LITERATURE REVIEW: SUSTAINABLE LEADERSHIP

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Abstract
Employees, leaders, and organizations continue to struggle to comprehend the concept of sustainable leadership. It is a problem for today's organizations to identify this concept itself. Sustainable leadership refers to a new and enlarged concept of leadership that is based on sustainability principles, sustainable leadership practices, and building an inclusive, cooperative, and responsive leadership approach. The purpose of this study is to provide a better understanding of the concept of sustainable leadership, and it does this by situating sustainability within the context of leadership and clarifying the idea of sustainable leadership based on sustainability and sustainable development, styles of sustainable leadership, characteristics of sustainable leaders, and practices of sustainable leadership.

Keywords: Sustainability, Sustainable Development, Sustainable Leadership

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LCC: HD28-70

Introduction
Today, we confront the issue of providing a good lifestyle for seven billion people within the constraints of our earth. This necessitates a significant shift in the mindset of businesses, authorities, and users toward sustainability. The current idea of sustainability emerged after World War II, and people were increasingly mindful of the growth of environmental and economic quality after this point. As a result, sustainability has become a term in the previous decade however, its entire influence remains difficult (Edwards, 2005, p.50). Sustainability is becoming more important recently for company executives considering reduced capacity, climate change, unethical business policies, and raising corporate standards, and these factors influence sustainability (Wong & Avery, 2009).

A new issue for today's organizational leaders is to effectively lead their organizations through challenging economic times while also coping with the matter of sustainability (Faber et al., 2010). Sustainable leadership aims at bringing substantial changes and necessitates considering the long-term perspective while supporting systematic improvement with the goal of enhancing consumer value: developing talented, loyal, and highly engaged personnel; providing high-quality goods, services, and solutions; engaging in ethical behavior and decision-making; and creating ethical principles and standards all over the firm. Many firms are willing to improve their performance and business resilience based on sustainable leadership practices. Some organizations have successfully implemented practices for sustainable future growth, such as Wal-Mart's sustainable business strategy for minimizing the organization's effect on the global environment. Businesses are
required to become more socially conscious in demonstrating the concept of sustainability to their suppliers, customers, and the public (Scot, 2015).

Sustainability and Sustainable Development

Many studies have been conducted to investigate and describe sustainability, and there have been numerous studies undertaken based on sustainable development. When the literature is examined, sustainable leadership emerges as a new concept. Some studies are limited in their understanding of what sustainability is, while others define sustainability by examining a few interrelated factors and demonstrating its significance. Based on the research, the scholars attempted to describe sustainability with several explanations. The term "sustainability," which is derived from the Latin "sub-ten," implies something that can be preserved and supported, as well as something that can be endured and claimed with assurance. This word has traditionally been used in the areas of politics, technology, economics, and ecology to describe the ability to attain current aims without harming the future (Di Fabio & Peiró, 2018). The concept of sustainability means "process, outcome, and entity which are preserved by a capacity over time" (Jenkins, 2009). Sustainability can be defined as a contribution to the creation of the planet we wish to live on and leave to our children and grandchildren, and it requires becoming aware of the choices and actions that affect the delicate balance of the earth's ecological, economic, and social systems and then broadening that understanding through dialogue that can lead to shared action.

Two sorts of sustainability are evaluated from some scholars’ perspectives, and sustainability is divided into two categories: weak and strong sustainability (Pearce et al., 1989):

- "That the following generation obtains a stock of wealth including man-made and natural assets equal to or greater than the stock acquired by the past generation."
- "That the following generation acquires a stock of natural resources equal to or greater than the past generation's stock."

You can see Figure 1 illustrates three main characteristics of sustainable development below:

![Figure 1: Three pillars of Sustainability](source: Dyllick & Hockerts (2002))
In 1994, Elkington coined the phrase "triple bottom line" (TBL) to broaden the environmentalist agenda of those who are working toward sustainability to include the social dimension more explicitly (Elkington, 2013). This model has been established based on three main characteristics of sustainable development: environmental quality, social equality, and economic quality (Elkington, 1998).

