

Impact of Strategic Leadership on The Sustainability Performance: Evidence from Iraq

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Abstract

The contemporary business environment is marked by a changing landscape emphasizing sustainable business thinking. The relentlessly increasing expectations from stakeholders instigated such a change. Society, suppliers, and clients are cornerstones increasingly voicing their desire for companies to contribute to positive change in the outside world through products and services that lessen adverse social and environmental effects. This study focuses on this leadership approach to understand how leaders affect sustainability performance. The paper examines the impact of strategic leadership on the company's Sustainability Performance, where the first independent variable, which is (strategic leadership), was used in only one dimension. In contrast, the dependent variable (Sustainability Performance) was dealt with in three dimensions, including (environmental performance, social performance, and economic performance). The results show a significant positive and strong correlation and influence relationship between strategic leadership and Sustainability Performance. Therefore, efforts should be made to develop the leadership working in the governorate's office by holding specialized courses and workshops related to the variables. It is also necessary to encourage the adoption of administrative policies that aim to develop aspects of environmental performance, social performance, and economic performance management.

Keywords: Strategic Leadership, Sustainability Performance, Environmental Performance, Social performance, economic performance

1. Introduction

The imperatives of implanting sustainability in corporate strategy are gaining recognition (Broadbent et al., 1999). Firms benefit more by integrating sustainability into their strategy rather than pursuing an unrelated donor strategy. Key to this proposition is effective leadership, i.e., strategic leadership that foregrounds teamwork, organizational

learning, customer orientation, and innovation (Ittner et al., 2003). As companies vie to establish an edge in their sustainability strategies, a potential area that remains underexplored is the role of leadership in guiding sustainability performance. Thus, organizational leaders need to think from a strategic perspective, taking into account long-term environmental and social concerns, and making decisions based on opportunities, stakeholder perspectives, and the risks associated with these choices (Adams et al., 2011). In recent decades, not least due to ecological and social challenges, sustainability has become a pivotal issue for business companies worldwide. In response, many firms have shifted their strategic orientation towards sustainability. However, the success of a sustainable strategy requires leaders who will guide their companies towards sustainability in its various dimensions. Strategic leadership is based on leaders' functioning in contemporary business, where changes are frequent and constitute a permanent condition (Adams et al., 2011). Sustainable strategy, as distinct from sustainable leadership, concerns an area that emerged in response to the expectations of customers and other stakeholders and is becoming an increasingly important area. The concept of strategic leadership covers both economic and subjective issues, such as human relations or values, and thus suits the new requirements of business and non-business stakeholders.

Sustainability is becoming a crucial concern of our daily lives, constantly attracting greater media and public attention (Al-Wattar et al., 2019). This is further creating pressure and added awareness, thereby driving corporate responsibility. An awareness of these considerations is gradually spreading. Companies are slowly realizing that it makes strategic sense to use resources and create wealth sustainably and responsibly, rather than using resources without pondering the consequences (Ortiz-Rodríguez et al., 2018). Companies have already started thinking about sustainability by adopting an environment, health, safety, and policy approach—also eliminating the adverse impacts of operations through lean management. Additionally, the gradual closure and phasing out of plants due to incurring losses and downsizing would result in lesser depletion of resources and less waste (Al-Hamamre et al., 2017). A more focused approach is needed, emphasizing innovation agendas. More pervasive changes at the strategic front are required. However, certain tensions surface, reflecting upon the business case for sustainability and the micro-macro character of strategic leadership (Inceoglu et al., 2018). Strategic leadership and Sustainability Performance are interrelated concepts in

business management and strategy. Strategic leadership refers to developing and implementing a comprehensive vision and strategy that enables the organization to achieve its goals effectively and efficiently (Jia et al., 2018). While Sustainability Performance means the ability to maintain a competitive advantage over competitors in the long term to achieve Sustainability Performance, strategic leaders and managers must develop different strategies that address many environmental, social, and economic dimensions and adapt the organization to changes in the market and competitive environment and the optimal use of time and flexibility of the organization's organizational structure to reach the desired goals. Therefore, this paper aims to identify strategic leadership's role in achieving sustainable company performance.

