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Strategic Leadership for Sustainability: Leveraging Spiritual Intelligence and Intellectual Capital for SDG-Driven Business Transformation

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Abstract

This paper proposes a strategic leadership framework that integrates Spiritual Intelligence (SQ) and Intellectual Capital (IC) as intangible capabilities to drive sustainability-focused transformation. Through a systematic literature review, the study synthesises research from 2010 to 2024 to explore how SQ-driven leadership fosters ethical decision-making, collaboration, and innovation—core enablers of responsible business strategies aligned with the Sustainable Development Goals (SDGs).

The findings suggest that SQ enhances leaders' capacity to cultivate purpose-driven, ethical organisational cultures, while IC—comprising human, structural, and relational capital—serves as the operational mechanism for embedding sustainability across business systems. The proposed framework demonstrates how SQ and IC interact to support SDG 9 (Industry, Innovation, and Infrastructure), SDG 12 (Responsible Consumption and Production), and SDG 16 (Peace, Justice, and Strong Institutions).

This research contributes to the theory and practice of responsible leadership by repositioning SQ and IC as complementary levers for strategic transformation. It also provides practical guidance for organisations seeking to align intangible assets with Environmental, Social, and Governance (ESG) priorities. The study extends existing leadership and sustainability literature by offering a novel, integrative approach to achieving long-term societal and environmental value.

Keywords: strategic leadership, spiritual intelligence, intellectual capital, sustainability, SDGs, ESG, ethical governance

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Purpose:

This study aims to explore how Spiritual Intelligence (SQ), and Intellectual Capital (IC) can be integrated to help organisations achieve the Sustainable Development Goals (SDGs). It investigates how SQ-driven leadership fosters ethical decision-making, collaboration, and innovation to optimise IC for sustainability-focused strategies.

Design/methodology/approach:

Using a systematic literature review, this research synthesises empirical and theoretical studies published between 2010 and 2024. The study identifies key mechanisms through which SQ-driven leadership enhances IC at both individual and organisational levels, focusing on its alignment with Circular Economy (CE) principles, Corporate Social Responsibility (CSR), and Sustainable Development Goals (SDGs).

Findings:

The findings reveal that SQ-driven leadership promotes the effective management of IC—comprising human, structural, and relational capital—through ethical leadership and knowledge-sharing cultures. This integration supports SDG 9 (Industry, Innovation, and Infrastructure) and SDG 12 (Responsible Consumption and Production) by driving sustainable innovation and aligning organisational practices with Environmental, Social, and Governance (ESG) objectives. The framework highlights distinctions between organisational IC (collective expertise) and individual IC (leadership skills), demonstrating their combined impact on achieving sustainability goals.

Originality/value:

This study introduces a novel framework linking SQ and IC to corporate sustainability, highlighting their combined role in fostering ethical leadership and innovation. The research addresses a critical gap in the literature by exploring how these constructs interact to drive sustainable business practices, a topic that has received limited attention. Scientifically, it extends existing theories by integrating leadership, innovation, and sustainability, offering new insights into their synergy. The study is highly relevant from a managerial perspective as it provides actionable guidance for organisations seeking to align their strategies with global SDG priorities, helping them leverage intangible assets for sustainable success.

Introduction

In today's interconnected and resource-constrained global economy, organisations face growing pressure to embed sustainability into their strategic decision-making processes. The (United, 2023) estimates that achieving the Sustainable Development Goals (SDGs) by 2030 requires annual investments of $5–7 trillion, with significant funding gaps particularly in developing economies. Against this backdrop, corporate

leaders are increasingly called upon to adopt innovative, ethical, and collaborative approaches that align business objectives with global sustainability imperatives. This has catalysed a shift towards strategic leadership models that integrate environmental, social, and governance (ESG) concerns as core components of organisational success (Duque-Grisales and Aguilera-Caracuel, 2021).

Strategic leadership for sustainability extends beyond traditional economic performance metrics, requiring leaders to mobilise intangible capabilities that support ethical responsibility, innovation, and systemic resilience. In this context, Spiritual Intelligence (SQ) and Intellectual Capital (IC) emerge as critical enablers of responsible and sustainable leadership. SQ, defined as the capacity to apply inner wisdom, purpose, and ethical insight to complex decision-making, fosters organisational cultures rooted in empathy, collaboration, and long-term thinking (Fry and Egel, 2021). Simultaneously, IC—comprising human, structural, and relational capital—provides the foundation for knowledge creation, innovation, and sustainable value generation (Jiang *et al.*, 2024).

While the individual contributions of SQ and IC have been widely recognised in the literature, their synergistic integration as a framework for strategic leadership remains underexplored. This study addresses this gap by proposing a conceptual model that unites SQ and IC as complementary mechanisms for achieving sustainability-oriented outcomes. Specifically, the framework demonstrates how SQ-driven leadership enhances the development and mobilisation of IC, enabling organisations to embed ESG principles and SDG priorities into their core strategies. By leveraging these intangible assets, organisations can cultivate ethical governance, circular economy practices, and collaborative innovation ecosystems—key drivers of sustainable competitive advantage.

This research therefore contributes to the emerging discourse on responsible leadership by reconceptualising SQ and IC not as isolated constructs, but as interdependent levers for transformative impact. In doing so, the study aligns with calls for holistic leadership models that empower organisations to become proactive agents of global sustainability (Haski-Leventhal, 2022). The proposed framework has both theoretical and practical significance: it enriches the understanding of how leadership behaviour and intangible resources interact in the context of sustainability, and it offers actionable insights for managers seeking to navigate ESG complexity and SDG integration.

To this end, the study explores two research questions:

- How does SQ-driven leadership facilitate the integration of IC to foster sustainable innovation, ethical decision-making, and knowledge-sharing ecosystems within organisations?

- How does IC, particularly human capital with sustainability expertise, contribute to the achievement of SDGs, and what mechanisms enable its effective integration into sustainability-driven business strategies?

By examining these questions, the study advances a strategic leadership model that positions SQ and IC as dynamic drivers of responsible transformation and long-term value creation in pursuit of the global sustainability agenda.

