

Article

# Corporate social responsibility and sustainability in the context of change – influence of the stakeholder theory

Emmanuel Jeffrey DZAGE<sup>1,\*</sup>  
Anita PIEROG<sup>1</sup>

**Citation:** Dzage E. J., Pierog A. (2023). Corporate social responsibility and sustainability in the context of change – influence of the stakeholder theory. *SEA - Practical Application of Science, Year (volume) XI, Issue (33)*, 153-164.

Received: 26 September 2023

Revised: 1 November 2023

Published: 2 November 2023



**Copyright:** © 2023 by the authors. Published by SEA Open Research.

This article is an open access article distributed under the terms and conditions of the Creative Commons

Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>).

**Abstract:** As the discourse on corporate social responsibility (CSR) and sustainability in business continues to progress, it is becoming increasingly mandatory for business leaders to consider playing a more active role in leading and addressing the socioeconomic challenges business activities might visit on the larger society and its stakeholders. In such a context, the strategic importance of integrating CSR and sustainability initiatives into business operations amidst radical change, heightened stakeholder activism and intense competition cannot be overemphasized. As this shift requires making significant changes to the traditional ways of doing things within the organization, there is bound to be a change resistance. Through a purely narrative review of previous literature, this paper maps out how the pursuit of CSR and sustainability in basic business operations is shaped by organizational change management (OCM) and examines how the stakeholder theory underscores an understanding of the interception between the ethical and economic interests of a business.

**Keywords:** business ethics, CSR, OCM, stakeholder theory, sustainability, three stages of change;

<sup>1</sup> Faculty of Economics and Business, University of Debrecen, Hungary

\* Corresponding author. E-mail: [emmanuel.dzage@econ.unideb.hu](mailto:emmanuel.dzage@econ.unideb.hu)

## CONCEPTUAL REVIEW

### INTRODUCTION

More and more organizations are developing CSR and sustainability related programs as a strategy to manage organizational change. Over the last couple of decades, several scholars have advocated for complementary managerial strategies that considers the economic, social and ethical demands that must be met by any business. This is opposed to the traditional economic crusade as popularly championed by the likes of Berle (1931), Levitt (1958) and Friedman (1970) which asserted that, a business has no such obligation as 'social responsibility' and that, in an increasingly competitive and complex environment, it is the manager's basic obligation to increase shareholders' profit.

Admittedly, there is no gainsaying about the importance of a credible organizational image within today's increasingly complex and competitive business management space. However, as new innovations continue to flourish with an intensified competitor rivalry, a general superfluity of alternatives and as consumers become more and more sophisticated in their expectations, there is a higher likelihood for today's managers to prioritize and optimise the business' economic returns rather than pursue social responsibility. Even the ones that put in such efforts to build enduring relationships with the broader stakeholders as they work to meet the ever-stringent standards of sustainability have a daunting task finding a good balance. Certainly, this paradox presents an enormous challenge to managers that require a paradigm shift in the traditional ways of thinking and operating.

Recent studies have nevertheless established decent pay-offs that accrue from a strong nexus between hands-on OCM and CSR (Lynn, 2021; Carroll & Laasch, 2020). Undoubtedly, maintaining a balance between achieving financial benefits for the organization and ensuring public welfare and environmental preservation is an ideal win-win situation for both the business and its stakeholders (Barauskaite & Streimikiene, 2021). Found to be a useful tool for gaining stakeholder goodwill, obtaining legitimacy and attaining continued consumer support (Green, 2021), there is little disagreement about the need for businesses pursuing meaningful and sustainable change in a manner that benefits its stakeholders as managers have frequently depended on CSR undertakings to advance all sorts of business agenda albeit often lacking fundamental theoretical basis (Gaither et al., 2018).

### Corporate Social Responsibility

The exploration of how business interests relate with the larger societal welfare has been a highly contentious phenomenon while the discourse is still developing. Whereas one school of thought believes that the only responsibility there is for any business is to utilize organizational resources and engage in activities that would yield direct economic profits to the business, the other argument springs forth from the sentiment that, "what is good for a business is good for society" and that because both entities rely on the support of each other, sustainable and socially responsible behavior actually converges with the interests of a business' shareholders (Lynn, 2021). Thus, businesses have the duty to address issues of concern to society when governments and its institutions fall short because there are really no trade-offs between an organization's social duties versus the obligations of their shareholders (Fyke et al. 2016).

While a universally acceptable definition of CSR is lacking, Carroll's (1999) definition has been widely referenced. That definition submits that, CSR "*encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time*". By this definition, Carroll (1999) identified four broad obligations of CSR; economic, legal, ethical and discretionary categorizations (Barauskaite & Streimikiene, 2021; Han et al., 2019).

More than a publicity stunt, the increasing importance of the concept of CSR is seen in the growing attention the concept continues to receive both in academic literature and in the general outplay of globalization (Zaman et al., 2022; Carroll & Laasch, 2020; Trendafiova et al., 2017). The fast-changing values of society places an inevitable demand on organizations to adapt their operations and processes such that, they work to achieve enduring stakeholder partnerships; to look beyond quick and easy profits to a more long-term sustainable obligation to both society and nature.

Indeed, there is strong positive evidence for engaging in CSR that has made it a successful and relevant business strategy in OCM. Beyond being an inevitable necessity of today's business ecosystem, the twin concepts of CSR and sustainability have been found to strengthen an organization's competitiveness, improve its reputation, reduce employee turnover, facilitate a friendly bond with customers and the society as well as positively improves the financial outcomes and market value of the organization (Barauskaite & Streimikiene, 2021; Resmi et al., 2018; Eckert, 2017).

