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**DEVELOPING LEADERS FOR SUSTAINABLE
DEVELOPMENT:
A CONCEPTUAL APPROACH**

Asima Mushtaq
Research scholar

Dr. Ishtiaq Hussain Qureshi*
(Corresponding Author)
Assistant Professor, The Business School
University Of Kashmir
ishtiaqiq@yahoo.co.in

ABSTRACT

This paper seeks to commend that the 21st century leaders need to recognize that building their leadership capabilities is going to be a major differentiator for future success. Organizations that do not have properly structured leadership development processes in place will be at a disadvantage. In this dynamic world the organisational success calls for an effective leadership development process. The outcome of an organisation is outperforming its output and thus the need for sustainable development. The world is on the cusp of dramatic global change; innovative thinking is required to manage emerging issues such as mechanisms to ensure a reliable and sustainable food and water supply; management plans for protecting and enhancing biodiversity; the enforcement of pollution prevention and clean-up measures; and new incentives for harnessing the power of the market for sustainable development. The dramatic global changes has necessitated a more collaborative outlook vis-à-vis organizational leadership. In this context the paper seeks to discuss the need for leadership development processes to make the aforementioned activities a success and an opportunity to gain competitive advantage, as in the organizational world, effective leadership and organizational success are closely entangled.



KEY WORDS: Leader and leadership development, sustainable development, competitive advantage

I. INTRODUCTION

Sustainable development is an unprecedented challenge in today's society which is faced with multiple, interconnected problems, such as climate change and significant ecosystem degradation. In his book, *Capitalism at the Crossroads*, Stuart Hall (2005) takes the view that all the ecosystems on the planet, from fisheries to forests, are being abused and damaged. The current business models of multinational corporations are contributing to this environmental decline. Developing appropriate management behaviors which will enable to develop and operate sustainable organizations in this new environment is the need of the hour as it provides a unique opportunity to design and create sustainable futures. Organizations need to find the necessary leadership, a fresh and innovative thinking that uses existing tools and ideas to tackle this problem. The 21st century leaders need to recognize that building their leadership capabilities is going to be a major differentiator for future success. The capacity for innovation is the ability to encourage decision-making across disciplines, understand interdependence between environmental, economic and social systems, open to new ideas, appreciate role of human ingenuity and challenge the status quo." (Timmer, D., Creech, H. and Buckler, C.2007). Leaders need to make links across social, environmental, economic and political issues. They need to tackle with increasing amounts of information and be actively involved in envisaging and creating futures that support the prosperity of future generations globally. Leaders need to be trained about the sustainable development programs. There is a global demographic trend that supports the case for training the next generation of sustainable development leaders. Training of sustainability leaders is not solely about deepening understanding of sustainability issues; it must include soft leadership skills like communications and critical thinking. Between February and April 2008, the International Institute for Sustainable Development (IISD) examined how emerging leaders in the sustainable development field are being trained by non-governmental organizations (NGOs) and intergovernmental organizations (IGOs). In a study, the top seven



skill sets that define a sustainability leader are leadership and management-based. They include: communication skills; team management; influencing strategy; bridging disciplines or sectors; long-term planning; translating complex ideas; and project management (The IUCN Knowledge Management Study, 2004).

II. REVIEW LITERATURE

The concept of sustainable development was first coined in 1972 at the United Nations Conference on Human Development. It was popularized in 1987 with the release of the seminal report *Our Common Future* by the United Nation's World Commission on Environment and Development (WCED). A working definition for sustainable development based on social and ecological considerations is offered by Rees (1989): Sustainable development is positive socioeconomic change that does not undermine the ecological and social systems upon which communities and society are dependent. Its successful implementation requires integrated policy, planning, and social learning processes; its political viability depends on the full support of the people it affects through their governments, their social institutions, and their private activities, (From the very beginning business pursuit and ethics were not seen as related in any way. Freeman (1994) acknowledges that business and ethics developed independently of each other in the phenomenon called Separation Thesis, business being empirical-normative and ethics descriptive-prescriptive. Vitell, Ramos and Nishishara (2009) also admit that ethics is a newcomer to the global business debate. Business leaders worldwide are embracing the concept of corporate responsibility by reporting on their social and environmental activities, as well as their economic ones. Companies are now monitored by many civic groups to see how they are doing on sustainability. The rising importance of this new business awareness is indicated by the fact that over 2000 companies have now signed up to the ten principles of “global corporate citizenship of the global compact” launched by the UN in 2000, covering human rights, workplace safety, justice, anti-corruption ILO standards, and environmental



