Reconceptualising sustainability and sustainable business practices in contemporary management

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Abstract
Sustainability has become an essential pillar of business strategy in the contemporary business landscape of globalisation. Businesses are increasingly expected to balance between economic performance alongside social responsibility and environmental stewardship to optimise long-run business growth and value creation for stakeholders. Sustainability is an integrated approach in business, which involves incorporating principles of environmental, social and governance (ESG) into business decisions and operations.
The present study highlights the role of sustainability and sustainable business practices as a multidimensional framework that includes environmental stewardship, social responsibility, and economic viability in improving corporate reputation, customer trust, brand loyalty, corporate efficiency and long-run competitive advantage. The present study also explore the rising significance of sustainability in consumer decision-making, as today's consumers are more likely to choose companies that shows ethical behaviour and environmental responsibility.
Moreover, the strategic significance of sustainability in relation to current issues like climate change, scarcity of resources, government regulations, and stakeholder expectations are also discussed. It further provides directions on how to create and execute sustainable business strategies, such as engaging with stakeholders, adopting technology and technology-driven innovations, good governance, and circular economy practices.
Furthermore, the research highlights the key challenges to sustainability adoption, including implementation costs, lack of expertise, knowledge and resistance to change. The present study is based on the existing literature and real-life business illustrations and the authors conclude that sustainability is not only a moral duty, but also a strategic one, necessary for being resilient, profitable, and gaining a sustainable competitive advantage.

Keywords: Sustainability, Sustainable business practices, Globalisation, Environmental stewardship, ESG, Brand loyalty, Competitive advantage

Introduction
Sustainability has become one of the most important concepts in modern society, business and public policy. Sustainability is founded on the principle of balancing the needs of the present without depriving future generations of their needs. Traditionally, sustainability has been seen mostly in connection with the conservation of the environment and the responsible use of natural resources. Over time, the scope of sustainability has grown significantly. Modern concept of sustainability goes beyond the environment and includes social responsibility and economic growth. This covers the aspects of minimising the environmental impacts, enabling ethical governance, ensuring the health and wellbeing of its employees, contributing to the development of its communities, and delivering long-run value to all stakeholders. This holistic view is often named as Environmental, Social and Governance (ESG) principles that serve as a framework for organisations to operate in a way that is compatible with sustainable development goals.

Sustainability is widely perceived in terms of its three dimensions, namely, environmental, social, and economic. Environmental sustainability entails the use of environmentally friendly technologies, minimisation of wastes, effective use of natural resources and minimisation of carbon footprints. Social sustainability is concerned with the well-being of the stakeholders, fair labour practices, inclusivity, and community development. Economical sustainability is a way of ensuring that organisations are viable, competitive and profitable in the long run without exploiting human or natural resources. These dimensions are not only integrated to improve the efficiency of operations but also to increase brand credibility, consumer trust, and long-term customer loyalty.

In the modern competitive environment, businesses have a unique opportunity to benefit by matching their products with the increasing concerns of consumers regarding the environment and social problems. Organisations can positively impact consumer attitudes, including altruism, purchase intention, loyalty, and even customer advocacy by offering environmentally friendly products and engaging in responsible practices. The success of such strategies is highly determined by the success of organisations in integrating sustainability in their fundamental economic, social, and environmental roles. In addition, sustainability is a driver of innovation in products, processes, and business models. It also challenges organisations to come up with new solutions that are efficient, as well as environmentally and socially responsible. These innovation-based practices boost brand image, customer perceptions, and market positioning. Transparency, ethical behaviour, and sustainability-focused management practices are critical in the creation of strong customer relationships, minimisation of business risks, organisational resilience, and long-term business success.

Literature review

Agrawal *et al*. (2025) [1] studied sustainable entrepreneurship and innovation through the Resource Based View (RBV) theory. The study focuses on determining the major limitations that restrain firm to attain sustainable performance and innovation. They highlights that the competitive advantage of a firm is determined by its capacity to use and take advantage of resources efficiently. The results indicate that the key obstacles to sustainable entrepreneurship are financial constraints, regulatory challenges, and inadequate technological infrastructure.

