

# Assessing the Impact of Purpose-Driven Strategies on Sustainable Development: A Study of Early Childhood Education Centres

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## ABSTRACT

Purpose-driven strategies have emerged as an important approach for organizations seeking to balance economic objectives with societal well-being and sustainable development. Within the early childhood education (ECE) sector, particularly among micro-enterprises, limited research has examined how such strategies relate to organizational outcomes and stakeholder engagement. This study investigates the relationship between purpose-driven strategies, business performance, and community engagement among ECE centres in Kerala, India. Drawing upon the Triple Bottom Line framework, the study explores how educational enterprises can simultaneously pursue social impact and organizational sustainability.

A quantitative research design was adopted. Primary data were collected through a structured questionnaire administered to owners and senior administrators of 30 ECE centres operating in Kerala. The instrument measured the extent of purpose-driven strategy implementation, perceived business performance, and community engagement using five-point rating scales. Descriptive statistics and simple linear regression analyses were conducted using JAMOVI software to examine the proposed relationships.

The findings indicate a high level of adoption of purpose-driven strategies among participating centres (Mean = 4.53). Regression analysis revealed a significant positive association between purpose-driven strategy implementation and business performance ( $R = 0.612$ ,  $R^2 = 0.375$ ,  $p < .001$ ). A stronger positive association was observed between purpose-driven strategy implementation and community engagement ( $R = 0.681$ ,  $R^2 = 0.464$ ,  $p < .001$ ). These findings suggest that centres reporting greater implementation of purpose-driven practices also report higher levels of business performance and community engagement.

The study contributes to the growing discourse on sustainable business practices in service-based micro-enterprises and highlights the potential role of ECE centres in advancing sustainable development objectives. The findings offer practical insights for educational entrepreneurs, policymakers, and stakeholders seeking to integrate purpose-driven approaches into organizational strategy.

**Keywords:** Purpose-Driven Strategy, Early Childhood Education, Sustainable Development, Community Engagement, Triple Bottom Line

## INTRODUCTION

Early Childhood Development in India involves a child's status, including nutrition, health, mental alertness, emotional soundness, social competence, and readiness for learning. It involves comprehensive interventions and cross-sectoral care. Despite over 70% of children attending pre-primary education, there are gaps in quality, leaving nearly 20 million marginalized children out of preschool. (Source: UNICEF-India)

Purpose-driven strategies are increasingly being adopted by organizations to contribute to societal well-being and achieve long-term business success. This study focuses on early childhood education (ECE) centres, particularly micro-enterprises, which face challenges such as limited resources and balancing short-term operational needs with long-term goals. By aligning their business practices with societal values, ECE centres can contribute to sustainable development and create value for their communities. This research explores the

impact of purpose-driven strategies on ECE centres' sustainable development, highlighting the unique challenges and opportunities faced by these centres.

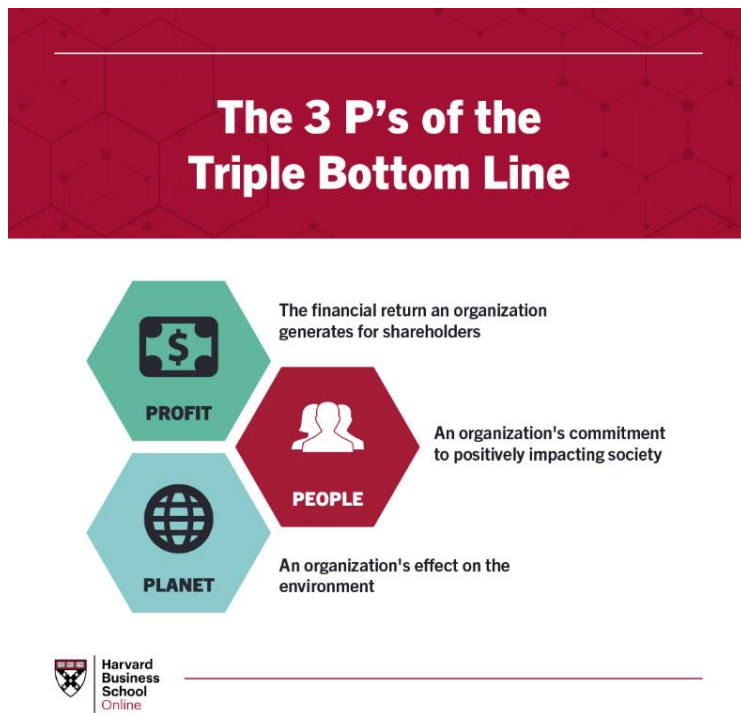


Figure 1 : Triple Bottom Line framework. Adapted from What Is the Triple Bottom Line? (Harvard Business School Online, 2020)