Literature Review

This literature review adopts a systematic and integrative approach to critically examine the intersection of Spiritual Intelligence (SQ), Intellectual Capital (IC), and sustainability in the context of strategic leadership. The review aims to synthesise theoretical and empirical studies that explore how intangible capabilities—namely SQ and IC—can be mobilised by leaders to embed sustainability principles within organisational practices and advance the Sustainable Development Goals (SDGs). By aligning ethical leadership with knowledge-based assets, the review identifies the mechanisms through which strategic leadership can drive long-term value creation across environmental, social, and governance (ESG) dimensions.

Following the PRISMA methodology (Preferred Reporting Items for Systematic Reviews and Meta-Analyses), this review ensures methodological rigour, transparency, and reproducibility. The systematic search was conducted across four major academic databases—Scopus, Web of Science, Emerald Insight, and Google Scholar—using combinations of the keywords “Spiritual Intelligence,” “Intellectual Capital,” “Leadership,” “Sustainability,” “SDGs,” “Corporate Social Responsibility,” and “Circular Economy.” Boolean operators (AND, OR) were applied to capture studies that addressed the interplay among SQ, IC, and strategic leadership for sustainability.

Inclusion criteria were limited to peer-reviewed journal articles published between 2010 and 2024, with a clear focus on SQ, IC, responsible leadership, sustainability, or SDG-related themes. Studies that discussed the role of SQ and IC in innovation, ethics, or leadership effectiveness were prioritised. Exclusion criteria removed articles that focused solely on the financial dimensions of IC or lacked relevance to sustainability and leadership.

The purpose of this review is threefold:

1. To establish the conceptual foundations of SQ and IC as drivers of strategic leadership;
2. To explore how their integration supports organisational efforts toward sustainability and SDG implementation; and

3. To provide a basis for developing a conceptual framework that links intangible leadership capabilities to long-term sustainable transformation.

Integration of SQ, IC, and Sustainability

The integration of Spiritual Intelligence (SQ), Intellectual Capital (IC), and sustainability represents a growing area of inquiry at the intersection of strategic leadership, organisational development, and responsible governance. As organisations strive to align their strategies with the Sustainable Development Goals (SDGs), strategic leadership must increasingly focus on embedding sustainability into core business models. This necessitates the mobilisation of intangible capabilities—particularly SQ and IC—that enable leaders to inspire ethical conduct, manage knowledge, and foster innovation ecosystems that support long-term resilience (Fry and Egel, 2021).

IC, as a composite of human capital (knowledge, skills, expertise), structural capital (organisational processes and systems), and relational capital (networks and stakeholder trust), has long been recognised as a strategic resource for innovation and competitive advantage (Jiang *et al.*, 2024). In the context of sustainability, IC plays a pivotal role in driving business transformation aligned with SDG priorities, including SDG 9 (Industry, Innovation, and Infrastructure) and SDG 12 (Responsible Consumption and Production) (Iazzolino *et al.*, 2023). Human capital, in particular, contributes to the advancement of sustainable innovations and organisational learning, while relational capital enables cross-sectoral collaboration and knowledge exchange—essential for achieving circular economy outcomes and ESG compliance (Morea, Iazzolino, and Piatera, 2017).

Concurrently, SQ is emerging as a critical leadership competency that empowers individuals to act with ethical clarity, purpose, and long-term perspective. Defined as the capacity to apply inner wisdom to complex challenges, SQ fosters leadership behaviours centred on trust, empathy, and value-driven decision-making (Fry and Egel, 2021). Leaders who exhibit high levels of SQ are better positioned to inspire collective commitment to sustainability goals, promoting cultures that value ethical responsibility and innovation. As a result, SQ enables leaders to embed Corporate Social Responsibility (CSR) and ESG principles into organisational strategy (Fry and Sinclair, 2013).

Despite the increasing attention to SQ and IC as enablers of responsible organisational performance, their combined application in strategic leadership models for sustainability remains underdeveloped in the literature (Arendonk, van, and Negro, 2018). Previous studies have explored SQ largely through conceptual or spiritual leadership models, while IC has often been evaluated in terms of financial or innovation outcomes. Yet few empirical studies have examined how SQ enhances the mobilisation of IC—particularly human and relational capital—in pursuit of sustainability outcomes.

This integration offers the potential to reposition both constructs as synergistic levers within strategic leadership frameworks aimed at achieving systemic change.

Recent research supports this convergence. For example, SQ-driven leadership has been shown to influence the ethical use of human capital, fostering trust, collaboration, and sustainability-oriented decision-making (Iazzolino *et al.*, 2023). Moreover, such leadership strengthens innovation ecosystems by promoting long-term thinking and values-based governance (Messeni Petruzzelli, Albino, and Noci, 2019). These SQ competencies are vital for organisations pursuing sustainability objectives, as they enable the formation of resilient systems capable of addressing complex environmental and social challenges.

Relational capital is also amplified by SQ, as spiritually intelligent leaders foster trust-based interactions and cultivate networks that enhance collaboration within and beyond the organisation (Omeihe, 2022). This contributes to the implementation of circular economy practices, ethical supply chains, and multi-stakeholder partnerships—further reinforcing strategic alignment with the SDGs.

The reviewed literature thus confirms that SQ and IC, when integrated, can equip strategic leaders with the tools needed to address sustainability challenges more effectively. However, there remains a critical need for empirical studies that examine how this integration can be measured and applied in practice. Theoretical frameworks and longitudinal research are particularly needed to validate the proposed synergies across different organisational and cultural contexts. Such studies would advance the development of leadership development programmes that embed SQ and optimise IC for sustainable transformation.

Review of key themes

Intellectual capital and sustainable development

Intellectual Capital (IC)—comprising human, structural, and relational capital—has traditionally been associated with organisational innovation and sustained competitive advantage (Jiang *et al.*, 2024). Within the context of strategic leadership for sustainability, IC plays a foundational role by providing the knowledge infrastructure and social mechanisms necessary for embedding Environmental, Social, and Governance (ESG) principles into corporate strategy. As organisations increasingly seek to contribute to the Sustainable Development Goals (SDGs), particularly SDG 9 (Industry, Innovation and Infrastructure) and SDG 12 (Responsible Consumption and Production), IC has emerged as a critical enabler of sustainable transformation.

