

ABSTRACTS

Sustainability has become a major topic of discussions in the business community and business leaders play a significant role in the formation of corporate strategy, leading to investment decisions and the establishment of a portfolio of sustainable investment. Despite extensive research on leadership theory in general and specifically on Transformational Leadership, coverage around leadership style in sustainable investing (SI) remains scarce. This study leverages a unique method to study a global phenomenon by using social media data to identify reasons for investment decision and specific styles demonstrated by leaders of the world's top investment management firms when driving sustainable investing. The study finds that Intellectual Stimulation is the dominant characteristic under the Transformational Leadership theory demonstrated by the leaders, while Upholding Commitment is proposed as an addition to the Transformational Leadership component listed in the Multifactor Leadership Questionnaire (MLQ). There are four reasons for SI decision i.e., (1) climate change, (2) stakeholders' demand alignment, (3) risk – performance consideration, and (4) value alignment. A new phenomenon proposed to be called as “The Reversed Gresham's Law in Investment” is introduced.

Keywords: Sustainable Investing, Transformational Leadership, Leadership Style, Social

Media

