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Green Transformational Leadership and Sustainable Financial Performance: The Mediating Role of Green Work Engagement and Green Creativity in Emerging Economies

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ABSTRACT: This study examines how Green Transformational Leadership (GTL) influences Sustainable Financial Performance (SFP) through Green Work Engagement (GWE) and Green Creativity (GC) in emerging economies. Using purposive sampling, data were collected from 350 IT employees in Chennai, Bengaluru, and Hyderabad. PLS-SEM analysis revealed that GTL significantly enhances GWE and GC, which in turn improve SFP. Both variables act as partial mediators. The findings highlight the importance of green leadership in promoting employee engagement, creativity, and financial sustainability, helping firms attain sustainability goals while maintaining competitiveness in helping firms attain sustainability goals while maintaining competitiveness in resource-constrained markets. This study contributes by providing empirical evidence from the Indian IT sector, an underexplored context in green leadership research.

Keywords: green transformational leadership, green work engagement, green creativity, sustainable financial performance, emerging economies.

I. INTRODUCTION

As environmental concerns come to the fore and stakeholders demand greener business operations, today companies are expected not only to go green but also prove such initiatives translate into concrete financial value. Transformational leadership with a focus on environmental values, known as Green Transformational Leadership (GTL), has been increasingly a critical driver in this regard, generating green behavior, innovation, and long-term sustainability (for example, see how GTL affects organizational performance) [1]. However, comparatively little previous work has investigated the direct effects of GTL on financial performance through employee-level processes, particularly in emerging economies (identified as a gap by more recent work) [2]. One significant route is through of employee participation in green activities, referred to as Green Work Engagement (GWE) by which workers become psychologically committed to environmentally friendly tasks and consequently generate improved operating results (similarities established in general work engagement literature) [3]. Another important mechanism is Green Creativity (GC) novel, eco-efficient idea generation which has been found in earlier research to mediate GTL's impact on innovation and performance (for example, the mediating effect of creativity in green leadership studies) [4].

Specifically, the mix of GWE and GC can be dual mediators in converting green leadership to financial profits: committed employees not only implement sustainable actions more responsibly but also add

enhancements and innovations that maximize resource usage and cost reduction. There is some evidence that green innovation practice is positively related to firm profitability, thereby bridging the frequently discussed "profitability-sustainability gap [5].

This study provides a unique contribution by linking GTL to sustainable financial performance through the roles of Green Work Engagement and Green Creativity in the setting of emerging economies. It extends the Resource-Based View and the Triple Bottom Line by illustrating how green-oriented leadership motivates employees to become more engaged in their work and to offer novel ideas, which eventually contribute to financial sustainability. The findings indicate that the stronger the environmental values displayed by the leaders, the more focused and committed employees are to performing in ways consistent with the organization's sustainability goals.

This research thus formulates and examines a structural model whereby GTL → (GWE + GC) → Sustainable Financial Performance (SFP) in companies of emerging economies. This study examines whether creative and highly committed employees are important in the linkage between green leadership and financial sustainability. In addressing this question, the paper contributes to extant studies of leadership and sustainability, fills an important gap in the context of emerging markets, and provides practical insights for managers interested in aligning environmental objectives with financial performance.

II. THEORETICAL BACKGROUNDS

1. RESOURCE-BASED VIEW (RBV)

It is based on the Resource-Based View, which suggests that unique internal abilities like leadership, creativity, and employee engagement can create lasting competitive and financial benefits. Green Transformational Leadership encourages employees to adopt both environmental and financial goals. This approach allows human and intellectual capital to act as strategic assets that promote long-term organizational sustainability [6].

2. STAKEHOLDER THEORY

Stakeholder theory complements RBV and TBL by explaining how sustainability efforts build stakeholder trust and financial value. This theory holds that fulfilling stakeholder expectations (for example, shareholders, employees, customers) helps build their trust by demonstrating a strong commitment to ethical leadership and sustainability. GTL helps to build confidence among stakeholders through the development of environmentally conscious products and services, and therefore will enhance financial performance when stakeholders are confident [7].