### **Sustainability**

Similar to CSR, the concept of sustainability has become increasingly important in the context of business management and ethics, with recent publications exploring various aspects of this topic. Basically, it encompasses how the actions (and or inactions) of both individuals and organizations affect others. While CSR is somewhat concerned about safeguarding stakeholder interests, sustainability goes much further to give considerations about what impacts the decisions and choices businesses (and individuals) make today has on the survival of current and future generations (Rosen, 2020). Thus, sustainability within the context of business management is consistent with Brundtland's (1987) classical description of the concept and implies managers deliberating on how their businesses meet the needs of current generations without jeopardizing the ability of future generations to meet their own needs too. It involves balancing economic growth, social progress, and environmental protection. Sustainable practices aim to minimize environmental impacts, promote social equity, and ensure long-term economic viability.

While the concept's definition has been characterized as vague, multifaceted and imprecise, the issues and concerns of sustainability are quite broad (spanning topical issues such as resource supply, climate change, sanitation, waste management and pollution, species extinction and loss of biodiversity, production and consumption, population growth and urbanization, etc.) and has often been referred to as the triple-bottom-line because of its three dimensions; economic (profit), social (people) and environmental (planet). Exploring the relationship between sustainability and ethical management practices, Kibert et al. (2012) argued that sustainability can be seen as an extension of traditional ethical principles, as it requires businesses to take a long-term view and consider the impact of their actions on future generations and the wider ecosystem.

Without a doubt, sustainability has become an essential factor of business management in the modern era and as suggested by Nosratabadi et al., (2019), businesses that are committed to sustainability are more likely to be successful in the long term, as they are better able to adapt to changing economic, social, and environmental conditions. Similarly, businesses that are committed to sustainability and ethical practices are more likely to be innovative and find new ways to create value for themselves and their stakeholders (González-Serrano et al., 2020).

The concepts of CSR and sustainability are both self-regulatory measures that require of managers to give careful considerations to the economic, environmental and social concerns of humanity when it comes to their business operations and thus,

justifies Fischer et al.'s (2020) advocacy for managers to find a good balance between sustainability and profitability such that, in the pursuit of business interests, efforts are made by the organization to reduce the negative impact unsustainable practices might have on natural, human and social welfare. As Orji (2019) observed, more organizations and managers continue to recognize the long- and short-term interrelationships between economic benefits, social and environmental consequences arising out of a change for sustainability and further cautioned managers to not only look out for the drivers of sustainability but also the barriers to a socially responsible and sustainable organizational change.

### **Conceptualizing Organizational Change Management**

As an integral part of today's society, organizations have become central point of attention in the conversations around sustainability and social responsibility; often deemed to possess the resources, technologies and motivation to facilitate the drive towards a more sustainable society (Lozano, 2012). Accordingly, one of the basic expectations of organizations is not just to create value but also to remain competitive in the struggle for limited resources from a highly unpredictable and dynamic environment. As the world continues to witness rapid change (which have in many ways, impacted on both societies and organizations), the organizational ecosystem is becoming more complex than ever (Kennett & Payne, 2018). Expectedly, this places a demand on managers to anticipate and respond to change in a manner that is deemed ethical and sustainable.

Organizational change management involves handling the transition from the current status quo to a better or desired one (Orji, 2019). Hashim (2013) defined OCM as the altering of current concepts and procedures of a business into new models that cater for a smooth implementation of change that leads to long term sustainability. As an important element of organizational management, responsible and sustainable change management has become an almost universal theme; involving a continuous revision of the organization's mission, vision, procedures and operations so that they yield acceptable impact on society and the individual.

Even though many organizations readily accept and adapt to necessary and beneficial change, a number of them often find it difficult and are reluctant to accept new ways of doing things. Considering that adherence to CSR and sustainability initiatives however requires a drastic re-evaluation of basic organizational operations (like procurement and manufacturing, human resource, financial management and marketing), most businesses today find it challenging to adjust to the redefined context

of social responsibility and sustainability. As pointed out by Chang et al., (2019), businesses are the lifeblood of any economy and thus, the way they carry out their change management agenda is becoming increasingly important to societal sustainability more so when their activities generate income, create employment, deliver the needed goods and services and protect the environment. Consequently, it is much desired for socially responsible business managers to encourage new ways of thinking when it comes to OCM; they need to find a way to operate through the often complex and ambiguous business environment and interrogate the models of business behavior with respect to sustainability (Van Velsor et al., 2009).

### **Lewin's Change Model**

Organizational change involves the processes that an organization goes through in order to evolve from its current state to a more desired one. Mostly triggered by both internal and external environmental factors, Bucurean, (2015) distinguished between two kinds of change; the proactive change (resulting out of the organization's own realization for the need for change) and reactive change (change that is initiated as a result of pressure from internal or external forces). Often characterised by uncertainty and the need for constant adjustments, the issue of change within an organization if not managed well, may result in resistance (Nadim & Singh, 2019; Hussain et al., 2018a). Drawing on the analogy of a melting ice, Kurt Lewin (1947) offered a model that could explain the process of change and possibly court the buy-in of the stakeholders involved in a change process which comprises of three steps for managing change within an organization.

According to Lewin's (1947) model, resistance during the OCM process may be better handled when the status quo is involved in all three stages of the *unfreezing*, *change* and *refreezing* process. At the unfreezing stage, there is the general recognition or realization of the need for change. This is the point of initiating the change; a determination of what needs to be changed, replacing old behaviors and attitudes that are not facilitative of change, ensuring a strong support for change across all levels of the organization as well as managing the doubts and concerns about the intended change (Burnes, 2020; Cummings et al., 2016). The stage of change (adaptation/adaptation) succeeds the unfreezing stage and entails planning the desired change, implementing the change and helping the stakeholders of the change to learn the new things and points of view regarding the change (Hussain et al., 2018a; Lewin, 1947). The final stage of Lewin's (1947) three stage model is the stage of refreezing (i.e., acceptance, usage and incorporation). This stage involves all the processes leading to the institutionalization, stabilization and reinforcement

of what has been changed. At this stage, the new change is integrated into the organization's normal operational procedures and measures are put in place to ensure that, the new change is sustainable (Islam, 2023; Rosdiana & Aslami, 2022; Lewin, 1947).

