

Business in the 21st Century

This page intentionally left blank

Business in the 21st Century: A Sustainable Approach

EDITED BY

CLAUDIA NELLY BERRONES-FLEMMIG

IU International University of Applied Sciences, Germany

FRANCOISE CONTRERAS

Universidad del Rosario, Colombia

And

UTZ DORNBERGER

University of Leipzig, Germany



United Kingdom – North America – Japan – India – Malaysia – China

Emerald Publishing Limited
Howard House, Wagon Lane, Bingley BD16 1WA, UK

First edition 2022

Editorial matter and selection © 2022 Claudia Nelly Berrones-Flemmig, Francoise Contreras, and Utz Dornberger.

Individual chapters © 2022 The authors.

Published under exclusive licence by Emerald Publishing Limited.

Reprints and permissions service

Contact: permissions@emeraldinsight.com

No part of this book may be reproduced, stored in a retrieval system, transmitted in any form or by any means electronic, mechanical, photocopying, recording or otherwise without either the prior written permission of the publisher or a licence permitting restricted copying issued in the UK by The Copyright Licensing Agency and in the USA by The Copyright Clearance Center. Any opinions expressed in the chapters are those of the authors. Whilst Emerald makes every effort to ensure the quality and accuracy of its content, Emerald makes no representation implied or otherwise, as to the chapters' suitability and application and disclaims any warranties, express or implied, to their use.

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

ISBN: 978-1-80382-788-9 (Print)

ISBN: 978-1-80382-787-2 (Online)

ISBN: 978-1-80382-789-6 (Epub)



ISOQAR
REGISTERED

Certificate Number 1985
ISO 14001

ISOQAR certified
Management System,
awarded to Emerald
for adherence to
Environmental
standard
ISO 14001:2004.



INVESTOR IN PEOPLE

Table of Contents

List of Figures	<i>ix</i>
List of Tables	<i>xi</i>
About the Authors	<i>xiii</i>
Preface	<i>xix</i>
Acknowledgments	<i>xxi</i>
Chapter 1 The Finance Function and the Financial System Toward the Achievement of the SDGs: Literature Review and Lessons from the COVID-19 Crisis	1
<i>Claudia Nelly Berrones-Flemmig</i>	
Chapter 2 Corporate Social Responsibility of Foreign MNCs in Mexico During the COVID-19 Crisis	11
<i>Anna Cabrera-Rubio and José Salazar-Cantú</i>	
Chapter 3 ESG, SDGs, and Hospitality: Challenges and Opportunities in Activating Sustainability	25
<i>Willy Legrand and Akupe Matthew-Bolofinde</i>	
Chapter 4 Business Environment in Latin America 2010–2021: A Comparative Study Between Mercosur and the Pacific Alliance Countries	41
<i>Giovanni Efraín Reyes Ortiz</i>	
Chapter 5 SDGs in Large-Company-Sized Communities: The Example of the Isle of Man Biosphere Reserve	49
<i>Roland Brandtjen</i>	

Chapter 6 Ensuring Business Continuity and Supporting Workforce During COVID-19: Turkey Example	63
<i>Elif Baykal</i>	
Chapter 7 Sustainable Organizations from an Employees' Well-Being Approach	81
<i>Francoise Contreras, Juan C. Espinosa and Gustavo A. Esguerra</i>	
Chapter 8 Bringing Societal Impact by Eliciting DSIW Among Employees to Cater COVID-19 Outbreak	93
<i>Sehrish Ilyas, Ghulam Abid and Fouzia Ashfaq</i>	
Chapter 9 Sustainable HRM for an Internal Workplace CSR Strategy to Attract, Develop, and Retain Talents	103
<i>Susanne Rank</i>	
Chapter 10 Work Engagement: Creating Value Through Sustainable Leadership and Resilience	121
<i>Fouzia Ashfaq, Ghulam Abid and Sehrish Ilyas</i>	
Chapter 11 Navigating Through Black Swans by Balancing Corporate Elasticity, Efficiency, and Innovation	133
<i>Luciano Nepomuceno Carvalho and Noah Farhadi</i>	
Chapter 12 Business Model Transformation through Digitalization as an Approach to Facilitate SDG Achievement: A Case of an MNC in Bangladesh in the COVID-19 Context	143
<i>Md. Noor Un Nabi and Imtiaz Masroor</i>	
Chapter 13 The Individual Valuation of Aviation Carbon Dioxide Emissions: A Choice Modeling Approach	157
<i>Christos Evangelinos, Stefan Tscharaktschiew and Marlen Mietzner</i>	
Chapter 14 Sustainable Innovation: An Essential Paradigm in the Sustainable Development Goals Framework	177
<i>Ignacio Aldeanueva Fernández and Fernando Navarro Lucena</i>	
Chapter 15 How Can Food Businesses Target Zero Waste Consumers During a Pandemic?	191
<i>Cansu Hattula</i>	

