

Guest editorial: Creating business and societal value through sustainable development goals in times of crisis

Aymen Sajjad, Mia Hang Pham and Harvey Nguyen

Introduction

Over the past two decades, the world has experienced a series of global crises, such as the dot-com bubble, the global financial crisis, terrorist attacks, climate-induced natural disasters and most recently, the COVID-19 pandemic crisis. While these crises may differ in their origins and scales, they severely disrupted business activities, supply chain operations (Chowdhury *et al.*, 2021; Golubeva, 2021; Natarajarathinam *et al.*, 2009; Sajjad, 2021), influenced the economic, environmental and social aspects (Mofijur *et al.*, 2021), and most recently, a confluence of crises contributed to restraining global sustainable development efforts (Dugarova and Gülasan, 2017; Eisensee and Strömberg, 2007; Gallego-Álvarez *et al.*, 2014; United Nations, 2023). Such crises have made sustainability, corporate governance and resilience among the most attention-grabbing issues in the corporate world and relevant policy-making circles (Cheema-Fox *et al.*, 2021; Ding *et al.*, 2021; Flammer and Ioannou, 2021; Nguyen *et al.*, 2023a; Olawumi and Chan, 2018; Suárez-Eiroa *et al.*, 2021; Zattoni and Pugliese, 2021).

In the business realm, sustainability is envisioned as a holistic approach fostering the integration of social, environmental and economic aspects of sustainable development into corporate strategy and managerial decision-making domains. The notion of sustainability acknowledges the profitability imperative; however, it emphasizes the importance of achieving a subtle balance among interrelated yet conflicting environmental, social and economic pursuits simultaneously (Hahn *et al.*, 2018; Hahn *et al.*, 2015; Sajjad *et al.*, 2023). As such, the United Nations has proposed 17 sustainable development goals (SDGs) that suggest strategies to spur economic growth, reduce inequality and promote health and education while tackling climate change and other sources of global risks (United Nation, 2020).

To date, our understanding of the multidimensional implications of global crises on business activities and governance practices, and more importantly, how to promote and achieve sustainability and business resilience in times of crisis remains largely under-explored. Against this background, the goal of this special issue is to advance our understanding of the various impacts of global crises on sustainable development, business resilience and corporate governance practices, uncover shields that can defend against value destruction caused by global crises and promote factors for more resilient societies during and postglobal crises.

Overview of the contents

The articles in this Special Issue focus on the current discourses on sustainable development, corporate governance and business resilience in times of crisis. In addition,

Aymen Sajjad is based at the School of Management, Massey University, Palmerston North, New Zealand.

Mia Hang Pham is based at the Massey University, Palmerston North, New Zealand.

Harvey Nguyen is based at the School of Economics and Finance, Massey University – Albany Campus, Auckland, New Zealand.

the articles explore fundamental issues from various perspectives corresponding to different stages of the crisis. They use diverse methodological approaches, including empirical, theoretical and experimental research, as well as systematic reviews.

The first article in this issue – *Women on boards and ESG performance: empirical evidence before and during the COVID-19 pandemic in Indonesia and Malaysia*, by Agustina and Barokah documents that the presence of women on boards positively influences companies' environmental, social and governance (ESG) performance, although this effect weakens in family firms. The COVID-19 pandemic does not alter the relationship between women on boards and ESG performance. These findings suggest that encouraging gender diversity in corporate leadership can enhance sustainability practices, supporting the need for mandatory regulations regarding sustainability performance. This article offers additional insights and contributes to the expanding literature on the roles of leadership during the pandemic (Amorelli and García-Sánchez, 2023; Nguyen *et al.*, 2023b).

In the second article – *Accounting, ESG dynamics and the pandemic: when the quality of disclosure becomes crucial to sustainable success*, Murgolo *et al.* investigate the quality of disclosure using an integrated reporting approach concerning its effectiveness in reporting on COVID-19 pandemic information, its ability to provide forward-looking information and risk impact implications and its quality determinants. The authors argue that integrated reporting quality varies among companies, impacting their ability to report on COVID-19 implications and provide forward-looking information. Corporate governance structures and industry affiliations influence disclosure quality, highlighting the importance of transparent reporting for sustainable success amid crises.

