

# DEVELOPING EFFECTIVE LEADERSHIP FOR SUSTAINABLE ORGANISATIONAL PERFORMANCE IN SOUTH AFRICA

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## ABSTRACT

**Purpose:** The study aimed to provide empirical evidence of the leadership characteristics that impact the overall objective of national sustainability, using Company A as a case study.

**Design/Methodology/approach:** The research paradigm used within this study was that of pragmatism, which is generally related to mixed methods studies, incorporating both quantitative and qualitative research. The research sample included a group of 300 employees (top management, i.e., level 2 and 3 and lower-level employees, i.e., level 1 to whom questionnaires were administered and information obtained from numerous divisions within the organisation allowing for the prompting of an in-depth analysis of company data.

**Findings:** The findings of this study revealed that organisational performance is contingent on effective leadership that must be characterised by shared vision. A shared vision will enable organisations to adapt and extensively build an effective working environment that can integrate sustainability in its decision making. With this, the leadership, with the aid of the team, will understand and influence the creation of greener consumers by understanding the behaviours of consumers and the drivers of their attitudes.

**Managerial implications:** Organisations should emphasise the need to select leaders who can adapt to change and integrate such changes into the work environment. In the case of Company A, it is expected that leaders introduce corporate sustainability into the activities and other processes of creating products for consumers. This is achievable through shared vision, which in turn, motivates other employees to adopt sustainable practices.

**Originality/value:** The research developed a unique model that simplified the infusion of leadership styles and a green consumerism strategy in ensuring organisational sustainability. This contribution will equip managers across various sectors with insights for building national sustainability.

**Keywords:** FMCG Industry, Corporate Sustainability, Effective Leadership, Green Consumerism, Sustainable Competitive Advantage, Organisational Effectiveness.

## INTRODUCTION

Global organisations have expanded their operations abroad, frequently infringing on fundamental human rights. Globalisation has increased the demands on leaders to acquire the skills and knowledge required to lead their teams (van Zyl & Hofmeyr, 2021). As a result, their activities may have an unfavourable or negative impact on the ecosystem. The current global corporate environment might be described as one of increasing instability and turbulence. Globalisation is a pervasive phenomenon that creates new, troublesome barriers, difficult

challenges for organisations, society at large and governments. Thus, environmental protection and economic and social challenges necessitate progressive attitudes and the deployment of cutting-edge sustainability strategies to resolve these difficulties (Šimanskienė & Župerkienė, 2014). Environmental degradation can be said to be directly linked to health. New initiatives on sustainability are launched daily by change agents and leaders (Liang et al., 2021), hence, higher education must play a key role in informing and educating for sustainability, as a sustainable future is becoming increasingly encouraged.

Therefore, it is even more important to pay attention to this trend. Companies require effective and strong leadership as an essential component of ensuring that their operations are sustainable and environmentally friendly. The study's focus was motivated toward Company A and how they carry out business operations to attain the performance of the overall business.

The overall aim of this research was to determine how effective leadership can impact how a Fast-Moving Consumer Goods (FMCG) company can modify their business model to ensure the company's continued success, including a competitive advantage, in a challenging environment of growing concerns and uncertainty.

## Research Objectives

This research was aimed at determining the kind of leaders required for businesses to thrive in an ever-changing environment and to establish the connection between successful organisational leadership and sustainability advancement. Furthermore, the study sought to determine the form of business model that will optimally generate better consumer offers that are sustainable. Lastly, it aimed to determine the strategy that Company A can adopt to attract the growing ethical consumer market, thereby creating environmentally conscious consumers.

## LITERATURE REVIEW

Leadership is essentially derived from influence (Haslam et al., 2020). An important sign of effective leadership implementation is the capacity to demonstrate authenticity and provide direction while also encouraging others in a positive manner toward the attainment of a shared objective and vision (Fallon, 2014). Leadership involves a form of accountability that is aimed at realising goals or a specified expectation by integrating available resources (both quantifiable and human resources) and ensuring a consistent and comprehensible unity in the process (Stone & Jawahar, 2021). Therefore, to achieve a prosperous, successful company, it is important that competent leadership be implemented, which is why strategic leadership has been deployed.

Leadership, according to Northouse (2007); Rowe (2007), is a process in which an individual influences or encourages a group of others to achieve a common objective. Effective leadership, according to this study, is essential for an FMCG company's proper procedures and corresponding success. One of the most visible, yet least understood phenomena on the planet, is leadership (Grandy & Sliwa, 2017). Numerous leadership styles have been presented over time but none has been universally accepted. Regardless of the various leadership styles, an effective and proficient leader is one that inspires, encourages and leads to help the organisation achieve its objectives. An ineffective leader, however, will be unable to promote corporate growth and will direct the organisation away from its goals (Abbasialiya, 2010).