Chapter 16 Well-Being Culture as an Essential Element for Sustainable Development in the Context of the Pandemic	203
<i>Kety Jauregui and Susy Quevedo</i>	
Chapter 17 Sustainable Business Models and COVID-19	217
<i>Rafael Alejandro Piñeros Espinosa</i>	
Chapter 18 Homestay in Bali (Indonesia) as an Inclusive Rural Accommodation During the COVID-19 Pandemic	229
<i>Maulana Agung Wibowo and Utz Dornberger</i>	
Index	247

This page intentionally left blank

List of Figures

Chapter 3

Figure 1.	Example of ESG Scoring Framework.	30
-----------	-----------------------------------	----

Chapter 5

Figure 1.	The Structure of the Realm of the British Crown.	52
-----------	--	----

Figure 2.	New COVID-19 Cases From the March 17, 2020 Until May 12, 2021 on the IoM.	52
-----------	---	----

Figure 3.	Comparison of 7-Day Incidence per 100,000 Habitants in the IoM and the United Kingdom From March 17, 2020 Until May 12, 2021.	53
-----------	---	----

Figure 4.	Reasons for Small-Country Disadvantages.	54
-----------	--	----

Figure 5.	GDP per Capita (Current US\$).	55
-----------	--------------------------------	----

Figure 6.	Number of Registered Unemployed and the 12-Month Moving Average of the Last Ten Years From April 2011 to March 2021.	56
-----------	--	----

Figure 7.	Which Is Your National or Ethnic Feeling?	57
-----------	---	----

Figure 8.	What Characterizes the IoM the Most?	57
-----------	--------------------------------------	----

Chapter 9

Figure 1.	Integrative Framework for Sustainable HRM.	108
-----------	--	-----

Chapter 11

Figure 1.	Year-Over-Year Forecasted Insolvency Growth in Selected Countries for 2020 and 2021.	134
-----------	--	-----

Chapter 12

Figure 1.	Conversion to Digital Model.	147
Figure 2.	BRAC-Lifebuoy Handwashing Stall.	148
Figure 3.	Unilever Flagship Store on Daraz.	152
Figure 4.	UShop Online Storefront.	152
Figure 5.	Lever Bazar Apps Interface.	153

Chapter 13

Figure 1.	Global Air Passenger Traffic Development.	159
Figure 2.	Carbon Dioxide Emissions of Aviation.	160

Chapter 16

Figure 1.	Dynamic Model of Well-Being at Work.	206
-----------	--------------------------------------	-----

Chapter 18

Figure 1.	Field Research Activities (Location and Time).	234
-----------	--	-----

List of Tables

Chapter 2

Table 1.	Sample of Companies Based on the Largest Companies Ranking by Expansión Magazine (2020).	13
Table 2.	Disclosed CSR Categories.	14
Table 3.	Prepandemic and Pandemic CSR Disclosure per Category.	16

Chapter 4

Table 1.	Economies and Business Environment: Mercosur and the Pacific Alliance 2010–2019.	45
Table 2.	Mercosur and the Pacific Alliance Countries 2019–2021: Economic Growth, Inflation, and Unemployment.	46