In an extension of the three stages of change model, Lewin (1947) demonstrated in his *force field analysis* how possible resistance to change could be managed in an organization. The force field analysis predicted two kinds of opposing forces that influence change; the driving forces and the restraining forces. The 'forces' are those beliefs, concerns, expectations, interests and norms that could potentially facilitate or disrupt the intended change (Burnes, 2020; Kaminski, 2011). Lewin (1947) further distinguished between the driving forces (those influences that tend to expedite the process of change such as incentives, high motivation, appetite for improved productivity, etc.) and the restraining forces (those influences that limit the change process such as apathy, hostility, disinterest, etc.). The interaction between these two opposing forces leads to the current status quo of the organization; what Lewin (1947) called the state of equilibrium.

### **Lewin's Change Model in the Context of CSR and Sustainability**

The three stages of Lewin's model—unfreezing, changing, and refreezing—can be applied to sustainability initiative and while this model was not specifically designed to address corporate responsibility and sustainability, it can be applied to facilitate and support initiatives related to these issues. First, the stage of unfreezing involves creating awareness and motivation for change, such as recognizing the environmental impacts of current practices. It creates a readiness for change by unfreezing the unwanted existing behaviors and attitudes that might impede corporate responsibility and sustainability. This stage further involves raising awareness about the importance of economic, environmental and social issues, as well as the benefits of adopting responsible and sustainable practices. It may require challenging and questioning existing norms and behaviors within the organization that are not aligned with sustainability goals. This stage aims to overcome resistance to change and create a sense of urgency for addressing corporate responsibility and sustainability concerns. The change stage according to Lewin (1947) entails implementing new sustainable practices, policies, and systems within the organization. In the context of corporate responsibility and sustainability, this stage involves developing and implementing strategies, policies, and practices that promote responsible and sustainable business operations. It may include adopting environmentally friendly technologies, reducing carbon emissions,

implementing ethical sourcing practices, cutting down on waste and losses, supporting social initiatives, or engaging in philanthropic activities. This stage requires effective leadership, communication, and engagement with stakeholders to drive the change process and ensure the integration of corporate responsibility and sustainability into the organization's core operations. The refreezing stage as the final in Lewin's (1947) model aims to stabilize the newly adopted sustainable behaviors and integrate them as the new norm in order to foster a culture of sustainability within the organization. It solidifies the changes and makes them a permanent part of the organization's culture and practices. In the context of corporate responsibility and sustainability, this stage focuses on embedding responsible and sustainable practices into the organizational DNA. This can be achieved by aligning performance metrics, incentives, and rewards with sustainability goals, integrating sustainability considerations into decision-making processes, providing ongoing training and education, and fostering a culture of responsibility and accountability. The aim is to institutionalize sustainable practices and ensure their long-term viability within the organization. Ultimately, Lewin's three-stage model provides a structured approach for organizations to introduce and embed corporate responsibility and sustainability initiatives in their operations. By following this model therefore, organizations can navigate the complexities of change, overcome resistance, and create a culture that embraces responsible and sustainable ways of doing things.

## THEORY DEVELOPMENT

### Stakeholder Theory and OCM

For decades, the perspective of stakeholder interests has shaped management decisions in business. The basic supposition of this theory holds that, businesses should create value for all their stakeholders. By stakeholders, the theory refers to all those relationships which could potentially be affected by business operations and the achievement of business goals as well as those whose support the business depends on to survive (Dmytriiev et al., 2021). While depending on the business' sector or industry the structure of its stakeholders may differ, this category of influences includes the shareholders or owners of the business, its employees, suppliers, customers and communities. More importantly, each of these stakeholder interests need to be managed tactfully. Often misconstrued as competing, divergent and self-seeking interests, stakeholder expectations have been found rather as an attempt to redefine the most central issues of core social concern such as fair working conditions (Lin-Hi &

Blumberg, 2017), inclusivity and diversity (Mair et al., 2012), equality (Karam & Jamali, 2013) and a reawakened care for the environment (Aravind & Christmann, 2011).

Indeed, a basic tenet of the stakeholder theory suggests that, it emanates from social pressures to improve the general societal good and sustainability (Wickert, 2023). As such, it is based on ethics; the normative belief that certain values, morals, codes of conduct and principles undergird business operations and hence, must be upheld by managers (Risi, 2022; Wickert & Risi, 2019; Freeman & Dmytriiev, 2017). This principle acknowledges that economic and ethical principles overlap and are interdependent and hence, cannot be separated in managing a business. This resonates further with the principle of fairness and reciprocity as another consideration of the stakeholder theory. Reciprocity and fairness affirm the role of the business on one hand, and those of its stakeholders on the other. The responsibility to keep a healthy relationship between these two entities is thus, significantly crucial for mutual continuity - it is not only the business and its managers that must create value for stakeholders; the stakeholders must also nurture an enduring relationship with the business for it to thrive (Phillips et al., 2019). Thus, in the quest to satisfy the mutual interdependence and relationship between the business and its stakeholders, a process of change management is triggered both internally (from the perspective of the business) and externally (towards stakeholders) (Risi et al., 2023; Tipu, 2022; Zollo et al., 2019).

### Integrating the Stakeholder Theory with CSR

Much as it may seem like the stakeholder theory (basically focused on satisfying the often conflicting and competing interests of stakeholders) is at variance with the concept of CSR, the theory provides a good framework for understanding an organization's obligations and responsibilities to even the quietest of its interested parties in the context of business ethics. The arguments of the supporters of the stakeholder theory as against the CSR concept have been categorized into three; first, as an immoral violation of shareholders' or owners' rights, as a '*window-dressed*' way of distortion and covering wrongdoing on the part of business executives and thirdly, as a creation of false dichotomies between economics and social needs, business and ethics, making profit and serving society (Freeman & Dmytriiev, 2017). Imposing a considerable challenge to the justifications for engaging in CSR, these perspectives seem to re-echo the need for managers to focus strictly on and prioritize delivering value to their stakeholders rather than to a '*social cause*'.

