



LITERATURE ANALYSIS: TRENDS AND CHALLENGES IN CORPORATE SUSTAINABILITY MANAGEMENT

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Abstrak

Corporate sustainability management has become a critical issue in the modern business environment, driven by increasing global awareness of the environmental, social, and economic impacts of business activities. This study explores the trends and challenges faced by companies in implementing sustainability policies and the role of technology in supporting these efforts. Using a literature review methodology, the study analyzes various sources published from 2020 to 2023, focusing on the integration of sustainability principles in business strategies. The results show that companies are increasingly adopting sustainable practices in the environmental, social, and economic dimensions, with a particular emphasis on social sustainability and the use of digital technologies such as the Internet of Things (IoT) and big data. However, challenges such as the alignment of economic and sustainability goals, lack of data and measurement tools, and the need for supportive government policies remain significant barriers. The study concludes by offering recommendations for companies to adopt a holistic approach, invest in technology, improve data measurement, and foster collaboration with stakeholders to enhance the effectiveness of sustainability efforts.

Keyword : Corporate sustainability, sustainability management, environmental sustainability, social sustainability

INTRODUCTION

Corporate sustainability management has become an important issue in the modern era, especially with the increasing global awareness of the environmental, social, and economic impacts of business activities. Sustainability not only focuses on the environmental aspect but also encompasses social and economic dimensions, collectively known as the three pillars of sustainability: environmental, social, and economic. In response to this challenge, companies around the world have begun integrating sustainability principles into their business strategies to ensure that they are not only pursuing short-term profits but also creating long-term value for their stakeholders and society at large (Elkington, 2020).

Although many companies have adopted sustainability principles, significant challenges remain in implementing and managing sustainability effectively. These challenges include the misalignment between economic and environmental goals, lack of adequate data and measurement tools, as well as limitations in government policies that support sustainability initiatives (Ehnert et al., 2021; Martínez-Conesa et al., 2020). Additionally, companies face challenges related to environmentally friendly technological innovations, efficient resource management, and social sustainability, which involves the welfare of workers and surrounding communities (Luken & Stary, 2021).

Recent trends in corporate sustainability management show an increased focus on social sustainability, particularly in managing relationships with communities and enhancing social

welfare at the local level (Perrini et al., 2022). Furthermore, digitalization and new technologies, such as the Internet of Things (IoT) and big data, also play an important role in collecting and analyzing data related to sustainability more efficiently (Cheng et al., 2023). Therefore, it is important to understand the various trends and challenges to help companies develop better strategies for achieving their sustainability goals.

This research aims to conduct a literature analysis on current trends and challenges in corporate sustainability management, by identifying the factors that influence the successful implementation of sustainability policies and the role of technology in supporting corporate sustainability strategies.

RESEARCH METHODS

This research uses a literature analysis approach to explore trends and challenges in corporate sustainability management. The method aims to identify, evaluate, and analyze various sources of literature related to this topic, including journal articles, books, research reports, and relevant publications published since 2020. The research stages consist of:

1. Data Collection

Data is collected through literature searches using academic databases such as Google Scholar, Scopus, and Web of Science. The search focuses on articles relevant to corporate sustainability management, implementation challenges, and the role of technology in sustainability strategies.

2. Selection Criteria

Selected articles are those published in the last five years (2020-2023), relevant to the research topic, and meeting high academic quality standards. Relevant sources will be analyzed to assess the main trends and challenges faced by companies in implementing sustainability policies.

3. Data Analysis

Analysis is conducted qualitatively by categorizing the findings based on related topics, such as social, economic, and environmental aspects of sustainability management, as well as the technologies used. The analysis also includes identifying the main challenges and proposed solutions in the existing literature.

4. Synthesis and Presentation of Results

The results of the analysis are presented in the form of a synthesis of key findings, including emerging trends and challenges in sustainability management. These findings are also linked to current managerial theories and practices, and recommendations are provided for companies to design more effective sustainability strategies.

This method allows for a comprehensive understanding of the current situation in sustainability management and contributes to the development of theory and practice in this field..

RESULTS AND DISCUSSION

4.1 Results of Literature Analysis

Based on the literature analysis conducted on various sources relevant to the topic of corporate sustainability management, several key trends and significant challenges faced by companies in implementing sustainability policies were identified. The results of this analysis are categorized based on the three main pillars of sustainability: environmental, social, and economic aspects, as well as the role of technology in supporting corporate sustainability strategies.

4.1.1 Trends in the Environmental Aspect

In the environmental dimension, a trend has emerged showing an increased adoption of environmentally friendly technologies by companies. Several studies reveal that companies are increasingly focusing on reducing their carbon footprint and using natural resources more efficiently (Perrini et al., 2022). The use of renewable energy, better waste management, and technologies supporting sustainability, such as IoT-based energy management systems, have become key focuses in corporate sustainability strategies. However, challenges faced include the high investment costs for new technologies and difficulties in accurately measuring environmental impacts (Ehnert et al., 2021).

