

Exploring sustainability-related cognitive competencies of
strategic leaders in South Africa

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Abstract

Strategic leadership discipline, anchored on the Upper Echelons Theory, is evolving and expanding, more strategic leadership styles are identified and added to the strategic leadership discourse. The rise in prominence of ESG and sustainability globally, stakeholders are increasingly demanding organisations to respond to the social pressures and the climate emergency. Responsible strategic leadership style, and its associated sustainability-related cognitive competencies, and shared value creation have emerged in response to these pressing societal issues.

This study explored the adequacy of sustainability-related strategic leadership competencies to drive shared value creation in emerging markets, with South Africa as the chosen setting. The study sought to qualitatively explore the perceptions that professionally trained strategic leaders have of sustainability-related competencies required for shared value creation in the South African context.

To achieve this, 16 strategic leaders drawn across different industries were interviewed to collect experiential data on shared value creation in South Africa. A thematic analysis was conducted on the data collected and evaluated against extant literature on responsible leadership as a driver of shared value creation.

The results indicate an apparent lag in extent of shared value created in emerging markets compared to developed markets, however, strategic leaders in South Africa perceived the cognitive sustainability-related strategic leadership competencies of emerging markets strategic leaders to be on par with their counterparts in developed markets.

Keywords:

Shared value creation

Responsible strategic leadership

Sustainability orientation (SO)

Voluntary green behaviour (VGB)

Sustainability-related competencies

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Philosophy with specialisation in Corporate Strategy 2024.25 at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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List of acronyms

AJG	-	Academic journal guide
BoD	-	Board of directors
CA(SA)	-	Chartered accountant South Africa
CEO	-	Chief executive officer
CFO	-	Chief financial officer
CIO	-	Chief investment officer
CSO	-	Chief sustainability officer
DEI	-	Diversity equity and inclusion
EM	-	Emerging markets
EO	-	Entrepreneurial orientation
ESG	-	Environment, social and governance
IoDSA	-	Institute of directors South Africa
JSE	-	Johannesburg stock exchange
KPI	-	Key performance indicator
NED	-	Non-executive director
N-RBV	-	Natural resource-based view
RBV	-	Resource based view
SAICA	-	South African institute of chartered accountants
SO	-	Sustainability orientation
TMT	-	Top management team
UNCTAD	-	United Nations conference on trade and development
VGB	-	Voluntary green behaviour
VRIN	-	Valuable rare inimitable non-substitutable

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CHAPTER 1: INTRODUCTION

1.1. Background to the research problem

The changing contextual environment in which businesses operate necessitate new conceptualisation of business purpose (Knowles, et al., 2022). These changes have seen the rise of stakeholder focus on business practices (Harrison, et al., 2020). Reorientation of businesses to respond to this new contextual environment requires leadership at the top of the organisation to set new direction for their organisations (IoDSA, 2021a). As described by Samimi et al. (2020), anchored on the *Upper Echelon Theory*, strategic leadership at the top level of organisation is charged with this responsibility of taking these decisions that determine the future direction of their organisations. Top or strategic level in organisations is at chief executive officer (CEO), the executive team or top management team (TMT) and board of directors (BoD) level where the direction and tone are set for effective performance (Samimi, et al., 2020). Thus, this study was set within the broader strategic leadership discourse.

Factors responsible for the changing and complex contextual environment prompting requisite responses from strategic leaders, firstly, is the demand from society, an external stakeholder, for strategic leaders and organisations to advance societal values by going beyond pursuit of financial prosperity but to simultaneously solve pressing societal problems (Harrison, et al., 2020). Secondly, is the environmental degradation from greenhouse gas emissions induced global warming and the resultant climate change (IoDSA, 2021b). Lastly, are the lapses in corporate governance that has resulted in corporate failures as witnessed with the demise of Enron (Gamache, 2024) and the demise of Steinhoff in the South African context (Naudé, 2018). Collectively, these three environmental, social and governance (ESG) factors require responsible leadership at strategic level to adequately respond to stakeholder demands for sustainable business practices to ensure organisations do well while doing good for society and the environment (Seow, 2025). Within broader strategic leadership, responsible leadership style was the focus of the study as the most apt style of leadership to respond to the demands of society for sustainability (Ahmed, et al., 2023; Toft & Hansen, 2025).

Responsible leadership, as an emergent strategic leadership style (Carter & Greer 2013), is a values-based leadership style that requires strategic leaders to possess personal character traits that shapes their personal values, morals and ethics towards sustainability (IoDSA, 2021b). Additionally, the responsible leader influences and sets the tone and appropriate culture for their followers to adopt sustainable practices and behaviours (Ahmed, et al., 2023). Within the responsible leadership style, this study focused specifically on the cognitive

competencies of strategic leaders necessary to effectively drive sustainable value creation (Gomes, 2024).

1.2. Defining the research problem and research aims

1.2.1 Research problem

Strategic leaders, in South Africa and other emerging markets, need to bridge the sustainability-related cognitive competency gap in order to enhance their responsible leadership capabilities to effectively drive organisational performance towards sustainable shared value creation (Naudé, et al., 2018; IoDSA, 2021a; SAICA, 2021).

1.2.2 Brief literature and theory underpinning the research problem

Broadly, existing *strategic leadership* literature and empirical studies define the concept of strategic leadership in terms of where it resides within an organisation and identifies strategic leadership positions, functions and requisite personal attributes (Samimi, et al., 2020). Further, the different leadership styles within strategic leadership are described as either traditional or emergent, and responsible leadership is characterised as a relatively nascent purpose-driven values-based strategic leadership style (Carter & Greer, 2013).

The concept of *shared value creation* is defined in the extant literature to be the creation of financial or commercial or economic value pursuant to a profit motive while simultaneously creating social value through the furtherance of societal values (Pultz Schlosser & Volkova, 2022; Harrison, et al., 2020; Knowles, et al., 2022). The sustainability inclined strategic leaders possess personal attributes and cognitive competencies that shape their values and inspire followers to voluntarily create value sustainably (Hambrick & Wowak, 2021).

Classically, in defining *competencies*, McClelland Competency Model categorised competencies into knowledge, skill, self-concepts, traits and motives (McClelland, 1998; Vazirani, 2010). Responsible strategic leaders that possess sustainability-related competencies are characterised in the literature as possessing an intangible resource from which their organisation derive a competitive advantage towards social and shared value creation and capture (Helfat, et al., 2023). The literature highlights that sustainability orientated personality traits, self-concepts and knowledge and skills, have an impact on responsible leaders' sustainability performance outcomes and drives improved organisational performance in the complex contextual environment within which businesses now operate (Malhotra & Harrison, 2022). Chen et al. (2020) makes the point that competencies of individual strategic leaders for creating shared value, impact the organisational shared value creating initiatives' outcomes.

1.2.3 Deficiency in existing literature

The literature makes the point that the settings for most studies conducted on the relationship between cognitive competencies and responsible leadership and social value creation were strategic leaders in developed markets and China (Chen, et al., 2020). Additionally, recommended areas for further research suggest that similar studies that either describe or explore this relationship in new settings, particularly in emerging markets will extend or refine existing knowledge (Chen, et al., 2020). To improve sustainability outcomes in emerging markets, this study explored the perceptions of strategic leaders, in the South African context, on the adequacy of sustainability-related cognitive competencies required to drive effective shared value creation in emerging markets.

1.2.4. Research aims/purpose

In previous empirical studies the relationship between responsible strategic leadership style and shared value creation have been established, wherein share value creation is the simultaneous creation of economic/commercial value and social value (Ahmed, et al., 2023). Further, the sustainability-related competencies have been determined as key drivers of voluntary and genuine sustainable value creation for values-based leadership styles (Hambrick & Wowak, 2021), and through identification or contagion followers also adopt sustainable practices thereby driving shared value creation outcomes (Wang, et al., 2021).

In the South African context, South African Institute of Chartered Accountants (SAICA) members are the most represented professionals at strategic level, wherein 74% of CFOs of JSE listed companies are Chartered Accountants (CAs(SA)) and 33% of CEOs of the JSE Top 40 companies are also CAs(SA) (SAICA, n.d).

In 2021, the Competency Framework requirements of SAICA incorporated sustainability and business ethics in the training curriculum accreditation for business leaders (SAICA, 2021). Additionally, SAICA explicitly describes its members as responsible leaders who aim to actively create shared value for all stakeholders (SAICA website, n.d.). SAICA seek to further develop responsible leaders by cultivating sustainability-related competencies in current and future business leaders to drive sustainable value creation (SAICA website, n.d.).

Similarly, the Institute of Directors South Africa (IoDSA) which is responsible for training and accreditation of business leaders or BoD members, requires their members to undertake lifelong learning through continuing professional development (CPD) initiatives to enhance their sustainability-related competencies (IoDSA, 2021a). In addition to being the professional body for directors of organisations in South Africa, the IoDSA are the custodians of the King Report on Corporate Governance which specifically promotes and advocates for sustainable development and multi-stakeholder focus among its members (IoDSA website, 2021).

Thus, both the IoDSA and SAICA now incorporate sustainability-related skills development in their respective Competency Frameworks for strategic leaders (IoDSA website, 2021; SAICA, n.d). However, the IoDSA and SAICA initiatives to develop sustainability-related competencies are largely targeted at future business leaders (Miller & Willows, 2024). Therefore, targeting current IoDSA and SAICA members, who are the most represented professionals in strategic leadership positions, for development of sustainability-related competencies will make the greatest impact on shared value creation in South Africa (Naudé, et al., 2018; Miller & Willows, 2024).

Hence the purpose of this qualitative study was to explore (Creswell & Creswell, 2023), the perceptions of professionally trained strategic leaders regarding the adequacy of sustainability-related competencies and their impact on shared value creation in emerging markets, particularly in the South African context. Wherein, responsible leadership and shared value creation are necessary to effectively respond to the climate emergency and the pressing social needs facing emerging market economies (Chen et al., 2020).

1.3. Research significance/importance

The urgent global need to address climate change and to attend to pressing societal problems, makes shared value creation a business imperative for strategic leaders and organisations in emerging markets (Chen et al., 2020; IoDSA, 2021b). The growing demand for responsible leaders is evident in the increasing considerations of sustainability values in the selection of CEOs and TMT members (Seow, 2025). A sustainability inclined CEO and members of the TMT and BoD ensure resource allocation and backing for sustainability initiatives thus improving sustainability performance outcomes (Wang, et al., 2021). Thus, exploring the perceptions of strategic leaders on sustainability-related competencies in emerging markets is important to instil sustainability orientation (SO) and promote responsible leadership and shared value creation (Frimpong et al., 2025).

1.4. Business need/relevance

The Green Hydrogen Project in South Africa led to the United Nations Conference on Trade and Development (UNCTAD) listing South Africa as a global leading destination for foreign direct investment (FDI) for renewable energy (UNCTAD, 2022). Increasingly the divestment decisions of institutional investors are driven by ESG targets and particularly climate targets. Additionally, critical minerals required for renewable energy generation and storage technologies are mined in emerging markets, including South Africa (UNCTAD, 2022). Therefore South Africa, as an emerging markets representative, was chosen as a suitable setting for this study on sustainability-related competencies.

Additional to the global climate change emergency, South Africa has seen significant corporate failures in recent years (IoDSA, 2021a). SAICA “has recently received a lot of negative attention due to the unethical conduct of a handful of its members” (SAICA, 2021, p.3). The most prominent corporate failure occurred at Steinhoff, consequently significant financial losses were incurred by investors (Naudé, et al., 2018). The costs of State Capture, a corporate failure phenomenon in South Africa, are estimated at up to ZAR1,5 trillion (Miller & Willows, 2024). Significantly, these corporate failures have been characterised as strategic leadership failures, particularly responsible leadership failures, whereby leadership may have been consumed by the pursuit of financial success and failed to act in the best interest of all stakeholders (Naudé, et al., 2018; IoDSA, 2021a). Importantly these responsible leadership failures have been diagnosed as a failure in personal values, ethics and morals attributes and integrated thinking capabilities and sustainability practices of strategic leaders (Miller & Willows, 2024). In response, the IoDSA has issued King Committee Guidance Papers on corporate failures (IoDSA, 2021a) and climate change (IoDSA, 2021b) to enhance member’s responsible leadership capabilities. Likewise, SAICA has reaffirmed its commitment in upholding the CA(SA) brand reputation and commitment to sustainability, purpose-driven and responsible leadership (SAICA, 2025).

Efforts to instil sustainability-related competencies in the South African context have concentrated on future leaders, particularly aspirant CAs(SA) at university and in training programmes (Du Toit, et al., 2024; Miller & Willows, 2024). There are academic and training interventions aimed at cultivating sustainability or integrated thinking and enhancing cognitive sustainability-related competencies in aspiring CAs(SA) (Du Toit, et al., 2024). In addition to technical skills training, there remains a need to further develop the responsible leadership competencies in emerging market strategic leaders, regardless of age and experience, to align with the business need for responsible strategic competencies globally (Miller & Willows, 2024). The IoDSA and SAICA explicitly take responsibility for defining the competencies and ethics attributes for their members who occupy strategic leadership positions (Miller & Willows, 2024).

The responsibility of formulating strategies in response to climate change and to meet pressing societal demands and to address corporate governance failures rests with strategic leaders (IoDSA, 2021b), thus stressing the *business need* for sustainability-related competencies for strategic leaders. Hence, the setting for this study was strategic leaders who received strategic leadership competency training from their professional bodies, namely SAICA and IoDSA.

1.5. Research questions

To fulfil the purpose and aim of this study, to explore responsible strategic leadership style and shared value creation in emerging markets, the perceptions of strategic leaders in emerging markets about the adequacy of the requisite sustainability-related competencies to drive shared value creation were sought. To explore this phenomenon the researcher sought to answer the main or central research question and three ancillary sub-research questions, listed below.

Central question:

What perceptions do strategic leaders have of sustainability-related competencies required for shared value creation in the South African context?

Sub-questions:

- 1) Which of these sustainability-related competencies are currently not exhibited by strategic leaders in the South African context?
- 2) What are the challenges experienced by strategic leaders when exhibiting sustainability-related competencies?
- 3) What are the recommendations made by strategic leaders to equip them with sustainability-related competencies that are currently not being exhibited?
- 4) What role does professional bodies play in developing sustainability-related competencies in strategic leaders?

The central research question and the sub-research questions are explained further and related to the extant literature and the interview guide in **Chapter 3** below.

CHAPTER 2: LITERATURE AND THEORETICAL ANALYSIS

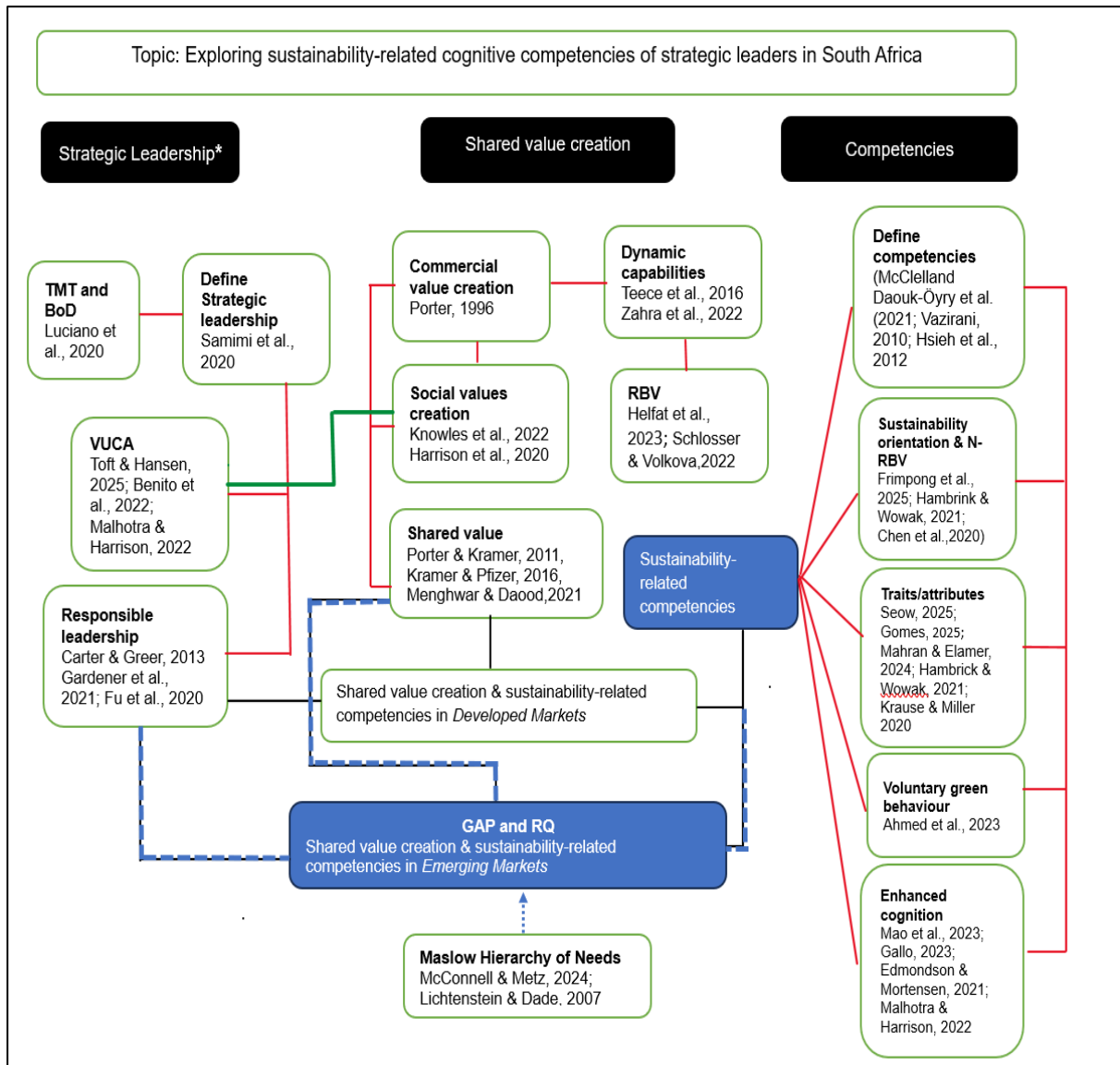
2.1. Introduction

The review and analysis of extant literature to explore the adequacy of sustainability-related competencies to drive shared value creation in emerging markets was broadened by the researcher to situate the study within strategic leadership (Samimi, et al., 2020) and shared value creation (Kramer & Porter, 2011). Within broader strategic leadership discourse, the focus of this study is the emergent responsible leadership style (Carter & Greer, 2013) and its impact on shared value creation (Kramer & Porter, 2011). Samimi et al. (2020) defines strategic leadership in terms of the functions and individual attributes of strategic leaders, at the highest level of decision making in an organisation being at Chief Executive Officer (CEO), at Top Management Team (TMT) or (BoD) level. Additionally, Druker (2004) set out the eight rules for effective strategic leadership at individual executive or TMT member level, which include keeping the best interest of the organisation at the centre of decision-making processes. Within strategic leadership, the focus of the study was on responsible leadership style (Carter & Greer, 2013), particularly individual strategic leaders' sustainability-related competencies and their impact on shared value creation (Kramer & Porter, 2011) in the South African context, an emerging market economy and a setting for this study. These classical scholarly articles define responsible strategic leadership as an emergent or relatively nascent strategic values-based leadership style predicated on sustainable development and the resultant consideration of stakeholder needs (Carter & Greer, 2013). Additionally, shared value creation is classically defined as the creation of both commercial value and social value, that is, being profitable whilst simultaneously doing good by advancing a societal value (Kramer & Porter, 2011).

The analysis and review of literatures, outlined hereafter and presented in **Figure 1** below, describes the setting for this study and then defines strategic leadership and link strategic leadership to the Upper Echelon Theory that underpins it. Further, shared value creation is defined and related to the responsible leadership strategic leadership style as a driver of shared value creation. Additionally, the sustainability-related competencies that shape and enable responsible leadership are identified.

2.2. Literature map

Figure 1 - Literature map diagram



* Anchored on the Upper Echelons Theory
(Source: adapted by author from Creswell & Creswell (2023))

The literature map, as presented in **Figure 1** above, is a visual representation of the extant literature analysis that illustrates how the gap in the literature was identified and also presents the basis of the research questions that this study seeks to answer (Creswell & Creswell, 2023).

2.3. Emerging markets context: South Africa

Emerging markets are generally characterised by low per capita incomes, less developed financial markets and poor institutional environments (Meyer & Grosse, 2018). Morgan Stanley Capital International (MSCI) classify markets based on sophistication and openness of financial markets, and the MSCI emerging markets index lists countries considered to be

emerging markets (Meyer & Grosse, 2018). South Africa is one of two African countries listed on the MSCI emerging markets index and a founder member of the geopolitically influential BRICS group of countries (Meyer & Grosse, 2018), thus for the purposes of this study South Africa was the chosen accessible representative setting of emerging markets. As emerging markets enterprises seek to internationalise, they have to meet the global demand for businesses to incorporate ESG in their global strategies (Benito et al., 2022). As emerging markets enterprises globalise through participation in global value chains, the orchestrators of those global value chains insist on sustainable practices for all participants, thus elevating the importance of sustainability for emerging markets enterprises, including in the South African context.

2.4. Business strategy and the new contextual environment

The changing geopolitical landscape, rapid technological advancements and the climate change emergency have altered the contextual environment and business strategy formulation for organisations (Benito et al., 2022). As further noted by Toft and Hansen (2025), this fast-changing world brought about by these changes have introduced volatility, uncertainty, complexity and ambiguity (VUCA) or more recently turbulence, uncertainty, novelty and ambiguity (TUNA) in the contextual environment in which businesses operate. In response, strategic leaders incorporate sustainability in their decision making to drive long-term value creation (Toft & Hansen, 2025). This VUCA and TUNA induced contextual environment has given prominence to ESG considerations in business strategy formulation (Benito et al., 2022). In response, responsible strategic leadership style, introduced a new worldview of corporate sustainability and sustainable value creation (Toft & Hansen, 2025). Thus, business strategies and business models have been adapted and transformed to incorporate sustainability in response to the VUCA induced changes in the contextual environment, demonstrating the saliency of sustainability and responsible leadership (Toft & Hansen, 2025).

2.5. Theoretical background/standpoint

As mentioned above, this study is situated within the broader strategic leadership discourse, as anchored on the Upper Echelons Theory, and explores the perceptions of strategic leaders about adequacy of cognitive sustainability-related competencies to drive shared value creation in emerging markets. The Upper Echelons Theory provides a theoretical standpoint for strategic leadership related studies, including this study (Creswell & Creswell, 2023). The Upper Echelons Theory is described briefly below.

Hambrick and Mason's (1982) Upper Echelons Theory is the foundational theoretical basis that underpin strategic leadership and value creation conceptual framework. In exploring the

impact of leaders of organisation on the practices and performance of those organisations, Hambrick and Mason (1982) linked organisational performance to the psychological or cognitive characteristics of the CEO. To that extent, the background and personal characteristics or traits of the CEO, including age, financial position, level of education and experience, are predeterminants of performance of the organisation. Hambrick (2007) built on and further refined the Upper Echelons Theory by shifting focus from just the CEO to including the personal characteristics of all powerful actors in the TMT as drivers of organisational performance. Thus, the age, experience, background, financial position and tenure of the CEO and the TMT shape the performance outcomes of the organisations they lead (Hambrick, 2007).

Recently, Samimi et al. (2020) built on the Upper Echelons Theory and defined the strategic leaders based on the position occupied in the organisation, the functions performed and personal attributes. Anchored on the Upper Echelons Theory, the strategic leadership framework defines strategic leaders as leaders at the highest level of the organisation and take decisions that affect the entire organisation (Samimi et al., 2020). Further, the personal attributes, including personality and managerial knowledge and skills characterise strategic leaders and impact strategic choices and performance outcomes of the organisation (Samimi et al., 2020; Hambrick & Wowak, 2021).

Further building on the Upper Echelons Theory, Velte (2025) posits that gender dynamics is a personal character attribute that impacts the corporate social responsibility (CSR) initiatives. The gender of the CEO, particularly female CEOs drive CSR and sustainability outcomes since female strategic leaders are unencumbered by groupthink emanating from the “old boys networks” (Velte, 2025). Thus, female CEOs exercise their independent thinking to do good in line with their values and innate traits (Velte, 2025). Frazão et al. (2025) highlights women’s participation as a mediator of purpose-driven CSR and organisational economic performance. Going beyond Velte (2025) consideration on just the gender of the CEO, the feminisation of BoDs and TMTs does not only promote gender equality but drives organisational overall performance (Frazão et al., 2025). Therefore, the personal characteristics of strategic leaders, including gender, shape the organisation’s strategic choices (Kaur & Singh, 2021). For instance, additional to driving sustainability through CSR initiative, evidently the gender of the CFO and/or the CFO is a determinant of the organisation’s leverage or gearing, wherein women led organisation were shown to borrow less (Kaur & Singh, 2021). Women strategic leaders exhibit sustainability behaviours and lower risk appetite when making strategic choices (Velte, 2025; Frazão et al., 2025; Kaur & Singh, 2021). Thus, anchored on the Upper Echelons Theory, the female gender, as a personal character trait, is a competence that predisposes strategic leaders to sustainability (Velte, 2025).

As detailed in **Section 4.3** below, the extant empirical studies reviewed for the purposes of this study and the Upper Echelons Theory provided a theoretical lens through which this qualitative/interpretivist study should be viewed (Creswell & Creswell, 2023). Thereby underlining the point that qualitative studies are not atheoretical (Creswell & Creswell, 2023).

2.6. Strategic leadership

Samimi et al. (2020) defined strategic leadership in terms of functions of leaders, attributes or character traits of leaders and leadership positions. In line with the *Upper Echelon Theory outlined above*, strategic leadership entails decision making at the highest level of organisations by the CEO, TMT and BoD. Building on the strategic leadership literature, Carter and Greer (2013) and more recently Luciano et al. (2020), introduced the concept of responsible leadership (and a responsible leader) in response to the climate emergency and the rise of stakeholder saliency and emergence of sustainable development. Further, the importance of relationships and interactions within the strategic leadership collective were highlighted by Luciano et al. (2020). To that end, Kriger and Zhovtobryuck (2016) described the various strategic leadership approaches, including the importance leading as a team, as part of a network approach to strategic leadership. Similarly, Toft and Hansen (2025) introduced the concept of sustainable leadership (and a sustainability leader), in response VUCA induced changes in the contextual environment in which organisations operate, precipitated primarily by the climate crisis. Similar to a responsible leader, a sustainability leader is defined “as a person who motivates and influences followers in order to overcome sustainability barriers and address sustainability challenges” (Eustachio, et al., 2023, p.7 as quoted by Toft & Hansen, 2025, p. 1753).

Additional to responsible leadership, Carter and Greer (2013) introduced other emergent strategic leadership styles including authentic leadership. Similar to sustainable and responsible leadership, authentic leadership is a values-based leadership style predicated on ethics or ethical leadership (Gardner, et al., 2021). However, for the purpose of this study, the researcher refers to responsible leadership to also mean sustainable leadership, but distinct from authentic and ethical leadership.

2.7. Business in society, purpose and responsible leadership

The VUCA or TUNA induced changes in the contextual environment requires organisations to redefine their purpose/s beyond just profitability (Knowles, et al., 2022). This shift in focus from profitability towards sustainability signals a shift away from shareholder primacy towards multistakeholder focus (Harrison et al., 2020). Alignment of purpose and values of the organisation with that of the leader ensures realisation of the corporate purpose and social value creation (Knowles, et al., 2022; Harrison, et al., 2020). The Business Round Table (BRT)

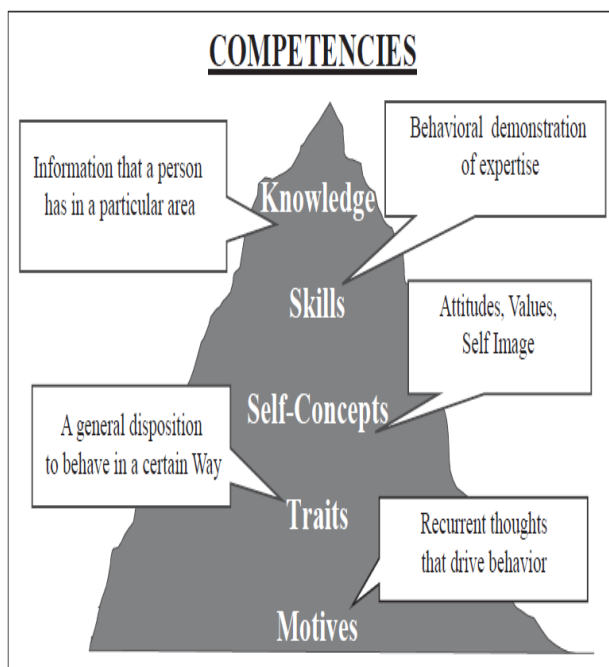
advocates for purpose-driven value creation and multistakeholder focus amongst its members, top S&P 500 CEOs, highlighting the global need for sustainability (Harrison et al., 2020). Similarly, in the South African context, strategic leaders set the tone for sustainability, and this study explored whether indeed strategic leaders in South Africa espouse the requisite responsible leadership values to set the tone for sustainability and associated challenges.

2.8. Defining competencies

Druker (2004) in describing what makes an effective strategic leader and Helfat and Peteraf (2015) further considered the saliency of cognitive competencies in strategic leadership. Thus, it is important to understand competencies as drivers of effective strategic leadership.

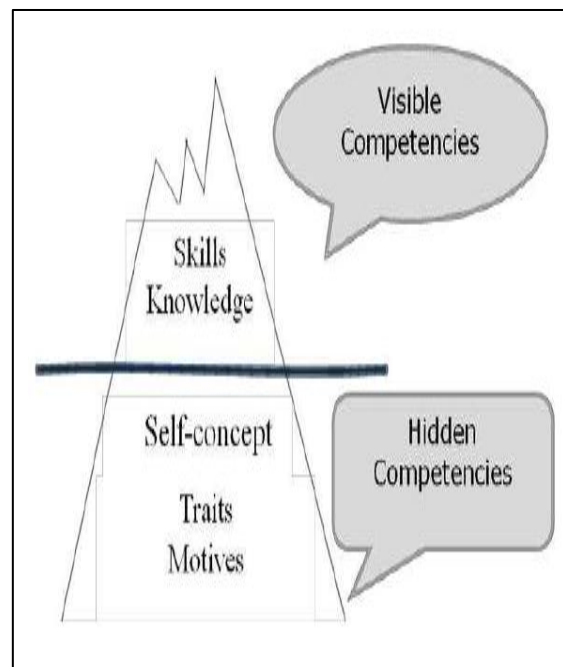
In line with the Competency Model, in his seminal work on competencies McClelland (1973) defined competencies as enablers of action or ability to perform activities and categorised competencies into 1) knowledge: being acquired information, 2) skills: being learnt behaviours or expertise, 3) self-concepts: being values and attitudes, 4) traits: being attributes that drive behaviour, and 5) motives (Vazirani, 2010). **Figure 2** and **Figure 3** below, visually presents the McClelland Competency Model, wherein **Figure 3** presents the McClelland Competency Model showing the categorisation of competencies into above the waterline (or visible competencies) and below the waterline (or hidden competencies).

Figure 2 - McClelland Competency Model



(Source: Vazirani, 2010)

Figure 3 - Iceberg Model



(Source: Hsieh et al., 2012)

These competencies shape and drive executive actions and firm performance (McClelland, 1998). Recently, Daouk-Öyry et al. (2021) refined the categorisation by introducing the three

dimensions of skills and knowledge competencies, being 1) technical dimension: “skills and knowledge of methods, procedures and techniques” (p. 1390), 2) cognitive dimension: “skills and abilities related to the way managers organize and process information” (p. 1393) and 3) interpersonal dimension: “skills and abilities necessary for working with and leading people” (p. 1394).

Competencies include the ability to perform both physical activities and mental activities otherwise known as cognitive capabilities (Helfat & Peteraf, 2015). Further, Helfat and Peteraf (2015) recognised that these cognitive capabilities underpin managerial behaviour and are a source of competitive advantage. Thus, for the purpose of this study exploring the perceptions of strategic leaders on the adequacy of sustainability-related competencies was conducted through the McClelland Competency Model lens.

2.9. Responsible/sustainable leadership

Ahmed et al. (2023) explicitly recognised responsible leadership as a strategic leadership style that cultivates voluntary green behaviour (VGB) among followers. Therefore, responsible leadership is also focused on sustainable development by promoting and inspiring sustainable behaviours (Ahmed, et al., 2023) and consequently, responsible leadership implies sustainable leadership and hence in this study responsible leadership is used in reference to both leadership styles. Thus, responsible leadership, as a relatively nascent strategic leadership style, is a moral and values-based leadership style (Carter & Greer 2013), that seeks to promote VGB without any regulatory or institutional pressures (Ahmed, et al., 2023). Ahmed et al. (2023) extends VGB beyond just natural environment considerations in decision making but includes consideration of all ESG elements. Therefore, responsible leadership seeks to leverage cognitive competencies of a strategic leader to influence others and their organisation to adopt responsible practices in driving performance (Ahmed, et al., 2023), and this study aimed to explore the strategic leaders’ perceptions on whether strategic leaders in emerging markets possess the requisite cognitive sustainability-related competencies to inspire sustainable value creation.

Similar to Gardener et al. (2021), Ahmed et al. (2023) described responsible leadership as an emergent values-based strategic leadership style. Although Gardener et al. (2021) concentrated on authentic leadership as an ethical leadership style, wherein leaders make decisions in consideration of others and a leadership style predicated on ethics rather than sustainability, since it seeks to avoid violation of moral senses. Consequently, another reason the researcher distinguished ethical from responsible leadership in this study was as a result of ethical leadership’s focus on internal consequences of decisions (Gardner, et al., 2021).

