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Building the Competitiveness of Textile Creative Economy MSMEs in Indonesia with a Green Economy Based Accounting Strategy

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Jel Codes:

Keywords:

Green Economy based Accounting Strategies, Green Finance, Green Transformational Leadership, Green Creativity, Competitiveness, Green Organizational Identity, MSMEs.

Abstract: The growing importance of building competitiveness has been recognized as a critical factor for organizational success globally. This has led to a surge in academic attention, particularly in exploring strategies that contribute to enhancing competitiveness. In this context, the present article investigates the impact of green economy-based accounting strategies, including green finance, green transformational leadership (GTL), and green creativity, on the competitiveness of the textile creative economy, specifically micro, small, and medium enterprises (MSMEs) in Indonesia. The study further explores the mediating role of green organizational identity (GOI) in the relationship between green finance, GTL, green creativity, and competitiveness. The methodology employed in the study involved the collection of data through survey questionnaires, targeting employees of MSMEs. The data was analysed using Smart-PLS to evaluate the reliability and the interrelationships between the variables. The findings demonstrate that green finance, GTL, and green creativity are positively associated with competitiveness, indicating that these green strategies contribute significantly to enhancing the competitive position of MSMEs. Additionally, the results show that GOI plays a critical mediating role in linking green finance, GTL, and green creativity with competitiveness, suggesting that a strong green organizational identity can amplify the positive effects of these green strategies on competitiveness. The implications of this study are particularly relevant for policymakers and regulators, as it provides guidance on how to develop and implement regulations aimed at improving competitiveness through the adoption of effective green finance, GTL, and green creativity. By fostering a strong green organizational identity, MSMEs can better align their green strategies with competitiveness goals, thereby ensuring sustainable growth in the textile creative economy of Indonesia.

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<https://doi.org/10.32826/cude.v47i134.1412>

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Introduction

The global economy has increasingly recognized environmental sustainability as a crucial element for its future development. This shift is reflected in the emergence of new business models that prioritize sustainability, fostering the rise of the green economy a concept that integrates environmental and economic policies aimed at promoting sustainable development. This transformation holds particular significance for MSMEs in developing countries like Indonesia, where these enterprises play a pivotal role in driving economic growth and innovation. Specifically, in Indonesia's textile creative economy, MSMEs have the potential to serve as engines of sustainable growth. To thrive in the evolving, globalized, and eco-conscious marketplace, these companies must adopt practices aligned with green economy principles. One effective strategy is embracing the green economy accounting concept, which integrates environmental, social, and economic considerations into decision-making processes to enhance the competitiveness of MSMEs in the textile sector (Latifah & Soewarno, 2023). Three green economy-based accounting strategies green finance, GTL and green creativity are identified as key drivers of competitiveness in the textile creative economy.

Green finance refers to financial resources, such as loans or investments, allocated to projects that promote environmentally-friendly practices, such as producing eco-friendly products, supporting pollution-free transportation, and building green infrastructure. This form of finance adds value to products, services, and practices, ultimately boosting an organization's competitiveness (Winarsih, Fuad, & Setyawan, 2021). GTL is a leadership style in which leaders inspire and motivate employees to adopt eco-friendly practices and achieve environmental preservation goals. This leadership approach integrates green principles into the organizational culture, raising the market profile of products and enhancing competitiveness. Green creativity, on the other hand, involves generating new ideas related to green practices, products, and services that are novel, authentic, and useful. Encouraging green creativity enables companies to better meet customer demands, leading to increased competitiveness (Arici & Uysal, 2022). The textile industry is one of Indonesia's major industries and is known for being labour-intensive. Historically, it has also been a significant consumer of energy and water due to the resource-intensive nature of textile manufacturing. However, with the growing consumer demand for eco-friendly products and business practices, sustainability has become a key priority for the industry (Li et al., 2020). Green strategies are not only an ethical imperative for MSMEs in the textile creative economy, but they are also crucial for ensuring long-term competitiveness. This research explores how green economy-based accounting strategies can enhance the competitiveness of MSMEs within Indonesia's textile sector. The study focuses on three core independent variables: green finance, green creativity, and GTL, all of which are integral to the green economy. Green finance, as a form of capital investment, yields environmental benefits such as funding for energy-efficient equipment and environmentally sound manufacturing practices. By aligning financial goals with environmental objectives, green finance fosters sustainable development, resulting in cost savings, improved resource utilization, and expanded market access for textile MSMEs (Guang-Wen & Siddik, 2023).