Human capital:

Human capital refers to the collective knowledge, expertise, and problem-solving capacity of employees. It is the most immediately accessible form of IC and central to

sustainable innovation. Leaders equipped with high levels of spiritual intelligence can strategically mobilise human capital by nurturing values-based competencies, purpose-driven engagement, and collaborative learning cultures. Studies by (Iazzolino *et al.*, 2023) demonstrate that employees with specialised knowledge in clean technologies, environmental stewardship, and responsible consumption practices are essential for translating sustainability objectives into actionable innovations. Organisations that invest in developing human capital through sustainability-focused leadership training are better positioned to meet ESG expectations and advance sustainable development initiatives.

Structural capital:

Structural capital encompasses the organisational processes, systems, technologies, and intellectual property that facilitate the efficient functioning and innovation capacity of firms. As part of strategic leadership for sustainability, structural capital supports the integration of circular economy (CE) models and responsible production practices into core operations. (Messeni Petruzzelli, Albino, and Noci, 2019) highlight that robust knowledge management systems and standardised sustainability processes allow organisations to scale environmentally responsible solutions more effectively. Leaders who embed SQ principles into organisational design are more likely to implement systems that promote ethical accountability, resource efficiency, and inclusive innovation. Furthermore, (Cabriloa, Dahms, and Tsai, 2024) emphasise that aligning structural capital with sustainability values enhances long-term operational resilience and adaptive capacity.

Relational capital:

Relational capital refers to the quality of networks, trust-based relationships, and stakeholder engagement within and beyond the organisation. It plays a pivotal role in enabling the strategic leadership necessary for sustainability-driven collaboration and knowledge exchange. According to (Morea, Iazzolino, and Piatera, 2017), relational capital facilitates co-creation with stakeholders—including suppliers, customers, communities, and policymakers—thereby enhancing an organisation's ability to participate in sustainable innovation ecosystems. For instance, firms engaged in circular economy models often rely on long-term partnerships to support resource recovery and ethical supply chains.

Strategic leaders who possess strong spiritual intelligence are more capable of cultivating high-quality relational capital. Through empathy, authenticity, and ethical intent, SQ-driven leaders foster trust and psychological safety, which are essential for open collaboration and stakeholder alignment. In doing so, they strengthen the organisation's capacity to deliver on SDG targets through inclusive and transparent governance mechanisms.

Spiritual Intelligence and leadership for sustainability

Spiritual Intelligence (SQ) has increasingly been recognised as a foundational leadership capability for addressing the complex ethical, social, and environmental demands of contemporary organisations. In the context of strategic leadership for sustainability, SQ serves as a guiding force that enables leaders to make values-based decisions, cultivate trust, and embed purpose into organisational culture and strategy. Defined as the capacity to apply inner wisdom, empathy, and ethical discernment to leadership challenges, SQ equips individuals with the ability to transcend short-term interests and align their organisations with broader societal and environmental imperatives (Fry and Egel, 2021).

Strategic leaders who demonstrate high levels of SQ are more likely to foster inclusive, collaborative, and ethically resilient organisational cultures. Such leaders integrate spiritual values—such as compassion, interconnectedness, and service—into their decision-making processes, ensuring that business strategies are guided not only by economic considerations but also by long-term ethical responsibilities. Fry and Sinclair (2013) emphasise that SQ-driven leadership is central to the development of transformational leaders who can inspire organisational change through shared purpose, intrinsic motivation, and ethical vision.

(Fry and Nisiewicz, 2013) further underscore that SQ enables transformational leadership practices by facilitating employee engagement, moral reasoning, and innovation. These qualities are essential for cultivating knowledge-sharing environments that support Corporate Social Responsibility (CSR) and the adoption of circular economy principles. Within these environments, employees are encouraged to contribute meaningfully to organisational sustainability efforts, leading to the emergence of resilient business models that integrate social and environmental concerns.

SQ has also been linked to a shift in leadership focus from short-term financial outcomes toward enduring ethical responsibility, a transition that is vital for achieving the United Nations' Sustainable Development Goals (SDGs). Leaders who possess a high degree of SQ are better equipped to embed SDG targets into their organisations' strategic objectives by aligning business operations with societal values such as justice, peace, and environmental stewardship (Omeihe, 2022). Notably, such alignment supports goals including SDG 12 (Responsible Consumption and Production) and SDG 16 (Peace, Justice, and Strong Institutions).

Moreover, the presence of SQ within leadership enhances employee commitment and organisational resilience. Cameron and Quinn (2011) observe that leaders who act with empathy and ethical purpose foster trust, inclusivity, and a sense of shared identity—factors that are critical for enabling adaptive capacity in sustainability transitions. SQ

contributes to leadership effectiveness by enabling leaders to communicate a compelling sustainability vision, address resistance to change, and embed ESG values in organisational norms and practices.

Fry and Egel (2021) further argue that SQ allows leaders to balance competing demands—such as profitability and social impact—by providing a framework for ethical decision-making grounded in spiritual purpose. This integrative capability is increasingly crucial in navigating global uncertainty, where sustainability imperatives must be reconciled with economic and operational realities. (Omeihe, 2022) supports this view, highlighting that SQ-driven leaders promote a sense of shared mission and community, reinforcing employee engagement and deepening organisational trust.

Importantly, SQ also enhances the ability of leaders to overcome institutional and cultural barriers to sustainability. By fostering moral courage, spiritual awareness, and systemic thinking, SQ empowers leaders to challenge unsustainable practices, innovate ethically, and advocate for transformational change. As such, SQ is not only a personal leadership competency but also a strategic asset that can shape organisational culture and governance models to support SDG alignment and responsible value creation.

Theoretical Framework

This study proposes a theoretical framework that positions Spiritual Intelligence (SQ) and Intellectual Capital (IC) as interrelated drivers of strategic leadership for sustainability. Drawing from a systematic literature review, the framework illustrates how SQ-driven leadership enhances the development, mobilisation, and application of IC to embed sustainability principles within organisational strategies. In doing so, it provides a foundation for aligning organisational behaviour with the Sustainable Development Goals (SDGs) and advancing Environmental, Social, and Governance (ESG) priorities.

SQ is conceptualised as a leadership capability that enables individuals to apply inner wisdom, purpose, and ethical reasoning in complex and uncertain contexts (Zohar and Marshall, 2000; Fry and Egel, 2021). Leaders with high levels of SQ foster trust, collaboration, and long-term thinking—traits that are central to transformational and values-based leadership. These leaders cultivate purpose-driven cultures that prioritise sustainable outcomes and inclusive decision-making, reinforcing the ethical underpinnings of corporate governance.

