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Article

Top management and employees' commitment to sustainability as internal drivers of a company's ESG performance

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Abstract: Social and environmental issues gain more importance for society that stimulates companies to adopt and integrate more sustainability practices into their business activities. This study is embedded in almost uncovered in the literature context of Russian business that undergoes its ESG transformation in conditions of unprecedented sanctions and hostile institutional environment. The study aims to reveal the role of internal stakeholders (top managers, line managers, and employees) in successful implementation of a company's ESG practices along various dimensions. Using the primary data from 29 large Russian companies the fsQCA method is applied to identify various configurations of contingencies that stimulate their ESG performance. The analysis results in identification of two alternative core conditions for high ESG performance in Russian companies: high top management commitment to sustainability and low employees' commitment to sustainability or the employees' awareness about sustainability. At the end, the study results in two generic profiles composed of top management commitment, line management support, and employees' awareness, behavior, and commitment towards ESG performance. The results show two different approaches towards ESG transformation that may bring a company to the comparably similar desired outcome. The study has a potential for generalization on a wider scope of emerging market contexts.

Keywords: ESG; employees' engagement; emerging markets; fsQCA; stakeholder theory; sustainability

1. Introduction

Currently, social and environmental issues gain more importance for society, which makes companies to do significant efforts in integration of sustainability practices into their business. Implementation of sustainability practices brings various benefits for business such as the improvement of a company's reputation among key stakeholders, insurance of business compliance with regulators' requirements, improvement of ESG risk management efficiency and the management quality that could lead to overall better firm's performance (Aray et al., 2021; Chen et al., 2024; Talbot et al., 2021; Wijethilake and Lama, 2019). Despite the obvious benefits of sustainability practices, emerging market companies are still largely behind their counterparts from advanced markets. Specifically, Russian companies still underperform in corporate sustainability comparing to their foreign competitors (Aray et al., 2021). Moreover, massive sanctions, exit of foreign companies and rating agencies from the Russian market, loss of foreign investors and distribution markets significantly complicated sustainability practices adoption (Khoruzhy et al., 2022). Nevertheless, many Russian companies, despite the "new" conditions and economic restrictions, initiated or continued their ESG transformation, adapting their ESG strategies to new reality (ACRA, 2022). In such conditions it is intriguing what internal drivers stimulate sustainability activities of Russian companies when most of external drivers are faded into the background. The understanding of the internal factors of high corporate ESG performance under low external pressure (having been a traditional driver of ESG performance) will bring new insights in understanding institutional infrastructure of ESG agenda in emerging markets, such as Russia.

Corporate sustainable development gains increasing interest from business practitioners and scholars. The number of papers on CSR, employee relations, and corporate sustainability has been growing since 2010, while the number of papers about SDGs achievement by business has been growing exponentially since 2012 (Onkila et al., 2022; Pizzi et al., 2020). From the geographical perspective, most studies analyze corporate sustainability in developed countries, while corporate sustainability in developing countries is significantly less investigated (Bari et al., 2022; Pizzi et al., 2020). Russia is commonly considered as a “transitional” emerging economy, where sustainability has been adopted relatively recently comparing to the developed countries (Puffer and McCarthy, 2007). Understanding of the factors that influence an ESG strategy realization is one of the essential issues in the corporate sustainability field (Antolín-López et al., 2016). Most of research on the drivers of ESG agenda in emerging markets focus on external stakeholders such as investors or banks (Wang, 2024), however, internal drivers such as top management commitment to sustainability, line management support to employees’ sustainability initiatives and employees’ sustainability behavior are not less essential in the successful implementation of ESG strategy (Banerjee et al., 2003, Cantor et al., 2012; Graves et al., 2019; Pellegrini et al., 2018). Thus, the question of the role of internal factors in the ESG performance of Russian companies becomes an urgent priority, especially considering immaturity of corporate sustainability agenda and challenging business context in Russia.

The study aims to identify the effect of different types of companies’ internal stakeholders’ engagement, from linear employees to a top management, on companies’ ESG performance. Through the theoretical lens of the stakeholder theory the study looks at the joint effect of specific internal factors along various dimensions of companies’ ESG performance. The study is exploratory by nature which assumes a qualitative research design. Using the primary data from 29 large Russian companies and applying the fsQCA method, the empirical analysis provides configurations of different types of stakeholders’ engagement for advanced ESG performance and forms two contrasting generic profiles composed of top management commitment, line management support, and employees’ awareness, behavior, and commitment towards ESG performance.