Green creativity, meanwhile, promotes the creation of innovative products and services that are both economically viable and environmentally sustainable. In the textile creative economy, green creativity involves designing and producing textiles with sustainable materials, such as eco-friendly dyes, that minimize environmental harm while adhering to life cycle assessment (LCA) principles.

By embracing green creativity, MSMEs can gain a competitive edge, offering products that appeal to environmentally-conscious consumers, thereby increasing their competitiveness both domestically and internationally (Falcone, 2020). GTL, the third variable, emphasizes leadership that drives organizations toward sustainability by inspiring employees to prioritize environmental stewardship. In MSMEs, where leadership is often more hands-on, green transformational leaders play a crucial role in fostering a culture of sustainability. By making environmental preservation a strategic priority, these leaders motivate employees to innovate and contribute to the long-term success of the organization through green initiatives (Begum et al., 2022). The study also posits that the relationship between green finance, GTL, green creativity, and competitiveness is mediated by GOI which refers to the extent to which environmental values are embedded in an organization's culture and practices. A strong GOI allows MSMEs to develop a reputation as sustainable businesses, attracting eco-conscious consumers, investors, and partners. Internally, a robust GOI fosters a sense of cohesion, as employees who identify with the organization's green mission are more likely to contribute to its green initiatives.

This mediation effect is crucial for understanding how internal organizational dynamics interact with external competitive pressures in the textile creative economy (Singh et al., 2020). The objective of this study is to analyse the impact of green finance, green creativity, and GTL on the competitiveness of textile creative economy MSMEs in Indonesia. Additionally, the study aims to assess the role of GOI in facilitating these relationships. By identifying how green economy-based accounting strategies can improve the competitiveness and sustainability of MSMEs, this research contributes to the literature on the competitiveness of MSMEs in creative economies like Indonesia's textile industry. While much of the existing research has focused on the importance of green practices in large corporations, less attention has been given to MSMEs, particularly those in creative sectors. Moreover, there is a lack of research on the role of GOI in mediating the relationship between green practices and competitiveness, especially in the context of developing countries (Al-Ghazali et al., 2022). This study seeks to fill these gaps by providing a comprehensive model for enhancing MSME competitiveness through sustainable and green initiatives. The following sections of the study present a detailed literature review, proposed hypotheses, and the research methodology employed in this investigation.

Literature Review

Green finance plays a pivotal role in enhancing the competitiveness of micro, small, and medium enterprises (MSMEs) within the textile creative economy by providing access to financial resources that can be invested in sustainable innovations and long-term growth. Green finance refers to financial resources, including funds, loans, or investments, allocated specifically toward

projects and activities that align with environmental sustainability goals. These resources are directed toward fostering environmentally-friendly processes, products, and practices. In the context of textile MSMEs, green finance facilitates the adoption of sustainable production methods, such as the use of eco-friendly materials and energy-efficient manufacturing processes, which can significantly reduce long-term operational costs (Khan et al., 2022). Additionally, the adoption of green finance allows textile MSMEs to cater to an expanding consumer base that increasingly values sustainability. Modern consumers are more likely to choose products that adhere to environmental standards, thereby providing companies that implement green practices with a competitive edge. This shift in consumer preferences means that sustainable MSMEs can better position themselves to attract eco-conscious customers, both domestically and internationally (Agrawal et al., 2024). Moreover, the availability of green finance offers a unique opportunity for textile MSMEs to explore and cultivate new markets. As sustainability becomes a critical factor in purchasing decisions, businesses that are able to demonstrate a commitment to environmentally-friendly practices are more likely to capture the attention of green-conscious investors and customers. Financial institutions and investors are increasingly prioritizing companies with strong environmental profiles, thus enabling MSMEs with sustainable practices to access better credit terms and form advantageous business alliances (Nugroho et al., 2022; Pratama et al., 2024; Pratami et al., 2022). In addition to market expansion, green finance strengthens the resilience of MSMEs against fluctuating market conditions and regulatory changes related to environmental policies. By aligning their financial goals with sustainability, MSMEs can better navigate environmental regulations and market volatility, ensuring long-term competitiveness and growth (Falcone, 2020). Ultimately, the integration of green finance promotes innovation and contributes to the competitive advantage of textile MSMEs by embedding environmental sustainability into their core business strategies, helping them thrive in a global market that is increasingly focused on sustainability (Sun et al., 2022).