Within the more prevalent concepts of leadership, there is a view that leadership is, to some extent, a method that entails dominance with a group of individuals toward the attainment of objectives (Northouse, 2021; Amanchukwu et al., 2015).

### **Transformational Leadership (TL)**

Samuel and Engelbrecht (2021) opine that transformational leadership could drive the ethical climate and create mentorship and employee development platforms in the organisation because it provides employees with opportunities for development, direction and support. It is the process by which a leader improves organisational or group performance above or beyond expectation because of a strong emotional attachment with his or her followers and combining this with joint commitment to a higher moral cause (Díaz-Sáenz, 2011).

It is a method for cultivating skill development and facilitating the transmission of high levels of personal commitment to organisational goals. Considering the foregoing, transformational leadership can be defined as a phenomenon that, “... *allows individuals to redefine their mission and vision, renew their commitment, and restructure their processes to achieve their goals. It is a mutually stimulating and elevating interaction that transforms followers into leaders and may also transform leaders into moral agents.*”

It is clear from the foregoing quotation that transformational leadership has several dimensions and is an effective method of performing organisational duties. It can be proposed that transformational leadership is an effective leadership method based on how the organisation would plan an appropriate approach to further progress (Qureshi & Shahzadi, 2013). This is due to its adaptability, which may provide leaders with the ability to improve their plans and strategies. Accordingly, four important behaviours demonstrated by effective leaders have been identified as factors that spur the successful implementation of the TL theory, namely the additional effect of transformational leadership. Thus, the organisation in question will need to use the transformational leadership approach to ensure its successful development (García-Morales et al., 2012). As the business environment becomes more uncertain, leadership must take creative and innovative steps to positively impact organisational performance.

### **Charismatic Leadership (CL)**

When referring to leadership in the traditional sense, it can be defined as that which can generate compliance, obedience, support and respect (Anderson et al., 1998 cited in Eustace & Martins, 2014). However, a different view presented by Daft (2014) contends that leaders' primary focus should be on investing in people rather than on employee production, as this enables the development of positive relationships that improve efficiency (Eustace & Martins, 2014). Hence, it appears that importance is being transferred to motivation, empowerment and the inclusion of the supporter.

Once a thorough understanding has been established, it will be easier to determine a method for executing appropriate leadership in that specific organisational climate. With reference to South Africa and her culture, it is claimed that leadership encompasses the aspects of self-respect, people satisfaction, partnerships and joint entity functioning; a term better known as Ubuntu (Schutte & Barkhuizen, 2016). As a result, African leadership is seen as one of collaboration, understanding and harmony (Day & Antonakis, 2012).

## Sustainable Leadership

When sustainable development is considered, it is vital to consider both national and regional leadership as well as organisational culture differences. In the European Union's growth strategy, the sustainable development agenda has emerged as a crucial progressive factor (the EU's growth strategy for achieving a global economy that is both sustainable and inclusive, thus affecting every country universally) highlighting the critical significance this factor plays in success as a result of a global shift. It is thus required to identify key sustainable leadership objectives that establish the development of an organisation's economic, social and environmental dimensions. There are differences between developed and developing countries when it comes to sustainable development (Sachs et al., 2021).

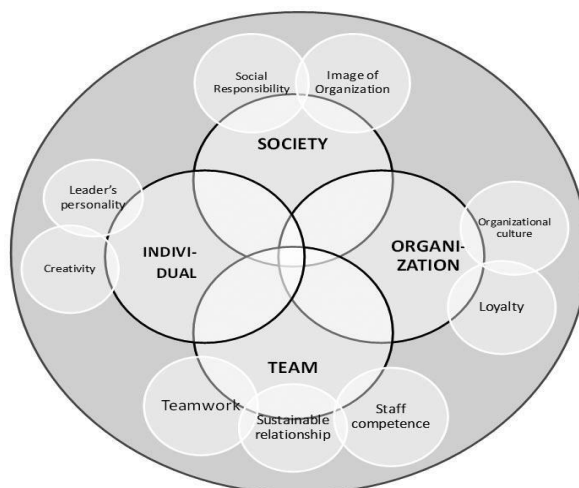
In essence, since society is becoming more interested in the role of corporate social responsibility, developing countries and organisations should use the sustainability agenda as an opportunity to further develop themselves (Drexhage & Murphy, 2010). Sustainable development, from an organisational standpoint, demands that there is a trade-off in social, economic and environmental goals in the organisation, such that employees are permitted to voice their opinions with the sole aim of improving both individual and organisational performance (Igbal et al., 2020).