Thus, responsible strategic leadership style is shaped and enabled by the sustainability-related cognitive competencies to promote VGB and drive shared value creation for the benefit of internal and external stakeholders.

2.10. Societal demand for responsible leadership

Organisations continue to redefine their purpose/s to align their practices with expectations of society (Knowles, et al., 2022; Harrison, et al., 2020). Additional to doing good, society demand strategic leaders to explicitly address societal issues (Krause & Miller, 2020). In line with multistakeholder focus, internal and external stakeholders demand that organisations take a stand on societal issues, this is done through the CEO who is the organisation's focal leader and chief spokesperson (Krause & Miller, 2020). Society demands CEO activism, "strategic-leaders-as-societal-leaders is the new normal" (Krause & Miller, 2020, p1318). An activist CEO influences their TMT and their organisation to play an active role, not just performative allyship, in addressing societal issues, thereby build trust and build social capital with stakeholders (Krause & Miller, 2020).

Hambrick and Wowak (2021) characterised this CEO activism as CEO sociopolitical activism to emphasise the need for alignment of values of the organisation and stakeholders. Typically, CEO's deliberate involvement in societal issues, out of the CEO's own volition, stems from the CEO's personal values (Hambrick & Wowak, 2021). Responsible leadership requires the strategic leader to set the tone for activism and sustainability in their organisation by cultivating the requisite culture and values (Hambrick & Wowak, 2021). The CEO, organisational and stakeholder values' congruence drives sustainability and builds legitimacy and fosters society's identification with the CEO and the organisation they lead (Hambrick & Wowak, 2021). Additionally, an activist CEO is most likely to impact and influence fellow CEOs of other organisations and stir them into action and lead responsibly (Hambrick & Wowak, 2021).

Thus, this study explored how CEOs and other strategic leaders perceive the adequacy of their sustainability-related competencies in fulfilling their expanded roles that include social activism.

2.11. Strategic management

In the strategic management discipline, Porter's (1996) seminal work on competitive strategy, defined economic or commercial value creation and value capture ahead of rivals. Wherein that competitive advantage derives from the organisations capabilities, being core competencies residing in products and the value chain and resources in terms of the resource-based view (RBV) to competitive advantage (Helfat, et al., 2023). Described in the review and analysis of extant literature *below*, is how Kramer and Porter (2011) and later Kramer and Pfizer (2016) built on value creation and introduced the concept of shared value creation.

Additionally, Teece et al. (2016) introduced dynamic capabilities (DC) as a response to the VUCA induced changes to the contextual environment within which business operate and how organisation sense the changes, seize the new opportunities on offer and transform their business accordingly to remain competitive. Subsequently, as discussed below Menghwar and Daood (2021) further expanded on shared value creation to explicitly introduced social responsibility as a driver of shared value creation. Similarly, as discussed below Frimpong et al. (2025) expanded on the RBV by introducing sustainability as a valuable resource and a source of competitive advantage.

Thus, the strategic management concepts of competitive strategy and RBV and DC extend beyond commercial value creation into shared value creation, and these concepts were considered in exploring the perceptions of strategic leaders on shared value creation in this study.

2.12. Shared value creation

In line with Kramer and Porter's (2011) seminal work, Kramer and Pfitzer (2016) classically defined shared value to be the simultaneous creation of financial and social value. Financial value is created to meet the financial return demands of financial capital providers, whilst social value is created in furtherance of societal values (Kramer & Pfitzer, 2016).

More recently, Menghwar and Daood (2021) acknowledged that the concept on shared value creation is not revolutionary, although relatively nascent. The concept of shared value creation serves to emphasize the deliberate incorporation of societal problems into a firms' corporate strategy (Menghwar & Daood, 2021). Additionally, shared value creation is characterised as "creating value while being socially responsible" (Menghwar & Daood, 2021, p.470), which aligns with responsible leadership style of strategic leadership (Krause & Miller, 2020). The demand for purpose-driven strategic leadership that delivers financial value simultaneously with social value to stakeholders is ever growing (Pultz Schlosser & Volkova, 2022). Pultz Schlosser and Volkova (2022) further acknowledge that shared value creation extends beyond just social enterprises. "Future research agenda should focus on determining attributes of strategic leaders and the impact on delivering social value" (Pultz Schlosser & Volkova, 2022, p.51). Thus, this study sought to explore the perceptions of strategic leaders on attributes exhibited by strategic leaders as part of sustainability-related competencies to create social value component of shared value, in the South African context.

2.13. Responsible leadership and competitive advantage

Competitive advantage enables an organisation to create and capture value ahead of rivals, and competitive advantage derives from the capabilities of the organisation (Helfat, et al., 2023). Now, concentrating on the resource element of capabilities, that is the RBV to

competitive advantage; Helfat et al. (2023) renews this RBV by incorporating the emergent concepts of sustainability and multistakeholder focus. Additionally, these new concepts brought about by the new context are precipitated by the VUCA and TUNA induced contextual environment. Therefore, cultivating or acquiring resources that are valuable, rare, inimitable and non-substitutable (VRIN) to attend to the pressing ESG matters will give the organisation a competitive advantage (Helfat, et al., 2023).

Frimpong et al. (2025) further extendd this RBV by introducing sustainability orientation (SO). An SO enriched strategic leader is a VRIN resource to the organisation and a source of competitive advantage. SO, in a strategic leader enhances firm performance and legitimacy (Frimpong, et al., 2025). Frimpong et al. (2025) terms this extended RBV a natural-RBV (N-RBV). SO in a strategic leader is a strategic imperative for achieving sustainable outcomes (Frimpong, et al., 2025). Mahran and Elamer (2025) further extends the RBV by introducing the organisational psychological capital (OPC), recognising a sustainability enriched cognitive capacity as an intangible resource. Similar to human capital and social capital, OPC is a source of competitive advantage and therefore strategically important (Mahran & Elamer, 2025). This study sought to understand the extent to which SO and N-RBV competencies empowers strategic leaders in South Africa to create and capture value ahead of their rivals.

Notably, the dynamic and changing contextual environment is a constant source of new ideas and changes in industries and organisations, in response the strategic leader's ability to sense the changes, seize the new opportunities and transform the organisation is indicative of possessing dynamic capabilities (Zahra, et al., 2022). Further, these dynamic capabilities that reside in the strategic or focal leader are then transferred to the TMT and the organisation, thus becoming organisational dynamic capabilities, to drive performance into the future as a source of competitive advantage (Pitelis & Wagner, 2019).

2.14. Cognitive capabilities for responsible leadership competence

OPC, introduced by Mahran and Elamer (2025), embodies hope, optimism, resilience and confidence in a CEO and the organisation they lead. In a CEO these are personality traits that shape the ESG practices of the CEO and their organisation (Mahran & Elamer, 2025) thereby making OPC a cognitive ability necessary for responsible leadership. Gomes (2025) further highlights personality traits as critical in shaping new sustainability driven patterns of production and consumption. This requires a responsible strategic leader to respond by transforming the business model from traditional to circular to take advantage of opportunities presented by these changing patterns of production and consumption (Gomes, 2025), thus a responsible strategic leader requires sustainability-related entrepreneurial orientation (EO) competency as part of their cognitive makeup to exploit these new opportunities.

As a cognitive ability, SO enhances a strategic leader's sustainable value creation abilities (Frimpong, et al., 2025). Additionally, Frimpong et al. (2025) posits that a SO enriched strategic leader enhances firm's sustainability performance and enhancing reputation and legitimacy. Anchored in the Upper Echelon Theory, Seow (2025) asserts that CEO personal attributes shape sustainability outcomes. Tenure, level of education, qualifications and level of experience are among the attributes that shape the CEOs decision making (Seow, 2025). These attributes further shape the CEOs personality and values and impact the response to stakeholder demands for sustainability, and impacts the CEOs ESG practices (Seow, 2025).

VUCA and TUNA adds complexity in the contextual environment which in turn requires complex cognition for enhanced adaptability and agility (Malhotra & Harrison, 2022). CEOs enhanced or complex cognition improves ESG performance of the CEO, thus cognitive complexity is increasingly considered in CEO and TMT selection (Malhotra & Harrison, 2022).

Wang et al. (2021) introduces the eco-innovation concept as a response to climate change. Eco-innovation is driven internally by a responsible CEO to drive innovative responses to climate change (Wang, et al., 2021). The CEO's socio-psychological or cognitive orientation towards sustainability shape their values and attitudes towards ESG responsiveness, the CEO then instils those sustainability values in middle managers to drive action in the organisation (Wang, et al., 2021). Identification between the CEO and middle managers is a key driver of sustainability outcomes, middle managers action the CEO's ESG ideas, buy-in through emotional contagion drives manager's discretionary sustainability action (Wang, et al., 2021).

2.15. Responsible leadership and social value creation

A responsible leader sets the tone for the followers in sociopolitical activism and voluntary involvement in societal issues and sustainability (Hambrick & Wowak, 2021). The personal experiences and values of that responsible leader drives and are reflected in the organisation's sustainability performance (Hambrick & Wowak, 2021). Similarly, a volitional responsible strategic leader is a catalyst for sustainable practices in their organisations by inspiring VGB, building social and relationship capital and encouraging social value creation component of shared value (Ahmed, et al., 2023). Helfat et al. (2023) stresses the need to promptly attend to ESG matters and manage stakeholder expectations, and if ignored that will undermine the social value creation and capture.

From an external stakeholder perspective, society now expects organisations to create shared value, society expects organisations to simultaneously create social value alongside commercial value (Chen, et al., 2020). The sustainability-related competencies of the CEO and the TMT are recognised as central to creating social value, and all CEO backed social value creating initiatives are usually supported (Chen, et al., 2020). The analytical,

management and communication competencies along with accountability and transparency are required for responsible leadership and stakeholder management, additionally the CEO advocates and infuses social value creation into culture and resource allocation decisions (Chen, et al., 2020). “Responsible and ethical leaders are true to their values and have a deep sense of creating shared value” (Chen, et al., 2020, p.3). Thus, responsible leadership is ethics based and drives shared value creation, balancing the firm’s economic/commercial and social goals (Wang, et al., 2021).

Additionally, appointing a Chief Sustainability Officer (CSO) signals the elevation of sustainability to the TMT level and signals the importance of social value creation element of shared value in the organisation and signals the link of ESG performance to the corporate strategy (Fu, et al., 2020). The presence of the CSO in the TMT and the appointment of a sustainability sub-committee to the BoD shines the spotlight on sustainability and direct resources towards sustainable causes and social value creation (Fu, et al., 2020). In addition to managing stakeholder relation, the CSO formulate and execute on sustainability strategy towards social value creation (Fu, et al., 2020). Hence, as part of this study to explore perceptions of strategic leaders on the adequacy of sustainability-related competencies of strategic leaders, the researcher explored the prevalence of CSOs in TMTs in the South African context to establish how the CSO sustainability-related competencies enhance sustainability and social value creation at strategic leadership level, and to establish the extent of the alignment between the external stakeholders’ perceptions of social value creation and the strategic leader’s perception of social value actually created.

2.16. Enhancing cognitive abilities

Essentially, leadership entails setting the tone at the top and influencing followers, team members and/or subordinates to gain their engagement and buy-in to elicit desired behaviours, performance and outcomes (Samimi et al., 2020). Additionally, the concept of eco-innovation and the concept on identification with the leaders wherein followers mimic their leaders as introduced by Wang et al. (2021), entails learning from others. Similarly, SO as introduced by Frimpong et al. (2023) entails followers’ assimilation to the values of the leader and the organisation to exhibit the desired VGB (Ahmed et al., 2023).

Firstly, identification involves observing and imitating or mimicking or emulating desired behaviours in terms of the *Social Learning Theory* (Mao et al., 2023), in this context mimicking responsible or sustainability behaviours from strategic leaders and other team members (Wang et al., 2021). Mao et al. (2023) emphasises the importance of self-efficacy or self-belief, on the part of the followers, to successfully mimic the desirable sustainability values and behaviours. Further, social learning through mimicking is predicated on high levels of

exchanges or interactions to facilitate sharing of sustainability best practices and knowledge (Mao et al., 2023). Secondly, SO and eco-innovation and VGB entails an enriched cognitive state acquired through social learning from others' vicarious ESG experiences, which is a concept that emanate from the *Social Cognitive Theory* (Mao et al., 2023). Notably though, for effective learning to take place, the learning environment must be characterised by candour or psychological safety (Edmondson & Mortensen, 2021). Further, psychological safety fosters and engenders VGB and eco-innovation and sustainability/ESG buy-in (Gallo, 2023). Additionally, self-efficacy and psychological safety create an environment in which sustainability-related competencies, particularly personality traits and everyone's true self to come out, thus ensuring that the desired sustainability behaviours are exhibited unhindered (Gallo, 2023).

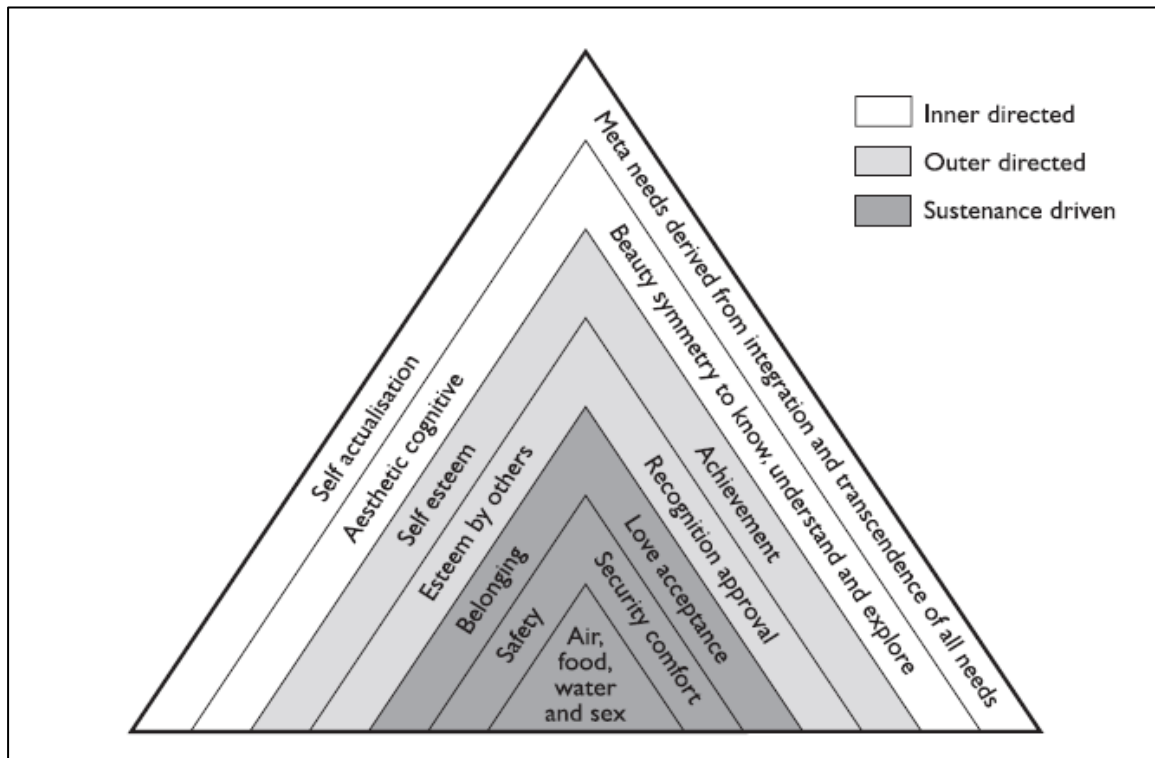
Thus, this study sought to explore strategic leaders' perceptions of enhanced sustainability-related cognitive competencies in emerging markets, and the impact of that enhanced cognitive state on shared value creation.

2.17. Hierarchy of needs and sustainability

Willingness to do good is driven by availability of resources and the concomitant resource or capital allocation towards sustainability/ESG initiatives by the strategic leaders charged with that resource allocation decision making responsibilities (Mahran & Elamer, 2025). This is particularly true for the TMT and the CEO, wherein CEO power within the organisation ensures allocation of resources towards ESG and thus ensures success of CEO backed ESG initiatives (Chen et al., 2020; Mahran & Elamer, 2025).

In addition to values that shape the CEO's propensity to initiate and back sustainability initiatives, another important factor that drives resource allocation decisions towards sustainability and shared value creation initiatives, is need (Lichtenstein & Dade, 2007). Lichtenstein and Dade (2007) extended the Maslow's Hierarchy of Needs theory by positing that the strategic leader's needs and values drive strategic choices, including ESG or sustainability choices. According to this Maslovian theory, strategic choices are made by leaders based on whether the basic needs have been met prior to proceeding to meet the next level needs on the hierarchy (Lichtenstein & Dade, 2007). The most basic of needs is psychological needs, which include the very basic human needs of air, food and water collectively called sustenance needs which is the first level (Lichtenstein & Dade, 2007). The next level being the Outer-directed needs and the third level being the Inner-directed needs. The three levels of needs are presented **Figure 4** below.

Figure 4 - Maslow's hierarchy of needs



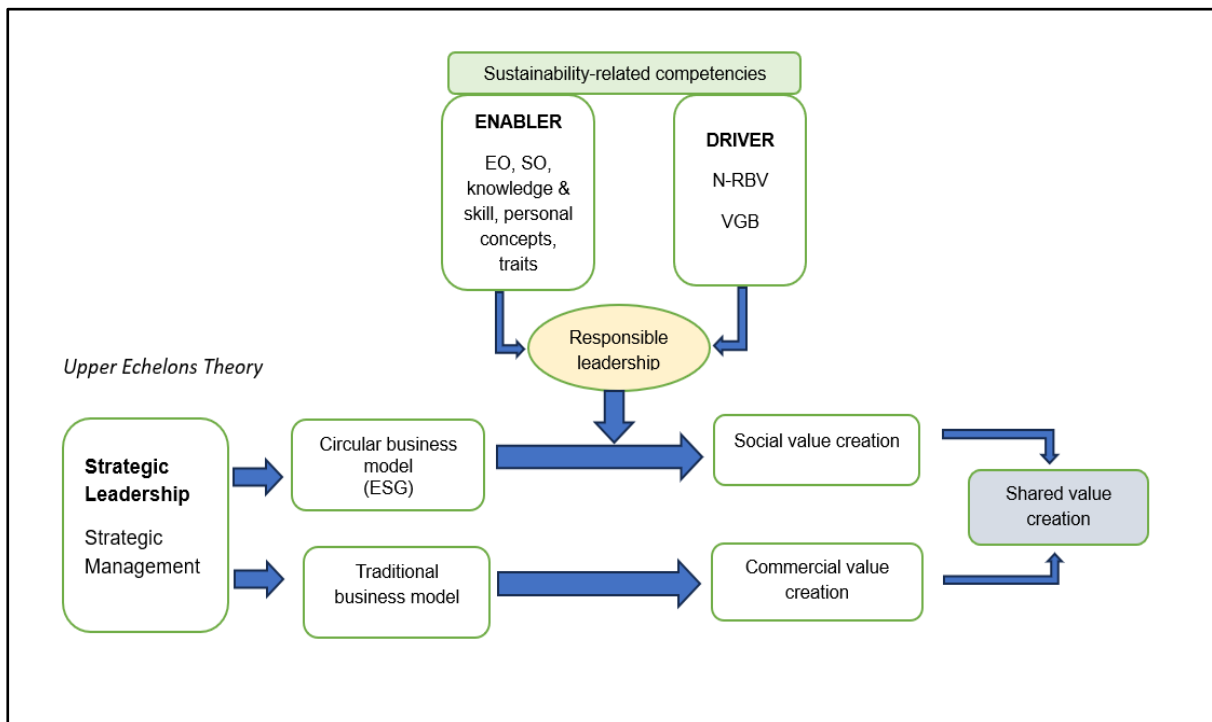
(Source: Lichtenstein & Dade, 2007).

In more recent empirical studies, the levels in the Maslow's Hierarchy of Needs theory are expanded from three to five. The expanded five levels of needs are 1) psychological needs 2) safety-security need 3) belongingness needs 4) esteem needs and 5) self -actualisation needs (McConnell & Metz, 2024). A strategic leader and employees first prioritise the basic needs in resource allocation decisions (McConnell & Metz, 2024). Consequently, SO of strategic leaders and their strategic choices are driven by both values and needs (Frimpong, et al. 2023). Thus, the values and needs together form the values system component of the personal concepts, in McClelland competency model, that shape a strategic leader's sustainability orientation (SO) and shared value creation outcomes (Vazirani, 2010; Lichtenstein & Dade, 2007).

2.18. Conceptual framework

Flowing from the review and analysis of literature, the relationship diagram in **Figure 5** below presents how strategic management and strategic leadership, anchored on the Upper Echelons Theory, facilitates shared value creation through simultaneous creation of commercial value and social value. Responsible leadership style of strategic leadership is driven and enabled by sustainability-related competencies in shaping the social value creation component of shared value.

Figure 5 – Conceptual framework diagram



(Source: compiled by author)

The conceptual framework is revised in **Chapter 6** below to incorporate findings; the revised competency framework is presented in **Figure 9**.

2.19. Chapter conclusion

The sustainability-related competencies and a selection of associated scholarly literature are summarised in terms of the competencies as defined by McClelland (1998) in the McClelland Competency Model in **Table 1** below. This summary serves to highlight sustainability-related competencies that shape responsible leadership and shared value creation as viewed through the competency lens (Daouk-Öyry et al., 2021). Additionally, **Table 1** further presents the journal ranking of the journal in which the scholarly literature was published. The rest of the scholarly articles are listed in the attached **List of references**.

Table 1 - Sustainability-related competencies summary

Competency	Sustainability-related competency	Reference
McClelland (1998) PS AJG4*		
Knowledge	OPC	Mahran and Elamer (2025) – AJG3
	CSO	Fu et al. (2020) – AJG4*
	N-RBV	Frimpong, et al. (2025) – AJG3
	VUCA and TUNA enhanced cognition	Malhotra and Harrison (2022) – AJG4*
Skills	Dynamic capabilities	Zahra, et al. (2022) – AJG4*
	Eco-innovation	Wang, et al. (2021) – AJG3
	Analytical, management and communication	Chen, et al. (2020) – Cite score 7.7
Self-concepts	VGB	Ahmed, et al. (2023) – AJG3
	Purpose-driven value creation	Harrison, et al. (2020) – AJG4*
	SO	Frimpong, et al. (2023) – AJG3
	EO	Gomes (2025) – AJG3
	Identification between leader and followers	Wang, et al. (2021) – AJG3
	Ethics, accountability and transparency	Chen, et al. (2020) – Cite score 7.7
Traits	Personal traits/attributes	Samimi, et al. (2020) – AJG4
	Tenure, level of education, qualifications and level of experience	Seow (2025) – AJG3
Motives	Multistakeholder focus	Harrison, et al. (2020) – AJG4*
	CEO activism	Krause and Miller (2020) – AJG4* Hambrick and Wowak (2021) – AJG4*
	Building social capital	Ahmed, et al. (2023) – AJG3
	Infuse social value creation culture	Chen, et al. (2020) – Cite score 7.7

(source: compiled by the author)

The researcher conducted the literature and theoretical analysis of empirical studies within the broad and rich strategic leadership (Samimi, et al., 2020) and shared value creation domain (Kramer & Pfitzer, 2016). To gain an understanding of strategic leaders' ability to create value sustainably, the analysis was distilled down to responsible leadership style of strategic

leadership (Ahmed, et al., 2023). Particularly, the analysis was conducted to gain an understanding of the requisite sustainability-related cognitive competencies necessary for responsible leaders to create shared value (Malhotra & Harrison, 2022; Gomes, 2024).

The values-based purpose-driven leadership styles of strategic leadership include ethical, authentic and responsible leadership. Authentic and ethical leadership styles primarily focus on internal stakeholders whereas responsible leadership focuses on the impact of ESG and sustainability practices on external stakeholders as well (Gardner, et al., 2021). The researcher focused on responsible leadership style as most apt in meeting the demands of all stakeholders in the VUCA affected contextual environment (Toft & Hansen, 2024).

The rise of multistakeholder focus and new conceptualisation on corporate purpose/s requires organisations to create shared value (Harrison, et al., 2020). Although not a revolutionary concept, shared value creation has gained prominence as organisations seek to meet societal demands (Hambrick & Wowak, 2021). Additional to setting the tone for sustainability and taking resource allocation decisions, responsible strategic leaders being CEO's and TMT and BoD members, need to possess the requisite SO and EO competencies that shape their values and enables voluntary sustainable value creation practices in their organisations (Malhotra & Harrison, 2024). The responsible strategic leader that possesses these intangible resources, whether innately or acquired, is a VRIN resource to their organisation and a source of competitive advantage in sustainable value creation (Helfat, et al., 2023).

The setting for scholarly literature reviewed by the researcher was responsible strategic leaders in developed markets and China as the only emerging market. To *extend or refine* the knowledge on responsible leadership cognitive competencies required for shared value creation, the articles recommended future research be undertaking in new settings to address this deficiency in extant literature. The South African context, an emerging economy, was the chosen setting for this study to explore the perceptions of professionally trained strategic leaders on whether strategic leaders possess the requisite sustainability-related cognitive competencies to be responsible leaders to drive shared value creation in emerging markets.

Having analysed and review extant literature on responsible strategic leadership and share value creation and sustainability related competencies in this chapter, the central research question and the ancillary sub-research questions that this study sought to answer are presented in the next chapter below.

CHAPTER 3: RESEARCH QUESTIONS

3.1. Introduction

To fulfil the purpose and aim of this study, to explore responsible strategic leadership style and shared value creation in emerging markets, the perceptions of strategic leaders in emerging markets about the adequacy of the requisite sustainability-related competencies to drive shared value creation were sought. To explore this phenomenon the researcher sought to answer the main or central research question and three ancillary sub-research questions, listed below.

3.2. Central question:

What perceptions do strategic leaders have of sustainability-related competencies required for shared value creation in the South African context?

The central research question aimed to situate the study within the broader strategic leadership and shared value creation discourse. The researcher sought to explore the strategic leadership styles exhibited in South Africa and the positions held by strategic leaders in South Africa (Samimi et al., 2020; Carter & Greer, 2013). The researcher further wanted to explore the participants' orientation towards ESG or sustainability (Toft & Hansen, 2025; Frimpong et al., 2025). Additionally, the researcher aimed to explore the extent of social value creation alongside commercial value creation, thus shared value creation, in emerging markets relative to developed markets (Kramer & Pfizer, 2016; Porter & Kramer, 2011).

3.3. Sub-questions:

1) *Which of these sustainability-related competencies are currently not exhibited by strategic leaders in the South African context?*

Firstly, the researcher aimed to gain an understanding of competencies from participants in relation to the definition of competencies in terms of McClelland Competency Model (Hsieh et al., 2012; Varizani, 2010; Daouk-Öyry et al., 2021). Further, the researcher wanted to explore the sustainability-related competencies required for shared value creation (Frimpong et al., 2025) and then explore which of these sustainability-related competencies are *not* currently being exhibited by strategic leaders in South Africa (Gomes, 2025; Ahmed et al., 2023; Chen et al., 2020)

2) *What are the challenges experienced by strategic leaders when exhibiting sustainability-related competencies?*

Having gained an understanding of what cognitive competencies underpin responsible strategic leadership and drive shared value creation from participants' perspective, the

researcher then wanted to explore what hinders shared value creation in emerging markets (Menghwar & Daood, 2021; Schlosser & Volkova, 2022). During the interview, the researcher sought to further explore what challenges *prevent* strategic leaders and their followers or subordinated, in emerging markets, to voluntarily exhibit sustainable behaviours and sustainable business practices (Ahmed et al., 2023; Mahran & Elamer, 2025) and further gain an understanding of barriers to sustainability contagion in organisations by exploring what *hinders* identification and emulation of sustainable behaviours (Ahmed et al., 2023; Wang et al., 2021). Building on responses during the interview, the researcher further wanted to explore the need-driven nature of sustainability initiatives (Lichtenstein & Dade, 2007).

3) What are the recommendations made by strategic leaders to equip them with sustainability-related competencies that are currently not being exhibited?

The researcher sought to explore recommendations of strategic leaders in South Africa to improve shared value creation in emerging markets to the levels of shared value creation in developed markets. To gain these insights, firstly the researcher wanted to understand the cognitive sustainability-related competency gap in emerging markets and how that gap can be bridged (Malhotra & Harrison, 2022; Mahran & Elamer, 2024). Secondly, the researcher looked to gain an understanding of how the barriers to voluntary ESG practices can be overcome and how sustainability behaviours can be propagated throughout organisations and society (Mao et al., 2023; Gallo, 2023; Edmondson & Mortensen, 2021). The researcher then sought to understand how strategic leaders cognitively equip themselves to cope with the VUCA and TUNA induced changes in the contextual environment to safely navigate and adapt their organisations accordingly (Helfat et al., 2023, Zahra et al., 2022).

4) What role does professional bodies play in developing sustainability-related competencies in strategic leaders?

In addition to the recommendations of the individual research participants or strategic leaders on how to overcome opposition to ESG, the researcher sought to gain insight into how the professional bodies can enhance the cognitive sustainability-related competencies of their members, particularly SAICA and the IoDSA (Malhotra & Harrison, 2022).

3.4. Chapter conclusion

To answer the central research question and the ancillary sub-research questions, researcher developed the interview guide as a research data collection tool that was used by the researcher to elicit and solicit experiential shared value creation insights from research participants during one-on-one interviews. To demonstrate the link between the research questions and the extant literature and the interview guide, the Consistency Matrix is attached hereto as **Appendix 6**.

CHAPTER 4: RESEARCH METHODOLOGY

4.1. Research aim

Building on the purpose of this study, the foundation of this qualitative study was to explore (Creswell & Creswell, 2023) the perceptions of strategic leaders about sustainability-related competencies and the role of the sustainability-related competencies on shared value creation in the South African context. As outlined in **section 1.2** above and in alignment with deficiencies model, the aim of this research was informed by the research problem and the evidence from extant literature that underpin the research problem and the deficiency in the evidence that was identified (Creswell & Creswell, 2023). This study sought to extend or refine the extant knowledge, on the importance of sustainability-related cognitive competencies of responsible leaders for effective shared value creation in emerging markets, particularly the South African context (Creswell & Creswell, 2023). As a result of their unique history and extreme social conditions, emerging economies in Africa, in this case South Africa, are a perfect setting for extending or refining knowledge gained through empirical studies conducted in developed markets exploring the impact of sustainability-related competencies on shared value creation (Barnard, 2020; Barnard, et al., 2017).

Thus, the aim of this research simplifies the research problem and shaped the data gathering process and directs how the insights gained from this research was useful in addressing the research problem (Creswell & Creswell, 2023). The rise to prominence of ESG and sustainability and the growing demand for organisations to address the pressing societal needs further support the aim of this study to explore perceptions of strategic leaders on the adequacy of sustainability-related competencies to drive shared value creation in emerging markets (Chen et al., 2020).

4.2. Applicable philosophical assumption or worldview

The researcher sought to understand and make sense of or interpret the experiential data from participants, the interpretivist philosophical worldview was used by the researcher for this study (Creswell & Creswell, 2023). “The researcher’s intent is to make sense of (or interpret) the meanings others have about the world” (Creswell & Creswell, 2023, p. 9). For this study, the interpretivist worldview was the most suitable for the researcher to explore the perceptions of strategic leaders through open-ended questions to understand their subjective personal experiences about the adequacy, or otherwise, of their sustainability-related competencies for shared value creation (Creswell & Creswell, 2023). The researcher then sought to inductively generate meaning from the research participants’ experiential data gathering through one-on-one interviews (Creswell & Creswell, 2023).

4.3. Research approach

Epistemologically, the research approach chosen for this study was informed by the nature of the knowledge sought by the study, being the *type* and *source* of that knowledge (Braun & Clarke, 2020). The aim of the study was to extend or refine existing knowledge on responsible leadership and cognitive competencies; (Barnard, et al., 2017), thus, to understand how knowledge is created, firstly there was a need to determine whether the findings are indeed real knowledge (Braun & Clarke, 2020). Thereafter, 1) the type of knowledge was determined by understanding whether it was propositional/factual or practical or acquired through acquaintance, or 2) was the knowledge borne out of beliefs, truths or justification of a position (Braun & Clarke, 2020). For the purposes of this study, the firsthand personal experiences of the research participants were sought by the researcher to gain knowledge about the phenomenon of the salience of sustainability-related competencies in shared value creation by strategic leaders (Eisenhardt, 2021).

The researcher aimed to learn from the participants' personal experience-based insights on sustainability-related cognitive competencies and their role in shared value creation in emerging markets (Creswell & Creswell, 2023). These insights were gained from the experiential data gathered from research participants using open-ended questions that enabled the participants to share freely during the one-on-one interviews conducted by the researcher (Creswell & Creswell, 2023).

Thus, the *qualitative* approach was the chosen research methodology for this study, to gain insights from strategic leaders' (research participants) personal experiences whether they perceive their sustainability-related competencies to be adequate for successful social value creation alongside commercial value creation in emerging markets, particularly in the South African context (Creswell & Creswell, 2023). The review and analysis of the mainly empirical extant literature conducted by the researcher on responsible strategic leadership (which is anchored on the Upper Echelons Theory) and shared value creation and sustainability-related competencies, informed the researcher's theoretical standpoint in conducting this *qualitative* study, further acknowledging that qualitative studies are *not* atheoretical (Creswell & Creswell, 2023).