In parallel, IC is understood as the composite of human capital (knowledge, skills, and creativity), structural capital (systems, processes, and intellectual assets), and relational capital (trust-based networks and stakeholder relationships) (Jiang *et al.*, 2024); (Messeni Petruzzelli, Albino, and Noci, 2019). As a strategic resource, IC supports innovation, organisational learning, and collaboration—all of which are

essential for implementing sustainability transitions and responding to stakeholder expectations.

The framework asserts that SQ functions as a catalyst that enhances the effective utilisation of IC across all three dimensions:

- **Human Capital**: SQ-driven leadership empowers employees by fostering ethical commitment, sustainability-oriented thinking, and collaborative learning. This enriches human capital with deeper engagement in purpose-driven innovation and social responsibility (Iazzolino *et al.*, 2023).
- **Structural Capital**: Leaders with high SQ embed values-based decision-making into organisational systems and processes. This alignment ensures that structural capital supports ESG integration, sustainability reporting, and continuous improvement in environmental and social performance (Messeni Petruzzelli, Albino, and Noci, 2019).
- **Relational Capital**: SQ enables the cultivation of high-trust stakeholder relationships, both internally and externally. This enhances knowledge-sharing, multi-stakeholder collaboration, and co-creation of value across sustainable supply chains and circular economy partnerships (Morea, Iazzolino, and Piatera, 2017).

By integrating SQ with IC, strategic leaders are better equipped to advance key SDG priorities, including SDG 9 (Industry, Innovation, and Infrastructure), SDG 12 (Responsible Consumption and Production), and SDG 16 (Peace, Justice, and Strong Institutions). The framework thus offers a holistic model that connects intangible leadership capabilities with tangible sustainability outcomes.

This theoretical integration also extends existing leadership and innovation theories by highlighting the relational synergy between ethical leadership, knowledge mobilisation, and organisational transformation. It shifts the discourse beyond individual competencies or structural assets, framing SQ and IC as mutually reinforcing mechanisms for achieving systemic sustainability goals.

Although this study does not empirically validate the proposed model, it draws on robust theoretical and empirical insights to inform future research. SQ can be assessed using instruments such as the Integrated Spiritual Intelligence Scale (ISIS) (Amram and Dryer, 2008), while IC can be measured through surveys and knowledge audits assessing the quality and impact of human, structural, and relational capital (Jiang *et al.*, 2024). Sustainability outcomes can be evaluated using established ESG indicators, SDG alignment metrics, and performance measures related to circular economy implementation (Morea, Iazzolino, and Piatera, 2017; Escrig-Olmedo *et al.*, 2017).

Ultimately, the framework underscores that the strategic interplay between SQ and IC lies at the core of responsible leadership. By enabling leaders to create ethical, knowledge-rich, and collaborative environments, the model supports the transition toward resilient, values-aligned, and future-ready organisations. This synthesis provides a foundational step for empirical validation across industry and cultural contexts, offering a novel pathway for operationalising the SDGs through leadership development and intangible asset management.

The interplay between SQ, IC, and sustainability is visually summarised in the diagram below:

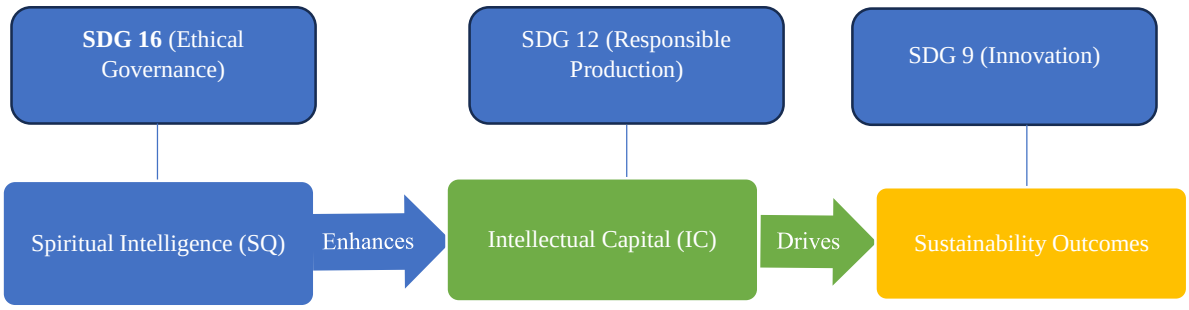

Figure 1: Strategic leadership framework illustrating the interplay between Spiritual Intelligence (SQ) and Intellectual Capital (IC) in enabling sustainability-focused organisational transformation.

SQ enhances ethical leadership, which facilitates the effective mobilisation of IC across human, structural, and relational domains. Together, these constructs drive the achievement of key Sustainable Development Goals (SDGs), particularly SDG 9 (Innovation and Infrastructure), SDG 12 (Responsible Consumption and Production), and SDG 16 (Peace, Justice, and Strong Institutions).

Figure 1 presents the proposed strategic leadership framework that integrates Spiritual Intelligence (SQ) and Intellectual Capital (IC) as complementary enablers of sustainability-oriented transformation. At the core of this model lies strategic leadership, conceptualised as the dynamic function that connects intangible leadership capabilities with tangible sustainability outcomes. SQ enhances the moral, emotional, and cognitive capacities of leaders, enabling them to foster trust, inspire purpose, and navigate ethical dilemmas with long-term vision (Fry and Egel, 2021). These capabilities, in turn, empower leaders to mobilise IC more effectively across its human, structural, and relational dimensions.

In the model, SQ influences human capital by cultivating sustainability expertise, shared values, and ethical engagement among employees (Iazzolino *et al.*, 2023). It

shapes structural capital by embedding purpose-driven decision-making into systems and processes that support ESG integration (Messeni Petruzzelli *et al.*, 2023). SQ also strengthens relational capital by fostering stakeholder trust, inter-organisational collaboration, and knowledge-sharing ecosystems essential for SDG alignment (Morea, Iazzolino, and Piatera, 2017; Omeihe, 2022).

This integrative framework links the leadership competencies of SQ with the operational potential of IC, offering a pathway through which organisations can transition from compliance-based CSR to proactive, innovation-led sustainability strategies. By aligning leadership behaviours with organisational knowledge assets, the model positions SQ and IC as strategic mechanisms for achieving the SDGs and advancing ESG performance. It further contributes to the theoretical understanding of responsible leadership by demonstrating how intangible resources can be strategically activated to drive systemic change.