Wu, Lim, & Lim (2025) [8] also focused on enhancing sustainable development by observing the role of Green Knowledge Sharing (GKS) in Green Competitive Advantage (GCA). They hypothesize that Green Technology Innovation (GTI) and Green Brand Image (GBI) enhance this relationship, whereas Corporate Social Responsibility (CSR) moderates it. The study concludes that GKS, GTI, and GBI have a positive impact on GCA. The study emphasises that companies should to invest in green innovation and brand building in addition to knowledge sharing to improve sustainability.

Sharma *et al*. (2025) [7] explored the possibilities of smart supply chains to increase the use of sustainable business practices. The study combines the ideas of more new technologies, green and distribution practices to support supply chain management. The results find that smart supply chain management have a positive impact on agility and resilience of organisations, which lead to enhanced sustainable business performances. The study concludes that the organisations that implement smart technologies are in a way better position to deal with the market uncertainties and disruptions.

Sahoo, Kumar & Upadhyay (2023) [6] analysed the environmental technology innovation and Green Knowledge Management as one of the driving forces that help firms to gain and use environmental knowledge. The findings show that green knowledge acquisition is a significant positive influence on green technology innovation, and environmental performance. The research indicates sustainable environmental performance as a key element to achieve the long-term is effective knowledge systems and innovative potential.

González-Ramos, Donate & Guadamillas (2023) [3] focused on the connection that Corporate Social Responsibility (CSR) and Knowledge Management (KM) strategies possess in improving the innovation ability in framing business strategy. The study highlights the role of KM in capturing, sharing and utilising the organisational knowledge for fostering innovation. They conclude that CSR initiatives have a positive impact on intellectual capital management as it creates an ethical culture, engages stakeholders and promotes knowledge sharing.

Ramachandran & Balasubramanian (2020) [5] explored that the economic sustainability of a business is essential to its long-term survival because it is more expensive to get new set of buyers or loyal customers than to retain the already existing customers. They also found that loyal customers often spend much more than the new buyers. The study also examines the impact of brand loyalty among the consumers, especially in the segment of technologically advanced products. The research concludes that the sustainability is the key element for developing brand loyalty among existing customers and to attract new customers.

Objectives of the study

The primary objective is to explore the relevance of the sustainability and sustainable business practices in contemporary business perspective. To peruse the primary objective, the present study will address the following specific objectives:

- To investigate sustainability as a holistic approach and comprehensive strategy of businesses.
- To examine the benefits of sustainability and sustainable business practices in contemporary management.
- To identify and explain the strategies for sustainable business practices for establishing the organisational sustainability.
- To explore the potential of the implementation of sustainability for the businesses.
- To evaluate the key challenges and limitations of sustainability and sustainable business practices implementation and maintenance.

Research methodology

The present study is based on the secondary data obtained from diverse sources such as academic journals, government websites, official reports, and publications from companies. It provides a detailed introduction to sustainability, sustainable business practices and corporate governance, particularly as these are tools for achieving competitive advantage.

The paper also explores the link between sustainability, sustainable business practices and corporate governance in organisations, and the practical aspect of sustainability policies. The research methodologically takes both descriptive and exploratory approaches to analyse and interpret the existing literature.

Sustainability - a holistic approach

Sustainability in the contemporary management is a holistic and long-term approach that integrates economic, environmental, and social aspects into the business decisions and policies. Incorporating sustainable principles could help organisations create a more equitable and resilient future and improve their long-run success and competitive edge. On a strategic level, sustainability can help organisations become more resilient, competitive and improve their long-run performance. Sustainable practices help foster better resource efficiencies, innovation, risk management, regulatory compliance and stakeholder trust. In addition, consumers, investors, and governments demand responsible and transparent business practices. This has turned sustainability into a strategic essential for organisations aiming to grow sustainably and remain relevant in the ever-evolving global landscape. The holistic approach of sustainability can be divided into two parts, understanding sustainability and defining the value of sustainability in real terms.