Environmental sustainability focuses on the quality of the environment, which is critical for managing economic operations and the overall quality of life. Race, religion, cultural variety, and human rights are all important aspects of social sustainability, and these values must be preserved to continue the existence of society. Economic sustainability is critical to maintaining living standards and income by preserving human, social, and natural capital (Klarin, 2018). Sustainability and sustainable development have been used by many scholars as synonyms (Sutton, 2004). Clear and unique definitions of sustainable development are hard to find in the literature (Holden et al., 2014). The Brundtland Commission (1987) described one of the most well-known definitions of sustainable development as a type of development that focuses on meeting the requirements of the current generation without risking the needs of future generations. Sustainable development is a socioeconomic system that ensures the achievement of long-term objectives, such as health care, real income growth, educational advancement, and improved quality of life (Pearce et al., 1989). Sustainable development allows ecosystems, societies, and other living systems to work together without consuming critical resources (Marin et al., 2012). The most important point of sustainable development is keeping the stability of the economy and environment for the long term. Therefore, a combination of social, environmental, and economic characteristics is important to reach the point of stability (Emas, 2015).

**Sustainable Leadership**

Sustainable leadership has recently been introduced as suitable leadership for dealing with sustainable difficulties. Exploring the method and conditional limitations for the considerable effect of sustainable leadership on sustainable development has been recommended in the literature (Iqbal et al., 2020). People live in groups, and they require a leader to lead their group and encourage them toward their objectives. These group leaders, who are at the forefront, connect the members of the group around a common purpose and boost their courage and power. Sustainable leaders are supposed to have specific traits to accomplish sustainability (Cayak & Eskici, 2021), and people who encourage and support activities to discover and develop creative sustainable solutions, business models, and practices that will cause a better world are known as sustainable leaders (Gutterman, 2020, p.3). Sustainable leadership prioritizes solid partners, a thriving atmosphere highlighted by co-worker pleasure, and long-term achievements. (Lange & Rowold, 2019). Business operations have a considerable impact on the environment around the world, causing companies to investigate how to connect strategy and behavior to achieve sustainability goals (Batulan et al., 2021). Some of the advantages of sustainable leadership in corporate organizations are a competitive advantage, improved corporate governance and corporate social responsibility, and better financial performance. Sustainable leaders add value to all stakeholders, drive continuous improvement and innovation, and it is a successful strategy for long-term success and to maintain competitive advantage (Virakul & Russ-Eft, 2019). Additionally, organizations that implement SL (sustainable leadership) practices benefit from increased energy and resources, a better organizational image, decreased employee turnover, increased community engagement, enhanced efficiency, and reduced expenses (Al-Zawahreh et al., 2019).
Sustainable leadership practices were increased to improve employee engagement, and it is a smart strategy to grow a business. Accordingly, an organizational development program was developed and implemented to enhance the implementation of certain sustainable leadership practices and increase employee engagement (Sunthonpagasit & Hanson, 2019).

Sustainability is the main principle of sustainable leadership, and existing definitions of sustainable leadership highlight many features and aspects that support the concept of sustainability. In this respect, although a single definition cannot be made, there are some basic similarities that should be examined in the conceptual framework (Gerard et al., 2017). Sustainable leadership is defined as one of the key forces affecting change or continuity in the long run. (Hargreaves & Fink, 2003, p. 2). A sustainable leader is someone who inspires and supports actions for a better world (Visser & Courtice, 2011, p. 3). Sustainable leaders are people from any strata of life who are authorized to work with others to make a sustainable difference in society (Ferdig, 2007). In this respect, sustainable leaders often focus on messy, complex social, economic, and ecological problems (Burns, 2016). They exhibit positive behaviors such as hope, courage, honesty, and commitment (Schwalb, 2011). According to the Sustainable Leadership Institute (2011), sustainable leaders are professionals who are committed to making a difference by increasing their self-awareness in their interactions with the world around them. Sustainable leadership is defined as an endeavor that has a responsibility toward individuals, communities, and organizations by assessing the ethics of long-term viability. They made a point of saying that long-term actions require a personal contribution, such as transformation in the way each person engaged in the process of sustainability (Šimanskienė & Župerkienė, 2014). As a result, the transformation of self-awareness begins with a person and then spreads to other levels such as a team, business, and community.