In reviewing the relationship between CSR and the stakeholder theory within the context of business

ethics, some authors regarded one of the concepts as a subset of the other (Khojastehpour & Shams, 2020), contradicting each other (Brown & Forster, 2013; Schwartz & Carroll, 2008) or complementing each other (Crane & Glozer, 2016; Russo & Perrini, 2010). There are however yet other scholars who think of the two concepts as distinct with some overlaps (Freeman & Dmytriiev, 2017; Jones et al., 2018).

The above debate notwithstanding what is abundantly clear is that, the two concepts however are very much interconnected and intersecting. According to Harrison et al. (2019), both ideas are linked and unified in purpose, value creation and stakeholder interdependence. While Harrison et al. (2019) earlier held the view that the stakeholder theory provides a framework for understanding CSR (as it emphasizes the importance of considering the interests of all stakeholders, including employees, customers, suppliers, and communities, in corporate decision-making), Chandler and Werther (2013) contended that by taking a stakeholder-oriented approach to CSR, companies can better understand the needs and interests of their stakeholders, and develop strategies that create value for both the company and its stakeholders.

Many scholars argue that the Stakeholder Theory provides the theoretical foundation for CSR. The theory suggests that companies have a moral obligation to address the needs and concerns of all their stakeholders, including those that extend beyond their financial interests (Carroll & Shabana, 2010). Moreover, CSR can be seen as a practical manifestation of the Stakeholder Theory. Companies that adopt CSR practices are acknowledging their responsibility to a wider range of stakeholders and taking steps to address their concerns.

Carroll (1991) also underscored this viewpoint with a model pyramid that portrayed CSR as encompassing four categories of social responsibilities; economic, legal, ethical and discretionary (or philanthropic). Of these four categories, the economic dimension (the expectation that organizations have an obligation to produce the goods and services needed by consumers and in the process, create profit for the owners) forms the basic premise of the stakeholder theory.

Essentially, as a point of convergence, both concepts identify what social responsibility means to the different group of stakeholders to which the business has relationships with and must be responsible to. Hazarding contradictory opinions from other scholars, Capron (2003), asserted that the stakeholders of an organization are vast and varied; ranging from the easily identifiable groups of interests to the more muted (like the environment) and inexplicit ones (such as future generations). All these stakeholders are directly or indirectly affected

by the activities of the business and thus, deservedly have obligations which the business must meet. To Phillips et al. (2019), it is important to align the concept of CSR with the stakeholder theory as a way to find a more pragmatic approach in meeting stakeholder interests as the theory addresses the lack of awareness of the benefits of the concept of CSR.

### **CSR, Sustainability and Organizational Change Management**

The complex business environment of contemporary times has made it a constant responsibility for organizations to look out for competitive ways to adapt and also take advantage of changing situations. Relatedly, a number of studies (Diaz-Iglesias et al., 2021; Al-Haddad & Kotnour, 2015; Hao & Yazdanifard, 2015) have identified OCM as one of the necessary measures to attain social responsibility and sustainability as well as gain a competitive urge towards continuous organizational growth. In essence, in order for organizations to adapt well with the current challenge of sustainability and CSR, OCM is an important ingredient that cannot be left out (Diaz-Iglesias et al., 2021). Likewise, CSR and sustainability are two related concepts by which organizations continue to embed economic, social and environmental principles of responsibility within their operations in order to earn the legitimacy and goodwill of stakeholders (Kaymak & Bektas, 2017; Zollo et al., 2009).

Thus, CSR and sustainability within the context of OCM can be conceptualized in two ways; first as a response to the ethical and strategic expectations of an organization's stakeholders and also as an integration of internal change processes which support new business operation principles (Zollo et al., 2009). While change is almost inevitable, how organizations manage same has become more pertinent to increasing their social responsibility and sustainability advantage. As crucial partners, one way by which organizations are able to manage the change-sustainability challenge and achieve long term success is to accommodate change by adjusting their business operations and strategies to the United Nation's (UN) Sustainable Development Goals (SDGs) (Tsalis et al., 2020; Arnold, 2018; Redman, 2018).

Undeniably, OCM plays an important facilitative role in integrating CSR and sustainability initiatives within organizations. Through change management, organizations more effectively and innovatively embed and implement sustainable CSR practices into their core operations (Wittneben et al., 2016). CSR and sustainability initiatives often require significant changes in business practices, technologies, and organizational culture. Effective change management processes can therefore support the implementation of these initiatives by addressing

resistance, fostering employee engagement, and aligning stakeholders around shared goals. When organizations adopt new CSR and sustainability practices, change management techniques can help in the transitioning to the desired state and inasmuch as CSR and sustainability initiatives are not one-time efforts but ongoing commitments, change management approaches can support their continuous improvement by ensuring that responsible and sustainable practices are regularly assessed, adjusted, and integrated into the organization's operations and strategies.

To reinforce the interconnectedness between the concepts, some studies (Hussain et al., 2018b; Gao et al., 2016) have established a strong and interdependent relationship between CSR, sustainability and OCM which suggests that organizations are able to drive change that leads to improved outcomes by adopting sustainable practices and promoting CSR initiatives. Lozano and Lozano (2018) also found that, CSR and sustainability are good drivers of change within an organization because they make companies adopt new practices and processes that align business goals and culture with those of the environment and the society. Thus, CSR and sustainability can be effective ways to promote organizational change as they provide a framework for assessing and addressing not only economic but also environmental and social concerns (Jabbour et al., 2018; Schneider & Schmidpeter, 2012).

## METHOD

Being a pure appraisal of existing literature, this paper conducted a narrative literature review of the concepts of corporate social responsibility, sustainability and organizational change management.