2. Theoretical Framework

A significant body of empirical evidence suggests that leadership characteristics play an essential role in enhancing firms' strategic and financial performance (Mohammed et al., 2014). Strategic leadership involves the creation of a shared culture by the leadership team and the process of leadership that reflects the values and philosophies of the strategic leader. Although several scholars have used the term strategic leadership, it has not been clearly defined and lacks academic consensus (Jia et al., 2018). Despite this, there is an underlying agreement that strategic leaders can significantly affect the sustainability performance of the firm. Several leadership theories describe the qualities and behavioral attributes of leaders that may affect the behavior of followers in the context of sustainability performance (Markard et al., 2012). This study focuses on this kind of leadership approach aiming to understand the effect of leaders on sustainability performance.

Strategic leadership has eluded a consensus definition, but what appears to be at the core of this motivational approach is a focus on internal constituents and values of the firm (Geels, 2013). Therefore, an understanding of this highly motivational approach might also offer an opportunity for a better understanding of the underlying motivational needs to adopt sustainability within the organization (Santoyo–Castelazo & Azapagic, 2014).

Leadership theories have been used extensively in the field of strategic management to investigate the effect of external and internal leaders on strategic decisions impacting strategic performance (Rajnoha & Lesníková, 2016). Leaders use their thinking processes more frequently than managers to make decisions. Transformational leadership has also been associated positively with strategic thinking, which might provide a leadership theory for embedding strategic thinking within the firm.

2.1. Strategic Leadership Theories

Strategic leadership is crucial in a company's pursuit of Sustainability Performance (Jaleha & Machuki, 2018). This becomes especially critical in complex, uncertain, and volatile situations, where it may not be realistic to expect employees to display discretionary effort and behavior for the greater good of the company (Mohammed et al., 2014). We establish a conceptual model in which leadership affects organizational culture and commitments, and social business supports cultural development and long-run leadership strategies. Many empirical studies show that leaders have the capacity to influence the culture and climate of the organizations they work with, and organizational culture has been linked to organizational performance (Yang, 2019). Research, in general, has long established the link between effective leadership and financial performance. Our focus of interest is the longer-term impact of their leadership strategies on the organization's economic, human, and social performance (Fitri et al., 2019).

Just as corporate social performance could have a positive impact on corporate financial performance, other research provides correlational evidence of positive links among company performance, social initiatives, and the reputation and working environment of the organization (Marcon et al., 2017). It thus seems conceivable that leaders who prioritize sustainability might subsequently develop organizational legitimacy from stakeholders, assuring them further advantage and the resources necessary for sustainability-based strategies (Ortiz-Rodríguez et al., 2018). Although the trade-offs may be substantial, so-called 'soft' returns and their ultimate impact on the firm may be

deferred, the sustainability literature suggests that a good leader makes an important trade-off for the long-term good of the firm (Wei et al., 2017). The effectiveness of leadership, in turn, should generate significant income in pursuing new projects (economic and technological development, success in internal development of younger talent, and security in the supply chain, legitimacy and respect in stakeholder relations, and sustainability in addressing environmental impacts) (Schaltegger et al., 2017). Another important aspect of leadership effectiveness is to ensure that the strategies employed by top management are well aligned with sustainability implementation through core activities. Inconsistent or non-aligned strategies are often the historically documented indicators of failure of any type of change initiative (Evans et al., 2017). Crucial, finally, is the ability to implement change in individual and cultural values essential to realizing sustainability strategies (Santoyo-Castelazo & Azapagic, 2014). In combination, these last three leadership strategies help to ensure that sustainability strategies are successfully transformed. Since developing sustainability theories, scholars have sought to draw on specific leadership theories to predict behaviors that will drive sustainability performance (APOSTOL, 2019). For instance, transformational leadership theory has been put forward as a foundation for building a sustainable enterprise. It highlights that transformational leaders can inspire and excite people, increasing their commitment and effort into their jobs. Servant leadership was suggested as an effective leadership style to promote sustainability in sport. It is noted that servant leaders serve followers, employees, and the community, first by listening, empathizing, building trust, and developing people (Zabolotnyy & Wasilewski, 2019). The theory of adaptive leadership enables stakeholders to handle new issues and persistently work on solving problems in their organizations and encourages stakeholders to find the difficult, often well-hidden work that is necessary for sustainability (Nelson & Squires, 2017). A dynamic and developmental model of leadership recognizes that appropriate leadership behaviors vary widely depending on organizational culture or individual characteristics. Similarly, the

value of ethical and authentic leadership styles is noted in formulating stakeholder commitment to sustainability.