Chapter 13

Table 1.	Attribute Values of the Choice Experiment.	162
Table 2.	Choice Situation Environment.	163
Table 3.	Choice Scenario.	163
Table 4.	Estimation Results.	167
Table 5.	Elasticities for Ticket Prices and Emissions.	168
Table 6.	Individual Valuation of Carbon Emission for Different Emission Levels and Their Shares in Ticket Prices.	169
Table 7.	WTP for Carbon Emissions Reductions in €/T for Environmentally Oriented Passengers.	170

Chapter 18

Table 1.	Factors Impacting Occupancy Rate and the Hypotheses.	232
Table 2.	Descriptive Statistic.	236
Table 3.	Partial Least Square Regression.	239

About the Authors

Dr Ghulam Abid is Assistant Professor at the Department of Business Administration, Kinnaird College for Women Lahore, Pakistan. His research focuses on employee thriving and positive organizational scholarship. His most recent research is on examining how organizations can create a more positive environment where individuals can thrive, and how organizations benefit in terms of positive behavioral outcomes. He received his PhD from the NCBA&E.

Fouzia Ashfaq is an Assistant Professor at the Management Sciences Department, Lahore College for Women University, Lahore, Pakistan. Her research focuses on work engagement, sustainability, and positive emotions. She has been associated with university teaching for 17 years.

Elif Baykal is an Associate Professor of Management and Strategy. She is a graduate of Boğaziçi University, Political Science and International Relations. She has completed her master's degree in Istanbul Bilgi University and her doctorate in Management and Organization at Yıldız Technical University. She has more than 12 years of industry experience. She worked as a human resources manager and project manager in Turkey's leading participation banks. She is still the head of the Department of Business Administration, MBA and PhD coordinator at Istanbul Medipol University in İstanbul, Turkey. She works in the fields of positive psychology, strategy, family businesses, and organizational behavior.

Prof Dr Claudia Nelly Berrones-Flemmig is Professor of Accounting and Finance since October 2019 at IU International University of Applied Sciences, Campus Berlin. Before, she was lecturer and postdoctoral research fellow in the International SEPT Program at Leipzig University, Germany. She holds a PhD from Leipzig University, Germany (International SEPT Program), with specialization in SME Finance. She has also been Lecturer at ITESM, Mexico (Tecnológico de Monterrey). She is also international business consultant, specialized in Accounting and Finance for SMEs. Her practical and research interests are SME Finance/Financial Management, Innovative financial instruments for SMEs (particularly Fintech), and Finance of social and sustainable innovative SMEs.

Prof Dr Roland Brandtjen is Professor of Economics and Academic Head of IU's Berlin Campus. He holds a PhD in European Studies. His research focuses on European micro-nations, such as the Isle of Man, the Val d'Aran, Gibraltar or the

Faroe Islands, and on regional, national, and European identity and its impact on independence movements. He studied in Germany, Spain, the United Kingdom, and Australia and has worked in Denmark, Benelux, Scandinavia, Spain, Luxembourg, Germany, Australia, and the British Isles. Roland Brandtjen lives in Berlin (Germany) and Madrid (Spain).

Anna Cabrera-Rubio is Researcher and Consultant. She is a Social Sciences PhD candidate at Tecnológico de Monterrey (Mexico), where she earned an International Relations bachelor's degree. Her research fields are corporate social responsibility, multinationals, organizational culture, and change management. She has worked as a consultant and trainer for international public and private organizations.

Luciano Nepomuceno Carvalho is a PhD candidate at the Centre of Excellence for Sustainability at Kedge Business School in Bordeaux. After completing his MBA studies in Brazil, Luciano came to Berlin, Germany, to study at the IUBH International University, where he obtained an MA with focus on Leadership and Strategy. In the past, he worked as a team leader in the consulting field, also having experience as a project manager. Among his multidisciplinary research interests, Luciano is committed to investigate and identify patterns which might justify sustainability and elasticity of business' ecosystems at various levels, supporting leaders in their strategic decision-making.

