

SUSTAINABLE DEVELOPMENT MANAGEMENT FROM THE PERSPECTIVE OF ORGANIZATIONAL CULTURE

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ABSTRACT

This study represents a theoretical investigation of several scientific points of view that, in our view, converge towards validating the premise underlying the present approach. This highlights the fact that the role of the sustainable development manager is crucial for any entity- be it economic or non-profit – that wishes to develop by assuming, on the one hand, the concepts of corporate social responsibility and, on the other, the demands of the new public management. At the same time, promoting a leadership of global responsibility, sustainable development management ultimately leads to a change in organizational culture in the sense of accepting, at the level of all layers of an enterprise, the final assessment of performance through the filter of sustainability. In addition, given the current situation in the Romanian socio-economic and ethical space, we consider that applying the conclusion of this analysis in our country represents an action of urgent necessity.

KEYWORDS: *organizational culture, social responsibility, leadership, sustainable development management.*

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1. INTRODUCTION

Used with a casualness that has created certain reservations, including in academic circles, the concept of sustainable development tends to become in recent years a universal remedy for most of the key problems faced by both the economic and social environment. Therefore, this study aims to investigate the extent to which sustainable development management is able to transform an organizational culture- having in most cases strictly hierarchical traditionalist values- into an innovative structure open to the public, so that they are stimulated to participate in the process of continuous education and training that the spirit of sustainable development requires.

Starting from the exposition of the fundamental data of sustainable development management, we will try to determine to what extent the responsible/manager of sustainable development in an enterprise can capitalize on the ideological contribution of the theory of new public management. Once this is achieved, the person responsible for sustainable development has the opportunity to assert himself not only as a responsible specialist, but also as a true leader of the need to change mentalities in the context of promoting the social responsibility of the enterprise. By bringing together these factors that ensure sustainable development, the organizational culture of the enterprise thus becomes ready to take on the task of maintaining a work climate capable of proving externally that the principles and values of sustainability have been internalized.

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Finally, it will analyze those considerations that make sustainable development management in Romania as neglected as it is indispensable for the large-scale development of a healthy organizational culture, free from clientelistic relationships.

To the extent that this approach is based on convincing arguments, we believe that supporting the promotion of sustainable development in a professional manner will lead - also within the enterprises in our country- not only to the credibility and efficiency of measures dedicated to ensuring sustainable development, but also to that beneficial transformation of the organizational culture, from which we expect the miracle of orienting the Romanians' conception of work towards that efficiency that manifests itself in the conditions of understanding and transmitting the framework of punctual responsibility and extended solidarity.

2. SUSTAINABLE DEVELOPMENT MANAGEMENT REQUIREMENTS

Having become, at an overwhelming pace, simply by choice, a sine qua non for any economic enterprise, government, non-profit or international organization that is committed to respecting the values of organizational culture and business principles, thus ensuring both the trust of customers and the chances of maintaining and developing in the long term, sustainable development is entering a new stage, from which concrete results are expected, measurable through the results of organizations that have opted to integrate it into their own policies.

Thus, about an organization that chooses to protect, sustain and permanently improve human, natural and financial capital for the future, we can say that it is an entity that carries out its activity through the lens of sustainable development, thus aiming to have an approach and perspective that can best support business development (and) for tomorrow (Wang, 2019).

Derived from the organizational assimilation of the concept of sustainable development, the notion of sustainable development management designates the implementation of its principles, emphasized, especially at the level of the European Union, by the integration of environmental considerations into all community policies. In the new paradigm of all forms of development – imposed by the fight against climate change- sustainable development is more than a concern for the environment, because it has practical implications in the process of developing public policies, while also representing a challenge for the way of organizing the economy and society.

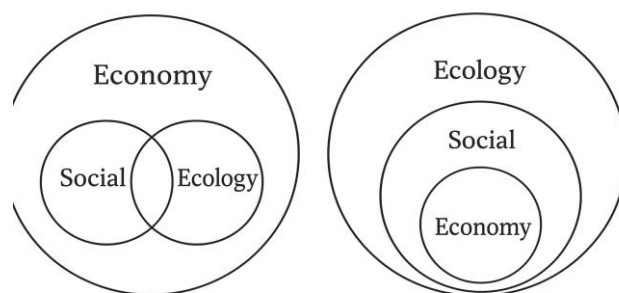


Figure 1. Balancing the pillars of sustainable development

Source: Mishra & Yadav, 2021

The figure above shows the three pillars of sustainable development (Economic, Ethical/Social and Ecological), as well as a possible way in which they should be balanced for the best possible assimilation at the enterprise level. Due to the uncertainty related to how this balancing can be done, there is also a high degree of flexibility in interpreting the role that sustainable development plays at the organizational level.