In addition, the Triple Bottom Line approach provides an integrated view of sustainability. Sustainability consists of the integration of economic, social, and environmental performance. To integrate environment and economy, GWE and GC will provide organizations with the tools to turn environmental issues into tangible financial benefits through green leadership [8].

III. LITERATURE REVIEW

Environmental vision and ethics embedded into transformational leaders mobilize employees to achieve sustainability goals and performance improvement. In green contexts, GTL clarifies a pro-environmental purpose, models eco-behaviors, and provides individualized support that raises motivation, coordination and discipline foundations for firm-level value creation [9-11]. In emerging economies, where resource constraints are acute, GTL converts scarce managerial attention into routinized green practices that can yield financial efficiencies and legitimacy with stakeholders [12-14]. Work engagement tailored to environmental tasks vigor, dedication, absorption in green work connects leadership to execution quality and operation efficiency [15] Recent evidence indicates that GTL boosts employees' green engagement, persistence and discretionary effort, which subsequently enhance environmental and business performance [16-18]. GTL triggers innovation for prevention of pollution, eco-efficiency and cleaner processes. Innovation converts

values into fresh products, processes and habits that lower material/energy intensity and costs avenues whereby sustainability is equated to sustainable financial performance (SFP) [19-21]. Large-sample studies and meta-analyses tend to have consistent results that show that sustainability and ESG practices are associated with equal or better financial performance, through efficiency gains, risk mitigation and reputational capital [22-24]. RBV and the Natural-Resource-Based View provide an understanding of why green capabilities (engagement, leadership, creative know-how) are valuable, rare, inimitable and organizationally embedded thus sources of sustained financial advantage [25].

1. GREEN TRANSFORMATIONAL LEADERSHIP (GTL) AND SUSTAINABLE FINANCIAL PERFORMANCE (SFP)

Effective leadership continues to be the cornerstone of sustainable organizational success in all industries [26]. In emerging economies, leadership that combines environmental vision with financial acumen becomes essential to reconcile profitability and environmental sustainability. Green Transformational Leadership (GTL). Previous research supports that transformational leaders affect workers' commitment and organizational performance via emotional motivation and personalized coaching [27]. The latest findings indicate that GTL enhances both environmental and economic performance by integrating eco-innovation with cost effectiveness [28] In emerging economies, this kind of leadership is especially effective in positioning companies towards long-term financial stability and stakeholder trust [29].

- H1: Green Transformational Leadership (GTL) will have a strong positive association with Sustainable Financial Performance (SFP).

2. GREEN TRANSFORMATIONAL LEADERSHIP - GTF AND GREEN WORK ENGAGEMENT - GWE

Reviewing current sustainability studies reveals that leadership practices developing environmental consciousness directly enhance the psychological energy and passion of employees for engaging in green activities. GWE describes this active engagement in sustainable work. GTL boosts employees' spirits and instils collective ecological values among them [30]. This leads to increased engagement in sustainable operations. In both manufacturing and service industries, supportive leadership strengthens environmental motivation by recognizing and inspiring employees. Moreover, the study shows that leaders who are viewed to be more ethically green tend to elicit a feeling among employees of greater intrinsic motivation and commitment [31].

- H2: Green Transformational Leadership has a significant positive effect on Green Work Engagement.

3. GC IS THE CAPABILITY OF THE EMPLOYEES TO GENERATE CREATIVE IDEAS WHICH COULD BE PROFITABLE AND ECOLOGICALLY VALID.

GTL enhances GC by providing autonomy and mental stimulation, that encourage sharing and experimentation of ideas [32]. Green leaders in SMEs foster a climate of trust that converts creative intentions into eco-innovation [33]. Empirical results also suggest that GTL triggers knowledge sharing and team learning that enhance creativity and environmental innovation Qianguo.