The rest of the paper is structured as follows. Section 2 provides the literature review, methodology, and methods. Section 3 presents the research results. Section 4 provides a discussion, conclusions, limitations, managerial implications, and future research directions.

2. Materials and methods

2.1. The essence of corporate sustainability

WCED (1987) defines sustainable development as the development, which meets the present needs without compromising the opportunity of future generations to meet their own needs. This definition implies the changes where the usage of the natural resources and the development in economic, institutional, and technological spheres are aligned with the needs of present and future generations (WCED, 1987).

Basing on this concept of sustainable development, Elkington (1998) proffered the triple bottom line approach for defining the corporate sustainability, applying the original concept to business sphere. The triple bottom line concept implies that corporate performance includes three dimensions: economic, environmental, and social. Later, this approach was operationalized by Bansal (2005). Social dimension of corporate sustainability implies the practices that address social issues, improve employees' and communities' welfare and build transparent relationships with stakeholders. Environmental dimension includes the practices intended to reduce a company's environmental footprint. Economic dimension includes the actions aimed at creation of value through produced goods and services for consumers (Bansal, 2005). This concept was generally used in the academic and business literature on corporate sustainable development, despite the absence of agreement about what to include under economic and social dimension of corporate sustainability. There were many cases of intersections between these two spheres in terms of ethical management and governance aspects (Antolín-López et al., 2016).

Recently, the academic and business literature incorporated an ESG concept to define and measure corporate sustainability, which evolved from the triple bottom line approach (Drempetic et al., 2020). The ESG approach implies the assessment of a company's performance according to environmental, social and governance criteria. Environmental criteria refer to the business practices aimed at contributing positively into the environment. Social criteria are about managerial efforts aimed to the human rights protection, monitoring of compliance with the labor standards in the supply chain and improvement of the employees' and communities' welfare. Governance criteria include the activities that form the governance system of any company and make it effective such as executive compensation, corruption prevention, accountability, and transparency (Robeco, 2021). Companies widely use ESG approach to disclose information about their sustainability activities to improve their image and attract investments (Ellili, 2022). Thus, the ESG concept of corporate sustainability is used by investment agencies and companies to evaluate the companies' legitimacy with the ESG scores and reduce the information asymmetry (Farnham, 2020; Robeco, 2021). The ESG approach for defining corporate sustainability sets more concrete criteria for benchmarking and assessment of the corporate ESG performance, hence, measuring the corporate sustainability more accurately (Robeco, 2021).

Considering increasing attention of key external stakeholders to companies' ESG performance and consequent impact of ESG activities on a company market value (Aray et al., 2021), a proper understanding of internal ESG drivers, that a company may monitor and affect, becomes crucial for business.

2.2. Internal drivers of ESG performance

Following prior research on stakeholder engagement in corporate sustainability the study elaborates on stakeholder theory. In contrast to shareholder theory that focuses narrowly on financial returns to investors, stakeholder theory advocates for a broader, more inclusive approach to a company's management that considers interests and well-being of multiple diverse parties, directly or indirectly related to the company (Freeman, 1984). Due to the differences and not rarely contradictions between the interests of different groups of stakeholders to make well-thought decisions and improve company's competitiveness managers should have a good understanding of key stakeholders' expectations, build a regular and effective communication with them and adapt business activities to the primary stakeholders' demands (Mitchell et al., 1997; Plaza-Úbeda et al., 2010). Depending on the focus and the task of analysis stakeholders might be categorized in different ways, e.g., according to their stake in a company or their relation to organizational boundaries (Clarkson, 1995; Darnall et al., 2010; Svensson et al., 2016). As this study looks into the internal drivers of sustainable performance of a company, it focuses on the internal stakeholders that compose of employees and management, including top management (Darnall et al., 2010; Svensson et al., 2016). These groups of internal stakeholders act as both the architects and executors of sustainability strategy. Through their continuous engagement, decision-making, and resource management, they ensure that the strategic development process is responsive, resilient, and aligned with the company's corporate goals (Fobbe and Hilletofth, 2021; Freeman, 1984). Top management as an internal stakeholder is essential for corporate governance as it defines strategic development of the company and coordinates its implementation. By recognizing the most salient stakeholders, top management can moderate the impact that stakeholders can have on a company (Banerjee et al., 2003; Graves et al., 2019; Wijethilake and Lama, 2019). Prior research shows that internal stakeholders that are aware about sustainability and committed to it, especially top management, can significantly influence the implementation of sustainability business practices (Banerjee et al., 2003; Talbot et al., 2021). Thereby, it is essential for companies to stimulate top management and other employees' support of corporate ESG initiatives.