Methodology

Research Design

This study adopts a systematic literature review (SLR) using the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) framework to ensure transparency, rigour, and replicability. The SLR approach is chosen for its ability to comprehensively synthesise existing research, identify emerging trends, and uncover theoretical gaps that require further investigation (Tranfield, Denyer, and Smart; British Journal of Management). This methodology upholds high standards of objectivity and reliability, providing valuable insights into the intersection of Spiritual Intelligence (SQ), Intellectual Capital (IC), and sustainability in organisational leadership.

Although originally developed within healthcare research, the PRISMA framework has gained substantial traction across interdisciplinary fields—including organisational studies—due to its structured, replicable, and transparent methodology (Liberati *et al.*, 2009). Its widespread adoption reflects a growing demand for methodological clarity and consistency in systematic reviews (Pahlevan Sharif, Mura, and Wijesinghe, 2019). Applying PRISMA in this study ensures that the literature selection process remains free from selection bias while facilitating an in-depth exploration of the dynamic interaction between SQ, IC, and sustainability-oriented leadership.

The SLR follows a clear and structured process. The initial search identifies 210 articles based on predefined keywords. Titles and abstracts are screened, resulting in 120 articles selected for full-text review. Further refinement, guided by explicit inclusion and exclusion criteria, produces a final selection of 85 articles that directly address the research focus. To enhance replicability, this methodology provides detailed

documentation of search strings, databases, and study selection criteria, enabling future researchers to verify and reproduce the process, ensuring consistency in results.

The analysis of the selected studies synthesises key themes related to IC, SQ, and sustainability, with particular attention to their influence on leadership practices and contributions to achieving the Sustainable Development Goals (SDGs). This rigorous approach delivers a comprehensive overview of the current literature and offers insights that align directly with the research objectives, advancing theoretical understanding and practical applications in sustainability-focused organisational leadership.

Systematic Review Process

The systematic review process, conducted in line with the PRISMA framework, involved several key phases to ensure a comprehensive and transparent approach:

1. Identification of Keywords: Relevant keywords were selected based on the core constructs of the study, including "spiritual intelligence," "intellectual capital," "leadership," "sustainability," and "Sustainable Development Goals (SDGs)." Boolean operators (AND, OR) and truncation symbols (*) were applied to refine the search terms and capture a broad range of relevant studies.

2. Data Collection and Screening: A structured search was conducted across major academic databases—Scopus, Emerald Insight, Web of Science, and Google Scholar—chosen for their extensive coverage of management, leadership, and sustainability literature. The search focused on peer-reviewed articles published between 2010 and 2024 to ensure the inclusion of up-to-date research. Both theoretical and empirical studies were considered to gain a comprehensive understanding of how SQ-driven leadership influences IC management in achieving sustainability objectives, particularly in relation to the SDGs.

3. Inclusion and Exclusion Criteria: To ensure transparency and minimise selection bias, clear inclusion and exclusion criteria were applied in this study. The inclusion criteria required that articles be peer-reviewed, published between 2010 and 2024, and focus explicitly on Spiritual Intelligence (SQ), Intellectual Capital (IC), and their connections to leadership or sustainability. Additionally, the research needed to link IC to sustainable innovation, SQ to ethical decision-making, or both to the achievement of Sustainable Development Goals (SDGs), and the articles had to be written in English. Studies were excluded if they focused solely on the financial outcomes of IC without addressing sustainability, lacked discussions on leadership, innovation, or sustainability, were non-peer-reviewed (e.g., opinion pieces or conference abstracts), or lacked sufficient methodological detail for inclusion. This structured approach ensured that only relevant, high-quality studies were included,

providing a solid foundation for synthesising insights into the relationship between SQ, IC, and sustainability.

Study Selection Process

The systematic search initially yielded 210 articles. After removing duplicates, 150 unique records remained. These were screened based on their titles and abstracts, resulting in the exclusion of 30 articles that were outside the scope of the study. A full-text review of the remaining 120 articles was conducted using the inclusion and exclusion criteria, leading to the final selection of 85 studies. These studies formed the foundation for analysing the relationships among SQ, IC, and sustainability.

To ensure comprehensive coverage, a set of Boolean search combinations was used, including "Spiritual Intelligence" AND "Leadership," "Intellectual Capital" AND "Sustainability," "Knowledge Sharing" OR "Innovation," "Sustainable Development Goals" AND "Organisational Strategy," and "Corporate Social Responsibility" OR "Circular Economy." These keywords were carefully selected to reflect the multidimensional nature of the study, capturing the complex relationships between Spiritual Intelligence (SQ), Intellectual Capital (IC), and sustainability. The rationale behind the keyword selection was to ensure a thorough and consistent approach across datasets while minimising the risk of overlooking relevant studies. "Spiritual Intelligence" was chosen for its direct relevance to the leadership competency examined in the study, emphasising ethical decision-making and long-term thinking. "Intellectual Capital" was included as it is essential to innovation, knowledge sharing, and

organisational performance—key elements for achieving sustainable outcomes. "Sustainability" and "SDGs" were included to focus on environmental, social, and governance (ESG) objectives, while "Corporate Social Responsibility" and "Circular Economy" captured the practical applications of SQ and IC in sustainability strategies. These keywords, combined using Boolean operators, allowed for a comprehensive exploration of the interplay among SQ, IC, and sustainability, addressing both broad and niche aspects of the interdisciplinary study.

A structured search strategy was implemented across major academic databases—Scopus, Emerald Insight, Web of Science, and Google Scholar. These databases were selected for their extensive coverage of management, leadership, and sustainability literature. The search was limited to peer-reviewed articles published between 2010 and 2024 to ensure the inclusion of contemporary research. Additional sources, such as conference proceedings and book chapters, were reviewed to supplement the dataset, provided they met the inclusion criteria. The selection criteria required studies to focus explicitly on SQ, IC, and their connections to leadership or sustainability. Articles linking IC to sustainable innovation, SQ to ethical decision-making, or both to the achievement of SDGs were prioritised. Studies focusing solely on financial outcomes of IC without addressing sustainability, those lacking discussions on leadership or innovation, non-peer-reviewed articles, and those with insufficient methodological detail were excluded.