4.4. Research design

Within qualitative research, the *phenomenological* approach was preferred for this study, wherein the experiential data was collected from research participants through one-on-one interviews (Creswell & Creswell, 2023). Although the researcher recognises that the "phenomenological research is a design of inquiry coming from philosophy and psychology" (Creswell & Creswell, 2023, p 15), however, in this business research context within which

this study was set, the description of the lived experiences of the strategic leaders about the impact of sustainability-related competencies on shared value creation was not as in depth as in a social sciences research context. Exploring the impact of sustainability-related personality traits and cognitive competencies on shared value creation, particularly the social value creation aspect or ESG outcomes, being the phenomenon that was under study, refines and extends the existing knowledge on responsible strategic leadership. The personal experience-based views of strategic leaders (research participants) who are in a position to experience this phenomenon in the South African (emerging market) context were sought about this phenomenon using open-ended questions (Creswell & Creswell, 2023). The data collected would describe whether there is a sustainability-related competency gap hindering social value creation in emerging markets, particularly in the South African context.

Of the other qualitative designs, firstly, the case and multi-case studies design is most suitable for theory building focused studies wherein the theory emerges from cases analysed, this design was deemed unsuitable by the researcher since no cases, and no secondary data was analysed by the researcher in this study (Eisenhardt, 2021). Secondly, the processual research designs, both the variance approach and the process flow approach, and the grounded theory design are longitudinal in nature, and the time constraints of this study made these designs unsuitable, and these designs are aimed at theory generation which was *not* the aim of this study (Gehman, et al., 2018).

4.4.1. Research setting

The research *setting* for this study was professionally trained individual strategic leaders, in executive and non-executive roles, who are members of either SAICA and/or IoDSA professional bodies. Members who have either been terminated or suspended for breaches of the members professional conduct and ethics code were excluded from the study. The research participants were interviewed based on their personal experiences as strategic leaders throughout their careers, and not just limited to their current roles, consequently *no* company authorisation was sought by the researcher, however, the research participants were required to sign the *informed consent letter* (Bogie, 2025, Day 3 class slides). The proforma informed consent letter that was signed by the research participants is attached hereto as **Appendix 1**.

4.4.2. Sampling approach

Purposive sampling approach was used to select research participants (Creswell & Creswell, 2023). Wherein the participants were drawn from the strategic level, thus CEOs and *individual* members of the TMTs and BoDs who would have received some level of business leadership training from the professional bodies and are required to undertake continuing professional

development (CPD), were represented in the sample. Gender and age of the research participants were not a consideration for the study, consequently these demographic markers were not considered during purposive sampling or selection of research participants.

4.4.3. Participant access strategy

The participants selected as per the purposive sampling approach outlined above were and are decision-makers in their respective organisations, by virtue of being strategic leaders. To ensure accessibility of participants the study was opened to strategic leaders of all levels of experience at strategic level. The researcher leveraged their own professional networks and the power of the snowball effect, wherein participants referred the researcher to other prospective participants in their respective professional networks. The participants were approached by the researcher to participate in the study through an email detailing the aim and purpose of the study. Wherein the researcher was already in possession of the full contact details of the prospective participant, the researcher sent an email invitation to participate in this research to that participant, with the informed consent letter attached thereto. An example of the email invitation to participate in this research is attached hereto as **Appendix 2**. Wherein the researcher only had access to telephonic contact details of the participant, then an initial invitation was sent via WhatsApp, requesting the prospective participant to share their email address to which the formal email invitation was sent. Where a response to the initial email invitation was not received from the participant within three days, then a follow-up email was sent to those unresponsive participants. Subsequently, after the research participants confirmed their willingness and availability to participate in the study, a Zoom meeting invitation detailing the date and time of the interview was shared with the participants.

4.4.4. Sample size

The target *sample size* was initially 20 research participants drawn from CEO's and members of the TMT's and BoD's who are of SAICA and/or IoDSA professional bodies (Bogie, 2025, Day 3 class slides). Positive responses were received from 17 participants who formally communicated their willingness to participate in the study. However, one person with whom participation was confirmed and scheduled to be *Participant 5* eventually could not participate in the study. The interview was rescheduled on two occasions and eventually due to time constraints of the study, that interview did not take place. As a result, 16 participants were interviewed for the study. **Table 2** below presents the list of participants.

Table 2 – Analysis of participants

Participant #	Professional body	Position	Date of interview	Informed consent letter
Participant 1	IoDSA	NED	18 September 2025	Signed
Participant 2	SAICA	CFO	18 September 2025	Signed
Participant 3	SAICA	CFO	18 September 2025	Signed
Participant 4	SAICA	NED	18 September 2025	Signed
Participant 5*	SAICA	CIO	cancelled	Not applicable
Participant 6	SAICA	CFO	30 September 2025	Signed
Participant 7	SAICA	CEO	20 September 2025	Signed
Participant 8	IoDSA	BoD Chairperson	19 September 2025	Signed
Participant 9	IoDSA	NED	19 September 2025	Signed
Participant 10	IoDSA	NED	21 September 2025	Signed
Participant 11	SAICA	CFO	21 September 2025	Signed
Participant 12	SAICA	Lead Partner	24 September 2025	Signed
Participant 13	SAICA	Finance executive	26 September 2025	Signed
Participant 14	SAICA	Lead Partner	30 September 2025	Signed
Participant 15	SAICA	CEO	02 October 2025	Signed
Participant 16	SAICA	NED	02 October 2025	Signed
Participant 17	SAICA	CFO	06 October 2025	Signed

*The scheduled interview was rescheduled and eventually cancelled due to study time constraints
(Source: compiled by author)

Note that the Analysis of participants schedule, in **Table 2** above, and allocation of participant numbers was based on the initially agreed schedule of interview dates with confirmed participants, however, some participants had to reschedule the interviews hence the non-sequential dates for the interviews.

4.4.5. Level of analysis

The study was *not* aimed at exploring the impact of sustainability-related competencies on social value creation at *organisational* level. The study aimed to explore the phenomenon at

individual strategic leader level, hence, the *level of analysis* for the study was at individual strategic leader level. Consequently, no organisational consent was sought instead individual informed consent letters were signed by participants.

4.4.6. *Unit of analysis*

Consequently, the *unit of analysis* was the individual strategic leaders, from whom personal experiential data was collected, through one-on-one semi-structured interviews, on personal sustainability-related cognitive competencies.

4.5. **Research methods**

4.5.1. *Planned - data gathering*

Data was planned to be collected through face-to-face, either through online platforms or in-person, semi-structured interviews conducted by the researcher personally with the participants individually (Josselson, 2013). As recommended by Josselson (2013) and Creswell and Creswell (2023), the interview protocol, drafted by the researcher, was characterised by: 1) the use of open-ended questions aimed at soliciting personal experiential responses, 2) the use of simple everyday language to facilitate easy understanding of the research questions and sub-research questions by participants, 3) limited number of questions, to a maximum of ten, 4) the length of the interview planned not to exceed one hour, but could be extended by 30 minutes for participants that still had more experiences to share, 5) no prior preparation work was necessary for participants and the interview protocol was not to be shared beforehand, 6) no incentives was to be offered to participants to participate in the study, 7) an invite was to be sent via email to participants, requesting the interview and detailing the research aim, 8) all interviews were to be recorded electronically using an internet based meeting platform, including a video and an audio recording of the face-to-face interviews 9) all interviews were to be transcribed to enable the researcher to concentrate on the interview without the need to take notes during the interview, and 10) all interviews were to be conducted with due professional care, respect and consideration for confidentiality of participant's and their respective client's information (Josselson, 2013).

4.5.2. *Actual - data gathering*

The one-on-one interviews were conducted by the researcher personally using the Zoom online platform, wherein the interview audio and video were recorded both locally on the interviewer's computer and on the Zoom platform cloud storage facility. The meeting assets, being the recordings and the transcript was subsequently downloaded by the researcher for safe storage on the researcher's computer and WD My Passport external disc drive. The interviews were semi-structured, the researcher used an interview guide/protocol to ensure

coverage of all research questions during the interview and to ensure consistency of the interviews for all participants, however, the interview was not based strictly on predetermined set of questions. The interview guide was not shared with participants beforehand. The interview guide is attached hereto as **Appendix 3**. The signed informed consent letter was collected from each participant prior to commencement of the meeting, and the participants were alerted that the interview would be recorded for subsequent transcription, and the participant was requested to keep their camera turned for the duration of the interview, and all the interviews were conducted in English. Interviews ranged from 40 minutes to 75 minutes in length, depending on the participant's response level of detail. The participants were not offered any reward or inducement to participate in the study. These interview procedures were aligned with both Josselson (2013) and Creswell and Creswell (2023) qualitative interview data gathering procedures.

4.5.3. *Qualitative data analysis and interpretation*

To make meaning of research participants' feelings, emotions, experiences and observations shared in the interviews and to connect data across transcripts, a *thematic analysis* was conducted by the researcher using *inductive coding* process, wherein the *first order codes emerged from the data* as opposed to deductive codes wherein preconceived or priori codes or expected codes are used (Braun & Clarke, 2020; Creswell & Cressell, 2023). As per the five stages of the data coding process, firstly, the researcher read through each of the interview transcripts, downloaded from Zoom, in the data sets line-by-line, thereby familiarising themselves with the contents of each data point and correcting any obvious transcription errors and anonymising the data by removing references to participants' name and organisations, then the transcripts were sorted into document groups on ATLAS.ti to facilitate the subsequent creation of networks. Secondly, using the ATLAS.ti qualitative analysis software, quotations were drawn from the data points (selection process) representing significant information in relation to the research questions. Thirdly, simultaneously with drawing quotations, initial or first order codes were developed on ATLAS.ti thereby effectively labelling each quotation (inductive first sorting process). Fourthly, these first order codes were then grouped together into code categories on ATLAS.ti (inductive second sorting process). Lastly, related code categories were grouped into themes (abductive linking process) (Braun & Clarke, 2020; Creswell & Cressell, 2023).

The researcher, being a novice researcher, found this first exposure to ATLAS.ti quite daunting initially, and the researcher had to first familiarise themselves with workings of the ATLAS.ti software. Consequently, the coding and quotations process outlined above was done mostly on ATLAS.ti and supplemented with the use of manual pen and paper and Microsoft Word and Excel subsequent to exporting the Code Book from ATLAS.ti. After ATLAS.ti crashed on

the researcher's personal computer, the data analysis process was then completed using the already exported codebook on Microsoft Word and Excel. **Table 3** below presents a brief summary of the coding outcome. A more detailed summary of the coding outcome is presented in **Table 4** and the detailed code list is attached hereto as **Appendix 4**.

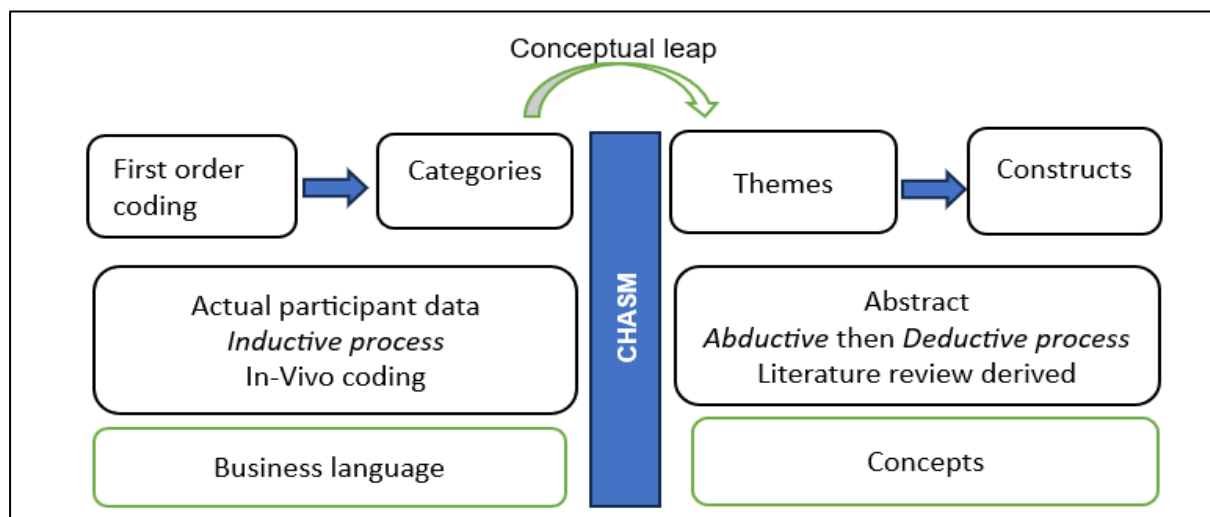
Table 3 – Brief summary of coding outcome

Number of unique first order codes	Number of code categories	Number of themes	Number of constructs
216	32	14	5

(Source: compiled by author)

4.6. Conceptual leap

Figure 6 – Conceptual leap diagram



(Source: compiled by author based on Klag and Langley (2013))

Conceptual leap, presented in **Figure 6** above, entailed crossing chasm from everyday business language of participants in data gathering to use concepts that are derived from the extant literature review and analysis (Klag & Langley, 2013). The first order codes and second order codes or categories were expressed in everyday business language used by participants in the interviews in an *inductive* coding process, the leap from categories to themes and constructs entails abandoning the business language and expressing theme and constructs in concepts derived from the extant literature (Klag & Langley, 2013). Although the themes emerged from the categories (second order codes), the researcher used scholarly language from extant literature to describe the themes, thus making the linking and *abductive* process. The constructs, into which themes were allocated, were derived from the conceptual framework that underpin this study, thus making construction a *deductive* process (Braun & Clarke, 2020; Creswell & Cressell, 2023).

4.7. Research quality and rigor

4.7.1. Reliability

To ensure external validity or reliability or consistency with other research, the researcher considered all research supervisor inputs and documented and reviewed all steps of the research process to ensure compliance with scholarly literature on research qualitative methodologies (Creswell & Creswell, 2023). Additionally, the researcher used a set Interview Guide, see **Appendix 3**, as a research instrument to ensure consistency of questions and topics covered with participants, and to attenuate and manage any researcher bias when posing questions and follow-up questions (Josselson, 2013). Further, to ensure internal validity of the findings, triangulation was used to support findings/conclusions wherein data from at least three data points was used as evidence to support a finding or conclusion (Piekkari & Welch, 2018).

4.7.2. Credibility

The researcher reviewed and analysed extant literature predominantly from empirical studies. The researcher searched for scholarly articles from reputable databases, primarily on Business Source Complete, however Google Scholar was used by the researcher to search for articles where keyword searches, linked by ‘AND’ ‘OR’ Boolean operators, on Business Source Complete and University of Pretoria library did not yield the desired results. The scholarly articles selected were published in respectable journals with AJG 3, 4 and 4* ranking. The articles selected were recently published, in the last five years, except for seminal and classical works that were published earlier.

4.7.3. Replicability

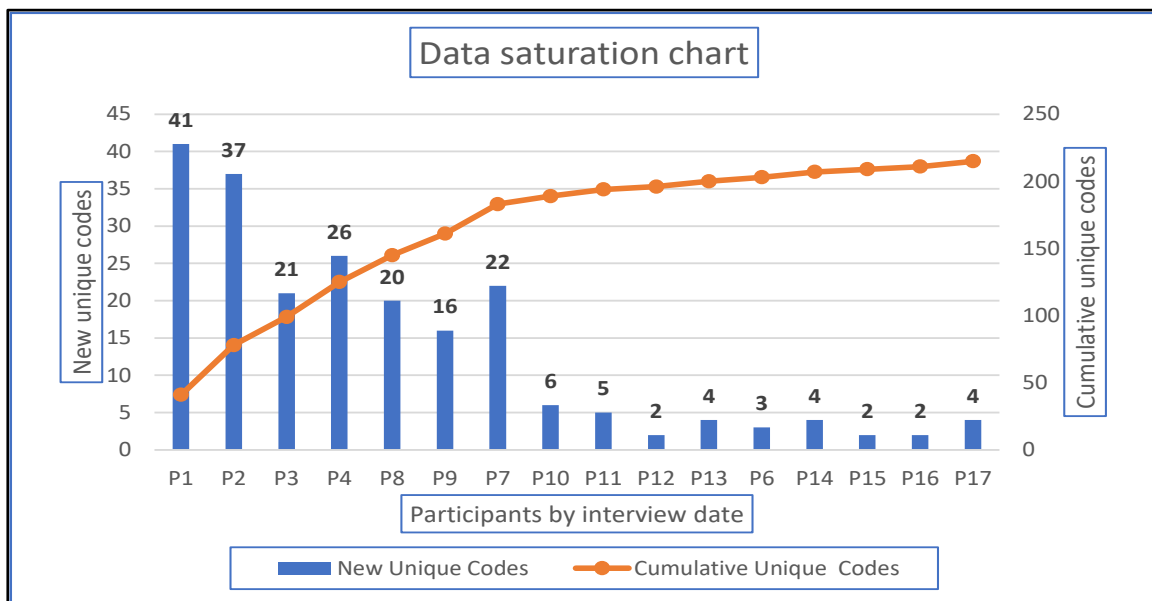
To ensure research rigor the data gathering and data analysis were conducted systematically in repeatable steps to produce an audit trail from data gathering to research findings (Piekkari & Welch, 2018). The data gathering process and the data analysis approaches and steps are presented at the beginning of chapter 5 and 6 respectively.

4.7.4. Data saturation

The time constraints associated with this research project necessitated that the researcher draws the line on interviews at some point and commence with the coding and data analysis processes. Hence, the target of 20 interviews was not attained, instead the final total of 16 interviews was deemed sufficient by the researcher to adequately address the central research question and the sub-research questions. The first seven interviews yielded most unique codes and thereafter the fewer unique codes emerged with each subsequent interview and then the unique codes settled around four or five codes per transcript. This indicated to

the researcher that a **data saturation point** had been reached, with new codes presenting only nuance of differences rather than completely new unique codes. This was aligned with the Creswell and Creswell (2023) literature on qualitative research methodologies. “One stops collecting data when the categories (or themes) are saturated, that is, when gathering fresh data no longer sparks new insights or reveals new themes,” (Creswell & Creswell, 2023, p198). **Figure 7** below presents the visual representation of data saturation based on the number of unique codes per participant. The order of participants is by date of interview, hence the non-sequential list of participants in **Figure 7**.

Figure 7 – Data saturation visualisation



(Source: compiled by author)

4.8. Ethical considerations

This study was not aimed at any members of the population or society that are considered to be vulnerable, and thus there was no risk that the participants would misunderstand their participation in the study and there was also no risk of social, psychological or economic harm being visited upon participants of the study. And no incentives were offered to interviewees to participate in the study. Each participant was required to sign an informed consent letter prior to commencement of the interview, and the interview guide was used to prompt the researcher to collect the signed informed consent letter prior to conducting the interview. The proforma informed consent letter and interview guide are attached as **Appendix 1** and **Appendix 3**.

For purposes of transcription, the interview audio and video for each Zoom virtual interviews were recorded, the participants were required to consent to the recording as part of their informed consent. The informed consent letter also confirmed that the final research report anonymised the data collected from participants and all information was treated with strict

confidentiality and the data has been securely stored electronically by the researcher. The interview data was saved and stored both on the researcher's password protected personal computer and, on the researcher's, securely kept personal WD My Passport external disc-drive for a period of ten years in line the University of Pretoria policy. Refer to **Appendix 5** attached hereto for the ethical clearance approval by the GIBS research ethics committee.

4.9. Research scope

Theoretical scope – the research was set within the broader strategic leadership field and focused on responsible leadership style as an emergent values-based leadership styles that drives shared value creation (Carter & Greer, 2013).

Physical scope or location – the study setting was South Africa, as a chosen representative of emerging market economies, outside of Asia. The extant literature on sustainability-related competencies as a driver of shared value creation emanate from studies that, have been conducted mainly in developed markets and Asia, particularly China (Chen et al., 2020; Fu et al., 2020).

4.10. Study limitations

The focus of the study will be on current strategic leaders excluding prospective or future strategic leaders either still in training or studying at tertiary institutions. Thus, this study excluded strategic leaders not members of SAICA and IoDSA thus excluding strategic leaders who may have acquired sustainability-related competencies through other professional bodies and institutions and/or experience. Further, the researcher is a novice, and this may have affected the quality of the research.

CHAPTER 5: FINDINGS

5.1. Introduction

The findings chapter presents the analysis of the data collected through the interviews of research participants. Each subsection of the chapter presents findings per research question. The central research question contains two constructs being responsible strategic leadership and shared value creation. Then, sub-research question one contains the sustainability-related competencies construct, sub-research question two contains the resistance to sustainability in emerging markets construct and sub-research question three and four contain or support the overcoming resistance to sustainability in emerging markets construct. The five constructs assist the researcher to answer all the different research questions; thus, each construct and the related research question were analysed individually in terms of the themes contained therein. A finding or conclusion per theme are presented for each construct and research question, and then findings or conclusion are presented per construct and research question.

For ease of reference a table summarising the applicable research question and construct together with the relevant themes is presented at the beginning of each subsection of the chapter. Thereafter the evidence, *being a few ATLAS.ti drawn representative quotations* from the data, that support the findings is initially presented in tabular form before the analysis.

The graphs, numbers and network diagrams were drawn from ATLAS.ti to support the analysis and research findings, and they do not detract or undermine the qualitative approach to the study.

5.1.1. Coding outcome summary

Table 4 below presents the summary of the initial or first order codes, code categories, themes and the relevant constructs. **Table 4** rows are sorted by the *Theme* column. The full code list drawn from the ATLAS.ti code book is attached as **Appendix 4**.

Table 4 – Coding summary

Total Unique First order codes		Unique First order codes per category	Second order Code Category	Theme*	Construct
46	2	(centralRQ SJ) Leadership positions	Theme 1 - (centralRQ SJ) Strategic leadership	Responsible strategic leadership	
	16	(centralRQ SJ) Leadership styles			
	6	(centralRQ SJ) Strategy formulation			
	3	(centralRQ SJ) ESG responsibility	Theme 2 - (centralRQ SJ) Strategic management		
	19	(centralRQ SJ) ESG stance	Theme 3 - (centralRQ SJ) Sustainability stance		
	66	3	(centralRQ SV) Competitive advantage		Theme 4 - (centralRQ SV) Commercial value creation
7		(centralRQ SV) Fiduciary duty			
13		(centralRQ SV) Profit making			
9		(centralRQ SV) Virtuous cycle	Theme 5 - (centralRQ SV) Social value creation		
2		(centralRQ SV) Corporate social responsibility			
2		(centralRQ SV) Doing good			
7		(centralRQ SV) Emerging vs developed markets			
6		(centralRQ SV) Enterprise development			
6		(centralRQ SV) Purpose driven			
9		(centralRQ SV) Social capital building	Theme 6 - (subRQ1) Entrepreneurial orientation	Sustainability-related competencies	
2		(centralRQ SV) Stakeholder focus			
3		(subRQ1) Entrepreneurial practices			
4	(subRQ1) Formal and informal training	Theme 7 - (subRQ1) Knowledge and skill			
9	(subRQ1) Personal attributes or traits	Theme 8 - (subRQ1) Personal concepts			
6	(subRQ1) Personal value system				
3	(subRQ1) Background effect				
4	(subRQ1) Organisational culture	Theme 9 - (subRQ1) Sustainability orientation			
50	2	(subRQ2) Geographical location	Theme 10 - (subRQ2) Hierarchy of needs		Resistance to sustainability in emerging markets
	5	(subRQ2) Needs basis			
	6	(subRQ2) Influencing followers	Theme 11 - (subRQ2) Identification and mimicking		
	22	(subRQ2) Opposition to ESG			
	1	(subRQ2) Racial dynamics			
	14	(subRQ2) Regulatory environment	Theme 12 - (subRQ2) Voluntary green behaviour		
	2	(subRQ3and4) Mentorship programs			
	14	(subRQ3and4) Overcoming ESG opposition			
25	4	(subRQ3and4) Professional bodies	Theme 13 - (subRQ3and4) Social cognitive theory	Overcoming resistance to sustainability in emerging markets	
	5	(subRQ3and4) Personal development			
	216	32 - Second order code categories			Theme 14 - (subRQ3and4) Social learning theory
216	216	14 - Themes	5 - Constructs		

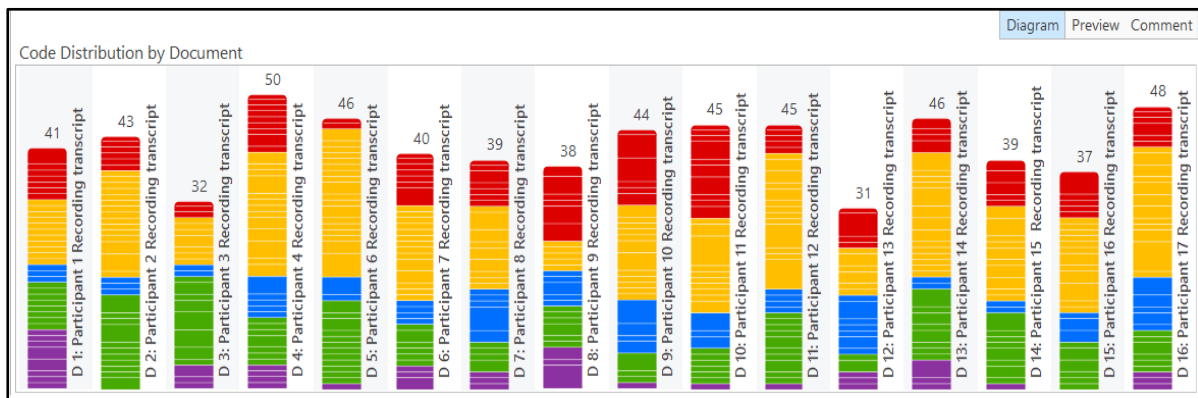
* Table rows are sorted by Theme

(Source: compiled by author)

The grounding of each first order code is determined by the number of quotations attached to the code, being the frequency attached to each first order code. Thus, although the data set yielded 216 **unique** first order codes as shown in **Table 4** above, however, the total number of codes linked to these quotations was 664. The number of quotations or total codes per

document or participant transcript is presented graphically **Figure 8** below. The colour coding done on ATLAS.ti presents a visual analysis of the most discussed *construct* per participant indicative of the saliency and relevance of different constructs to different participants. In both **Table 4** and **Figure 8** the colour coding on ATLAS.ti was done per construct as follows: Construct 1 – Responsible strategic leadership is **red**; Construct 2 – Shared value creation is **orange**; Construct 3 – Sustainability-related competencies is **blue**; Construct 4 – Resistance to sustainability is **green**; Construct 5 – Overcoming resistance to sustainability is **purple**.

Figure 8 – Code distribution per participant transcript



(Source: drawn from ATLAS.ti by author)

5.1.2. Constructs

Table 5 – Research question, theme and constructs

Research Question	Theme	Construct
<i>Central research question</i> What perceptions do strategic leaders have of sustainability-related competencies required for shared value creation in the South African context?	1 - Strategic leadership styles 2 - Strategic management 3 – Sustainability stance	1 - Responsible strategic leadership
<i>Central research question</i> What perceptions do strategic leaders have of sustainability-related competencies required for shared value creation in the South African context?	4 - Commercial value creation 5 - Social value creation	2 - Shared value creation

Research Question	Theme	Construct
<p><i>Sub-research question 1</i></p> <p>Which of these sustainability-related competencies are currently not exhibited by strategic leaders in the South African context?</p>	<p>6 - Entrepreneurial orientation</p> <p>7 - Knowledge and skill</p> <p>8 - Personal concepts</p> <p>9 - Sustainability orientation</p>	<p>3 - Sustainability-related competencies</p>
<p><i>Sub-research question 2</i></p> <p>What are the challenges experienced by strategic leaders when exhibiting sustainability-related competencies?</p>	<p>10 - Hierarchy of needs</p> <p>11 - Identification and mimicking</p> <p>12 - Voluntary green behaviour</p>	<p>4 - Resistance to sustainability in emerging markets</p>
<p><i>Sub-research question 3</i></p> <p>What are the recommendations made by strategic leaders to equip them with sustainability-related competencies that are currently not being exhibited?</p> <p><i>Sub-research question 4</i></p> <p>What role does professional bodies play in developing sustainability-related competencies in strategic leaders?</p>	<p>13 – Enhanced cognition (Social cognitive theory)</p> <p>14 - Social learning (theory)</p>	<p>5 - Overcoming resistance to sustainability in emerging markets</p>

(Source: compiled by author)

5.1.3. Participant or document group

As outlined in the Research Methodology section above, the unit of analysis for the study was the individual strategic leaders. The analysis below was conducted based on insights, as per verbatim quotations and paraphrases, of the strategic leaders individually. However, to facilitate *inter-group and cross-group analysis*, the individual strategic leaders were grouped

according to their positional characteristics. The participant transcripts were initially grouped on ATLAS.ti into eight documents groups based on professional and demographic characteristics, namely strategic leadership position, professional body membership, TMT position and gender. Note that gender and experience were not a consideration for the purposes of this study, however, there was an emergent theme during the interviews which highlighted the nurturing trait based on gender dynamic as a driver of social value creation and thus shared value creation. This emergent theme is discussed further in the conclusion of this chapter. Consequently, as mentioned above the participants transcripts or documents have been grouped into either *executive* (being members of the TMT responsible for management of day-to-day business operations) or *non-executive* (being BoD members not involved in management of day-to-day business operations) strategic leadership position to facilitate inter-group and cross-group analysis. The participant groups are presented in **Table 6** below and for ease of reference the two groups have been colour coded as follows:

Executive strategic leader	Non-executive strategic leader
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Table 6 – Participant transcript/document groups

Participant #	Strategic leadership Position	Document Group
Participant 1	NED	Non-executive
Participant 2	CFO	Executive
Participant 3	CFO	Executive
Participant 4	NED	Non-executive
Participant 6	CFO	Executive
Participant 7	CEO	Executive
Participant 8	BoD Chairperson	Non-executive
Participant 9	NED	Non-executive
Participant 10	NED	Non-executive
Participant 11	CFO	Executive
Participant 12	Lead Partner	Executive
Participant 13	Finance executive	Executive
Participant 14	Lead Partner	Executive
Participant 15	CEO	Executive
Participant 16	NED	Non-executive
Participant 17	CFO	Executive

(Source: compiled by author)

5.2. Research findings – (Central RQ) RESPONSIBLE STRATEGIC LEADERSHIP

Central research question

What perceptions do strategic leaders have of sustainability-related competencies required for shared value creation in the South African context?

Table 7 – Central research question: CONSTRUCT 1

ATLAS.ti reference	Central research question - Construct	Theme
(centralRQ SL)	1 - Responsible strategic leadership	1 - Strategic leadership styles 2 - Strategic management 3 - Sustainability stance

5.2.1. Theme1 - Strategic leadership styles

The interview with each participant began with the researcher asking each research participant to describe their understanding and experience on general business leadership in emerging markets, particularly in South Africa and further describing how the participants would characterise their respective leadership styles.

5.2.1.1. Evidence – defining strategic leadership

A selection of the evidence, in the form of representative verbatim quotations from the research participant's interview transcripts is presented in **Table 8** below to illustrate or demonstrate the emergence of the strategic leadership theme from the data collected.

Table 8 – Theme 1 selected evidence

(centralRQ SL) Responsible strategic leadership
Theme 1 – Strategic leadership
Participant 8: On ethical leadership style <i>When you look at ethical leadership, one, we'll need to be... transparent. In terms of how they make decisions, because at the end of the day, also, that assists. Because that transparency makes people understand What is going on? And that is coupled with, accountability. 7:27 ¶ 2449 – 2461 in Participant 8 Recording transcript</i>
Participant 9: On ethical leadership style: <i>if you look at what is happening right now, for me, we've got a breakdown in governance, you know, and governance also talks to ethical leadership. 8:4 ¶ 285 in Participant 9 Recording transcript</i>
Participant 6: On responsible leadership style:

And I think what it's trying to do is trying to avoid an issue of big corporates, getting into a point where they extract, wealth or resources, you know, in a place or an area. Without taking into cognizance the ecosystem that is around, and when I say ecosystem, I'm not talking about the environment, I'm just talking about the full ecosystem of having, you know, like, your communities that are around one. [5:3 ¶ 197 – 205 in Participant 6 Recording transcript](#)

Participant 7: On performance-driven leadership style

So, but my... my hope is that those who I lead, they see someone that is balanced in approach. Someone that focuses on... on performance more than anything. And I'm performance-driven. If there is no performance. [6:1 ¶ 257 – 269 in Participant 7 Recording transcript](#)

Participant 11: On sustainable leadership style:

[our forefathers] They did not know about business, but they were living a sustainable life. Maybe they did not call it sustainable, but it was...it was their way of living. You say, you know, if I'm starting a fire, this is what I do. This this material is going to remain, I'm going to use it [10:20 ¶ 778 – 786 in Participant 11 Recording transcript](#)

Participant 9: On values-based leadership:

Ensure that the leaders align to your values, and then you constantly be teaching, you know, making sure that we all think the same way within an organization. [8:34 ¶ 1429 in Participant 9 Recording transcript](#)

Participant 17: On outcome-based leadership style:

I'm definitely not a micromanager. And... actually have come to...That's the term I resent, or... it irritates me, people who need micromanagement at this point. Because I'm very... Zoomed out. I don't know how to put it, outcomes-based. [16:3 ¶ 149 – 169 in Participant 17 Recording transcript](#)

Participant 15: On visionary leadership:

My gift is the... It's just fearless, visionary. It doesn't scare me to want to build a bank [14:1 ¶ 77 – 81 in Participant 15 Recording transcript](#)

Participant 6: On leadership positions:

Administratively, if you are a CEO, it will be the chairperson of the board. If you're a CFO, then it's the CEO. And then your peers around the EXCO, which is your, you know, your peers, the other executives. I'd like to think that probably all these connections I'm talking about.: ahh connections where I feel like when I get in, I need to have, I need to make relationships. [5:1 ¶ 137 – 153 in Participant 6 Recording transcript](#)

Participant 10: On leadership positions:

a director in various companies that I was a director on, including the position that I had as a non-executive director, as well as the audit committee, as well as the membership in the audit committees that I've had. [9:1 ¶ 222 – 226 in Participant 10 Recording transcript](#)

5.2.1.2. *In-group analysis*

The executive generally characterised themselves as competent business leaders of South African companies and multinationals operating in South Africa. In doing so the executives described or characterised themselves in terms of various leadership styles. Notably, Participant 6 characterised themselves as a responsible leader that is cognisant of the extractive nature of businesses and therefore recognise the need for businesses to look after

communities in which they operate. Other prominent leadership styles were collaborative or consultative leadership as represented by insights from Participant 11 who further characterised themselves as a sustainable leader and cited the forefathers who “*did not know about business, but they were living a sustainable life. Maybe they did not call it sustainable, but it was...it was their way of living*”. Similar to Participant 6, Executives freely shared their leadership positions in the TMT or EXCO.

