
The Role of Managerial Leadership in Sustainable Business Development

Aden Tatag Surya Bhara Dhaksa¹, Mahfudz²

Abstract:

Managerial leadership is an effort to achieve goals by accommodating people through good communication. The conflict in this research emerged in the context of a chicken farming company in Central Java, involving various aspects that require careful understanding and handling. This research aims to explore the implementation of managerial leadership in developing sustainable business in livestock companies in Central Java. This research method uses a qualitative research type. In this research, the approach used is a case study. This research was carried out by the researchers themselves among owners and managers of livestock companies in Central Java. The results show that company management is highly involved in developing sustainable innovation, creating a creative environment, and ensuring top-level commitment. Corporate leaders face challenges such as lack of resources, internal resistance, and policy coordination, which they overcome through strategic approaches, including improved communications, resource management, and policy adjustments. The solutions taken include resource diversification, internal coordination, balance management of profitability and sustainability, external partnerships, technology implementation, and continuous evaluation.

Keywords: Central Java, Managerial Leadership, Sustainable Business Development, Chicken Farming

Submitted: 15 May 2024, Accepted: 12 June 2024, Published: 31 August 2024

1. Introduction

The human population continues to increase, and the acceleration of global development and its relationship with increasing needs and environmental effects, means that profit-oriented business interests are not an option that supports sustainability. Currently the world uses the equivalent of 1.5 planets to support human activities (Pautrier, 2009), a level that is unsustainable even at today's consumption levels (Randers, 2012) and awareness of protecting the ecology and natural resources needed for human well-being is not something that new (Costanza, 1997) .

¹ Faculty of Economics and Business, Universitas Diponegoro, Adentsbd@gmail.com

² Faculty of Economics and Business, Universitas Diponegoro, mahfudz@lecturer.undip.ac.id

However, it is not yet common practice in business to safeguard free resources. Sustainable business development, or what is often known as corporate social responsibility (CSR), is a relatively new thing and has become a new concern for academics and practitioners, in terms of theory and practice, and there is debate about its definition, which is still ambiguous. (Matten, D., & Moon, 2004) . Therefore, Corporate Social Responsibility (CSR) has many other names such as Corporate Responsibility and Sustainable Business (Waddock, S., Bodwell, 2007) as used in this article. The ambiguity of CSR creates various problems in practice, but the broad concept remains popular (The Economist, 2005) (which generally means the responsibility of a company or corporation towards various stakeholders representing "people, planet and profit" (Cramer, J., Van Der Heijden, A., & Jonker, 2006) .

Studies of sustainable business in organizations and industry largely ignore the role of company leaders in implementing it (Waldman, DA, & Siegel, 2008) . However, recent research is only limited to leadership values, ethics and leadership styles in sustainable business development, this results in various types of leadership styles that are linked directly or indirectly to Sustainable Business, According to (Waldman & Siegel, 2008) despite the lack of research in this area, the intellectual stimulation competency of transformational leaders is most related to CSR Strategy, CSR Strategy that is carried out because it is strategic for the company, and found that basically there are two types of leadership and CSR systems, namely bureaucratic-autocracy systems and authentic consultative systems (Angus-Leppan, T., Metcalf, L., & Benn, 2010)

Management has the meaning of the process of planning, organizing, coordinating and controlling all resources with effective and efficient results, so that in this definition management focuses on how a manager or company leader utilizes other people (including company resources) in achieving goals (Griffin, 2012) . So that the goals are achieved, people in the organization have authority, responsibility and job duties, one of which is the role of leadership, so the role of leaders in management is very large.

Leadership is an effort to achieve goals by accommodating people through good communication or a way of giving orders or instructions to other people or actions so that other people respond and produce positive results, or invitations in order to motivate and coordinate the organization to achieve planned goals, or the ability to generate a sense of support and confidence among subordinates in order to achieve organizational goals (DuBrin, 2012), (Avolio, B. J., Walumbwa, F. O., & Weber, 2009), (Braun, V., & Clarke, 2012).

Poultry is one of the livestock animals whose eggs, meat and feathers can be used. There are various types of poultry, such as chickens. Chickens themselves have various types, such as laying hens, cemani, broilers and many more breeds (Faishal, 2020) . The type of chicken introduced in Indonesia is the white legorn. This chicken has a productive period of around 26 weeks, while at the age of 18 weeks, this chicken starts laying eggs. From the supply and demand side, it is known that livestock business opportunities are still large in the future (Abidin, 2023) This still large prospect can be seen in the production of feed, medicine and livestock materials which is still growing rapidly.