H1: Green Finance has a positive relationship with the Competitiveness of Textile Creative Economy

GTL significantly enhances the competitiveness of MSMEs within the textile creative economy by fostering a culture of sustainability and innovation. Leaders who adopt GTL practices actively encourage and motivate their workforce to embrace sustainable methods, aligning organizational objectives with environmental conservation goals. This type of leadership is particularly crucial in industries like textiles, which are often carbon-intensive. GTL helps accelerate the transition toward sustainable production practices, such as utilizing organic materials and minimizing waste and energy consumption (Özgül & Zehir, 2023). In addition to promoting sustainability, green transformational leaders inspire creativity among employees. This creativity extends beyond merely expressing the organization's values and market positioning; it specifically focuses on generating environmentally-friendly ideas that can make products stand out in the marketplace. By fostering this shared vision of sustainability, GTL enhances employee engagement and commitment to the organization's green initiatives. Such leadership transcends immediate financial concerns, positioning companies to compete in an increasingly globalized economy that prioritizes

sustainability (Xin & Wang, 2023). Furthermore, GTL enables textile MSMEs to anticipate and adapt to evolving legislation and shifting consumer preferences. Leaders who adopt this approach can reorient their organizations to align with new market trends, ensuring that MSMEs remain competitive in a sustainability-driven economy. This proactive approach not only positions these enterprises at the forefront of environmental responsibility but also makes them more attractive to customers, partners, and investors who are seeking eco-conscious businesses, thereby enhancing their overall competitiveness (Ahmad et al., 2024).

H2: Green Transformational Leadership has a positive relationship with the Competitiveness of Textile Creative Economy

Green creativity plays a crucial role in enhancing the competitiveness of MSMEs within the textile creative economy, particularly in woven textiles, by anchoring innovation in eco-sustainability. This concept involves the development of products, processes, and services that prioritize environmentally-friendly materials, energy-efficient production methods, and waste-elimination strategies (Padilla-Lozano & Collazzo, 2022). By incorporating green creativity, textile MSMEs can produce sustainable fabrics, natural dyes, and ethical designs that cater to the growing demand for eco-conscious products. This approach not only satisfies environmentally aware consumers but also promotes product differentiation in a highly competitive market. Additionally, green creativity helps MSMEs create innovative, sustainable products that appeal to eco-friendly customers on both national and international scales. A key shift enabled by green creativity is the focus on sustainable materials, allowing textile companies to expand their product range with bio-based, naturally sourced, high-performance chemicals. This shift opens up new commercial opportunities, including avenues for green growth (Ogbeibu et al., 2021). Green creativity drives long-term innovation, ensuring that products evolve in response to changing environmental compliance standards and societal expectations. This adaptability is crucial for maintaining competitiveness over time. Moreover, integrating green creativity into an MSME's business culture helps consolidate its reputation as an environmentally-friendly enterprise. This alignment with sustainability resonates with partners, investors, and clients who value eco-conscious practices, thereby enhancing the firm's competitiveness. Such positioning is vital as sustainability trends continue to influence markets worldwide (Agyabeng-Mensah & Tang, 2021). Based on the reviewed literature, the following hypothesis is proposed:

H3: Green Creativity has a positive relationship with the Competitiveness of Textile Creative Economy

GOI plays a pivotal role in determining how effectively green finance enhances the competitiveness of MSMEs within the textile creative economy. GOI refers to the alignment of a company's values, behaviours, and operations with environmental sustainability principles, which can significantly influence how green finance investments are leveraged for competitive advantage. The more an MSME engages in green finance practices, the better its access to resources and capabilities for optimizing its operations. However, the positive impact of green financial capital on competitiveness is heavily contingent on the presence of a strong organizational green identity (Ali et al., 2022). GOI ensures that an MSME not only adheres to environmental values but also gains

legitimacy in the eyes of both eco-conscious and general customer segments. This legitimacy reinforces external perceptions of the firm's integrity and environmental responsibility, thereby enhancing its reputation as a sustainable enterprise. As a result, MSMEs with a robust GOI are better positioned to utilize green finance effectively, strengthening their capacity to implement and maintain sustainable practices. This is especially relevant from the perspective of eco-conscious customers and partners, who expect companies to align their operations with sustainable values (Liu, Mei, & Guo, 2021). Additionally, GOI supports the effective management of financial investments by aligning them with broader environmental strategies. This ensures that financial resources are allocated efficiently, improving both product offerings and operational efficiencies. Ultimately, a strong GOI ensures that green finance investments result in tangible, competitive advantages for MSMEs, enabling them to establish themselves as frontrunners in sustainable textile practices. Such positioning increases their market competitiveness, particularly in a global economy that increasingly values environmental sustainability (May, Hao, & Carter, 2021). Based on these insights from the literature, the following hypothesis has been formulated:

H4: Green Organizational Identity plays a Significant Mediating Role between Green Finance and the Competitiveness of Textile Creative Economy

The potential influence of GTL on the competitiveness of MSMEs within the textile creative economy can be better understood through its deployment of sustainability initiatives. This research suggests that GOI serves as a critical mediator between GTL and competitiveness, reinforcing the connection between leadership and sustainable business practices (Al-Ghazali et al., 2022). GTL plays a key role in encouraging employees to adopt environmentally responsible behaviours, ensuring that sustainability becomes embedded within the organization's day-to-day operations. However, the effectiveness of such leadership is amplified when the company possesses a strong GOI. A robust GOI reflects the organization's deep-rooted commitment to environmental values, enhancing the impact of GTL. This synergy ensures that sustainability initiatives driven by top management are not only implemented but also adhered to across the enterprise (Hameed et al., 2022). Moreover, when leadership aligns with the organization's green identity, it strengthens the company's overall corporate reputation in sustainability, leading to greater consumer trust and loyalty. This is particularly valuable in the increasingly competitive, sustainability-driven global market. A strong GOI allows MSMEs to leverage GTL more effectively, positioning themselves at the forefront of innovation and adaptability in sustainable textile production. As a result, the mediation of GOI enhances the competitive significance of green practices, making MSMEs leaders in sustainability (Begum et al., 2022). Based on the literature reviewed, the following hypothesis has been developed:

H5: Green Organizational Identity plays a Significant Mediating Role between Green Transformational Leadership and the Competitiveness of Textile Creative Economy

GOI plays a pivotal mediating role in the relationship between green creativity and the competitiveness of MSMEs within the textile creative economy. GOI aligns innovative, eco-friendly initiatives with the company's

overarching sustainability ethos, ensuring that environmentally responsible creativity is fully integrated into the organization's operations and brand image. Green creativity, characterized by the development of innovative, eco-friendly products and processes, has the potential to greatly enhance a company's appeal in the market. However, the impact of such creativity on competitiveness is heavily contingent upon the strength of the organization's green identity (Liu et al., 2021). A strong GOI ensures that creative efforts not only align with but are also reinforced by the organization's commitment to sustainability. This alignment creates a cohesive framework within the organization, integrating green innovations into both operational and branding strategies. As a result, the company is better able to communicate the value of its eco-friendly products to consumers and stakeholders, thereby improving its position in the market (Tu & Wu, 2021). Through its mediating role, a robust GOI enhances the effectiveness of green creativity, allowing MSMEs to differentiate themselves in a competitive marketplace that increasingly values sustainability. This synergy solidifies the organization's reputation as a leader in sustainable innovation, which in turn bolsters its competitiveness (Ogbeibu et al., 2021). Based on the literature reviewed, the following hypothesis has been developed:

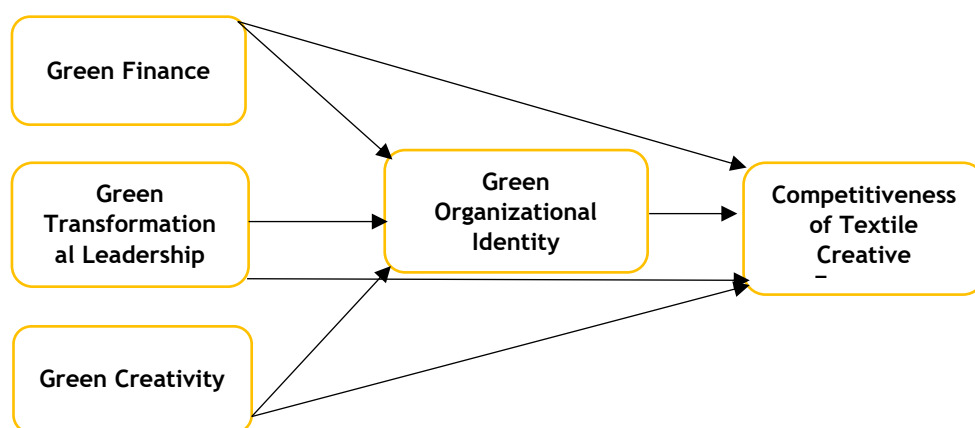
H6: Green Organizational Identity plays a Significant Mediating Role between Green Creativity and the Competitiveness of Textile Creative Economy