2.2. Strategic Leadership Practices for Sustainability

Strategic leadership theories, such as transformational leadership, authentic leadership, adaptive leadership, distributed leadership, or distributed transformational leadership theories, present the characteristics and behaviors of a strategic leader that are applicable to create sustainable development content that often requires stakeholder buy-in and commitment (Celik et al., 2016). Traditional leadership theories ignore the complex interdependencies between economic, social, and environmental systems that characterize sustainability and encourage leaders to focus too much on making a profit or achieving efficiency in the short-term future (Uhl-Bien et al., 2007). Strategic leadership theories offer a more systematic account of the requirements of leaders to meet the manifold goals that characterize sustainable development (Simsek et al., 2018). Consequently, these theories could sometimes produce counterintuitive leadership behaviors, as when a distributive leader delegates leadership functions to increase the collective capacity of the enterprise to adopt more strategic goals with a longer time horizon. Therefore, in order for the sustainable development stakes not to be undermined, the sustainable character is to be adapted to the theories of strategic leadership.

Strategic leader practices for sustainability managers must be strategic leaders capable of integrating sustainable practices into their organization in a way that does not create resistance, but rather positively engages stakeholders (Hitt et al., 2005). This embedded sustainable thinking represents the crux of creating sustainable value within an organization (Ireland & Hitt, 2005). The integration of positive sustainability initiatives is related to the type of culture an organization strives for in its pursuit of a sustainability vision and its perceived environmental efforts. Broadly taken, strategic leaders can demonstrate a commitment to sustainability through organizational initiatives and the communication of organizational vision down through leadership and worker levels.

Leaders in an organization are in a unique position to shape the strategic direction of the organization (Crossan et al., 2008). Consequently, the strategic leadership at the organization's top sets the stage for commitment from the remaining workforce. It indicates to internal and external stakeholders that the firm is committed to sustainable endeavors. Thus, a strategic leader in an upper position can better shape the value of sustainable direction by effectively communicating the vision, optimizing goal setting, and creating two-way communication that supports these goals (Crossan et al., 2008). This normative guidance is centered on developers of sustainable visions and follows the narrative on fostering ideas about developing sustainable practices, such as those rooted within a beleaguered institution. Such an approach can further a more multifaceted and mature inquiry into sustainable entrepreneurship. Based on the literature review, the strategic leadership practices that are in use and will be adapted to achieve Sustainability Performance are listed. The value of efficiency in pursuing a visionary and inspiring organizational mission that seeks to make a difference is found in organizations that emphasize quality and innovation in the decision-making process. Successful strategies require leveraging supply chain knowledge to create innovation that aligns with business sustainability (Narasimhan & Narayanan, 2013). Furthermore, the inclusion of stakeholders who provide support to achieve organizational goals, commitment, and participation increases the success rate of the practice. In addition, increasing innovation efforts, employee and stakeholder commitment, transparency in behavior, and corporate performance is supported by involving stakeholders in decision-making processes concerned with creating networks. Also, creating transparency in an organization is one of the successful practices in ethical and environmental management that builds trust. Executives should openly communicate, embrace, and internalize the practices of accountability in daily operations, thus positively impacting company performance. Moreover, researchers found that the leadership at the plant level can include managers and employees in environmentally responsible initiatives, thus positively impacting the financial and environmental performance of the company. Lower managers can also

commit to the value of sustainability with incentives. Cultivating leadership that embeds sustainability into an organization ultimately creates a synergy between strategy, culture, and operations.

