Vermont businesses are defining the concept of social responsibility, incorporating it into their enterprises, and linking their enterprises to their communities.

1.3 Relevant Scholarship

1.3.1 SR Origins, Motivations, and Dimensions

The topic of social responsibility (SR) has been of interest to scholars over the years (Inyang, 2013). Definitions and descriptions of SR include actions which improve social welfare and have a positive effect on communities (Inyang, 2013; Jenkins, 2009). Comprehensive SR models suggest firms have responsibility to the environment and society as well as traditional stakeholders like consumers, employees and shareholders (Fitzgerald, Haynes, Schrank, & Danes, 2010); these dimensions mirror the aforementioned Triple Bottom Line model. SR activities within the firm can range from firm-level philanthropy to encouraging and supporting employees’ participation in community activities to playing an active role in education and governance (Fitzgerald et al., 2010; Jenkins, 2009; Wood, Davenport, Blocksopt, & Van Buren, 2002).

Underpinning these activities are a range of assumed motives, which mix altruism with self-interest. Many posit that firms can derive competitive advantage from SR with the potential for innovation in products, management or marketing with the adoption and application of SR principles: for example, by adopting energy-saving technology which results in greater efficiency and cost-savings as well as easier adaptation to future regulation (Jenkins, 2009; Porter & Van Der Linde, 1995; Johnson & Schaltegger, 2015). Some would maintain that SR is undertaken mainly for public relations purposes (Frankental, 2001).

Others note that newer businesses have relatively greater latitude to establish SR practices as an expression of entrepreneurs’ personal values (Jenkins, 2009). Yet literature also notes barriers to SR behaviors, including lack of awareness of external and business performance impacts; time deficits; financial barriers (not having resources to incur increased costs of SR actions); lack of support systems; fear of increased regulatory or bureaucratic burden (Hodgkin, 2002; Inyang, 2013; Lepoutre, 2013). A lack of systematic framework for evaluation of SR objectives and impacts further constrains adoption (Inyang, 2013).

Extant empirical studies suggest inconsistent linkages between firm age, scale and SR adoption; likely due to the confounding relationships between firm age and size. For example, one study (Roberts, 1992) finds that firm age significantly effects SR disclosure: older firms are more likely to have higher quality disclosures. This study finds no relationship between scale and disclosure, however. Another study found better SR disclosure in older firms but no significant impact of firm size (Bayoud, Kavanagh, & Slaughter, 2012). Another finds a U-shaped relationship between firm size and SR engagement, where larger and smaller firms were more likely than medium scale firms to participate in SR activities (Erhemjamts, Li, & Venkateswaran, 2011).

1.3.2 SR and Community Development

Several studies suggest there is a critical link between business, community and sustained SR. On one level, firms’ SR practices serve as enlightened self-interest in which firms can contribute to creation and maintenance of public goods which underpin firm performance: a stable, well-educated work force, a clean environment and a thriving community in which to conduct business (Besser, 1998). A number of actions and factors are associated with businesses’ ability to effectively engage communities and contribute to community development through the businesses SR efforts: individual and collective understanding of initiatives and resources among employees; development of selection and evaluation criteria; availability of information; cultivation of interpersonal relationships with external stakeholders; an internal champion or change agent with the vision and values to facilitate change (Inyang, 2013; Jenkins, 2009; Kakava, 2013).

Numerous studies have identified the need for business and society to work together for mutual benefit and the obligation firms have to contributing to community development goals (Besser, Miller, & Perkins, 2006; Carroll, 1979; Jenkins, 2009; Kakava, 2013; Peredo & Chrisman, 2013). Kakava (Kakava, 2013) argues the firm is a citizen and therefore is accountable to society at large and should meet its ethical obligations to that society. SR behaviors can improve a community’s enduring economic efficiency by increasing social capital and reinforcing trust, transparency, collective action, risk management, adherence to social norms and reciprocity (Peredo & Chrisman, 2013).
1.3.3 Social Responsibility and Sustainability in Food Systems Literature

The contribution of firms to the environmental, economic and social wellbeing of a community is a common theme in the food systems literature as well. For example, 'sustainable agriculture' shares many principles and goals with SR. The commonly used three-legged stool model of sustainable agriculture (with social, economic and environmental dimensions) mirrors the aforementioned triple bottom line model. As a term sustainable agriculture has tended to focus on producer quality of life as the primary metric for social, and quality of life is often directly connected back to economic livelihood (Allen, 2004). The degree to which community development is a metric of sustainable agriculture initiative is contentious.