4.1.2 Trends in the Social Aspect

In the social dimension, the trend shows that companies are increasingly paying attention to social sustainability, particularly in worker welfare and relationships with local communities. Many companies are starting to implement more integrated CSR programs that focus on the social development of surrounding communities (Luken & Stary, 2021). In this regard, attention to human rights, social inclusion, and social justice is becoming a priority. However, the main challenge is balancing business interests with broader social welfare, as well as limitations in monitoring the real social impact of sustainability activities.

4.1.3 Trends in the Economic Aspect

In the economic dimension, studies indicate that companies are becoming more aware that sustainability can support long-term growth and create more stable economic value. Some studies highlight the importance of a value-based approach that combines financial profits with social and environmental benefits (Martínez-Conesa et al., 2020). However, the greatest economic challenge faced by companies is the difficulty in measuring the long-term benefits of sustainability investments and the risk of misalignment between economic and environmental goals.

4.1.4 The Role of Technology in Supporting Sustainability

Digital technologies, such as the Internet of Things (IoT), big data, and artificial intelligence (AI), have proven to play a crucial role in supporting corporate sustainability strategies. These technologies enable companies to monitor energy use, resource management, and environmental impacts in real-time (Cheng et al., 2023). The use of big data and advanced analytics helps companies in making more precise decisions regarding sustainability. However, challenges faced in terms of technology include the high implementation costs and the need for specialized technical skills to operate systems based on advanced technologies.

4.2 Challenges in Sustainability Implementation

Although positive trends have emerged in sustainability management, companies still face several challenges in effectively implementing sustainability policies. The main challenges identified in the literature include:

1. **Misalignment Between Economic and Environmental Goals**
Many companies face difficulties in aligning short-term economic goals with long-term sustainability objectives, especially when the economic benefits of sustainability initiatives are not immediately visible or measurable in the short term.
2. **Lack of Adequate Data and Measurement Tools**
One of the main challenges in sustainability is the lack of accurate data and efficient monitoring systems. Without adequate measurement tools, it is difficult to assess the environmental and social impacts of the policies being implemented (Ehnert et al., 2021).

3. Lack of Government Policies Supporting Sustainability
Some companies report that the lack of supportive government policies, such as tax incentives or more stringent regulations, serves as a barrier to effective sustainability policy implementation.
4. Financial and Resource Constraints
Investment in environmentally friendly technologies and sustainability infrastructure often requires significant resources, which are not always available to all companies, especially small and medium-sized enterprises.

4.3 Proposed Solutions in the Literature

Several solutions proposed by researchers to address these challenges include:

1. A Holistic Approach to Sustainability
Companies are encouraged to develop sustainability strategies that are holistic, integrating environmental, social, and economic dimensions simultaneously. This approach can help companies achieve a balance between economic objectives and sustainability goals.
2. Use of Technology and Innovation
Investment in new technologies, such as IoT and big data, can help companies become more efficient in monitoring and measuring sustainability impacts. Implementing technology can assist companies in planning and evaluating their sustainability policies.
3. Collaboration with Stakeholders
Collaboration with various stakeholders, including governments, non-governmental organizations, and local communities, can strengthen sustainability policy implementation and accelerate the adoption of best practices across the industry.

4.4 Discussion

The results of this analysis show that although many companies have made progress in adopting sustainability principles, they still face several significant challenges in implementing sustainability policies comprehensively. The greatest challenge remains the difficulty in aligning economic objectives with long-term sustainability goals, as well as the lack of accurate data and measurement tools. On the other hand, technological advancements, particularly in the use of IoT and big data, provide great potential to help companies address these challenges. Therefore, to achieve effective sustainability, companies need to adopt a more integrated and holistic approach, as well as leverage technology to improve efficiency and accuracy in the implementation of sustainability policies.

CONCLUSION

This study identified key trends and challenges in corporate sustainability management. While many companies have started integrating sustainability principles, significant challenges remain, particularly in aligning economic goals with long-term sustainability, the lack of accurate data, and limited government policies. Technology, such as IoT and big data, plays a crucial role in monitoring and managing sustainability, though implementation costs and technical skills remain barriers. To address these, companies are advised to adopt a holistic approach that integrates environmental, social, and economic aspects, while leveraging technology and collaborating with stakeholders to achieve effective sustainability..

SUGGESTION

To improve corporate sustainability management, companies should adopt a holistic approach that integrates environmental, social, and economic aspects, balancing short-term

financial goals with long-term sustainability. Investing in advanced technologies such as IoT, big data, and AI can enhance data collection and decision-making, improving sustainability efforts. Companies should also focus on developing accurate measurement tools to better assess their impact and progress. Additionally, strengthening collaboration with stakeholders, including governments, NGOs, and local communities, can provide the support needed to address policy gaps and resource constraints. Finally, policymakers should introduce supportive regulations and incentives to encourage businesses to adopt more sustainable practices.

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