The growth of hen farming in 1970-2013 increased by an average of 15.77% per year, this is because the level of consumption of bloilers has increased, where consumption of hens in 2021 is predicted to reach 1.72 million tonnes. In 2016 chicken production reached 1.48 million tons. Chicken consumption levels from 2007-2011 increased by an average of 2.35%. It can be concluded that business in the field of hen farming has quite good prospects (Faishal, 2020) . Conflicts in this research can arise in the context of chicken farming companies in Central Java, involving various aspects that require careful understanding and handling . Some potential conflicts that may arise include conflicts of interest between business and the environment:

This **research gap** lies in the role of managerial leadership in sustainable business development in chicken farming companies in Central Java, which is an in-depth analysis of specific and dominant inhibiting factors in that context. In addition, comparative studies between chicken farming companies in the region can provide a broader understanding of effective leadership practices in achieving business sustainability. **The novelty** of this research lies in its focus on the role of managerial leadership in the context of sustainable business development in chicken farming companies in Central Java.

Based on the background above, the following problem and question formulations can be proposed:

1. How is managerial leadership implemented in developing sustainable business in livestock companies in Central Java?
2. What are the strengths of managerial leadership in developing sustainable business in livestock companies in Central Java?
3. What obstacles do livestock company leaders in Central Java face in developing a sustainable business?
4. What solutions do company leaders take to face obstacles in developing a sustainable business?

2. Theoretical Background

Managerial Leadership

Leadership has been 'defined in terms of individual traits, leader behavior, interaction patterns, role relationships, follower perceptions, influence over followers, influence on task goals, and influence on organizational culture. Most definitions of leadership involve processes of influence (Yukl, 1989). “ *leadership is interpersonal influence exercised in a situation, and directed, through the communication process, toward the attainment of a specified goal or objectives* ” (Tannenbaum, R. , W.I., 1961) . Leadership is an activity to influence the behavior of people to work together towards a certain goal that they want together (Hadari Nawawi, 2003) . Leadership is often known as the ability to obtain consensus from organizational members to carry out tasks and management so that organizational goals are achieved. There are at least 4 activities in leadership, namely: influencing other people to want to do something, obtaining consensus or a job, to achieve organizational goals, and to obtain mutual benefits (Rohmat, 2010), (Evers, 2016), (Patton, 2015).

It is important to differentiate between leaders and managers. A manager has an official position in an organization while a leader does not necessarily hold an official position (Kouzes, 2008). A manager, by holding an official position in an organization, becomes responsible for achieving organizational goals; because organizations also provide a special capacity for influence that is provided to managers (Peterson, TO, & Peterson, 2012) . It is also possible to become a manager and demonstrate managerial and leadership behavior; an individual who does this is called a managerial leader (Tricco et al., 2018) (Peterson, T.O., & Peterson, 2012), (Dinh, J. E., Lord, R. G., Gardner, W. L., Meuser, J. D., Liden, R. C., & Hu, 2014).

Managerial Leadership Competencies

Managerial leadership appears in a number of competencies possessed by company leaders as follows (Topping, 2002) . The competency of someone who has managerial leadership capacity includes a number of skills (Ajila, 2019) . The competency of someone who has managerial leadership capacity, as explained by Ajila & Ibukun (2019), includes a number of essential skills. First, the ability to persuade others to speak and participate in discussions is important. Leaders must be able to accept contributions from subordinates, make those who are less enthusiastic feel valued, and see the ideas of all participants as valuable contributions. Effective managerial leaders need three components in developing the people under them: coaching, teaching, and mentoring. As a coach, the leader focuses on results and develops the performance capabilities of associates. As a teacher, the leader concentrates on

helping them learn and apply the new knowledge or skills they acquire. As a mentor, leaders focus on their long-term career and personal development (Topping, 2002).

The Relationship between Business and the Environment

Business as part of economic activity must be friendly to the natural and social environment so that business can continue to be sustainable (Beddoe, R., Costanza, R., Farley, 2009) . To achieve sustainability, every company will face problems in a complex system. To achieve sustainability, corporate leaders must realize that companies operate within broader system complexity (Metcalf, L., & Benn, 2013) . This broader system is an interconnected and dynamic environmental, economic and social system . Leaders have an interpretative role to be able to adapt to a more complex environment, both the social environment, the economic environment and the natural environment. In this case, leaders must have broader considerations.