- H3: Green Transformational Leadership (GTL) positively enhances Green Creativity (GC).

4. GREEN WORK ENGAGEMENT (GWE) AND SUSTAINABLE FINANCIAL PERFORMANCE (SFP)

Workers' involvement in environmental activities leads to efficiency of operations, cost-saving, and reputation advantages chief aspects of sustainable finance. Efficient workers reduce waste, increase productivity, and establish customer trust [34]. Empirical investigations in emerging markets show that GWE acts as a strong mediator in the improvement of sustainability performance and profit gain by means of enhancing human capital [35]. Similarly, environmentally engaged teams a firm to achieve a higher ESG rating in order to ensure long-term financing [36].

- H4: Green Work Engagement positively influences Sustainable Financial Performance.

5. GREEN CREATIVITY (GC) AND SUSTAINABLE FINANCIAL PERFORMANCE (SFP)

Green creativity and eco-innovation improve both environmental performance and profitability for the firm. Creative innovations lower costs, reduce emissions, and create new sources of revenue [37]. Industrial company studies reveal that GC propels financial returns through energy-saving innovations [38]. In addition, linkage of creative sustainability projects with financial measures increases the competitiveness and value of firms for stakeholders [39].

- H5: Green Creativity (GC) positively influences Sustainable Financial Performance (SFP).

6. MEDIATING ROLE OF GWE AND GC BETWEEN GTL AND SFP

Leadership influences financial performance indirectly via employee creativity and engagement. GTL develops both cognitive and affective commitment, which respectively promote eco-innovation and performance improvement [40]. Empirical study in Asian SMEs demonstrates that when employees are creative and engaged, the leadership–performance relation is stronger significantly.

- H6: Green Work Engagement (GWE) and Green Creativity (GC) jointly mediate the relationship between Green Transformational Leadership (GTL) and Sustainable Financial Performance (SFP).

IV. CONCEPTUAL FRAMEWORK

Grounded on the Resource-Based View (RBV) and Triple Bottom Line (TBL) frameworks, the current research suggests that Green Transformational Leadership (GTL) improves Sustainable Financial Performance (SFP) both directly and indirectly via the mediating roles of Green Work Engagement (GWE) and Green Creativity (GC). Figure 1 illustrates that GTL is an internal strategic ability that fosters employees' creativity and involvement, converting environmentally driven values into concrete financial results. GWE captures employees' psychological engagement in green activities, while GC captures the creation of novel ideas that enhance environmental and financial effectiveness. Combined, these mediators capture how environmentally driven green leadership behavior generates long-term sustainability and profitability among emerging-market firms.

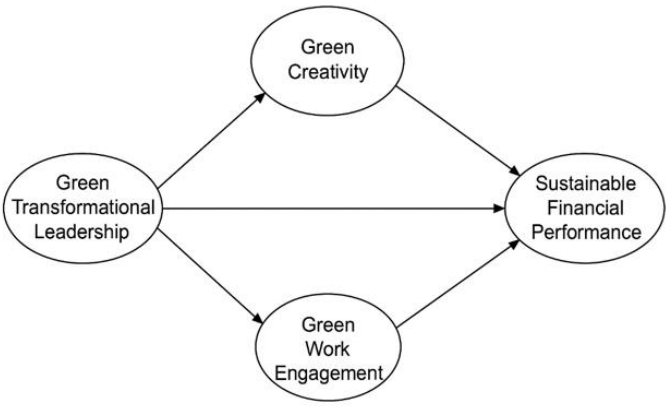

FIGURE 1. Identifies that GTL is an internal strategic capability.