Economic sustainability is defined by adequate and consistent economic growth, such as low inflation rates and the preservation of economic stability (Čiegis & Gineitienė, 2008). Environmental sustainability is closely related to this, and it needs a focus on biological, natural and physical systems (Molchanov, 2011). Social sustainability incorporates the relationship between growth and the current set of social laws, with the goal of maintaining stable and consistent social systems (Šimanskienė & Župerkienė, 2014).

Organisational development is an extensive process that tries to improve a company's performance and problem-solving processes, particularly through the implementation of a more efficient and coordinated management structure (Šimanskienė & Župerkienė, 2014). Employees must then understand the nature of their jobs within the organisation, as well as the unique requirements associated with them, to get assistance in properly performing their tasks. Employees who learn to work efficiently have a positive impact on the organisation's success, which in turn has a positive impact on employees. Thus, individuals in higher management roles must focus on moving the organisation toward a more sustainable platform (Šimanskienė & Župerkienė, 2014).

In addition, organisational development can be said to assume a transformation strategy that focuses on influencing firms' performance through changing employees' attitudes and behaviour rather than resolving direct, observable concerns (Cameron & Green, 2015).

Managers that are committed to sustainability are more likely to demonstrate empathy, that is, to act in a helpful, sympathetic and caring manner toward their staff, allowing for better-managed interactions between employee and manager (Hörisch et al., 2014). As a result, once these relationships are built, employees are always willing to help their managers when needed (Brown, 2011). Personal contributions are required in efforts to achieve sustainability. This comprises a change in people's thought processes, as well as a change in their self-awareness.



Source: Šimanskienė and Župerkienė, 2014.

**FIGURE 1**  
**MODEL OF FACTORS OF SUSTAINABLE LEADERSHIP**

Figure 1 show how the individual, society, organisation and teams work together as a holistic entity to reach the final objective of effective sustainable orientation. It identifies the main elements that long-term leadership can influence. The model shows four regions: individual, team, organisation and society.

### Change Leadership

In terms of change preparation and execution, most of the suggestions regarding the exact goals that leaders should accomplish revert to the concept of the change process containing the three processes of unfreezing, moving and refreezing (Lewin, 1947 cited in Herold et al., 2008). As such, academics and researchers have emphasised the importance of change execution techniques, which influence employee feelings and behaviour in relation to change (Ruben & Gigliotti, 2017). Change leadership concepts may be better understood when viewed through the lens of change. With respect to the nature of change, Hayes (2014) states that change can be large or small, evolutionary or revolutionary, sought after or resisted, a concept that is both constant and variable.

As the world gets more aware and globalised, it is becoming increasingly necessary for organisations to incorporate and enforce sustainable practises into the business operations. Company A, as one of the world's largest Fast-Moving Consumer Goods firms (FMCG), mandates that sustainable measures be adequately implemented, since the aspect of sustainability benefits all stakeholders concerned. When considering South Africa, the country is regarded as having the most competitive economy in sub-Saharan Africa but, when it comes to globalisation, the country is confronted with some of the most complex challenges to date (Satterwhite et al., 2015). The ever-changing technological world, social and economic problems and environmental protection are examples of these challenges (Epstein, 2009). This necessitates a greater focus on the chances for sustainability for South Africa to progress and improve its organisational competitiveness (Eustace & Martins, 2014).

Sustainable development is an unavoidable reality for today's companies, as well as a responsibility that they mostly accept. Organisations must seek sustainable practises and put greater emphasis on their own sustainable development, as this will allow them to increase environmental protection both within and outside the organisation, despite its constraints (Šimanskienė & Župerkienė, 2014). The South African economy needs to focus on its weaknesses to ensure continued success in terms of economic growth and national upliftment. South Africa can be said to be weak in areas such as poor labour market effectiveness caused by inflexible hiring and dissolution of employment procedures, which include business' rigidity in determining reimbursements, and significant stresses in employee-employer relationships (Eustace & Martins, 2014). Thus, for all parties to work together to address problems, resilient leadership must be used in conjunction with valued relationships between leaders and employees. For organisational weaknesses to be successfully addressed, the nature and association of the existing relationship between leadership, sustainability and organisational environment needs to be clarified, as well as the way these factors affect employee job satisfaction, levels of motivation and job performance (Cloete, 2011). Sustainability is a concept and action that has been continuously growing and developing within modern day society to better the lives of individuals. In today's economic condition, it might be considered a growth driver.