Sustainable business concept

The concept of sustainability is understood as resilience; sustainability is a relatively new concept, still not fully explored in the business world. From an environmental (ecological) perspective, the notion of sustainability has been defined as maintaining a natural self-organizing process *that* forms the environmental foundation that supports human life activities. The relationship between humans and the environment must occur in such a way that no one is harmed or damaged (Norton, 1992) . Sustainability is a company's ability to continuously learn, adapt and develop, revitalize, reconstruct and reorient to maintain a lasting and distinctive position in the market by offering buyers above average value today and in the future (consistent with the paradigm of innovative growth) through the organic variation that constitutes a business model, and arises from the creation of new opportunities, goals and responses to them, while balancing the interests of different groups (Misztal, A., & Kowalska, 2020)

3. Methodology

Types of research

This research uses qualitative research (Creswell, 1996). Generally used to understand human or social problems by creating a comprehensive picture of the research phenomenon. This research was carried out by the researchers themselves among owners and managers of livestock companies in Central Java.

Types and Techniques of Data Collection

This research uses two types of data: primary data obtained directly in the field, and secondary data from related literature. Data collection was carried out through in-depth interviews, field observations and documentation studies. Observations at a grade A chicken farm, PT Cemerlang Unggas Lestari, allowed researchers to understand aspects of sustainability in livestock development.

Research Location and Time

This research was conducted in Central Java Province . This research location was chosen because Central Java is the second largest producer broilers in Indonesia . This research focuses on chicken farming companies broilers. The research was conducted over a period of 3 months, namely from January – June 2023.

4. Empirical Findings/Result

1. Research Findings on Sub-indicators Level of adoption of sustainable business practices by managers in decision making .

The managers in this study have a deep understanding of sustainable business and are actively involved in policy making and decision making related to sustainability. They effectively translate sustainability policies into daily operational actions and engage in sustainability performance measurement. Managers also have a high awareness of the impact of decisions on sustainability performance, despite facing challenges such as limited resources and changes in organizational culture.

2. Research Findings on Sub-indicators Implementation of sustainability policies and strategies resulting from leadership initiatives

Leadership participation and commitment is the main key in driving a company towards sustainability. Leadership is actively involved in sustainable policy creation, demonstrating high participation and a strong commitment to sustainable business practices. They have a deep understanding and support for sustainability, ensuring consistency with the company's values. In addition, the strategic insight possessed by leadership is an important foundation for integrating sustainability with the company's strategic direction. Concrete steps in implementing sustainability at the operational level confirm the company's commitment to turning sustainability policies into concrete actions in every aspect of its operations.

3. Research Findings on Sub-indicators Measurement of efficiency in the use of resources, such as water, energy and raw materials

The company shows a strong commitment to sustainable business practices by evaluating operational efficiency in the use of resources such as water, energy and raw materials. This evaluation produces concrete steps to

improve sustainable performance. The company successfully implemented effective measurement methods for water and energy usage, with the adoption of advanced technology and changes in operational processes to reduce water consumption and increase energy efficiency. Effective monitoring of raw material use gives rise to a good understanding of raw material consumption in production with measures to reduce waste and utilize raw materials more efficiently, including recycling practices. Despite facing challenges such as budget constraints and technological complexity, the company has concrete plans to overcome this by increasing employee training and investing in new technology. This shows the company's determination to continue to improve operational efficiency in supporting sustainable business principles.

4. Research Findings on Sub-indicators for Evaluation of Increased Operational Efficiency that Can Be Linked to Managerial Decisions

The company has committed to improving operational efficiency through in-depth evaluation of managerial decisions. Concrete measures focused on operational efficiency, such as changes in the supply chain and investment in automation technology, have been successfully implemented. Continuous performance measurement methods provide in-depth understanding of efficiency gains and influence managerial decision making. The company also actively engages employees in change with training initiatives and open communication. Despite facing challenges such as change resistance and lack of resources, management has concrete plans to overcome these obstacles with sustainable and adaptive solutions to maintain the momentum of improvement in operational efficiency.

5. Research Findings on Sub-indicators Increasing market share or product diversification that supports sustainability.

The company has adopted a marketing strategy that focuses on sustainable growth with an emphasis on products that support sustainability. Concrete steps such as promotional campaigns, collaboration with sustainable partners, and the use of sustainable labels are an integral part of efforts to increase market share and product diversification. Product diversification supports the company's sustainability goals by creating a product portfolio that is in line with social and environmental commitments. Companies use sales, market share, and brand equity metrics to measure success, while responding to consumer needs and preferences through market feedback. Despite facing challenges such as market competition and changing consumer trends, management has concrete plans to overcome these obstacles by demonstrating commitment to sustainability in developing market positions.