Despite the lack of integration into formal SR metrics associated with a sustainable agriculture enterprise, there is a rich literature examining the role of food systems as agents of community development (Feenstra, 1997; Marsden, Banks, & Bristow, 2000; Sage, 2003; Sefla & Qazi, 2005). The Goldschmidt Hypothesis, developed in the 1940s and confirmed by numerous studies over the years, suggests that a cohort of owner-operated small and medium sized farms is crucial to rural community well-being, as measured by social indicators such as income distribution and poverty, housing conditions, civic engagement, health and educational quality (Goldschmidt, 1947; Lobao & Meyer, 2001; Lobao & Stofferahn, 2008; Lyson, Torres, & Welsh, 2001). Feenstra posits local food systems as a way to foster ecologically sound production and distribution practices, democracy and social equity, as well as to rebuild rural community and culture lost in the industrialization of US agriculture (Feenstra, 1997).

Lyson coined the term “Civic Agriculture” to describe activities within food systems which serve community development goals by increasing community connections, civic engagement and problem-solving capacity (Lyson, 2004). An emerging theme in agri-food literature is the potential of value chains and other strategic partnerships to create mutually beneficial market conditions and financial outcomes for like-minded firms, as well as broad community development outcomes. These chains are based on long-term strategic partnerships among supply chain actors which deliver differentiated products to regional markets. They are marked by mutual trust, support and information exchange, and preferential transactions with incumbent partners.

Parallel to other firms, food and agriculture businesses see both opportunity and challenges to implementing practices that improve community wellbeing. Several studies highlight the tradeoffs businesses must make in balancing socially responsible practices with the need to maintain business strategy and profit (Conner, Sevoian, Heiss, & Berlin, 2014; Hinrichs, 2000; Izumi, Alaimo, & Hamm, 2010; Izumi, Wright, & Hamm, 2010). Some businesses preferentially buy from local businesses and provide technical assistance to help local vendors meet logistical and legal requirements (Conner, Izumi, Liquori, & Hamm, 2012; Falat, 2011; George, 2011). Increasingly, issues of food quality, nutrition and public health are entering the agri-food literature (Bagdonis, Hinrichs, & Schafft, 2009; Hamm, 2009; Morgan & Soninno, 2008; Roche et al., 2012; Schafft, Hinrichs, & Bloom, 2010). Common threads around this body of literature include addressing social and environmental problems wrought by current practices, connecting producers and consumers through relationships based on common values, increasing community engagement and enhancing the sustainability of food and agricultural systems and their communities.

1.3.4 The Vermont Context

Vermont is a state that has placed the food systems as a primary driver of sustainable community and economic development. The 2009 Farm to Plate Legislation (Vermont Sustainable Jobs Fund, 2011) created a ten-year strategic plan with three goals:

- Increase economic development in Vermont’s food and farm sector.
- Create jobs in the food and farm economy.
- Improve access to healthy local foods

The initiative has broad buy-in from state government, higher education industry and non-profit organizations. To date it has formed six task forces to coordinate actions to achieve goals as well as launching a Vermont Food Atlas, a searchable database which documents the state's food system by people, places, projects, regions, keywords and food system categories. In addition, Vermont has the Vermont Businesses for Social Responsibility (VBSR) a statewide socially responsible business association with over 750 members, and several high profile businesses with socially responsible missions including Cabot Cooperative Creamery, Ben and Jerry's, and Seventh Generation. According to recent estimates (Vermont Sustainable Jobs Fund, 2013), the Vermont food sector has more than 11,000 businesses sustaining almost 60,000 jobs, with both figures increasing since FTP’s inception in 2009. The state has demonstrated a commitment to economic growth while supporting SR.
businesses.