## LITERATURE REVIEW

Purpose-driven strategies prioritize long-term value by aligning organizational goals with societal well-being, ethical principles, and sustainability. These strategies lead to higher customer loyalty, employee engagement, and brand differentiation. (Kramer & Pfitzer, 2016; EY Beacon Institute, 2019). Small businesses can benefit from these strategies, especially in industries requiring trust and community engagement. However, existing literature mainly focuses on larger corporations, leaving a gap in understanding how these strategies can be successfully implemented. Sustainable development, as defined by the Brundtland Commission, aims to meet present needs without compromising future generations' ability to meet their own. Businesses, particularly in manufacturing, energy, and retail, play a significant role. (Porter & Kramer, 2011; Elkington, 1997). Research on the role of small businesses, particularly in the service sector, in promoting sustainable development is limited. This study highlights the importance of education-based businesses in fostering community well-being and social sustainability. (Spence et al., 2018) Early childhood education centres (ECE) are crucial micro-enterprises providing essential services to young children and their families. However, little attention has been given to their business side, such as managing operational challenges, engaging with communities, and adopting sustainability strategies. Despite challenges like financial sustainability, maintaining positive relationships with parents, and navigating regulatory requirements, ECE centres can contribute to community development through purpose-driven strategies. (National Institute for Early Education Research, 2019; OECD, 2018). The literature on the intersection of purpose-driven strategies and sustainable development is still emerging, with most studies focused on larger corporations. Research has demonstrated that businesses that align their purpose with sustainable development goals (SDGs) are better positioned to create long-term value for both shareholders and society (United Nations, 2015; PwC, 2018). These businesses are more likely to adopt sustainable practices, reduce their environmental footprint, and engage in socially responsible activities that benefit their communities (Stubbs & Cocklin, 2008). In the context of small businesses, purpose-driven strategies can help align business goals with broader societal objectives. For ECE centres, this could mean creating an environment that promotes both child development and community well-being, while also contributing to the local economy. By adopting purpose-driven strategies, these centres can enhance their business performance, build stronger relationships

with stakeholders, and contribute to the long-term sustainability of their communities. However, empirical research on how these strategies work in the context of ECE centres is limited, which this study aims to address.

## RESEARCH GAP

Existing research on purpose-driven strategies and sustainable development has predominantly focused on large corporations and sectors such as manufacturing, retail, and technology. While these studies have demonstrated the potential benefits of purpose-oriented business practices, comparatively little attention has been given to small service-sector enterprises. Within this context, early childhood education (ECE) centres represent an important yet under-researched category of micro-enterprises that simultaneously generate economic, educational, and social value.

Furthermore, prior studies have largely examined purpose-driven strategies in relation to corporate sustainability and financial performance, with limited empirical evidence on their association with community engagement and organizational outcomes within educational enterprises. The specific role of ECE centres in contributing to sustainable development through purpose-driven practices therefore remains insufficiently explored.

This study addresses this gap by examining the association between purpose-driven strategies, business performance, and community engagement among ECE centres in Kerala, thereby extending the application of sustainable business literature to the early childhood education sector.

## Theoretical Framework Used

The present study is grounded in the Triple Bottom Line (TBL) Theory, proposed by John Elkington (1997). The theory extends the traditional view of organizational success beyond financial performance by arguing that businesses should simultaneously create economic, social, and environmental value. Elkington conceptualized organizational sustainability through three interconnected dimensions commonly referred to as the Three Ps: Profit, People, and Planet. According to this perspective, organizations that balance these dimensions are more likely to achieve long-term sustainability and generate value for both stakeholders and society.

Traditionally, business performance has been measured primarily through financial indicators such as profitability, revenue growth, and market share. However, the Triple Bottom Line framework emphasizes that organizational success should also be evaluated based on contributions to societal well-being and environmental stewardship. The framework has been widely applied across sectors to assess how organizations integrate sustainability into their strategic decision-making processes and operational activities.

In the context of Early Childhood Education (ECE) centres, the Triple Bottom Line framework provides a particularly relevant lens for understanding how purpose-driven strategies contribute to sustainable development. ECE centres function not only as educational institutions but also as micro-enterprises that influence families, communities, and local economies. Their success therefore extends beyond financial viability to include social contributions such as child development, parental support, community engagement, and the promotion of inclusive growth.

