

# AI-Enabled Sustainable Business Practices and Employee Outcomes: An Empirical Analysis of Motivation and Engagement in Emerging Market Industries

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**ABSTRACT:-** This study examines the relationship between sustainable business practices and employee outcomes, with particular emphasis on the enabling role of Artificial Intelligence (AI). As sustainability and digital transformation become central to organizational strategy, limited research has explored how AI-enabled sustainability influences employee motivation and engagement, especially in emerging market contexts. Addressing this gap, the study employs a quantitative research design using survey data collected from 110 employees. Statistical techniques, including correlation and regression analysis, are applied to test the proposed relationships.

The findings reveal that sustainable business practices have a significant positive impact on both employee motivation and engagement. Furthermore, key organizational drivers—namely regular feedback, employee willingness, and employee satisfaction—are identified as critical factors strengthening sustainability outcomes. Importantly, the study conceptually positions AI as an enabling layer that enhances these relationships by facilitating real-time communication, continuous feedback, and data-driven decision-making.

This research contributes to the literature by integrating sustainability, human resource management, and AI within a unified framework. The findings offer practical implications for organizations seeking to improve employee performance while advancing sustainability through technology-driven strategies.

**Keywords:** Artificial Intelligence (AI); Sustainable Business Practices; Employee Engagement; Employee Motivation; Emerging Markets

## I. INTRODUCTION

In recent years, sustainability has emerged as a central pillar of global business strategy, driven by increasing environmental challenges, regulatory pressures, and stakeholder expectations. Organizations are progressively adopting sustainable business practices aligned with Environmental, Social, and Governance (ESG) frameworks to enhance long-term value creation while addressing social and environmental responsibilities. This transition is particularly significant in emerging markets, where industries such as textiles play a crucial role in economic development but are simultaneously associated with environmental degradation, resource inefficiencies, and labour-related concerns (Dad et al., 2023; Awan, Nauman and Sroufe, 2021). Consequently, sustainability is no longer considered optional but has become a strategic imperative for maintaining competitiveness and corporate legitimacy (Atta, 2024).

At the same time, rapid advancements in Artificial Intelligence (AI) are transforming organizational processes and decision-making across industries. AI technologies are increasingly utilized to optimize resource allocation, improve operational efficiency, and support sustainability initiatives. For instance, AI-driven systems enable organizations to monitor energy consumption, reduce waste, and enhance environmental performance through real-time data analytics. Furthermore, AI applications in human resource management—such as automated feedback systems, performance analytics, and employee engagement platforms—are reshaping how organizations manage, motivate, and retain their workforce (Li et al., 2023; Almahairah et al., 2024). These developments indicate a growing convergence between technological innovation and sustainable business practices.

Despite these advancements, a critical gap remains in understanding how sustainable business practices influence employee-level outcomes, particularly motivation and engagement. While existing literature has extensively explored the environmental and financial benefits of sustainability, limited attention has been given to its impact on employees, especially in emerging market contexts (Ababneh, 2021; Suliman et al., 2023). Employee motivation and engagement are widely recognized as key drivers of organizational performance, influencing productivity, innovation, and long-term commitment (Mendes et al., 2022; Chen et al., 2021). However, the mechanisms through which sustainability initiatives shape these outcomes remain insufficiently explored.

Empirical evidence suggests that sustainable business practices positively influence employee attitudes and behaviours. Employees are more likely to demonstrate higher levels of motivation and engagement when

they perceive their organization as socially responsible and aligned with environmental and societal goals (Begum et al., 2022; Mollik et al., 2026; Nusraningrum et al., 2024). Supporting this perspective, empirical findings indicate a strong positive relationship between sustainable business practices and employee motivation ( $r = 0.669$ ) as well as employee engagement ( $r = 0.660$ ). Furthermore, regression analysis highlights that factors such as regular feedback and employee willingness significantly influence the effectiveness of sustainability initiatives, while employee satisfaction plays a critical role in enhancing engagement outcomes. These findings emphasize the importance of organizational support mechanisms in fostering a sustainability-driven workplace culture.

However, the role of AI as a potential enabler in this relationship remains underexplored. AI has the capacity to enhance the implementation of sustainable practices by facilitating real-time communication, enabling continuous feedback, and providing predictive insights into employee behaviour and organizational performance. By integrating AI into sustainability strategies, organizations can develop more adaptive and data-driven systems that not only improve environmental performance but also strengthen employee motivation and engagement (Alsheref et al., 2024; Li et al., 2023). This integration is particularly relevant in emerging markets, where technological adoption can help overcome structural inefficiencies and accelerate sustainable transformation.

Against this backdrop, the present study aims to examine the impact of sustainable business practices on employee outcomes, specifically motivation and engagement, within the context of emerging market industries. In addition, the study conceptually positions AI as an enabling mechanism that can strengthen the relationship between sustainability initiatives and employee performance. By bridging the gap between sustainability, technology, and human resource management, this research contributes to the growing body of knowledge on AI-enabled sustainable business practices and offers practical insights for organizations seeking to enhance both environmental sustainability and workforce effectiveness.