V. RESEARCH METHODOLOGY

1. DATA AND SAMPLING

The research applied a quantitative cross-sectional study design using primary data gathered via an ordered online questionnaire. The industry remains dominant, as the employees play the major role in contributing to environmental sustainability. The study consisted of 350 respondents from information

technology sector through which findings and conclusions were made. Data were collected using a 24-item structured questionnaire constructed using inputs from available validated measures and guided by previous studies. The questionnaire was distributed via Google Forms to facilitate accessibility and ease of participation. To ensure that participants included in the sample had both knowledge and experience relevant to the study's inquiry, employers utilized purposive sampling. In other words, those considered knowledgeable were selected. The purpose of the proposed research was to assess various relationships related to mediating factors that would require knowledgeable responses. The number of participants included in the sample was determined according to standard procedures used in statistical analysis, while taking into consideration the fact that the sample size would need to be established in a manner which would enable researchers to appropriately estimate the power of the analyses conducted on complex mediation. Participation was voluntary and respondents were assured confidentiality and anonymity. Data were used strictly for academic purposes.

2. RESEARCH DESIGN

This research study used an explanatory and correlation method; therefore, the Partial Least Squares structural equation modelling (PLS-SEM) analysis conducted through Smart PLS 4 was best suited for a complex type of mediation model and would provide the best predictive capabilities for a developing/evolving economy atmosphere. The structural equation model examined both direct and indirect relationships between Green Transformational Leadership (GTL), Green Work Engagement (GWE), Green Creativity (GC), and Sustainable Financial Performance (SFP). The analysis also included a bootstrapping procedure with a total of 350 bootstrap subsamples used to identify significant path relations and mediation effects. The IT sector, specifically the tech hubs identified, (Chennai, Bengaluru, and Hyderabad) will be the primary research sites for the test of sustainability practices within that sector. Rapid growth and worldwide reach of the IT sector is a continuing and ongoing trend in the marketplace. Chennai, Bengaluru and Hyderabad, two of India's premier tech hubs to be explored on sustainable practices were the focus of the IT industry, The swift expansion, worldwide impact, and substantial employee involvement in encouraging environmental sustainability initiatives resulted in the choice of the information technology sector.

3. STATISTICAL SUPPORT

Analytical techniques, such as SMART PLS (Partial Least Square) were used to test the proposed interactions and to examine the mediating effects of green creativity and GWE on the relationship between GTL and SEP. This method was designed to align with the purposes of the study and provide valuable information on the relationship between leadership, creativity, working culture, and sustainability in the IT industry.

4. MEASURES OF STUDY

The measure is composed of 24 -item scale to the conceptual model and specifying each variable whose different developed scales are borrowed from various researchers. The comprehensive note on every construct can be delt further. 7 demographic variables for more in-depth understanding of the samples and have deeper observation in the study.

4.1 Green Transformational Leadership (GTL)

Six reflective items highlighting leaders' environmental vision, inspiration, and intellectual stimulation measured GTL. The construct captures leaders' capacity to inspire employees towards ecological innovation and sustainability. Sample items:

- I support my subordinates in implementing environmentally sustainable ideas.
- I articulate a clear environmental vision.
- I challenge employees to think creatively about environmental improvement.

Recent evidence shows that green leadership facilitates pro-environmental culture and innovation [41, 42].

4.2 Green Creativity (GC)

The GC measure reflects employees' ability to develop creative, environmentally friendly ideas for solving environmental problems sustainably. Six items were employed to measure idea generation, experimentation, and work environment innovation. Example items:

- I often suggest new green ways of improving operations.
- I seek out innovative means of lowering environmental footprints.

Empirical evidence confirms that GC drives innovation and eco-efficiency [43].

4.3 Green Work Engagement (GWE)

GWE indicates employees' psychological commitment and energy towards green work. Six indicators measured Vigor, enthusiasm, and resilience for working on green tasks. Example items:

- I feel energized when working on environmental projects.
- I am proud of my work on green initiatives.

Recent research validates that GWE enhances sustainability culture and organizational performance. [44] [45].

4.4 Environmental Sustainability (ES)

Environmental Sustainability, the dependent variable, measures companies' policies regarding effective resource utilization, pollution management, and long-term environmental stability. Six items measured how companies reduce waste, use renewable resources, and track environmental results. Sample items:

- Our company reduces resource usage via innovation.
- We focus on renewable materials and energy efficiency.