The independent variable in this study, Purpose-Driven Strategies Implementation, reflects an organization's commitment to creating long-term societal value while pursuing organizational objectives. Such strategies align closely with the People dimension of the Triple Bottom Line by emphasizing stakeholder welfare, ethical practices, and community development. Purpose-driven organizations seek to address broader social needs while maintaining organizational effectiveness and sustainability.

The dependent variables examined in this study represent two important dimensions of the Triple Bottom Line framework. Business Performance Rating corresponds to the Profit dimension, capturing the economic outcomes associated with organizational activities. Community Engagement Rating represents the People dimension, reflecting the extent to which organizations establish meaningful relationships with stakeholders and contribute positively to community development. Although environmental sustainability (Planet) is not directly measured

in this study, it is implicitly reflected through the broader sustainable development orientation embedded within purpose-driven organizational practices.

The application of Triple Bottom Line Theory enables this study to investigate whether purpose-driven strategies are associated with both economic and social outcomes within ECE centres. The theory suggests that organizations that prioritize societal value creation alongside financial objectives are likely to experience stronger stakeholder relationships, enhanced organizational reputation, improved community support, and better long-term performance. Consequently, the framework provides a suitable theoretical foundation for examining the relationship between purpose-driven strategies, business performance, and community engagement.

By applying the Triple Bottom Line framework to the ECE sector, this study extends sustainability literature into an underexplored service-based context and contributes to understanding how educational micro-enterprises can simultaneously pursue business success and societal well-being.

### Conceptual Model

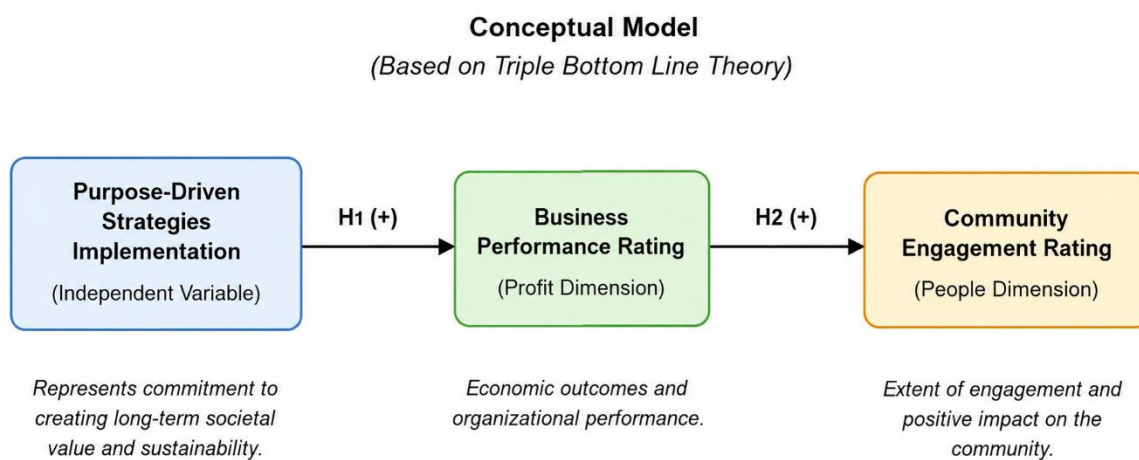


Figure 3: Conceptual Model Based on Triple Bottom Line Theory

### Objectives

The main objective of this study is to assess the impact of purpose-driven strategies on the sustainable development of early childhood education centres. Specifically, the study seeks to achieve the following objectives:

- 1: To investigate the relationship between purpose-driven strategies and business performance in early childhood education centres.
- 2: To assess the correlation between purpose-driven strategies and community engagement in early childhood education centres.

### Hypothesized Relationships

- H1:** Purpose-driven strategies in ECE centres are positively associated with improved business performance.
- H2:** Purpose-driven strategies in ECE centres are positively associated with community engagement

### RESEARCH METHODOLOGY

This study adopted a quantitative cross-sectional survey design to examine the relationship between purpose-driven strategies, business performance, and community engagement among early childhood education (ECE) centres.

## Sample and Data Collection

Primary data were collected from owners and senior administrators of ECE centres operating in Kerala. A total of 30 respondents participated in the study. Respondents were selected because of their direct involvement in strategic and operational decision-making within their respective centres. Purposive sampling was adopted to select respondents possessing strategic and operational knowledge of ECE centre management.