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impact. Companies with higher sustainability ratings outperform their counterparts who score lower on sustainability practices. Patricia Hind, Andrew Wilson, and Gilbert Lenssen (2009) have given 7 attributes of responsible leadership which are Integrity, Open-minded, Taking a long-term perspective, Demonstrating ethical behavior, Care for people, Communications and Managing responsibly outside the organisation. These attributes involve a high level of ethical awareness, willingness to explore ethical dilemmas, recognizing that business does have responsibilities to the broader society, taking a strategic view of the business environment. They have also given the competencies that constitute responsible business behavior, these are Knowledge: understanding the social and environmental risks and opportunities of the company and its industry sector; 2. Skills: critical thinking; team player; creativity, innovation and original thinking; communicating with credibility; business acumen; listening skills; managing stakeholder network relationships; and emotional intelligence 3. Attitudes: honesty and integrity; long-term perspective; open-mindedness; conviction and courage; the drive to contest resistance; and the capacity to think outside the box. Responsible leaders see beyond their organizations, anticipate and embrace socio environmental concerns and go beyond short-term profit to long term sustainability as the ultimate mark of success. According to Wilson (2007, p. 7), the greatest challenge businesses of today face irrespective of size, sector or location is increasing pressures to make a positive contribution to society beyond the traditional benefits that derive from corporate activities. The rising importance of this new business awareness is indicated by the fact that over 2000 companies have now signed up to the ten principles of “global corporate citizenship of the global compact” launched by the UN in 2000, covering human rights, workplace safety, justice, anti-corruption ILO standards, and environmental impact. Henderson (2006) reports that some 77 per cent of CEO’s of major corporations surveyed by KPMG and the World Economic Forum in 2005 said that higher ethical behavior was vital to profitability. Companies are recognizing that they are actors in large, complex systems and need to interact in a network of relations with different stakeholder groups. They are realizing that corporate success requires balance of dialogue and action with groups and individuals inside and outside the organisation.



Leading business is now about balancing competing demands and engaging people in collective goals that damage neither people nor environments. There has also been a great deal of work which considers the personality traits that are perceived to be important to ethical leadership and its effectiveness. For example, research has linked perceived leader effectiveness with attributed honesty, integrity and trustworthiness (Den Hartog et al., 1999).