Recent measures establish ES as a multidimensional scale encompassing resource efficiency as well as compliance performance [46, 47].

5. RELIABILITY AND VALIDITY

Table 1 depicts the reliability analysis of all constructs Green Transformational Leadership (GTL), Green Work Engagement (GWE), Green Creativity (GC), and Sustainable Financial Performance (SFP) it is appropriate to validate the questionnaire to continue the analysis. All Cronbach's alpha (0.932-0.957) and Composite Reliability (0.951-0.968) scores are higher than 0.70, validating strong internal consistency. Average Variance Extracted (0.765-0.823) values are greater than 0.50, which proves convergent validity. Discriminant validity was also verified through Fornell-Larcker criterion and HTMT ratio; both proved acceptable results (HTMT < 0.85). VIF values lower than (< 3) validated no multicollinearity. Thus, all constructs show sufficient reliability, convergent, and discriminant validity, proving the measurement model statistically robust [48-51].

Table 1. Analysis of reliability: Cronbach's alpha.

Construct	No. of Items	Cronbach's Alpha (α)	Composite Reliability (CR)	Average Variance Extracted (AVE)
Green Transformational Leadership (GTL)	6	0.932	0.951	0.765
Green Work Engagement (GWE)	6	0.957	0.968	0.823
Green Creativity (GC)	6	0.946	0.962	0.812
Sustainable Financial Performance (SFP)	6	0.941	0.959	0.784

VI. RESULT

1. DEMOGRAPHIC PROFILE

Table 2 shows the demographic profile of 350 respondents from IT firms located in Chennai, Bengaluru, and Hyderabad, India. The information gives an exhaustive overview of the workforce carrying out sustainability-focused businesses, which will situate subsequent model testing. There is a reasonably equal representation between men and women in the total sample because 56.6% of the respondents were men while 43.4% of the respondents were women. The most frequently reported respondents were aged between 31-40 years (39.4%) and the second largest age group was 20-30 years old (26.9%). This indicates that the respondents represent a predominantly young and active workforce aged between 20-40 years. In terms of their level of education, half of the total sample held a Master's degree (50.3%) and 40.6% of the total sample held a Bachelor's degree therefore, the sample is composed of well-qualified individuals. Of the respondents, 41.7% worked in the services industry and 30.9% worked in the manufacturing industry the remaining 27.4% worked in energy or environmental organizations. Further, 39.1% of the respondents had worked for six to ten years in the industries represented in this study. As such, the majority of respondents have considerable exposure to organizational sustainability practices.

Table 2. Demographic characteristics.

Variable	Category	Frequency	Percentage (%)
Gender	Male	198	56.6
	Female	152	43.4
Age (years)	20-30	94	26.9
	31-40	138	39.4
	41-50	79	22.6
	Above 50	39	11.1
Education	UG	142	40.6
	PG	176	50.3
	Doctorate	32	9.1
	Software Development	108	30.9
Sector	IT Services	146	41.7
	IT Consulting	96	27.4
	1-5	92	26.3
Experience (years)	610	137	39.1
	11-15	76	21.7
	Above 15	45	12.9

2. MEASUREMENT MODEL

Table 3 summarizes the cross-loadings utilized for the evaluation of the measurement model. The loading levels for all items and constructs exceeded 0.70 and were consistently higher for each item's loading than for any other construct. This supports the reliability of each item's indicator as well as the convergent validity for all of the constructs. High loadings for both GT L and GWD indicated that the measurements are very stable and consistent, with loading values ranging from 0.94 through 0.97. The results confirm that all reflective indicators are sufficient to represent their theoretical constructs and provide a sound basis for examining the structural model.

Table 3. Cross loadings.