The non-executive characterized themselves mostly as ethical leaders, with Participant 8 and Participant 9 noting the importance of transparency and accountability in governance of organisations.

5.2.1.3. Cross-group analysis

Participant 15 characterised themselves as a visionary leader, which was different from the mostly ethics driven leadership style of the non-executives, demonstrated by Participant 9 who noted the significance of alignment of values in leadership. Further, in contrast to the non-executives, Participant 7 and Participant 17 from the executives characterised themselves as performance-driven and outcome-based leaders. None of the non-executives characterised themselves as performance-driven leaders.

5.2.1.4. Conclusion on theme 1 (strategic leadership)

The research participants characterised themselves in terms of various leadership styles, from ethical, visionary, results-driven, sustainable or responsible leaders. The research participants recognised that they hold strategic positions in their respective organisations and thus wield significant positional power, which makes them strategic leaders.

5.2.2. Theme 2- Strategic management

The researcher asked each research participant to describe their understanding and experience on strategy formulation, in relation to strategic consideration and strategic focus on ESG and sustainability in general business leadership in emerging markets, particularly in South Africa. The researcher sought to gain insight into how ESG and sustainability is incorporated into strategy formulation and value chain management in South Africa.

5.2.2.1. Evidence – ESG/sustainability in strategic management

A selection of the evidence, in the form of representative verbatim quotations from the research participant’s interview transcripts is presented in **Table 9** below to illustrate or demonstrate the emergence of the strategic management theme from the data collected.

Table 9 – Theme 2 selected evidence

Construct - (centralRQ SL) Responsible strategic leadership
Theme 2 – Strategic management
Participant 4: On strategic focus/considerations of sustainability: <i>It was a consideration, but when you formulate a strategy, as long as you say, then you've got departments that look after those aspects. It wasn't something that's discussed at, at a formulation of, of a strategy. 4:41 ¶ 2485 – 2493 in Participant 4 Recording transcript</i>
Participant 7: On strategic consideration of sustainability: <i>in all... in all fairness, ESG was not... was not a priority. Because we're in an underperforming business, and we had to... reshape our strategy. Get rid of non-core to save our balance sheet, so there was a lot to do on the business fundamentals. ESG was the last thing to worry about. 6:33 ¶ 1913 – 1929 in Participant 7 Recording transcript</i>
Participant 10: On strategic formulation and ESG/sustainability <i>when I attend this strategy session, I would be honest with you, as I mentioned earlier, that here in South Africa, as it is at the moment the issue of sustainability, it still accounts for probably less than 20%. So, in any strategy events that one attends, the 80% of the time is spent on what are the strategies that can be put in place to ensure that the performance of the company improves. By performance of the company, I'm talking about the profitability of the company. 9:24 ¶ 774 – 782 in Participant 10 Recording transcript</i>
Participant 17: On strategy formulation and ESG/sustainability: <i>It's, it's... it's an... an afterthought, almost because the strategy... will be... How to make more money. 16:44 ¶ 2041 – 2045 in Participant 17 Recording transcript</i>
Participant 1: On strategic focus: <i>It's very much alive, and it very much informs the strategy. We didn't pull out of the investment, but we had to change the strategic focus of where we're going. 1:26 ¶ 1323 – 1327 in Participant 1 Recording transcript</i>
Participant 3: On strategic formulation and ESG/sustainability <i>It's profit, profit, profit. It's like, in 5 years' time, we want to be a \$5 billion business. That's all we hear from strategy 3:12 ¶ 673 in Participant 3 Recording transcript</i>
Participant 8: On strategic formulation and ESG/sustainability <i>Now we have developed a sustainability strategy, which focuses on energy. Now, all the new models that we build now they need to have the solar system so, we have no solar panel...we've got a battery system that will store the energy. So, the usage of electricity has reduced over time. 7:22 ¶ 1981 – 2005 in Participant 8 Recording transcript</i>
Participant 4: On value chains and sustainability: <i>They supply charcoal to Netherlands and the Dutch authorities then say to the company that buys the charcoal, go and audit that these people are doing work in a sustainable manner. The Dutch company comes here and do an audit. 4:49 ¶ 3337 – 3349 in Participant 4 Recording transcript</i>
Participant 7: On value chain and sustainability: <i>To the extent that you supply Europe and... or... or U.S. Let's speak... let's speak, for instance, citrus. So, we know that there are certain, what you call them, those things that, kill pests that can tackle... what do you call them? No, pesticides, yeah, pesticides, we call</i>

them. So there's a certain level of... there's certain...types of pesticides that you shouldn't be using. [6:30 ¶ 1513 – 1533 in Participant 7 Recording transcript](#)

Participant 14: On value chains and sustainability:

we cannot ignore the impact of Trump and I'm not saying that, as a global firm, we've taken the foot off the accelerator, but suddenly now, you start hearing people talking about DEI, and whether it's necessary or not, and, you know in terms of net zero in the forecast, the global firm [13:11 ¶ 369 – 377 in Participant 14 Recording transcript](#)

And therefore the firms around the world needs to comply to that. [13:7 ¶ 237 in Participant 14 Recording transcript](#)

Participant 11: On value chains and sustainability:

So, our headquarters were in Europe, so they're the ones who are already telling us to measure emissions, measure this, measure this. [10:43 ¶ 2722 in Participant 11 Recording transcript](#)

5.2.2.2. In-group analysis

The executive shared that in their experience on strategy formulation, strategic focus and setting strategic objectives, in general and “*in all fairness, ESG was not... was not a priority*” according to Participant 7, and Participant 17 concurred saying “*it's an afterthought*” which was a similar experience of Participant 3 as well. However, on incorporating sustainability in the value chain, Participant 11 shared that ESG is a consideration in sourcing of raw materials particularly by European multinational enterprises, which was a similar experience for Participants 7 and 14 with USA multinational enterprises.

Some non-executive have experienced that sustainability has been a consideration in strategy formulation sessions, but not to the same extent as profitability or revenue generating activities, with Participant 10 noting that probably ESG accounts for 20% of strategy formulation. Participant 4 from the non-executives group indicated that ESG considerations in global value chains is a growing trend, citing the example of sourcing of charcoal from South Africa by a Dutch company.

5.2.2.3. Cross-group analysis

Both groups have similar experiences of lack or minimal consideration of ESG and sustainability in strategy formulation processes, with exception of Participant 8 from the non-executives noting that energy transition to renewables is now part of their strategy formulation. Similarly, both groups have experienced that European and American companies insist on ESG incorporation into their global value chain, which South African companies are a part of.

5.2.2.4. Conclusion on theme 2 (strategic management)

Strategy formulation in South Africa does not prioritise ESG and sustainability to the same extent as profit generating activities. However, the multinationals from the developed

economies are putting pressure on South African companies that are part of global value chains to incorporate ESG and sustainability in their business practices.

5.2.3. Theme 3 – Sustainability stance

This theme emerged from the research participants’ experiential responses on whether sustainability is elevated to the appropriate level of responsibility and how so, and whether their business models incorporate ESG and whether sustainability awareness and consciousness exist in their originations and the research participants incorporate sustainability in their leadership of organisations.

5.2.3.1. Evidence – Sustainability stance

A selection of the evidence, in the form of representative verbatim quotations from the research participant’s interview transcripts is presented in **Table 10** below to illustrate or demonstrate the emergence of the sustainability stance theme from the data collected.

Table 10 – Theme 3 selected evidence

(centralRQ SL) Responsible strategic leadership
Theme 3 – Sustainability stance
Participant 4: On sustainability responsibilities: <i>But there should be someone in the office of the CEO who coordinates that. And the CEO should be driving that exercise. 4:47 ¶ 3141 in Participant 4 Recording transcript</i>
Participant 1: On sustainability responsibilities: <i>Because we have the ethics committees, we have those kinds of things. But, again, even in those committees, a lot of the... The discharging of the duties has got to do with complying with the law. 1:20 ¶ 1051 – 1059 in Participant 1 Recording transcript</i>
Participant 11: On sustainability stance: <i>The European societies, they are very aware. You know, you can't just come and dig a mine. 10:4 ¶ 342 in Participant 11 Recording transcript</i>
Participant 16: On sustainability stance: <i>our responsibility to pull out others from poverty. So... and also for the sector to transform. 15:2 ¶ 197 – 201 in Participant 16 Recording transcript</i>
Participant 17: On sustainability stance: <i>The women aspect, must be part of the business, because we strongly believe that You know, your financial success will follow when you... when you do all of these things. 16:11 ¶ 437 – 445 in Participant 17 Recording transcript</i>
Participant 13: On sustainability stance: <i>And let's be honest, climate change was something that had to be introduced to us I mean, you grow up... Your neighbours are not talking about, oh, climate change. 12:23 ¶ 1409 – 1413 in Participant 13 Recording transcript</i>
Participant 10: On sustainability stance:

I will be honest with you, I think generally as leaders, I mean, we're... especially in a corporate environment, the issue of sustainability, it might be there, but it doesn't feature that much in your KPIs generally as the data. [9:4 ¶ 310 in Participant 10 Recording transcript](#)

Participant 9: On sustainable stance:

Where we talk about the issues of, of the environment. Except in one or two entities, because in those entities, they are specifically affected by the issues of environment [8:19 ¶ 645 – 649 in Participant 9 Recording transcript](#)

5.2.3.2. In-group analysis

The executive indicated that the responsibility for ESG in their organisations rest with members of the TMT, either the CEO or CFO or as submitted by Participant 4 “*there should be someone in the office of the CEO who coordinates*”. The stance of the executives on sustainability, particularly climate change and the environment, lags that of the European counterparts according to Participants 11 who said, “*The European societies, they are very aware*” and Participant 13 who said, “*Your neighbours are not talking about, oh, climate change.*”

According to the non-executive, ESG and sustainability responsibilities reside with the social and ethics BoD subcommittees, as illustrated by Participant 1’s reference to ethics committees. Participant 9 noted the saliency of environmental issues only to “*those entities, they are specifically affected by the issues of environment*”. The non-executives, as typified by Participant 10, indicated that the ESG stance is dictated by KPIs, otherwise companies focus on commercial performance and profitability if ESG is excluded from KPIs.

5.2.3.3. Cross-group analysis

Both groups agree that responsibility for sustainability and ESG issues should reside at the highest level of decision making in the organisation either the BoD for non-executives or the TMT for executives. Similarly, both groups agree that in the South African context, wherein their organisation operate awareness for climate change, and the environment are not foremost for organisations and their leaders. Notably, the executives highlighted the natural inclination and willingness for women leaders to do good in society while bringing financial success to the companies they lead, this sentiment was shared by a few women executive leaders and is typified by Participant 17’s remark that “*the women aspect, must be part of the business, because we strongly believe that, your financial success will follow*” when a company has women leaders.”

5.2.3.4. Conclusion on theme 3 (sustainability stance)

Responsibility for ESG or sustainability is allocated to a member of the TMT or a direct report to the CEO, and a BoD sub-committee is further charged with the responsibility to oversee the

overall sustainability for organisations in South Africa. Sustainability and ESG is growing in prominence although it still lags profitability. The participants also noted the gender dynamics, particularly women leaders, as a driver of shared value creation.

5.2.3.5. Findings 1 – Construct 1 (central RQ)

The participants recognise themselves as responsible strategic leaders in South Africa, by virtue of the positions they occupy in their organisations and the various values-based leadership styles they use to characterise their leadership. Although, ESG or sustainability is not foremost in strategy formulation sessions in South Africa, the pro ESG stance of strategic leaders in South Africa is demonstrated by the allocation of ESG responsibility to the CEO or CFO as a means of elevating ESG or sustainability in their respective organisations. However, the appointment of a CSO as a full TMT member has not taken root in South Africa.

5.3. Research findings – (Central RQ) SHARED VALUE CREATION

Central research question

What perceptions do strategic leaders have of sustainability-related competencies required for shared value creation in the South African context?

Table 11 – Central research question: CONSTRUCT 2

ATLAS.ti reference	Central research question - Construct	Theme
(MainRQ SV)	2 – Shared value creation	4 - Commercial value creation 5 - Social value creation

5.3.1. *Theme 4 – Commercial value creation*

The researcher sought to learn from research participants’ experience on how effective commercial value creation impacts and relates to shared value creation. The researcher sought research participants’ insights into competitive advantage and other enablers of profitability or commercial value creation component of shared value.

5.3.1.1. Evidence – Commercial value creation

A selection of the evidence, in the form of representative verbatim quotations from the research participant’s interview transcripts is presented in **Table 12** below to illustrate or demonstrate the emergence of the commercial value creation theme from the data collected.

Table 12 – Theme 4 selected evidence

(centralRQ SV) Shared value creation
Theme 4 – Commercial value creation
<p>Participant 8: On competitive advantage</p> <p><i>As environment changes, obviously, in our days, when you look at how we do strategy, it must be very agile and adaptive. COVID taught us that they've got a term which they use as VUCA, volatility, uncertainty, complexity, and ambiguity. 7:3 ¶ 393 – 409 in Participant 8 Recording transcript</i></p>
<p>Participant 7: On fiduciary duty conflict</p> <p><i>The business group is spending a lot of time trying to meet the bare minimum required so that they can focus on what matters [to shareholders]. And as of my last point. It's the... the social... projects are a government responsibility. 6:13 ¶ 465 – 473 in Participant 7 Recording transcript</i></p>
<p>Participant 4: On profit making</p> <p><i>With regard to that, because I think sometimes, you know, when... when... when a company or a business is facing declining revenues, you start fighting for revenue, rather than looking at a broader picture. 4:43 ¶ 2617 – 2637 in Participant 4 Recording transcript</i></p>
<p>Participant 14: On profit making</p> <p><i>Shut down ideas. But self-interest, definitely it's one of those things. Whether it's right or wrong, it's a discussion for another day, but people do have to protect, I guess, what they have, yeah. 13:33 ¶ 921 – 925 in Participant 14 Recording transcript</i></p>
<p>Participant 2: On competitive advantage</p> <p><i>But at the same time, as well, the government can institute regulations that then might then be not working in the company's benefit. That's where, then, as a CFO, as the management team, you know, you try and think out of the box to say, how do I remain competitive within this context? 2:43 ¶ 2018 – 2022 in Participant 2 Recording transcript</i></p>
<p>Participant 6: On virtuous cycle</p> <p><i>But then you forget that for you to get to that point, you first need to have done some commercial activity that is going to be able to fund certain actions and investments into, maybe, green initiatives. 5:11 ¶ 385 – 389 in Participant 6 Recording transcript</i></p>
<p>Participant 11: On virtuous cycle</p> <p><i>I know your topic, you said you want to concentrate more on the social...And, and the responsibility leadership. Unfortunately, the economic aspect to it It's also important, to be able to fuel the other topics. Because if you don't have money, you become powerless sometimes, 10:7 ¶ 418 – 430 in Participant 11 Recording transcript</i></p>

5.3.1.2. In-group analysis

The executive group highlighted how being profitable or commercial prosperity enables their organisation to do more on sustainability, this virtuous cycle was typified by the insights of Participants 11 and 6 who noted that “commercial activity that is going to be able to fund certain actions and investments into, maybe, green initiatives.” Participants 7 and 14 also

noted their duty to deliver shareholder return and the responsibility to protect their ability to generate profits.

Participant 8 from the non-executive group noted that “*when you look at how we do strategy, it must be very agile and adaptive,*” in order to remain competitive in this VUCA affected new world. The non-executives, as illustrated by Participant 4’s comment that “*, but at the top, it’s more about what can we do to increase our revenue,*” emphasised the importance of the ability of companies to generate revenues for their own survival.

5.3.1.3. Cross-group analysis

Both groups agree on the importance of the organisations continued ability to generate revenues and profits for shareholders. However, only the executives cited and recognised commercial success as an enabler for the organisations to engage in sustainable activities/initiatives as noted by Participants 6 and 11. The executives highlighted that companies generate profits and government take care of ESG, as typified by Participant 7 saying *the social projects are a government responsibility,*’ This sentiment was not shared by the non-executives group. While the executives promoted self-interest inherent in profit making, the non-executives noted selfishness as a concern in that “*when people... they rarely think about giving.*”

5.3.1.4. Conclusion on theme 4 (Commercial value creation)

Profitability and commercial success of organisation is an important enabler of ESG initiatives, and thus commercial value creation is a driver and fosters social value creation. As a result, organisation should protect their competitiveness to preserve their revenue generation capabilities. Particularly, in this VUCA impacted contextual environment, organisations need to be agile to remain competitive. However, selfishness and greed threaten the ability to do good in society.

5.3.2. *Theme 5 – Social value creation*

The researcher sought to learn from research participants’ experience on how effective social value creation is a critical aspect of effective shared value creation. The researcher sought research participants’ insights into various aspects of social value creation including, corporate social responsibility, willingness to do good, social capital, consideration of stakeholders and the importance of purpose-driven business practices.

5.3.2.1. Evidence – Social value creation

A selection of the evidence, in the form of representative verbatim quotations from the research participant’s interview transcripts is presented in **Table 13** below to illustrate or demonstrate the emergence of the social value creation theme from the data collected.

Table 13 – Theme 5 selected evidence

(centralRQ SV) Shared value creation
Theme 5 – Social value creation
Participant 6: On corporate social responsibility <i>sustainability issues, you know, are important in that they make the organization that you work for become a responsible citizen of the world. 5:2 ¶ 185 – 189 in Participant 6 Recording transcript You know, being a good corporate citizen in the country has not been sold well. 5:26 ¶ 857 – 861 in Participant 6 Recording transcript</i>
Participant 10: On corporate social responsibility <i>Most of these companies that I've worked for, they've got their foundations, you know, that are responsible for the CSI programs, you know, the donation and stuff like that. Even the company that I'm in right now, they've got a foundation that is responsible for it. 9:28 ¶ 894 in Participant 10 Recording transcript</i>
Participant 10: On doing good <i>You must contribute in terms of uplifting the community. So, companies are doing something. But if you ask me, are they doing enough? The answer is no. Because... and then part of the reason why they're not doing enough, it goes back to the issue of the government. 9:39 ¶ 1350 – 1354 in Participant 10 Recording transcript</i>
Participant 11: On doing good <i>Where I am now, sustainability is very important, because if we don't realize We are not going to have business to do in the future, because we chased profitability in the short term, we forgot about environmental and social aspect 10:9 ¶ 454 – 474 in Participant 11 Recording transcript</i>
Participant 10: On emerging vs developed markets <i>I think the leaders that are growing in the European environment, in as far as social, social, dynamics are concerned, they are slightly ahead of us, compared to us here in Africa 9:20 ¶ 650 – 654 in Participant 10 Recording transcript</i>
Participant 11: On emerging vs developed markets <i>So, I think the differences are informed by the context that we have in our environments. It's different in Europe than it is here, because, I mean, you live in a context, you know 10:16 ¶ 645 – 646 in Participant 11 Recording transcript</i>
Participant 14: On emerging vs developed markets <i>If I look at some of our African offices, I can tell you sustainability is just, at the moment, is just a talk. So, yeah, the developed...world, the global firm, I think they are way ahead of us 13:14 ¶ 413 – 425 in Participant 14 Recording transcript</i>
Participant 16: On emerging vs developed markets <i>Because they have the resources, when you look at their GDP per capita, and our GDP per capita in Africa, it's... theirs is far higher than ours, so, it's much easier for them to give than it is for us. 15:17 ¶ 989 – 1013 in Participant 16 Recording transcript</i>
Participant 3: On enterprise development: <i>So, I think... but then, those people, you can't just fund them and leave them, because they are not well equipped to run business. Most of those businesses, you find that they're not sustainable, people don't know how to run the books. They closed down after 5 years,</i>

and then some companies feel like it was a waste. In fact, <company name withheld> was liquidated because of that. They had a fund to fund the spaza shop, all the small businesses, but because those businesses were not sustainable, or people did not know how to run the businesses. The businesses were not successful. So, in my opinion, or my take in that, if you really, really want to uplift the community, you don't just give them money and leave them. You need to give them money, and then you need to hold their hands as to... to show them how to run a business. [3:2 ¶ 289 – 305 in Participant 3 Recording transcript](#)

Participant 14: On enterprise development:

We need to ensure that we're procuring from the right people, people who also understand the ESG pressures, but also people... businesses that are... that... that are... that are transformed. [13:10 ¶ 297 in Participant 14 Recording transcript](#)

Participant 1: On being purpose driven:

Because my organization is about women empowerment, and then as an extension of that, then these different initiatives came in [1:9 ¶ 575 in Participant 1 Recording transcript](#)

Participant 7: On being purpose driven:

So, we... we are a purpose-driven company. I introduced that for the first time in 2021, when I took over, and we said our purpose is to make a positive difference in Africa's trade with the world, touching the lives of the communities in which we operate. [6:14 ¶ 513 – 521 in Participant 7 Recording transcript](#)

Participant 7: On social capital building:

So, as a result of that, we became the signatories. I don't know if you are aware of the CEO pledge that we, you know, together with other CEOs of the listed companies, are saying we are committed... we are committing to make a positive contribution in terms of, fixing the current issues that South Africa faces, which I think were three back then [triple challenges]. [6:36 ¶ 2593 – 2609 in Participant 7 Recording transcript](#)

Participant 16: On social capital building:

Very important to have community on your side all the time. Because you are taking their money, every day. [15:34 ¶ 2445 – 2457 in Participant 16 Recording transcript](#)

Participant 4: On stakeholder focus:

But at the same time, there are more important stakeholders than the others. [4:15 ¶ 1021 in Participant 4 Recording transcript](#)

Participant 6: On stakeholder focus:

Remember, as I said, we are an SOE, so we have to identify and know our stakeholders. Right. So, in... there's no... in no order of preference, but I'll tell you who's important. So, in no order of preference, we start from the stakeholders that are above us, which will be, then, the minister. [5:40 ¶ 1509 – 1517 in Participant 6 Recording transcript](#)

Participant 10: On stakeholder focus:

When it comes to the stakeholders, I mean, there are various types of stakeholders that are being discussed. You know, the issue of employees as a stakeholder in the organization is... will be discussed, obviously, in any strategy sessions. The issue of customers. That one is a key stakeholder. That one, it will be discussed. But to a less extent, the issue of the community. You know, it talks to the point that I made, that when it comes to sustainability initiatives, it still does not feature that much when it comes to these strategy events that I've attended. [9:26 ¶ 838 – 842 in Participant 10 Recording transcript](#)

5.3.2.2. In-group analysis

The executive group related good corporate citizenship to doing corporate social investments (CSI) as part of social value creation as illustrated by Participant 6. The importance of willingness to do good was highlighted as driver of social value, however, this needs to be balanced with government responsibilities to society, as exemplified by Participant 7 saying *“there seems to be an expectation that the private sector has to replace government.”* While noting how that South Africa has done relatively well on sustainability compared to the rest of Africa, however, Participant 11 noted that Europe still does better on sustainability because of their enabling contextual environment. Enterprise development as identified as a social value creation initiative aimed at advancing the previously disenfranchised member of society, Participant 14 and Participant 3 made the point of procuring from and supporting black owned small businesses. Participant 14 saying *“We need to ensure that we’re procuring from the right people, people who also understand the ESG pressures.”* Participant 7 said *“we are a purpose-driven company”* which illustrated the executive group’s view on corporate purpose as a driver of doing good, further, the group recognition of the importance of stakeholder consideration in building social capital was typified by Participant 6 who noted that *“so we have to identify and know our stakeholders,”* particularly those that are most relevant to their business.

Participant 10 represented the non-executive group by highlighting the existence and importance of CSI initiatives in advancing communities, further highlighting the importance of doing good, Participant 10 emphasised that *“you must contribute in terms of uplifting the community. So, companies are doing something. But if you ask me, are they doing enough? The answer is no.”* The non-executive group noted how business leaders and companies in emerging markets are lagging their developed markets counterparts on sustainability, with Participant 16 citing the income gap as one of the reasons for this difference saying, *“because they have the resources, when you look at their GDP per capita, and our GDP per capita in Africa.”* Again, Participant 16 in saying *“Very important to have community on your side all the time,”* represented the group’s insights on the salience of stakeholder consideration in building social capital.

5.3.2.3. Cross-group analysis

In contrast to the executives group who believe that businesses are doing enough and government need to do more on ESG as Participant 7 noted that business should be careful not to replace government, the non-executives group view business as not doing enough to advance society with Participant 16 saying, *“I don’t think business is doing enough, big and small,”* with was representative of the experiences of the non-executives group. Both groups

agree on the importance of corporate purpose and effective enterprise development initiatives as drivers of empowering the disadvantaged members of society. Similarly, on the stakeholder consideration the two groups are aligned on the need to identify and rank stakeholders, with Participant 10 representing the non-executives, noting that *“the issue of customers. That one is a key stakeholder. That one, it will be discussed. But to a less extent, the issue of the community,”* similarly Participant 6, representing the executive group, noting that *“we have to identify and know our stakeholders.”*

5.3.2.4. Conclusion on theme 5 (Social value creation)

To effectively drive social value creation component of shared value creation, organisations must stay true to their corporate purpose and consider all stakeholders in their business practices and leverage the use of CSI and enterprise development to empower the disadvantaged members of society and build social capital. Whilst recognising government responsibilities on ESG, and although the private sector is doing something on the ESG front, however, businesses can still do more. Particularly, in emerging markets wherein social value creation is lagging social value creation on developed markets.

5.3.2.5. Findings 2 (central RQ)

In line with traditional competitive strategy, the participants acknowledged that commercial value creation as a means of generating shareholder return is still prevalent/dominant in South Africa. However, there was a recognition that commercial value creation is an enabler and driver of social value creation and the two reinforce each other in a virtuous cycle. There is general willingness to do good in South Africa and thus generate social value and by extension shared value. This was demonstrated in the stakeholder consideration and purpose-driven organisations and strategic leaders. Further, organisations undertake CSR initiatives as part of social value creation. However, there was an acknowledgment that emerging markets lag developed markets in magnitude of shared value created.

5.4. Research findings – (subRQ1) SUSTAINABILITY RELATED COMPETENCIES

Sub-research question 1

Which of these sustainability-related competencies are currently not exhibited by strategic leaders in the South African context?

Table 14 – Sub-research question 1: CONSTRUCT 3

ATLAS.ti reference	Sub-research question1 - Construct	Theme
(subRQ1)	3 - Sustainability-related competencies	6 - Entrepreneurial orientation 7 - Knowledge and skill 7 - Personal concepts 9 - Sustainability orientation

5.4.1. Theme 6 – Entrepreneurial orientation

The researcher interviewed the research participants to gain insights from their experience on requisite sustainability-related competencies for shared value creation. The researcher sought to first explore the understanding of competencies by participants and then explore the role and adequacy of sustainability or ESG related entrepreneurial practices, including ESG innovation.

5.4.1.1. Evidence – Entrepreneurial orientation

A selection of the evidence, in the form of representative verbatim quotations from the research participant’s interview transcripts is presented in **Table 15** below to illustrate or demonstrate the emergence of the entrepreneurial orientation theme from the data collected.

Table 15 – Theme 6 selected evidence

(subRQ1) Sustainability-related competencies
Theme 6 – Entrepreneurial orientation
Participant 7: On entrepreneurial practices: <i>It wouldn't work. So, those kinds of projects are at an infant stage, but you're absolutely correct. Any change of this nature it's got its pros and cons, and, you know, either you look at it as a risk, and you sit in a corner and suffer, or you unpack it to identify business opportunities. So, the team is doing exactly that. 6:34 ¶ 2393 – 2397 in Participant 7 Recording transcript</i>
Participant 8: On entrepreneurial practices: <i>In fact, we got to a point where we have to wheel electricity from one point to another point. Because now, somehow, in those malls, we are over-generating it. Obviously, when</i>

we were feeding back to the grid, they pay you, so, somehow, now we are beginning to realize a return on investment now. [7:24 ¶ 2137 – 2161 in Participant 8 Recording transcript](#)

Participant 9: On entrepreneurial practices:

And I always say that to people to say, when the government regulations started changing to benefit small businesses, and there was a big drive around triple BEE, a big drive around government that will do business with entities that are female-owned. That's when I left, you know, and because I know how important those regulations and legislation were within the firm, and I was like, I'm not going to be sitting here to benefit [my employer] [8:25 ¶ 857 – 865 in Participant 9 Recording transcript](#)

Participant 13: On entrepreneurial practices:

So that when, you know, I'm budgeting, I'm saying, okay, so we're launching this new subsidiary called <company name withheld>, and, you know, it's about...green energy [12:25 ¶ 1433 – 1437 in Participant 13 Recording transcript](#)

Participant 15: On entrepreneurial practices:

It didn't start as a commercial endeavour. It started as a transformation endeavour, I try not to believe that I'm good enough, and I have to believe that other Blacks coming up after me are good enough. So... so, interestingly, it is a business that was born out of transformation. [14:4 ¶ 205 – 221 in Participant 15 Recording transcript](#)

Participant 16: On entrepreneurial practices:

One of the things that we try to do in our projects is to bring connectivity to the community, because, yeah, people are not connected, yes. People are not connected, and they are already disadvantaged. So, you need to make sure that you'll make... connectivity available to the people. [15:37 ¶ 3105 – 3137 in Participant 16 Recording transcript](#)

5.4.1.2. In-group analysis

Participants 13 and 15 representing the executive group, demonstrated the appetite to take risks to take advantage of the opportunities on offer from the advent and proliferation ESG and sustainability related legislation and regulation in South Africa. Both participants started ventures in response to government regulations on renewable energy and preferential procurement respectively. Participant 7 further encapsulate this entrepreneurial spirit in saying “*. Any change of this nature it's got its pros and cons, and, you know, either you look at it as a risk, and you sit in a corner and suffer, or you unpack it to identify business opportunities. So, the team is doing exactly that.*”

Participant 8, representing the non-executives, sought to take advantage of the energy crises in South Africa by investing heavily renewables to meet the energy demand. Whereas Participant 9 resigned their employment to start a venture to exploit the opportunities presented by government preferential procurement policies aimed at promoting women empowerment.

5.4.1.3. Cross-group analysis

The groups similarly exploited the opportunities on offer presented by government regulations and ventured into businesses to benefit from those regulations. Participant 8, from the non-executives, exploited government's promotion of renewable energy generation just as Participant 13, from the executives who "so we're launching this new subsidiary called <company name withheld>, and, you know, it's about...green energy." Similarly, participants from both groups launched ventures to exploit BBBEE legislation. However, only Participant 16, representing the non-executives, shared experience of social entrepreneurship, through launching a broadband connectivity venture to promote inclusion of the marginalised groups into the digital age.

5.4.1.4. Conclusion on theme 6 (Entrepreneurial orientation)

Although ESG or sustainability driven entrepreneurial activity and innovation is not at the level of traditional non-impact focused entrepreneurship, however, those with appetite for risk and the vision to identify opportunities on offer are beginning to exploit opportunities presented by government's ESG promoting regulation. The prime examples being BBBEE and renewable energy regulations.

5.4.2. *Theme 7 – Knowledge and skill*

The researcher interviewed the research participants to gain insights from their experience on requisite sustainability-related competencies for shared value creation. The researcher sought to explore the role and adequacy of sustainability or ESG related knowledge and skills, acquired through either formal or informal training, for effective shared value creation.

5.4.2.1. Evidence – Knowledge and skill

A selection of the evidence, in the form of representative verbatim quotations from the research participant's interview transcripts is presented in **Table 16** below to illustrate or demonstrate the emergence of the knowledge and skill theme from the data collected.

Table 16 – Theme 7 selected evidence

(subRQ1) Sustainability-related competencies
Theme 7 – Knowledge and skill
Participant 1: On formal and informal training: <i>the training I've done recently on the directorship was with the IODSA. 1:16 ¶ 987 in Participant 1 Recording transcript</i>
Participant 3: On formal and informal training: <i>I mean, companies are now focusing on this diversity, equality, and inclusion (DEI). In fact, I was attending that training on that DEI in USA: It's a big thing now. I mean,</i>

everyone is training employees on that, but ESG, no. [3:32 ¶ 2165 – 2173 in Participant 3 Recording transcript](#)

Participant 7: On formal and informal training:

I think as leaders, we came about sustainability on the job. That's the nature of the beast. I was fortunate enough to go to AMP Harvard, so I got a glimpse of that. And I was fortunate to go to AMP that was sponsored by <company name withheld> when I worked for <company name withheld>. So, a combination of those, shaped my thinking around sustainability. But also, I always say that, you know, sometimes we complicate the sustainability and think it's something that needs to be thought of differently, but I always say that if you're a person that likes to do the right thing, then it shouldn't be a problem.

[6:24 ¶ 977 – 1001 in Participant 7 Recording transcript](#)

Participant 10: On formal and informal training:

Most of the multinationals, they tend to allow their people that they are grooming for leadership positions to be given some time off for studying in Europe, just for them to see how the developed countries are doing certain things, because by so doing, by the time you come back, you would have seen how things are being done in Europe, how things are being done in the US.