The PRISMA framework offers a transparent and reproducible approach to conducting systematic literature reviews, ensuring a structured methodology for identifying, screening, and selecting relevant studies. Its use of predefined inclusion and exclusion criteria reduces bias and enables comprehensive synthesis across diverse disciplines—an essential feature given the interdisciplinary scope of SQ, IC, and sustainability research. Nonetheless, certain limitations remain. Relying on fixed keyword searches may exclude studies using alternative terminology, and restricting the review to peer-reviewed, English-language publications risks omitting valuable non-English or grey literature. These constraints underscore the importance of future research employing complementary methods, such as meta-analyses or empirical investigations, to validate and extend the present findings.

Thematic Analysis and Reliability Checks

A rigorous thematic analysis approach was employed to identify and interpret patterns across the selected literature. The process followed (Braun and Clarke, 2006) six-phase framework, beginning with familiarisation, where each study was thoroughly reviewed to identify recurring themes related to SQ, IC, and sustainability. During the initial coding phase, segments of text were systematically coded based on their relevance to leadership behaviours, IC development, and sustainability practices. These

codes were then organised into broader themes, including SQ's influence on ethical leadership, SQ-driven leadership's role in enhancing knowledge-sharing, and IC's contribution to sustainable business models and SDGs.

To ensure reliability, multiple researchers independently coded the studies. Discrepancies in coding were discussed and resolved through consensus, reinforcing the consistency of the thematic categorisation. The coding framework was refined iteratively, incorporating new insights, and adjusting theme definitions to enhance coherence. Thematic saturation was assessed to confirm that all relevant patterns had been identified. To further ensure rigour, reliability checks were conducted by comparing initial coding with subsequent refinements, ensuring consistency in the findings and strengthening the methodological robustness of the study.

Data Extraction and Quality Assessment: The selected studies were thoroughly reviewed to extract relevant data, with each article assessed based on three key criteria. First, only empirical studies were included, as the goal of the review was to integrate empirical findings (Kim, 2020). Second, the studies had to focus on ethical leadership, specifically in relation to Spiritual Intelligence (SQ) and Intellectual Capital (IC). Finally, the studies had to meet quality standards for inclusion, ensuring that the findings were robust and reliable enough to be synthesised effectively. This rigorous data extraction and quality assessment process ensured that only high-quality, relevant research contributed to the review.

Step 1: Database search	- Emerald Insight - Scopus - Web of Science - Google Scholar
Step 2: Keywords and Boolen Operators	"Intellectual capital" AND "sustainability" "Spiritual intelligence" AND "leadership"- "Knowledge Sharing" OR "Innovation" "Corporate Social Responsibility" OR "Circular Economy" "Sustainable Development Goals" AND "Organisational Strategy"
Step 3: Application of Inclusion Criteria	Peer-reviewed articles from 2010-2024 studies on SQ and IC in organisational settings focus on leadership and sustainability
Step 4: Application of Exclusion Criteria	Excludes studies lacking SQ or IC and excludes non-peer-reviewed literature
Step 5: Screening Process	150 articles identified 85 selected for full-text review
Step 6: Final Selection	45 articles included in the analysis

Data Collection Process for Systematic Literature Review

Figure 2: This selection process is depicted in the PRISMA flow diagram.

Data Extraction and Coding

We developed a coding table for the extracted studies. This allowed us to categorise the key features of each study systematically included in the review.

No	Author(s)	Year	Study Context	Theoretical Framework	Methodology	Key Findings (SQ)	Key Findings (IC)	SDG/CSR Contributions
1	(Avolio and Locke, 2006)	2006	Leadership in business	Transformational Leadership	Qualitative Interviews	SQ enhances leadership empathy, decision-making	IC influences innovation via knowledge-sharing	Highlights SDG 12 (sustainable production)
2	(Fry and Slocum, 2008)	2008	Corporate Social Responsibility	Ethical Leadership	Mixed Methods	SQ fosters ethical leadership in sustainability	IC drives CSR initiatives through human capital	Focuses on SDG 9 (innovation)
3	(Cillo, Petruzzelli, Ardito, and Del Giudice, 2019)	2019	IC and Sustainability	Human Capital Theory	Quantitative (Survey)	Focuses on leadership empathy	Human capital crucial for clean technology innovations	Discusses SDG 9 and SDG 13 (climate action)
4	(Fry and Sinclair, 2013)	2013	Organisational Leadership	Spiritual Leadership	Quantitative	SQ promotes long-term ethical decision-making	IC enhances innovation and ethical practices	Emphasises on SDG 16 (peace, justice)

Thematic Analysis

Thematic analysis was chosen to systematically identify and interpret patterns across the selected literature. This method was particularly well-suited for exploring the intricate relationships between SQ, IC, leadership, and sustainability. Following (Braun and Clarke, 2006) six-phase framework, the analysis began with familiarisation, where the research team thoroughly reviewed each study to identify recurring patterns and key arguments related to leadership behaviours, IC development, and sustainability practices.

Initial coding focused on segments of text related to SQ's role in ethical leadership, the influence of IC on innovation, and the integration of sustainability into organisational strategies. This coding method provided a structured approach to organising the data. During the theme development phase, codes were grouped into broader themes, such as: (1) SQ's influence on ethical leadership behaviours, (2) SQ-driven leadership's role in enhancing knowledge-sharing and collaboration, and (3) IC's contribution to sustainable business models and SDGs. These themes were refined

through an iterative process to ensure they accurately reflected the essence of the data and addressed the research questions.

To ensure reliability, the coding process involved multiple reviewers who independently coded sections of the texts. Discrepancies in coding were resolved through discussion, strengthening the consistency of the analysis. The coding framework was updated regularly to incorporate new insights, ensuring its relevance to the research objectives. Reliability checks were conducted by comparing the initial coding with later phases of the analysis, ensuring that the emerging themes remained consistent and robust throughout the process.

Theme definition and naming followed, with key themes such as "SQ's Role in Ethical Leadership" and "IC as a Driver of Sustainable Innovation" clearly defined and named to encapsulate their core focus. Finally, in the reporting and synthesis phase, the themes were synthesised into a conceptual framework that illustrated how SQ-driven leadership facilitates the effective management of IC, supporting organisational sustainability. This framework demonstrated how leadership behaviours, ethical decision-making, and organisational culture converge to drive sustainable business outcomes.