## **II. LITERATURE REVIEW**

### **2.1 Sustainable Business Practices (SBP)**

Sustainable Business Practices (SBP) refer to organizational strategies that integrate environmental stewardship, social responsibility, and economic performance into core business operations. These practices are commonly conceptualized through frameworks such as Environmental, Social, and Governance (ESG) and the Triple Bottom Line (TBL), which emphasize the balance between profit, people, and the planet. ESG frameworks enable organizations to evaluate their performance across environmental impact, social responsibility, and governance structures, thereby promoting transparency and accountability in corporate activities (Mohammad and Wasiuzzaman, 2021; Saxena et al., 2022). Similarly, the Triple Bottom Line approach highlights the importance of achieving sustainable outcomes by simultaneously addressing economic viability, environmental protection, and social equity (Tjahjadi et al., 2021).

In the contemporary business environment, SBP extends beyond environmental initiatives to include workplace sustainability practices that directly influence employees. These include ethical labor practices, workplace safety, sustainability training, and employee participation in environmental initiatives (Suliman et al., 2023). Organizations that actively promote sustainability within the workplace often experience improved employee well-being, reduced turnover, and enhanced organizational reputation (Chen et al., 2021; Begum et al., 2022). Furthermore, sustainable practices such as energy efficiency, waste reduction, and responsible sourcing contribute not only to environmental performance but also to the creation of a positive organizational culture that encourages employee involvement and commitment (Rizvi and Garg, 2021).

Despite the growing adoption of SBP, challenges remain in effectively integrating sustainability into daily organizational activities, particularly in emerging markets. Factors such as limited resources, lack of awareness, and weak regulatory enforcement can hinder the successful implementation of sustainability initiatives (Awan, Nauman and Sroufe, 2021). Therefore, understanding how SBP influences internal organizational dynamics, particularly employee-related outcomes, has become an important area of research.

### **2.2 Employee Motivation and Engagement**

Employee motivation and engagement are critical determinants of organizational performance, influencing productivity, innovation, and long-term sustainability. Motivation refers to the internal and external factors that drive employees to perform their tasks with commitment and enthusiasm, while engagement represents the emotional and cognitive connection employees have with their work and organization (Mendes et al., 2022; Saxena et al., 2022). Theoretical frameworks such as Maslow's Hierarchy of Needs provide a foundation for understanding these constructs by suggesting that employees are motivated when their physiological, safety, social, esteem, and self-actualization needs are fulfilled (Rojas, Méndez and Watkins-Fassler, 2023).

In the context of sustainable business practices, employee motivation and engagement are increasingly influenced by organizational values and practices related to sustainability. Employees tend to be more motivated when they perceive their organization as socially responsible and aligned with environmental and ethical standards (Ababneh, 2021). Sustainable initiatives such as training programs, recognition systems, and participatory decision-making processes contribute to a sense of purpose and belonging among employees, thereby enhancing engagement levels (Nusraningrum et al., 2024; Mansour et al., 2023).

Empirical studies have consistently demonstrated a positive relationship between sustainability practices and employee outcomes. For instance, organizations that implement sustainability-focused HR practices, such as regular feedback and employee recognition, are more likely to foster higher levels of motivation and engagement (Begum et al., 2022; Li et al., 2023). Moreover, employee participation in sustainability initiatives has been shown to enhance job satisfaction, reduce absenteeism, and improve overall organizational performance (Yafi et al., 2021). These findings highlight the importance of integrating sustainability into human resource management strategies to achieve both organizational and employee-related objectives.

However, despite the recognized benefits, the mechanisms through which sustainability practices influence motivation and engagement remain underexplored, particularly in emerging market contexts. This gap underscores the need for further empirical research to understand the role of organizational support, communication, and employee involvement in driving sustainable outcomes.

### **2.3 AI-Enabled Sustainability**

The integration of Artificial Intelligence (AI) into business operations has introduced new opportunities for enhancing sustainability and organizational performance. AI technologies enable organizations to process large volumes of data, identify patterns, and generate predictive insights that support decision-making processes. In the context of sustainability, AI plays a crucial role in monitoring environmental performance, optimizing resource utilization, and improving operational efficiency (Li et al., 2023).