Globalization and growing competition are making life more complicated, putting more pressure on the system, and causing leaders to lose sight of themselves during the chaos. Leaders require new ideas, imaginative thinking, and more distinct and successful approaches in addition to their past knowledge, abilities, and competencies. Sustainable businesses require sustainable leaders during these chaotic times (Barut & Onay, 2017). Leaders who can build policies, legislation, and programs that allow social and organizational activities while also driving economic progress are needed for sustainability. While there is much information on administration, management, leadership areas, and even entrepreneurship, there is a data scarcity on sustainable leadership. (Metcalf & Benn, 2013). Conceptual and practical connections between leadership and the concept of sustainability have been established based on offering new perspectives on how to address economic, social, environmental, educational, leadership, and development issues in the future (Hargreaves & Fink, 2003). Being a sustainability leader entails releasing ego-driven assurances of "proper" responses and truly participating in the pushing and pulling process of making decisions with others in the interest of personal and shared goals.

Sustainable leaders understand that paradoxes, inconsistencies, and different points of view are all part of healthy personal communication because they have a better understanding of how our complicated environment works. They know that the effort is derived from differences, and the conflict that may outcome has immense potential for cognitive growth. Rather than avoiding or "managing" conflict, they learn to examine differences with others in manners that maximize the likelihood of uncovering, comprehending, and addressing concerns (Shaw, 2002). Developing sustainability depends on how leaders handle, devote, and defend the concept itself and how they maintain themselves and others who are around them so that they can stick with their perception (Hargreaves & Fink, 2003).
Different researchers have suggested different characteristics and competencies of sustainable leaders that must have extraordinary qualities (Metcalf & Benn, 2013). In this context, ten sustainable leadership qualities have been defined, such as learning, empowering, adapting, developing, participating, connecting, reflecting, sustaining, humility, integrity, and practice. These qualities can be improved further. However, these are the ones that are essential for the leadership community and their ability to meet the future threats to sustainable development. It is necessary to be prepared for the threats to be encountered in the future while today’s economic, environmental, and social needs have been fulfilled (Akins et al., 2013).

Sustainable leaders have a passion for research and learning, they are conscious of calculated risks; they learn from their own mistakes and tell others what they discovered in the process (Ferdig, 2007). Sustainable leader traits are identified as personal characteristics of leaders in a model of sustainability leadership based on empirical evidence of a high correlation result between leadership and sustainability (Visser & Courtice, 2011). Following traits of sustainable leaders:

**Caring/morally driven**: Sustainable leaders are compassionate and ethical, and they are guided by a moral conscience that includes the moral basis of sustainable growth (i.e., justice, environmentalism) (Visser & Courtice, 2011).

**Systemic/holistic thinker**: "Systems thinkers” can recognize the interdependence and interconnectivity of the entire system at all levels, as well as how minor changes in the system affect the overall picture. The most successful sustainability leaders can detect and balance a variety of challenges, including economic viability, client satisfaction, job development, and environmental control (Immelt, 2010).

**Enquiring/open-minded**: Sustainable leaders are receptive to new ideas and viewpoints, particularly those willing to question conventional knowledge and economic growth strategies. Leaders in the field of sustainability, in particular, are eager to learn from intergenerational cooperation (Maso, 2010).

**Self-aware/empathetic**: Leaders in sustainability have high levels of "emotional intelligence," which entails the ability to understand their own and others' emotions, truthfulness, personal integrity, and the capability to listen to others. Sustainability leaders should realize that they will have to make a conscious effort to get themselves and their companies where they want to be in the future (Goleman, 1995, p.16).

**Visionary/courageous**: Sustainability leaders deliver inspiration, creativity, positivism, and courage into their professions. They are goal-oriented and able to combine excitement and vision with desire and reality. Sustainable leaders must also have the confidence to take opportunities and pursue them, with no map to follow other than the one they create for themselves (Quinn & Norton, 2004).

Sustainability leaders create opportunities for people to come together and produce their answers to explore, learn, and prepare a realistic plan for actions to address sustainability issues. Rather than giving directions, sustainability leaders develop and implement actions with others (Ogg, 2010).
Sustainable Leadership Practices

The Rhineland business model has emerged as an alternative philosophy promoting corporate sustainability in Europe that focuses on the long-term sustainability of business and supports its relations with all stakeholders. In the Rhineland model, a firm's success comes from a long-term perspective in decision making, developing a skilled and loyal workforce, and offering innovative products, services, and high-quality solutions. Avery conducted research in 14 companies based in Germany and Switzerland to determine Rhineland and Anglo leadership practices and concluded that the practices of these two models are opposite to each other. Later, Avery obtained practices of sustainable leadership by examining organizations that adopted the Rhineland model, including Scandinavia, South Africa, the USA, Australia, and the UK (Albert, 1992). Avery designed a sustainable leadership framework with 19 distinct sustainable leadership approaches that distinguish it from Rhineland and Anglo-US techniques.