According to organizational support theory employees' perceptions of how much the organization cares about them and appreciates their contribution to work is highly related to both their job performance and other voluntary activities (Cantor et al., 2012; Rhoades and Eisenberger, 2002). Largely, organizational support is implemented through the supportive supervisory behavior that might take various forms: participative management style, including a non-hierarchical approach to encouraging communication from employees, encouraging environmental competence building by employees, rewards and recognition, sharing of goals and responsibilities with employees, showing openness to new ideas and encouraging employees to experiment (Ramus, 2001). This explanation allows to investigate factors that force the behavior that contributes to the proper implementation of ESG practices. Thus, supervisory support of employees' sustainable initiatives can increase employees' affective commitment to sustainability and this commitment positively influences the employees' engagement in corporate ESG practices (Cantor et al., 2012; Pellegrini et al., 2018).

The conceptual model of this study considers characteristics of internal stakeholders that have both managerial and non-managerial positions in a company as they influence a company in different ways. Managerial employees can affect a company through development of its strategy and control of its implementation. Non-managerial employees may affect a company through their behavior, attitudes or interaction with their supervisors because they are usually responsible for direct strategy implementation (Schlosser and Mcnaughton, 2007).

The model considers the role of top management, line management and employees in the corporate ESG practices implementation. It considers how stakeholders' characteristics such as top management commitment to sustainability, line management support of employees' sustainability activities, employee's awareness about sustainability, employee's commitment to sustainability and employee's sustainability behavior affects the corporate ESG practices realization. Top management commitment to sustainability refers to how top management is concerned about the development and realization of an ESG strategy in the company (Banerjee et al., 2003; Wijethilake and Lama, 2019). So, committed to sustainability top management can drive the integration of sustainability practices into business activities, which is crucial for ESG transformation of a company. Line management, being an intermediary in the organizational hierarchy that communicates both with senior managers on higher positions and non-managerial employees (Pellegrini et al., 2018) may contribute to better ESG performance through its supportive behavior towards employees. Non-management employees contribute to the direct implementation of a company's ESG strategy by their actions (Schlosser and Mcnaughton, 2007). To reveal employees' role in the implementation of ESG practices, the study explores their awareness about sustainability, commitment to sustainability and sustainability behavior. Employees' awareness about sustainability refers to their basic knowledge about sustainable development. Employees' commitment to sustainability relates to the emotional attachment to doing sustainability activities. While employees' sustainability behavior refers to corporate activities that are made towards sustainability such as realizing ideas about reducing the environmental impact, helping colleagues to know more about sustainability, engagement in ESG projects, etc. (Cantor et al., 2012; Graves et al., 2019; Talbot et al., 2021).

Considering strong interrelations between different organizational levels in a company and their consequent effects on corporate ESG performance, the study employs configuration approach to capture this synergy. By examining how specific internal factors interact with different aspects of companies' ESG performance, the study aims to uncover the collective influence of these factors. Embracing an exploratory approach, the study is designed qualitatively to delve into the intricate dynamics shaping the relationship between internal stakeholders' engagement and ESG outcomes in Russian companies. The study employs the fsQCA method to uncovers specific combinations of internal factors leading to desired ESG outcomes. These findings culminate in the creation of two contrasting generic profiles that elucidate how different stakeholder engagement configurations impact a company's ESG performance.