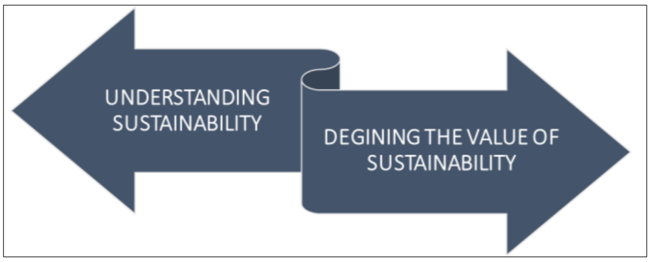

Fig 1: Holistic approach of sustainability

a) Understanding sustainability

In the management context, sustainability is the effect of the business on society and the environment in its activities, strategies and decision making. A sustainable business strategy aims to make a positive impact, to help solve some of the biggest global issues and to enable sustainable organisation growth. Sustainable business practices also help to address some global issues like climate change, income inequality, depletion of natural resources, increasing pollution, etc.

Sustainability efforts can also contribute to the overall improvement of an organisation's performance and competitiveness. Sustainability initiatives and programs can be high initial costs, but can also lead to high returns in the long run due to efficiency, risk management, and stakeholder trust. Many studies have shown that highly sustainable businesses outperform their peers in the long run. The Environmental, Social, and Governance (ESG) metrics are widely used indicators to evaluate the ethical conduct and sustainability practices of companies. According to McKinsey, companies having greater ESG ratings consistently outperform their competitors in the market in the long run. Innovative and sustainable business models are becoming more popular with leading organisations to reach customers, build brand loyalty, and increase operational efficiency.

b) Defining the value of sustainability in real terms

In the contemporary management perspective, sustainability is considered as an essential for strategic planning. An increasing number of organisations are expected to reduce the environmental impact, while operating economically and meeting social responsibilities. Inconsistent responses to sustainability issues can lead to problems with growth, profitability, risk management, employee retention, and stakeholder confidence. Sustainable management can be regarded as incorporating sustainability concepts into management to develop a sustainable business model. Economic growth, social equity, and environmental protection are the three main pillars of sustainable development. Thus, sustaining a business is dependent on good profit making and at the same time ensuring social good and environmental conservation.

Sustainability also promotes the shift from a linear economic model to a resource efficiency model of circular economy. This is achieved by sustainable product design, minimisation of waste, reuse, recycling, repair and continual optimisation throughout the lifecycle of products. Sustainability is becoming a more comprehensive approach to innovation, resilience and long-term value creation as industries become more aware of the benefits of resource efficiency.

Benefits of sustainability and sustainable business practices in contemporary management

Sustainable business practices are defined as strategies and operations that manage a company's economic, environmental, and social impacts in a way that balances them. In today's business world, managers are expected to engage in decision-making that incorporates sustainability to meet stakeholder expectations, regulatory demands, and global sustainability issues. Sustainable business practices are essential to the modern management for the organisation's long-term success by focusing on three key areas: environmental awareness, economic progress and social alertness.

a) Environmental awareness

Sustainable business practices promote organisations to take environmentally responsible actions, including energy conservation, waste reduction, resource efficiency, and the use of renewable technologies. Environmental stewardship is a key management concern today, as it enables organisations to reduce their environmental footprint, meet environmental laws and regulations, and enhance their corporate image. Managers who encourage environmental awareness are helping to create sustainable development and increase the resilience and competitiveness of organisations.

b) Economic progress

Sustainable business practices make the business more efficient, cost-effective, innovative, and open up new markets. Sustainable strategies can help organisations to become profitable in the long-term while mitigating risks related to limited resources, environmental laws and regulations, and shifting consumer preferences. Thus, sustainability is a key factor of strategic management and sustainable competitive advantage.

c) Social alertness

Modern management understands the need to consider social issues and the expectations of stakeholders. Sustainable business practices encourage ethical business practices, employee health and safety, consumer safety, diversity, inclusion, and community involvement. Trust and relationship with stakeholders are established and reinforced by socially responsible organisations, thereby improving the organisation's legitimacy and brand value. Managers who are socially alert are a part of a positive organisational culture and help the organisation grow sustainably.