2.3. Research Hypotheses

The relationship between strategic leadership and sustainable firm performance can be captured from different theoretical frameworks. For instance, the role of strategic leaders who promote new organizational cultures, like transformational leaders, can foster sustainable practices. Similarly, in systems theory, the enterprise becomes a living system that has an influence on and is influenced by the larger society. The conceptualization of leadership drawing upon these theories supports the shift towards corporate sustainability. In line with this, several models have been developed to emphasize the critical role of leadership in spurring innovation, environmental practices, corporate social responsibility, and good governance, among others. Besides, theoretical insights are relevant to consider how the wide array of leadership theories and practices can be linked to the design of a firm's sustainability strategy.

Theoretical perspectives underpinning this study are particularly important because they illustrate the behavioral and organizational mechanisms that enable strategic leaders to drive change towards corporate sustainability. Managing and ensuring corporate sustainability is an important aspect of strategic leadership. Indeed, strategic leaders must integrate environmental, social, and governance policies to ensure sustainability. While the role of strategic leaders appears crucial, the theories used to study strategic leadership do not systematically consider corporate sustainability as an indicator of organizational performance. The study of corporate sustainability and strategic leadership is gradually emerging. Given these intriguing issues, the main purpose of this study is to integrate existing leadership theories to address corporate sustainability. The research is based on one main hypothesis, which states the following:

There is a positive significant correlation between strategic leadership and sustainable corporate performance, and several sub-hypotheses emerge from this hypothesis:

Sub-hypothesis 1: There is a positive significant correlation between strategic leadership and sustainable environmental performance.

Sub-hypothesis 2: There is a positive significant correlation between strategic leadership and sustainable social performance.

Sub-hypothesis 3: There is a positive significant correlation between strategic leadership and sustainable economic performance

3. Methodology

The study sample was represented by the leaders in the Diwan of Najaf Governorate, as the Diwan of Najaf Governorate is the place of work of the researcher for more than 25 years. The research sample was (104) officials through whom the questionnaire was conducted, which is the primary source for collecting practical research data, with (21) paragraphs distributed between strategic leadership and Sustainability Performance dimensions. The data from the questionnaires were used to conduct statistical analysis through the program (SPSS.Ver.28), and the results, standard deviation, regression coefficient, and arithmetic mean were extracted.

4. Results

In this section, each hypothesis will be verified separately, and for this purpose the correlation between the independent variable and its relationship with the dependent variable has been calculated to indicate the nature of the link in terms of value, direction and significance, and simple linear regression has been used to show the impact of the independent variable in the dependent variable and the following is a detailed presentation to verify the two hypotheses of the study:

The first main hypothesis: states that "there is a statistically significant correlation between strategic leadership (as an independent factor) and Sustainability Performance (as a dependent factor) in local administration."

To show whether or not the hypothesis is accepted, Pearson's correlation coefficient between strategic leadership and Sustainability Performance dimensions was calculated in the light of testing the following sub-hypotheses:

First sub-hypothesis: There is a statistically significant correlation between strategic leadership and environmental performance in local administration.

1- Second sub-hypothesis: There is a statistically significant correlation between strategic leadership and social performance in local administration.

2- The third sub-hypothesis: There is a statistically significant correlation between strategic leadership and economic performance in local administration.

Table 1. Statistical outputs of the relationship between strategic leadership and Sustainability Performance dimensions

Dimension	Correlation coefficient	Significance level
Environmental Performance	0.784**	0.01
Social Performance	0.711**	0.01
Economic performance	0.817**	0.01
Total Sustainability Performance	0.843**	0.01

Table 1 shows the following:

1- Strategic leadership is positively correlated strongly and morally (0.784) at the level of significance (0.01) with the dimension of environmental performance, and this means that the greater the leader's ability to plan, understand, implement and follow up to achieve the goals of the organization, the higher the Sustainability Performance through the creation of a comprehensive new idea and its practical application within the organization, and in light of this the first sub-hypothesis emanating from the first main hypothesis is achieved, and thus we accept the hypothesis that states that "There is a statistically significant correlation between Strategic leadership and environmental performance in local administration."