### **Green Consumerism**

Modern day society has led to the emergence of a more informed consumer market. With the advancement of globalisation and the effects of global warming, more public awareness campaigns aimed at conveying the present situation of environmental sustainability have been initiated. Green consumerism entails all areas, such as conserving energy, recycling waste and consuming green products (Azrai et al., 2019). Consequently, green marketing has emerged - aimed at encouraging the growth of green consumerism (or ethical consumerism), and the rise of socially mindful customers is a powerful representation of the green movement (Ba & Venter, 2014).

Being aware of the benefits of green purchasing and the ensuing positive effects does not always equate to making a green purchase (behaviour) (Makhutla, 2014). Following this, it is critical to close the gap between attitude and behaviour, which can be done by identifying the key factors that influence green purchasing. Green value and knowledge, green criteria purchase, barriers and facilitators, product purchase and feedback are all examples of these elements (Anvar & Venter, 2014).

Sustainable Competitive Advantage (SCA) aims to maintain a competitive advantage that is sustained for the organisation in question, while also counteracting competing firms' SCA. This advantage can be gained by successfully executing value-creating strategies that are not being used by competitors. These strategies must have value, must be rare, not have a tendency to be duplicated, cannot be substituted, must be important and should not be replaceable or transposable to generate value (Mahdi et al., 2019). While competitive advantages occur when the company can easily adjust its price to that which is obtainable in the market, when the quality of the design of the product and the uniqueness of the product that is displayed in the ability to combine customer's desire with art (Kuncoro & Suriani, 2018). Sustainable competitive advantages are those which are difficult to imitate, hence sustainable for long periods of time (Iqbal et al., 2020).

## RESEARCH METHODOLOGY

The paradigm of this research was mixed-methods or triangulation. The research paradigm used within this study was that of pragmatism, which is generally related to mixed methods studies, incorporating both quantitative and qualitative research. The research was designed to investigate Company A as a case study and the responses gathered from the participants. These participants were both level 2 and 3 management in conjunction with level 1 employees. Management is essentially responsible for the execution of business strategies within the organisation. The research was predominately quantitative, incorporating open-ended questions that assumed a minor qualitative perspective.

### Target Population

This research study was based on a fast-moving consumer goods company within South Africa, hence the population for the investigation comprised top management employed within the organisation (level 2 and 3 leadership employees), as these are the individuals who are responsible for making decisions that will progress the company as well as lower-level employees (level 1 employees). The target population comprised 1400 employees within Company A in South Africa. The research sample included a group of 300 employees (top management, i.e., level 2 and 3 and lower-level employees, i.e., level 1) to which questionnaires were administered to gain a deeper understanding of the functionality of how strategic leadership and change management are implemented within Company A. This comprised ten level 2 and 3 top management employees and 290 level 1 employees. However, responses from only 164 individuals (55% response rate) were received (10 level 2 and 3 top management employees and 154 level 1 employees). Obtaining a collection of information from these numerous divisions within the organisation allowed for the in-depth analysis of company data, yielding an accurate and defined understanding of how the company functions in terms of effective leadership for sustainability.

### Ethical Considerations

All participants within the study were managed as independent representatives since they were made aware that their participation in this research was voluntary and that their responses would be treated in a confidential manner. This ensured that the ethical principle of self-determination was maintained. Confidentiality and anonymity were ensured where applicable and the participants were open to withdraw from the study at any point and avoid unwanted outcomes. Subsequently, permission was granted to conduct research within this company. Thereafter, following a process of evaluation regarding the facets of this study, ethical clearance was granted from the University of KwaZulu-Natal (UKZN) Pietermaritzburg. The principles of beneficence and human self-respect were deployed within this research study during the data collection phase.

## RESULTS

### Research Objective 1

To determine the type of leaders that are necessary for success within fluctuating environments.

The construct 'Effective leadership' comprised of fifteen components at first, resulting in a Cronbach's alpha of .639, which was below the allowed threshold (.7). Item 5 ("*Discipline is crucial for effective leadership*") was removed from the scale to improve its internal consistency, as it was found to be unrelated to the rest of the 'Effective leadership' construct.

The remaining fourteen items had a Cronbach's alpha of .845, indicating a high level of internal consistency (notice that in most social science research contexts, a reliability coefficient of .70 or higher is regarded as "*acceptable*").