### Research Instrument

Data were collected using a structured questionnaire comprising three sections:

1. Purpose-Driven Strategies Implementation
2. Business Performance Rating
3. Community Engagement Rating

Responses were measured using a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree.

The questionnaire items were developed based on existing literature on purpose-driven organizations, business performance, and community engagement. The instrument was reviewed by two experts in management and education to establish content validity before administration.

## DATA ANALYSIS AND FINDINGS

### Data Analysis

Data were analysed using JAMOVI statistical software. Descriptive statistics, including mean, median, standard deviation, and standard error, were used to summarize respondent perceptions. To test the proposed hypotheses, simple linear regression analyses were conducted to examine the association between:

- Purpose-Driven Strategies Implementation and Business Performance.
- Purpose-Driven Strategies Implementation and Community Engagement.

Statistical significance was assessed at the 5 percent level ( $p < 0.05$ ).

	<b>Purpose-Driven Strategies Implementation</b>	<b>Business Performance Rating</b>	<b>Community Engagement Rating</b>
N	30	30	30
Missing	0	0	0
Mean	4.53	4.30	4.07
Std. error mean	0.0926	0.0851	0.126
Median	5.00	4.00	4.00
Standard deviation	0.507	0.466	0.691

Table 1 – Descriptive Analysis; Primary Data, JAMOVI

Model Fit Measures		
Model	R	R <sup>2</sup>
1	0.612	0.375

Model Coefficients - Business Performance				
Predictor	Estimate	SE	t	p
Purpose-Driven Strategies Implementation	0.563	0.137	4.10	< .001

Table 2 – Inferential Analysis: Purpose-Driven Strategies and Business Performance

**Primary Data, JAMOVI**

The regression analysis revealed a statistically significant positive association between purpose-driven strategy implementation and business performance ( $R = 0.612$ ,  $R^2 = 0.375$ ,  $p < .001$ ). The model indicates that approximately 37.5% of the variance in business performance is associated with variations in purpose-driven strategy implementation. The positive coefficient estimate ( $\beta = 0.563$ ) suggests that centres reporting higher levels of purpose-driven practices also tend to report stronger business performance. However, given the cross-sectional design of the study, these findings should be interpreted as evidence of association rather than causation.

Model Fit Measures		
Model	R	R <sup>2</sup>
1	0.681	0.464

Model Coefficients - Community Engagement Rating				
Predictor	Estimate	SE	t	p
Purpose-Driven Strategies Implementation	0.929	0.188	4.926	< .001

Table 3 – Inferential Analysis: Purpose-Driven Strategies and Community Engagement;

**Primary Data, JAMOVI**

The analysis also revealed a statistically significant positive association between purpose-driven strategy implementation and community engagement ( $R = 0.681$ ,  $R^2 = 0.464$ ,  $p < .001$ ). The model explains approximately 46.4% of the variance in community engagement ratings. The coefficient estimate ( $\beta = 0.929$ ) indicates that higher implementation of purpose-driven strategies is associated with higher levels of community engagement. Similar to the previous model, the findings demonstrate association rather than causal influence.

**CONCLUSION**

The findings of this study indicate that purpose-driven strategies are positively associated with both business performance and community engagement among early childhood education centres. The results suggest that ECE centres that place greater emphasis on long-term societal value creation, stakeholder engagement, and

sustainability-oriented practices tend to report stronger organizational outcomes and higher levels of community involvement.

The study contributes to the growing body of literature on sustainable business practices by extending the discussion to service-sector micro-enterprises within the education sector. The findings also reinforce the relevance of the Triple Bottom Line framework in understanding how educational enterprises can balance economic and social objectives.

The study is subject to certain limitations. The sample size was limited to 30 respondents from Kerala, which may restrict the generalizability of the findings. Additionally, the use of self-reported measures may introduce respondent bias. Since the study employed a cross-sectional design, causal relationships cannot be established. The findings demonstrate that purpose-driven approaches can serve as a strategic mechanism through which educational micro-enterprises simultaneously pursue economic sustainability and societal value creation.

Future research may employ larger samples, longitudinal designs, or mixed-method approaches to examine how purpose-driven strategies influence educational quality, parental satisfaction, enrolment growth, financial sustainability, and broader sustainable development outcomes over time, as recommended by the reviewer.

### Conflict of Interest

The author declares no conflict of interest.

### Data Availability Statement

The data supporting the findings of this study are available from the corresponding author upon reasonable request.

### Ethical Statement

The study was conducted in accordance with accepted research ethics principles. Participation was voluntary, informed consent was obtained from all respondents, and confidentiality was maintained throughout the study.

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