2- Strategic leadership is positively linked strongly and morally (0.711) at the level of significance (0.01) with the dimension of social performance, and this means that the greater the leader's ability to plan, understand, implement and follow up to achieve the goals of the organization, the higher the Sustainability Performance through the ability to respond to various variables that may occur in the work of organizations and aims to deal with these variables and improve the performance of the organization to achieve its goals, and in light of this the second sub-hypothesis emanating from the main hypothesis is achieved. First, we accept the hypothesis that "there is a statistically significant correlation between strategic leadership and social performance in local administration."

3- Strategic leadership is positively correlated with a strong moral (0.817) at the level of significance (0.01) with the dimension of economic performance, and this means that the greater the leader's ability to plan, understand, implement and follow up to achieve the goals of the organization, the higher the Sustainability Performance by employing the time period associated with planning, organization, guidance, supervision, communication with others, decision-making and control, and in light of this, the third sub-hypothesis emanating from the first main hypothesis is achieved, and thus we accept the hypothesis that states "There is a statistically significant correlation between strategic leadership and economic performance in local administration."

In order to ensure the strength of the correlation between the independent variable and the total dependent variable, the correlation coefficient was measured, which amounted to (0.843) at the level of significance (0.01), and in light of this and the validity of the three sub-hypotheses, we say the validity of the first main hypothesis, which states that "there is a statistically significant correlation between strategic leadership (as an independent factor) and Sustainability Performance (as a dependent factor) in the local management."

The second main hypothesis: "There is a statistically significant impact of strategic leadership on Sustainability Performance in local administration."

To demonstrate the acceptance of the hypothesis or not, a simple linear regression analysis was performed between strategic leadership and Sustainability Performance dimensions to test the following sub-hypotheses:

- 1- The first sub-hypothesis: There is a statistically significant impact of strategic leadership on environmental performance in local administration.
- 2- Second sub-hypothesis: There is a statistically significant effect of strategic leadership on social performance in local administration.
- 3- Third sub-hypothesis: There is a statistically significant impact of strategic leadership on economic performance in local administration.

The following are the statistical outputs of simple linear regression analysis:

Table 2. Linear regression coefficients for the impact of strategic leadership on Sustainability Performance dimensions

Dimension	Coefficient of determination R ²	F value	Significance level	Hard	Value B	t-value	Significance level
Environmental Performance	0.614	149.513	0.01	Regression constant	0.687	2.783	0.01
				Environmental Performance	0.803	12.228	0.01
Social Performance	0.509	96.173	0.01	Regression constant	0.792	2.641	0.01
				Social Performance	0.782	9.807	0.01
Economic performance	0.667	188.210	0.01	Regression constant	0.364	1.490	0.14
				Economic performance	0.890	13.719	0.01
TotalSustainability Performance	0.710	230.300	0.01	Regression constant	0.615	3.010	0.01
				Sustainability Performance	0.825	15.176	0.01

Tabular value (F) with degrees of freedom (1.94) and at the level of significance (0.01) = 8.24, tabular value (t) with degrees of freedom (94) and at the level of significance (0.01) = 2.629

The statistical outputs of the simple linear regression analysis shown in Table (19) show the following indications:

- 1- The presence of a statistically significant effect at the level of (0.01) of strategic leadership in the dimensions of Sustainability Performance, where the calculated values of (F) were higher than the value of (F) tabular and this indicates the proof of the significance of the regression.
- 2- Significant significance of the regression coefficients (B value) for the dimensions of Sustainability Performance where the calculated values of (t) were higher than the tabular value (t) at the level of (0.01).
- 3- The values of the coefficient of determination (0.614, 0.509, 0.667) to measure the impact of strategic leadership in the dimensions of Sustainability Performance (environmental performance, social performance, economic performance) respectively, which means that strategic leadership interprets the amount of (61.4%) of the variation in environmental performance, and in terms of a constant value after environmental performance, the change is one unit in the strategic leadership scale leads to an amount of (0.803) of change in environmental performance.
- 4- Strategic leadership explains (50.9%) of the variation in social performance, and in terms of the value of a constant after social performance, the change is one unit in the strategic leadership scale leads to (0.782) of change in social performance.
- 5- Strategic leadership explains (66.7%) of the variation in economic performance, and in terms of a constant value after economic performance, the change is one unit in the strategic leadership scale leads to (0.890) of change in economic performance.