Avery first identified 19 leadership approaches, categorizing them as Rhineland and Anglo/US techniques. She noticed that these two strategies are divided into two fully opposing sets of activities that complement one another. Avery then tested the 19 criteria on a group of companies from around the world that had implemented Rhineland sustainability techniques to varying degrees. The Rhineland approach arose as an economic model for society in Germany and neighbouring countries. The phrase "Anglo-US approach" refers to corporate cultures in the United States and the United Kingdom (Avery & Bergsteiner, 2013). Avery and Bergsteiner increased the number of practices to 23, adding four components as illustrated in Table 1 and the extreme sustainable "honeybee" leadership style and the shareholder-first or "locust" leadership approach to every activity (Avery & Bergsteiner, 2010). Honeybee foundation practices may be established at any moment by the organization: Higher-level practices depend on the presence of some or all of the foundational practices to be successfully implemented, and the customer experience is shaped by the key performance drivers that arise from different combinations of the other practices. The 23 Honeybee leadership aspects from all three levels work together to generate a company's brand image and reputation, customer happiness, operational finances, long-term shareholder value eventually, and long-term value for a variety of stakeholders. Although the elements in Table 1 stated practices, some of them indicated general ideas or attitudes that may all be executed in company-specific ways (Kantabutra & Avery, 2013).

Foundation Practices consist of 14 practices such as programs for employee training, employee maintenance, performance planning, appreciating employees' contributions to consumer commitment, determining whether the manager's position should be the main character or leading member of the team, ensuring ethical behavior, supporting long-term thinking, handling changes in an organization, endeavoring for financial market autonomy, and encouraging environmental and social initiatives (Avery & Bergsteiner, 2011).

Higher-level practices are represented by the six practices, which include developing self-managing workers, decision-making, developing a trusting environment, and generating an organizational mindset that allows leaders to be sustainable and convey organization-related knowledge to others. Firms have been using honeybee leadership methods to improve their overall company performance in the last few years (Avery & Bergsteiner, 2011).

The third and most crucial part of the model are key performance drivers. End-customer experiences are primarily provided by the elements of innovation, worker involvement, and quality, which drive organizational performance. Quality is enhanced through team orientation,
knowledgeable and empowered people, and a culture that encourages information sharing and builds trust. The combination of sustainable leadership practices has been extensively and effectively implemented in many firms all around the world. This is a positive sign for individuals who choose to live their lives and run their businesses in ways that are mindful of their impact on the environment, society, and the prosperity of domestic and international economics (Ferdig, 2007). Sustainable leadership practices are estimated to increase long-term organizational performance (Suriyankietkaew & Avery, 2016) and higher-level techniques (Avery & Bergsteiner, 2011).