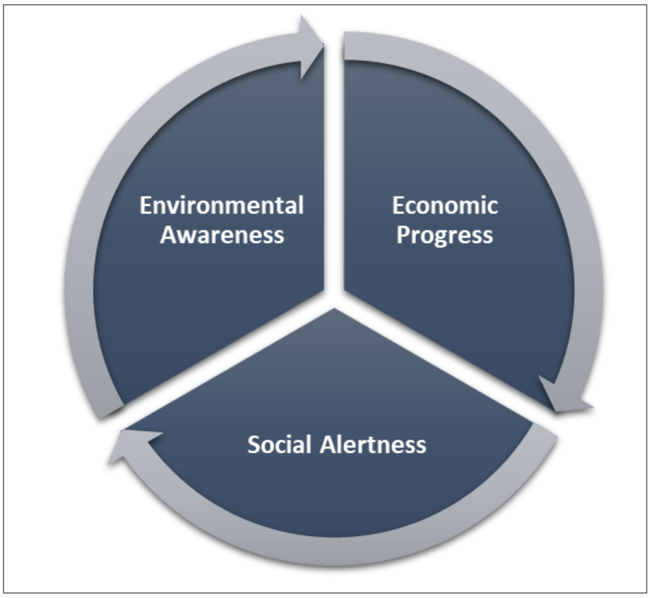

Fig 2: Benefits of Sustainability and Sustainable Business Practices

Steps for strategising sustainable business practices for organisational sustainability

Sustainability and sustainable business practices allow organisations to meet the needs of stakeholders, regulatory requirements and expectations, while simultaneously balancing economic growth, environmental stewardship, and social responsibility. Incorporating sustainability into business practices can improve operational efficiency, increase organisational resilience, drive innovation and generate value for the long-term. To achieve sustainability, there must be a mix of technological innovation, planning, stakeholder engagement and on-going assessment of environmental impacts. The following are some key steps for strategising sustainable business practices for organisational sustainability:

- **Technology-driven sustainability:** Organisations can leverage cutting-edge digital technologies, including Artificial Intelligence (AI), Blockchain, Internet of Things (IoT), and hybrid cloud solutions, to incorporate sustainability into their operations. These technologies enable efficient use of resources, productivity, and sustainable growth, while remaining environmentally responsible.
- **Sustainability vision:** There must be a common and clear vision of sustainability among all stakeholders. Organisations can hire sustainability professionals to help them define the opportunities and challenges, prioritise strategic actions, and establish measurable sustainability targets that support business goals.
- **Sustainability integration:** Sustainability should be integrated in a systematic, coordinated and time-bound approach across all business functions. Sustainability integration can be effective implemented through placing secure systems to manage information, clear roles and responsibilities, accountability structures and ongoing monitoring of sustainability efforts.
- **Sustainability through targeted projects:** Organisations should start with targeted projects that have clear, measurable and visible sustainability outcomes. These projects are an expression of commitment to sustainable development, value for stakeholders, corporate reputation and momentum for wider sustainable development projects.
- **Long-term strategic planning:** Sustainability and sustainable business practices should be part of long-term strategic planning, to facilitate risk mitigation, balanced decision making and organisational resilience. This strategic planning helps to strengthen the moral standards of business and helps to create a long-term competitive advantage.
- **Life Cycle Assessment (LCA):** It is a widely adopted technique that evaluates the environmental impacts of a product or service over its entire life cycle, from raw material extraction to production, use, and disposal, including recycling. LCA can help organisations identify environmental impacts of their product and it can be reduced by improving the efficient use of resources, waste management, and efficiency of operations. LCA provides a holistic approach, ensuring that environmental impacts are not shifted from one phase of the product life cycle to the next phase.

Sustainability in action for the businesses

When sustainability is part of the business strategy, the company can apply sustainability principles to different operational and functional areas. Sustainability in action means integrating environmental, social and economic into decision making, which increases resilience, efficiency and long term value creation. The areas of implementation are:

- **Climate change management and ESG reporting:** Increasingly, organisations are turning to climate resilience, creating strategies to face climate-related risks and extreme weather events. These advanced tools and technologies enable businesses to anticipate disruptions and enhance operational resilience. Meanwhile, ESG reporting practices improve transparency, meet regulatory standards and demonstrate a company's commitment to sustainable development.
- **Resilient infrastructure and intelligent operations:** Resilient infrastructure and intelligent operational systems that can overcome environmental, technological and resource challenges are a key focus of sustainable organisations. Businesses can achieve these goals through predictive maintenance, real-time monitoring, and other advanced asset management strategies, all of which can help to extend asset life cycles, reduce downtime, lower maintenance costs, cut down on waste production, and maximise overall resource efficiency.