Research Methods

The article investigates the impact of green finance, GTL and green creativity on the competitiveness of the textile creative economy, particularly focusing on MSMEs in Indonesia. Additionally, it examines the mediating role of GOI in the relationships among these constructs. To gather data, the study employed a survey questionnaire directed at employees of MSMEs, utilizing items that measure each construct. The survey utilized a five-point Likert scale to gauge responses. Measurement items were drawn from established literature: green finance was assessed using four items adapted from Zheng et al. (2021); GTL was measured with six items sourced from Mittal & Dhar (2016); green creativity consisted of six items adopted from Ögretmenoğlu, Akova, & Göktepe (2022); GOI was evaluated with six items taken from Mittal & Dhar (2016); and the competitiveness of the textile creative economy was also measured with six items derived from Singh et al. (2019). Table 1 presents these variables and their corresponding measurements. The respondents for this study were employees of MSMEs, selected through simple random sampling. Data collection involved personal visits to ensure comprehensive engagement with the participants. Out of the 501 surveys distributed, 357 valid responses were obtained, resulting in a response rate of approximately 71.26%. For the analysis, the study employed Smart-PLS, a statistical tool that effectively handles primary data and can deliver reliable results, even in the context of complex models (Hair Jr, Howard, & Nitzl, 2020). The research framework includes three independent variables: GF, GTL, and GC, alongside one mediating variable (GOI) and one dependent variable (competitiveness of the textile creative economy, CTCE). The relationships among these variables are illustrated in Figure 1.

Table 1: Variables with Measurements

Items	Statements	Sources
Green Finance		
GF1	The company has invested on waste management.	(Zheng et al., 2021)
GF2	The company has enhancing the green investment.	
GF3	The company has investing in green brick manufacturing.	
GF4	The company has invested on recycling of product.	
Green Transformational Leadership		
GTL1	The leader has environmental plans that inspire the organizational members.	(Mittal & Dhar, 2016)
GTL2	The leader has clear environmental vision.	
GTL3	The leader wants from employees to work together for environmental goals.	
GTL4	The leader always encourages his subordinates to attain the environmental goals.	
GTL5	The leader acts with considering environmental beliefs.	
GTL6	The leader stimulates the subordinates to think about green ideas.	
Green Creativity		
GC1	The employees and management suggest new ways to attain environmental goals.	(Öğretmenoğlu et al., 2022)
GC2	The employees and management proposed new ideas to improve environmental performance.	
GC3	The employees and management promote new ideas to others.	
GC4	The employees and management develop adequate plans for the implementation of new green ideas.	
GC5	The employees and management would rethink new ideas about environment.	
GC6	The employees and management always find out creative solutions to environmental problems.	
Green Organizational Identity		
GO11	The company's stakeholders are proud about environmental management and protection.	(Mittal & Dhar, 2016)
GO12	The company's stakeholders have a pride about the environmental goals.	
GO13	The company's stakeholders feel firms' efforts regarding environmental management.	
GO14	The company's stakeholders feel t firms' have formulated environmental missions.	
GO15	The company's stakeholders are knowledgeable regarding firms' environmental tradition.	
GO16	The company's stakeholders knows the firms' pay attention to environmental protection.	
Competitiveness of Textile Creative Economy		
CTCE1	My company products are better than competitors.	(Singh et al., 2019)
CTCE2	My company R&D capabilities are better than competitors.	
CTCE3	My company managerial capabilities are better than competitors.	
CTCE4	My company profitability is better than competitors.	
CTCE5	My company image is better than competitors.	
CTCE6	Mv company competitive advantage is better than competitors.	

**Figure 1:** Theoretical Model.

Research Findings

The findings demonstrate the convergent validity of the constructs, indicating a significant correlation between the measurement items. This was assessed through factor loadings and Average Variance Extracted (AVE), both of which yielded values exceeding the threshold of 0.50,

confirming that the items effectively measure the underlying constructs. Additionally, reliability was evaluated using Cronbach's Alpha and Composite Reliability (CR), with both metrics showing values greater than 0.70. These results suggest a strong correlation among the items, highlighting their consistency and reliability. The detailed results of these assessments are presented in Table 2. Furthermore, the analysis also established the

discriminant validity among the variables, which was evaluated using the Heterotrait-Monotrait (HTMT) ratio. The results indicated that the HTMT values were below the 0.90 threshold, signifying a low correlation between the different variables. This finding reinforces the distinctiveness of each construct, ensuring that they

measure unique aspects of the research framework. The detailed findings related to discriminant validity are provided in Table 3. Overall, these validity assessments provide strong evidence for the robustness of the measurement model, ensuring that the constructs are accurately captured and distinct from one another.

Table 2: Convergent Validity.