1.4 Research Questions

In summary, the literature suggests that small and medium agricultural enterprises can play an important role in contributing to economic development through a broad range of economic, social and environmental initiatives but the precise nature of those initiatives and the underlying motives are less well documented. In this paper we explore how these food and agricultural businesses are defining the concept of social responsibility and incorporating it into their enterprise. Our goal is to create a snapshot of the variation of SR practices among a diverse sample of Vermont agri-food entrepreneurs. Specifically, we seek answers to the following research questions:

1. What SR motives and goals do food systems entrepreneurs have?
2. How have they operationalized SR? What are their intentions and actions?
3. What have they claimed are the measurable impact of their actions? How is concern for their community evidenced?

The following sections will discuss the methods and results of the study.

2. Method

2.1 Sample Selection

A Project Advisory Committee (PAC) was formed consisting of two food entrepreneurs, three food business service providers and two UVM faculty members with experience with food and entrepreneurship. The PAC put together a list of agricultural business owners that represented a cross section of Vermont’s agricultural entrepreneurs. That list was pared down by using maximum variability criteria (Patton, 2002) in an attempt to interview entrepreneurs from a diverse range of agriculturally based businesses. An additional interview contact was obtained using the snowball method (Patton, 2002). Representation of the businesses included dairy farmers, meat processors, vegetable growers, retail stores, bakeries, poultry farmers, a power producer, a cider producer, grain and feed sales, distribution, and composting. Sizes ranged from solely owner operated up to several hundred employees and over $100 million in annual revenue. Business ages ranged from two to 40 years. All but one of the respondents was the founder of the firm. Table 1 outlines characteristics of the sample.

Table 1. Description of sample

<table>
<thead>
<tr>
<th>Interview</th>
<th>Type of Business</th>
<th>Size</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Creamery</td>
<td>Large</td>
<td>Mid</td>
</tr>
<tr>
<td>2</td>
<td>Bakery</td>
<td>Medium</td>
<td>Mid</td>
</tr>
<tr>
<td>3</td>
<td>Meat Processors</td>
<td>Medium</td>
<td>Mid</td>
</tr>
<tr>
<td>4</td>
<td>Grocery Co-op</td>
<td>Large</td>
<td>Old</td>
</tr>
<tr>
<td>5</td>
<td>Farm</td>
<td>Small</td>
<td>New</td>
</tr>
<tr>
<td>6</td>
<td>Power</td>
<td>Large</td>
<td>New</td>
</tr>
<tr>
<td>7</td>
<td>Iced Cider</td>
<td>Small</td>
<td>New</td>
</tr>
<tr>
<td>8</td>
<td>Yogurt/Dairy</td>
<td>Medium</td>
<td>Old</td>
</tr>
<tr>
<td>9</td>
<td>Dairy</td>
<td>Medium</td>
<td>Old</td>
</tr>
<tr>
<td>10</td>
<td>Grain</td>
<td>Large</td>
<td>Old</td>
</tr>
<tr>
<td>11</td>
<td>Dairy</td>
<td>Medium</td>
<td>Old</td>
</tr>
<tr>
<td>12</td>
<td>Artisan Cheese</td>
<td>Small</td>
<td>Old</td>
</tr>
<tr>
<td>13</td>
<td>Produce Distributor</td>
<td>Large</td>
<td>Old</td>
</tr>
<tr>
<td>14</td>
<td>Vegetable Farmer</td>
<td>Medium</td>
<td>Old</td>
</tr>
<tr>
<td>15</td>
<td>Bakery</td>
<td>Medium</td>
<td>Mid</td>
</tr>
<tr>
<td>16</td>
<td>Fertilizer</td>
<td>Medium</td>
<td>Mid</td>
</tr>
<tr>
<td>17</td>
<td>Poultry</td>
<td>Large</td>
<td>Old</td>
</tr>
<tr>
<td>18</td>
<td>Butcher</td>
<td>Small</td>
<td>New</td>
</tr>
<tr>
<td>19</td>
<td>Specialty Foods Retailer</td>
<td>Large</td>
<td>Old</td>
</tr>
<tr>
<td>20</td>
<td>Compost non-profit</td>
<td>Small</td>
<td>New</td>
</tr>
</tbody>
</table>