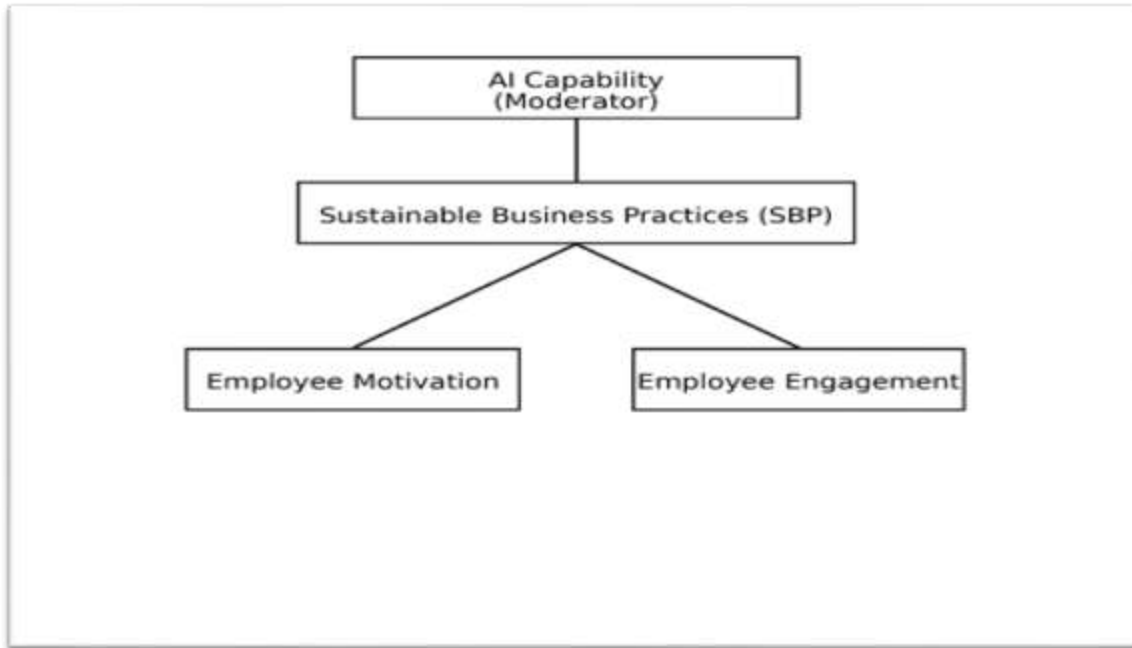
One of the key applications of AI in sustainability is in environmental monitoring and management. AI-driven systems can track energy consumption, detect inefficiencies, and provide real-time recommendations for reducing environmental impact. For example, machine learning algorithms can analyse production processes to minimize waste and improve resource efficiency, thereby supporting sustainable business practices. These capabilities are particularly valuable in industries such as textiles, where resource-intensive operations require continuous monitoring and optimization.

In addition to environmental applications, AI is increasingly being utilized in human resource management to enhance employee-related outcomes. AI-powered HR analytics enable organizations to assess employee performance, predict engagement levels, and provide personalized feedback. Automated feedback systems and digital platforms facilitate continuous communication between employees and management, thereby improving transparency and engagement (Almahairah et al., 2024). Furthermore, AI-driven tools can identify patterns in employee behaviour, enabling organizations to design targeted interventions that enhance motivation and participation in sustainability initiatives.

From a theoretical perspective, AI can be conceptualized as an enabling mechanism or moderating factor that strengthens the relationship between sustainable business practices and employee outcomes. By enhancing communication, improving decision-making, and providing data-driven insights, AI can amplify the effectiveness of sustainability initiatives and increase employee engagement and motivation. This is particularly relevant in emerging markets, where technological adoption can help overcome structural challenges and improve the implementation of sustainability strategies (Alsheref et al., 2024).

Despite its potential, the integration of AI into sustainability practices remains an emerging area of research. Existing studies have primarily focused on the technical and operational aspects of AI, with limited attention given to its role in shaping employee attitudes and behaviours. Therefore, there is a need to explore how AI-enabled sustainability practices influence employee motivation and engagement, thereby contributing to a more comprehensive understanding of the interplay between technology, sustainability, and human resource management.

To illustrate the theoretical foundation of this study, a conceptual framework is developed integrating sustainable business practices, employee outcomes, and the enabling role of Artificial Intelligence (AI). The proposed relationships between variables are presented in Figure 1.



**Figure 1. AI-Enabled Conceptual Framework**

As shown in Figure 1, sustainable business practices are hypothesized to influence employee motivation and employee engagement directly. Additionally, employee motivation and engagement are expected to reinforce sustainable business practices, indicating a reciprocal relationship. Artificial Intelligence is conceptually positioned as a moderating mechanism that enhances these relationships by enabling real-time feedback, data-driven decision-making, and improved communication within organizations.

### **III. HYPOTHESES DEVELOPMENT**

Building on the existing literature and empirical evidence, this study develops a set of hypotheses to examine the relationship between sustainable business practices and employee outcomes, while incorporating the enabling role of Artificial Intelligence (AI).

H1: Sustainable Business Practices → Employee Motivation

Sustainable business practices play a significant role in shaping employee attitudes and behaviours. Organizations that actively engage in environmental and social responsibility initiatives are more likely to foster a sense of purpose and alignment among employees. When employees perceive their organization as ethically responsible and sustainability-oriented, they tend to exhibit higher levels of intrinsic motivation. Prior studies indicate that sustainability initiatives, such as employee involvement in decision-making and ethical workplace practices, positively influence motivation by fulfilling employees' psychological and social needs.

H2: Sustainable Business Practices → Employee Engagement

Employee engagement reflects the emotional and cognitive connection employees have with their organization. Sustainable business practices contribute to this connection by creating a positive organizational image and fostering trust and commitment. Employees are more likely to engage with their work when they believe their organization contributes positively to society and the environment. Furthermore, sustainability-driven initiatives such as training, participation, and transparent communication enhance employee involvement and organizational attachment.