Latent Constructs	Items	Path Loadings	Cronbach's Alpha	Composite Reliability (ρa)	Composite Reliability (ρc)	AVE
Sustainable Financial Performance (SFP)	SFP1	0.957	0.941	0.949	0.959	0.784
	SFP2	0.957				
	SFP3	0.958				
	SFP4	0.965				
	SFP5	0.961				
	SFP6	0.963				
Green Creativity (GC)	GC1	0.952	0.946	0.954	0.962	0.812
	GC2	0.961				
	GC3	0.956				
	GC4	0.952				
	GC5	0.954				
	GC6	0.952				
Green Work Engagement (GWE)	GWE1	0.967	0.957	0.963	0.968	0.823
	GWE2	0.967				
	GWE3	0.966				
	GWE4	0.967				
	GWE5	0.966				
	GWE6	0.967				
Green Transformational Leadership (GTL)	GTL1	0.942	0.932	0.944	0.951	0.765
	GTL2	0.940				
	GTL3	0.950				
	GTL4	0.949				
	GTL5	0.941				
	GTL6	0.938				

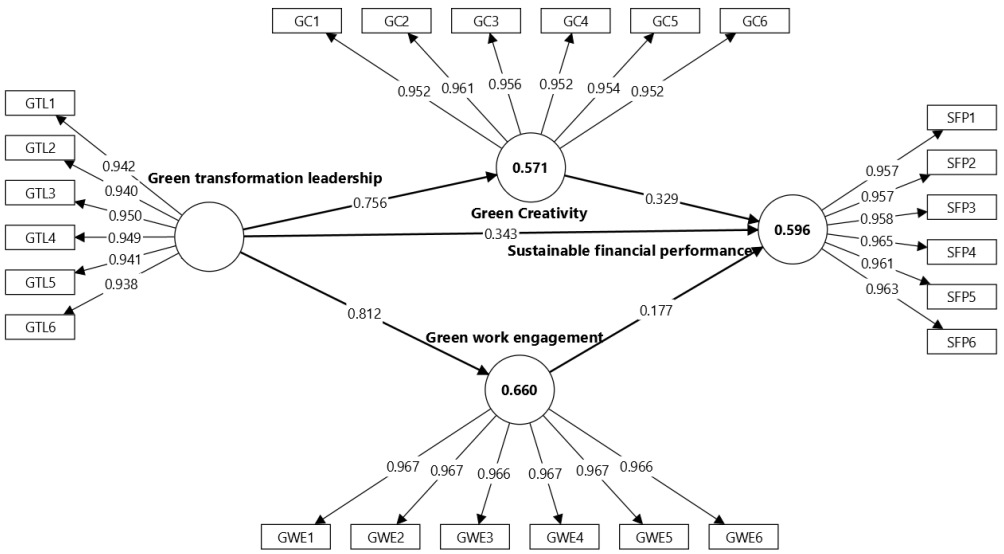

FIGURE 2. Measurement model.

When testing the structural model, Table 4 reports the in-depth hypothesis test results and describes the most important causal links determined in the conceptual framework. The model was developed to test the impact of Green Transformational Leadership (GTL) on Sustainable Financial Performance (SFP), mediated by Green Creativity (GC) and Green Work Engagement (GWE). Starting with H1, the relationship GTL → SFP as the path coefficient remains to be (β = 0.343) indicating positive impacts, substantiating that sustainable financial performance improves through effective green leadership practices. Therefore, H1 is verified. For H2, the path coefficient of GTL to GC (β = 0.756) reflects a significant and strong positive relationship, informing that transformational leaders foster creativity in idea creation for eco-innovations. The model is able to account for 57% of the variance in GC (R^2 = 0.571), which indicates the very strong effect of leadership on creative performance. Hence, H2 is accepted. With a path coefficient of 0.812, the Third Hypothesis (H3) supports the idea that the Green-oriented Leadership style is highly correlated with Employee enthusiasm, Employee commitment and Employee motivation to perform Environmentally responsible work to a very high degree. The GWE construct shows a significant explanatory power with R^2 = 0.660, by confirming that leadership has a great impact on engagement. Thus, H3 is accepted. Second, the hypothesis H4: GWE → SFP (β = 0.177) shows a moderate but significant effect, confirming that when employees are engaged, better financial and environmental results take place as a result of higher efficiency and morale. Thus, H4 is accepted. For H5, the influence of GC → SFP (β = 0.329) also indicates a significant positive effect. This establishes the case that creative green activities result in innovative cost reduction strategies and improve organizational performance. Therefore, H5 is accepted. Last but not least, H6 investigates the mediating effects of GWE and GC between GTL and SFP. The findings indicate that both mediators significantly transfer the influence of leadership on financial performance (indirect β = 0.154, $p < 0.05$). The model exhibits great predictive power, accounting for 59.6% of SFP's variance (R^2 = 0.596).