Constructs	Items	Loadings	Alpha	CR	AVE
Competitiveness of Textile Creative Economy	CTCE1	0.711	0.845	0.886	0.564
	CTCE2	0.704			
	CTCE3	0.766			
	CTCE4	0.780			
	CTCE5	0.753			
	CTCE6	0.790			
Green Creativity	GC1	0.887	0.879	0.909	0.627
	GC2	0.835			
	GC3	0.746			
	GC4	0.684			
	GC5	0.754			
	GC6	0.828			
Green Finance	GF1	0.811	0.879	0.917	0.734
	GF2	0.866			
	GF3	0.904			
	GF4	0.843			
Green Organizational Identity	GOI1	0.831	0.860	0.896	0.590
	GOI2	0.775			
	GOI3	0.822			
	GOI4	0.757			
	GOI5	0.736			
	GOI6	0.679			
Green Transformational Leadership	GTL1	0.883	0.922	0.939	0.720
	GTL2	0.866			
	GTL3	0.798			
	GTL4	0.807			
	GTL5	0.874			
	GTL6	0.860			

Table 3: Discriminant Validity.

	CTCE	GC	GF	GOI	GTL
CTCE	0.845				
GC	0.780	0.682			
GF	0.729	0.605	0.528		
GOI	0.671	0.528	0.591	0.519	
GTL					

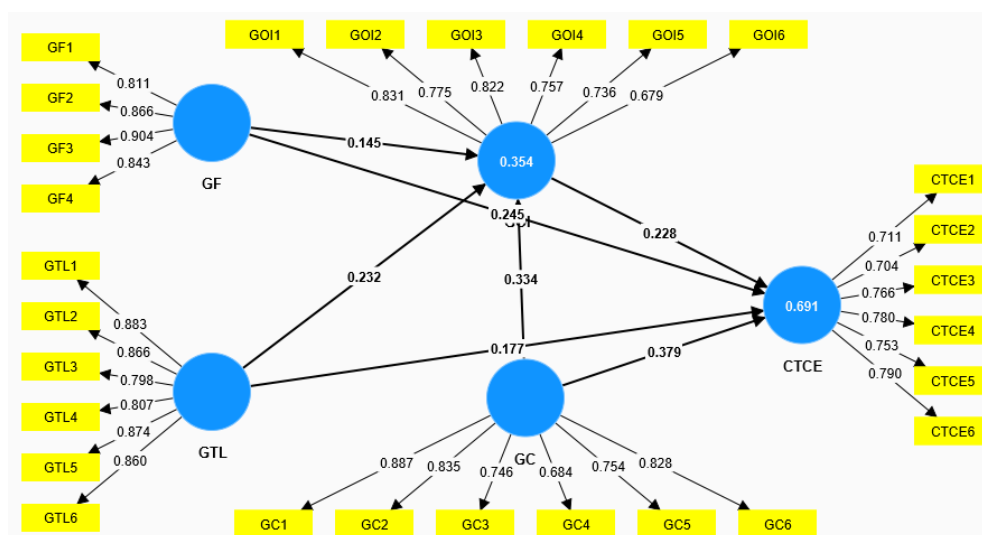


Figure 2: Measurement Assessment Model.

The results of the analysis demonstrate that green finance, GTL and green creativity are positively associated with the

competitiveness of the textile creative economy, particularly among MSMEs in Indonesia. This finding

supports hypotheses H1, H2, and H3, confirming that each of these factors contributes positively to enhancing the competitive edge of these enterprises. Additionally, the findings reveal that the GOI plays a significant mediating role in the relationships among green finance, GTL, green creativity, and the competitiveness of the textile creative economy. This supports hypotheses H4, H5, and H6, indicating that a strong GOI amplifies the positive impacts of green finance, GTL, and green creativity on competitiveness. These associations are summarized and

detailed in Table 4, which illustrates the direct and indirect relationships among the variables, further substantiating the importance of integrating sustainability-focused practices within MSMEs in the textile sector. The implications of these findings underscore the necessity for MSMEs to foster a robust green identity to leverage green initiatives effectively, ultimately enhancing their market competitiveness in an increasingly eco-conscious global landscape.

Table 4: Path Analysis.