Thematic analysis was selected for its flexibility and capacity to provide deep insights into complex qualitative data. It allowed for the identification and exploration of core themes, particularly the impact of SQ on leadership and IC management for sustainability. Furthermore, the reliability checks embedded in the coding process strengthened the methodological rigour and ensured the consistency of findings across the analysis.

To ensure the rigour and trustworthiness of the systematic review, several methodological strategies were employed. The search strategy was comprehensive, utilising multiple databases to cover both empirical and theoretical studies, ensuring a well-rounded review. Explicit inclusion and exclusion criteria were applied to minimise bias and ensure that only high-quality, relevant research contributed to the review. Peer review by experts in the fields of SQ, IC, and sustainability further validated the methodology and findings, ensuring their accuracy and relevance. Finally, critical appraisal tools, such as the Critical Appraisal Skills Programme (CASP) and AMSTAR, were used to assess the quality of the included studies, ensuring that the conclusions drawn from the review were based on robust and reliable evidence.

Table 1: Summary of Thematic Analysis

Theme	Description
Influence of SQ on Leadership Behaviour	Examines how spiritual intelligence enhances ethical decision-making and transformational leadership.
IC as a Driver of Sustainable Innovation	Explores the role of intellectual capital in promoting sustainability, with a focus on knowledge sharing.
Achieving SDGs through IC and SQ	Investigate how SQ-driven leadership and IC management align with organisational efforts to achieve SDGs.

Findings and discussion

This study explored the intersection of Spiritual Intelligence (SQ) and Intellectual Capital (IC) as strategic levers for achieving the Sustainable Development Goals (SDGs). By conducting a systematic review of 45 peer-reviewed articles, this research highlights the critical role of SQ-driven leadership in enhancing IC management, particularly in fostering ethical decision-making, knowledge-sharing, and innovation—all of which are essential for embedding corporate sustainability into organisational practices. The discussion synthesises key findings, addresses existing gaps in the literature, and offers practical implications for leadership and sustainability.

The findings provide critical insights into the roles that SQ and IC play in fostering organisational sustainability. Leaders with high levels of SQ significantly shape organisational culture while mobilising IC in ways that enhance innovation, ethical leadership, and collaboration—all essential for achieving SDGs (Griggs, 2013). For instance, case studies of companies like Patagonia and Unilever demonstrate how SQ-driven leadership fosters ethical decision-making and long-term sustainability strategies. Patagonia's commitment to environmental responsibility aligns with SQ principles, as leaders integrate ethical considerations into business models while leveraging IC to drive sustainable innovations. Similarly, Unilever's sustainable living plan illustrates how SQ-oriented leadership enhances knowledge-sharing and innovation to address global challenges.

This discussion builds on these findings by examining how SQ and IC interact to promote sustainable development and offering a clearer understanding of the implications for leadership and organisational practices. Incorporating such examples provides a more tangible understanding of how these concepts operate in real-world scenarios, reinforcing their practical significance in driving sustainable business practices.

Spiritual Intelligence as a Driver of Ethical Leadership and Sustainability

The findings consistently demonstrate that leaders with high levels of SQ create organisational environments characterised by trust, empathy, and ethical decision-making (Reiter-Palmon and Connelly, 2004; Fry and Egel, 2021). These behaviours align closely with transformational leadership principles, which emphasise motivation, intellectual stimulation, and the pursuit of long-term goals (Bass and Riggio, 2006). SQ enhances leaders' ability to inspire employees, encouraging collaboration and engagement essential for navigating complex sustainability challenges (Avolio, Zhu, Koh and Preacher, 2010).

For example, SQ-driven leaders prioritise corporate social responsibility (CSR) initiatives and foster ethical decision-making processes that align with SDG 12 (Responsible Consumption and Production) and SDG 16 (Peace, Justice, and Strong Institutions) (Dyllick and Hockerts, 2002). They achieve this by embedding spiritual values—such as empathy, purpose, and responsibility—into leadership practices. These values promote a culture of ethical behaviour and long-term strategic thinking, ensuring that business goals align with societal needs (Schein, 2016). Real-world cases, such as The Body Shop's commitment to fair trade and sustainability, illustrate how SQ-led organisations prioritise ethical supply chains and social impact initiatives.

Recent studies highlight the practical implications of SQ in organisational contexts. Leaders with high SQ improve employee engagement by fostering inclusive work environments and enhancing motivation through purpose-driven initiatives (Cameron and Quinn, 2011; Omeihe, 2022). Such leaders enable organisations to adapt to global sustainability demands, building resilience and innovation ecosystems that address SDG challenges (Messeni Petruzzelli *et al*., 2023).

Figure 3: Pathway linking Spiritual Intelligence to transformational leadership through ethical leadership and enhanced organisational performance for long-term sustainability

Table 2: Key attributes of SQ-Driven Leadership and impact on organisational outcomes

Key Leadership Attribute	**Impact on Organisation**
Empathy and Compassion	Higher trust and employee satisfaction
Ethical Decision-Making	Strengthened CSR and ethical climate
Strategic Acumen in Sustainability	Long-term focus on sustainability goals
Inspiration and Motivation	Increased employee engagement and innovation

Intellectual Capital as a Catalyst for Sustainable Innovation

Intellectual capital—comprising human, structural, and relational capital—plays a pivotal role in driving organisational performance and innovation (Jiang *et al.*, 2024; Nahapiet and Ghoshal, 1998). Human capital, with its focus on employees' knowledge, skills, and problem-solving capabilities, enables organisations to innovate effectively and meet SDGs such as SDG 9 (Industry, Innovation, and Infrastructure). Skilled employees contribute to the development of sustainable products, services, and technologies, addressing both environmental and social concerns (Iazzolino *et al*., 2023). Structural capital, defined by organisational systems, processes, and frameworks, facilitates knowledge sharing and operational efficiency. Effective structural capital supports the integration of sustainability into core business practices, promoting resource optimisation and innovation (Cabriloa, Dahms, and Tsai, 2024). Similarly, relational capital enhances collaboration within and beyond the organisation. Trust-based relationships and strong networks enable organisations to co-create solutions with stakeholders, advancing circular economy practices and CSR efforts (Morea, Iazzolino, and Piatera, 2017).

For instance, Siemens' commitment to sustainability-driven innovation demonstrates how IC fosters long-term resilience and economic growth. Through strategic investments in research and development, Siemens utilises IC to advance renewable energy solutions, integrating sustainability principles into technological innovation. Similarly, IBM's corporate sustainability initiatives illustrate how effective knowledge-sharing and relational capital facilitate global partnerships that drive environmental and social impact.