- **Sustainable supply chain management and circular economy:** Sustainable Supply Chain Management (SCM) practices become more and more prevalent in contemporary business to improve transparency, traceability and the use of resources by businesses. Innovation technologies like Blockchain technologies and Artificial Intelligence (AI) help in ensuring authenticity and traceability of the products and optimising inventory, enhances logistics and lowers emissions throughout the value chain. The circular economy principles promote reuse, renovation and recycling of materials, which helps to minimise waste and environmental impacts in the supply chain and logistics management.
- **Energy efficiency and decarbonisation:** Sustainable electrification, energy efficiency and decarbonisation need to be taken up by organisations to ensure the transition to a low carbon economy. Smart grids, advanced automation, intelligent metering and data-driven energy management solutions enable businesses to optimise their energy consumption, improve their operational efficiency, reduce their greenhouse gas emissions and achieve their net-zero energy sustainability targets.
- **Strategic value of sustainability integration:** In the case of successful integration of sustainability into climate management, operations, supply chains and energy systems, organisations can strengthen their resilience, reduce environmental impacts, gain sustainable competitive advantages and foster trust with stakeholders. Incorporating sustainability into everyday business activities can generate economic, social and environmental value for corporate in the long-term, and help them achieve sustainable development goals.

Challenges associated with implementing the sustainability and sustainable business practices

Although sustainability has become a key consideration in today's business environment, there are several challenges for organisations to effectively implement and sustain sustainability and sustainable business practices. These challenges can impede the path towards long-term sustainable development and must be addressed through strategic planning, stakeholder involvement, and organisational dedication.

a) **Consumer awareness and expectations:** Consumer perception and expectations of sustainability are changing quickly. Companies need to be flexible in their approach to the market and make sure their sustainability efforts meet customer expectations. Companies that do not meet these expectations may lose competitiveness, whereas companies that go too fast may find that the market is not ready for them. Thus, consumer behaviour understanding and working with relevant stakeholders is crucial to develop sustainable products and services to address market needs.

b) **Financial constraints and investment costs:** Initial investments in technology, infrastructure, process improvements and employee training are often necessary to implement sustainable business practices. Although sustainable projects can have long-term economic advantages, the initial expenses can make it less attractive for organisations to undertake them. This requires businesses to put in place robust financial arguments and investment plans that prove the long-term financial benefits and value creation of sustainability.

c) **Short-term business priorities:** There is a continuing trend toward short-term profit over long-term sustainability goals. While there's a growing trend of organisations committing to sustainability, including long-term environmental goals and net-zero targets, these pledges don't always lead to immediate action. Sustainability initiatives can be delayed by strategic inertia and short-term planning.

d) **Absence of knowledge, skills and technical expertise:** One of the biggest challenges in the implementation of sustainability is the lack of knowledge, technical skills and organisational capacity to develop and implement successful sustainability strategies. Businesses often struggle to find appropriate sustainability practices, to quantify results, and to embed sustainability into their current business operations.

e) **Regulatory and implementation challenges:** Companies are frequently faced with a constantly changing regulatory landscape, with sustainability expectations, reporting obligations, and standards constantly evolving. It can be difficult and costly to adjust to these evolving needs. Moreover, the successful implementation of sustainability measures in various departments and stakeholder groups depends on effective coordination, monitoring and commitment to sustainability in the organisation.