[9:22 ¶ 674 – 682 in Participant 10 Recording transcript](#)

5.4.2.2. In-group analysis

From the executive group, Participant 7 received both formal AMP Harvard exposure to sustainability and informal on the job training on sustainability, and Participant 7 acknowledge this by saying “*So, a combination of those, shaped my thinking around sustainability.*” Whereas Participant 3 sought to differentiate between ESG and DEI and received formal training in the USA on DEI.

From the non-executive group, Participant 1 received exposure to sustainability as part of directorship formal training provided by the IoDSA. Participant 10 on the hand, shared their experience with multinationals send their future leaders to Europe and the USA “*for them to see how the developed countries are doing certain things.*”

5.4.2.3. Cross-group analysis

Participants from both groups shared similar experiences regarding training provided abroad, in developed markets particularly USA and Europe, on sustainability. As shared by Participant 1, the non-executive directors in South Africa receive formal training primarily from the IoDSA, which now incorporates courses.

5.4.2.4. Conclusion on theme 7 (Knowledge and skill)

The participants appreciate and acknowledge the formal and informal training they have received in the careers to gain and enhance their sustainability knowledge and skills to effectively drive social value creation. However, other than training provided by professional bodies, formal sustainability training and best practices, to learn from, seem to be mostly accessible in developed market, particularly the USA and Europe.

5.4.3. Theme 8 – Personal concepts

The researcher interviewed the research participants to gain insights from their experience on requisite sustainability-related competencies for social value creation. The researcher sought to first explore the understanding of competencies by participants and then to explore the role and adequacy of sustainability-related personal concepts, specifically personal attributes or traits and personal values, for effective social value creation.

5.4.3.1. Evidence – Personal concepts

A selection of the evidence, in the form of representative verbatim quotations from the research participant's interview transcripts is presented in **Table 17** below to illustrate or demonstrate the emergence of the personal concepts theme from the data collected.

Table 17 – Theme 8 selected evidence

(subRQ1) Sustainability-related competencies
Theme 8 – Personal concepts
Participant 12: On personal attributes and traits: <i>understanding what ESG actually means, and why it's important, so, so that talks to, to my values, right? And one of my values is, you know, making sure that we treat people with dignity and respect</i> 11:32 ¶ 1241 – 1257 in Participant 12 Recording transcript
Participant 8: On personal attributes and traits: <i>Then it goes to talk to the issues of integrity. Integrity is about leading by example. You don't put yourself in a position where there's... conflict of interest.</i> 7:4 ¶ 557 – 565 in Participant 8 Recording transcript <i>Obviously, you need someone that, you can trust. I want to talk about integrity</i> 7:9 ¶ 1257 in Participant 8 Recording transcript <i>Integrity is about doing the right thing, even if there's no one who's watching you.</i> 7:30 ¶ 2633 in Participant 8 Recording transcript
Participant 9: On personal attributes and traits: <i>I had to raise a daughter and that also contributed quite a lot, you know, in my caring nature. My motherly nature played a factor, you know, in the work environment where I felt that, when I came into a professional environment, I carried that with me. You know, I carried the motherly thing with me</i> 8:13 ¶ 465 – 473 in Participant 9 Recording transcript
Participant 17: On personal attributes and traits: <i>Women leaders, have that natural inclination, and are more predisposed to looking outside of themselves, right, but looking at the community to try and bring up as many people as possible.</i> 16:20 ¶ 921 – 929 in Participant 17 Recording transcript
Participant 12: On personal attributes and traits: <i>The other is then self-belief, you know, to saying, I know I can do this.</i> 11:36 ¶ 1693 in Participant 12 Recording transcript
Participant 10: On personal attributes and traits:

I think one concept that I think is quite important is selflessness when it comes to leadership, right, whether it's a community or it's a corporate, if whatever that you are doing, you are just doing it for the benefit of yourself, then you're not a good leader. [9:9 ¶ 430 – 438 in Participant 10 Recording transcript](#)

One of the key attributes of a good leader is selflessness. [9:10 ¶ 450 in Participant 10 Recording transcript](#)

Participant 17: On personal values system:

That the social aspect needs ... it's become part of me, also as a person, in how I help run the company, in what I do out there, in what... as part of being in this company, one sits on many boards of our investee companies, and that is the philosophy we try to take to all the areas of influence that we have. [16:12 ¶ 409 – 429 in Participant 17 Recording transcript](#)

Participant 4: On personal values system:

Yeah, your ethics, your leadership that you require from the entity, it's all governed through the policies that you determine up front as a collective, if you're working in a collective. [4:8 ¶ 697 – 701 in Participant 4 Recording transcript](#)

I was saying, as long as someone acts according to the values that are defined in our policies, then everything is okay. But if someone acts outside of that, then even if you are democratic, but you have to hold them accountable. [4:10 ¶ 725 in Participant 4 Recording transcript](#)

Participant 1: On personal values system:

Acting in an ethical way, towards your organization, discharging your responsibilities ethically, you know, conducting yourself in an ethical way. [1:18 ¶ 1011 – 1015 in Participant 1 Recording transcript](#)

Participant 2: On personal values system:

And, you know to be successful, if you have inappropriate values, then you might not necessarily be the right person or the right leader to be taking that business to the next level. So, your personal values sometimes, that's why, you know, when you hire somebody, especially, like, the CEO, you need somebody who is fit for that particular environment, you know, so it's not necessarily about their [qualifications]... [2:26 ¶ 1010 – 1014 in Participant 2 Recording transcript](#)

5.4.3.2. In-group analysis

The executive group acknowledge the relevance of personal concepts as part of competencies required for effective leadership and effective social value creation. This is demonstrated by Participant 12, who acknowledges that part of leadership is “*making sure that we treat people with dignity and respect.*” Participant 12 singled out self-belief as a character trait most relevant to effective leadership. Notably, Participant 17 emphasised the importance of gender dynamics in social value creation and shared value creation, noting that “*Women leaders, have that natural inclination, and are more predisposed to looking outside of themselves, right, but looking at the community to try and bring up as many people as possible.*” Participant 2 from the executives group highlighted the importance of personal values in a leader in determining that leader’ suitability for the role, particularly CEO role.

The non-executive group noted integrity and trust as the personal attributes that drives ethical leadership, ensuring that leaders make decision free of conflict of interest, as typified by Participant 8's comments. Additionally, Participant 10 said "*one of the key attributes of a good leader is selflessness,*" ensuring that leaders lead for the benefit of everyone. Additionally, the non-executives considered personal values as central to effective ethical leadership as values-based leadership style. Participant 4 further noted that values expected of a leader should be defined in the organisation's policies by saying "*as long as someone acts according to the values that are defined in our policies, then everything is okay.*"

5.4.3.3. Cross-group analysis

Both groups recognised the saliency of personal attributes or character traits as key drivers that shape a leader's orientation towards ethical and responsible leadership; however, the groups highlighted different individual character traits. Further, it emerged from both groups that gender dynamics, particularly women's natural nurturing trait drives sustainable leadership specifically advancement of society. In this regard, Participant 9 highlighted how "*motherly nature played a factor in the work environment,*" which echoed Participant 17's sentiments, from the executives group. Both groups further noted the importance of personal values in shaping leadership style and orientation of a leader

5.4.3.4. Conclusion on theme 8 (Personal concepts)

Notably, the researcher had to first gain an understanding of whether participants understood what is meant by competencies in general and then relate competencies to sustainability. Personal character traits like integrity, trust, respect, selflessness and dignity and personal value system shape a leader's orientation towards ethical leadership and values-based leadership generally. Additionally, a women's natural nurturing inclination introduces a gender dynamic in effective responsible leadership, particularly advancement of society and caring for the community.

5.4.4. *Theme 9 – Sustainability orientation*

The researcher interviewed the research participants to gain insights from their experience on requisite sustainability-related competencies for shared value creation. The researcher sought to explore the role, adequacy and drivers of sustainability-orientation in effective shared value creation by South African strategic leaders.

5.4.4.1. Evidence – Sustainability orientation

A selection of the evidence, in the form of representative verbatim quotations from the research participant's interview transcripts is presented in **Table 18** below to illustrate or demonstrate the emergence of the sustainability orientation theme from the data collected.

Table 18 – Theme 9 selected evidence

(subRQ1) Sustainability-related competencies
Theme 9 – Sustainability orientation
<p>Participant 4: On background effect/influence:</p> <p><i>There's not even one person that you look down upon. All the people that I grew up with, they are important in their own way. So, in the business environment, all people are important in their own way as well. All the stakeholders, they've got some role to play</i> 4:5 ¶ 581 – 597 in Participant 4 Recording transcript</p>
<p>Participant 7: On background effect/influence:</p> <p><i>I said, education is everything. And I mean, in some of the sessions, I use myself as an example. I said, well, I grew up in a rural background, and if it wasn't for education, I don't know where I'd be. So, I value that: And therefore, one of the key things we need to do as <company name withheld> is to support education. So what we did, we then drafted a policy, and that policy said, for every rand of CSI that you spend, 70 cents should go to education, 20 cents environment, and 10 cents discretionary.</i> 6:18 ¶ 705 – 721 in Participant 7 Recording transcript</p>
<p>Participant 11: On background effect/influence:</p> <p><i>You are a leader that grows up in this environment, so your leadership, to a big extent, is shaped by your environment, to a big extent. And the leader in Europe, to a big extent, is shaped by the environment in Europe. So, what does this mean now when it comes to your topic? So, if I'm a leader in Europe.</i> 10:10 ¶ 534 – 542 in Participant 11 Recording transcript</p>
<p>Participant 14: On background effect/influence:</p> <p><i>I guess my background pretty much influences how I work.</i> 13:34 ¶ 977 in Participant 14 Recording transcript</p>
<p>Participant 16: On background effect/influence:</p> <p><i>I think it's, historically, it's the ..., my upbringing, so to speak. Growing up in an environment where you see the difference between the rich and poor, you want that gap to be bridged as quickly as we can.</i> 15:10 ¶ 644 – 661 in Participant 16 Recording transcript</p>
<p>Participant 9: On organizational culture:</p> <p><i>That's why I said the culture... you feel the culture when you walk through the door of any organization. Right. So, instilling the right culture within an organization is important. We have to make sure that we teach people the right values.</i> 8:35 ¶ 1485 in Participant 9 Recording transcript</p>
<p>Participant 10: On organizational culture:</p> <p><i>It's about the organization having a particular culture, so that when they recruit people, they recruit people who can fit in within that culture. If you don't fit in within that culture, they don't recruit you: I know that is just theory, but if it were to be like that, then we'll see a big improvement in as far as the leadership is concerned.</i> 9:33 ¶ 1090 – 1094 in Participant 10 Recording transcript</p>
<p>Participant 11: On organizational culture:</p>

Look, it's very, it's very important to cultivate culture. I think it's one of the things that I've learned later in life. There's always this adage that says, culture eats strategy for breakfast, you know? [10:28 ¶ 1178 – 1182 in Participant 11 Recording transcript](#)

Participant 7: On organizational culture:

And then finally, which is most important, recognition for performance. [6:6 ¶ 321 in Participant 7 Recording transcript](#)

5.4.4.2. In-group analysis

The executive group noted the influence of personal background and upbringing on the leader's style of leadership and orientation. "*I guess my background pretty much influences how I work,*" Participant 14 noted. Both Participant 7 and 11 further demonstrated how their background, from childhood, and their environment shaped their orientation towards ESG or sustainability. Participant 7's education background influences how education is prioritised by the company they lead as CEO, noting that "*so what we did, we then drafted a policy, and that policy said, for every rand of CSI that you spend, 70 cents should go to education, 20 cents environment, and 10 cents discretionary.*" Further, the executives recognised how organisational culture is a key driver of value creation, typified by Participant 11's comment saying, "*there is always this adage that says, culture eats strategy for breakfast.*"

Participant 16 said "*growing up in an environment where you see the difference between the rich and poor, you want that gap to be bridged as quickly as we can,*" which was representative of non-executive group's experience on how one's background shaped the leaders' sustainability orientation. Further, the non-executive group acknowledged the role played by organisational culture in shaping the organisational values and thus, "*instilling the right culture within an organization is important.,*" noted Participant 9.

5.4.4.3. Cross-group analysis

The executive and the non-executive group similarly acknowledged and recognised both organisational culture and the influence of background or upbringing on a leader's values and leadership style, with both groups noting the impact their childhood and environment shaped them into the leaders they have become. However, only the executive group elevated organisational culture above corporate strategy as a driver of value creation and quoted the adage "*culture eats strategy for breakfast.*"

5.4.4.4. Conclusion on theme 9 (Sustainable orientation)

Sustainability orientation in a business leader is shaped by the leader's personal background and the organisational culture of the organisation they lead. Consequently, a leader that is sustainability orientated from early in their life cultivates an organisational culture that fosters social value creation by the organisation they lead.

5.4.5. Findings 3 – Construct 3 (sub-RQ 1)

The strategic leaders acknowledged sustainability-related competencies as a driver and enabler of shared value creation. Personal attributes and personal values, which were shaped by the environment or context and the childhood background of strategic leaders were identified as major drivers of social value creation. Additionally, examples of ESG related entrepreneurship activities were provided, demonstrating the ability of strategic leaders to identify and exploit opportunities on offer as a result of ESG promoting regulations and legislation in the country. Also, organisational culture was identified as a key driver of social value creation. It was noted that sustainability-related competencies are teachable to others through formal and informal training with the support of professional bodies.

5.5. Research findings – (subRQ2) RESISTANCE TO SUSTAINABILITY in EM

Sub-research question 2

What are the challenges experienced by strategic leaders when exhibiting sustainability-related competencies?

Table 19 – Sub-research question 2 CONSTRUCT 4

ATLAS.ti reference	Sub-research question 2 - construct	Theme
(subRQ2)	4 - Resistance to sustainability in emerging markets	10 - Hierarchy of needs 11 – (Lack of) Identification and mimicking good deeds 12 – (Lack of) Voluntary green behaviour

5.5.1. Theme 10 – Hierarchy of needs

The researcher interviewed the research participants to gain insights from their experience on requisite sustainability-related competencies for shared value creation. The researcher sought to explore the drivers of resistance, particularly needs-driven resistance, to effective shared value creation in emerging markets and South Africa in particular.

5.5.1.1. Evidence – Hierarchy of needs

A selection of the evidence, in the form of verbatim quotations from the research participant's interview transcripts is presented in **Table 20** below to illustrate or demonstrate the emergence of the hierarchy of needs theme from the data collected.

Table 20 – Theme 10 evidence

(subRQ2) Resistance to sustainability in emerging markets
Theme 10– Hierarchy of Needs
Participant 2: On geographical location (geopolitics) driven needs <i>But, but there's issues of geopolitics as well, which you need to understand...I mean, if your business is in commodities. Those things, they really affect that, so you need to be able to ensure that you understand that, and you understand what the impact of that is... positively or negatively.</i> 2:7 ¶ 482 – 490 in Participant 2 Recording transcript
Participant 7: On geographical location driven needs <i>Because the government set the rules, and the business looks at the rules, interprets them in as far as they impact the business. So, what is challenging in South Africa at the moment is that those rules change with each government, and it creates what I call, Policy uncertainty.</i> 6:8 ¶ 369 – 381 in Participant 7 Recording transcript
Participant 14: On geographical location driven needs <i>It's like the issue of a GNU [government of national unity]. You look at GNU, you know the impact it's had on smaller firms, you know? And suddenly, smaller black firms are no longer a priority</i> 13:45 ¶ 1789 in Participant 14 Recording transcript
Participant 6: On needs basis: (general needs-driven action) <i>when we are not a first world country, you know? And no one sits down and says, but maybe, at the moment, we can't be then investing resources on this activity, because we are still on a certain level. You remember in Maslow's Hierarchy of needs, you know?</i> 5:7 ¶ 301 – 309 in Participant 6 Recording transcript
Participant 16: On needs basis: (general needs-driven action) <i>You would rather burn coal, than for... Your population to be hungry, or for your population not to afford healthcare. So, it's less of a... It's less of a priority.</i> 15:16 ¶ 889 – 897 in Participant 16 Recording transcript
Participant 15: On needs basis: (general needs-driven action) <i>So, I think it's Maslow, right? Once you... You do not have... the pressure to survive, it's easier to think about... [emissions]... easier to think about... pollution... It's easier to think about, you know... plastics in the sea. [In emerging markets], those are not: issues you can even entertain. You do what you can in that moment, and you move on. So, the advantage of the developed markets to make a difference is huge</i> 14:13 ¶ 497 – 529 in Participant 15 Recording transcript
Participant 8: On needs basis: (general needs-driven action) <i>To allocate resources to these social initiatives. Yes, you do get, resistance... sometimes... because there's always competition, between... making a return for the shareholders, or the investors, vis-a-vis... social contribution within the area that you operate in. So, you'll find that others resist the allocation of too much resources [towards sustainability].</i> 7:17 ¶ 1597 – 1621 in Participant 8 Recording transcript

5.5.1.2. In-group analysis

The executive group have experienced that there is indeed resistance to ESG and sustainable initiatives in South Africa, that resistance is driven by sustainability ranking low on the

hierarchy of needs for the country according to Participant 6. Participant 15 remarked that “so, *I think it's Maslow, right? Once you do not have the pressure to survive, it is easier to think about... [emissions]... easier to think about... pollution.*” Additionally, Participant 2 noted geopolitics, being the legislative environment and the geographical location of the country, contribute to resistance to sustainability. Participants 7 and 14, cited the inconducive legislative environment due policy uncertainty and the formation the GNU having derailed advancement of black people in South Africa.

The non-executive group noted the priority of needs as a drive of resistance to sustainability, a point typified by Participant 16’s remarks that “*you would rather burn coal, than for your population to be hungry, or for your population not to afford healthcare. So, it [sustainability] is less of a priority.*” Further, Participant 8 from the non-executive group, shared that “*others resist the allocation of too many resources [towards sustainability],*” which is indicative of resource constraints hence resource/capital allocators do not prioritise sustainability.

5.5.1.3. Cross-group analysis

Both groups shared that they have experienced resistance to sustainability in various forms, both groups have experienced resistance due to lack of prioritisation on sustainability or ESG initiatives. With the executive group citing Maslow’s hierarchy of needs, while the non-executives referred to lack of priority for ESG to resource constraints. The executive group, Participants 7 and 14, cited geopolitics and the attendant regulations as a barrier to effectively implementing sustainability initiatives. Whereas, Participant 4, from the non-executive group, cited emigration of employment opportunities from one jurisdiction to another, by saying “*there are parts of audit work that are [now being] outsourced to India for instance,*” which have a negative impact on South Africa’s ESG, particularly employment.

5.5.1.4. Conclusion on theme 10 (Hierarchy of needs)

There is resistance to sustainability to sustainability in South Africa that has been experienced by business leaders. This resistance is primarily driven by lack of a conducive legislative and political environment to foster social value creation. Additionally, sustainability is not a priority on the hierarchy of needs in emerging markets due to resource constraints.

5.5.2. Theme 11 – Identification and mimicking

The researcher interviewed the research participants to gain insights from their experience on requisite sustainability-related competencies for shared value creation. The researcher sought to explore the drivers of resistance to effective shared value creation in emerging markets and South Africa in particular, specifically **lack** of ability to influence others to do good

5.5.2.1. Evidence – Identification and mimicking

A selection of the evidence, in the form of verbatim quotations from the research participant's interview transcripts is presented in **Table 21** below to illustrate or demonstrate the emergence of the hierarchy of needs theme from the data collected.

Table 21 – Theme 11 evidence

(subRQ2) Resistance to sustainability in EM
Theme 11 – Identification and mimicking
Participant 9: On influencing followers: <i>I want to...not lead alone but lead with my team. So, I try as much as I can to empower my team to be able to also think on their own, without my intervention. 8:2 ¶ 205 – 217 in Participant 9 Recording transcript</i>
Participant 2: On influencing followers: <i>Once you know that, in terms of the plan, that it gives you a direction in terms of what would you require from your, subordinates to be able to then drive whatever [sustainability] work that needs to be driven. 2:3 ¶ 426 – 430 in Participant 2 Recording transcript</i>
Participant 4: On influencing followers: <i>I want someone who's going to lead without being told to lead. Someone who is proactive. Someone who is going to say, let's do this, let's do that, or I've made this arrangement, so someone who is very proactive, that's what I'm looking for. 4:12 ¶ 909 – 913 in Participant 4 Recording transcript</i>
Participant 1: On influencing followers: <i>If those people in that room are motivated, and they are serious about, that kind of change, then it will happen. 1:40 ¶ 2327 – 2343 in Participant 1 Recording transcript</i>
Participant 7: On influencing followers: <i>So, for instance, when we do the packing of the food stuff, if we are responding to some crisis, we actually get buy-in. In some instances, some of the business units actually initiated themselves, and do those initiatives, and we recognize them, and we send the word of thanks. So, for me, because we've... we've taken that purpose and put it into actionable items that each one of us can resonate with. It just created a natural alignment. 6:23 ¶ 901 – 917 in Participant 7 Recording transcript</i>
Participant 12: On influencing followers: <i>Either be it, you know, volunteering for social impact, etc. but in most cases that is their personal time. So, at the firm, we... I mean, globally, we have a volunteer day, where we dedicate a day and that's the minimum, right. You know, one day you close the office, you know, we...we go out. 11:28 ¶ 969 – 989 in Participant 12 Recording transcript</i>

5.5.2.2. In-group analysis

The executive group recognised that to drive any initiative, including sustainability, the leader needs to get buy-in from followers to get things done. Whilst Participant 2 noted that it is best to have “*plan, that it gives you a direction in terms of what would you require from your,*

subordinates” on agreed plan of action, however, Participant 7 shared that *“in some instances, some of the business units actually initiated themselves, and do those initiatives, and we recognize them, and we send the word of thanks,”* pointing to action taken by the followers based prior initiatives taken by the organisation and example set by the leaders. Similarly, Participant 12 referenced their firm’s successful global volunteer day initiative wherein; by affording employees a day off work the leaders set the tone for employees to volunteer their personal time to sustainable initiatives.

The non-executive group highlighted the importance of empowering team members to think and act independently of the leader, as noted by Participant 9. In echoing the same sentiment of voluntary action by followers, Participant 4 said they *“want someone who's going to lead without being told to lead, someone who is proactive,”* as well as Participant 1 who cited motivation of team members as a driver for desired behaviours.

5.5.2.3. Cross-group analysis

Both groups acknowledged the importance of identification by followers to get things done, wherein leaders set the tone and create a conducive environment for followers to act. Although the groups cited different drivers of voluntary behaviour by followers, with the executives citing proper planning by Participant 2, recognition by Participant 7 and affording space for followers to volunteer by Participant 12. Whilst from the non-executives Participant 1 cited motivation, Participant 4 cited proactiveness and Participant 9 cited the importance of empowerment of team members.

5.5.2.4. Conclusion on theme 11 (Identification and mimicking)

Effective leadership involves influencing followers to act to drive value creation. Setting the right tone and culture at the top will subsequently elicit proactiveness from followers. Since, empowerment, motivation and recognition are levers available to leaders to influence followers to do good. Therefore, where leaders fail to set the right culture and tone for followers to identify with and mimic social value creation will be hampered.

5.5.3. *Theme 12 – Voluntary green behaviour*

The researcher interviewed the research participants to gain insights from their experience on requisite sustainability-related competencies for shared value creation. The researcher sought to explore the drivers of resistance, particularly how **lack** of voluntary green behaviours hinders effective social value creation in South Africa and other emerging markets.

5.5.3.1. Evidence – Voluntary green behaviour

A selection of the evidence, in the form of verbatim quotations from the research participant's interview transcripts is presented in **Table 22** below to illustrate or demonstrate the emergence of the hierarchy of needs theme from the data collected.

Table 22 – Theme 12 evidence

(subRQ2) Resistance to sustainability in EM
Theme 12– Voluntary green behaviour
Participant 14: On opposition to ESG: <i>Because of how the economy is, because of how we are performing as a business, we are constrained [on what we can do].</i> 13:29 ¶ 773 in Participant 14 Recording transcript
Participant 7: On opposition to ESG: <i>Companies pay the government what is due. And then they leave it to the government to do the right thing with their tax money</i> 6:26 ¶ 1133 – 1137 in Participant 7 Recording transcript
Participant 16: On opposition to ESG: <i>People have left the burden to government. They are saying, I'm paying my taxes: I've done my part. In contributing to society.</i> 15:20 ¶ 1129 – 1145 in Participant 16 Recording transcript
Participant 2: On opposition to ESG: <i>unfortunately, I mean, you know, as much as we try to drive ESG, but ESG is still a tick box exercise at this point</i> 2:38 ¶ 1882 in Participant 2 Recording transcript
Participant 14: On opposition to ESG: <i>How many of them will stand up when something is not right? And most of them, by the way, are CAs, which is unfortunate. I've had the displeasure of going into a meeting with the chairman of the Audit Committee, and the first comment he made is, well, the previous audit partner did not dig too much into this, so we don't expect you to create issues for us. I mean, that's nonsensical, and this is a chartered accountant, and you cannot tell me that he doesn't understand ethics.</i> 13:39 ¶ 1145 – 1165 in Participant 14 Recording transcript
Participant 4: On regulatory environment: <i>once you start focusing, let's say, on the guidance from King 4, you've got those 16 principles or 15 principles, then, if you have to report on each principle, then it will guide the business to ensure that you don't just have sustainability as a checklist, but it's embedded in the principles of how you run your business. And it starts from the person that is leading the business, because King 4 is about governance. These principles are driven by, the way you govern</i> 4:42 ¶ 2665 – 2689 in Participant 4 Recording transcript
Participant 6: On regulatory environment: <i>What holds us back, though, is, I think, policies of the different countries as well. They can hold us back, government policies.</i> 5:17 ¶ 529 – 533 in Participant 6 Recording transcript
Participant 10: On regulatory environment: <i>I mean, I just mentioned the issue of the Sustainability Reports of the multinationals that are operating in South Africa. If you compare those sustainability reporting [requirements]</i>

to the big conglomerates operating in Europe and the US, they are vastly different, [9:15 ¶ 566 – 570 in Participant 10 Recording transcript](#)

Participant 12: On regulatory environment:

So, what's holding us back, I think it's... it's a lack of clear policy. Strategic choices, you know, from a country perspective. [11:14 ¶ 617 – 621 in Participant 12 Recording transcript](#)

5.5.3.2. In-group analysis

The executive group cited the current state of the economy, and how a stagnant economy impacts the economic prospects of companies and that negatively affect how much companies spend on ESG, to this Participant 14 said, “*because of how the economy is, because of how we are performing as a business, we are constrained.*” Companies pay tax and thereafter leave it to government to do good in society and the environment, as noted by Participant 7. Besides ESG being viewed as a tick box exercise by companies, as per Participant 2, Participant 14 cited lack of assertiveness and abdication of ethical responsibility by management as hinderance to sustainability. In addition to government policies discouraging sustainable behaviour as noted by Participant 6, Participant 12 also blames lack of clear government policies and clear country ESG strategy as factors that are holding business leaders and companies from doing more on ESG.

Participant 16 said “*I'm paying my taxes, I've done my part in contributing to society,*” typified the experiences of the non-executive group with companies refusing to do good since they already pay taxes. On the policy and regulatory front, non-executive group bemoaned restrictive company policies on what is doable on ESG and the fact that King VI on corporate governance is not law, but mere guidance on ethics.

5.5.3.3. Cross-group analysis

The executive and the non-executive groups both agree that there are factors hindering voluntary action by business leaders and companies from creating social value. The common factors cited by both groups include restrictive government policies, budget constraints and unwillingness by companies to do more than just pay taxes. The non-executives highlighted the unenforceability of King VI as a reason for lack of voluntary ethical behaviours by organisations.

5.5.3.4. Conclusion on theme 12 (voluntary green behaviour)

Business leaders and companies can do more on sustainability, out of their own volition, under conditions where the economy is growing and thus budgets are permitting and consequently resources are available to undertake sustainability initiatives. Government’s inability to set a clear country direction on ESG which will create a conducive environment that promote voluntary ESG or green behaviours also hampers social value creation in South Africa.

5.5.4. Findings 4 – Construct 4 (sub-RQ 2)

Strategic leaders in South Africa reported that they do encounter challenges when exhibiting sustainability behaviours. The challenges present as barriers and direct opposition to sustainability. The geopolitics, being political factors like the government structure and legislation and geographical location of emerging markets countries, was reported to dictate the need (or lack thereof) of social value creation. The inability to effectively influence others towards ESG was another factor that presented challenges to implementing sustainability initiatives, in addition to lack of financial resources and restrictive budgets further result in opposition to the perceived lesser priority ESG initiatives since the economy is not growing.

5.6. Research findings – (subRQ3 and 4) OVERCOMING RESISTANCE TO ESG

Sub-research question 3

What are the recommendations made by strategic leaders to equip them with sustainability-related competencies that are currently not being exhibited?

Sub-research question 4

What role does professional bodies play in developing sustainability-related competencies in strategic leaders?

Table 23 – Sub-research questions 3 and 4: CONSTRUCT 5

Atlas.ti reference	Sub-research questions 3 and 4 - construct	Theme
(subRQ3and4)	Overcoming resistance to sustainability in emerging markets	13 – Enhanced ESG cognition (Social cognitive theory) 14 - Social learning (theory)

5.6.1. Theme 13 – Enhanced ESG cognition (Social cognitive theory)

The researcher interviewed the research participants to gain insights from their experience on requisite sustainability-related cognitive competencies for shared value creation. The researcher sought to explore the measures or interventions, particularly enhanced ESG cognition necessary to overcome sustainability resistance and possible interventions by professional bodies, to overcome resistance to effective social value creation in emerging markets and South Africa in particular.

5.6.1.1. Evidence – Enhanced ESG cognition

A selection of the evidence, in the form of verbatim quotations from the research participant’s interview transcripts is presented in **Table 24** below to illustrate or demonstrate the emergence of the enhanced ESG cognition theme from the data collected.

Table 24 – Theme 13 evidence

(subRQ3and4) Overcoming resistance to sustainability in EM
Theme 13 – Enhanced ESG cognition (Social cognitive theory)
Participant 1: On personal development: <i>the training I have done recently on the directorship was with the IODSA. Right. And they are very much, I would say heavily, emphasized on ethics as well, right. Ethics and governance, and I feel that in that regard, they might feel they are covered. 1:17 ¶ 987 – 1003 in Participant 1 Recording transcript</i>
Participant 14: On personal development: <i>That the quality of the people we're getting out of universities has become a huge, huge issue. Especially for a second-tier firm like us, the big four [auditing firms], they are at an advantage, because everybody wants to work for the big four, so they get the cream of the crop. 13:2 ¶ 136 – 145 in Participant 14 Recording transcript</i>
Participant 4: On personal development: <i>At the same time as you are proactive, you don't leave your team behind. I want someone who's able to communicate, to say, these are the things that I think we must do, and you say, let's do this, and you lead, but you don't leave people behind. You are able to communicate and explain why it's important to do something. 4:13 ¶ 921 – 929 in Participant 4 Recording transcript</i>
Participant 3: On personal development: <i>They [SAICA] used to do university visits and offer bursaries to disadvantaged communities. I wish they can do that more. I'm sure they still do, I'm not sure, but I used to see. 3:14 ¶ 841 – 849 in Participant 3 Recording transcript</i>
Participant 4: On overcoming ESG opposition: <i>[Although] we moved from the previous regime to the [current] democratic dispensation. There's still a divide in our country. People with capital, and with ability to fund projects it's mainly... white people. 4:26 ¶ 1437 – 1445 in Participant 4 Recording transcript</i>

5.6.1.2. In-group analysis

The executive group suggest, based on their experiences, that the professional bodies to which most of them belong to, particularly SAICA, can do more to improve ESG and sustainability outcomes from their members. Participant 3 noted that SAICA “*used to do university visits and offer bursaries to disadvantaged communities, I wish they can do that more,*” this comment typified the experiences of the executive group who feel that SAICA can do more to promote inclusion and transform the profession. Whilst Participant 14, raised concern about the quality of the pipeline of future business leaders exiting tertiary institutions.

The non-executive group, who are affiliated with the IoDSA, commend the training and continued practice development initiatives at the IoDSA that are focused on ethical leadership or governance of organisation. This is typified by the remarks of Participant 1 who said, “*the training I have done recently on the directorship was with the IODSA... [they] emphasized on ... ethics and governance, and I feel that in that regard, they might feel they are covered.*” Participant affirmed the importance of communication between team members and the importance of socialisation of team members, to improve interactions and sharing of knowledge and best practices.

5.6.1.3. Cross-group analysis

Both groups agree that both SAICA and IoDSA have a role to play in improving the outcomes, including on ESG, of their members. Whereas the executive group feel that SAICA can do more, on the other hand the non-executive group feel that the IoDSA is doing well on ethics training of its members. The non-executive group, as represented by Participant 4's remarks, notably emphasised the importance of peer-to-peer learning through improved interaction and communication among team members. On transformation of the profession and consequently business leadership, the non-executive group represented by Participant 1, noted the racial dynamics at play in ownership and allocation of capital, saying “*people with capital, and with ability to fund projects it's mainly... white people.*” Transformation of the profession and business leadership will promote inclusion and equality thus improving ESG outcomes.

5.6.1.4. Conclusion on theme 13 (Enhanced ESG cognition)

The professional bodies (SAICA and IoDSA), to which strategic leader belong, can intervene to improve leadership outcomes of their members, including sustainability outcomes. The interventions include more training on sustainability to enhance the cognitive capabilities of members to effectively drive value creation in their organisations.

5.6.2. Theme 14 – Social learning (theory)

The researcher interviewed the research participants to gain insights from their experience on gaining requisite sustainability-related cognitive competencies for shared value creation. The researcher sought to explore the *broader measures or broader interventions beyond enhanced enhancing ESG cognitive capabilities of individual strategic leading*, particularly social learning including by professional bodies, to overcome resistance to effective social value creation in emerging markets and South Africa in particular.