Relationships	Beta	Standard Deviation	T Statistics	P Values
GC -> CTCE	0.379	0.055	6.886	0.000
GC -> GOI	0.334	0.069	4.830	0.000
GF -> CTCE	0.245	0.049	4.988	0.000
GF -> GOI	0.145	0.060	2.391	0.017
GOI -> CTCE	0.228	0.048	4.765	0.000
GTL -> CTCE	0.177	0.037	4.847	0.000
GTL -> GOI	0.232	0.056	4.147	0.000
GC -> GOI -> CTCE	0.076	0.026	2.956	0.003
GF -> GOI -> CTCE	0.033	0.016	2.109	0.035
GTL -> GOI -> CTCE	0.053	0.017	3.170	0.002

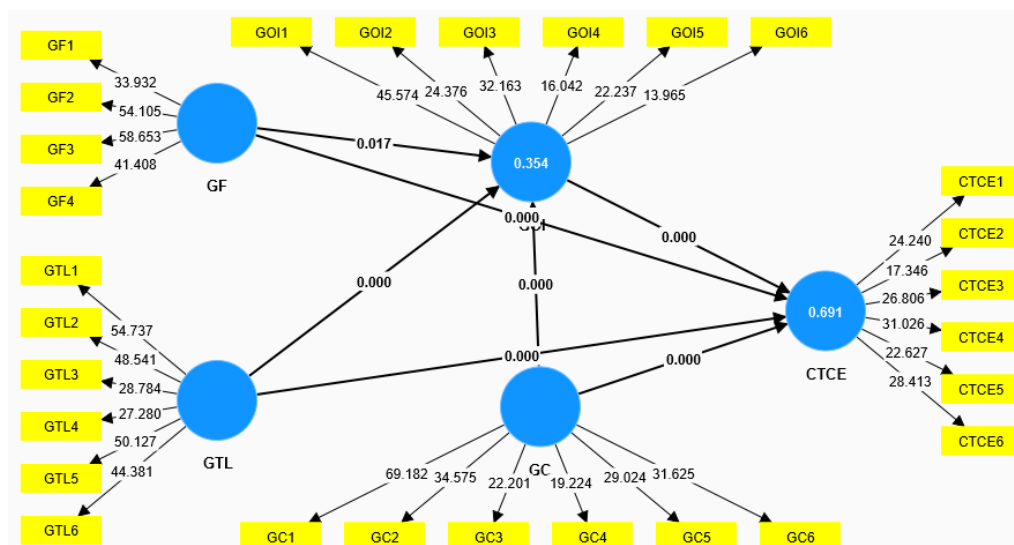


Figure 3: Structural Assessment Model

Discussion

The study's results indicate a positive relationship between green finance and the competitiveness of textile MSMEs within the creative economy. This finding aligns with the work of Zhou, Tang, & Zhang (2020), which emphasizes that organizations capable of securing green finance are more likely to implement eco-friendly production and marketing strategies, thereby enhancing their competitiveness across various industries. Additionally, Guild (2020) supports this notion by asserting that green finance strengthens organizations financially, allowing them to effectively pursue both environmental and economic initiatives, ultimately improving their overall competitiveness. Similarly, the results indicate that GTL also has a positive impact on the competitiveness of textile MSMEs. This is corroborated by Pham et al. (2023), who argue that GTL enables leaders to communicate more effectively with their subordinates and fosters cooperation in pursuing eco-friendly practices, resulting in improved business competitiveness. Further support comes from Chen & Yan (2022), which highlights that GTL prioritizes employees' environmental well-being, equipping them to

implement economic strategies while achieving eco-friendly objectives. The findings also demonstrate that green creativity positively influences the competitiveness of textile MSMEs. Li et al. (2020) support this assertion by stating that policies promoting green creativity enhance business operations, employee efficiency, and product quality, leading to minimal environmental impact and increased competitiveness in the textile market. Additionally, Luu (2021) points out that green creativity helps businesses better meet customer expectations, thereby contributing to their competitiveness in the textile creative economy. Moreover, the study reveals that GOI serves a significant mediating role between green finance and the competitiveness of textile MSMEs. Huang et al. (2022) affirm that organizations that leverage green finance opportunities can cultivate a green identity among stakeholders, enhancing their competitiveness. Similarly, Zameer et al. (2021) argue that a strengthened GOI, facilitated by green finance, contributes to improved business competitiveness within the textile creative economy. The results further indicate that GOI significantly mediates the relationship between GTL and the competitiveness of textile MSMEs. Supporting evidence

from Öğretmenoğlu et al. (2022) suggests that organizations implementing GTL can establish a green business identity, which in turn enhances their competitiveness. Khan & Khan (2022) also emphasize that GTL fosters the development of GOI, ultimately increasing competitiveness in the textile creative economy. Finally, the study finds that GOI plays a crucial mediating role between green creativity and the competitiveness of textile MSMEs. Ali et al. (2022) note that organizations that embrace green creativity can cultivate a strong GOI, thereby improving their competitiveness in the textile sector. This is echoed by Joshi & Dhar (2020), who assert that green creativity enables organizations to achieve a green identity, allowing them to gain a competitive advantage over rivals. In summary, the study underscores the interconnectedness of green finance, GTL, green creativity, and GOI, demonstrating their collective influence on enhancing the competitiveness of textile MSMEs in the creative economy.