Note. Those two pieces of demographic information were then used to classify our interviewee businesses as small (0-9 employees), medium sized (10-19 employees) and large (20 or more employees) as well as young (operational for 10 or fewer years), middle aged (operational for 11-25 years) and old (operational for 26 years or more).
2.2 Instrument Development and Data Collection

The semi-structured interview script was vetted by the PAC; it covered topics of passion, business life cycles, scale, markets and marketing, time management, customers’ wants and needs, value chains, associations and their support, broader food systems and the future of Vermont agriculture. SR practices were not a specific question topic; rather, this recurrent theme emerged upon examination of the data, in response to general questions about how the entrepreneur defines success, the business mission, history and operations.

We conducted 20 interviews over the course of four months from November 2011 through February 2012. Interviews took place at the business in question or were conducted over the phone. All interviews were taped and then transcribed verbatim. The interviews were coded and analyzed with HyperRESEARCH, a computer program that can assist in identifying and mapping patterns in qualitative data.

2.3 Analytic Strategy

For the purpose of our study, multiple coders analyzed the transcripts using the following indicators of SR in a community development context as a guideline:

- Regard for and service to the broader community, including philanthropy/donations; providing educational opportunities; serving on local government or nonprofit governance institutions; concern for food quality, public health and nutrition (Besser, 1998; Fitzgerald et al., 2010; Inyang, 2013; Kakava, 2013).
- Contributing to local economic development, including supporting local businesses by preferential purchases or providing technical assistance; caring for and training employees (Inyang, 2013; Kakava, 2013; Fitzgerald et al., 2010; Marsden, Banks, & Bristow, 2000).
- Expressing regard and providing support for the welfare of supply chain partners (product buyers and input sellers), including preferential purchasing, fostering markets for differentiated products and providing technical assistance
- Maintaining balance of financial interests (self and investors) with one’s own quality of life and external social goals (Carroll, 1979).

We acknowledge that many of these practices may also be interpreted as having instrumental value as good business practices (e.g., providing a good product, building customer loyalty, decreasing transaction costs) rather than being motivated strictly by altruism. We see them lying on a continuum between ideal types of pure altruism and pure instrumentalism. We include them to give a more complete picture of possible SR behaviors. A systematic placement of these behaviors on the altruism-instrumentalism continuum is beyond the scope of this paper.

In addition, to analyzing the interviews for SR themes, the data were also analyzed for depth of commitment to SR. We examined whether the respondent: (i) simply expressed an attitude or value about a desired outcome; (ii) claimed some action intended to achieve this value; or (iii) claimed specific outcomes having been achieved. Operational definitions of business scale and age were developed and used to classify our interviewee businesses by (1) Size: as small (0-9 employees), medium sized (10-19 employees) and large (20 or more employees), and; (2) Age: young (operational for 10 or fewer years), middle aged (operational for 11-25 years) and old (operational for 26 years or more). These categories were chosen to create roughly equal numbers in each group, as a means for comparison within our sample, and may not correspond to other typologies of size or age.

3. Results

3.1 Description of Themes

An analysis of the interviews revealed nine main themes: environment; employees community; food quality and nutrition; economy; suppliers; customers; self-efficacy; finance and investors. See Table 2 for a summary of themes and occurrences.
Table 2. Major response themes

<table>
<thead>
<tr>
<th>Theme</th>
<th>Number of Firms Mentioning Theme</th>
<th>Total Mentions of Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>14</td>
<td>35</td>
</tr>
<tr>
<td>Care for Employees</td>
<td>14</td>
<td>29</td>
</tr>
<tr>
<td>Community Well-Being</td>
<td>17</td>
<td>48</td>
</tr>
<tr>
<td>Food Access and Quality</td>
<td>16</td>
<td>28</td>
</tr>
<tr>
<td>Support for Local Economy</td>
<td>15</td>
<td>27</td>
</tr>
<tr>
<td>Support for Local Suppliers</td>
<td>15</td>
<td>28</td>
</tr>
<tr>
<td>Support for Local Buyers</td>
<td>12</td>
<td>20</td>
</tr>
<tr>
<td>Quality of Life</td>
<td>12</td>
<td>29</td>
</tr>
<tr>
<td>Finances and Investors</td>
<td>14</td>
<td>27</td>
</tr>
</tbody>
</table>