Prof Dr Françoise Contreras is Full Professor at the School of Business and Management of Universidad del Rosario (2008 to date), in Bogotá, Colombia. She is a Psychologist (Universidad Santo Tomas, Colombia), with a PhD in Psychology (Universidad Autónoma de Madrid-Spain, 2005), Postdoc from Universität Leipzig (Germany, 2017), and Master and specialist in Education (Universidad Santo Tomas, Colombia, 2000). She is Professor of Leadership, Organizational Behavior, and Research in under and postgraduate programs. She is visiting professor on those topics. Her area of research interest is organizational behavior, leadership, and social sustainability, mainly from the positive approach. Her contribution to the literature includes many research papers, mostly published in impact factor indexed journals. In addition, she had published some books and book chapters.

Prof Dr Utz Dornberger is Professor for Development Economics with special emphasis on Small and Medium-sized Enterprises and the Director of the International SEPT Competence Center (SME Promotion and Training) at Leipzig University (www.sept.uni-leipzig.de). His academic and professional focus lies primarily in innovation management in SMEs, innovation policies, promotion of entrepreneurship, and internationalization processes of businesses. Currently, he is also the Director of the Self-Management Initiative Leipzig (Entrepreneurship Promotion Program) of Leipzig University. Prof Dornberger is also the founder of in4in-Network (intelligence for innovation) promoting the cooperation between universities worldwide in the fields of technology transfer and entrepreneurship promotion (www.in4in.net).

Gustavo A. Esguerra has a PhD in Management from Universidad del Rosario and is a Psychologist and Occupational Health Specialist (Universidad Nacional de Colombia). He has an MA in Education (Universidad Santo Tomás). Gustavo is a faculty member in the School of Business and Management at Universidad del Rosario (Bogotá, Colombia). He is a Professor and researcher of organizational behavior, work-related quality of life, leadership, and business ethics.

Juan C. Espinosa is a full professor and research director in the School of Management at Universidad del Rosario in Bogotá (Colombia, South America). BA Psychology, MSc Health Psychology, and PhD Management. His research field of knowledge is related to Organizational Behavior, and his articles have been published in Scopus/WOS indexed journals.

Prof Dr Rafael Alejandro Piñeros Espinosa is Professor at the School of Management at Universidad del Rosario. He has experience in the manufacturing industry and teaching knowledge in the areas of Corporate Social Responsibility (CSR), Leadership, and Organizational Theory. He holds an MBA and a PhD in Management from Universidad del Rosario and has developed research in the areas of Responsible Leadership and CSR.

Prof Dr Christos Evangelinos, born in 1971, is currently Professor for Quantitative Methods and Economics at IU International University, Campus Berlin. In his research, he deals with questions of economic valuation in transportation, discrete choice analysis, and transport economics and policy.

Prof. Dr. Noah Farhadi is Professor of Practice in Finance at the American University in Cairo. He is a global strategy, M&A, business analysis and corporate finance professional with more than 25 years of international experience in leading and advising multinational companies in the consumer goods and automotive industries. He has designed and led corporate growth strategies for multinational investment portfolios valued at \$500 million in 61 countries. Dr. Farhadi has advised global Fortune 1000 companies on exit transactions and corporate divestitures with a combined value of \$6 billion.

Prof Dr Ignacio Aldeanueva Fernández is an Assistant Professor in the Department of Economics and Business Administration at Faculty of Economics and Business Studies (University of Malaga, Spain). He holds a PhD in Business Organization. He has been Visiting Professor at the Universidad Tecnológica Equinoccial (Ecuador) and Universidad del Rosario (Colombia). His research focuses on corporate social responsibility, innovation, competitive intelligence and internationalization. He has published in peer-reviewed journals; also he has published books and book chapters.

Prof Dr Cansu Hattula has completed her studies of business administration at the University of Hannover and her PhD at the University of St. Gallen. Her research interests are marketing strategy and consumer behavior. For instance, in her dissertation she has investigated how middle managers can be agents of change in a top-driven change process for a new marketing strategy. Cansu has worked in Germany, Switzerland, and the United Kingdom with different companies and

institutions, such as Bayer CropScience, Deutsche Messe AG, Too Good To Go, or Cass Business School. Currently, she teaches marketing at IU International University of Applied Sciences.

Sehrish Ilyas is Assistant Professor at the Management Sciences Department, Lahore College for Women University, Lahore, Pakistan. Her research interests are ethical leadership, sustainability, and employees' DSIW (Desire to have Significant Impact through Work). She has been associated with university teaching for 13 years.