2.3. The fsQCA analysis

Fuzzy Set Qualitative Comparative Analysis (fsQCA) is a method based on the sets theory that allows to investigate the role of each factor in achieving some certain results. FsQCA implies that not all factors have the equal importance or the strength of impact in various situations, so any specific situation can be better understood as a particular configuration of factors (Dikova and Veselova, 2021; Fiss, 2011; Pajunen, 2008; Ragin, 2008). The method is based on three core principles: conjunction, equifinality and casual asymmetry. Conjunction means that results are usually caused by the interdependence of multiple conditions and rarely by the single condition. Equifinality implies that one final result can be caused by the various configurations of casual (core and peripheral) conditions (paths). Casual asymmetry means that the result presence can be caused by conditions that can differ from the conditions that cause the result absence (Fainshmidt et al., 2020; Katz and Kahn, 1978). Thus, the fsQCA's main focus is to differently combine the independent variables to achieve the necessary outcome (Fiss, 2011; Ragin, 2008). Conventional statistical methods usually consider how various independent variables influence the certain dependent variable. FsQCA, in contrast, considers the ways of combining casual conditions (independent variables) for the achievement of the necessary outcome (Dikova and Veselova, 2021; Fiss, 2011; Ragin, 2008). Thereby, this method was chosen for further analysis as it allows to consider the uniqueness and diversity of each case and transform this specificity into general patterns for the whole sample, combining the benefits of quantitative and qualitative methods. FsQCA can contribute to the thorough analysis of the certain role of the internal stakeholders' characteristics towards the goal of high corporate ESG performance.

The fsQCA analysis is carried out in three stages: calibration, constructing a truth table and a counterfactual analysis. For proper calibration of original values, it is essential to choose an external criterion that is based on the social knowledge, collective scientific knowledge or the prior accumulated researcher's experience obtained through the problem investigation. This criterion should be applied systematically and transparently and be formulated explicitly (Dikova and Veselova, 2021; Ragin, 2008).

Further, the calibrated values should be analyzed with a truth table constriction and reduction of the number of investigated combinations. Finally, counterfactual analysis of casual conditions results in indentification of casual conditions into core and peripheral (necessary and sufficient ones) (Dikova and Veselova, 2021; Pajunen, 2008).

The empirical analysis for this study was conducted with the use of the fsQCA 3.0 software.

2.4. Data collection and measures

This study is based on the analysis of primary and secondary data. The data about the internal drivers of the ESG performance were gathered through the survey using a specially developed questionnaire. The data about corporate ESG performance were collected from the independent EU Credit Rating Agency RAEX Europe's ESG ranking of Russian companies.

The questionnaire was distributed among 55 companies from the RAEX Europe's ESG ranking of Russian companies that were randomly selected from this list. The presence of a company in this ranking implies that a company publishes sustainability reports, develops and implements a sustainability strategy. Firm representatives were contacted via corporate e-mails and invited to fill in the electronic version of questionnaire. The respondents of the survey were top or middle managers that occupy CSR and sustainability manager position or took another managerial position that implies the responsibility for a department, certain functional area, or a product. Such firm representatives were chosen because they have the information about company's strategic direction and internal processes and are aware about how corporate sustainability is integrated in the corporate culture of the company. In total, representatives from 29 companies filled in the questionnaire, which resulted in 52.7% response rate.

The sample consists of Russian companies that operate in various industries. The sample provide a diverse range of companies in terms of types of ownership: private companies, state and partially state companies and companies with foreign ownership. The sample includes only large companies with the size of more than 1500 employees.

The data for measurement the outcome variable, corporate ESG performance, were gathered from the RAEX Europe's ESG ranking (RAEX Expert RA Europe, 2022). This ranking assesses how well a company performs in corporate sustainability: how efficiently it manages ESG risks through its ESG policies programs and actions. The overall ESG ranking is also separated into the environmental, social and governance rankings. It allows to evaluate the company's overall ESG performance and by separate ESG dimensions. The ESG ranking is based on the system of factors and sub-factors of each of the ESG dimensions: the weighted average scores of subfactors constitute the weighted average of factors, which then consist of the ratings on each of the separate ESG dimensions (RAEX Expert RA Europe, 2019). The overall ESG ranking is calculated as the weighted average of the ranking scores of the separate environmental, social and governance ranking. The weights are assigned according to the share of exposure of the each of ESG dimensions to the overall ESG risk exposure. The industry and country risks are also included. Such methodology allows to measure the corporate ESG performance accurately and compare it among companies from different industries.