5.6.2.1. Evidence – Social learning

A selection of the evidence, in the form of verbatim quotations from the research participant's interview transcripts is presented in **Table 25** below to illustrate or demonstrate the emergence of the social learning theme from the data collected.

Table 25 – Theme 14 evidence

(subRQ3and4) Overcoming resistance to sustainability in EM
Theme 14 – Social learning (theory)
Participant 4: On mentorship: <i>My way of contributing to the society was mentoring young people from within the firm and outside, to say, this is how you treat yourselves, this is how you grow as a person. 4:23 ¶ 1293 – 1297 in Participant 4 Recording transcript</i>
Participant 13: On overcoming ESG opposition: <i>CAs of the future need to have community service. So I don't care if you come from a place of privilege, you come from having more than enough, right now you [need to] learn [sustainability practices] 12:31 ¶ 2076 – 2077 in Participant 13 Recording transcript</i>
Participant 17: On overcoming ESG opposition: <i>[Since] we want to be active investors, so it's not just board level [engagements], it's management meetings with management to remain strategic, not in everyday running, but definitely stay close to management and try and influence those... those [sustainable investing] decisions. 16:41 ¶ 1857 – 1865 in Participant 17 Recording transcript</i>
Participant 14: On overcoming ESG opposition: <i>what we are seeing is that some of our clients are starting to say, wait a minute, what's your environmental initiatives? What are you doing for the environment, because, of course, they will get to a point [on their BBEE scorecard] 13:8 ¶ 245 – 249 in Participant 14 Recording transcript</i>
Participant 1: On overcoming ESG opposition: <i>Depending on how much involvement we have with [investee companies], there's a lot of [us] sitting on boards, and really influencing [their ESG] strategy. 1:27 ¶ 1355 – 1359 in Participant 1 Recording transcript</i>
Participant 9: On professional bodies: <i>Professional bodies play a very critical role, you know, because if you belong to a body you must be scared to lose the association. 8:27 ¶ 949 – 957 in Participant 9 Recording transcript Setting standards that for you to be associated with this professional body, you have to behave a certain way: And they have to actually instill those standards and the values that one has to comply to. Because [association with] the professional body carries weight 8:28 ¶ 969 – 981 in Participant 9 Recording transcript</i>
Participant 6: On professional bodies: <i>You know, so SAICA has got a... a bigger influence because we are members of SAICA, and we listen to what SAICA says. When SAICA says, this tax law is not good, we will go... we will all support that it is not good. And if they are the ones who say, guys, you have been working with commercial value, and you are the masters of creating</i>

commercial value, [now let us create social value as well]. [5:43 ¶ 1953 – 1957 in Participant 6 Recording transcript](#)

Participant 10: On professional bodies:

In terms of the regulatory bodies, like your IoDSA and your SAICA, I still believe that in terms of the syllabuses and whatever communication that they do to their members. They can always emphasize those kinds of things, that whatever that is the right things that are being implemented in developed economies, they are being also taught in developing economies like us, to say, in Europe, the directors are [already] undergoing these kinds of [ESG] trainings. [9:23 ¶ 686 – 694 in Participant 10 Recording transcript](#)

5.6.2.2. In-group analysis

To overcome resistance and barriers to social and thus shared value creation, the executive group highlighted the critical roles of funders and customers, who can put pressure on companies to adopt sustainable business practices. Participant 14 noting that “*what we are seeing is that some of our clients are starting to say, wait a minute, what's your environmental initiatives?*” Participant 7 spoke to how potential funders can withhold funding for unsustainable projects, saying “*if you have to get funding for a project, and of course [the potential funder] says they don't fund fossil fuels-based projects. Suddenly, [the treasurer] has a problem, because they can't find the money.*” Additionally, the executive group cited further roles that SAICA can play in using its power to influence all members embrace and normalise creating social value alongside commercial value, a point made Participant 6, including imposing community service for all new qualified CA(SA)s to gain awareness of social issues affecting communities, as suggested Participant 13 who said, “*CAs of the future need to have community service.*”

The non-executive group emphasised the need for BoD members to continue to influence ESG strategies of investee or portfolio companies, as exemplified by Participant 1's comment that “*there's a lot of [us] sitting on boards, and really influencing [ESG] strategy.*” This point on assertiveness of non-executives was also echoed by Participant 9, by citing an example where they stood their ground against and confronted resistance to targeted advancement of African black employees. Highlighting further intervention by professional bodies, the non-executive group insisted that SAICA and the IoDSA can play a role in guiding the behaviours of their members towards sustainability. Including, notably, for the professional bodies to import ESG best practices from developed markets in Europe into South Africa. To which Participant 10 remarked, “*whatever that is the right things that are being implemented in developed economies, they are being also taught in developing economies like us, to say, in Europe, the directors are [already] undergoing these kinds of [ESG] trainings.*”

5.6.2.3. Cross-group analysis

Both groups similarly recognise the power of funders and customers to influence companies to change their business practices and adopt circular business models. Additionally, both groups share the view that BoD members can influence corporate strategies of companies, by engaging management to implement sustainable business practices. Further, both groups share the view that the IoDSA and SAICA can do more persuade their members to create social value to similar levels of proficiency as they create commercial value, however, the non-executives suggested even importation of best practices by professional bodies. The non-executive group further highlighted the importance of mentorship programmes to ensure that business leaders give back and capacitate the upcoming future business leaders.

5.6.2.4. Conclusion on theme 14 (Social learning)

Sustainable behaviours are teachable and can be learnt, both through formal and informal channels. Therefore, to improve sustainability outcomes and overcome resistance and barriers to sustainability in South Africa, and other emerging markets, possible interventions include pressure for funders, pressure from customers, assertiveness of BoD members to engage management on ESG strategy. Similarly, professional bodies can do more to spread or inculcate behaviours, in their members and future members, that promote social value creation alongside commercial value creation.

5.6.3. *Findings 5 – Construct 5 (sub-RQ 3 and 4)*

The participants reported that the resistance to ESG can be overcome through learning or acquisition of knowledge and skills to enhance the sustainability-related competencies. The professional bodies were reported to be doing something in this regard; however, the professional bodies could do more training. Individual strategic leaders reported personal development, as a means to develop the necessary sustainability-related competencies to drive effective shared value creation, through acquisition of formal academic qualifications and informal knowledge acquired from interactions with other leaders and followers, including mentorships. However, the participants noted that training programs are mostly accessible in developed markets, particularly Europe and USA. Strategic leaders also recognised the value that an ESG trained leader brings to their organisation.

5.7. Chapter conclusion

Data gathered from research participants during the interview process was successfully analysed by the researcher with the aid of ATLAS.ti and Microsoft Word and Excel. The data yielded 648 quotations or total number of codes, 216 unique codes, 32 code categories, 14 themes (or code groups on ATLAS.ti) and 5 constructs. The coding process was inductive;

CHAPTER 6: DISCUSSION

6.1. Introduction to chapter 6

The discussion chapter presents the analysis of the findings to extant literature. The findings emanated from the earlier analysis of participants data collected through interviews conducted by the researcher. In this chapter these findings were compared to the review of extant literature in chapter two above.

6.1.1. Discussion process approach

The comparison of findings to the literature was conducted per research question or construct, as quoted at the beginning of each section of chapter six. Note that each research question corresponds to a specific construct. *Firstly*, a brief recap of the findings is provided for each construct or research question. *Secondly*, a brief recap of the corresponding literature is provided, against which the findings were evaluated. *Thirdly*, a comparison, identifying similarities and differences between the findings and the literature is conducted. Lastly, a conclusion was drawn per construct or research question on the outcome/s of the comparison between findings and the literature.

6.1.2. Handling differences and similarities

Where *similarities* or confirmation of the literature and the conceptual framework were identified that outcome is accepted by the researcher. In contrast, where there appears to be differences or nuances of *difference* between the findings and the literature and *new sub-theme* appears to emerge from the findings, then firstly, the researcher dug deeper into the reviewed literature searching for references to the new sub-theme or related concepts. Secondly, the researcher searched for new literature using the apparent new sub-theme, then the literature review in chapter two was expanded to include any new scholarly literature that has been discovered using the new sub-theme search of Business Source Complete and/or Google Scholar. Lastly, at the conclusion of Chapter 6 a revised conceptual framework in **Figure 10**, incorporating any new sub-theme is presented.

6.2. Central research question - Construct 1: Responsible strategic leadership

Central research question

What perceptions do strategic leaders have of sustainability-related competencies required for shared value creation in the South African context?

The first part of the research central research question references strategic leadership broadly, where the research problem of this study is situated. This part of the central research question sought to foreground strategic leadership and establish how South African strategic leaders

characterised themselves and how they define their strategic leadership styles with reference to the responsible strategic leadership style (construct 1) which is premised on sustainability.

6.2.1. Recap of findings

On leadership positions (theme 1 – strategic leadership), the strategic leaders in South Africa recognise that the positions they hold qualifies them as strategic leaders. The positions held by the research participants ranged from BoD membership to the TMT or executive committee positions including the CEOs, CFOs and Lead Partners in partnership organisations. These are decision making positions at the top of the organisations.

On leadership styles (theme 1 – strategic leadership), although during interviews participants found it challenging to characterise themselves as strategic leaders, as illustrated by Participant 7's comment that "*It's always easier to get the right answer from those who you lead.*" However, the prominent leadership styles were ethical leadership, authentic leadership, visionary leadership, collaborative leadership, results-driven leadership, and sustainability leadership, as illustrated by Participants 6, 8, 9 and 15 remarks in the selected evidence. In describing the leadership styles, most of the participants echoed Participant 9 by highlighting the values that underpin their leadership styles and the need to lead for the benefit of all stakeholders as exemplified by Participant 6's reference to "*taking into cognizance the ecosystem that is around,*" the organisation that you lead.

On strategic management (theme 2 – strategic management), particularly strategy formulation, the researcher found that although all the participants had sat through many strategy formulation sessions in the careers as strategic leaders, however, ESG or sustainability in general is still not a consideration in strategy formulation in South Africa, Participant 3 and 17 represent the insights shared by most participants by noting that ESG "*it's an afterthought, almost because the strategy... will be... how to make more money*". Notably, the South African companies that are part of global value chains are under increasing pressure from multinationals domiciled in developed markets to incorporate ESG into their strategies, according to insights shared by Participants 7, 11 and 14.

On the sustainability front (theme 3 – sustainability), the researcher found that responsibility for ESG in most organisations resides in the TMT, either in the CEO or CFO's office according to the executive group of participants, with Participant 4 reaffirming that "*there should be someone in the office of the CEO who coordinates that, and the CEO should be driving that [ESG] exercise.*" Additionally, most organisations have BoD social and ethics subcommittees that are charged with ESG responsibilities according to the non-executive group of participants, as demonstrated by Participant 1's comment that "*we have the ethics committees*". On the participant's stance on ESG or sustainability, the researcher found that

most leaders are pro sustainability at the individual level, although their organisations have been meeting minimum requirements on BBBEE but only recently have organisations began concerning themselves with climate change and the environment. The researcher found that women leaders *began* highlighting the importance of having women leaders in organisations and the resultant economic prosperity that brings alongside sustainability outcomes. This was typified by Participant 17's comment that "*the women aspect must be part of the business, because we strongly believe that, you know, your financial success will follow.*"

6.2.2. Recap on literature review

The findings on responsible strategic leadership, was evaluated against the literature on who and what attributes and what functions and what outcomes characterise a strategic leader (Samimi et al., 2020). Further, using Druker (2004) the findings were evaluated against the rules for effective strategic leadership. Gardener et al. (2021) describes what defines values-based leadership, further delves into both authentic and ethical leadership styles describing the values that inform ethical leadership against which the findings were evaluated. Toft and Hansen (2024) specifically introduced sustainable leadership as a concept and defined what qualifies a sustainable strategic leader. Further, Ahmed et al. (2024) expanded on responsible leadership by characterising it as a subset of values-based leadership. Thus, both Toft and Hansen (2025) and Ahmed et al. (2024) provide initial definitions of responsible leadership against which the findings were evaluated to determine whether participants exhibit or practise responsible leadership. Toft and Hansen (2025) and Gardener et al. (2021) expanded on Carter and Greer (2013) introduction of the nascent or emergent strategic leadership styles, namely, servant, authentic and responsible leadership styles. Additionally, Toft and Hansen (2025) and Benito et al. (2022) emphasised the impact of VUCA in the contextual environment which precipitated the emergence of responsible leadership in response. Fu et al. (2020) introduced the significance of having a dedicated TMT member that is charged with the ESG responsibilities, particularly the CSO as a signal of importance sustainability to the organisation. The findings were evaluated to determine the prevalence of CSOs and who (and what level of decision making) bears the responsibility for sustainability in South Africa. Lastly, the findings were evaluated against the Luciano et al. (2020) and the Kriger and Zhovtobryuck (2016) description of strategic leadership as a system, that comprise interactions between the TMT and the BoD, and how these interactions affect performance of the organisation.

6.2.3. Evaluating findings against literature

The strategic leaders in South Africa correctly copy leadership positions at the highest levels of their respective organisations, wherein decisions taken affect the whole organisation (Samimi et al., 2020). The positions occupied by participants include membership of BoDs

and CEO, CFO, Lead Partners and finance executive which are all positions within the TMT and thus qualify as strategic leadership positions (Samimi et al., 2020). Further, the strategic leaders in South Africa recognise their responsibilities of setting the correct tone at the top for effective performance of their organisations, through effectively communicating the business and ESG strategy, in addition to their decision-making responsibilities (Druker, 2004).

The leaders of organisation in South Africa highlighted the importance of leadership as a team effort (Luciano et al., 2020; Kriger & Zhovtobryukh, 2016). This was evident in strategic leaders in South Africa characterised their leadership styles as collaborative, collective and consultative. Wherein that collaboration and consultation take place with the strategic leadership collective and with the employees or followers as part of decision-making processes (Luciano et al., 2020; Kriger & Zhovtobryukh, 2016). Other leadership strategic leadership exhibited by strategic leaders in the South African context include authentic leadership and ethical leadership. Ethical, authentic and responsible leadership were recognised by Carter and Greer (2013) as emergent and growing values-based leadership styles. Most of the leaders in South Africa place a significant emphasis on ethics, and the majority of leaders do not particularly characterise themselves as responsible leaders on a individual level. Similarly, at organisational level ESG and sustainability does not feature among strategic priorities during strategy formulation sessions. There is however an acknowledgement that ethics goes hand in hand with ESG, with leaders in South Africa recognising that responsible leadership and ethical leadership are both predicated on values (Gardner et al., 2021; Ahmed, 2024). To that extent, organisations in South Africa have assigned ESG responsibilities to a member of the TMT or located the ESG responsibilities in the EO or CFO's offices, although the practice of employing a fulltime CSO in the TMT has not taken root yet in South African organisations (Fu et al., 2020). Although social initiatives, mainly through minimal compliant BBBEE initiatives has been implemented by organisations in South Africa in the past. However, this shift in behaviours and practices is indicative of the changing stance and attitudes to towards sustainability on South Africa, wherein allocation ESG responsibilities to the CEO or CFO elevates the status of sustainability initiatives and ensures allocation of resources and support for sustainability initiatives at the top level (Fu et al., 2020).

6.2.4. Conclusion on central RQ - construct 1

The strategic leaders in South Africa are cognisant of the positions they hold, and decision-making responsibilities attached to those positions (Samimi et al., 2020; Druker 2004). The strategic leaders characterised their leadership styles as values-based in various way, ranging from ethical, collaborative, authentic and sustainable (Gardner et al., 2021; Carter & Greer, 2013). The changing attitudes of organisations and strategic leaders towards sustainability is

demonstrated by allocation of ESG responsibilities to the strategic level, including the CEO and social and ethics BoD subcommittees (Fu et al., 2020). However, appointing a CSO is proven to attenuate ESG risks and improve socially responsible performance and simultaneously reduce socially irresponsible performance, thus South African organisations are foregoing these benefits by not appointing a CSO to drive social value creation (Fu et al., 2020). These emergent sustainability practices demonstrate that the responsible strategic leadership style is being exhibited by strategic leaders in South Africa, even though most of the leaders do not explicitly characterise themselves as responsible strategic leaders, they are strategic leaders (Ahmed et al., 2024).

6.3. Central research question - Construct 2: Shared value creation

Central research question

What perceptions do strategic leaders have of sustainability-related competencies required for shared value creation in the South African context?

The central research question also references shared value creation in the South African context; wherein social value is created alongside commercial value. The central question sought to establish whether shared value is created in emerging markets, particularly South Africa as a setting for the study. Firstly, the researcher sought to confirm commercial value creation and then the researcher sought to determine whether social value was being created simultaneously, by establishing what sort of initiatives were being undertaken by organisations and compare that social value creation nature and extent to organisations in developed markets.

6.3.1. Recap of findings

On profitability (theme 4 – commercial value creation), the participants reiterated that strategy sessions are more concerned about revenue generation and profitability in their organisations. Confirming that commercial value creation and generation of financial return on investment to shareholders is the main focus of South African organisations. The predominant focus on revenue and profit making by organisations was illustrated in Participant 14 and 4's remarks that *"when a company or a business is facing declining revenues, you start fighting for revenue, rather than looking at a broader picture."* However, Participants 6 and 11 shared the realisation of the virtuous cycle between commercial and social value creation, in that profitability is the main driver and enabler of all other investments and initiatives the organisations plan to implement, hence the focus on commercial value creation. Further, the participants noted the need for agility to maintain competitiveness in this VUCA affected contextual environment., as demonstrated by Participant 8 who said *"as environment*

changes, obviously, now adays, when you look at how we do strategy, it must be very agile and adaptive,” in reference to COVID-19 VUCA induced changes in the contextual environment.

On doing good relative to developed markets (theme 5 – social value creation), the organisations in South Africa undertake CSI or CSR initiatives as a means doing good in society. Some participants, typically Participant 6 and 10, acknowledged that these CSI initiatives are not meant to replace government. Some strategic leaders view ESG and doing good in general as the responsibility of government to whom they pay taxes to carry out that responsibility, to this extent Participant 7 shared earlier that *“the social... projects are a government responsibility.”* As a result, strategic leaders acknowledge that even though companies are doing some good in society and communities in which they operate, however, companies can still do more, typically Participant 10 shared that *“you must contribute in terms of uplifting the community. So, companies are doing something. But if you ask me, are they doing enough? The answer is no. Because the part of the reason why they're not doing enough, it goes back to the issue of the government.”*

Further, Participants 10, 11 and 14 acknowledgement that emerging markets companies, including in South Africa, *lag* their developed markets counterparts on shared value creation. By citing higher *“GDP per capita in developed markets,”* Participant 16 attributed higher shared value creation in developed markets to the high incomes in developed markets which enables companies to do more. However, on willingness to do good South African *individual* strategic leaders view themselves as very close or on par with their developed markets counterparts. Particularly, on enterprise development initiatives, strategic leaders in South Africa view themselves as doing very well, as typified by Participant 3 and Participant 14’s comments on proliferation of enterprise development initiatives in South Africa. Thus, strategic leaders acknowledged that emerging markets lag developed markets only in extent of shared value creation and not due to lack of capabilities of individual strategic leaders to create shared value. In making this point Participant 11 further cited the availability of resources and other contextual advantages that developed market enterprises have by saying *“So, I think the differences are informed by the context that we have in our environments. It's different in Europe than it is here, because, I mean, you live in a context, you know.”*

Further, on building trust and social capital with local communities, South African strategic leaders consider themselves to be performing well, although this is industry specific. The researcher found that most participants, as demonstrated by Participant 7’s comment, view themselves and their organisations as purpose-driven and recognise the salience of stakeholders and the need to look after the interest of material stakeholders.

6.3.2. *Recap on literature review*

The findings on profitability and commercial value creation were evaluated against Porter's (1996) seminal work on corporate strategy which was centred around creation a competitive advantage to create and capture commercial value. Porter and Kramer (2011) and Menghwar and Daood (2021) introduced simultaneous creation of commercial and social value, thus creating shared value. The findings on South African organisation ability to create shared value were first evaluated against Porter and Kramer (2011) to determine to what extent South African companies do well while doing good. Further, Helfat et al. (2023) extended the RBV by incorporating the new concepts of stakeholders and sustainability to competitive advantage and value creation, thus creating shared value. The findings on purpose-driven leadership and performance were evaluated against Schlosser and Volkova (2022) and Harrison et al. (2020) to determine the extent to which organisation create social value while fulfilling their purpose. In response to the VUCA, brought on by COVID-19 for instance, impact on the contextual environment organisations and strategic leader need to adapt accordingly, thus Teece et al. (2016), and more recently, Pitelis and Wagner (2019) and Zahra et al. (2022), dynamic capabilities approach to competitive advantage and value creation was used to evaluate the findings on the strategic leaders' ability to sense and seize new opportunities on offer.

6.3.3. *Evaluating findings against literature*

Strategic leaders and organisations in South Africa focus on revenue maximisation and profitability, thus prioritise creating and capturing commercial value ahead of rivals (Porter, 1996). Generating financial returns to shareholders has thus far taken precedence over of other initiatives to ensure long term viability of organisations (Porter, 1996). However, VUCA induced changes in the contextual environment necessitated agility and dynamism from strategic leaders to adapt and remain competitive and viable (Teece et al., 2016). Additionally, social and environmental considerations by strategic leaders necessitated the transformation of leadership style towards sustainability and transformation of business practices towards sustainability (Zahra et al., 2022; Pitelis & Wagner, 2019). Strategic leaders in South Africa pride themselves on being purpose-driven as individuals and their organisations as well (Schlosser & Volkova, 2022). This focus on fulfilling one's purpose drives social value creation and thus shared value creation (Harrison et al., 2020). This purpose-driven approach to leadership manifest in the recognition of the importance stakeholders and meeting the need of stakeholder (Harrison et al., 2020). Most strategic leaders highlighted the need to advance society and develop local communities where their organisations operate in order to build trust and social capital (Helfat et al., 2023). By incorporating stakeholders and sustainability in their business models strategic leaders have thus enriched their capabilities to create shared value into the future (Helfat et al., 2023). Consequently, in line with Porter and Kramer (2011), South

African organisations are beginning to create social value alongside commercial value, although to a lesser extent than organisations and leaders in developed markets (Menghwar & Daood, 2021). However, the compliance with BBBEE, enterprise development and other CSI initiatives are signs that strategic leaders are beginning to realise the importance of creating shared value and doing good in South Africa (Kramer & Pfizer, 2016; Schlosser & Volkova, 2022).

6.3.4. Conclusion on central RQ - construct 2

Shared value creation is a relatively new concept in South Africa and other emerging markets. Strategic leaders and organisations in emerging markets have been doing some good in society, although to a lesser extent than organisation in developed markets, there is a realisation that these initiatives are creating shared value (Schlosser & Volkova, 2022). The growing recognition of stakeholders and building social capital is a positive development towards shared value creation and enhances the organisations' capabilities to remain competitive into the future (Helfat et al., 2023). The adaptability and agility of business leaders in South Africa, in response to VUCA in the contextual environment, demonstrate dynamic capabilities to transform business models (Zahra et al., 2022; Menghwar & Daood, 2021).

6.4. sub- research question 1 - Construct 3: Sustainability-related competencies

Sub-research question 1

Which of these sustainability-related competencies are currently not exhibited by strategic leaders in the South African context?

Research question one sought to explore adequacy of sustainability-related competencies of South African strategic leaders. Firstly, the competencies were defined to ensure common understanding between the researcher and participants of what are competencies. The competencies were then explored by the researcher covering knowledge and skill, personal values, personal attributes or traits. The impact on entrepreneurship and organisational culture of infusing sustainability into competencies was explored.

6.4.1. Recap of findings

On ESG entrepreneurship (theme 6 – EO: entrepreneurial orientation), Participant 9 typically made the point that *“the government regulations started changing to benefit small businesses, and there was a big drive around triple BEE, a big drive around government that will do business with entities that are female-owned.”* Thus, demonstrating that the South African government had enacted legislation in regulation aimed at advancing ESG outcomes, particularly advancement of previously disadvantaged people and environment protection. The BBBEE and the related preferential procurement policies and energy regulations aimed

at promoting use of renewable energy sources to bridge the energy supply gap. Strategic leaders have identified opportunities resulting from implementation of these policies, as typified by Participant 7's comment that *"changes of this nature it's got its pros and cons, and, you know, either you look at it as a risk, and you sit in a corner and suffer, or you unpack it to identify business opportunities."*

On sustainability-related training (theme 7 - knowledge and skill), the IoDSA does provide some training on ethics and ESG to its members, to this Participant 1 confirmed this by noting that *"the training I've done recently on the directorship was with the IODSA."* However, Participants 3, 7 and 10 highlighted that formal sustainability training accessed by South African individual strategic leaders and organisations seem to be available in Europe and USA.

On traits and personal values (theme 8 – personal concepts), the strategic leader shared that character traits, like being respectful and treating everyone with dignity and respect, and integrity shape attitudes towards ESG factors. This was illustrated by Participant who referenced integrity and respect and Participant 12 who remarked *"understanding what ESG actually means, and why it's important, so that talks to my values, right? And one of my values is making sure that we treat people with dignity and respect."* Similarly, personal values shape an individual's attitude and consciousness towards sustainability. On emphasising personal value system Participant 2 remarked that *"if you have inappropriate values, then you might not necessarily be the right person or the right leader to be taking that business to the next level."*

Although gender was neither a consideration in purposive sampling nor was gender a consideration in participant groups allocations for analysis in this study, however, a *new sub-theme began to emerge*, building on shared value creation above, that being a woman predisposed a leader to be a responsible leader and drive shared value creation. Wherein Participant 17 exemplified this sentiment by sharing that *"women leaders, have that natural inclination, and are more predisposed to looking outside of themselves, right, but looking at the community to try and bring up as many people as possible."*

On individual leader's context and ESG (theme 9 – SO: sustainability orientation), as noted by Participant 11 and 14, the environment or context within strategic leaders grew up and lived shaped who the strategic leaders became. Growing up in South Africa, shaped the strategic leaders' sustainability worldview differently from strategic leaders raised in developed markets. Participant 16 illustrated the influence of an individual's upbringing on responsible leadership by saying *"growing up in an environment where you see the difference between the rich and poor, you want that gap to be bridged as quickly as we can."* Similarly, organisational culture's saliency to effectively drive sustainability practices was noted by

Participants 10 and 11. Both background or upbringing and organisational culture shape strategic leader's sustainability orientation. The ESG strategic choices, particularly choice of CSI initiatives, are driven by the values and childhood background of strategic leaders in South Africa as noted by Participant 7 on the 70% split/allocation of CSI budget towards education in their organisation.

6.4.2. Recap on literature review

To evaluate the findings of the study against extant literature, initially to define competencies, the McClelland Competency Model was used, wherein Hsieh et al. (2012) and Varizani (2010) defined the four categories of competencies, being traits, personal concepts, knowledge, motives and knowledge and skill. In explaining how competencies drive performance, then Daouk-Öyry et al. (2021) further refined the McClelland Competency Model by recategorizing the competencies into three dimensions, being cognitive, technical and interpersonal dimensions. Then Chen et al. (2020) relates competencies, in this case values and traits aspects of competencies, of the CEO and TMT to shared value creation. Additionally, Seow (2025) concentrates on the CEO attributes, and these attributes shape outcomes. Still on the character traits, Gomes (2025) expands by exploring how character traits shape the patterns of production and consumption, thereby forcing strategic leaders to transform business models to circular thereby demonstrating EO (entrepreneurial orientation). Mahran and Elamer (2025) then introduced the concept of OPC (organisational psychological safety) as a 'cognitive ability' of an organisation that results from personal concepts of individual leaders of that organisation and how OPC drives ESG practices of the organisation. On the overall SO (sustainability orientation) of strategic leaders, particularly the CEO again, both Frimpong et al. (2025) and Hambrick and Wowak (2021) then introduce the SO concept as an extension of the RBV into N-RBV indicative of SO as a resource that drives sustainability and a source of competitive advantage.

The Upper Echelons Theory link background or upbringing and personal psychological/cognitive traits as cognitive *competencies* of strategic leaders, acknowledging that background shapes personal values and character traits of strategic leaders at the highest level of an organisation (Hambrick & Mason, 1982; Hambrick, 2007). Thus, personal character traits in define strategic leaders in addition to age, financial position, level of education, level of experience and tenure (Samimi et al., 2020 Hambrick, 2007). Furthermore, considerations of character traits of strategic leaders were extended to include gender of the CEO and CFO and other members of the TMT and members of the BoD (Velte, 2025; Frazão et al., 2025). Since Hambrick and Wowak (2021) extended the Upper Echelons Theory to include strategic leaders' social activism as a driver of sustainability and shared value creation, subsequently gender dynamics, particularly women leaders were acknowledged to create shared value

more than their male counterparts who get caught up in old boys networks' fuelled profit motives (Velte, 2025). Thus, women leaders are unencumbered by groupthink and independently drive CSR initiatives and further take active steps to reduce organisational risks due to their risk averse personal trait (Kaur & Singh, 2021). Thus, women leaders do not only promote inclusivity at strategic leadership level but promotes sustainability and shared value creation (Frazão et al., 2025; Velte, 2025; Kaur & Singh, 2021).

6.4.3. Evaluating findings against literature

In defining what are the sustainability-related competencies, as envisaged by this study, there was a necessity to first define what are competencies. Competencies have been narrowly defined by strategic leaders to only include knowledge and skills; however, competencies further include personal concepts, being personal values, and they include character traits and motives (Hsieh et al., 2012), Varizani, 2010). Defining competencies in terms of the McClelland Competency Model fosters self-awareness in strategic leaders and enables them to gain a better understand of what shapes SO and drives sustainability outcomes (Daouk-Öyry et al., 2021). Having defined the competencies, then the strategic leaders expressed how they are exploiting the opportunities presented by ESG related laws and regulations in South Africa. The BBBEE laws and preferential procurement were meant to advance the previously disadvantaged in society, thus creating social value, has seen transformation of existing business models to circular and has seen the establishment of small enterprises owned by black women to take advantage of procurement targeted at black women owned enterprises (Gomes, 2025). Further, ESG driven entrepreneurial activities in South Africa have been centred around provision or generation of electricity from renewable sources of energy, in a bid to address the climate emergency, and the changing contextual environment (Gomes, 2025). Thus, the procurement patterns of government and the energy consumption patterns of society have shifted towards promotion of sustainability, resulting in SO entrepreneurial leaders identifying and exploiting the resultant opportunities on offer (Gomes, 2025).

Understanding and realisation that SO in strategic leaders, particularly CEOs, is shaped by their competencies, in a bid to improve ESG knowledge and skill in strategic leaders training is being offered in South Africa by the IoDSA to its members (Seow, 2025). However, organisations send strategic leaders to developed markets to gain or enhance ESG knowledge and skill through formal training, reenforcing the assertion that emerging markets are lagging developed markets on sustainable development and shared value creation. In addition to tenure, and level of experience Seow (2025) lists level of education and qualifications as known CEO attributes that shape and drive sustainability outcomes. Thus, enhancing strategic leaders' level ESG of education and qualifications, even if obtained from outside South Africa, will foster social value creation (Seow, 2025).

Realisation of the VUCA induced changes in the contextual environment and thereby building on Helfat et al. (2023) RBV of competitive advantage in strategic management, Frimpong et al. (2025) introduces the N-RBV (natural-RB). The need for strategic leaders and organisations to respond to the pressing social and climate issues in South Africa make sustainability a strategic imperative (Frimpong et al., 2025). This makes SO in TMTs of South African organisations, that invested in ESG training of their strategic leaders, a valuable resource and a source of competitive advantage (Frimpong et al., 2025). Additionally, the SO in CEOs with enriched ESG competencies, through formal and informal training from the IoDSA and international tertiary institutions, translates into OPC of their organisations (Mahran & Elamer, 2025). Similar to Frimpong et al (2025), Mahran and Elamer (2025) also posit that OPC is an intangible resource and a source of competitive advantage and a key driver of sustainability outcomes in organisations that cultivate SO.

Effective shared value creation, from an external stakeholder perspective, is a function of CEO's competencies and organisational culture (Chen et al., 2020). There is recognition of the impact of the context and childhood background on the values and behaviours of strategic leaders in South Africa. Thus, having strategic leaders from previously disadvantaged communities creates an expectation of SO and social value creation from outside stakeholders (Chen et al., 2020). Chen et al (2020) states that "responsible/ethical leaders are true to their values and have a deep sense of creating shared value," (p.3). Since values of strategic leaders impacts the values of the organisation they lead, then an SO CEO infuses share value creation into organisational culture and resource allocation decisions (Chen et al., 2020). Strategic leaders in South Africa recognise that organisations led by SO CEOs benefit from the alignment of sustainability values of the CEO to sustainability values of the organisation and to sustainability values of external stakeholders, which ultimately builds social capital and legitimacy with external stakeholders (Chen et al., 2020).

The emergent sub-theme from participants was that women strategic leaders had a natural inclination that predisposed women leaders for sustainability and shared value creation. In response to this emergent sub-theme, the researcher extended the literature review and analysis to this study, in line with the procedure outlined in **section 4.7.2** above. The additional literature revealed that the Upper Echelons Theory has been extended to recognise that women strategic leaders indeed create more shared value than their male counterparts, primarily through CSR initiatives and risk mitigation strategies (Velte, 2025; Frazão et al., 2025; Kaur & Singh, 2025). However, the research participants highlighted the women strategic leaders innate nurturing character trait as a primary driver of sustainability and shared value creation. Thus, there appears to be a nuance of difference from the extant literature which did not specifically refer to the nurturing character trait, but referred to female gender

broadly (Velte, 2025; Frazão et al., 2025; Kaur & Singh, 2025). The researcher did not discover literature on empirical studies that exclude male strategic leaders from possessing the nurturing character trait required for shared value creation.