6. Research Findings on Sub-indicators Evaluation of success in creating and maintaining sustainable competitive advantage

The company shows a strong commitment to managing and evaluating sustainable competitive advantage by focusing on aspects that support sustainability. The initial step involves the identification and definition of competitive advantage by considering aspects that are consistent with sustainability goals. Special focus on sustainability aspects is effectively integrated in the company's competitive advantage strategy. The company encourages innovation initiatives as the main approach to creating sustainable competitive advantage, strengthening an innovation culture that supports sustainability. Evaluation of sustainable competitive advantage performance is carried out systematically using special metrics. Despite facing practical challenges such as intense market competition, changing consumer trends, or production complexity, management has concrete plans to overcome these challenges and shows a strong commitment to a sustainable approach in managing the company's competitive advantage.

7. Research Findings on Sub-indicators Level of manager involvement with external and internal stakeholders

Company managers have engaged significantly with external stakeholders such as customers, suppliers and local communities through direct interactions and concrete initiatives. They have implemented specific programs to strengthen relationships with external stakeholders, demonstrating a commitment to sustainable partnerships. Additionally, effective managers engage with internal stakeholders such as employees and management teams, with a focus on better internal communications. Effective communication strategies are used to interact with all stakeholders, while quick responses to feedback create stronger relationships. Despite facing challenges such as obstacles in communication and handling complex problems, management has concrete plans to overcome these challenges with adaptive and sustainable solutions.

8. Research Findings on Sub-indicators Responsive to input and expectations from stakeholders

The company shows a high commitment to managing and receiving input from stakeholders well through organized processes and mechanisms. Formal processes and dedicated communication channels have been established to receive input, ensuring equal access for all stakeholders to participate. The company provides an active response to input received by taking concrete steps to make changes or adjustments according to expressed needs. The existence of concrete examples of changes implemented in response to stakeholder input shows the company's effectiveness in taking concrete action on this involvement. The company also communicates back with stakeholders, maintaining a high level of transparency in the process and delivery of status regarding expressed expectations. In addition, the company has an evaluation system to measure

stakeholder satisfaction with the company's response and makes concrete efforts to improve the quality of the response, despite facing challenges such as communication barriers and complexity.

9. Research Findings on sub-indicators Effective monitoring system for the environmental impact of company operations

The company has implemented an environmental impact monitoring system that is effective and integrated with sustainability policies. This system involves the use of clear and measurable environmental performance indicators for systematic monitoring of operational impacts, covering a wide range of environmental parameters such as emissions, water use and waste. Data is collected regularly with automated technology to improve accuracy and efficiency. Findings from environmental impact monitoring are used to improve operational practices, creating a continuous learning cycle integrated with corporate sustainability policies and strategies. A positive and proactive response to monitoring findings reflects the company's responsibility towards the environment. Despite facing challenges such as technological and resource complexity, the company has concrete efforts to overcome these challenges in the implementation and management of the environmental impact monitoring system, demonstrating an adaptive attitude and commitment to improving the company's environmental performance in a sustainable manner.

10. Research Findings on Performance Sub-indicators related to greenhouse gas emissions, water use and waste management

The company has demonstrated a strong dedication to sustainable practices, with a focus on managing greenhouse gas emissions, water use and waste management. In its efforts to minimize environmental impacts, the company has adopted effective measurement and monitoring methods and set measurable reduction targets for greenhouse gas emissions. Concrete strategies, including the application of technology and innovation, have been taken to achieve significant emission reductions. In the area of water use, the company uses structured measurement and management methods to increase water use efficiency, in line with its commitment to environmental responsibility. In the transition to more sustainable energy resources, the company has adopted alternative energy resources that are fully integrated into operations, making a positive contribution to reducing its carbon footprint. Waste management is a critical focus, with companies implementing effective waste management strategies, including reduction, recycling and sustainable waste management. The company is also active in certification programs or sustainability initiatives, demonstrating a commitment to environmental preservation and involvement in collective efforts to maintain sustainability. Despite facing challenges such as

technological or financial limitations, the company has identified and taken concrete steps to overcome these obstacles, demonstrating a commitment to continuous improvement and innovation in maintaining a balance between business growth and environmental conservation.

11. Research Findings on Sub-indicators of Sustainable Revenue and Profit Growth

The company shows a clear commitment to sustainable revenue and profit growth through an implementation strategy that is integrated with sustainability principles. Concrete steps have been taken, such as market expansion and product development, to support business growth by paying attention to social and environmental impacts. Diversification of products and services is also an important strategy to support sustainable growth, with a focus on environmentally friendly products and sustainable innovation. The company takes special initiatives to mitigate risks and ensure sustainable profitability, by involving social and environmental considerations in financial decision making. Financial performance evaluation uses specific methods that assess sustainability, with stakeholders such as employees and business partners involved in financial decision making. Although faced with practical challenges such as market fluctuations or regulatory changes, the company has identified and taken concrete steps to overcome these challenges, emphasizing adaptation and innovation planning to maintain a balance between business growth and sustainability.