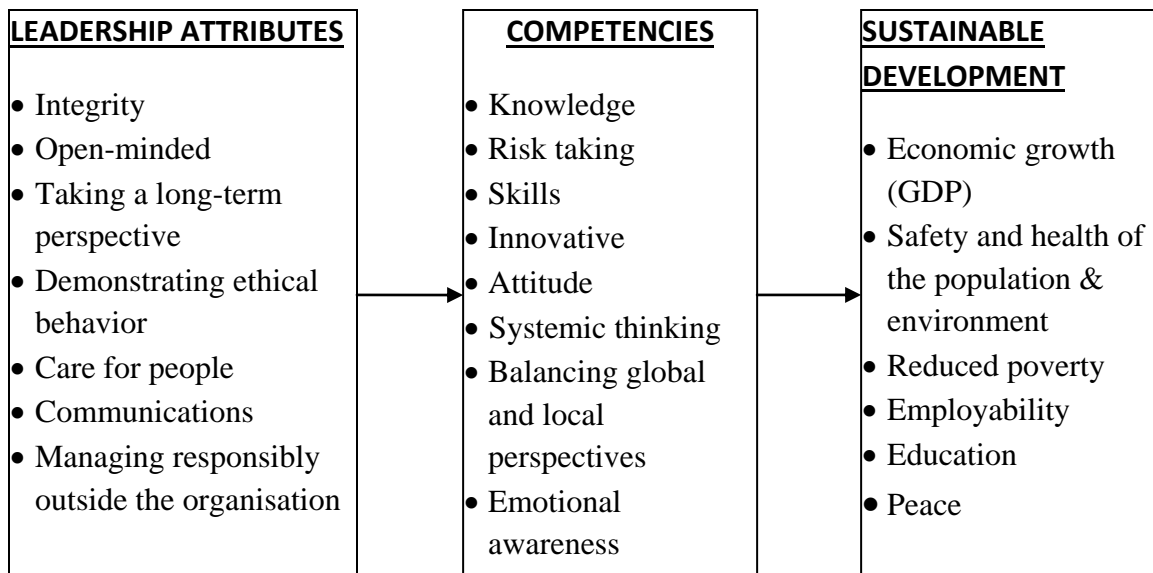


Fig 1- FRAMEWORK OF LEADERSHIP AND SUSTAINABLE

The goal of sustainable development is to create and maintain prosperous social, economic, and ecological systems. These systems are intimately linked; humanity depends on services of ecosystems for its wealth and security. Moreover, humans can transform ecosystems into more or less desirable conditions. In this paper, a framework has been developed which links the competencies required for sustainable development and shows how leadership is related to sustainable development. The leadership attributes provided above are necessary for the sustainable development. Dealing with complexity, as all managers do today, requires the ability to think strategically, to understand the bigger picture and to appreciate the diverse networks in



which an organisation operates. The leader possessing the said attributes can transform the business into right direction. As the world is facing dramatic changes, the success of the business depends much on the outcome than on the output of the business. Organizations that have well structured leadership development programs can manage the changes well. The framework can be adopted to know how the aforesaid leadership attributes can contribute to the sustainable development.

III. IMPLICATIONS

To be successful, managers are required to undertake a key strategic shift in the way that they view the world – they need to recognize that the company is not operating in a closed system. It is important that managers have the ability and willingness to recognize that business decisions are not always driven by a process of economic rationality. We live in a world which is experiencing a dramatic global change. Innovative thinking is required to manage emerging issues such as the need for technical solutions to reduce CO₂ emissions; mechanisms to ensure a reliable and sustainable food and water supply; the enforcement of pollution prevention and clean-up measures. The business environment is characterized by constant change, complexity, fast-paced innovation, sophisticated consumer needs, growing environmental awareness and concerns about sustainability and the need to conserve rapidly diminishing resources, among others. Sustainability or doing business that satisfies our present needs but does not compromise those of future generations is vital. Sustainability and environmental concerns are major drivers of change in human institutions, calling for a new type of business leadership and a new breed of leaders. Wilson (2007, p. 7) asserts that leadership is now about balancing competing demands and engaging people in collective goals. So, ethics and social responsibility has become the foremost point in leadership. The responsibility of business leaders is to promote the well-being of all people directly or indirectly affected by the business. It is not just the successful business leaders that the organizations of the world need today; it needs leaders who are responsible enough to do the right things without compromising the environmental needs.



IV. CONCLUSION

Current business world and all its stake holders are aware that business has to develop a symbiotic relationship with the environment if the world has to continue. The depletion of non renewable resources and degradation to environment at the hands of business and development has been unprecedented in last few decades. Not only natural resources and environment but humans have also witnessed lopsided growth in terms of wealth, health and education. So it has become imperative for business organizations to provide such kind of leadership so that the business and their operations are reoriented in terms of sustainable development. It needs to run businesses not only in terms of short run accounting profits and financial objectives but in terms of broader humanistic and environmental perspective so that business, society, humans and environment and other stakeholders will all be safe and grow not at the cost of others. The paper has attempted to educate the stakeholders about this crucial issue and provide a framework for this.

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