The way in which the problem of integrating the three "Es" in balancing company policies is solved should lead to the elimination of major differences between the intention of integrating sustainable development and its implementation in practice (Strand, Freeman & Hockerts, 2015).

From a certain point of view, it can be said that environmental aspects have priority over economic and social ones, sustainable development leading to a more complex but not necessarily more efficient form of integration, at least from the perspective of environmental protection. Within recent approaches from an ecological perspective, sustainable development assumes that economic values represent only a subset of ecological and social values with a wider scope (Petrescu et al., 2010).

Until studies are completed that will be able to show the best way to balance sustainable development plans, experience has shown that current governance systems are not sufficiently capable of facilitating its integration into all the processes in which it is involved, partly due to the use of traditional working tools to solve new problems. Thus, sustainable development is taken into account in the context of regular policies, as a separate subject and, at best, as part of a general environmental agenda. However, through the impetus and example given by some organizations, programs and debates, sustainable development management has managed to overcome its initial environmental niche to launch the challenge of a governance based on sustainability principles, which can be applied in the context of all social problems in the long term, without any prescriptive or dogmatic character (Petrescu, 2008).

Under these conditions, those who oversee the application of the concept of sustainable development within the organization must orient its development vision towards a transitional horizon in which it is necessary to create a normative framework (both internal and external) capable of structuring and organizing the process of eliminating existing unsustainable systems. In this way, the construction of those governance systems that can generate more sustainable and equitable social models begins.

This necessity lies in the fact that most current social systems have blocked the capacity for innovation necessary to create a governance system for sustainability and transform sustainable development management into a model policy that can translate the beautiful phrases of theory into everyday practice. Essentially, without liberation from the gravitation around environmental problems, sustainable development will not be able to achieve the degree of autonomy that would allow it to be effectively integrated.

3. INTERFERENCES OF SUSTAINABLE DEVELOPMENT MANAGEMENT WITH THE NEW PUBLIC MANAGEMENT

As a public activity, with major consequences for large publics and, at the same time, of global interest, sustainable development management can capitalize on the theoretical contribution brought by the concept of New Public Management. This is not only a label used to describe a type of managerial culture that emphasizes the citizen – who has become, from this perspective, a customer – but also a system that assumes full responsibility for the results obtained by the organization. This concept also suggests structural or organizational choices that promote the decentralization of control through a wide variety of alternative service delivery mechanisms, including in the markets for the provision of competing public and private services.

While it does not completely exclude the government from performing certain tasks, New Public Management aims to get things done much better and while promoting a managerial culture oriented towards responsibility.

This also represents an area of reform that illustrates the need for many of the principles of sustainable development to be taken over by semi-autonomous agencies for service provision, following the model in Australia, Canada, France, Iceland, New Zealand, Norway or England (Laval & Lochot M., 2010).

Starting from the 1980s, with the transition to a new administrative paradigm, which after a decade came to be known as the New Public Management, a new model based on competition, decentralization, a less rigid, more relaxed and, last but not least, more efficient public administration resulted.

It is also characterized by internal changes in the structure of departments, the merging of certain compartments within the same public organization and even personnel restructuring (Kolk, Mauser, 2002). The New Public Management proposes not only the reduction of the bureaucratic apparatus, but also a new vision of individuals who, from simple citizens, become clients of the public administration, which makes their needs and requests become input for the development of public policies. Thus, the degree of professionalization of the public function is at a higher level, and the motivation of employees becomes intrinsic (Petrescu et al, 2010).

These characteristics meet those necessary to strengthen sustainable development management, its reform directions practically overlapping with those of the New Public Management: disaggregation, competition and performance stimulation (Dunleavy et al, 2005). From these derives the need for collective actions to coordinate the contributions of actors from the public, private and voluntary sectors in solving macro-social problems, the state giving up its central role, establishing partnerships with actors from the private and informal sectors in exercising governance, in a way that is as transparent and, obviously, sustainable as possible.

Starting from the need to meet these specific objectives of sustainable development, companies involved in the Corporate Social Responsibility (CSR) process are evaluated according to the management practices of these essential requirements. Being a concept directly related to the concept of sustainable development, CSR depends not only on political will and the economic environment in general, but also on each of the economic and non-economic agents in particular (Johnson & Schaltegger, 2016).

An important aspect of CSR is the fact that it represents the most obvious way in which sustainable development has already managed to change the way companies relate to the environment and society, thereby contributing to the establishment of a new organizational culture. Thus, from the way in which companies interact with internal and external stakeholders (employees, customers, neighbors, NGOs, public authorities, etc.), CSR should not be confused with simple sponsorship activity. While sponsorship is carried out separately from the company's business plan, CSR is a much broader field, because it applies at the same time to the social role, environmental care and resource saving, but also, on a narrower level, to the overall quality of supply and subcontracting chains, employee well-being and health, the company's ecological footprint, etc. that a responsible organization assumes.