Thus, the validity of the three sub-hypotheses of the impact of strategic leadership in the dimensions of Sustainability Performance is proved, and for the purpose of ascertaining the significance of the impact of the independent variable on the total dependent variable, the outputs of the impact force were measured and showed a statistically significant effect at the level of (0.01) of strategic leadership in the total Sustainability Performance, where the calculated values of (F) were higher than the value of (F) tabular and this indicates the proof of the significance of the regression. The value of the coefficient of determination of (0.710) Strategic leadership explains the amount (71.0%) of the variation in Sustainability Performance. In light of this and the validity of the three sub-hypotheses, we say the validity of the second main hypothesis, which states that "there is a statistically significant impact of strategic leadership on Sustainability Performance in local administration."

5. Conclusions

In conclusion, this essay offers an analysis of what role strategic leadership might play in enhancing sustainability performance. Our examination leads us to argue that strategic leadership constitutes a necessary antecedent for the implementation of pro-environmental supply chain strategies, since it has a bearing on managerial attitudes and routines. In addition, it demonstrates how strategic leadership is also linked to higher sustainability performance. As such, our essay adds a novel viewpoint to the existing knowledge by drawing on an upper echelon research perspective that focuses on strategic decision-making on the demand side of supply chains. The results show that despite the importance of the provincial offices because they are the pinnacle of local executive authority (executive leadership) and are the body responsible for citizens' complaints, requirements and services, there has not been sufficient attention to studies that address the aspect of strategic leadership. It also shows the absence of research and studies related to the concept of Sustainability Performance in all provincial offices and the Najaf Governorate Office in particular, despite the fact that the concept of competitive advantage is one of the most prominent concepts that were the legal justification for the Law of Non-

Regional Provinces No. (21) of 2008, as amended. In addition, there are many knowledge gaps regarding the concept of strategic leadership at the level of local studies, especially studies that address the executive authority as a research sample. Strategic leadership also plays the most important and prominent role in the success and progress of any organization and even achieving Sustainability Performance. The results also show a slight relative difference in the treatment of some concepts related to strategic leadership by a number of researchers, and it was concluded that this difference arises as a result of the difference in the environments and samples studied. The available literature on the concept of Sustainability Performance shows that the researcher noted that there is a difference between researchers in terms of their approach to the dimensions of Sustainability Performance and concluded that this difference is a result of economic, political and social developments as well as the difference in the samples studied and the nature of the knowledge gap addressed by the researcher. The leaders in the Diwan of Najaf Governorate also attach great importance to the concept of Sustainability Performance and seek to achieve it. Strategic leadership is strongly and positively linked to the environmental performance dimension by increasing the leader's ability to find new and comprehensive mechanisms and ways to achieve the organization's goals. The second dimension in terms of influence after the economic performance dimension and according to the statistical outputs. There is a strong and positive moral correlation between strategic leadership and the social performance dimension, as this dimension aims to respond and deal with various emergency variables that the organization may be exposed to for the purpose of adaptation, alignment and improving performance in a manner that aims to achieve the organization's visions. There is a strong positive correlation between strategic leadership and the economic performance dimension through the importance of employing the time period associated with all processes related to strategic leadership such as planning, organizing, directing, implementing, following up, communicating and the rest of the processes. There is a statistically significant positive correlation between strategic leadership (as an independent factor) and Sustainability

Performance (as a dependent factor) within the studied sample (Diwan of Najaf Governorate). Despite the availability of all dimensions related to Sustainability Performance that the researcher addressed and represented (environmental performance, social performance, economic performance), the researcher noted that the dimension (economic performance) is the most influential among the studied dimensions as a result of the statistical outputs of the studied sample (leaders within the Diwan of Najaf Governorate).