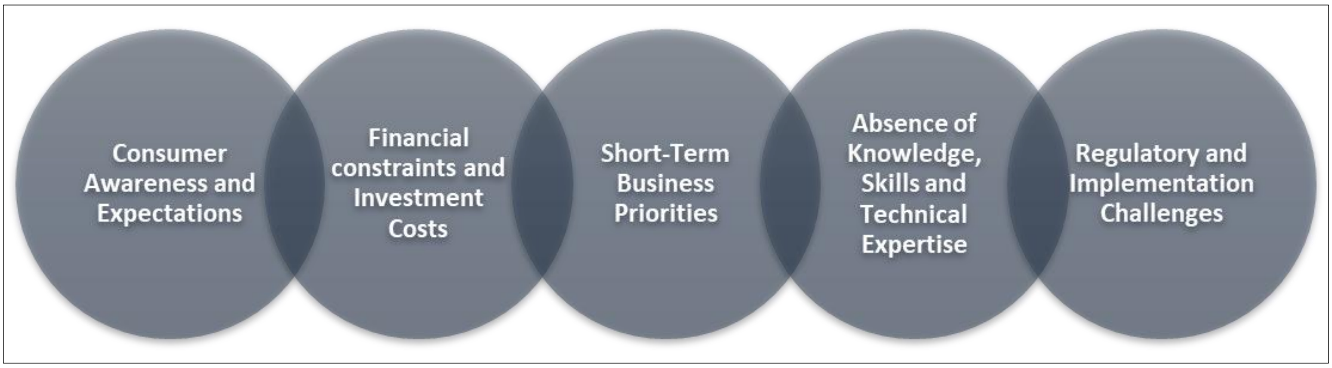

Fig 3: Challenges associated with implementing the sustainability and sustainable business practices

Organisations need a comprehensive and proactive sustainability strategy to meet these challenges. Organisations can tackle these challenges by overcoming them and delivering long-term value for its customers in terms of environmental, social and economic value, by ways of enhanced consumer engagement, investment in sustainable technologies, capacity building and embedding sustainability objectives in business strategy.

Managerial implications of the study

The results of this research have implications for managers and business leaders who want to have a sustainable organisation for long-term success. First, sustainability must be implemented in strategic plans of organisation which should be separate from CSR projects. Managers should ensure that the sustainability goals are in line with the goals of the organisation so that sustainability creates long term value for stakeholders and shareholders. Second, managers should incorporate Environmental, Social and Governance (ESG) principles into their decision making processes, increasing transparency, accountability, and organisational performance. By incorporating ESG practices, companies can better mitigate risks, improve their corporate image, and foster trust among stakeholders.

Third, invest in technologies that are resource efficient, renewable energy options, waste minimisation, and circular economy practices to enable the organisation to become more efficient in the use of resources and minimise environmental impacts. These can add to cost savings and sustainable competitive advantage over time. Fourth, managers should develop a culture for sustainability in the organisation by involving employees, customers, suppliers and the community in sustainability programmes. By engaging stakeholders more actively, commitment, innovation and sustainability outcomes can be strengthened.

Finally, managers need to think about sustainability as a strategic opportunity, rather than a compliance obligation. By adopting sustainable measures, organisations can be better equipped to perform long-term profitable business operations, build brand loyalty, offer customers better satisfaction and increase their resilience in a competitive and environmentally conscious marketplace.

Conclusion of the study

Sustainability has become an essential criterion for sustainable social, environmental and economic development. It is an ongoing journey of innovation, adaptation and shared accountability. While great progress has been made in solving environmental and social issues, there is still much more to do to build a sustainable future. Today’s decision making and actions will determine the health of future generations and demonstrate the need to incorporate sustainability within organisational policies and practices and into the behaviour of individuals. Governments, businesses and communities all need to work together to make sustainable use of resources, ensure social equity, and be environmentally responsible. Awareness is not enough to bring about meaningful change, a proactive approach and actual activities are required. We can all work together to create a more sustainable and secure future by embracing cutting-edge technologies, practicing conscious consumption, support sustainable practices in our regular activities. Sustainability is a strong differentiator in a competitive market. Brands that truly show their dedication towards sustainability gain a substantial competitive advantage as consumers are getting more aware about sustainability and concerned about the environmental related issues. This differentiation can attract new customers, expand market share and enhance the company’s revenue generation.

Limitation of the study and scope for future research

The present study is purely relying on the secondary data and no statistical and analytical instruments have been used to get the empirical results of this research. It mainly offers a conceptual view of sustainability as a holistic approach, based on the available literatures and secondary sources. In the future studies, this limitation can be addressed by using the primary data and implementing suitable strategies and analytical tools to test the relationships of sustainability and corporate governance and most importantly, competitive advantage empirically.

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