Although they are topics that have sparked much controversy, both CSR and sustainable development are increasingly considered less to be sophisticated forms of manipulation by multinationals and, increasingly, a chance for any enterprise to redefine its relations with civil society and political power. In other words, the apparent limitation of shareholders' ownership rights in favor of stakeholders, both at the national and global levels, for businesses to voluntarily integrate their environmental, economic and social concerns into their current operations and in all their interactions with stakeholders, is fully compensated by ensuring sustainability (Guarini, Mori & Zuffada, 2022).

As a result of civil society demands, CSR can better take into account the impact of the economy on the environment, which makes it a facet of the business concept of sustainable development, thus integrating its three pillars in a balanced way. Therefore, sustainable development is often assimilated or even confused with CSR activities.

In fact, the sustainable development policy includes or should include the CSR actions carried out by companies, taking into account the fact that these actions should follow and be consistent with the sustainable development policy of the organization.

That is why companies that have started to integrate the principles of sustainable development into their activities, business processes and philosophy require that the CSR actions supported significantly highlight the sustainable development component.

The European Commission emphasizes that CSR programs contribute to the sustainable development of the European Union and that they have a positive impact on the management and competitiveness of enterprises, taking into account, in particular, the following aspects (Dunleavy et al., 2005):

- the globalization of trade, which means that enterprises have activities and responsibilities abroad, including in developing countries;
- consumer awareness of the image and reputation of enterprises;
- the consideration of CSR activities by financial institutions and investors, for the assessment of risk factors and the success of enterprises; the possibility of using CSR activities to develop employees' skills.

Table 1. The enterprise's environmental performance matrix

	Intern	Extern
Processes	Organizational systems	Relationship with partners
Results	Following the rules	Environmental impact

Source: Eslami et al.

Table 1 distinguishes, on the one hand, between internal and external components, and on the other hand, between variables represented by processes and results. These aspects help to better understand the environmental performance of the company. Processes refer to aspects such as auditing, the number of environmental specialists, the organization's policy statements and communication. Results usually refer to quantitative data on: releases of pollutants, discharges of toxic elements, violations of environmental standards and legislation and the related penalties. For some interested groups, such as consumers and employees, processes are easier to understand than results, which are preferred by rating agencies and regulators (Kolk, Mauser, 2002).

4. SUSTAINABLE DEVELOPMENT MANAGEMENT AND THE TRANSITION TOWARDS A CULTURE OF SUSTAINABILITY

To establish a culture of sustainability, a fundamental change in thinking about the process of social development would be needed and consequently, a fundamental change in the way this process is organized. In addition, sustainable development is more than a necessity, it is an obligation of present generations to ensure a future for generations to come, both ecologically and socially and economically (Broccardo & Mauro, 2024).

To achieve this goal, it is necessary to influence the organizational culture by implementing sustainable development management within the organization, as transition management. Figure 2 presents the transition management framework that provides the basis for operational management. Although any transition management requires a unique process in terms of context, actors, problems and solutions, the schematic presentation of this cycle shows that there is a framework that is flexible enough for adaptation, provided that the specificities that ensure functionality in organizational practice are respected.

From an integrated analysis of an organizational system in transition towards the acceptance of a new organizational culture, it emerges that the specific dynamics tend to reproduce the one present in the whole society. Thus, through this analysis, a strategy can be based mainly on foresight, education and continuous training, acceptance and encouragement of partnerships, political lobbying and their combinations, depending on the fluctuation of the determining factors.

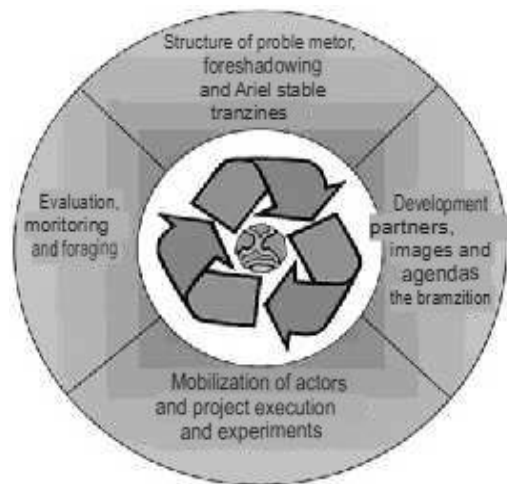


Figure 2. Organizational transition management framework

Source: Mishra & Yadav, 2021

From an integrated analysis of an organizational system in transition towards the acceptance of a new organizational culture, it emerges that the specific dynamics tend to reproduce the one present in the whole of society. Thus, through this analysis, a strategy can be based mainly on foresight, education and continuous training, acceptance and encouragement of partnerships, political lobbying and their combinations, depending on the fluctuation of the determining factors.