Prof Dr Kety Jáuregui is Professor of Human Resource Management and Corporate Social Responsibility, Department of Business Administration, and Director of the Master Program in People Organization and Management at Graduate School of Business, University of ESAN, Lima, Perú. He has a PhD in Management.

Prof Dr Willy Legrand is Professor of Hospitality Management at the IU International University of Applied Sciences in Germany. Over the past two decades, he has established over two dozen undergraduate and graduate courses on sustainable development in tourism and hospitality management in Europe, South and North America, the Middle East, and Asia. He is the lead author of *Sustainability in the Hospitality Industry: Principles of Sustainable Operations* now in its 4th edition and cochairs the *HospitalityNet World Panel on Sustainability in Hospitality*.

Fernando Navarro Lucena is in the PhD Programme in Economics and Business at University of Malaga (Spain). He has a Master Digital Marketing Management; a BSc (Hons) Business Management; and BA (Hons) Marketing. In the research field, he is member of the Chair of Commerce and Digital Transformation of the University of Malaga.

Imtiaz Masroor completed his bachelor degree (majoring in Finance and minoring in Marketing) and master degree (majoring in Finance) from Khulna University, Bangladesh, both with distinction. He is currently working as a Lecturer in North Western University, Khulna, Bangladesh. His research interests include entrepreneurial decision-making, internationalization of SMEs, institutions and institutional theories, institutional framework, international entrepreneurship, small and medium enterprises, entrepreneurial ecosystem, institutional voids, entrepreneurial cognition, international business, etc.

Akupe Matthew-Bolofinde holds a Master of Arts Degree in International Hospitality Management from IU International University of Applied Sciences Bad Honnef, Germany. Her research interest cuts across hospitality and sustainability matters. Through the act of excavating, mining out patterns of thought processes so to speak and making intelligible meanings of those patterns – she hopes in the process it inspires a doctorate thesis.

Marlen Mietzner received her BBA in International Business and Management from Saxion Hogeschool, Enschede, in 2019, and her MA in International

Aviation Management from IU International University, Berlin, in 2021. Her research interest lies in the field of sustainable aviation.

Prof Dr Md. Noor Un Nabi is a Professor in Business Administration Discipline at Khulna University in Bangladesh. He earned his PhD in the area of International Business and Entrepreneurship from Leipzig University in Germany. He worked as a postdoctoral staff in the Centre for Area Studies (CAS) and International SEPT Competence Center at Leipzig University. He was a Visiting Professor in the International SEPT Competence Center at Leipzig University. His research areas include competence development of the SMEs for integration in global value chain, development and internationalization of technology-intensive entrepreneurship in the developing countries context, entrepreneurship and skill development for the students in the HEIs, and analysis of the ecosystem for impact and resilient entrepreneurship development.

Prof Dr Giovanni Efrain Reyes Ortiz holds a PhD in Economics of Development/ International Relations, University of Pittsburgh, with graduate certificates from the Universities of Harvard; and the School of Higher Commercial Studies in Paris, France (HEC). Dr Reyes has been a Fulbright and World Bank Scholar, Director of the Latin American Economic System, and representative to the International Coffee Organization in London and worked for the Vienna International Center and the United Nations. He has been fellow researcher at Maastricht University. He was Coordinator of the Human Development Report in Venezuela. He is a Tenure, Full Professor at the Universidad del Rosario, Bogotá, Colombia.

Susy Quevedo is Senior Lecturer in Human Resource Management, Graduate School of Business, University of ESAN, Lima, Peru. She is a Senior Consultant in People Management. She holds a Master's Degree in Organization and Management of People.

Prof Dr Susanne Rank is Professor for HRM & Change Management at Mainz University of Applied Sciences, Germany. Her research focuses on sustainable HRM, Workplace CSR, Change Management, and Empowerment in modern workplaces. She edited books about Change Management & International HRM and published in peer-reviewed journals like the *International Journal of Corporate Social Responsibility* and *Personality and Social Psychology Bulletin*. As a Visiting Professor she taught at the CCU in Myrtle Beach, USA, at the University Economica in Wroclaw, Poland, and at ISCTE in Lisbon, Portugal. She coaches change managers and project leads in transformations programs of international companies.