H3: Employee Motivation → Sustainable Business Practices

Motivated employees are more likely to actively participate in and support organizational initiatives, including sustainability practices. When employees are highly motivated, they demonstrate greater willingness to adopt sustainable behaviours, comply with environmental policies, and contribute to organizational goals. This reciprocal relationship suggests that employee motivation not only results from sustainability practices but also reinforces their successful implementation.

**H4: Employee Engagement → Sustainable Business Practices**

Employee engagement plays a crucial role in the effective implementation of sustainable business practices. Engaged employees are more committed, proactive, and aligned with organizational values, making them more likely to support sustainability initiatives. High levels of engagement lead to increased participation in sustainability programs, improved collaboration, and enhanced organizational performance. This indicates that employee engagement can act as a driver of sustainability within organizations.

**H5: Moderating Role of AI Capability**

Artificial Intelligence (AI) has emerged as a transformative tool that enhances organizational processes through data-driven decision-making and real-time analytics. In the context of sustainability, AI can strengthen the relationship between sustainable business practices and employee outcomes by enabling efficient communication, automated feedback systems, and personalized engagement strategies. AI-driven platforms allow organizations to monitor employee behavior, provide continuous feedback, and optimize sustainability initiatives, thereby amplifying their impact on motivation and engagement.

From a theoretical perspective, AI functions as a moderating (enabling) variable, enhancing the effectiveness of sustainable practices in influencing employee outcomes. This is particularly relevant in emerging markets, where technological adoption can improve the implementation and scalability of sustainability strategies.

**IV. METHODOLOGY**

**4.1 Research Design**

This study adopts a quantitative research design using a deductive approach to examine the relationships between sustainable business practices and employee outcomes. The quantitative method enables the statistical testing of hypotheses and provides objective insights into the relationships among variables. The deductive approach is appropriate as it allows the study to build on existing theories related to sustainability, employee motivation, and engagement, and to empirically test these relationships using collected data.

**4.2 Data Collection**

Primary data were collected through a structured questionnaire distributed among employees within an emerging market industry. The survey consisted of closed-ended questions measured using a Likert scale to capture respondents' perceptions of sustainable business practices, motivation, and engagement.

A total of 110 valid responses were obtained and included in the analysis. Participants were selected based on their organizational experience, ensuring that they could provide informed insights into workplace sustainability practices and employee-related outcomes. Ethical considerations, including confidentiality and voluntary participation, were strictly maintained throughout the data collection process.

**4.3 Variables Measurement**

The study examines the relationship between sustainable business practices and employee outcomes using the following variables:

- A. Independent Variable (IV): Sustainable Business Practices (SBP), measured through indicators such as environmental responsibility, organizational support, and sustainability initiatives.
- B. Dependent Variables (DV):
  - Employee Motivation
  - Employee Engagement

These variables capture employees' psychological responses, including willingness, satisfaction, and level of involvement in organizational activities.

C. Artificial Intelligence (AI):

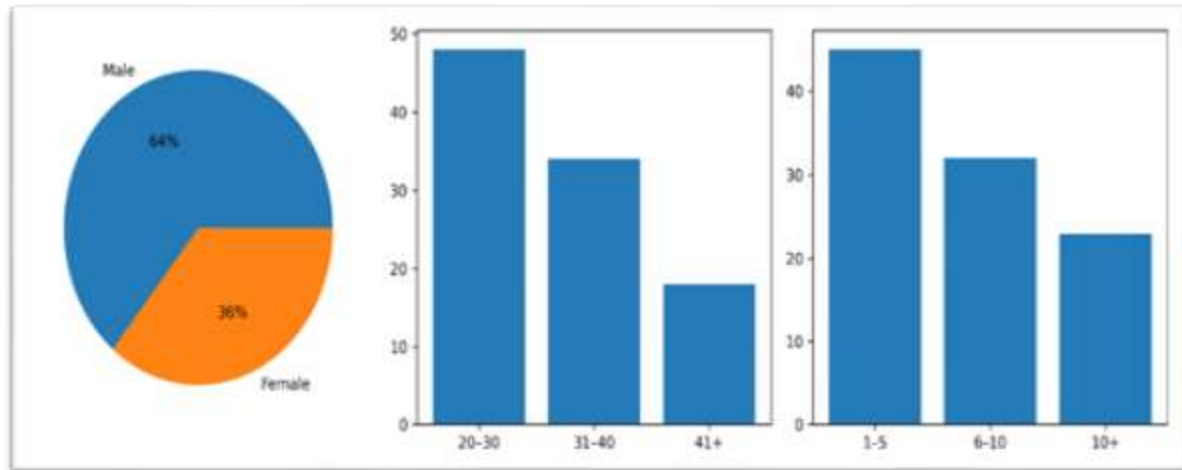
AI is incorporated as a conceptual moderating variable. Although not directly measured, AI is positioned as an enabling mechanism that strengthens the relationship between sustainable business practices and employee outcomes through enhanced analytics, feedback systems, and decision-making processes.