12. Research Findings on Sub-Indicators of the Impact of Leadership Decisions on Company Financial Structure

The company shows a high commitment to sustainability in managing greenhouse gas emissions, water use and waste management. They have adopted a strategy that is integrated with sustainability principles, including effective measurement and monitoring of operational environmental impacts. Concrete steps, such as reducing emissions through technology and innovation, are an important part of companies' efforts to minimize environmental impacts. Additionally, the company has established a strong foundation for water and waste management, with a focus on efficiency and environmentally friendly practices. Despite facing challenges such as market fluctuations or regulatory changes, the company identifies and overcomes these challenges through adaptation and innovation, while maintaining a commitment to sustainability in operations and long-term growth.

13. Research Findings on Sub-indicators of Level of Innovation in Products and Processes that Support Sustainability

The company demonstrates a strong commitment to sustainability in its products and processes through continuous innovation initiatives integrated

with the company's vision. They develop innovation strategies specifically dedicated to supporting sustainability, with a focus on ongoing research and development. Investments and R&D centers focused on sustainable innovation provide the foundation for the development of environmentally friendly products and processes. The company transparently measures the environmental impact of its production processes and uses green and innovative technologies to achieve sustainable solutions. Employee involvement in continuous innovation is emphasized, supported by training and incentive programs. Companies have a clear method for evaluating the success of sustainable innovation, even when facing challenges such as a lack of resources or expertise, by identifying and overcoming such obstacles through adaptive and strategic efforts.

14. Research Findings on Sub-indicators Manager involvement in promoting and implementing sustainable innovation.

Company management is proactively involved in developing sustainable innovation with strong commitment from top level management. They encourage active participation in innovation programs, provide resources to support innovative projects, and establish formal processes for assessing new ideas. Continuous innovation is integrated into the company's strategic plan, while managers ensure that innovation becomes an integral part of the company's vision and mission. Through training and rewards, management motivates teams to contribute to continuous innovation, overcoming challenges such as lack of resources and internal resistance with adaptive strategies.

15. Research Findings on Leadership Sub-indicators that support employee well-being and satisfaction.

The company emphasizes employee welfare and satisfaction as a crucial part of its business strategy to achieve sustainable success. They design specific programs and initiatives to improve employees' holistic well-being, including physically and mentally supportive work environments, as well as policies to achieve balance between work and personal life. Leaders are actively involved in creating this supportive work environment, implementing special recognition and incentive systems, and being responsive to employee complaints. The focus is also on developing employees' skills and career advancement through training programs and development plans. Despite challenges such as coordinating policies and meeting individual employee needs, leaders identified and addressed these challenges with policy adjustments and improved communications, ensuring employee well-being and satisfaction remained a company priority.

16. Research Findings on Sub-indicators of Company Contribution to Empowerment and Development of Local Communities

The company has made a significant contribution to the empowerment and development of local communities through various cross-sector programs and initiatives. They create jobs and provide skills training to improve the community economy. In addition, the company supports education with formal and non-formal programs, as well as health services through public health programs. Women's empowerment is a focus, including economic and educational support. The company partners with non-profit organizations and local communities to support social, cultural and environmental projects. Despite facing challenges such as coordination and resource allocation, companies are proactive in overcoming these obstacles to maintain positive impact on local communities.

17. Research Findings on Sub-indicators of Participation in Community Projects and Corporate Social Responsibility Programs

The company shows a strong commitment to participation in community projects and corporate social responsibility (CSR) programs to have a positive impact on the surrounding environment. They are involved in education, health and environmental initiatives that meet the needs of local communities, with employees a key element in the success of these projects. Partnerships with non-profit organizations expand a company's positive impact, with direct financial and resource contributions from the company. Evaluation of the impact and sustainability of CSR programs is becoming an important part of a company's approach, demonstrating responsibility and transparency regarding the results of social initiatives. The company also involves the community in decision making through participatory mechanisms. Despite implementation challenges, the company proactively overcomes barriers to scaling these programs, serving as a change agent that drives the empowerment and positive development of its local communities.

18. Research Findings on Sub-indicators of Company Ability to Adapt to Environmental and Economic Changes

The company demonstrated a strong ability to adapt to environmental and economic changes through a series of key findings. They use environmental change identification mechanisms to understand potential impacts, with the use of powerful technology to improve operational efficiency and resilience to economic change. Innovation becomes a strategic foundation, with initiatives supporting adaptation to dynamic economic conditions. The company has high structural and operational flexibility to respond quickly to changes, implementing change management and restructuring with a well-planned strategy. Product diversification strategies or expansion into new markets are used as proactive steps to adapt to changing economic conditions. Evaluation of risks and opportunities is carried out through an effective risk management system, enabling companies to assess and manage the risks associated with diversification. The company involves

employees in the adaptation process through employee engagement programs and effective training. Continuous monitoring and evaluation of adaptation strategies becomes an integral part of the company's approach, with adjustments based on the results of such evaluations. Despite facing implementation challenges, the company demonstrated an ability to identify and overcome these obstacles, underscoring its commitment to remaining flexible and responsive to environmental and economic changes.