Predictors (casual factors) were divided in two categories: managerial internal stakeholders and non-managerial internal stakeholders. The variables from the first category include top management commitment to sustainability and line management support to employees' sustainability initiatives. To measure the top management commitment to sustainability an adapted 7-point Likert scale developed by Wijethilake and Lama (2019) was used. The 7-items scale is aimed to measure the extent of top management commitment to the corporate sustainability within their company. For measurement the line management support a 7-point Likert scale adapted from Ramus (2001) and Pellegrini et al. (2018) was applied. This scale included 5 items measuring the extent of line managers' support to employees' sustainability initiatives. Exploratory analysis, used to validate these scales, provided confirmation of scales applicability. It resulted, as expected, in two factors, top management commitment and line management support. The scale reliability analysis resulted in an acceptable levels of scales reliability: 0.953 Cronbach's alfa for line management support and 0.931 Cronbach's alpha for top management commitment.

The variables from the second category include the employees' commitment to sustainability, employees' awareness about sustainability and employees' sustainability behavior. To measure employees' commitment to sustainability a 7-point Likert scale adapted from Cantor et al. (2012) was applied. The scale consists of 4 items oriented at measuring the degree of emotional commitment to sustainability principles and activities. To measure the employees' awareness originally developed 3-item 7-point Likert scale that evaluates the employees' awareness about the basic sustainability concepts was used. For measurement the employees' sustainability behavior a 7-point Likert scale adapted from Graves et al. (2019) was applied. The scale consists of 6 items that address the employees' engagement in activities aimed at the ESG strategy realization. An exploratory factor analysis used to validate these scales, resulted, as expected, in three factors: employees' commitment, employees' awareness and employees' behavior. The scale reliability analysis resulted in a Cronbach's alfa of 0.966 for employees' commitment, 0.935 for employees' awareness and 0.976 employees' behavior.

2.5. Calibration of casual conditions and outcome variable

Calibration is a crucial step for conducting the fsQCA which requires well thought approach to the choice of thresholds. For the outcome variables, named corporate ESG performance, environmental performance, social performance, and governance performance, that were measured on the ranking scale, the thresholds were set based on the prior knowledge and the methodology of assignment to a rating class of RAEX Europe ESG rating of Russian companies. This methodology implies that there are nine rating classes that form 3 rating bands in the ESG rating: A-rating band (above average), B-rating band (average) and C-rating band (below average).

In May 2024, the ESG ranking included 160 companies (RAEX Expert RA Europe, 2024). Thus, for all 4 outcome variables the same thresholds were used. The full belonging to the set of high performing companies were assigned for the companies taking positions from the 1st to 35th. Contrary, 124 was set up as a lower threshold to treat the companies that show low ESG performance. A crossover point for these variables was estimated at the level of 80th place. These thresholds logically reflect the level of ESG performance considering the nature of measurement of the outcome variables.

All variables that represent casual conditions and measured by a 7-point Likert scale were assigned similar thresholds following Pappas et al. (2016), Dikova and Veselova (2021). Thus, 6 was set up as a threshold of a full membership in the set of high engagement/ support/ awareness/ behavior, 2 was set as a threshold of a full non-membership in the set. 4 was set as a cross-over point for neither being in the set nor out the set.

3. Results

Following Ragin's (2008) recommendations, a frequency cutoff of 1 and a consistency cutoff of 0.8 were fixed. 4 models with respective desired outcomes were tested with fsQCA. Outcome 1 identified the configurations of internal drivers of overall ESG performance. Outcome 2 revealed configurations for environmental dimension of ESG performance. Outcome 3 identified configurations for social dimension of ESG performance. Outcome 4 generated configurations of drivers for governance dimension of ESG performance. For all models a "parsimonious" solution formed core conditions for obtaining desired outcomes, while "intermediate" solutions identified sufficient conditions for high ESG performance. Configurations for each outcome are presented in **Table 1**.

Table 1. The results of the fsQCA analysis.