To examine the central tendency and variability of the key study variables, descriptive statistics were computed. The results are presented in Table 1.

**Table 1. Descriptive Statistics**

Variables	Mean	Standard Deviation
Sustainable Business Practices	3.84	0.61
Employee Motivation	3.79	0.64
Employee Engagement	3.82	0.59

As shown in Table 1, all variables report relatively high mean values, indicating positive employee perceptions of sustainable business practices, motivation, and engagement. Sustainable business practices exhibit the highest mean score ( $M = 3.84$ ), followed by employee engagement ( $M = 3.82$ ) and employee motivation ( $M = 3.79$ ). The relatively low standard deviation values across all variables suggest a high level of consistency among respondents. These findings indicate that the sampled organizations demonstrate a moderately strong adoption of sustainability practices, which is associated with favourable employee attitudes. To provide an overview of the sample characteristics, the demographic distribution of respondents is illustrated in Figure 2.



**Figure 2. Demographic Profile of Respondents**

Figure 2 presents the demographic profile of the respondents, including key attributes such as age, gender, and professional background. The distribution indicates a diverse sample, enhancing the representativeness and reliability of the study. This diversity supports the generalizability of the findings within the context of emerging market industries.

## V. RESULTS

### 5.1 Reliability Analysis

To ensure the internal consistency of the measurement scales, reliability analysis was conducted using Cronbach’s alpha. The results are presented in Table 2.

**Table 2. Reliability Analysis**

Construct	Cronbach’s Alpha
Sustainable Business Practices	0.851
Employee Motivation	0.879
Employee Engagement	0.885

Table 2 shows that all constructs demonstrate high levels of internal consistency, with Cronbach’s alpha values exceeding the recommended threshold of 0.70. Employee engagement exhibits the highest reliability ( $\alpha = 0.885$ ), followed by employee motivation ( $\alpha = 0.879$ ) and sustainable business practices ( $\alpha = 0.851$ ). These results confirm that the measurement scales used in this study are reliable and suitable for further statistical analysis.

### 5.2 Correlation Analysis

Correlation analysis was performed to examine the relationships between sustainable business practices and employee outcomes, including motivation and engagement. The results are summarized in Table 3.

**Table 3. Correlation Matrix**

Variables	SBP	Motivation	Engagement
Sustainable Business Practices	1		
Employee Motivation	0.669	1	
Employee Engagement	0.660	0.702	1

As shown in Table 3, sustainable business practices are strongly and positively correlated with employee motivation ( $r = 0.669$ ) and employee engagement ( $r = 0.660$ ). Additionally, employee motivation and

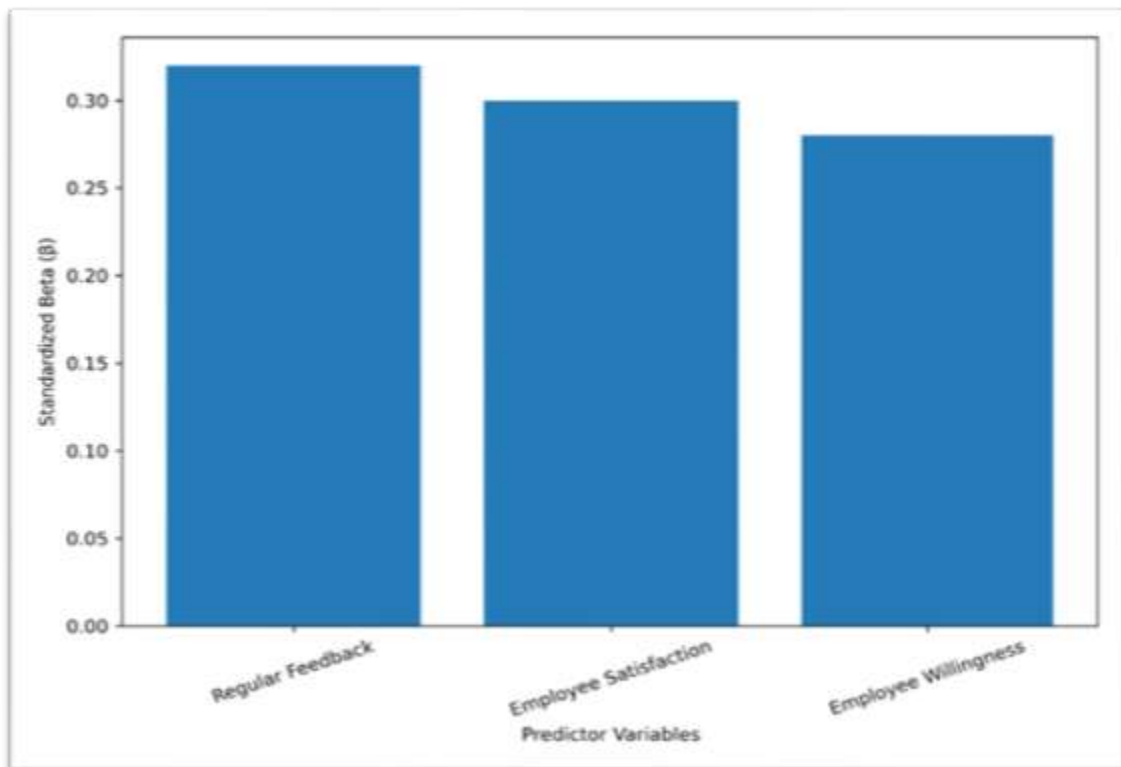
engagement exhibit a strong positive correlation ( $r = 0.702$ ), indicating that higher motivation is associated with greater engagement levels. These findings provide initial empirical support for the proposed hypotheses and suggest that sustainability practices play a significant role in shaping employee outcomes.