In other words, the fourteen items used to assess effective leadership measured it at 84.5%. Finally, in the context of South Africa, the fourteen chosen items were all consistent in measuring the construct '*Effective leadership*.' The perception of the respondents was understood with regards to the importance of specific factors required for effective leadership by obtaining questionnaire responses from them.

Subsequent to the research study, it was discovered that the data provided a Cronbach's alpha of .845, which is a very positive outcome when it comes to the research construct of effective leadership. Consequently, the following characteristics of effective leadership were assessed, and these elements were shown to be important in developing effective and successful leaders: Integrity, Accountability, Diligence, Perseverance, Ability to communicate core values, Business alignment, Ethical behaviour, Work and personal life balance, Recognition, Education, Teamwork, Personal development, Management experience and Ethical considerations.

As a result, the essential criteria for building an effective leader were identified, which worked in concert with Company A's processes for recruiting workers with the necessary skills to lead an organisation to success. The ability of the leader to build a working environment based on a "shared vision" contributes to the success attained in the face of these challenges. Good leaders place great importance on follower involvement, which is implicit in what a 'shared vision' means. As a result of this involvement, internal and external communities are formed.

## Research Objective 2

To identify the connection between effective organisational leadership and the advancement of sustainability.

Table 1 CORRELATIONS BETWEEN ORGANISATIONAL LEADERSHIP AND SUSTAINABILITY			
		Organisational leadership	Sustainability
Organisational leadership	Pearson correlation	1	0.384**
	Sig (2-tailed)		0.000
	N	160	156
Sustainability	Pearson correlation	0.384**	1
	Sig (2-tailed)	0.000	
	N	156	159

\*\* Correlation is significant at the 0.01 level (2-tailed)

Non-fixed parameters were chosen for this study as variables, and they were chosen based on the fundamental elements under inquiry in this research study. There were 164 persons that took part in the survey. Missing values account for the differences in N. Only 160



respondents replied to the questions about organisational leadership; in other words, this construct had four missing values. In total, 156 respondents completed both the organisational leadership and sustainability questions (8 missing values), whereas 159 people completed only the sustainability questions (5 missing values). A Pearson correlation test was used to investigate the relationship between organisational leadership and sustainability. There is a significant and positive correlation between organisational leadership and sustainability, as indicated in Table 1, because the Pearson correlation coefficient is equal to .384 and the p value is 1.000. To put it another way, there is a 99 per cent chance that when organisational leadership improves, sustainability performance will improve as well.

### Research Objective 3

To determine what type of business model is best suited to generate enhanced customer offers that are sustainable.

When developing an efficient development driving model for an organisation, it has been discovered that elements such as value network, which includes customer information, suppliers, customer relations and product/service flow must be present. Also, strategic choices, which comprise customers, value propositions, capabilities/competencies, revenue/pricing, competitors, output, strategy, branding and differentiation, must be available. In addition, value should be created through the right processes and resources.

Company A adopts a model of sustainability and equitable growth in its daily activities, the company promotes a shared vision of business growth while reducing their environmental impact and expanding their societal influence. The company's Sustainable Living Plan has served as the organisational model for fostering a sustainable business since 2010. The main goal of this strategy is to double business growth while reducing environmental impact.

### Research Objective 4

To determine the methods to be implemented by Company A to draw in the increasingly ethical consumer market.

Table 2 above shows the responses to section a of the research questionnaire (effective leadership construct, item 7). In connection with the five sustainability items given in **section b** of the study questionnaire, alignment of organisational core activities to organisational core values is critical for effective leadership (sustainability construct).

**Table 2**  
**SECTION A OF THE RESEARCH QUESTIONNAIRE**

<b>Statistics</b>							
Aligning the core values of the organisation with the core activities is required for effective leadership		Generating and innovating greener products is needed for corporate sustainability	Importance of adopting corporate responsibility by ensuring green purchasing from companies that are socially and environmentally responsible (use of non-toxic products, conserving resources such as water and energy)	Ability of top management to portray willingness and passion to accept sustainable development	Ability of top management to consistently pursue excellence in the performance and results for sustainability	Ability of the company to impact the behaviour of consumers in relation to ensuring decisions in purchasing sustainably	
N	Valid	163	161	161	160	161	154
	missing	1	3	3	4	3	10
Mean		4.58	4.40	4.39	4.28	4.35	4.14
Mode		5	5	5	5	5	4
Std. Dev		0.596	0.702	0.767	0.768	0.701	0.759

These items were chosen to determine the apparent measure of central tendency to characterise a central point within the data regarding the influence of effective leadership on overall sustainability. After that, the mean, mode and standard deviations were calculated. According to Table 2, the mean score for this question was 4.58, indicating that for effective leadership; the majority of the participants agreed or strongly agreed that the organisation's main operations should be aligned with the organisation's core principles.