Structural characteristics and contingency factors	**Configurations**								
	Overall ESG performance (Outcome 1)		**Environmental aspect of ESG performance (Outcome 2)**			**Social aspect of ESG performance (Outcome3)**		**Governance aspect of ESG performance (Outcome 4)**	
	1	**2**	**1**	**2**	**3**	**1**	**2**	**1**	**2**
Top management commitment	●	●	●	●	●	●	●	●	●
Line management support		●		●	●		●		●
Employees' commitment	⊗		⊗	⊗		⊗		⊗	
Employees awareness	⊗	●	⊗		●	⊗	●	⊗	●
Employees' behavior	⊗	●	⊗	●	●	⊗	●	⊗	●
Consistency	0.969	0.943	0.957	0.890	0.916	0.941	0.876	0.959	0.924
Raw coverage	0.307	0.497	0.306	0.567	0.488	0.306	0.475	0.311	0.500
Unique coverage	0.239	0.429	0.204	0.059	0.009	0.236	0.404	0.242	0.430
Overall solution coverage	0.735398		0.780662			0.710191		0.741262	
Overall solution consistency	0.953529		0.902225			0.895582		0.93689	

Note: ●—presence of core condition, ⊗—lack of core condition; •—presence of peripheral condition, ⊗—lack of peripheral condition.

The "parsimonious solution" provides 2 core conditions for the overall ESG performance, for social and governance dimensions of ESG performance (Outcome 1, Outcome 3 and Outcome 4). It means that Russian companies that show high overall ESG performance, as well as high performance by social and governance dimensions, are characterized by one of the "necessary" conditions: high top management commitment to sustainability and low employees' commitment to sustainability or high employees' awareness about sustainability. The overall solution coverage for Outcome 1 is 0.735 and overall solution consistency is 0.954; for Outcome 3 the overall solution coverage is 0.710 and the overall solution consistency is 0.896; for Outcome 4 the overall solution coverage is 0.741 and the overall solution coverage is 0.937. For environmental aspect of ESG performance (Outcome 2) the "parsimonious" solution is formed by 1 core condition. It means that Russian companies, well performing in environmental sustainability, have top management highly committed to sustainability as a necessary condition. The overall solution coverage for Outcome 2 is 0.781 and solution consistency is 0.902.

On the next stage of models testing, "intermediate" solutions for each models identified sufficient conditions for Russian companies that highly perform in sustainability. The "intermediate solution" provided 2 configurations for Outcome 1, Outcome 3 and Outcome 4 and 3 configurations for Outcome 2. Configuration 1 in the Model 1 indicated that Russian companies that perform well in sustainability have a top management highly committed to sustainability and employees that are not emotionally attached to doing sustainability activities, don't have basic knowledge about sustainability and do not perform corporate activities towards sustainability. In Configuration 2 (Outcome 1), high performers in corporate sustainability have employees that are well aware about sustainable development and do corporate activities towards sustainability but they may have various levels of commitment to sustainability (from highly committed to not committed at all) highly committed to sustainability top management and line management that supports well employees' sustainability initiatives. There are similar configurations for social and governance dimensions of ESG performance (Outcome 3 and Outcome 4). Configuration 1 in Outcome 2 shows that Russian companies with high environmental performance have a highly committed to sustainability top management and employees that are not emotionally attached to doing sustainability activities, are not aware about sustainable development and do not do corporate activities towards sustainability. In Configuration 2, Russian companies that successfully implement environmental sustainability practices have a highly committed to sustainability top management, line management highly supportive to employees' sustainability activities and employees that are emotionally committed to sustainability and do the corporate sustainability activities within the company, they can be aware or not about sustainable development. Configuration 3 presents Russian companies that perform well in environmental sustainability and have a highly committed to sustainability top management, line management that supports employees' sustainability activities and employees that are aware about sustainability and do the corporate activities towards sustainability, they may or may not have commitment to sustainability.

Thus, generally, there can be identified two generic profiles of Russian companies that successfully implement sustainability strategy. The first profile of high ESG performers are companies with classical authoritarian corporate culture that implies that managers on higher organizational positions have higher power and authority in a company and employees should just follow orders from above. The second profile implies having a more inclusive corporate culture that encourages employees' initiative and good collaboration between various hierarchical organizational positions.