3.1.1 Environmental Values

Fifteen interviewees expressed concern for the environment and have business practices which reflect these values. Environmental values are often the most easily defined and understood SR metrics. In our sample, environmental values were centered around Vermont’s working landscape, and use of renewable energy sources and recycled or compostable materials. One common theme was concern for water quality; farmers emphasized good nutrient management practices to avoid polluting bodies of water like Lake Champlain, while compost and biogas firms emphasized their roles in helping farmers manage nutrients and recycle them in environmentally friendly ways. A compost manufacturer said “We see ourselves as critical link in the food system. If you didn’t have composting even if you had organic food, local buying, local distribution you’d still have a linear system. Composting bends the whole system back into a circle.” A dairy farmer said “We do take a lot of pride in the care that we take with our crop lands, with our animals. We have a very detailed nutrient management plan that we always try and follow.” In all, these entrepreneurs saw their businesses as contributing to a clean environment.

3.1.2 Care for Employees

A recurring theme, discussed by 14 respondents (29 total occurrences), was care for employees. In some cases it has instrumental value, recognizing the need for good employees to achieve the business’s mission, with the outcome of employee retention. Several expressed the intention to create a desirable work environment as a means of retaining employees. One key practice was to pay a livable wage and give cost of living pay increases. Another was to ensure the jobs were interesting, and to rotate employees through various tasks to alleviate boredom. Workplace safety was also mentioned. Meat processing is a sector infamous for exploiting low-wage labor in poor working conditions. However, one of the meat processors we interviewed stated:

“This is rugged work...you’re handling 60 pound boxes of meat so after 8 hours you are exercising 8 hours a day. I am trying to make everything work so their arms and their backs aren’t quite so sore at the end of the day. Make it easier for them so that they can – because they are all doing a terrific job it’s just to make it easier for them a little bit. It’s a thing I want to keep doing as long as I can.”

This quotation exemplifies how businesses create favorable working conditions not only for employee retention but out of genuine concern for their well-being.

3.1.3 Community Well-Being

Seventeen respondents (48 total occurrences) also expressed values around community well-being. The most common action (four respondents) was donations of product to community events and causes like food banks, fundraisers and school gardens. Others serve on food systems or rural development advisory boards. A diversified farm discussed the desire to be an education resource for the community,

“a model of what a small community farm can be. I would love to see like a farm like ours for every community around it... getting people back to thinking about their food coming from an actual place and not from a box...just being an example of how a place where people can get food that we think has been grown with integrity and a lot of taste.

Another respondent stated “We give bread to the food shelf. Those are our customers too in a way.” A third respondent highlighted how important it was for their firm and their employees to be civically engaged in the local community

“We encourage all of our employees to get involved in the community whether that’s coaching or Big
Brothers…. We try to donate where we can. Once again that comes back to Vermont being – living here in Vermont we really think it's a special place. It may seem cliché but it’s not, there is a real sense of community in Vermont. “

3.1.4 Food Access and Quality

In all, 16 respondents (28 occurrences) discussed the importance of providing high quality, nutritious and/or affordable food to consumers. Three businesses discussed efforts to make sure their products were broadly affordable and accessible rather than catering strictly to wealthy customers. Several mention support of Farm to School programs as a way to accomplish this goal. A cider manufacturer said, “It is really important continuing to support (the local) Farm to School (program). We can grow enough food to provide high quality food for all of our residents in Vermont and we should be figuring out how to make it work and make it economical. It shouldn’t be an elitist thing.”