### 5.3 Regression Analysis

Regression analysis was conducted to identify the key factors influencing sustainable business practices and to evaluate the strength of the relationships among variables. The overall regression model was statistically significant, indicating that the independent variables explain a substantial proportion of the variance in sustainable business practices.

The model demonstrates that organizational and employee-related factors play a critical role in driving sustainability outcomes.

To examine the influence of key organizational factors on sustainable business practices, the regression results are visually presented in Figure 3.



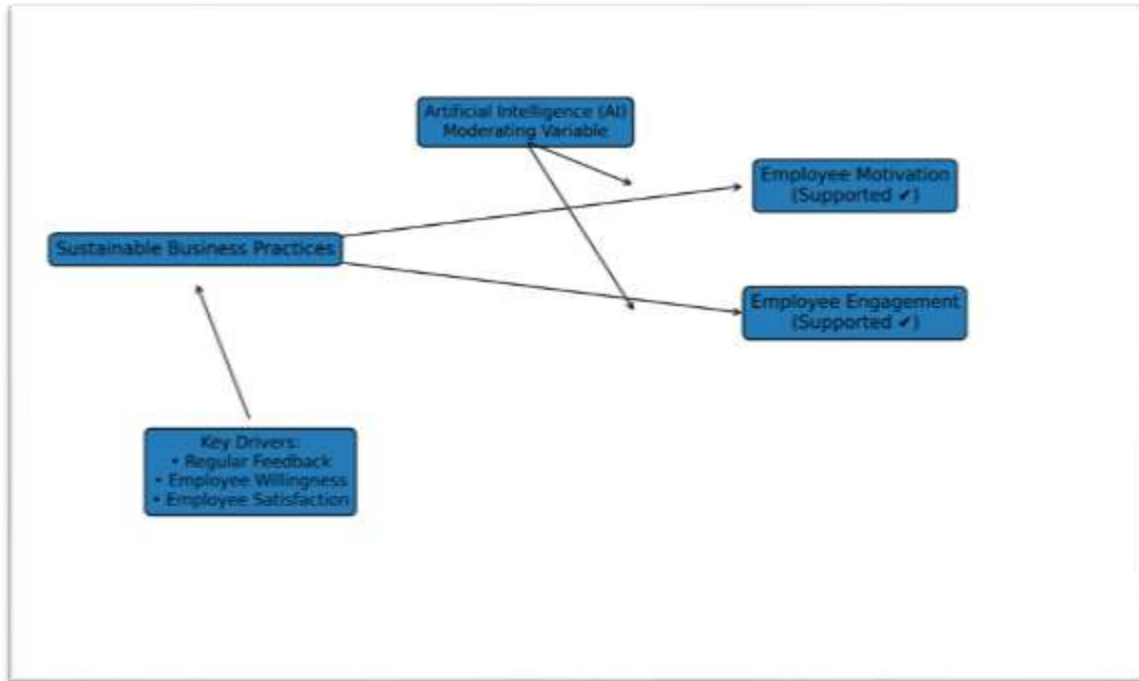
**Figure 3. Regression Results Visualization**

As illustrated in Figure 3, regular feedback emerges as the most significant predictor of sustainable business practices, followed by employee satisfaction and employee willingness. The standardized coefficients indicate that communication and employee-centered practices play a crucial role in driving sustainability outcomes. These findings suggest that organizations should prioritize continuous feedback mechanisms and employee involvement to enhance sustainability performance.

#### Role of Artificial Intelligence (AI):

Artificial Intelligence is conceptually positioned as a moderating factor that enhances the relationship between sustainable business practices and employee outcomes. AI-driven systems can facilitate real-time feedback, improve communication, and provide data-driven insights, thereby strengthening employee motivation and engagement.

Based on the empirical findings, the final validated model illustrating the relationships among the study variables is presented in Figure 4.



**Figure 4. Final Model Results.**

The figure 4 illustrates the validated relationships between sustainable business practices and employee outcomes. The results highlight the significant role of organizational factors, including regular feedback, employee willingness, and satisfaction. Artificial Intelligence is conceptually integrated as an enabling mechanism that strengthens these relationships.

## VI. DISCUSSION

The findings of this study provide strong empirical support for the relationship between sustainable business practices (SBP) and employee outcomes, particularly motivation and engagement. The results confirm that SBP has a significant and positive impact on both employee motivation and employee engagement, thereby supporting the proposed hypotheses (H1 and H2). These findings are consistent with prior studies, which suggest that organizations implementing sustainability-oriented strategies are more likely to foster a motivated and engaged workforce (Ababneh, 2021; Begum et al., 2022).