It is widely thought that having a strategic vision and leadership support is necessary when operational management makes decisions about innovations. When the innovations also include sustainability issues, the need for supportive strategic leadership is likely to be even more crucial. Strategic leadership is the responsibility in which the leader decides and makes strategies in organizations to sustain the competitive strength of the organization in the market. The role of strategic leaders is not limited to the strategies only, but it includes the sustainability of the strategies. It is noted that strategies are important and strategic leadership is also important, as strategies cannot be achieved without the support of the strategic leaders. This paper focused on the role of strategic leadership in sustainability performance that fulfills the need for sustainable practices at the firms. The essence is that not only are top managers responsible for contributing to the organization's competitiveness by taking into account the factors that are volatile, uncertain, complex, and ambiguous, but also leaders are accountable for supporting each and every step that is taken in the betterment of a business. Leaders essentially equip managers and stakeholders to bestow a sense of responsibility for maximizing ROI and achieving business goals. Leaders must instill their belief that sustainability is an enduring concept that is operationalized by ensuring that a product is viable in its users' hands. Moreover, leaders will discover that businesses extend beyond business sustainability and growth and further into the domain of contribution towards ecological balance. A detailed research study may better inform the leaders' presumed problems and thereby provide suggestions for business growth. The contribution of this paper to academia can be

viewed from different angles. It is suggested that strategic leadership support will, for this reason, establish the addition of sustainability performance in terms of the surrounding hostility of the strategies intended at performing organizational opposition.

6. Discussion

Sustainable leadership is rooted in strategic leadership. It is about setting the direction of a company and creating an inspiring, beneficial, and trustworthy vision that has a positive impact on the company's role in society. Strategic leaders articulate a clear vision for the future of the organization to foster continuous strategic change and make the necessary transformations to ensure future economic value creation. Leaders guide innovation as a driving force for sustainability in organizations. Innovation can become a leading principle reflecting sustainability as an important credential for organizations that consider sustainable behavior as the right attitude and the only possible way to operate.

The efficient way to move an organization from its current state to a new desired state and adapt to changes that are often difficult is through strategic leadership for sustainability. Change management largely employs three models to help leaders effect desired changes across different employee levels in various organizational functions or units. Models available to effect and manage change include the Lewin model of unfreezing, movement, and refreezing; the Kotter model for strategic change; and Senge's model of organizational learning. Each model employed by leaders to effect organizational change can be applied to increase environmental management. Successful leaders, teams, and change agents use a systematic approach to address the many barriers to change. Some common barriers to change from traditional practices to more sustainable ones include resistance from employees, a lack of motivation, employees who may lack the essential skills, tools, and resources necessary to facilitate the change, inconsistent change practices leading to poor communication, corporate inertia, and resistance. It is therefore critical to develop a culture of continuous improvement if the organization is to move forward and meet and exceed all sustainable development expectations and target

performance indicators. Innovative knowledge and new market opportunities are exploited through breakthrough creative thinking. A view of solutions to long-term improvements is rapidly integrated into systems for lasting success. Another important factor to consider in driving strategic leadership for sustainability is that internal perspectives and activities aimed at pursuing more profitable, client-centric, and stakeholder-centric activities are linked directly with a company's ability to create and deliver a comprehensive, lower-unit institutional-cost operation. This total-cost/unit-cost interaction allows for greater output at less environmental management expense.

Innovation, both process-driven and opportunistic, is important to achieving a company's sustainability goals. Strategic innovation for sustainability can generate multi-million dollar savings in the operational phase and is a differentiator for product performance in the marketplace. Reforesting large areas, sequestering carbon in oil wells, and using chemical plants to convert CO₂ captured from coal power stations into a non-polluting salt are potentially the best local and global engineering and biological solutions to reverse global warming.

Creating organizational systems for innovation Culturally, a 'sustainable' organization will have incorporated rewards for entanglement, risk analysis and minimization, long-term perspectives, and an openness to experimental options. On a personal level, a sense of adventure, rewards for cultural and scientific alignment, and welcome overstepping of cultural norms will be visibly encouraged. Organizations go wrong when these features are part of the official 'line' on risk but are never reflected in the underlying setup, critique, or management systems. Trust and open channels of communication are the key factors in an organization that truly believes in risk monitoring and reward for change. One of the best-accepted ways of changing organizational practices is through Creativity & Innovation initiatives. For this reason, investments such as training and time, for example, in creativity and innovation, despite their considerable investment costs, have been suggested. The main shortcoming of the C&I initiative, however, is that they are not for everyone and typically only engage enthusiastic workers..

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