Implications

The current study holds significant relevance for Indonesia and other economies where textile creativity plays a crucial role. It offers valuable insights into how organizations can enhance their competitiveness within the textile economy. Firstly, the study highlights the importance of green finance, urging organizational management to incorporate it into their business practices. By doing so, companies can develop a strong competitive edge while operating in the textile creative economy. This financial approach not only supports sustainable practices but also positions businesses favourably in a market increasingly driven by environmental consciousness. Secondly, the research emphasizes the necessity of fostering GTL within organizations. By encouraging GTL, companies can significantly improve their market competitiveness. Leaders who prioritize sustainability create an environment where employees are motivated to adopt eco-friendly practices, thereby aligning organizational goals with environmental objectives. The study also advocates for the implementation of green creative strategies. Organizations in the textile creative economy should actively pursue innovative approaches that leverage sustainability, which can further enhance their competitiveness in the market. By embracing green creativity, companies can differentiate themselves and meet the rising demand for environmentally responsible products. Furthermore, the research suggests that organizations should be motivated to utilize green finance actively. Doing so would not only improve their GOI but also facilitate greater market competitiveness. A robust GOI enhances a company's reputation and attracts eco-conscious consumers, partners, and investors. Additionally, the study provides guidelines for organizational leaders to adopt GTL practices. This leadership style is instrumental in strengthening GOI and, consequently, enhancing market competitiveness. Leaders who embody GTL can inspire their teams to integrate sustainability into everyday operations, creating a culture of environmental responsibility. Finally, the research underscores the importance of adopting green creativity as a core organizational strategy. By doing so, businesses can improve their GOI and achieve higher market competitiveness. As organizations innovate with sustainable practices, they not only enhance their operational efficiency but also position themselves as leaders in the competitive textile creative economy. In summary, the study serves as a comprehensive guide for organizations aiming to thrive

in the textile creative economy by emphasizing the importance of green finance, GTL, and green creativity in enhancing competitiveness.

Conclusion

The objective of this study was to analyse the impact of green accounting practices specifically, green finance, GTL and green creativity on competitiveness within the textile creative economy. Additionally, the research aimed to investigate the mediating role of GOI in this context. Data were collected from participants in the textile creative economy in Indonesia, and subsequent analyses revealed a positive relationship among the examined factors. The findings indicated that access to finance under favourable conditions enables organizations to operate without compromising their environmental responsibilities in the communities where they function. Such environmentally friendly achievements not only enhance the sustainability of operations but also contribute to improved competitiveness within the textile creative economy. Moreover, the results demonstrated that leaders who implement GTL can effectively encourage team members to embrace directives and fully engage in projects. This leadership approach fosters a collaborative environment that enables organizations to achieve higher levels of competitiveness in the textile creative economy. Additionally, the study revealed that organizations that prioritize green creativity among employees and provide necessary support tend to exhibit enhanced competitiveness. By cultivating an atmosphere where innovative, eco-friendly ideas are encouraged, these organizations are better positioned to meet market demands for sustainable practices and products. Finally, the study concluded that GOI serves as a crucial mediator between green accounting practices, such as green finance, GTL, and green creativity, and competitiveness in the textile creative economy. The implementation of green accounting practices enhances GOI, which in turn contributes to greater competitiveness within the sector. Overall, this research underscores the importance of integrating green accounting practices into organizational strategies to foster sustainability and improve competitive positioning in the textile creative economy.

Limitations

The study does have some limitations that should be acknowledged. Firstly, the scope of the analysis is confined to examining only specific green accounting practices, such as green finance, GTL and green creativity, as factors influencing competitiveness within the textile creative economy. This limited focus may overlook other significant practices or variables that could also contribute to competitiveness in this sector. Additionally, the current study primarily considers organizational identity as a mediating factor between green accounting practices (green finance, GTL, and green creativity) and competitiveness in the textile creative economy. While this provides valuable insights, it is recommended that future research incorporates at least one moderator variable. The inclusion of a moderator could offer a more nuanced understanding of how various factors interact with each other and affect the overall relationship between green accounting practices and competitiveness. By expanding the scope of research to include additional practices and moderating variables, future studies can provide a more comprehensive analysis of

the dynamics within the textile creative economy, ultimately leading to richer insights and practical implications for organizations in this field.

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