19. Research Findings on Sub-indicators of Risk Management Strategy and Leadership Responsibility in Facing Uncertain Business Challenges

The company shows a strong focus in facing uncertain business challenges through a mature risk management strategy. The initial step includes effective risk identification and assessment with a robust mechanism to clearly identify and assess risks. The company's risk management strategy is measurable and integrated with overall business objectives, demonstrating a close link between risk management and achieving organizational goals. Active leadership involvement in managing risk is evident, supported by a special structure or committee responsible for risk management. The risk-related decision-making process involves contributions from multiple levels of the organization, creating a collaborative approach involving multiple perspectives. Effective risk communication with stakeholders is reflected in good communication mechanisms regarding identified risks. Companies also rely on insurance or financial instruments as part of their risk management strategy, reflecting their understanding of the need for diversification and financial protection. Evaluation of the effectiveness of risk management strategies is carried out regularly, ensuring that the strategies adopted continue to be relevant and efficient. Despite facing implementation challenges, the company actively identified and addressed these practical barriers, demonstrating a strong commitment to ensuring that risk management strategies can be executed effectively in a dynamic business environment.

5. Discussion

Implementation of managerial leadership in developing sustainable business in livestock companies in Central Java

Company managers demonstrate a high level of understanding and awareness of sustainable business practices, translating sustainability not only as a social responsibility, but also as an integral business strategy. Managers' active participation in sustainability-related decision making reflects the integration of sustainable values in daily business decisions. Evaluation of the company's sustainability performance is carried out regularly, creating a continuous

feedback cycle for improvement. Even though it is faced with challenges such as limited resources and changes in organizational culture, management faces them with strong adaptability. Commitment to sustainable practices is reflected in marketing strategies, product diversification, innovation and efficient management of resources. Direct interactions with external and internal stakeholders create strong relationships, while open communication and continuous feedback cycles drive improvement. With a holistic approach, this company has successfully implemented managerial leadership to achieve sustainable business growth with strong social and environmental responsibility (Eisenbeiss, 2012).

The basis of managerial leadership strength in developing sustainable business in livestock companies in Central Java

The key to success in developing sustainable business in livestock companies in Central Java lies in the strength of managerial leadership that focuses on innovation and sustainability. Top-level vision and commitment provide a solid foundation, creating a consistent direction for positive change in the company's products and processes. Managerial leadership is also prominent through active participation in innovation programs, encouraging creativity and new ideas. There is a structured, formal process for assessing and supporting innovative ideas, as well as budget allocation and a dedicated team dedicated to innovation projects. Innovation has been thoroughly integrated into the company's strategic plan, confirming the alignment between innovation and the company's long-term goals. Training and developing innovative skills is an important focus, creating teams that are competent and ready to face innovative challenges. Recognition and rewards for continuous innovation provide additional motivation, while addressing challenges with a strategic approach demonstrates a commitment to creating solutions that support innovation and sustainable growth.

Obstacles faced by livestock company leaders in Central Java in developing a sustainable business.

Livestock company leaders in Central Java face a number of obstacles in developing a sustainable business. One of the main obstacles is limited resources, both financial and human, which can hinder a company's ability to implement sustainable practices and innovation. In addition, internal resistance from managerial and employee levels to significant changes in company processes or culture is also a challenge that needs to be overcome. The complexity of diverse and conflicting internal policies is also an obstacle, requiring careful coordination to support the company's sustainability vision. Leaders need to strike a balance between long-term benefits and sustainable practices, while managing stakeholder expectations of immediate financial

results. In addition, coordinating with external related parties, such as the government and non-profit organizations, is also a challenge that requires regulatory compliance and policy negotiations. In overcoming these obstacles, livestock company leaders need to have a comprehensive strategy and effective communication skills to build support and ensure alignment between business and sustainability goals (Gioia, D. A., Corley, K. G., & Hamilton, 2013).