A retail grocer made food access a central part of its business model. In addition to giving discounts to low income customers, they also provide assistance to local anti-hunger organizations. “We’re trying to have these relationships within our community …we have outreach dollars going to them so we’re trying to work with all of these different non-profit organizations that are doing the heavy lifting and us helping out from our part too. “

Food quality and nutrition was another theme within this code. A dairy farm states that “We don’t claim to be an organic product, organically produced, but I would put our product up against any organic product on the market.” A farmer expresses passion for “growing and raising food that I love and that I think is healthy and good, and how that permeates through your community.”

Many of these entrepreneurs see the link between healthy food and healthy communities, and have a commitment to providing high quality nutritious foods at affordable prices.

3.1.5 Support for the Local Economy

Twelve respondents (27 occurrences) expressed values or actions around supporting the local economy. A cider manufacturer discusses being excited about “helping the community in the North East Kingdom (a very rural remote region of Vermont), finding ways to employ people, bring more tourism and contribute to the economy.” Similarly, a retailer cites the high economic multiplier effect of their local purchasing program. “The average dollar spins around 2.5 times in the community. So instead of leaving our dollars are staying and providing jobs for our neighbors, for our friends.” These businesses were highly aware of their potential to contribute to community economic development outcomes, and the responsibility they had to support the local economy.

3.1.6 Regard for Local Suppliers and Buyers

Fifteen (28 occurrences) and twelve (20 occurrences) respondents mentioned regard for customers and suppliers, respectively. Many respondents preferentially buy from local suppliers. One mentioned the willingness to pay higher prices to local vendors in a long-term relationship. Two respondents discussed providing markets for local farms. A cider manufacturer said “we are providing a great market for apple orchards, for their utility fruit which they can’t sell to consumers.” The retail grocer tracked sales of local items and discussed their contribution to the local economy. “Those products that we have on our shelves here….34% last month were local…. (the suppliers are) employing people that live in Vermont…our dollars are staying and providing jobs for our neighbors.”

3.1.7 Quality of Life

Twelve entrepreneurs (29 occurrences) expressed the need and ability to provide high quality of life for themselves and their families through their businesses. One defines success as “we’re not working too many hours that we have enough time for our families and other interests, and that we’re doing good things basically.” Others emphasize the need for themselves as well as employees to “make a sustainable living” or “achieve a livable wage.” Others discuss the personal satisfaction of running their own businesses: “that’s where I get my kicks.” In general, many respondents were dedicated to their own financial well-being and happiness in addition to benefitting their communities.

3.1.8 Finances and Investors

Fourteen respondents (27 occurrences) expressed the importance of having a profitable business and creating value for investors. Profitability is good for its own sake as well as furthering the firm’s mission. A meat processor defines success as “being able to reinvest in the business and people and grow. To make good things you have to make money. So that gives you a lot of freedom to do more of what you want to do.” A cider manufacturer strives for “financial sustainability where we can pay ourselves enough to live is sufficient and
then it’s what things do we care about do we want to invest in.” A produce distributor states “we need to make money to stay in business but we’re like how can we sell more local stuff, how can we support more Vermont businesses?” Many of these entrepreneurs value profitability as a means to improve the impact of their social missions.

3.2 Preponderance and Depth of SR

All respondents expressed some SR value or action in at least five of the nine categories. Three firms covered eight of the nine categories, seven firms spanned seven categories, while five each covered six and five categories, respectively.

The depth of commitment to SR values matched the breadth. There were in total, 81 statements expressing a value, 61 claims of action and 129 claims of impact. One firm had claims of impact in seven of the nine categories, three firms claimed impact in six categories and four firms claimed impact in five categories. Only two firms had no claims of impact.

3.3 Relationship between Firm Size, Age and SR

There were seven large, eight medium and five small firms in the sample. Firm size did not have an obvious impact on preponderance or depth of SR actions. Each size category had mean responses in between six and seven categories. Two large firms and one small firm had claims in eight categories; at least one firm of each size had claims in five categories. The average number of total claims per group was 13.6 for large firms, 12.4 for medium and 15.4 for small.