Prof Dr José Salazar-Cantú is Professor and researcher in the Economics Department at Tecnológico de Monterrey (Mexico). He holds a PhD in Social Sciences and a Master in Economics from the Autonomous University of Nuevo Leon (UANL), as well as a Master in Management Sciences and Bachelor of Economics from Tecnológico de Monterrey. He is a member of the Researcher's National System of the Science and Technology National Council (CONACyT),

level 2, and of the Mexican Academy of Evaluators (ACEVAL). He is editor and founder of *Revista Estudiantil de Economía*, a refereed publication from the Economics Department of Tecnológico de Monterrey.

Dr Stefan Tcharaktschiew is Assistant Professor of Transportation Economics and Policy and Urban Economics at Technische Universität Dresden, Germany. His research interests include the theoretical analysis of optimal transport tax policies and regulations, the economics of cities, and spatial urban computable general equilibrium modeling.

Preface

This book focuses on how to achieve sustainable organizations in complex business environments characterized by ongoing crises such as the COVID-19 pandemic, political conflicts, market volatility, and global warming, taking as its framework the United Nations' Sustainable Development Goals (SDGs). Against this backdrop, each chapter offers contributions from different areas in the field of business and management, such as managing talent, finance, marketing, innovation, organizational behavior, environmental issues, and corporate social responsibility. Based on the work of scholars with expertise in a wide variety of disciplines, our contribution aims to provide a framework for other researchers, practitioners, managers, CEOs, and companies to address (and thereby survive) current challenges and to equip themselves to deal effectively with the aftermath of crises. This book examines a range of topics whose common thread is how to help companies generate value for society, stakeholders, and shareholders.

Incorporating SDGs entails viewing every aspect of business strategy through the lens of global goals. Attaining these development goals is vital for the prosperity and well-being of people, societies, and enterprises and is expected to lead to 380 million new jobs being created by 2030 (United Nations, 2020). Company managers need to ensure that these new jobs are sustainable and paying a living wage, not only in their firms' immediate operations but throughout their supply chains and distribution networks, helping investors to appreciate the value that sustainable business can create.

In the face of these evolving challenges, organizations must shoulder a huge responsibility. Although some personnel are aware of the importance of their company's commitment to SDGs, many of these firms are not adapting their business practices – often because CEOs and other management leaders have encountered difficulties in aligning their business strategies with the SDGs and in adequately integrating the measures they take into sustainability reports. We sincerely hope that this book can contribute to making this task easier. Each chapter features advice, examples of best practice, theoretical perspectives, and background context that can help companies determine how they can implement SDGs in a more effective and timely way. We hope readers will find the information that our team of experts provides in the following pages to be both pertinent and practical.

Prof. Dr. Claudia Berrones-Flemmig
Prof. Dr. Françoise Contreras and
Prof. Dr. Utz Dornberger

This page intentionally left blank

Acknowledgments

We would like to thank everyone involved in the creation of this book. First of all, we owe a debt of gratitude to the authors of the chapters. Furthermore, we would like to thank Emerald for their interest in our book and for their painstaking supervision of the overall project, and especially to Fiona Allison, Lydia Cutmore, and Kiruthika Andappan, who have always been our most patient and understanding supporters. We are also indebted to the sponsorship of Leipzig University for the proofreading carried out by Enago, and the support of the CRAI (*Centro de Recursos para el Aprendizaje y la Investigación*) of Universidad del Rosario for reviewing some technical aspects of the chapters presented here. Finally, we would like to thank our universities – the IU International University of Applied Sciences, the Universidad del Rosario, and Leipzig University – for their unwavering support for our research in general and for this book project in particular. We would like to thank the DAAD (Deutscher Akademischer Austauschdienst German Academic Exchange Service) for its support through research stays in Germany which has contributed to the consolidation of collaborative academic networks, generating research products as this book.

Prof. Dr. Claudia Berrones-Flemmig
Prof. Dr. Françoise Contreras and
Prof. Dr. Utz Dornberger