## DISCUSSION

In this manuscript, we highlighted the distinct concepts of CSR, sustainability and OCB and expounded on how these concepts could be integrated in the context of organizational change. While it was conceptualized that, change is an ever-present element of today's business space, organizational change management is largely influenced by ethical concerns and must happen within a sustainable and socially responsible manner especially within the context of the stakeholder theory where the competing interest and expectations of interested parties needed to be well managed. The review acknowledges the positive consequences of OCM which is led by a sustainable and socially responsible commitment to the

organization and its stakeholders in establishing and maintaining continued reciprocity and interdependence.

This review makes very important theoretical contributions to literature in that, first, it distinguishes between CSR and sustainability. This makes an important extension of the concepts in that, many previous studies implicitly assumed that the two concepts are synonymous and interchangeable. This paper however highlights a more nuanced and precise perspective on each of these concepts and uncovers hidden misconceptions and assumptions about CSR and sustainability. Further, the paper contributes to theory in its discussion of the influencing role and outcomes of CSR and sustainability in the process of OCM.

## CONCLUSIONS

A number of models have been used to explain the concept of change within an organization; Kotter's 8-step model, McKinsey's 7-S model, the ADKAR, Prosci ADKAR and even the Satir change model. Yet, there is little literature applying any of these models to the important issue of corporate responsibility and sustainability, and how they relate with the stakeholder theory. Undoubtedly, change is an important element in the management of organizations and finding the point of equilibrium in the midst of numerous competing needs and interests of stakeholders could be daunting; a reason for this quick review analysis that considers all the important concepts at the center of contemporary business ethics.

Theoretically, this review teases out the important role of managerial involvement in leading a regime of organizational change towards sustainability through all three stages of Lewin's change model. Regarding the issue of sustainability and corporate responsibility in the context of organizational change, this review contributes to a better understanding of how these concepts relate. In particular, Lewin's model offers an insight into the change and transition processes organizations continue to encounter. Thus, by understanding the dynamics of change, organizations can effectively navigate sustainability transitions and implement ethically conscious practices.

## REFERENCE LIST

- [1] Al-Haddad, S., & Kotnour, T. (2015). Integrating the organizational change literature: A model for successful change. *Journal of Organizational Change Management*, 28(2), 234-262.

- [2] Aravind, D., & Christmann, P. (2011). Decoupling of standard implementation from certification: Does quality of ISO 14001 implementation affect facilities' environmental performance? *Business Ethics Quarterly*, 21(1), 73-102.
- [3] Arnold, M. G. (2018). Sustainability value creation in frugal contexts to foster Sustainable Development Goals. *Business Strategy & Development*, 1(4), 265-275.
- [4] Barauskaite, G., & Streimikiene, D. (2021). Corporate social responsibility and financial performance of companies: The puzzle of concepts, definitions and assessment methods. *Corporate Social Responsibility and Environmental Management*, 28(1), 278-287.
- [5] Berle, A. A. (1931). Corporate powers as powers in trust. *Harvard Law Review*, 44: 1049-1074
- [6] Brown, J. A., & Forster, W. R. (2013). CSR and stakeholder theory: A tale of Adam Smith. *Journal of business ethics*, 112, 301-312.
- [7] Brundtland, G.H. (1987). *Our common future*. Oxford: New York.
- [8] Bucurean, M. (2015). Proactive versus reactive manager's response to changes in the external environment. *Analele Universității din Oradea, Fascicula: Protecția Mediului*, 25, 163-168.
- [9] Burnes, B. (2020). The origins of Lewin's three-step model of change. *The Journal of Applied Behavioral Science*, 56(1), 32-59.
- [10] Capron, M. (2003). as quoted in Baranco M and Rodrigues L (2007), Positioning the stakeholder theory within the context of Corporate Social Responsibility. *Electronic Journal of Business Ethics and Organisational Studies*, 12(1).
- [11] Carroll, A. B. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business horizons*, 34(4), 39-48.
- [12] Carroll, A. B. (1999). Corporate social responsibility: Evolution of a definitional construct. *Business & society*, 38(3), 268-295.
- [13] Carroll, A. B., & Laasch, O. (2020). From managerial responsibility to CSR and back to responsible management. In *Research Handbook of Responsible Management* (pp. 84-90). Edward Elgar Publishing.
- [14] Carroll, A. B., & Shabana, K. M. (2010). The business case for corporate social responsibility: A review of concepts, research and practice. *International journal of management reviews*, 12(1), 85-105.
- [15] Chandler, D. B., & Werther, W. B. (2013). Strategic CSR: Stakeholders, globalization, and sustainable value creation.
- [16] Chang, R. D., Zuo, J., Zhao, Z. Y., Zillante, G., Gan, X. L., & Soebarto, V. (2019). Evolving theories of sustainability and firms: History, future directions and implications for renewable energy research. *Renewable and Sustainable Energy Reviews*, 72, 48-56.
- [17] Crane, A. & Glozer, S. (2016). 'Researching corporate social responsibility communication: Themes, opportunities and challenges'. *Journal of Management Studies*, 53, 1223- 52.
- [18] Cummings, S., Bridgman, T., & Brown, K. G. (2016). Unfreezing change as three steps: Rethinking Kurt Lewin's legacy for change management. *Human relations*, 69(1), 33-60.
- [19] Diaz-Iglesias, S., Carlos, U. R. J., Blanco-Gonzalez, A., & Orden-Cruz, C. (2021). Theoretical Framework for Sustainability, Corporate Social Responsibility and Change Management. *J. Sustain. Sci. Manag*, 16, 315-332.
- [20] Dmytriiev, S. D., Freeman, R. E., & Hörisch, J. (2021). The relationship between stakeholder theory and corporate social responsibility: Differences, similarities, and implications for social issues in management. *Journal of Management Studies*, 58(6), 1441-1470.
- [21] Eckert, C. (2017). Corporate reputation and reputation risk: Definition and measurement from a (risk) management perspective. *Journal of Risk Finance*, 18(2), 145-158. <https://doi.org/10.1108/JRF-06-2016-0075>
- [22] Fischer, D., Brettel, M., & Mauer, R. (2020). The three dimensions of sustainability: A delicate balancing act for entrepreneurs made more complex by stakeholder expectations. *Journal of Business Ethics*, 163, 87-106.
- [23] Freeman, R. E., & Dmytriiev, S. (2017). Corporate social responsibility and stakeholder theory: Learning from each other. *Symphony. Emerging Issues in Management*, (1), 7-15.
- [24] Friedman, M. (1970). The social responsibility of business is to increase its profits. *The New York Times Magazine*, 13 September.
- [25] Fyke, J. P., Feldner, S. B., & May, S. K. (2016). Discourses about righting the business↔ society relationship. *Business and Society Review*, 121(2), 217-245.
- [26] Gaither, B. M., Austin, L., & Schulz, M. (2018). Delineating CSR and social change: Querying corporations as actors for social good. *Public Relations Inquiry*, 7(1), 45-61.
- [27] Gao, J., Greenberg, R., Wong-On-Wing, B., & Wong, A. (2016). "Organizational change management for sustainability: A theoretical framework." *Journal of Cleaner Production*, 112, 2749-2762