Under the conditions of establishing a strong sustainable development management within the organization, the transition management will be able to focus on the real and sustainable needs of the society and thus will be able to promote sustainable development as a member of a coordination network, of which more and more collective actors will be part. Exploratory studies have described the fact that the transition management involves both a practical approach, through learning, and a persuasive way to develop attitudes oriented towards social innovation. In the context of sustainable development, the perspective of transition management becomes one of co-evolution, offering sustainable development management the possibility to positively influence, on the one hand, both political thinking and government action and, on the other hand, both managerial and organizational culture (Biermann, Kanie & Kim, 2017).

To eliminate the gap between top-down and bottom-up planning, the Dutch model of incrementalism is used, which has become a useful element of both transition management and change preparedness. This model uses innovative bottom-up developments in a strategic way, coordinating levels and promoting self-organization through new types of interaction and learning cycles, which provide sustainability benefits (Baumgartner, 2014).

The scope of competence of the sustainable development director is directly related to the business of his company, because it includes, among social issues, those related to: sustainable procurement, responsible investments, drawing up an energy strategy to respond to climate change, management of the energy sector, water and electricity consumption, the waste situation, etc. In the public sector, marked most by the strengths of labor relations tainted by paternalism the activity of environmental managers is the furthest from that of sustainable development managers, revealing a lack of responsibility and weak involvement in establishing local sustainable development priorities, most often dependent on the political priorities of the local authority.

Sustainable development management best proves that, as society continues to change rapidly, the solutions of the past are no longer sufficient. There is no one-size-fits-all solution, so Romania should also use reform to create public institutions that can constantly adapt to changes in our society and the international environment. Faced with the challenges and opportunities brought by globalization, the rapid evolution of technologies, demographic changes, increasing citizen

expectations and competition from the private sector, organizations must learn to continue exploring and exploiting new means in a sustainable manner (Abăluță, 2003).

A good example of understanding the importance of sustainable development management is provided by the company URSUS Breweries. For this company, sustainable development has become an integral part of the way it conducts its business and is considered a constant strategic priority to increase the profitability of its operations in a sustainable manner.

Because the basic idea of sustainable development is given by its very consistent and perfectly operational ideological content, companies that have understood the capacity of sustainable development management to further ensure complementary natural capital to the increase in resource productivity, can already manage their renewable resources respecting the two obvious principles of sustainable development (Aggarwal & Agarwala, 2021):

- harvest rates should be equal to regeneration rates (sustainable yield);
- waste emission rates should be equal to the natural assimilation capacities of the ecosystems in which they are emitted.

5. CONCLUSION

The precariousness of natural resources, climate change, the economic crisis and the need to maintain social cohesion have required the inclusion of the concern for sustainable development among the priorities of public agendas and their transformation into a fundamental objective of the EU.

The present study has shown that achieving the sustainable development objectives cannot be done without a change in the mentality of people and communities, in the sense of obtaining the ability to use resources rationally and efficiently, thus understanding that prosperity also depends on social cohesion and, in particular, on the innovative vision that the organizational culture is called to bring. Without finally obtaining such a reorientation of the organizational culture towards sustainability, neither the economic, nor the environmental, nor the social objectives of sustainable development management will be able to be achieved.

To emphasize this, both the characteristics and the contextualizations of sustainable development management were highlighted, which showed the need to impose a new type of organizational development and managerial culture that, the closer they get to the demands of the new public management, the more capable they become of transforming the social responsibility of the enterprise into a way of acting in their economic environment, taking into account both the traditional analysis of costs and benefits and the need to capture the trust of customers.

Those organizations that use sustainable development management to position themselves strategically in an efficient way, not only economically, but also socially (as we have seen, for example, more and more organizations in France and very few in Romania), make efforts to communicate the fact that they are positioning themselves in a marked manner respecting the rigors of sustainability, making full use of the advantages of sustainable development management for the company in this regard. However, the major problem remains of finding concrete ways to operationally integrate sustainable development within the management of all organizations.

There is a need for a rethinking of sustainable development management with an emphasis on brand image, reputation, legal and industrial risks that would allow for a judicious intersection of concerns in an ideal form of consensus. While the economic component represents one of the strengths of the global dimension of sustainable development management, the social-cultural-ecological component constitutes its weak point (Petrescu, 2008).

Responding best to both the current needs of companies to assume a distinct social role, and to the long-term needs of society, sustainable development management, especially- as we have shown here- due to its capacity to positively impact organizational culture, can respond to the sustainable development objective in a hopeful way, not only for economic growth and progress, but also for other areas, such as: poverty, health, education, life expectancy and environmental conservation,

which sustainable development management tends to naturally integrate into the policies of successful companies.

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