There were five new, five middle aged and five old firms in the sample. Again, the mean number of categories with claims was between six and seven for all three size categories. Each age category had firms with the highest number (eight) and lowest (five) of categories. The average number of total claims per group was 15 for new, and 13 each for middle and old.

4. Discussion

The businesses in our exploratory study expressed commitment to and claimed actions that contribute to a broad array of SR goals, including community (with specific mention of employee well-being and improved access to healthy foods), local economy, and the environment. In many cases the respondents cited measurable impacts their actions made such as employee retention, food access, improved farm nutrient management and support for and assistance to local businesses. These SR efforts are in line with key indicators of from the literature, as discussed above. However, as found previously, there is no systematic framework for evaluating achievement of SR goals, or impacts on community or firm performance (Inyang, 2013). Recall that our interview questions did not specifically ask about SR or sustainability: these answers were in response to general questions about how the entrepreneur defines success, the business mission, history and operations.

The categories of SR efforts echo the three dimensions of sustainability and add depth to understanding social dimensions of sustainability. In addition, these firms’ actions contribute to the Vermont Farm to Plate strategic plan’s desired outcomes around economic development and improved food access. It is interesting to note that support for the local economy was the SR dimension mentioned by the greatest number of firms. This support directly resonates with the goals of the Vermont Farm to Plate strategic plan to position the food system as a driver of economic development. This most often took the form of preferentially buying from local vendors (often farmers). In a of couple cases, firms specifically worked to create long term relationships with local vendors and to develop higher priced markets for products farmers had trouble selling through other channels; a key indicator for strategic partnerships and local food system development found in other studies (Conner et al., 2012; Falat, 2011; George, 2011).

Finally, contrary to prior studies (Bayoud et al., 2012; Roberts, 1992) age did not have a measurable impact on SR values or practices. We did find some evidence of a U-shaped relationship between SR and scale, where small and large firms were highly engaged and medium scale ones slightly less so (Erhemjants et al., 2011). Our size categories may not match with those of previous studies, however.

Our results suggest important implications for researchers and service providers. First, while these businesses largely held values around SR, sustainability and community development, respondents were mixed in their ability to articulate clear and measurable impacts of their practices. This lack of clear and uniform metrics echoes previous work (Inyang, 2013). Research can develop and vet sound metrics around SR impacts which can also help firms better understand their businesses and improve impacts. These metrics would have important policy implications as well.
Second, firms wishing to support local businesses would benefit from directories, networking events and other opportunities to learn about available local products. The Farm to Plate Atlas in Vermont and Market Maker in many states are examples. Researchers can track local purchases to discover most effective communication mechanisms.

Finally, it is important for researchers and practitioners to better understand how firms of different scales and ages adopt and measure impacts of SR practices, and how these may change as firms move through different stages. The case of medium scale and mid-age firms may be a particular need given results of our and previous studies.

This paper looks at Vermont food enterprises’ claims of SR practices and how the practices relate to sustainability and community development. Using qualitative methods with 20 food entrepreneurs, we find that nearly all the businesses hold values and adopt practices across five dimensions of SR found in previous studies. The strengths of this study are the diverse sample, providing a snapshot of practices within a state devoted to food systems-based community and economic development. Another strength is that the responses came from questions about firm origins and mission and entrepreneurs’ passions and values, rather than specifically asking about SR practices. The major limitation is the small and non-representative sample size.

One future direction of research is to test the results on larger and more representative samples and in other states and regions. Another is to better understand and inform firm’s efforts to operationalize values into impactful SR practices and to develop methods to measure and articulate impacts to the broader community particularly in the food and agriculture sector.

Acknowledgments
The project was supported by the United States Department of Agriculture’s National Institute of Food and Agriculture, Agriculture and Food Research Initiative, Project Number 2011 – 68006 - 30799.

References


Vermont Sustainable Jobs Fund. (2011). Farm to Plate Strategic Plan. Montpelier, VT.

Vermont Sustainable Jobs Fund. (2013). Farm to Plate Investment Program Strategic Plan. Montpelier VT.


Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (http://creativecommons.org/licenses/by/3.0/).