Ünlüsoy *et al.* in the third article – *An analysis of annual reports from the sustainable development goals perspective*, evaluate corporations' commitment to and integration of the SDGs within their annual reports. Using a multilabel text classification approach, the study examines the extent to which annual reports address the SDGs, providing insights into sustainable practices, SDG prioritization, benchmarking and identification of improvement opportunities. The findings highlight which SDGs companies prioritize and offer valuable guidance for decision-making processes, facilitating progress toward achieving the SDGs. This innovative approach contributes to bridging the gap in the literature regarding the analysis of annual reports within the context of SDGs, potentially paving the way for global-scale and longitudinal research in this area.

Next, the article by Cucari *et al.* – *How firms adjust their SDG adoption in response to COVID-19 outbreak: a regional perspective*, suggests that Italian firms' progression toward SDGs varies by region, with Northern firms prioritizing economic and social goals and Southern firms shifting toward environmental goals post-COVID-19. This regional perspective highlights the need for nuanced approaches to SDG adoption, considering localized impacts and responses to global crises.

In the fifth article – *The influence of the sustainable development goals on large companies' adoption and implementation of a broader corporate purpose*, Sasaki *et al.* examine the influence of the SDGs on large companies' adoption and implementation of a broader corporate purpose: the integration of SDGs into corporate purpose depends on the level of integration within management practices, with normative integration exerting a stronger influence. Understanding these complexities can guide large companies in scaling up contributions to achieving the SDGs.

Schiavo and Scavarda, in the sixth article – *The sustainable development goals and the role of environmental legislation in Brazilian poultry companies*, demonstrate that governance strategies based on legal requirements contribute to progress in SDGs related to environmental pillars, but may fall short in addressing certain goals like affordable and clean energy. Aligning legislation with SDGs or adopting incentive policies could further advance sustainability in the poultry industry, highlighting the importance of regulatory frameworks in promoting sustainable practices.

From the lens of sustainable marketing, Awan *et al.*, in the seventh article – *The antecedent cognitions of brand love and its impact on brand loyalty: the moderating role of sustainability marketing* – reveal that brand authenticity and popularity significantly contribute to brand love, which in turn influences brand loyalty. Sustainability marketing strengthens the relationship between brand love and brand loyalty, indicating that authentic branding strategies emphasizing sustainability can enhance consumer loyalty, particularly in developing countries like Pakistan.

The role of corporate governance mechanisms in promoting sustainable practices is highlighted by Makpotche *et al.* in the eighth article – *Corporate governance mechanisms and renewable energy transition*. The authors assert that effective corporate governance mechanisms positively impact renewable energy consumption and production, highlighting the importance of sustainability committees, board diversity and transparency. Renewable energy transition necessitates establishing robust governance mechanisms within firms to promote sustainable practices and enhance environmental performance.

Firms in different industries react differently to sustainable development. Farrukh and Sajjad in their article – *An exploratory study of barriers to sustainable development: evidence from the New Zealand flexible packaging industry* – critically examines barriers to sustainable development in the flexible packaging industry. The authors argue that economic and operational challenges are key internal barriers to sustainable development, whereas external barriers encompass global crises and customer preferences. Recommendations focus on addressing these barriers through strategic guidelines to foster sustainable business practices in the New Zealand context.

The tenth article by Mehta *et al.* – *Identifying the dimensions of philanthropic CSR in the FMCG sector: agenda for the sustainability of business*, explores several dimensions of philanthropic corporate social responsibility in the fast-moving consumer goods (FMCG) sector, including altruism toward society and volunteering for community development. Insights from this study can inform CSR strategies in the FMCG sector, facilitating sustainable business practices and social impact.

In the final article – *Exploring the impact of institutional forces on the social sustainability of logistics service providers: insights from a high terrorism-affected region*, Khan *et al.* explore the perspective of logistics service providers, institutional forces influence the social sustainability approaches of logistics service providers in high terrorism-affected regions, shaping management processes, organizational resources and institutional uncertainty. The article enriches the understanding of social sustainability initiatives and Institutional Theory, emphasizing the need for adaptive management processes in challenging environments.

Overall, the 11 articles in this Special Issue discuss various aspects of research on sustainability, business resilience and governance, providing further insights into the societal value through SDGs in times of crisis.

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