- [28] González-Serrano, M.H.; Crespo, J.; Valantine, I.; Alonso\_Dos-Santos, M. & Calabuig, F. (2020). Impact of lifestyle-oriented motivation and corporate social responsibility on multiadventure sports firms' performance. *Int. Entrep. Manag. J.* 1–25.
- [29] Green, M. (2021). Theoretical Developments in Corporate Social Responsibility. *The Palgrave Handbook of Corporate Social Responsibility*, 47-73.
- [30] Han, Q., Jennings, J. E., Liu, R., & Jennings, P. D. (2019). Going home and helping out? Returnees as propagators of CSR in an emerging economy. *Journal of International Business Studies*, 50, 857-872.
- [31] Hao, M. J., & Yazdanifard, R. (2015). How effective leadership can facilitate change in organizations through improvement and innovation. *Global journal of management and business research*, 15(A9), 1-5.
- [32] Harrison, J. S., Barney, J. B., Freeman, R. E., & Phillips, R. A. (Eds.). (2019). *The Cambridge handbook of stakeholder theory*. Cambridge University Press.
- [33] Hashim, M. (2013). Change management. *International Journal of Academic Research in Business and Social Sciences*, 3(7), 685.
- [34] Hussain, S. T., Lei, S., Akram, T., Haider, M. J., Hussain, S. H., & Ali, M. (2018a). Kurt Lewin's change model: A critical review of the role of leadership and employee involvement in organizational change. *Journal of Innovation & Knowledge*, 3(3), 123-127.
- [35] Hussain, Z., Li, L., & Hussain, R. (2018b). "Exploring the interdependence between corporate social responsibility and sustainability practices in organizations: A conceptual framework." *Journal of Business Ethics*, 153(2), 499-513.
- [36] Islam, M. N. (2023). Managing organizational change in responding to global crises. *Global Business and Organizational Excellence*, 42(3), 42-57.
- [37] Jabbour, C. J. C., de Sousa Jabbour, A. B. L., Govindan, K., & Teixeira, A. A. (2018). "Organizational change management for sustainability and corporate social responsibility." *Corporate Social Responsibility and Environmental Management*, 25(3), 295-309.
- [38] Jones, T. M., Harrison, J. S. & Felps, W. (2018). 'How applying instrumental stakeholder theory can provide sustainable competitive advantage'. *Academy of Management Review*, 43, 371– 91.
- [39] Kaminski, J. (2011). Theory applied to informatics-Lewin's change theory. *Canadian Journal of Nursing Informatics*, 6(1).
- [40] Karam, C. M., & Jamali, D. (2013). Gendering CSR in the Arab Middle East: an institutional perspective. *Business Ethics Quarterly*, 23(1), 31-68.
- [41] Kaymak, T., & Bektas, E. (2017). Corporate social responsibility and governance: Information disclosure in multinational corporations. *Corporate Social Responsibility and Environmental Management*, 24(6), 555-569.
- [42] Kennett-Hensel, P. A., & Payne, D. M. (2018). Guiding principles for ethical change management. *Journal of business & management*, 24(2), 19-45. doi:10.6347/JBM.201809\_24(2).0002.
- [43] Khojastehpour, M., & Shams, S. R. (2020). Addressing the complexity of stakeholder management in international ecological setting: A CSR approach. *Journal of Business Research*, 119, 302-309.
- [44] Kibert, C. J., Monroe, M. C., Peterson, A. L., Plate, R. R., & Thiele, L. P. (2012). *Working toward sustainability*. Hoboken, New Jersey: Wiley.
- [45] Levitt, T. (1958). The Dangers of Social Responsibility', *Harvard Business Review* 36, 41-50.
- [46] Lewin K (1947) Group decision and social change. In: Newcomb TM and Hartley EL (eds) *Readings in Social Psychology*. New York: Henry Holt, 330–344
- [47] Lin-Hi, N., & Blumberg, I. (2017). The power (lessness) of industry self-regulation to promote responsible labor standards: Insights from the Chinese toy industry. *Journal of Business Ethics*, 143, 789-805.
- [48] Lozano, R. (2012). Towards better embedding sustainability into companies' systems: an analysis of voluntary corporate initiatives. *Journal of Cleaner Production*, 25, 14-26.
- [49] Lozano, R., & Lozano, F. J. (2018). "Corporate social responsibility as a trigger of organizational change processes towards sustainability: An integrative framework." *Journal of Business Ethics*, 152(3), 803-821.
- [50] Lynn, A. (2021). Why "doing well by doing good" went wrong: Getting beyond "good ethics pays" claims in managerial thinking. *Academy of Management Review*, 46(3), 512-533.
- [51] Mair, J., Marti, I., & Ventresca, M. J. (2012). Building inclusive markets in rural Bangladesh: How intermediaries work institutional voids. *Academy of Management Journal*, 55(4), 819-850.
- [52] Nadim, A., & Singh, P. (2019). Leading change for success: embracing