The respondents were asked to agree or disagree on the importance of this element in terms of it being required for effective leadership in section a under the effective leadership construct, in relation to item 7 (alignment of organisational core activities to organisational core values is important for effective leadership). Most respondents, 104 (63.8%), strongly agreed that the two should be aligned, and fifty respondents (30.7%) agreed, for a total of almost 95 per cent who answered in the affirmative. In *section b* of the sustainability construct, respondents were asked whether they agreed or disagreed that the ability to innovate and develop greener products is vital for business sustainability. On a scale of 'strongly disagree' to 'strongly agree,' the responses ranged from one to five in terms of alternatives presented. Around 90% of the respondents agreed, with 51.6% strongly agreeing. According to Table 2, the mean score for this question is 4.40, indicating that most individuals agree or strongly agree that the ability to develop and produce greener products is critical for company sustainability. The question's mode is equal to 5, indicating that people who strongly agree with the statement make up the majority. This shows that organisational core activities and core values have a strong correlation with sustainable activities in terms of producing greener products. This demonstrates that there is a positive relationship between the two elements, with effective leadership affecting the type of sustainable activities carried out in terms of alignment with core activities and values. According to the respondents, green purchasing (in the context of green consumerism) from

environmentally and socially responsible enterprises is vital for corporate sustainability. On a scale of "strongly disagree" to "*strongly agree*," there were five possible responses. A total of 88.8% of the respondents answered affirmatively, with a slim majority of 52.8% saying they strongly agree. From Table 2, the mean score for this question is 4.39, indicating that the majority of individuals agree or strongly agree that green purchasing from environmentally and socially responsible organisations is critical for company sustainability. The question's mode is equal to 5, indicating that those who strongly agree with the statement constitute the majority.

Thus, there is a positive correlation between an organisation's ability to effect successful leadership and its ability to develop and create products on a larger, more sustainable scale, as well as its purchasing activities from greener businesses. As a result, these elements show a positive relationship in terms of fulfilling the objective of successful corporate sustainability.

Under section b of the sustainability construct, respondents were asked whether they agreed or disagreed with the assertion that the level 2 and 3 senior management of the company have the potential to convey enthusiasm for sustainable development through motivation. On a scale of 'strongly disagree' to 'strongly agree', there were five possible responses. The majority of the respondents (85.7%) agreed or strongly agreed with the statement. According to Table 2, the mean score for this question is 4.28, indicating that the majority of individuals agree or strongly agree that top management at levels 2 and 3 may motivate people to care about sustainable development.

Hence, there is a positive relationship between the ability of level 2 and 3 top management to display passion for sustainable development through motivation and the alignment of organisational core activities to organisational core values for effective leadership. The respondents were asked whether they agreed or disagreed that level 2 and 3 top management has the ability to continually strive for performance growth and positive outcomes for long-term sustainability. On a scale of 'strongly disagree' to 'strongly agree,' there were five possible responses, 42.7% strongly agreed, while 41.7% agreed, for a total of 83.7% who agreed rather than disagreed. Table 2 shows that the mean score for this question is 4.35, indicating that the majority of people agree or strongly agree that top management has the ability to consistently strive for performance growth and positive outcomes for long-term sustainability. The question's mode is equal to 5, indicating that those who strongly agree with the statement are in the majority. Hence, there is a strong correlation between the alignment of organisational core activities and organisational core values for successful leadership, as well as top management's ability to continuously strive for performance growth and positive results for long-term sustainability.

The respondents were asked whether they agreed or disagreed that the company has the ability to influence consumer behaviour toward more sustainable purchasing decisions. On a scale of 'strongly disagree' to '*strongly agree*,' there were five possible responses. Most respondents (52.6%) agreed, with 32.5% strongly agreeing, for a total of 85.1% who agreed rather than disagreed. Table 2 shows that the mean score for this issue is 4.14, indicating that most people agree or strongly agree that the company has the potential to influence consumer behaviour toward more sustainable purchase decisions. The question's mode is equal to 4, showing that those who agree with the statement are in the majority. As a result, there is a positive relationship between the alignment of organisational core activities to organisational core values for effective leadership and the company's ability to influence consumer behaviour toward more sustainable buying decisions.