**Table 1: Sustainable Leadership Practices**

<table>
<thead>
<tr>
<th>Leadership elements</th>
<th>Sustainable leadership philosophy</th>
<th>Shareholder-first locust philosophy</th>
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<tbody>
<tr>
<td><strong>Foundation Practices</strong></td>
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<tr>
<td>1. Developing people</td>
<td>Develops everyone continuously</td>
<td>Develops people selectively</td>
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<td>2. Labor relations</td>
<td>Seeks cooperation</td>
<td>Acts antagonistically</td>
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<td>3. Retaining staff</td>
<td>Values long tenure at all levels</td>
<td>Accepts high staff turnover</td>
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<td>4. Succession planning</td>
<td>Promotes from within wherever possible</td>
<td>Appoints from outside wherever possible</td>
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<tr>
<td>5. Valuing staff</td>
<td>Is concerned about employees’ welfare</td>
<td>Treats people as interchangeable and a cost</td>
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<td>6. CEO and top team</td>
<td>CEO works as a top team member or speaker</td>
<td>CEO is a decision-maker, a hero</td>
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<td>7. Ethical behavior</td>
<td>Doing-the-right thing as an explicit core value</td>
<td>Ambivalent, negotiable, an assessable risk</td>
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<td>8. Long-or short-term perspective</td>
<td>Prefers the long-term over the short-term</td>
<td>Short-term profits and growth prevail</td>
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<td>9. Organizational change</td>
<td>Change is an evolving and considered process</td>
<td>Change is a fast adjustment, volatile, can be ad hoc</td>
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<td>10. Financial markets orientation</td>
<td>Seeks maximum independence from others</td>
<td>Follows its masters’ will, often slavishly</td>
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<td>11. Responsibility for environment</td>
<td>Protects the environment</td>
<td>Is prepared to exploit the environment</td>
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<td>12. Social responsibility (CSR)</td>
<td>Values people and the community</td>
<td>Exploits people and the community</td>
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<td>13. Stakeholders</td>
<td>Everyone matters</td>
<td>Only shareholders matter</td>
</tr>
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<td>14. Vision’s role in the business</td>
<td>A shared view of the future is an essential strategic tool</td>
<td>The future does not necessarily drive the business</td>
</tr>
<tr>
<td><strong>Higher-level practices</strong></td>
<td></td>
<td></td>
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<tr>
<td>15. Decision Making</td>
<td>Is consensual and devolved</td>
<td>Is primarily manager-centered</td>
</tr>
<tr>
<td>16. Self-management</td>
<td>Staff are mostly self-managing</td>
<td>Managers manage</td>
</tr>
<tr>
<td>17. Team orientation</td>
<td>Teams are extensive and empowered</td>
<td>Teams are limited and manager-centered</td>
</tr>
<tr>
<td>18. Culture</td>
<td>Fosters an enabling, widely shared culture</td>
<td>Culture is weak except for a focus on short-term-results that may or may not be shared</td>
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<tr>
<td>19. Trust</td>
<td>Spreads throughout the organization</td>
<td>Limits knowledge to a few “gatekeepers”</td>
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<tr>
<td>20. Knowledge sharing and retention</td>
<td>High trust through relationships and goodwill</td>
<td>Control and monitoring compensate for low trust</td>
</tr>
<tr>
<td><strong>Key performance drivers</strong></td>
<td></td>
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<tr>
<td>21. Innovation</td>
<td>Strong, systemic, strategic innovation is evident at all levels</td>
<td>Innovation is limited and selective; buys in expertise</td>
</tr>
</tbody>
</table>
Conclusion

This study provides an overview of sustainable leadership (SL) and the importance of sustainable leadership practices in organizations. Sustainable leadership's versatility helps create economic, social, and environmental equilibrium within the organization. Establishing sustainable leadership helps the organization gain a competitive advantage and establish measures to continuously enhance overall performance.

Today’s business executives must successfully navigate their organizations through turbulent economic times while also ensuring their long-term viability. Management must evaluate employees’ views to describe sustainable leadership, and this potential challenge has become a more difficult responsibility for organizational leadership. Thus, all levels of an organization must understand sustainability and sustainable leadership due to the importance of both concepts. The creation of a simple definition and illustration that everyone in the organization can comprehend will also aid organizations in assessing their level of sustainable leadership and focusing organizational activities on long-term survival. Employees’ perceptions will eventually be assessed and easily monitored by the sustainable leadership.

Sustainable leaders are endowed with strong values and are individuals with extraordinary abilities. These individuals are the ones who can correctly read the complex problems they face, solve these problems, and foresee the effects they will create in the future. Therefore, they have an interdisciplinary understanding and a long-term, innovative perspective. They are aware of what an individual can achieve alone, and therefore they support teamwork and the multiplier effect of differences while doing this. The main purpose is to build a sustainable world.

It must be mandatory that every manager has sustainable leadership traits and needs to implement sustainable practices to prevent overconsumption and reduce waste. Environmentally responsible business practices help to improve organizations’ profitability and help them create a competitive advantage in the market. Although the concept of sustainable leadership is still being developed and shaped, its significant effect becomes important in organizations. Today’s governments are not ignoring the fact that sustainability is important for our planet, economy, and future generations, and it is supported by a variety of projects; not only the government, but also local and private organizations must be inspired by the works and projects carried out. They must carry out sustainable projects and business practices to support national sustainability.

Our paper focused on providing detailed information based on sustainable leadership and business practices related to sustainability. A literature review is the crucial foundation of any empirical study. This study aimed to shed light on future empirical studies based on sustainability leadership. Unfortunately, there are not enough empirical studies in the literature considering comparisons of managers in various countries. In this context, this study provides the foundation and inspiration for a comparison of Hungarian and Turkish managers’ sustainable leadership traits and their sustainable business practices in local organizations.
References


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