6.4.4. Conclusion on central RQ - construct 3

Shared value creation is a function of sustainability-related competencies of strategic leaders (Gomes, 2025; Seow, 2025; Chen et al., 2020). The competencies of strategic leaders in emerging markets, being character traits, personal concepts, motives and knowledge and skill, can be enhanced through formal and informal training to cultivate SO and drive shared value creation. Thus, SO is a valuable resource and a source of competitive advantage (Frimpong et al., 2025; Mahran & Elamer, 2025). SO in emerging markets *lag* SO and shared value creation in developed markets. Childhood background or upbringing and the environment shapes values and thus SO of strategic leaders and influence ESG strategic options (Chen et al., 2020). Infusing sustainability into organisational culture drives sustainability outcomes of organisations to stakeholders, which in turn builds social capital (Chen et al., 2020).

The extended Upper Echelons Theory acknowledged that women strategic leaders create more shared value than their male counterparts (Velte, 2025; Frazão et al., 2025; Kaur & Singh, 2025). The apparent emergent sub-theme to this study appears to reveal that beyond being women strategic leaders, the innate nurturing character trait is the sustainability-related competence required for shared value creation.

6.5. sub- research question 2 - Construct 4: Resistance to sustainability in EM

Sub-research question 2

What are the challenges experienced by strategic leaders when exhibiting sustainability-related competencies?

The researcher sought to explore the challenges or barriers to shared value creation that is experienced by strategic leaders in South Africa. The challenges explored ranged from direct opposition to sustainability to contextual factors that present challenges to shared value creation.

6.5.1. Recap of findings

On lack of ESG priority (theme 10 – hierarchy of needs), strategic leaders in emerging markets and South Africa specifically have encountered barriers or resistance or challenges when proposing and/or implementing sustainability initiatives in their organisations. The challenges range from geopolitical in nature to outright opposition to ESG or sustainability initiatives. Participant 7 noted the political uncertainty inherent in constant changes to the rules of the

game with each change in government in South Africa, typified the by advent on the GNU (government of national unity) as further noted by Participant 14. Similarly on geopolitical challenges to sustainability Participant 2 remarked that *“there's issues of geopolitics as well which you need to understand if your business is in commodities.”*

Notably, resistance also emanated from lack of prioritisation of ESG (on the hierarchy of needs,) by strategic leaders and their organisations. Which highlighted the needs-driven nature of resource allocation towards sustainability as noted by Participant 8, wherein Participant 15 specifically referenced Maslows' Hierarchy of Needs when referring to the needs-driven nature of sustainability and the difference in prioritisation of ESG between emerging and developed markets.

To demonstrate the impact lack of influence towards sustainability on shared value creation (theme 11 – [lack of] identification and mimicking), participants first highlighted the importance of involvement of all team members drives value creation generally, *conversely* a lack of influence on subordinates and a lack of identification with or assimilation to sustainability culture *hinders* shared value creation. In highlighting the importance of identification and mimicking of desirable sustainability behaviours, Participant 7 noted the importance of buy-in from team members as a driver of performance, wherein team members follow the example set by the leader and the organisation. While Participant 1 noted motivation as a driver of adoption and emulation of desired behaviours by saying *“if those people in that room are motivated, and they are serious about that kind of change, then it will happen.”*

On lack of voluntary ESG action (theme 12 – [lack of] VGB), other than just paying taxes, strategic leaders can do more on ESG, out of their own volition. Participants 7 and 16 again made the point that organisations already pay taxes and therefore it is government's responsibility to act on ESG matters. Further lamenting this lack of voluntary ESG action, Participant 2 said *“unfortunately, I mean, you know, as much as we try to drive ESG, but ESG is still a tick box exercise at this point.”*

Additionally, lack of economic and lack of budget for ESG and lack of enabling regulations hinders voluntary shared value creation. Wherein Participants 4, 6 and 10 noted the unconducive regulatory environment as hinderance to VGB, with Participant 12 further remarking that *“so, what's holding us back, I think it's... it's a lack of clear policy. Strategic choices, you know, from a country perspective.”*

6.5.2. Recap on literature review

Mahran and Elamer (2025) noted the power of the CEO to influence followers towards sustainability. This power of the CEO is also reflected on the success of CEO backed sustainability initiatives (Chen et al., 2020). The CEO set the tone for sustainability and then

followers identify with the CEO and mimic sustainable behaviours and assimilate to a culture organisational culture of sustainability (Chen et al., 2020; Mahran & Elamer, 2025). Therefore, lack of support by the CEO and lack of identification with the CEO and other strategic leaders hinder ESG outcomes.

Need has *emerged* during the study as a major driver of prioritisation of resource allocation and prioritisation of sustainability initiatives. Consequently, in line with procedure outlined in **section 4.7.2** above the literature review for this study was expanded to include literature on Maslow's Hierarchy of Needs theory. Lichtenstein and Dade (2007) and McConnell and Metz (2024), in outlining the Maslovian theory on needs theory, both highlight *need* as a key driver of the propensity to do go and driving force behind strategic choices.

Additionally, Wang et al. (2021) highlight eco-innovation as a key response to the climate emergency. Notably, lack of identification with a sustainability inclined CEO hinders eco-innovation due to lack of buy-in from followers (Wang et al., 2021). Similarly, Ahmed et al. (2023) noted mimicking and identification of sustainability practices as a driver of VGB (voluntary green behaviour) throughout the organisation. Thus, lack of identification hinders both eco-innovation and VGB Wang et al., 2021; Ahmed et al., 2023).

6.5.3. *Evaluating findings against literature*

Organisations and strategic leaders are willing to do good in South Africa, however, sustainable is just not a priority for organisations (McConnell & Metz, 2024). There are many competing strategic objectives confronting organisations, and the limited availability of financial resources brought on by the South African economy that is not growing results in lack of prioritisation of ESG initiatives when making strategic choices (McConnell & Metz, 2024). Except for industries where ESG is a pressing need, as in the mining industry in South Africa, for most organisation ecological considerations are not a priority (McConnell & Metz, 2024). Additionally, developed markets being more industrialised than emerging markets, they have progressed further up the hierarchy of needs, whereas emerging markets still struggle with basic sustenance driven psychological needs (Lichtenstein & Dade, 2007), and this is one of the major reasons that emerging markets *lag* industrialised countries on shared value creation.

Notably, strategic leaders in South Africa recognise the need to set the right tone for sustainability at the top of an organisation to ensure buy-in and identification throughout the organisation (Wang et al., 2021). Additionally, despite the limited resources available for sustainability initiatives, a responsible leader, particularly a CEO can instil sustainability values in middle managers to drive shared value creation despite limited resources (Wang et al., 2021). The ability to balance commercial and social value creation, despite constraints, is a key attribute for CEOs (Wang et al., 2021). Given the many pressing social challenges, there

is willingness to do good in South Africa by strategic leaders and organisations out of their own volition (Ahmed et al., (2023). Although some VGB was reported in some organisations, however, many strategic leaders noted the lack of country wide strategy on ESG and lack of legislation that discourage tick-box compliance as a reason behind inaction or at least lack of voluntary action on ESG (Ahmed et al., 2023). Further, where CEOs lead by example on sustainability, then empowered employees will mimic the CEO and multiply the impact generated by the organisation (Ahmed et al., 2023). Examples of VGB provided by strategic leaders in South Africa were minimal, indicative of lack of identification with the leaders and lack of ESG behaviours to mimic (Ahmed et al., 2023; Wang et al., 2021).

6.5.4. Conclusion on central RQ - construct 4

Willingness to do good is not in short supply in South Africa and emerging markets, however, fulfilment of basic human needs limit creation of shared value in emerging markets (McConnell & Metz, 2024). The lack of clear country-wide policy on ESG, promotes minimal compliance ESG requirements and inhibits voluntary sustainability action by organisations and strategic leaders (Ahmed et al., 2023). CEOs and other strategic leaders need to set the tone on ESG to provide sustainability behaviours that followers can mimic to drive shared value creation (Wang et al., 2021).

6.6. sub-research questions 3 and 4 - Construct 5: Overcoming resistance to sustainability in EM

Sub-research question 3

What are the recommendations made by strategic leaders to equip them with sustainability-related competencies that are currently not being exhibited?

Sub-research question 4

What role does professional bodies play in developing sustainability-related competencies in strategic leaders?

The researcher sought to elicit recommendations, from participants, on requisite interventions to improve sustainability-related competencies of strategic leaders in South Africa to drive shared value creation. Further, the researcher sought to explore the role professional bodies can play in the development and implementation of these recommendations to improve sustainability-related competencies of their members occupying strategic leadership positions.

6.6.1. Recap of findings

On improving sustainability cognition (theme 13 – Enhanced ESG cognition: Social cognitive theory), the study found that strategic leaders are of the view that the competencies that shape

SO can be acquired. Both SAICA and IoDSA can do more to intervene through ESG specific training programs targeted and their members. Participant 3 typified this finding by saying that *“they [SAICA] used to do university visits and offer bursaries to disadvantaged communities. I wish they can do that more.”* However, as noted earlier Participant 1 acknowledged that the IoDSA do conduct training on ethics and governance.

Additionally, the study found that personal development (informal and formal academic) interventions taken by strategic leaders can and does infuse SO and enhance the sustainability-related competencies possessed by strategic leaders in South Africa. Emphasising the need for formal academic interventions, Participant 14 lamented the quality of university graduates as a concern in saying that *“the quality of the people we're getting out of universities has become a huge, huge issue.”*

On learning through mimicking and identification (theme 14 – social learning [theory]), as mentioned above VGB (voluntary green behaviour) exists where followers undertake sustainability initiatives and exhibit sustainability behaviours out of their volition. This occurs where followers *emulate* the sustainability behaviours of strategic leaders through *identification* with the leader's (CEO's) values and assimilate with the culture of the organisation. The study found that, for instance, mentorship programmes on sustainability and the right tone set by the CEO will inspire subordinates to follow suite and voluntarily practice sustainability. Participant 4 highlighted the importance of mentorship programmes as means of transferring skills and desired behaviours.

On overcoming opposition to ESG and further noting the ESG requirements of customers and investors as a driver of voluntary sustainability practices by organisations, Participant 14 remarked that *“what we are seeing is that some of our clients are starting to say, wait a minute, what's your environmental initiatives? What are you doing for the environment?”*

Finally, on the role of professional bodies and the interventions that SAICA and the IoDSA can institute to overcome opposition to sustainability, Participant 10 noting that *“in terms of the regulatory bodies, like your IoDSA and your SAICA, I still believe that in terms of the syllabuses and whatever communication that they do to their members, they can always emphasize those kinds of things.”*

6.6.2. Recap on literature review

The concept of VGV as introduced by Ahmed et al (2023) describes sustainability practices undertaken voluntarily and/or sustainability behaviours exhibited voluntarily. The antecedent for VGB is identification or emulating or mimicking of a sustainability inclined strategic leader, particularly the CEO (Ahmed et al., 2023). Identification and mimicking are processes through which social learning takes place, in line with the Social Learning Theory (Mao et al., 2023).

Mao et al. (2023) explains that identification is observing and imitating, and this process diffuses the desired behaviours through a chain reaction of inspiration. However, Gamache et al. (2024) and Mao et al. (2023) both warn that similarly undesirable behaviours have spread through identification and mimicking, thus strategic leaders should be vigilant of groupthink taking hold and spreading undesirable behaviours and biases. Further, as mentioned above, a CEO instils sustainability values in middle managers through identification, to drive action sustainability action of the organisation (Wang et al., 2021).

The VUCA induced changes in the contextual environment requires similarly enriched cognitive complexity of CEOs to respond (Malhotra & Harrison, 2022). Further, Malhotra and Harrison (2022) specifically note that this complexity in the contextual environment requires SO and responsible leadership from the CEO to ensure enhanced adaptability to drive performance through VUCA induced changes in the contextual environment. A CEO that has acquires this cognitive complexity infuses OPC (organisational psychological capital) which is an intangible organisational resource that inspires hope, optimism and resilience to navigate the turbulence and shapes the requisite ESG practices (Malhotra & Harrison, 2022).

With the advent of ESG, there is a growing demand for strategic leaders, specifically CEOs to become societal leaders and address societal issues in addition to their organisational responsibilities (Krause and Miller, 2020). This CEO activism sets the tone in the organisation and inspires followers to emulate or mimic the CEO behaviour and ESG values (Hambrick & Wowak, 2021).

For social learning and social persuasion to take place, in line with the social learning theory and the social cognitive theory, the environment and culture of the organisation should be characterised by candour and psychological safety for everyone to share and learn ESG behaviours from each other (Gallo, 2023; Edmondson & Mortensen, 2021).

6.6.3. *Evaluating findings against literature*

Strategic leaders can acquire sustainability-related competencies through formal training and informal training by learning from each other, similarly, those sustainability-related competencies can then be infused into the culture of the organisations and instilled into followers (Mao et al., 2023). On the need to acquire ESG skills and knowledge, firstly, the professional bodies to which strategic leaders are members, prominently being SAICA and IoDSA, *can do more* to train their members on ESG and individual strategic leaders can also engage in formal academic ESG learning. This acquired knowledge and skill on ESG enhances the strategic leaders' cognitive competencies (Malhotra & Harrison, 2022). The fast-changing world and the VUCA induced changes in the contextual environment in which businesses operate, require strategic leaders that have the ESG cognitive complexity to

successfully guide their organisations through (Malhotra & Harrison, 2022). Secondly, the individual strategic leaders in South Africa recognise the importance of acquiring sustainability knowledge and skills to equip themselves to be agile responsible leaders, to that end, the strategic leaders take steps to acquire ESG competencies from tertiary institutions in developed markets (Mahran & Elamer, 2024), in an effort to drive shared value creation to international standards. Thirdly, the strategic leaders in South Africa again recognise that an ESG trained strategic leader's, particularly the CEO's, sustainability cognitive capabilities enhance organisational psychological capital (OPC), which is a strategic intangible resource and a source of competitive advantage (Mahran & Elamer, 2024).

These acquired cognitive sustainability-related competencies are propagated throughout the organisation through contagion, wherein followers identify and adopt sustainability values and behaviours of strategic leaders and are inspired to exhibit sustainability behaviours out of their own volition (Ahmed et al., 2023; Wang et al., 2021). This process of identification entails mimicking and emulating sustainability behaviours, fostering buy-in and driving discretionary ESG action (Mao et al., 2023). The ESG trained strategic leaders in South Africa engage their subordinates and future leaders in mentorship programs wherein sustainability behaviours are instilled in others through emulation and mimicking (Mao et al., 2023). Further, mimicking requires that the CEO set the correct tone for sustainability, at the top, then everyone in the organisation follows the example set by the CEO (Wang et al., 2021). With the rise of ESG and attendant the social pressures and the climate emergency, society demands CEO to become societal leaders as well by taking up societal issues (Krause & Miller, 2020). By practising CEO activism, CEOs set an example to do good for their followers, who in turn emulate that activism and multiply the social impact (Hambrick & Wowak, 2021).

Importantly, effective social learning and skills transfer happens in an environment of psychological safety, wherein strategic leaders and followers interact, communicate and share information freely (Edmondson & Mortensen, 2021). An environment characterised by candour and psychological safety increases engagement, fosters learning, and enhances team and organisational performance (Gallo, 2023).

6.6.4. Conclusion on central RQ - construct 5

As mentioned above, strategic leaders in South Africa do experience challenges when exhibiting sustainability behaviours, to overcome barriers and resistance to sustainability in emerging markets, strategic leaders must learn and acquire ESG knowledge and skill (Malhotra & Harrison, 2022). Professional bodies need to do more training of members on sustainability, also strategic leaders and followers have to learn ESG competencies from each and among each other, through identification and mimicking in a psychologically safe

environment (Ahmed et al., 2023, Wang et al., 2021; Mao et al., 2023). CEOs that acquire ESG cognitive complexity adapt better to VUCA and become CEO activists that inspire sustainable practices throughout their organisations and build social capital and drive shared value creation (Hambrick & Wowak, 2021).

6.7. Chapter conclusion

The findings from the data gathered from participant interviews were evaluated against the literature that was reviewed and analysed for this study. The literature underpins the (original) conceptual framework as presented in **Figure 5** above.

6.7.1. Confirmation of the conceptual framework

As discussed above, the responsible strategic leadership style focused on shared value creation, being simultaneously creating both social and commercial value (Carter & Greer, 2013). The sustainability-related competencies *enable and drive* shared value creation by responsible strategic leaders (Porter & Kramer, 2011; Kramer & Pfizer, 2016). A sustainability inclined strategic leader, possesses SO and enhanced ESG cognitive complexity (Malhotra & Harrison, 2022; Frimpong et al., 2025). The sustainability-related competencies, being personal values, personal concepts, motives and knowledge and skill as defined in line with McClelland Competency Framework by Daouk-Öyry et al. (2021) and Hsieh et al. (2012) are an enabler of responsible leadership and social value creation. To drive shared value creation in emerging markets to the levels of developed markets, these sustainability-related competencies can be acquired through social learning, wherein the sustainability is instilled into others through identification and mimicking (Mao et al., 2023). Voluntary green behaviour and intangible ESG resources are drivers of responsible leadership, through influencing followers to exhibit ESG behaviours out of own volition (Ahmed et al., 2023; Frimpong et al., 2025).

6.7.2. Differences from the conceptual framework

Data gathering appeared to reveal two differences from the original conceptual framework and literature review, two apparently new sub-themes emerged as drivers of responsible leadership. Firstly, shared value creation appeared to be *needs-driven*. A deeper dive into the extant literature revealed that even though a need was not specifically identified by scholars and a driver of responsible leadership. However, Chen et al. (2020) and Fu et al. (2020) on the studies conducted on shared value creation in China, shared value creation was needs-driven, based on the description of the type and examples of China specific social value created compared to developed markets. Therefore, social value creation being needs-driven was only a *nuance of difference* and not a completely new sub-theme of sustainability-related competencies. The literature review section of this study was expanded to include need as a

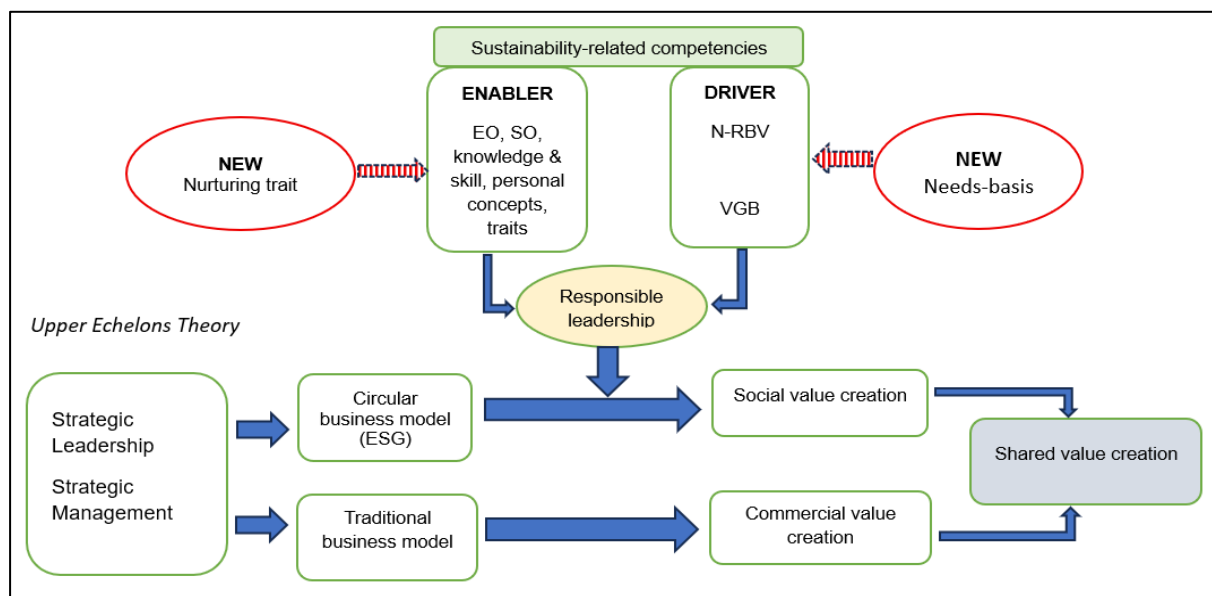
driver of shared value creation, and the need-drivers in emerging markets were analysed based on Maslow’s Hierarchy of Needs theory (McConnell & Metz, 2024; Lichtenstein & Dade, 2007).

Secondly, findings appeared to reveal that gender dynamics, specifically the innate *nurturing* character trait, is a consideration and a driver of shared value creation. This *new sub-theme* emerged from the findings, wherein women leaders were identified by participants as predisposed to shard value creation based on this innate *nurturing* character trait. Originally, gender was not a consideration during purposive sampling and data analysis for this study. Gender dynamics as a driver of social value creation on emerging markets, is recommended as an area for further research below. However, the literature review for this study was expanded to include the extended Upper Echelons Theory wherein gender, specifically women leaders, was recognised as a character trait and a competence required for shared value creation (Velte, 2025; Frazão et al., 2025; Kaur & Singh, 2025) However, the literature review section was *not* amended to specifically include the emergent *nurturing* character trait, since not literature was discovered that excluded men from possessing the nurturing character trait, as a sustainability-related competence.

6.7.3. Revised conceptual framework

Based on the evaluation of findings against extant literature, as discussed above, the conceptual framework has been revised accordingly. The revised conceptual framework is presented in **Figure 10** below, depicting the need and gender as an apparent enabler and driver of social value creation respectively.

Figure 10 – Revised conceptual framework diagram



(Source: compiled by author)

CHAPTER 7: CONCLUSION

The conclusions reached for the evaluation of findings against the extant literature in the previous chapter, are presented below. The conclusions are presented per construct, for each of the five constructs of this study.

7.1. Principal theoretical conclusions

7.1.1. Construct 1 – Responsible strategic leadership

Anchored on the Upper Echelon Theory, Samimi et al, (2020) described strategic leadership leaders based on the position, functions and personal attributes at the top of the organisation. The CEO and CFO positions in the TMT, and other TMT positions such as Lead Partner and Finance executive, and membership of the BoD qualifies as strategic leadership positions (Samimi et al., 2020). Additionally, Samimi et al. (2020) lists overseeing operations, decision making, stakeholder engagement and managing social and ethics as functions performed by strategic leaders. Functions performed by strategic leaders in South Africa broadly include these functions, wherein executive strategic leaders over the operational, financial, commercial and human resource functions in their respective organisations. Based on functions and positions of strategic leaders in South Africa meet the criteria of strategic leadership. Additionally, in South Africa the *executive* strategic leaders' decision-making responsibilities reportedly extend to internal and external communications of decisions and provision of solution to decision problems. Druker et al. (2004) lists decision making and the attendant communication and solutioning as some of the eight practices that make an effective executive. Therefore, the strategic leaders in South Africa are cognisant of the positions they hold, and decision-making responsibilities attached to those positions (Samimi et al., 2020; Druker 2004).

Carter and Greer (2013), the anchor scholarly article of this study, lists and describes the various traditional and emergent strategic leadership styles. South African strategic leaders characterised their leadership styles as visionary, collaborative, ethical, sustainable, transformational, values-informed, servant and results-driven among others. Therefore, strategic leaders characterised their leadership styles as values-based in various way, ranging from ethical, to sustainable (Gardner et al., 2021; Carter & Greer, 2013). Carter and Greer (2013) and Gardner et al. (2023) specifically identified responsible leadership as a nascent values-based leadership style. As a result, strategic leaders in South Africa qualify as responsible leaders (Toft & Hansen, 2024).

Additionally, on the ESG sustainability stance of South African strategic leaders, the changing attitudes of organisations and strategic leaders in South Africa towards sustainability is demonstrated by allocation of ESG responsibilities to the strategic level, including to the CEO's

or CFO's office and the Social and Ethics BoD subcommittees. However, appointing a CSO, as an ESG dedicated TMT member, is proven to attenuate ESG risks and improve socially responsible performance and simultaneously reduce socially irresponsible performance, thus South African organisation are foregoing these benefits by not appointing a CSO to drive social value creation (Fu et al., 2020).

These emergent sustainability practices demonstrate that the responsible strategic leadership style is being exhibited by strategic leaders in South Africa, even though most of the leaders do not explicitly characterise themselves as responsible strategic leaders (Ahmed et al., 2024).

7.1.2. Construct 2 – Shared value creation

Shared value creation, being simultaneous creation of social and economic or commercial value (Porter & Kramer, 2011), thus generating financial success while generating social benefit (Kramer & Pfizer, 2016). However, shared value creation is a relatively new concept in South Africa and other emerging markets. Strategic leaders and organisations in emerging markets have been doing some good in society, although to a lesser extent than organisation in developed markets, there is a realisation that these initiatives are creating shared value (Schlosser & Volkova, 2022). The individual strategic leaders and their organisations describe themselves as purpose driven. Emphasis on purpose in business practices ensures that an organisation advances a social good while generating economic returns (Harrison et al., 2020). Additionally, the strategic leaders in South Africa recognise the existence of the self-reinforcing virtuous cycle between social and commercial value creation (Schlosser & Volkova, 2022). Commercial value supports and enables social value creation, therefore profitability funds ESG or sustainability initiatives. Social value created through enterprise development activities and CSR initiatives undertaken by South African strategic leaders and their organisation require funding to succeed (Harrison et al., 2020). Additionally, strategic leaders in South Africa identify and rank stakeholders in order of influence and importance to their organisations. The stakeholders identified include both internal and external stakeholders, and strategic leadership consider the interests of both sets of stakeholders in their business practices, which helps builds trust and build social capital (Harrison et al. (2020). This growing recognition of stakeholders and building social capital is a positive development towards shared value creation and that enhances the organisations' capabilities to remain competitive and viable into the future (Helfat et al., 2023).

COVID-19 responses by South African strategic leaders and their organisations demonstrated the adaptability and agility of business leaders in South Africa in response to VUCA in the contextual environment, thereby demonstrating dynamic capabilities to transform business models (Zahra et al., 2022; Menghwar & Daood, 2021). Undoubtedly, South African strategic

leaders are competent and proficient at commercial value creation, as demonstrated by the going concern status of their respective organisations. The competitive strategy focus on revenue and profitability and generation of financial shareholder return was demonstrated in the description of strategic objectives in strategy formulation sessions (Porter, 1996). Although, the ESG is currently still an afterthought in strategy formulation sessions in South Africa, however strategic leaders and their organisation do create social value outside of the strategic priorities.

Therefore, South African strategic leaders create some social value, not to the magnitude of developed markets, alongside commercial value creation activities, and thus create shared value (Kramer & Pfizer, 2016; Schlosser & Volkova, 2022).

7.1.3. Construct 3 – Sustainability-related competencies

Having determined that South Africa has responsible strategic leaders that lead their organisation in shared value creation, the drivers and enablers of shared value creation exhibited by emerging market strategic leaders were also determined. Collectively these drivers and enablers of shared value creation are sustainability-related competencies, thus shared value creation is a function of sustainability-related competencies of strategic leaders (Gomes, 2025; Seow, 2025; Chen et al., 2020).

The competencies were first defined in terms of McClelland Competency Model, being character traits, personal concepts, motives and knowledge and skill (Hsieh et al., 2012; Vazirani, 2010). It was important to define competencies to ensure that strategic leaders understand that competency extend beyond knowledge and skill, as commonly understood. The South African strategic leaders understood that their personal values and personality traits shape their orientation towards sustainability. Frimpong et al. (2025) define this as SO, that drives sustainability outcomes or shared value creation. There was acknowledgement that the leader's values and traits, particularly the CEO, are crucial for shared value creation initiatives in organisations (Chen et al., 2020). The background and context within which strategic leaders in emerging markets were raised built their individual characters and shaped their values towards sustainability. Therefore, childhood background and the environment shapes values and thus SO of strategic leaders and influence ESG strategic options (Chen et al., 2020).

Further, personality traits shape production and consumption patterns of stakeholders, being customers and suppliers (Gomes et al., 2025). Strategic leaders recognised that they have to respond to this stakeholder demand for sustainability, by transforming business models to incorporate sustainability, in order to remain relevant and viable (Gomes et al., 2025).

The personal values and character trait competencies of strategic leaders in emerging markets, can be further enhanced to cultivate and enhance SO and drive shared value creation. Thus, there was acknowledgment that SO is a valuable resource and a source of competitive advantage (Frimpong et al., 2025), Mahran & Elamer, 2025). However, SO in emerging markets *lag* SO and shared value creation in developed markets.

Similarly, knowledge and skill can be enhanced through formal academic training and informal training. Particularly, strategic leaders recognised that analytical, management and communication skills are required for responsible leadership for dealing with stakeholders (Chen et al., 2020). Equally, the character traits such as accountability and transparency are required for effective management of stakeholders (Chen et al., 2020). Creating value in consideration of stakeholders was acknowledged as critical for building trust, legitimacy and social capital, and thus creates shared value.

Thus sustainability-related personal values, character traits and knowledge and skill was understood to be critical for shared value creation. This was aligned with Daouk-Öyry et al. (2021), who specially link sustainability-related competencies to shared value creation. The responsible strategic leaders that possess sustainability-related competencies and infuse those sustainability-related competencies into the culture of their organisations, that organisation is empowered with OPC (organisational psychological capital) (Mahran & Elamer, 2025). The strategic leaders understood that Infusing sustainability into organisational culture drives sustainability outcomes of organisations to stakeholders, which in turn builds social capital (Chen et al., 2020). OPC is the sustainability cognitive ability, an intangible resource, of an organisation and it shapes the ESG practices of that organisation (Mahran & Elamer, 2025). OPC inspires hope, optimism, resilience and confidence for the organisation to handle and navigate through VUCA induced changes in the contextual environment (Mahran & Elamer, 2025).

Therefore, since these cognitive sustainability-related competencies can be enhanced to improve sustainability performance of strategic leaders. The strategic leaders with this enhanced cognition are said to possess cognitive complexity that is required to respond to the complexity (VUCA) in the contextual environment in which businesses operate (Malhotra & Harrison, 2022).

The importance of the CEO possessing the sustainability-related competencies was emphasised by strategic leaders, since more than anyone in the organisation the CEO's values, attributes and knowledge and skill shape the outcomes of the organisation and the organisation's fortunes (Seow, 2025).

Notably, a new sub-theme appeared to emerge. The strategic leaders in South Africa highlighted how the innate *nurturing* character of women strategic leaders predisposed women leaders to social value creation and therefore shared value creation. In line with Velte (2025) and Frazão et al. (2025), women appeared to be predisposed to creating shared value for all stakeholders, particularly advancement of local communities through CSR initiatives. The specific *nurturing* character trait identified by South African strategic leaders, appears to be a *nuance of difference* from the general gender (women) characteristic identified in extant literature as a driver of shared value creation (Kaur & Singh, 2021).

Similar to developed markets, sustainability-related competencies, being personal values, personality traits and knowledge and skill, are exhibited by responsible strategic leaders in emerging markets to drive shared value creation, as represented by South Africa, however SO and the attendant shared value creation lag developed markets. Additionally, women were noted to be predisposed to shared value creation, due to their innate nurturing trait.

7.1.4. Construct 4 – Resistance to sustainability in EM

Resistance, challenges and barriers to sustainability in emerging markets has been encountered by strategic leaders. The barrier to shared value creation primarily emanates from back ranking of ESG, lack of enabling regulations and legislation, lack of financial resources and lack of an ability to influence others to buy-in into sustainability or ESG.

Firstly, unlike in developed markets, in emerging markets ESG is not being prioritised by strategic leaders and their organisations, this highlighted the needs-driven nature of ESG or sustainability initiatives (McConnell & Meltz, 2024). Initially, need was not considered as a driver of sustainability, however, this sub-theme appeared to emerge from strategic leaders. Upon closer examination of the extant literature, in the literature review section of this study, it was established that the studies of sustainability-related competencies as a driver of shared value creation was always contextual (Chen et al., 2020; Fu et al., 2020), although not explicitly characterised as needs-driven. Therefore needs-driven shared value creation in emerging markets was only a *nuance of difference* rather than a completely new sub-theme.

Needs as a driver of shared value creation were analysed in terms of Maslow's Hierarchy of Needs theory (Lichtenstein & Dade, 2007), and it was determined that emerging market economies were creating value to meet the most basic human sustenance psychological need (McConnell & Meltz, 2024). Therefore, willingness to do good is not in short supply in South Africa and emerging markets, however, fulfilment of basic human needs limit creation of shared value in emerging markets (McConnell & Metz, 2024).

The lack of clear country-wide legislation or policy on ESG, promotes minimal compliance ESG requirements and inhibits voluntary sustainability action by organisations and strategic

leaders (Ahmed et al., 2023). Additionally, the stagnant economy leads to limited budget availability for CSR initiatives and enterprise development projects. This amplifies how commercial and social value creation support and reinforce each other (Chen et al., 2020)

The CEOs and other strategic leaders need to set the tone, at the top, on ESG to provide sustainability behaviours that followers can *mimic* to drive shared value creation (Wang et al., 2021). By definition VGB implies ESG action out of own volition (Ahmed et al., 2023), similarly eco-innovation implies spontaneous creative idea generation (Wang et al., 2021). VGB and eco-innovation requires the strategic leader, particularly the CEO to lead by example and then followers emulate the CEO's ESG behaviours through identification with the CEO's values that are infused into the culture of the organisation (Wang et al., 2021).

Therefore, where sustainability-related competencies cannot be instilled in followers through identification and mimicking shared value creation is inhibited. Similarly, lack of financial resources and lack of enabling legislation promotes minimal compliance with sustainability requirements and inhibits shared value creation in emerging markets.