From a theoretical perspective, the results reinforce the argument that sustainability extends beyond environmental and economic dimensions to include critical human resource outcomes. Employees are more likely to be motivated when they perceive their organization as socially responsible and aligned with broader environmental and ethical values. This aligns with motivational theories, such as Maslow’s hierarchy of needs, where higher-level needs such as self-actualization and purpose are fulfilled through meaningful organizational practices (Rojas, Méndez and Watkins-Fassler, 2023). Similarly, employee engagement is enhanced when individuals feel connected to organizational values and perceive their contributions as meaningful within a sustainability-driven context (Mendes et al., 2022).

A key contribution of this study lies in identifying the specific organizational drivers that influence sustainable business practices. The regression results highlight that regular feedback, employee willingness, and employee satisfaction are significant predictors of sustainability outcomes. Among these, regular feedback emerges as the most influential factor, emphasizing the importance of continuous communication and alignment between employees and organizational goals. This finding supports existing research that highlights the role of communication and participatory management in fostering employee involvement in sustainability initiatives (Li et al., 2023; Mansour et al., 2023).

Furthermore, employee willingness and satisfaction are found to play crucial roles in strengthening sustainability practices. Willing employees are more likely to actively participate in sustainability initiatives, while satisfied employees demonstrate higher levels of commitment and organizational loyalty. These findings suggest that sustainability is not solely driven by top-down policies but also depends on employee attitudes and behavioral engagement. This aligns with previous studies indicating that employee-centered practices, such as recognition, inclusion, and empowerment, are essential for the successful implementation of sustainability strategies (Nusraningrum et al., 2024; Yafi et al., 2021).

In addition to the empirical findings, this study provides a conceptual contribution by integrating Artificial Intelligence (AI) into the sustainability framework. Although AI was not directly measured, it is positioned as an enabling mechanism that can enhance the effectiveness of sustainable business practices. AI technologies have the potential to automate feedback systems, enabling real-time communication and continuous performance monitoring. This can significantly improve employee motivation by providing timely and personalized feedback, thereby addressing one of the key drivers identified in this study.

Moreover, AI can support the tracking and analysis of sustainability-related key performance indicators (KPIs), allowing organizations to monitor progress and identify areas for improvement. By leveraging data analytics, AI can provide insights into employee behavior, engagement patterns, and organizational performance, thereby facilitating more informed decision-making. This is particularly relevant in emerging market contexts, where resource constraints and operational inefficiencies can hinder the implementation of sustainability initiatives (Alsheref et al., 2024).

Another important implication of AI integration is its ability to enhance employee engagement through advanced analytics and digital platforms. AI-driven systems can identify patterns in employee participation and engagement, enabling organizations to design targeted interventions that improve involvement in sustainability initiatives. For example, personalized engagement strategies and predictive analytics can help organizations anticipate employee needs and improve overall satisfaction and motivation.

Overall, the findings of this study highlight the importance of combining sustainable business practices with employee-centered organizational strategies and technological innovation. While sustainability initiatives provide the foundation for improving organizational performance, their effectiveness is significantly enhanced when supported by strong communication, employee involvement, and emerging technologies such as AI. This integrated approach offers a comprehensive framework for organizations seeking to achieve both sustainability and workforce-related objectives.

## **VII. THEORETICAL CONTRIBUTION**

This study makes several important contributions to the existing literature on sustainable business practices, human resource management (HRM), and emerging technologies. First, it extends the growing body of research on Environmental, Social, and Governance (ESG) and sustainable business practices by incorporating employee-level outcomes, specifically motivation and engagement. While prior studies have predominantly focused on the environmental and financial dimensions of sustainability, this research highlights the critical role of human factors in determining the effectiveness of sustainability initiatives. By empirically demonstrating the positive relationship between sustainable business practices and employee motivation and engagement, the study provides a more comprehensive understanding of sustainability as a multidimensional construct that includes organizational and behavioral perspectives.

Second, the study contributes to the HRM literature by linking sustainability practices with key employee outcomes. It emphasizes that employee motivation and engagement are not only influenced by traditional HR practices but are also significantly shaped by organizational sustainability efforts. This integration bridges the gap between sustainability and HRM, offering a novel perspective that positions employees as central drivers of sustainable organizational performance. In doing so, the study responds to recent calls in the literature for more research on the human dimension of sustainability, particularly in emerging market contexts.

Third, and most importantly, this study introduces Artificial Intelligence (AI) as an enabling layer within the sustainability framework. Unlike existing research that primarily examines AI from a technical or operational perspective, this study conceptualizes AI as a moderating mechanism that enhances the relationship between sustainable business practices and employee outcomes. By positioning AI as a tool that facilitates real-time feedback, data-driven decision-making, and enhanced communication, the study offers a novel theoretical contribution that integrates technology, sustainability, and HRM into a unified framework.

