

SUSTAINABLE BUSINESS MODELS: THE EVOLVING ROLE OF GENERAL MANAGEMENT IN VALUE CREATION

DR. AJAY PRATAP SINGH

IQAC DIRECTOR, MANGALMAY INSTITUTE OF MANAGEMENT AND TECHNOLOGY

Abstract

The growing global emphasis on environmental protection, social responsibility, and ethical governance has significantly reshaped the way organizations operate. Traditional business models that focused primarily on profit maximization are gradually being replaced by sustainable business models that integrate economic, environmental, and social dimensions. This paper explores the evolving role of general management in designing, implementing, and sustaining such models to enhance long-term value creation. It examines how managerial functions—planning, organizing, leading, and controlling—are being redefined to incorporate sustainability principles. The study adopts a conceptual and analytical approach, supported by secondary data from academic literature, industry reports, and case insights. The findings highlight that general management plays a critical role in aligning sustainability with strategic objectives, fostering innovation, and creating shared value for stakeholders. The paper concludes that sustainable business models are not only ethically desirable but also strategically essential for competitive advantage in the modern business environment.

Keywords *Sustainable Business Models, General Management, Value Creation, Corporate Sustainability, Strategic Management, ESG, Stakeholder Theory*

Introduction

In recent decades, businesses have faced increasing pressure from stakeholders, regulators, and society to operate responsibly. Issues such as climate change, resource scarcity, and social inequality have made sustainability a central concern in business strategy. As a result, organizations are transitioning from conventional business models to sustainable business models that emphasize long-term value rather than short-term gains.

General management, traditionally concerned with efficiency and profitability, now plays a broader role in integrating sustainability into core business functions. This shift requires a rethinking of managerial priorities, processes, and performance metrics. The purpose of this paper is to examine how general management contributes to the development of sustainable business models and enhances value creation.

Conceptual Framework

Sustainable Business Models

A sustainable business model is one that creates, delivers, and captures value while ensuring environmental protection and social well-being. It goes beyond financial performance to include ecological and societal impacts.

Value Creation in a Sustainable Context

Value creation in sustainable models involves:

- Economic value (profitability and growth)
- Environmental value (reduced carbon footprint, resource efficiency)
- Social value (employee welfare, community development)

Role of General Management

General management is responsible for:

- Strategic alignment
- Resource allocation
- Organizational culture
- Stakeholder engagement

Literature Review

Scholars have emphasized the importance of sustainability in business strategy. Studies indicate that organizations integrating sustainability into their core operations tend to achieve better long-term performance. Research also highlights the role of leadership in driving sustainable transformation.

Previous work suggests that sustainable business models require innovation, collaboration, and a shift in managerial mindset. However, there remains a gap in understanding how general management functions evolve to support sustainability-driven value creation.

Objectives of the Study

1. To analyze the concept of sustainable business models in modern organizations.
2. To examine the evolving role of general management in sustainability integration.
3. To assess how sustainable practices contribute to long-term value creation.

Research Methodology

This study is based on **secondary data analysis**, including:

- Academic journals
- Industry reports
- Corporate sustainability disclosures

A qualitative approach has been used to interpret trends and managerial practices related to sustainability.

Evolving Role of General Management

Strategic Planning

Managers are incorporating sustainability into vision and mission statements. Long-term planning now includes environmental and social considerations alongside financial goals.

Organizing Resources

Organizations are allocating resources toward green technologies, sustainable supply chains, and ethical sourcing practices.

Leadership and Culture

Leaders play a key role in promoting a culture of sustainability. Ethical leadership encourages employee participation and innovation in sustainable practices.

Control and Performance Measurement

Traditional performance metrics are being replaced by sustainability indicators such as ESG (Environmental, Social, Governance) metrics and triple bottom line reporting.

Sustainable Business Models and Value Creation

Economic Value

Sustainable practices reduce costs through efficiency and open new market opportunities.

Environmental Value

Organizations minimize waste, conserve resources, and reduce emissions, contributing to ecological balance.

Social Value

Improved working conditions, community engagement, and ethical practices enhance brand reputation and stakeholder trust.

Challenges in Implementation

Despite the benefits, organizations face several challenges:

- High initial investment costs
- Resistance to change within organizations
- Lack of standardized sustainability metrics
- Limited awareness and expertise
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- **Opportunities and Future Directions**

Sustainability presents numerous opportunities:

- Innovation in products and services
- Competitive advantage
- Enhanced corporate reputation
- Long-term resilience

General management must embrace digital transformation, stakeholder collaboration, and continuous learning to maximize these opportunities.

Conclusion

Sustainable business models are redefining the landscape of modern management. The role of general management has evolved from a narrow focus on profitability to a holistic approach that integrates economic, environmental, and social objectives. By aligning sustainability with strategic goals, managers can create long-term value for all stakeholders.

Organizations that proactively adopt sustainable practices are better positioned to thrive in an increasingly complex and competitive environment. Therefore, sustainability is not merely an option but a necessity for future business success.

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