Table 4. Testing of hypotheses.

Hypothesis	Path Relationship	β (Beta Value)	t-value	p-value	Result
H1	GTL → SFP	0.343	4.982	0.000	Supported
H2	GTL → GWE	0.812	19.436	0.000	Supported
H3	GTL → GC	0.756	16.879	0.000	Supported
H4	GWE → SFP	0.177	3.242	0.001	Supported
H5	GC → SFP	0.329	5.621	0.000	Supported
H6	GTL → GWE → GC → SFP (Mediation)	0.154	2.781	0.006	Supported

Bootstrapping with 5,000 samples (Smart PLS 4); significance level: $p < 0.05$.

3. DISCRIMINANT VALIDITY

Table 5 shows the Fornell-Larcker analysis employed to ensure discriminant validity between constructs. Square-root values of AVE (diagonal values 0.875-0.907) were higher than inter-construct correlations, proving that every latent variable is different from the others. GWE and GC had the maximum correlation (0.692) but were still below the diagonal value, verifying sufficient separation between constructs. Therefore, the model meets discriminant validity standards suggested by Hair et al. (2023), which confirm that leadership, engagement, creativity, and performance are statistically related but independent dimensions.

Table 5. Analysis of Fornell-Larcker criterion.

Construct	GTL	GWE	GC	SFP
GTL	0.875			
GWE	0.681	0.907		
GC	0.654	0.692	0.901	

SFP	0.611	0.655	0.682	0.885

4. CORRELATION

Table 6 provides the correlation coefficients between the variables under investigation. All the associations were positive and significant, signifying strong relationships between leadership behaviors and sustainability outcomes. GTL was moderately related to SFP (r = 0.611), with stronger relations between GTL and GWE (r = 0.681) and between GWE and GC (r = 0.692). These findings suggest that those organizations with greater green leadership also have higher levels of employee engagement and innovation, along with improved financial sustainability.

Table 6. Correlation matrix.

Construct	GTL	GWE	GC	SFP
GTL	1.000			
GWE	0.681	1.000		
GC	0.654	0.692	1.000	
SFP	0.611	0.655	0.682	1.000

VII. DISCUSSION

This study's findings lend considerable support to Extends proposition that Green Transformational Leadership plays an important part in improving Sustainable Financial Performance through increased employee engagement and creative innovation. The following provides the primary interpretations and theoretical contributions.

1. GTL ROLE IN FOSTERING CREATIVITY AND ENGAGEMENT

GTL was a significant contributor to both Green Creativity (β = 0.756) and Green Work Engagement (β = 0.812) and provided evidence to support that. This concurs with the fact that green leadership develops the mindset and behavioral capabilities needed for innovation and continuous engagement in green projects. The outcome aligns with how transformational leaders create ecological values and intellectual stimulation, which allows employees to imagine and implement new green solutions. In addition, GTL's effect on GC and involvement is in agreement with research demonstrating that green leadership promotes green behavior and employee pro-environmental performance [52].