Solutions taken by company leaders to face obstacles in developing a sustainable business

Leaders of livestock companies in Central Java are taking various strategic solutions to face obstacles in developing sustainable businesses. They diversify their resources by wisely allocating financial and human resources to sustainable projects. Additionally, they actively engage in communication and education to overcome internal and external resistance, promoting understanding of the benefits of sustainable practices. Leaders also adopt internal policy coordination strategies by revising and adapting existing policies, as well as managing the balance between profitability and sustainability by educating stakeholders about the long-term benefits of sustainable practices. They build partnerships with non-profit organizations and local communities to support sustainable projects, while integrating innovation and new technologies into business strategies. These steps demonstrate a strong commitment from company leaders to achieve sustainable goals and face challenges with a proactive and sustainable approach (Zhu, W., Avolio, B. J., & Walumbwa, 2009), (Costanza, 1997).

6. Conclusions

Based on the research results, the implementation of managerial leadership in developing sustainable business in livestock companies in Central Java shows a significant impact. The company's management is actively involved in developing sustainable innovation, creating an environment that supports creativity, and affirming top-level commitment to sustainable innovation. The main strength of managerial leadership lies in strong top-level commitment, active participation in innovation programs, real support, and integration of continuous innovation in the company's strategic plan. Despite being faced with obstacles such as limited resources, internal resistance, and internal policy coordination, company leaders succeeded in identifying and overcoming these obstacles through a strategic approach, including improved communication, resource management, and policy adjustments. The solutions taken by the leadership include resource diversification, effective communication, internal policy coordination, balance management of profitability and sustainability, partnerships with external parties, application of technology and innovation, recognition and incentives, as well as continuous evaluation and adjustment.

This shows the company's leadership's high commitment and awareness of sustainable values as well as real efforts to overcome the challenges faced in the context of sustainable business.

The research results confirm that strong managerial leadership is very important in encouraging sustainable business development in livestock companies. Committed leadership actively engages in continuous innovation, creates an environment that supports creativity, and integrates sustainable principles into corporate strategy.

The implementation of effective managerial leadership has a positive impact on the development of sustainable innovation. Management that is actively involved in sustainable innovation programs tends to be able to overcome obstacles such as limited resources and internal resistance.

These findings indicate the need for increased internal communication and collaboration in companies. Effective leadership is able to facilitate the internal policy coordination necessary to implement sustainable practices.

The importance of partnerships with external parties (stakeholders) in supporting sustainable initiatives becomes clear. Company leaders must utilize resources and knowledge from external parties to support sustainable business development efforts.

References:

- Abidin, I. Z. (2023). *Meningkatkan Produktivitas Ayam Ras Petelur*. AgroMedia.
- Ajila, & I. (2019). Managerial Leadership: X-Ray Of Issues And Facts. *Advances in Social Sciences Research Journal*.
- Angus-Leppan, T., Metcalf, L., & Benn, S. (2010). (2010). Leadership Styles and CSR Practice: An Examination of Sensemaking, Institutional Drivers and CSR Leadership. *Journal of Business Ethics*, 93, 189–213. <https://doi.org/10.1007/s10551-009-0221-y>
- Bantacut, T. (2012). BISNIS BERKELANJUTAN: Integrasi Ma. *Research View project*. <https://www.researchgate.net/publication/320854123>.
- Avolio, B. J., Walumbwa, F. O., & Weber, T. J. (2009). Leadership: Current theories, research, and future directions. *Annual review of psychology*, 60, 421-449.
- Beddoe, R., Costanza, R., Farley, J. (2009). Overcoming systemic roadblocks to sustainability: The evolutionary redesign of worldviews, institutions, and technologies. *Proceedings of the National Academy of Sciences*, 106(8), 2483–2489. <https://doi.org/10.1073/pnas.0812570106>.