4. Discussion

A recent literature review identified that most papers on internal stakeholders and corporate sustainability are focused on the role of employees, while other categories of internal stakeholders are mostly neglected (Fobbe and Hilletofth, 2021). Moreover, most research tries to identify incentives that motivate employees to be involved into corporate sustainability practices e.g., Merriman et al. (2016), taken for granted crucial role of such engagement. Furthermore, to our knowledge there is no prior research that considers how different internal stakeholders jointly impact a company's ESG performance considering their potentially different interests within the company. Hence, this research fills this gap and makes the first attempt to analyze different types of interplays between different groups of internal stakeholders that bring about desirable corporate ESG performance in Russian companies. Basing initial theoretical arguments on core ideas of the stakeholder and organizational support theories the study employs configuration approach to overcome the limitations of existing studies that look at linear relations between pairs of factors and, instead, explores the joint effect of internal stakeholders engagement into sustainability.

The research outcomes revealed two profiles of Russian companies that perform well in corporate ESG: companies with traditional authoritarian corporate culture and companies with good collaboration between hierarchical organizational positions. It means that for successful ESG performance Russian companies need to meet one of these conditions: high top management commitment to sustainability and low employees' commitment to sustainability or high employees' awareness about sustainable development. Hence, the study identifies two polar ways to achieve high ESG performance. The first one is a top-down top management-driven approach which is quite typical for large companies at the very beginning of their sustainability journey. As this approach is more deterministic and not based on shared vision it requires sufficient resources for monitoring of proper implementation of ESG practices often using "carrot and stick method". The top-down approach was found to be effective by prior studies e.g., Epstein et al. (2010), Kiron et al. (2017), Kiesnere and Baumgartner (2019), however, most studies emphasize the necessity for other stakeholders engagement (Epstein, 2008). The second approach is more widely promoted in the literature as it assumes shared values, self-initiated positive actions for sustainability from both employees and management team (Ramus, 2001). The specifics of obtained configurations of this type is related to the lack of requirement for employees' commitment, keeping requirements for employees' awareness and behavior. In practice, it makes a set of initiatives towards employees more apparent and traditional. It is much clearer how to inform about ESG and stimulate specific actions, than to form psychological attachment. The composition of both profiles can be explained by context specificity, namely Russian cultural norms and values that affect strongly corporate culture of Russian companies. The first profile can be explained by such Russian cultural peculiarities as high power distance and collectivism (Balykina, 2013; Hofstede Insights, 2021), while the second profile can be explained by such cultural peculiarity as long-term orientation (Hofstede Insights, 2021). Our findings partly contradict existing research that states that there is a linear positive relation between employee engagement and ESG performance of a company as we confirm that there are different paths towards desired ESG results.

It should be noted that the topic of corporate sustainability gains more importance for scholars and business practitioners. However, there is a lack of studies investigating internal drivers of successful implementation of a sustainability strategy by Russian companies. Firstly, this paper extends the corporate sustainability literature by investigating situation in emerging markets. Secondly, the research contributes to the stakeholder literature by revealing the important role of top management commitment to sustainability and employees' awareness about sustainability in sustainability strategy realization. Thirdly, this study contributes to organizational support literature by identifying the importance of line management support and employees' sustainability behavior in a corporate culture with good collaboration between hierarchical organizational positions. The paper has managerial implications for large Russian companies: understanding the necessary conditions for successful sustainability strategy realization allows managers to change the internal environment of their companies for better performance in corporate sustainability that will lead to obtaining long-term competitive advantages. Moreover, this understanding can be useful for large companies from emerging markets that implement a sustainability strategy as they can have similar business environment.

This research has some limitations. The main limitation of the study implies that the outcomes cannot be fully generalized to all Russian companies because the sample includes only large Russian companies that disclose the information about their sustainability initiatives and participate in RAEX Europe ESG ranking of Russian companies. However, more and more smaller size companies integrate ESG agenda into their strategies which require wider coverage and more diversity in the sample for better generalization. Another limitation relates to the vague boundaries and challenges in the operationalization of the notions of awareness, commitment and behavior. Thus, more in-depth investigation of the mechanisms

In future research it is necessary to investigate the role of corporate boards in the ESG strategy realization by Russian companies as a corporate board, being an important internal stakeholder, manages the external stakeholders' pressures and reduces an information asymmetry between shareholders and management (Nguyen et al., 2021). Moreover, there is a research potential for consideration of internal (characteristics of the internal stakeholders and corporate board) and external (external stakeholders and institutional pressures) factors of corporate sustainability together to obtain a holistic picture about the impact of various drivers on the successful implementation of a sustainability strategy by Russian companies.

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