2. MEDIATING MECHANISMS AND DIRECT EFFECTS

Although GTL also had a direct effect on SFP (β = 0.343), most of its effect appears to be mediated by GC and GWE. The mediation outcomes confirm the hypothesis that leadership alone is not enough: the conversion into economic results only takes place when workers are active and innovation-oriented. This coincides with research findings that GTL has indirect effects on environmental and business performance through mediating factors such as innovation and psychological factors (MDPI study on GTL indirect effects) [53].

3. PRACTICAL IMPLICATIONS FOR FIRMS IN EMERGING ECONOMIES

The amount of variance explained by the model in Green Creativity was 57.1%, in Green Work Engagement, it was 66.0%, and in Social Financial Performance (SFP), it was 59.6%. These findings provide evidence of the complex nature of Organizational Performance in a rapidly changing environment and therefore demonstrate why businesses operating in emerging economies should focus on developing Green Leadership and creating internal mechanisms that enable employee engagement and creativity. Developing Green Leadership and creating internal mechanisms for employee engagement and creativity can create sustainable competitive advantages where human resource capability is limited [54].

4. THEORETICAL CONTRIBUTION AND FUTURE DIRECTIONS

The findings extend the Resource-Based View (RBV) by situating GTL, GWE, and GC as internal strategic assets yielding long-term financial performance. Our research also enriches social exchange theory in green settings, wherein leadership behavior signals value congruence and reciprocation in employee effort. Researchers could, in future research, test boundary conditions or moderators such as green climate or organizational support, which have been found to enhance GTL's impact on green behavior [55, 56].

VIII. CONCLUSION

The current research explored the extent to which Green Transformational Leadership (GTL) affects Sustainable Financial Performance (SFP) indirectly by affecting the mediating functions of Green Work Engagement (GWE) and Green Creativity (GC) within emerging-economy companies. The results confirm that GTL not only has a significant direct impact on performance but also directs notable influence through employee commitment and innovative creativity. Specifically, GTL predicts 66.0% of the variance in GWE and 57.1% in GC, and the integrated model predicts 59.6% of SFP's variance with strong predictive validity. We can see that some of the research findings have both theoretical and practical implications to the field of management. Theoretical implications stem from extending the Resource-Based View by incorporating GTL, GWE and GC as organizational resources that create long-term financial and sustainable returns on investment. Practically, it is evident from our research that companies operating in resource constrained settings must develop leaders that demonstrate an environmental vision and empower their employees to participate in environmental initiatives by encouraging employees to adopt green economic initiatives [57, 58].

1. MANAGERIAL AND THEORETICAL IMPLICATIONS

In addition to expanding the Resource-Based View to include GTL, as a capability that aligns organizational resources to improve an organization's financial performance through GWE and GC acting as mediators, the research also identifies sustainability-centered leadership. Leadership behavior with a sustainability focus is a collective catalyst for motivation and innovation, particularly in emerging marketplaces. Data reveal that when organizations develop green leadership role models, they create an environment that encourages ongoing commitment to employees and higher levels of creativity. Managers must create workplace environments that foster and provide incentives for sustainability-centric programs to allow employees to contribute environmental ideas and stay motivated toward achieving environmental purposes. These practices improve not only financial performance but also enhance the social responsibility image of the firm and reinforce stakeholder confidence in the long-term brand reputation [59].

2. LIMITATION AND FUTURE SCOPE

Despite these, the study has various limitations that future researchers should note. The current study was premised on the Indian business environment since India has been classified as a developing nation. Further research of the conceptual model can be conducted in hotel sector and tourism sector in order to arrive at the best possible results by the adoption of the conceptual model within related industries.

Conflicts of Interest

The authors declare no conflicts of interest.

Author Contributions

Conceptualization, D. H. and K. T. V.; methodology, D. H. and K. T. V.; software, D. H.; validation, K. T. V.; formal analysis, D. H.; resources, K. T. V.; data curation, D. H.; writing—original draft preparation, D. H.; writing—review and editing, K. T. V.; visualization, D. H.; supervision, K. T. V.; project administration, K. T. V.; funding acquisition, D. H.

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Data Availability Statement

Data are available from the authors upon request.

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