- Braun, V., & Clarke, V. (2012). Thematic analysis. In H. Cooper, P. M. Camic, D. L. Long, A. T. Panter, D. Rindskopf, & K. J. Sher (Eds.), *APA handbook of research methods in psychology, Vol. 2. Research designs: Quantitative, qualitative, neuropsychological, and biological*. American Psychological Association., (pp. 57-71).
- Costanza, R. (1997). The value of the world's ecosystem services and natural capital. *Nature*, 387(6630), 253–260. <https://doi.org/10.1038/387253a0>.
- Cramer, J., Van Der Heijden, A., & Jonker, J. (2006). Corporate social responsibility: making sense through thinking and acting. *Business Ethics: A European Review*, 15(4), 380–389. <https://doi.org/https://doi.org/10.1111/j.1467-8608.2006.00459.x>.
- Creswell. (1996). *Qualitative Inquiry and Research Design. Choosing Among Five Traditions*.
- Dinh, J. E., Lord, R. G., Gardner, W. L., Meuser, J. D., Liden, R. C., & Hu, J. (2014). Leadership theory and research in the new millennium: Current theoretical trends and changing perspectives. *The Leadership Quarterly*, 25(1), 36-62.
- DuBrin, A. J. (2012). *Leadership: Research Findings, Practice, and Skills*. Cengage Learning. *Journal of Evolutionary Economics*, 12(5), 495–524. <https://doi.org/10.1007/s00191-002-0128-6>.
- Eisenbeiss, S. A. (2012). *Re-thinking ethical leadership: An interdisciplinary integrative approach*. *The Leadership Quarterly*, 23(5), 791-808.
- Evers, J. C. (2016). Elaborating on thick analysis: About thoroughness and creativity in qualitative analysis. *Forum Qualitative Sozialforschung/Forum: Qualitative Social Research*, 17(1), Art. articel.
- Faishal, F. T. (2020). Analisis Dampak Lingkungan dan Persepsi Masyarakat Terhadap Industri Peternakan Ayam (Studi Kasus pada Peternakan di Jawa Tengah). *titin suhariyanto; M. (2020)*.
- Gioia, D. A., Corley, K. G., & Hamilton, A. L. (2013). Seeking qualitative rigor in inductive research: Notes on the Gioia methodology. *Organizational research methods*, 16(1), 15–31.
- Griffin, R. W. (2012). *Management*. Cengage Learning.
- Hadari Nawawi. (2003). *Manajemen Sumber Daya Manusia Untuk Bisnis Yang Kompetitif*. Gadjah Mada University Press,.
- Kouzes, & P. (2008). *Transformational leadership model in practice: The case of Jordanian schools*. *Leadership & Organization Development Journal*, 29(8), 648–660. <https://doi.org/10.1108/01437730810916613>.
- Matten, D., & Moon, J. (2004). “Implicit” and “Explicit” CSR: A conceptual framework for understanding CSR in Europe. *ICCSR. Research Paper Series*.
- Metcalf, L., & Benn, S. (2013). Leadership for Sustainability: An Evolution of Leadership Ability. *Journal of Business Ethics*, 112(3), 369–384.

<https://doi.org/10.1007/s10551-012-1278-6>.

- Misztal, A., & Kowalska, M. (2020). (2020). Determinants of sustainable development of industrial enterprises in Poland in the period from 2010 to 2019 – a statistical evaluation. *Prace Naukowe Uniwersytetu Ekonomicznego We Wrocławiu*, 64, 160–173. <https://doi.org/10.15611/pn.2020.1.13>.
- Norton, B. G. (1992). Sustainability, human welfare and ecosystem health. *Environmental Values*, 1, 97–111.
- Patton, M. Q. (2015). Qualitative research & evaluation methods: Integrating theory and practice (4th ed.). *Sage Publications*.
- Pautrier, L. M. (2009). Erythroplasie du gland. In *Dermatology* (Vol. 87, Issues 4–5). <https://doi.org/10.1159/000255356>.
- Peterson, T. O., & Peterson, C. M. (2012). (2012). What Managerial Leadership Behaviors do Student Managerial Leaders Need? An Empirical Study of Student Organizational Members. *Journal of Leadership Education*, 11(1), 102–120. <https://doi.org/10.12806/v11/i1/rf6>.
- Randers, J. (2012). *2052: A Global Forecast for the Next Forty Years*. Chelsea Green Publishing.
- Rohmat. (2010). *Kepemimpinan Pendidikan: Konsep dan Aplikasi*. Purwokerto: STAIN Press.
- Tannenbaum, R. , W. I., & M. F. (1961). *A Behavioural Science Approach (1st ed.)*. *Leadership and Organization*.
- The Economist. (2005). The good company - A survey of corporate social responsibility. *The Economist*, 22 January, 14.
- Topping, P. A. (2002). *Managerial Leadership*. New York: McGraw Hill.
- Tricco, A. C., Lillie, E., Zarin, W., O'Brien, K. K., Colquhoun, H., Levac, D., ... Straus, S. E. (2018). PRISMA extension for scoping reviews (PRISMA-ScR): Checklist and explanation. *Annals of Internal Medicine*, 169(7), 467–473. <https://doi.org/10.7326/M18-0850>
- Waddock, S., Bodwell, C. (2007). 1 “Big CSR Wisdom in a Small Package.” Responsibility, T., Manual, M. A., & Publishing, U. K. G.
- Waldman, D. A., & Siegel, D. (2008). (2008). *Defining the socially responsible leader*. *The Leadership Quarterly*.
- Yukl, G. (1989). Managerial Leadership: A Review of Theory and Research. *Journal of Management*, 15(2), 251–289. <https://doi.org/10.1177/01492063890150>.
- Zhu, W., Avolio, B. J., & Walumbwa, F. O. (2009). Moderating role of follower characteristics with transformational leadership and follower work engagement. *Group & Organization Management*. 34(5), 590-619.