- resistance. *European Business Review*, 31(4), 512-523.
- [53] Nosratabadi, S., Mosavi, A., Shamshirband, S., Zavadskas, E. K., Rakotonirainy, A., & Chau, K. W. (2019). Sustainable business models: A review. *Sustainability*, 11(6), 1663.
- [54] Orji, I. J. (2019). Examining barriers to organizational change for sustainability and drivers of sustainable performance in the metal manufacturing industry. *Resources, Conservation and Recycling*, 140, 102-114.
- [55] Phillips, R. A., Barney, J. B., Freeman, R. E. & Harrison, J. S. (2019). 'Stakeholder theory'. In J. S. Harrison, J. B. Barney, R. E. Freeman and R. A. Phillips (Eds), *The Cambridge Handbook of Stakeholder Theory*. Cambridge: Cambridge University Press, 3– 18.
- [56] Redman, A. (2018). Harnessing the Sustainable Development Goals for businesses: A progressive framework for action. *Business Strategy & Development*, 1(4), 230-243.
- [57] Resmi, S. I., Begum, N. N., & Hassan, M. (2018). Impact of CSR on firm's financial performance: A study on some selected agribusiness industries of Bangladesh. *American Journal of Economics, Finance and Management*, 4(3), 74–85
- [58] Risi, D. (2022). Institutional research on business and society: integrating normative and descriptive research on values. *Business & Society*, 61, 305– 339.
- [59] Risi, D., Vigneau, L., Bohn, S., & Wickert, C. (2023). Institutional theory-based research on corporate social responsibility: Bringing values back in. *International Journal of Management Reviews*, 25(1), 3-23.
- [60] Rosdiana, N., & Aslami, N. (2022). The Main Models of Change Management in Kurt Lewin's Thinking. *Jurnal Akuntansi, Manajemen dan Bisnis Digital*, 1(2), 251-256.
- [61] Rosen, M. A. (2020). Sustainability: Concepts, Definitions, and Applications. *Building Sustainable Cities: Social, Economic and Environmental Factors*, 15-26.
- [62] Russo, A. & Perrini, F. (2010). 'Investigating stakeholder theory and social capital: CSR in large firms and SMEs'. *Journal of Business Ethics*, 91, 207– 21.
- [63] Schneider, A., & Schmidpeter, R. (2012). *Corporate social responsibility* (Vol. 188). Springer Berlin Heidelberg.
- [64] Schwartz, M. S. & Carroll, A. B. (2008). 'Integrating and unifying competing and complementary frameworks: The search for a common core in the business and society field'. *Business & Society*, 47, 148– 86.
- [65] Tipu, S. A. A. (2022). Organizational change for environmental, social, and financial sustainability: A systematic literature review. *Review of Managerial Science*, 16(6), 1697-1742.
- [66] Trendafiova, S., Ziakas, V., & Sparvero, E. (2017). Linking corporate social responsibility in sport with community development: An added source of community value. *Sport in Society*, 20(7), 938-956.
- [67] Tsalis, T. A., Malamateniou, K. E., Koulouriotis, D., & Nikolaou, I. E. (2020). New challenges for corporate sustainability reporting: United Nations' 2030 agenda for sustainable development and the sustainable development goals. *Corporate Social Responsibility and Environmental Management*.
- [68] Van Velsor, E., Hind, P., Wilson, A., & Lenses, G. (2009). Developing leaders for sustainable business. *Corporate Governance: The International Journal of Business in Society*.
- [69] Wickert, C. & Risi, D. (2019). *Corporate social responsibility*. Cambridge: Cambridge University Press.
- [70] Wickert, C. (2023). Corporate social responsibility research in the *Journal of Management Studies*: a shift from a business-centric to a society-centric focus. *Journal of Management Studies*, 58, E1– E17.
- [71] Wittneben, B. B., Okereke, C., & Bowen, F. (2016). "Climate change and business management." *Wiley Interdisciplinary Reviews: Climate Change*, 7(3), 259-276.
- [72] Zaman, R., Jain, T., Samara, G., & Jamali, D. (2022). Corporate governance meets corporate social responsibility: Mapping the interface. *Business & Society*, 61(3), 690-752.
- [73] Zollo, M., Minoja, M., Casanova, L., Hockerts, K., Neergaard, P., Schneider, S., & Tencati, A. (2009). Towards an internal change management perspective of CSR: evidence from project RESPONSE on the sources of cognitive alignment between managers and their stakeholders, and their implications for social performance. *Corporate Governance: The international journal of effective board performance*, 9(4), 355-372.