7.1.5. Construct 5 – Overcoming resistance to sustainability in EM

As mentioned above, strategic leaders in South Africa do experience challenges when exhibiting sustainability behaviours, to overcome barriers and resistance to sustainability in emerging markets, strategic leaders must learn and acquire ESG knowledge and skill (Malhotra & Harrison, 2022). Additional training on sustainability must be offered locally in emerging markets by academic institutions and professional bodies to enhance the cognitive sustainability-related competencies in strategic leaders. Strategic leaders, particularly CEOs, with enhanced ESG complexity are better equipped to infuse sustainability throughout their organisations and are better equipped to navigate and cope with VUCA and there are better equipped to transform the business models to circular to meet the growing demand for sustainability from stakeholders (Malhotra & Harrison, 2022).

Firstly, on training, professional bodies need to do more training of members on sustainability, also strategic leaders and followers must learn ESG competencies from each and among each other as well (Ahmed et al., 2023). The training by the IoDSA and SAICA should incorporate sustainability requirements in their CPD (continuing professional development) practices for all members. The academic institutions must match their international counterpart in developed markets on provision of ESG formal academic training and qualifications.

Secondly, a CEO that acquires complex cognition on sustainability is a critical asset or resource for their organisation and can set the tone for sustainability at the top and can better manage stakeholder ESG expectations (Mahran & Alamer, 2025; Gomes, 2025). Especially,

since society demands CEOs to be social activists and lead both their organisations and society on pressing societal issues (Hambrick & Wowak, 2021).

Besides formal training of the CEO and other strategic leaders on ESG matters, emerging markets strategic leaders need to foster voluntary ESG behaviours among themselves and among followers to drive shared value creation (Ahmed et al., 2023). These voluntary behaviours are acquired through identification and mimicking, of desired behaviours in a psychologically safe environment (Mao et al., 2023). To promote identification and emulating and mimicking of sustainability behaviours, CEOs must promote an organisational culture that is characterised by candour to foster interactions and learning among followers (Mao et al., 2023; McConnell & Meltz, 2024; Lichtenstein & Dade, 2007).

Challenges and barriers to sustainability can be overcome by acquisition and enhancement of sustainability cognitive complexity through formal training and informally through identification and mimicking in a psychologically safe environment that promotes social learning (Mao et al., 2023).

7.2. Research contribution

The aim of this was to explore the perceptions of strategic leaders about sustainability-related competencies and the role of the sustainability-related competencies on shared value creation in emerging markets, particularly in the South African context.

This study served the purpose of *extending or refining* knowledge already gained through other empirical studies conducted in developed markets, and China, by exploring the impact of sustainability-related competencies on shared value creation in other emerging markets (Barnard, 2020; Barnard, et al., 2017). The unique history and extreme social conditions in emerging economies in Africa, in this case South Africa, provided a perfect setting to extend and refine extant knowledge on sustainability-related competencies as a driver and enabler of shared value creation (Barnard, 2020; Barnard, et al., 2017).

7.3. Recommendations for management and/or other stakeholders

7.3.1. Theoretical implications

Theoretically, the findings of this study suggest that commercial value creation in emerging markets takes precedence over social value creation, thus hindering shared value creation in emerging markets. Compared to developed markets, emerging markets lag in the extent of shared value creation, however, the sustainability-related competencies of strategic leaders in emerging appear to be on par with developed markets counterparts. This suggests that social value creation component of shared value is contextual. There appears to be a need for generation of greater social and environmental impact in emerging markets, therefore the

contextual factors that hinder or retard social value creation in emerging markets should be verified to gain the requisite understanding for devising necessary interventions.

7.3.2. Practical implications

The professional bodies, particularly SAICA and IoDSA should note the need of their members in strategic leadership roles to be equipped with sustainability-related competencies, specifically knowledge and skill. These professional bodies need to intervene by reviewing the curriculum and their respective competency frameworks and their respective CPD requirements, to incorporate ESG or sustainability training beyond just ethics which seems to address only the G (governance) element of ESG.

7.4. Limitations of the research

The focus of the study was on current strategic leaders excluding prospective or future strategic leaders that are either still undergoing training or studying at tertiary institutions. The study excluded strategic leaders who are not members of SAICA and/or IoDSA thus excluding strategic leaders who may have acquired sustainability-related competencies through other professional bodies and institutions and/or experience. Further, the researcher is a novice, and this may have negatively affected the quality of the research and reflected in the ineffective and inefficient use of ATLAS.ti.

Additionally, the research setting was South Africa *only*, as a sole representative country of emerging market economies which excluded insights of strategic leaders from other emerging market countries, particularly the rest of Africa.

7.5. Suggestions for future research

The results of this study represent perceptions of SAICA and IoDSA members on the sustainability-related competencies as a drive of shared value creation. To enhance the validity of the interpretations of the results on applicability in other segments of strategic leaders, future studies can explore the perception of strategic leaders drawn from across all segments of strategic leaders and compare results to the results of this study.

This study did not consider level of experience and gender in purposive sampling of participants. To validate the apparent the new sub-theme emerging from this study of women strategic leader's predisposition to shared value creation, specifically the impact of the *nurturing trait* on shared value creation. Further research can qualitatively explore or quantitatively establish the impact of gender and the nurturing character trait on shared value creation in emerging markets.

The setting of this study was South Africa. Therefore, this study can benefit from further research on the perceptions of strategic leaders on adequacy of sustainability-related

competencies as a driver of shared value creation on the rest of the African continent, by drawing a sample of strategic leaders from other African countries, other than South Africa. The results of those studies can then be compared to the results of this study.

7.6. Conclusion

The study achieved the aim of enhancing the adequacy of extant knowledge on the impact of sustainability-related competencies on shared value creation. By conducting this study on South Africa, and African emerging market economy, extended and refined the knowledge on sustainability-related competencies as a driver of shared value creation (Barnard, 2020). Thus, exploring the perceptions of strategic leaders on the adequacy of sustainability-related related competencies of responsible strategic leaders on the unique conditions presented by the African context addressed the gap in extant literature, and the identified research problem, by extending the predominantly developed markets (and China) derived extant knowledge (Chen et al., 2020; Creswell & Creswell, 2023).

As the Hambrick (2007) Upper Echelons Theory, the strategic leadership discourse and specifically the responsible strategic leadership style develops (Carter and Greer, 2013), *further* qualitative and quantitative enquiries into this study's apparent emergent sub-themes of need and the nurturing character trait as drivers of shared value creation in emerging markets will enrich the findings of this study. Thereby, further extending and refining extant knowledge on sustainability-related competencies and shared value creation (Hambrick & Wowak, 2021; Samimi et al., 2020; Chen et al., 2020).

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APPENDIX 1 – Informed consent letter

Research topic

Exploring sustainability-related cognitive competencies of strategic leaders in South Africa.

Research aim

The aim of this qualitative study is to explore the perceptions of strategic leaders about sustainability-related competencies and its role on shared value creation in the South African context.

Data gathering

Data on lived experiences of strategic leaders will be collected through face-to-face, either through online platforms or in-person, semi-structured interviews conducted by the researcher, personally, with the participants individually.

Invitation to participate

Your participation will help us understand what perceptions do strategic leaders have of sustainability-related competencies required for shared value creation in the South African context? *Your participation is voluntary, and you can withdraw at any time without penalty.*

Protocol

- No prior preparation is required for the interview.
- The interview duration is approximately 60 minutes.
- The interview audio will be recorded for subsequent transcription.
- The interview will be conducted face-to-face, either in-person or virtually.
- All information is strictly confidential and will not be shared without your consent.
- All data collected will be securely stored electronically.
- Upon completion of the study the published information will be anonymised, and research participants will not be identified.
- Verbatim quotations from the interview may be used in the report, provided they are not identified with your name or that of your organisation.

By signing this letter, you confirm that you have read and understood all the information above and you consent to participate in this study.

If you have any concerns, please contact my supervisor or me. Our details are provided below.

Name of Institution: Gordon Institute of Business Science (University of Pretoria)

Researcher name: Mr Student (Master of Philosophy delegate)

Email: 24126404@mygibs.co.za

Phone: 083 299 5200

Research Supervisor name: Dr XXXX YYYY

Email: xxxxxxxx@gibs.co.za

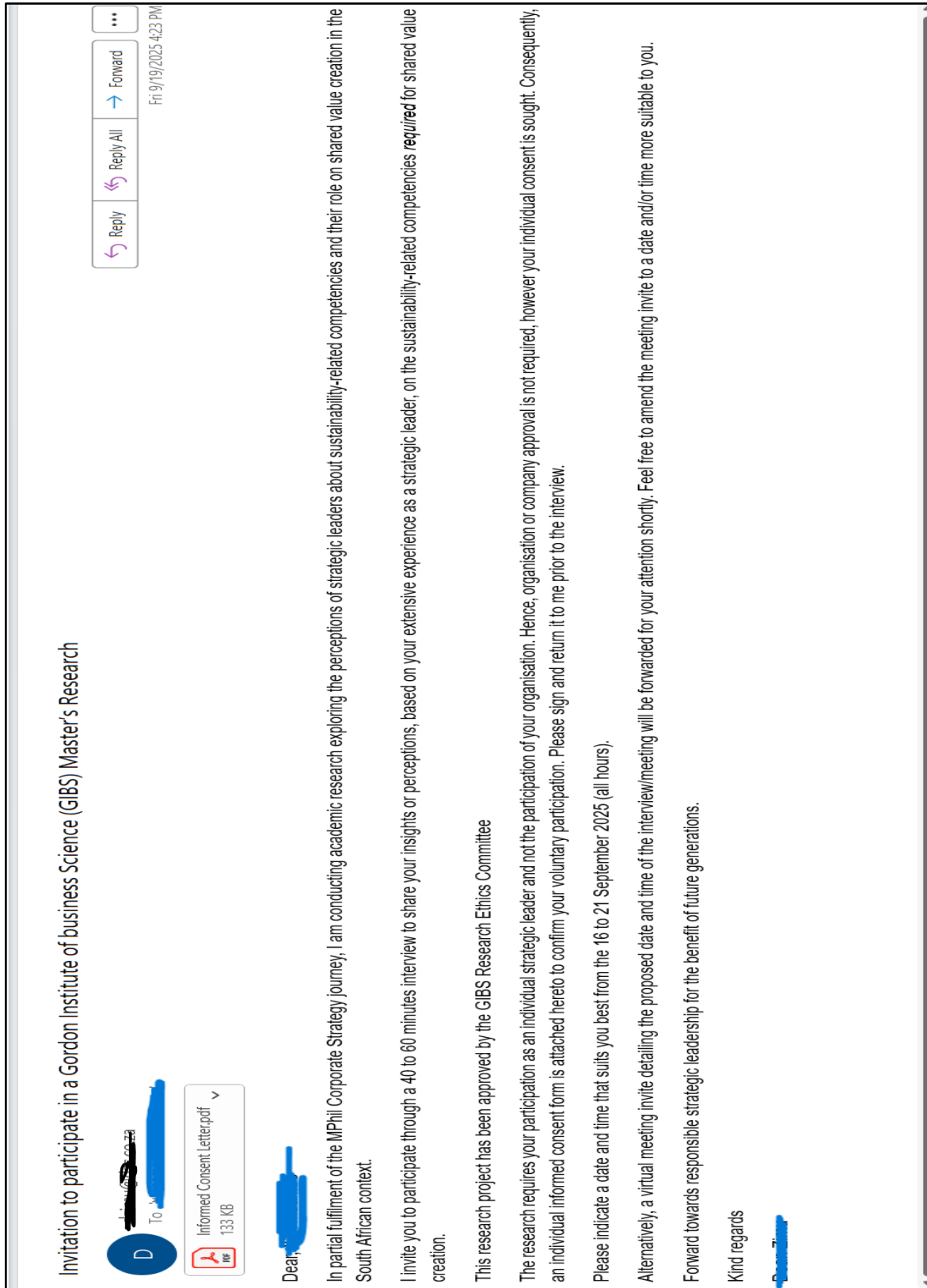
Signature of participant: _____

Date: _____

Signature of researcher: _____

Date: _____

APPENDIX 2 – Email invitation to participants



APPENDIX 3 - Interview guide

Interviewee name:

Organisation:

Current strategic position:

Professional body membership:

Date: Time:.....

Introduction and thank you:

Introduce myself (the researcher) and express gratitude for the interview opportunity.

Introduce myself (the researcher):

Brief introduction of myself, brief personal, professional and academic background.

Study title:

Exploring sustainability-related cognitive competencies of strategic leaders in South Africa.

Research aims:

The aim of this proposed qualitative study will be to explore the perceptions of professionally trained strategic leaders regarding the impact of sustainability-related competencies on shared value creation in the South African context.

Research design:

Within qualitative research, the *phenomenological* approach is preferred for this study, wherein the experiential data is collected from research participants through one-on-one interviews.

Anonymity:

All data will be reported without any identifiers.

Informed consent:

The interviewee to sign an informed consent.

Withdrawal from study (autonomy):

The interviewee participates freely in the study, and they are free to withdraw from this study at any time, without any consequences.

Outline process:

Recording – alert the interviewee that the interview will be recorded for later transcription.

Protocol – the interview is semi-structured; the interviewee is free to add examples of experiences shared during the interview.

The researcher to use probing or follow-up question/s such as – “tell me more”

QUESTIONS

Opening question

- 1) What are your general perceptions about the abilities of strategic leaders in emerging markets to create shared value? How high do strategic leaders in emerging countries rank social value creation on their list of priorities?
- 2) How would you characterise the sustainability-related competencies of strategic leaders in emerging markets, particularly in the South African context?

Body

- 3) What values do you view as necessary for a leader to set the right tone for sustainability in their organisation? Please provide examples in and/or outside your organisation?
- 4) What stakeholders are most important to you and your organisation, please elaborate on why they are? How do you as a strategic leader advance what matters to those stakeholders?
- 5) What attributes predisposes strategic leaders for sustainability? Are these attributes innate or can strategic leaders acquire them? Have you had to improve yourself in any way to be a better leader in and outside your organisation?
- 6) In your strategy formulation and execution processes, how do you incorporate sustainability? What measures, if any, do you institute to encourage buy-in into your organisation’s sustainability efforts/initiative?
- 7) How does the culture in your organisation enable and encourage your people and the organisation to do good?

Closing question

- 8) What interventions would you recommend to overcome any challenges that hinder shared value creation by strategic leaders, and to improve sustainability outcomes for organisations in South Africa? What support do professional bodies offer in this regard?

Closing instruction:

Again, thank the interviewee for participation

Ask if the interviewee has any questions

(Compiled by: Author, adapted from Creswell and Creswell (2023); Sambaza (2018)).

APPENDIX 4 – Code list

Description	Code	Theme*	Construct
Second order Code Category	(centralRQ SL) Leadership positions		
First order code	(centralRQ SL) Leadership positions: Leadership positions (centralRQ SL) Leadership positions: Positional power		
Second order Code Category	(centralRQ SL) Leadership styles		
First order code	(centralRQ SL) Leadership styles: Collaborative style (centralRQ SL) Leadership styles: Combination of styles (centralRQ SL) Leadership styles: Consultative style (centralRQ SL) Leadership styles: Contextual style (centralRQ SL) Leadership styles: Empathetic style (centralRQ SL) Leadership styles: Ethical style (centralRQ SL) Leadership styles: Inclusive style (centralRQ SL) Leadership styles: Performance driven style (centralRQ SL) Leadership styles: Responsible style (centralRQ SL) Leadership styles: Results-driven style (centralRQ SL) Leadership styles: Servant and democratic style (centralRQ SL) Leadership styles: Servant style (centralRQ SL) Leadership styles: supportive style (centralRQ SL) Leadership styles: Transformational style (centralRQ SL) Leadership styles: Values inform style (centralRQ SL) Leadership styles: Visionary style	Theme 1 - (centralRQ SL) Strategic leadership	
Second order Code Category	(centralRQ SL) Strategy formulation		
First order code	(centralRQ SL) Strategy formulation: Strategic consideration (centralRQ SL) Strategy formulation: Strategic focus (centralRQ SL) Strategy formulation: Strategy formulation (centralRQ SL) Value chain (centralRQ SL) Value chain: ESG in Value Chains (centralRQ SL) Value chain: Raw material sourcing (centralRQ SL) Value chain: Value map	Theme 2 - (centralRQ SL) Strategic management	Responsible strategic leadership
Second order Code Category	(centralRQ SL) ESG responsibility		
First order code	(centralRQ SL) ESG responsibility: CSO (centralRQ SL) ESG responsibility: No sustainability person (centralRQ SL) ESG responsibility: Social and ethics committee		
Second order Code Category	(centralRQ SL) ESG stance		
First order code	(centralRQ SL) ESG stance: Business model and ESG (centralRQ SL) ESG stance: ESG awareness (centralRQ SL) ESG stance: ESG before profits (centralRQ SL) ESG stance: ESG governance and management (centralRQ SL) ESG stance: ESG in public sector (centralRQ SL) ESG stance: ESG learning courses (centralRQ SL) ESG stance: ESG new concept (centralRQ SL) ESG stance: ESG not part of KPI's (centralRQ SL) ESG stance: ESG responsibility (centralRQ SL) ESG stance: ESG skills and recruitment (centralRQ SL) ESG stance: ESG skills development (centralRQ SL) ESG stance: Europe ESG before profits (centralRQ SL) ESG stance: HR development on ESG (centralRQ SL) ESG stance: Mandatory ESG reporting (centralRQ SL) ESG stance: Material ESG factors (centralRQ SL) ESG stance: Profits before ESG (centralRQ SL) ESG stance: South Africa and ESG	Theme 3 - (centralRQ SL) Sustainability stance	

Description	Code	Theme*	Construct
Second order Code Category	(centralRQ SV) Competitive advantage	Theme 4 - (centralRQ SV) Commercial value creation	
First order code	(centralRQ SV) Competitive advantage: Agility (centralRQ SV) Competitive advantage: Dynamic capabilities (centralRQ SV) Competitive advantage: VRIN and SO CEO		
Second order Code Category	(centralRQ SV) Fiduciary duty		
First order code	(centralRQ SV) Fiduciary duty: Audit outcomes (centralRQ SV) Fiduciary duty: Fiduciary duty conflict		
Second order Code Category	(centralRQ SV) Profit making		
First order code	(centralRQ SV) Profit making: Commercial value and regulations (centralRQ SV) Profit making: Economic prospects (centralRQ SV) Profit making: Economic prosperity (centralRQ SV) Profit making: ERP and commercial value creation (centralRQ SV) Profit making: Life after mining (centralRQ SV) Profit making: Self-advancement (centralRQ SV) Profit making: Sustainability shareholder return		
Second order Code Category	(centralRQ SV) Virtuos cycle		
First order code	(centralRQ SV) Virtuos cycle: Business objectives (centralRQ SV) Virtuos cycle: virtuos cycle		
First order code	(centralRQ SV) Corporate social responsibility		
First order code	(centralRQ SV) Corporate social responsibility: Compliance driven CSI (centralRQ SV) Corporate social responsibility: Corporate citizenship (centralRQ SV) Corporate social responsibility: CSI Mandela Day (centralRQ SV) Corporate social responsibility: Meaningful CSI (centralRQ SV) Corporate social responsibility: NPO sector (centralRQ SV) Corporate social responsibility: Profitability and CSI (centralRQ SV) Corporate social responsibility: Reputational risk		
Second order Code Category	(centralRQ SV) Doing good	Theme 4 - (centralRQ SV) Social value creation	Shared value creation
First order code	(centralRQ SV) Doing good: Business doing enough (centralRQ SV) Doing good: Business expected to do more (centralRQ SV) Doing good: Environmental damage limitation (centralRQ SV) Doing good: Future focus (centralRQ SV) Doing good: Going concern (centralRQ SV) Doing good: Industry context (centralRQ SV) Doing good: Missing middle (centralRQ SV) Doing good: Social upliftment (centralRQ SV) Doing good: SOE mandate (centralRQ SV) Doing good: Support employees' families (centralRQ SV) Doing good: Supportive environment (centralRQ SV) Doing good: Transition to renewables (centralRQ SV) Doing good: Willingness to do good		
Second order Code Category	(centralRQ SV) Emerging vs developed markets		
First order code	(centralRQ SV) Emerging vs developed markets: Economic context (centralRQ SV) Emerging vs developed markets: Emerging markets lagging (centralRQ SV) Emerging vs developed markets: Emerging markets no transparency (centralRQ SV) Emerging vs developed markets: GHG in Africa (centralRQ SV) Emerging vs developed markets: GHG in developed markets (centralRQ SV) Emerging vs developed markets: Historical context (centralRQ SV) Emerging vs developed markets: Industrialisation curve (centralRQ SV) Emerging vs developed markets: Institutional environment (centralRQ SV) Emerging vs developed markets: Skill on par		
Second order Code Category	(centralRQ SV) Enterprise development		
First order code	(centralRQ SV) Enterprise development: Enterprise development (centralRQ SV) Enterprise development: Supplier development		
Second order Code Category	(centralRQ SV) Purpose driven		
First order code	(centralRQ SV) Purpose driven: African black advancement (centralRQ SV) Purpose driven: Pro-women development (centralRQ SV) Purpose driven: Purpose driven (centralRQ SV) Purpose driven: Triple P (centralRQ SV) Purpose driven: Women advance women (centralRQ SV) Purpose driven: Women empowerment		
Second order Code Category	(centralRQ SV) Social capital building		
First order code	(centralRQ SV) Social capital building: Address unemployment (centralRQ SV) Social capital building: Non pecuniary social value (centralRQ SV) Social capital building: Social activism (centralRQ SV) Social capital building: Trust and legitimacy (centralRQ SV) Social capital building: Women recruitment (centralRQ SV) Social capital building: Youth unemployment		
Second order Code Category	(centralRQ SV) Stakeholder focus		
First order code	(centralRQ SV) Stakeholder focus: Community upliftment (centralRQ SV) Stakeholder focus: GHG affects communities (centralRQ SV) Stakeholder focus: Giving back to communities (centralRQ SV) Stakeholder focus: Government as a stakeholder (centralRQ SV) Stakeholder focus: Local communities (centralRQ SV) Stakeholder focus: Political balance sheet (centralRQ SV) Stakeholder focus: Stakeholder considerations (centralRQ SV) Stakeholder focus: Stakeholder identification (centralRQ SV) Stakeholder focus: Stakeholder ranking		

Description	Code	Theme*	Construct	
Second order Code Category	(subRQ1) Entrepreneurial practices			
First order code	(subRQ1) Entrepreneurial practices: ESG entrepreneurship	Theme 6 - (subRQ1) Entrepreneurial orientation	Sustainability-related competencies	
	(subRQ1) Entrepreneurial practices: Lack of innovation			
	(subRQ1) Entrepreneurial practices: Leg up			
Second order Code Category	(subRQ1) Formal and informal training			
First order code	(subRQ1) Formal and informal training: Being a director	Theme 7 - (subRQ1) Knowledge and skill		
	(subRQ1) Formal and informal training: DEI			
	(subRQ1) Formal and informal training: Formal ESG training			
	(subRQ1) Formal and informal training: Learning abroad			
Second order Code Category	(subRQ1) Personal attributes or traits			
First order code	(subRQ1) Personal attributes or traits: Conscience trait	Theme 8 - (subRQ1) Personal concepts		
	(subRQ1) Personal attributes or traits: Dignity and respect traits			
	(subRQ1) Personal attributes or traits: ICRAFT character traits			
	(subRQ1) Personal attributes or traits: Innovation trait and skill			
	(subRQ1) Personal attributes or traits: Nurturing trait			
	(subRQ1) Personal attributes or traits: People-centric trait			
	(subRQ1) Personal attributes or traits: Phlegmatic character			
	(subRQ1) Personal attributes or traits: Self-belief trait			
	(subRQ1) Personal attributes or traits: Selflessness trait			
Second order Code Category	(subRQ1) Personal value system			
First order code	(subRQ1) Personal value system: Assimilated	Theme 9 - (subRQ1) Sustainability orientation		
	(subRQ1) Personal value system: Ethics lapses			
	(subRQ1) Personal value system: Ethics policies			
	(subRQ1) Personal value system: Focus on ethics			
	(subRQ1) Personal value system: Personal values and recruitment			
	(subRQ1) Personal value system: Policies define expected values			
Second order Code Category	(subRQ1) Background effect			
First order code	(subRQ1) Background effect: Disadvantaged background	Theme 9 - (subRQ1) Sustainability orientation		
	(subRQ1) Background effect: Influence of background			
	(subRQ1) Background effect: Legal context			
Second order Code Category	(subRQ1) Organisational culture			
First order code	(subRQ1) Organisational culture: Culture	Theme 9 - (subRQ1) Sustainability orientation		
	(subRQ1) Organisational culture: do good and talk about it			
	(subRQ1) Organisational culture: Keep comms up			
	(subRQ1) Organisational culture: Recognise performance			

Description	Code	Theme*	Construct
Second order Code Category	(subRQ2) Geographical location		
First order code	(subRQ2) Geographical location: Geopolitics		
	(subRQ2) Geographical location: Legislative environment		
Second order Code Category	(subRQ2) Needs basis	Theme 10 - (subRQ2) Hierarchy of needs	Resistance to sustainability in emerging markets
First order code	(subRQ2) Needs basis: need		
	(subRQ2) Needs basis: Needs basis		
	(subRQ2) Needs basis: no conflict		
	(subRQ2) Needs basis: Resource allocation		
	(subRQ2) Needs basis: share		
Second order Code Category	(subRQ2) Influencing followers	Theme 11 - (subRQ2) Identification and mimicking	
First order code	(subRQ2) Influencing followers: Convince others to do good		
	(subRQ2) Influencing followers: Empower followers		
	(subRQ2) Influencing followers: Influence on followers		
	(subRQ2) Influencing followers: Proactive action		
	(subRQ2) Influencing followers: Set the tone		
	(subRQ2) Influencing followers: Voluntarily impactful		
Second order Code Category	(subRQ2) Opposition to ESG	Theme 12 - (subRQ2) Voluntary green behaviour	
First order code	(subRQ2) Opposition to ESG: Biases groupthink		
	(subRQ2) Opposition to ESG: Biases hubris		
	(subRQ2) Opposition to ESG: Budget constraints in E.M.		
	(subRQ2) Opposition to ESG: Business pay tax		
	(subRQ2) Opposition to ESG: Cost centre		
	(subRQ2) Opposition to ESG: Creative bookkeeping		
	(subRQ2) Opposition to ESG: Economic downturn		
	(subRQ2) Opposition to ESG: Economic growth		
	(subRQ2) Opposition to ESG: ESG budget pressure		
	(subRQ2) Opposition to ESG: Ethics not teachable		
	(subRQ2) Opposition to ESG: Funders anti ESG		
	(subRQ2) Opposition to ESG: Lack of assertiveness		
	(subRQ2) Opposition to ESG: Leadership diversity		
	(subRQ2) Opposition to ESG: NED conformist		
	(subRQ2) Opposition to ESG: New practices		
	(subRQ2) Opposition to ESG: Organisations pressured		
	(subRQ2) Opposition to ESG: Outsourcing impact		
	(subRQ2) Opposition to ESG: Reluctance to do good		
	(subRQ2) Opposition to ESG: Resistance none		
	(subRQ2) Opposition to ESG: resistance yes		
	(subRQ2) Opposition to ESG: training		
	(subRQ2) Opposition to ESG: Unethical practices		
Second order Code Category	(subRQ2) Racial dynamics		
First order code	(subRQ2) Racial dynamics: Racial dynamics		
Second order Code Category	(subRQ2) Regulatory environment		
First order code	(subRQ2) Regulatory environment: BEE legislation		
	(subRQ2) Regulatory environment: BEE scorecard		
	(subRQ2) Regulatory environment: Compliance with requirements		
	(subRQ2) Regulatory environment: Emissions compliance		
	(subRQ2) Regulatory environment: Enforcement of regulations		
	(subRQ2) Regulatory environment: Environmental legislation		
	(subRQ2) Regulatory environment: Governance policies		
	(subRQ2) Regulatory environment: JSE listing compliance		
	(subRQ2) Regulatory environment: King 4		
	(subRQ2) Regulatory environment: Meeting minimum requirement		
	(subRQ2) Regulatory environment: Policy uncertainty		
	(subRQ2) Regulatory environment: Sustainability reporting		
	(subRQ2) Regulatory environment: Sustainability reports		
	(subRQ2) Regulatory environment: Tick box exercise		

Description	Code	Theme*	Construct
Second order Code Category	(subRQ3and4) Mentorship programs	Theme 13 - (subRQ3and4) Social cognitive theory	Overcoming resistance to sustainability in emerging markets
First order code	(subRQ3and4) Mentorship programs: Mentoring		
	(subRQ3and4) Mentorship programs: Mentorship		
Second order Code Category	(subRQ3and4) Overcoming ESG opposition		
First order code	(subRQ3and4) Overcoming ESG opposition: Access to capital		
	(subRQ3and4) Overcoming ESG opposition: Background checks		
	(subRQ3and4) Overcoming ESG opposition: Community service		
	(subRQ3and4) Overcoming ESG opposition: Diversified boards		
	(subRQ3and4) Overcoming ESG opposition: Engagement strategy		
	(subRQ3and4) Overcoming ESG opposition: ESG client pressure		
	(subRQ3and4) Overcoming ESG opposition: Expectation gap		
	(subRQ3and4) Overcoming ESG opposition: Extra curricula activities		
	(subRQ3and4) Overcoming ESG opposition: Forced to resign		
	(subRQ3and4) Overcoming ESG opposition: Funders pro ESG		
	(subRQ3and4) Overcoming ESG opposition: Investee strategy		
	(subRQ3and4) Overcoming ESG opposition: Investment screens		
(subRQ3and4) Overcoming ESG opposition: Stood my ground			
(subRQ3and4) Overcoming ESG opposition: Transparent on expectation			
Second order Code Category	(subRQ3and4) Professional bodies		
First order code	(subRQ3and4) Professional bodies: Professional bodies discipline		
	(subRQ3and4) Professional bodies: Professional bodies hamstrung		
	(subRQ3and4) Professional bodies: Professional bodies learning		
	(subRQ3and4) Professional bodies: professional bodies transformation		
Second order Code Category	(subRQ3and4) Personal development	Theme 14 - (subRQ3and4) Social learning theory	
First order code	(subRQ3and4) Personal development: Ethics training		
	(subRQ3and4) Personal development: Quality of education		
	(subRQ3and4) Personal development: Social learning		
	(subRQ3and4) Personal development: Training on policies		
	(subRQ3and4) Personal development: University visits		

APPENDIX 5 – Ethical clearance approval

22/08/2025, 17:35 Gordon Institute of Business Science Mail - Ethical Clearance Approved

**Gordon Institute
of Business Science**
University of Pretoria **Dean Zimu <24126404@mygibs.co.za>**

Ethical Clearance Approved
1 message

Masters Research <MastersResearch@gibs.co.za> 22 August 2025 at 17:27
To: "24126404@mygibs.co.za" <24126404@mygibs.co.za>
Cc: Masters Research <MastersResearch@gibs.co.za>

**Gordon Institute
of Business Science** **Ethical Clearance
Approved**
University of Pretoria

Dear Dean Zimu,

Please be advised that your application for Ethical Clearance has been approved.
You are therefore allowed to continue collecting your data.
We wish you everything of the best for the rest of the project.

[Ethical Clearance Form](#)

Kind Regards

This email has been sent from an unmonitored email account. If you have any comments or concerns, please contact the GIBS
Research Admin team.

 **EthicalClearanceReport.pdf**
418K

APPENDIX 6 – Consistency matrix

RESEARCH QUESTIONS	LITERATURE REVIEW	DATA COLLECTION TOOL	DATA ANALYSIS
<p>Central question: What perceptions do strategic leaders have of sustainability-related competencies required for shared value creation in the South African context?</p>	Samimi et al., 2020; Knowles et al., 2022; Carter & Greer, 2013; Frimpong et al., 2025; Kramer & Pfizer, 2016; Porter & Kramer, 2011; Toft & Hansen, 2025	Interview protocol: Question 1 and 2	Thematic analysis using inductive codes
<p>Sub-question 1: Which of these sustainability-related competencies are currently not exhibited by strategic leaders in the South African context?</p>	Hsieh et al., 2012; Varizani, 2010; Daouk-Öyry et al., 2021; Drucker, 2004 Hambrick & Wowak, 2021; Schlosser & Volkova, 2022; Gomes, 2024 Ahmed, et al., 2023; Chen, et al., 2020	Interview protocol: Questions 3, 4, 5, 6 and 7	Thematic analysis using inductive codes
<p>Sub-question 2: What are the challenges experienced by strategic leaders when exhibiting sustainability-related competencies?</p>	Lichtenstein & Dade, 2007; McConnell & Metz, 2024; Mahran & Elamer, 2024; Gomes, 2024; Wang et al., 2021; Ahmed, et al., 2023; Menghwar & Daood, 2021; Helfat et al., 2023	Interview protocol: Questions 3, 4, 5, 6 and 7	Thematic analysis using inductive codes
<p>Sub-question 3: What are the recommendations made by strategic leaders to equip them with sustainability-related competencies that are currently not being exhibited?</p>	Mao et al., 2023; Gallo, 2023, Edmondson & Mortensen, 2021; Harrison et al. 2020; Wang et al., 2021; Krause & Miller, 2020; Malhotra & Harrison, Mahran & Elamer, 2024 2022; Seow, 2024; Helfat et al., 2023; Zahra et al., 2022; Frimpong et al., 2024; Fu et al., 2020	Interview protocol: Question 8	Thematic analysis using inductive codes
<p>Sub-question 4: What role does professional bodies play in developing sustainability-related competencies in strategic leaders?</p>	Gallo, 2023; Edmondson & Mortensen, 2021; Mao et al., 2023; Ahmed et al., 2023; Gomes, 2024; Zahra et al., 2022; Frimpong et al., 2024; Malhotra & Harrison, 2022	Interview protocol: Question 8	Thematic analysis using inductive codes

(Source: compiled by the author)