## FINDINGS AND DISCUSSION

The study's sample constituted 52% females and 48% males. Gender equality has become a core objective of sustainability within all facets of corporate execution, forming an important growth strategy and comprehensive business practice (UN Women, 2016). Hence, it is evident from the ratio of male to female employees within the respondent sample that Company A has shifted its strategy toward reducing this disparity. With respect to this, the company aims for a more gender-balanced management structure (globally) through the institution of gender-focused diversity and inclusivity of which diversity may be deemed as the driving force of innovation and subsequent growth. As per results obtained from racial distribution, 24.2% of the employees are African, 47.2% are Indian, 20.5% are white and 8.1% are coloured. As per the mandate of Company A, to remain competitive, the company strives to recruit individuals of the highest standards in terms of education and aptitude. Additionally, a fundamental focus area within Company A remains that of the Black Economic Empowerment Act (BEE Act), which the company strives to comply with through the advancement and enrolment of black employees, predominantly within the management arena. Data collected from the sample population indicate that 52.4% of employees have a bachelor's degree, 22.6% have a postgraduate degree, 17.1% have a diploma, 7.3% have acquired their school matriculation and 0.6% have less than a matric pass, showing a highly educated workforce. More than 75% of the respondents have a tertiary qualification. Present day economic literature specifies "human capital formation" as the most vital creator of a country's economic growth. Consequently, the South African Government has positioned aptitude growth and education at the top of its priority list.

**Objective 1:** To determine the type of leaders required for successfully operating within the Fast-Moving Consumer Goods industry (an emerging industry comprising rapidly changing markets, using Company A SA as a benchmark).

The findings from the data collected within the research study suggest that effective leadership is regarded as one of the most important elements in determining organisational success. The questions posed within the research questionnaire aimed to identify the significance given to specific characteristics required from a leader. The results indicated that an effective leader is one who exudes integrity in his or her actions and who assumes accountability, displays diligence and perseverance, and has the ability to effectively communicate organisational core values to the business. An effective leader must stimulate business alignment, portray ethical behaviour in his or her actions, and maintain a positive work and personal life balance. An effective leader should embrace employee recognition, have a good educational background and be able to engender the spirit of teamwork.

He or she should encourage personal development and possess a high level of management experience. The study further identified, though interpretation that the type of leadership that is required to improve organisational performance is neo-charismatic leadership. This leadership type is an integration of transformational and charismatic methods and needs to be customised to our African nature and characteristics in terms of embracing the fundamentals of self-respect, people satisfaction, partnerships and functioning as a joint entity, better recognised as Ubuntu; thus deduced as the most effective method to be implemented alongside the recognised leadership characteristics. This leadership type, through literature and an internal understanding of Company A's business functionality, was interpreted as being the most effective strategy to be employed within the organisation.

**Objective 2:** To identify the connection between effective organisational leadership and the advancement of sustainability.

The findings obtained from the research in terms of the effective leadership and sustainability constructs have shown these two constructs are closely interlinked. This association was identified using the Pearson correlation test, which indicated a positive relationship between organisational leadership and sustainability, with the correlation coefficient being equal to .384, indicating high significance. In connection with the new age in which organisations operate and the growth of globalisation, businesses are required to integrate innovative and adaptive organisational processes. They need to keep abreast with current trends and constantly monitor the consumer market. As the world has shifted toward a more sustainable culture, the concept of sustainability has been given wide-spread attention over the last few years within business. This idea of sustainability represents the achievement of current needs without a trade-off in the future generations' capacity to achieve their own needs.

This relationship is underpinned by the transformational leadership theory (whereby charisma, intellectual stimulation, individualised consideration and inspirational motivation are used to inspire employees to reach organisational goals), which has been extensively discussed in the literature. Organisations are required to adapt and extensively integrate methods of sustainability to remain successful. Sustainability needs to be built into the company culture and aggressively propagated.

**Objective 3:** To determine what type of business model will optimally generate better customer offers that are integrally sustainable.

The findings of the study indicated that an appropriate and effective leadership model be employed in line with organisational sustainability objectives. To operate successfully within a business environment, and with consideration for all macro and micro economic factors, businesses have been realising the need for and importance of a heightened shopper understanding to drive organisational growth (Obiukwu, 2014). Major shifts within the South African FMCG market in terms of supply and demand necessitate the institution of newer, more pioneering and efficient, holistic strategies from organisations, with the intention of sustaining a competitive advantage (Imperial Logistics, 2012). Companies within the FMCG industry have progressively learnt the art of aligning their processes and brands with consumer needs.