**LIST OF FIGURES**

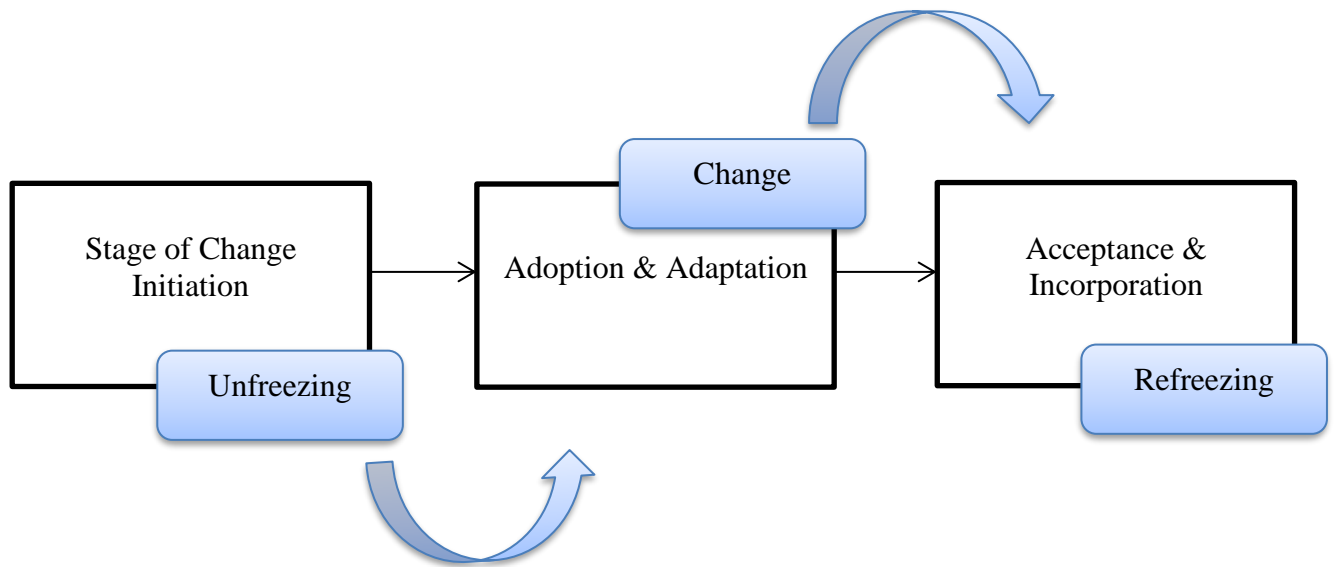


Figure 1  
**Kurt Lewin's Three Stage Change Model**  
Source: Lewin, (1947).

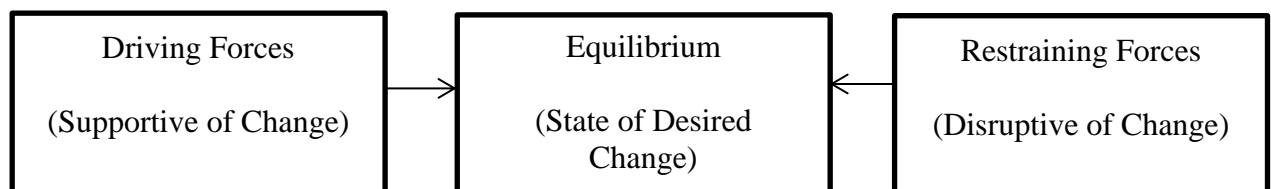


Figure 2  
**Kurt Lewin's Force Field Analysis**  
Source: Lewin, (1947)

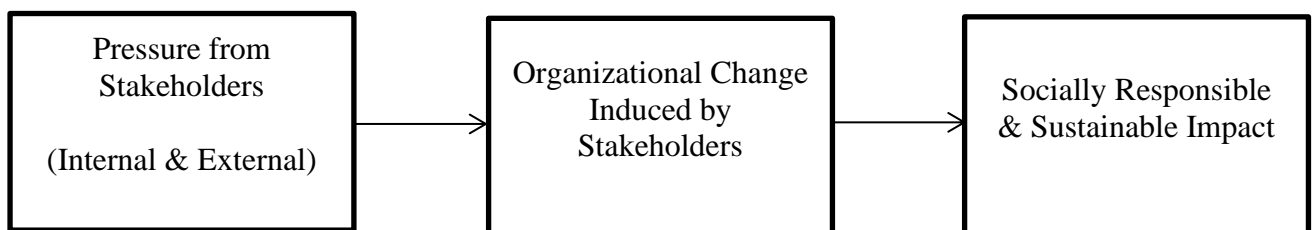


Figure 3  
**How Stakeholders influence CSR and Sustainability through Organizational Change**  
Source: Authors' Own Construct (2023)

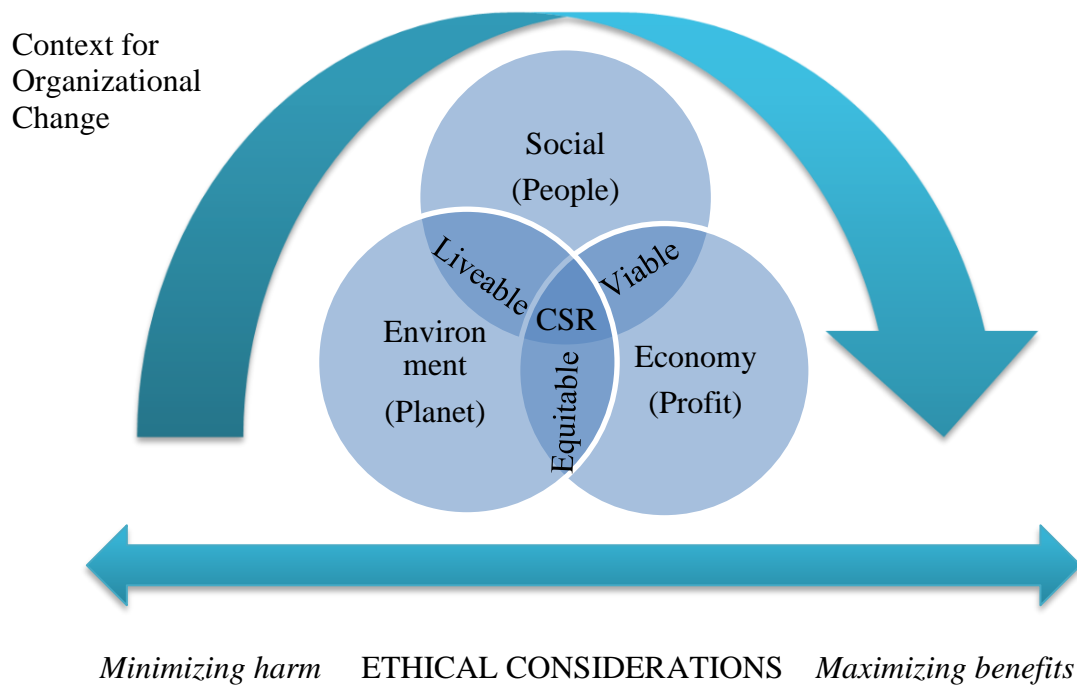


Figure 4  
**Model of interplay of interests between OCM, CSR and Sustainability**  
*Source: Adapted from Gaither et al., (2018)*