Overall, this research advances the theoretical understanding of sustainable business practices by demonstrating that their impact extends beyond environmental and economic outcomes to include significant employee-related benefits. Furthermore, by incorporating AI as an enabling factor, the study provides a forward-looking perspective that aligns with the increasing digital transformation of organizations.

## **VIII. PRACTICAL IMPLICATIONS**

The findings of this study offer several important implications for managers and practitioners seeking to enhance both sustainability performance and employee outcomes. First, organizations should recognize that sustainable business practices are not only beneficial for environmental and social outcomes but also play a critical role in improving employee motivation and engagement. Therefore, managers should actively integrate sustainability into their organizational strategies and ensure that employees are aware of and involved in sustainability initiatives.

One of the key practical insights from this study is the importance of organizational support mechanisms, particularly regular feedback, employee willingness, and satisfaction. Managers should prioritize the development of structured feedback systems that provide employees with continuous and meaningful communication regarding their performance and contributions to sustainability goals. Encouraging employee participation and fostering a culture of openness can significantly enhance engagement and motivation.

In addition, organizations should leverage Artificial Intelligence (AI) to strengthen the implementation of sustainable business practices. AI-powered tools can be used to automate feedback systems, enabling real-time communication between employees and management. This can improve transparency, reduce communication gaps, and enhance employee motivation. Furthermore, AI can support employee monitoring and performance analytics, allowing organizations to identify patterns in engagement and develop targeted strategies to improve participation in sustainability initiatives.

AI technologies can also be utilized to track sustainability-related key performance indicators (KPIs), providing organizations with data-driven insights into their environmental and social performance. By integrating AI into sustainability management systems, organizations can improve decision-making, optimize resource allocation, and enhance overall efficiency. This is particularly beneficial in emerging markets, where resource constraints and operational inefficiencies may pose challenges to sustainability implementation.

Finally, organizations should focus on improving communication and sustainability awareness among employees. Training programs, awareness campaigns, and participatory initiatives can help employees understand the importance of sustainability and their role in achieving organizational goals. By fostering a culture that values sustainability and innovation, organizations can create a more engaged and motivated workforce while simultaneously enhancing their sustainability performance.

## **IX. CONCLUSION**

This study set out to examine the impact of sustainable business practices (SBP) on employee outcomes, specifically motivation and engagement, within the context of emerging market industries. The findings provide strong empirical evidence that SBP significantly enhances both employee motivation and engagement, highlighting the importance of integrating sustainability into core organizational strategies. Employees are more likely to feel motivated and engaged when they perceive their organization as socially responsible and aligned with environmental and ethical values.

The study also identifies key organizational drivers—namely regular feedback, employee willingness, and employee satisfaction—as critical factors influencing the effectiveness of sustainable business practices. These findings underscore the importance of employee-centered approaches in achieving sustainability objectives, suggesting that organizational success in sustainability is closely linked to workforce engagement and participation.

In addition, this research introduces Artificial Intelligence (AI) as an enabling mechanism that enhances the implementation of sustainable business practices. Although not empirically tested, AI is conceptually positioned as a tool that can improve communication, automate feedback systems, and provide data-driven insights into employee behaviour and organizational performance. This highlights the growing importance of integrating technological innovation with sustainability strategies to maximize organizational outcomes.

Overall, the study contributes to the understanding that sustainable business practices are not only beneficial for environmental and social outcomes but also play a significant role in improving employee-related performance. These insights are particularly relevant for emerging markets, where sustainability challenges are more pronounced and where the adoption of AI can help overcome structural and operational limitations. By combining sustainability, human resource management, and technological innovation, organizations can achieve a more holistic and effective approach to long-term success.

## **X. LIMITATIONS**

Despite its contributions, this study has several limitations that should be acknowledged. First, the research is based on data collected from a single country and industry context, which may limit the generalizability of the findings to other regions or sectors. Differences in cultural, economic, and organizational environments may influence the applicability of the results.

Second, while the study conceptually integrates Artificial Intelligence (AI) as a moderating factor, it does not include direct empirical measurement of AI-related variables. As a result, the moderating role of AI is not statistically tested, and conclusions regarding its impact remain theoretical.

Additionally, the study relies on self-reported survey data, which may be subject to response bias. Although efforts were made to ensure reliability and validity, respondents' perceptions may not fully capture actual organizational practices.

## XI. FUTURE RESEARCH

Future research can build upon the findings of this study in several ways. First, there is a need for empirical studies that directly examine the role of Artificial Intelligence (AI) in sustainability and employee outcomes. Incorporating measurable AI-related variables would allow researchers to test its moderating or mediating effects more rigorously.

Second, cross-country comparative studies are recommended to enhance the generalizability of the findings. Examining different cultural and economic contexts would provide deeper insights into how sustainable business practices and employee outcomes vary across regions.

Third, future research should explore the role of sustainable business practices and AI within small and medium-sized enterprises (SMEs). Given the growing importance of SMEs in global economies, understanding how these organizations adopt sustainability and leverage AI can provide valuable practical and theoretical contributions.

Finally, longitudinal studies could be conducted to assess the long-term impact of sustainable business practices on employee outcomes, as well as the evolving role of AI in organizational transformation.

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