One of the biggest challenges facing FMCG organisations is their lack of understanding in identifying the most operational and pertinent areas within each channel of the company affording growth. It is thus imperative that the marketing channel and customer teams are aligned in terms of each function's responsibilities. Generally, organisations are more inclined to implement the "best practice model", however, despite the benefits acquired from this, it is important to note that business models need to be customised and evaluated in terms of the organisation's vision and mission. Current trends in consumer behaviour necessitate further efficiencies in product flows and current information flows.

**Objective 4:** To determine the strategy that Company A can adopt to attract the growing ethical consumer market, thereby creating environmentally conscious consumers.

Findings drawn from this study indicated that sustained performance is dependent on the organisation's ability to successfully adapt to market-related trends and changes in operations. To create greener consumers, organisations must first thoroughly understand consumer behaviour and the drivers of consumer attitudes. Consumer thinking and perception is greatly influenced by external environmental factors. Just because a consumer acknowledges that purchasing a sustainable product is the right decision does not necessarily translate into a purchase action. The

age of green consumerism and socially mindful consumers is a strong indicator for the movement toward the green evolution, which presents a significant opportunity for organisations to gain credibility within the minds of green consumers. Furthermore, it has been found that certain barriers exist that influence green consumer purchase behaviour. These are: consumer's lack of awareness, the presence of negative perceptions, distrust in the product, increased prices and diminished availability.

### Data Quality Control (reliability and validity)

In terms of reliability and validity, quantitative approaches yield more objective results. Quantitative methods are reliable and valid because they employ prescribed procedures. They eliminate bias in a study because they involve many cases and few variables, which prevent researchers from using subjects known to them. Additionally, quantitative methods enable researchers to correlate independent and dependent variables to determine causality within a study framework (Table 3).

Reliability: To evaluate the data reliability, Cronbach's alpha was used.

Table 3 CRONBACH'S ALPHA	
Cronbach's alpha	No of items
0.845	14

The primary constructs introduced in the study were fifteen items with .639 as the Cronbach's alpha. To ensure an improved consistency internally, the fifth item, which states the importance of discipline for effective leadership, was not added. Due to this, there was an increase in the new Cronbach's alpha to .845, which is greater than 0.70, which is very positive.

Based on the results obtained from the questionnaires given to the respondents, 91% of them have higher education and are thus familiar with management as a field and its relevance within the context of Company A it was observed that a high number of them concurred with the characteristics identified, as the conditions required for effective leadership needed to drive organisational productivity, which are of great importance for organisations in present times. Factors such as integrity, accountability, work-life balance, education, etc. are necessities for leaders, as these will aid their decision-making abilities that impact the performance of the organisation in the long run. Therefore, the high level of education identified among the respondents indicates that they are aligned with the principles of work. In this case, the results are consistent and have proven reliable.

Table 4 DISCRIMINANT VALIDITY ASSESSMENT OF CONSTRUCTS (CHANGE MANAGEMENT, SUSTAINABILITY, ORGANISATIONAL LEADERSHIP) USING PEARSON CORRELATION COEFFICIENTS			
	Change management	Sustainability	Organisational leadership
Change management	1		
Sustainability	0.666**	1	
Organisational leadership	0.553**	0.384**	1

\*\* Indicates that correlation is significant at 0.01 level (2-tailed).

From the Table 4 above, none of the Pearson correlations were above .8, which is moderate and means that the three constructs adopted in the study are significantly different from one another, which supports discriminate validity among the constructs.

## Managerial Implications

It is evident from this study that organisations must give importance to selecting effective leaders who can incorporate sustainability into the existing system. Despite all other variables or characteristics considered, shared vision seems to stand out. This requires a good understanding of the vision and mission of the organisation. The executives of Company A may wish to give attention to some of the issues identified through this study. In addition, since Company A is involved in a couple of sustainable related initiatives within the South African context, such initiatives can be directed towards smaller sets. Lastly, Company A may consider building and sustaining a strong partnership with the South African Government with the aim of contributing to the preservation of policies related to environmental conservation, aiding investment in private sectors, leading to economic growth and reduced poverty and inequality.

## CONCLUSION

Although there is a great role played by common and specific leadership practices with regards to various organisations, it is important that Company A adopts a specific leadership style suited to it and its employees. Organisations have observed the underlying opportunities that are achievable through the adoption of sustainable development, which is transforming business methods significantly, and, if they can be adopted, will result in the growth and success of the organisation. This is especially important to the FMCG industry, and as such, Company A and its effective performance within a developing country like South Africa with regards to taking an active role in becoming a future global economy.

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