The findings emphasise that managing IC effectively is critical for achieving sustainability. Organisations that align their IC strategies with sustainability principles are better positioned to innovate and address challenges like climate change, resource scarcity, and social inequality. Leaders must foster a culture of continuous learning and collaboration to maximise IC's contribution to sustainable development (Savino, Petruzzelli and Albino, 2017).

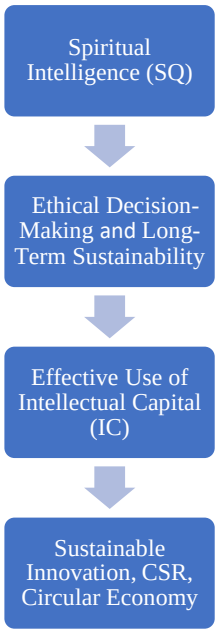

Figure 4: Conceptual framework linking Spiritual Intelligence (SQ) to sustainable innovation through ethical decision-making and intellectual capital.

Table 3: Components of intellectual capital and their impact on organisational performance

Type of Intellectual Capital	Role in Performance	Example
Human Capital	Drives innovation and competitive advantage	Skilled workforce adapting to market needs
Structural Capital	Enhances operational efficiency through systems and processes	Knowledge management systems
Social Capital	Facilitates collaboration and trust-based knowledge transfer	Strong interpersonal networks

The synergy between SQ and IC in Advancing Sustainability

The interplay between SQ and IC creates synergies that amplify the organisational capacity to achieve sustainability goals. SQ-driven leadership enhances IC by fostering a culture of ethical responsibility and collaborative innovation. Leaders with high SQ cultivate environments where employees feel empowered to share knowledge, collaborate, and innovate. This alignment enhances the mobilisation of IC, particularly human and relational capital, driving initiatives that support SDG 9 and SDG 12 (Fry and Sinclair, 2013; Messeni Petruzzelli *et al*., 2023).

For instance, relational capital benefits significantly from SQ-driven leadership, as leaders build trust-based networks that enable knowledge sharing and co-creation.

These networks support sustainable practices like the circular economy, where collaboration with external partners ensures efficient resource recycling and ethical supply chains (Omeihe, 2022). Structural capital also gains from SQ's influence, as leaders instil processes and systems that prioritise long-term sustainability over short-term gains. The success of companies like Tesla, which integrates SQ principles into IC-driven technological advancements, highlights how this synergy supports sustainable innovation and growth.

Recent research underscores the importance of this synergy. Organisations led by spiritually intelligent leaders are better equipped to harness IC for sustainable innovation, fostering cultures that align business objectives with ESG principles (Griggs *et al*., 2013). Such organisations demonstrate resilience and adaptability, making significant contributions to global sustainability efforts (Donate and Guerrini, 2016).

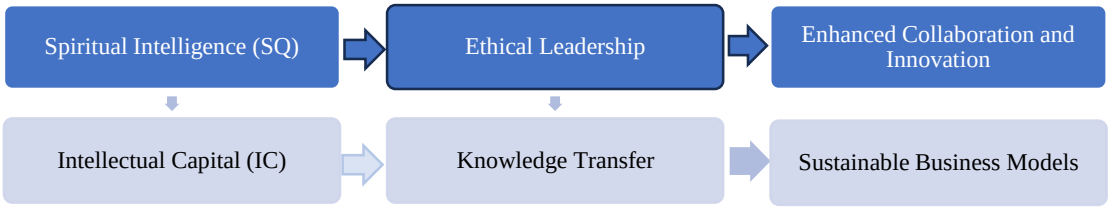

Figure 5: Synergies Between SQ, IC, and Sustainability

The Role of Spiritual Intelligence in shaping organisational culture and sustainability

The findings underscore the critical role of spiritual intelligence in shaping organisational culture. Leaders with high SQ can cultivate cultures characterised by trust, respect, and a shared sense of purpose—attributes conducive to both innovation and sustainability. Such cultures foster employee engagement, enhance organisational resilience, and promote collaboration, all of which are essential for the achievement of long-term sustainability objectives (Cameron and Quinn, 2011). Organisations with cultures driven by SQ are more likely to integrate ethical considerations into their strategic decision-making processes, aligning their business practices with ESG principles. Furthermore, organisations with spiritually intelligent leadership are better equipped to navigate CSR initiatives, as their leaders adopt a holistic view of sustainability that encompasses economic, social, and environmental responsibilities.

Table 4: Impact of SQ on Organisational Culture and Sustainability

Cultural Attribute Driven by SQ	**Sustainability Outcome**
Trust and Respect	Enhance ethical decision-making and long-term CSR goals
Shared Sense of Purpose	Foster commitment to organisational sustainability objectives
Collaboration and Engagement	Improve innovation and resilience in the face of sustainability challenges

Practical Implications for Leadership and Organisational Strategy

The integration of SQ and IC into leadership practices provides actionable insights for organisations seeking to align their operations with SDGs. First, organisations should invest in leadership development programs that enhance SQ competencies, including empathy, ethical decision-making, and long-term strategic thinking. These programs can cultivate leaders who are adept at embedding sustainability principles into corporate strategies (Figge *et al.*, 2013). Furthermore, to ensure successful implementation, organisations could consider adopting a structured framework that progressively develops SQ competencies, beginning with foundational leadership qualities and evolving into more complex sustainability-driven practices. This structured approach would offer clarity on how leaders can gradually integrate sustainability principles into their daily decision-making processes.

Second, effective IC management should be prioritised to drive innovation and collaboration. Organisations must create systems and frameworks that facilitate knowledge sharing and foster a culture of continuous improvement. For example, developing expertise in clean technologies or circular economy practices can position organisations as leaders in sustainability-driven markets (Iazzolino *et al.*, 2023). In this context, a step-by-step framework could be developed to guide organisations through the stages of fostering IC, from building internal communication channels to creating cross-departmental collaboration structures, ultimately driving innovation and knowledge exchange.

Lastly, organisations should adopt a holistic approach to leadership and IC, leveraging the synergy between these constructs to build resilience and achieve sustainability goals. SQ-driven leadership and IC management, when integrated, offer a powerful framework for navigating the complexities of sustainability, enabling organisations to thrive in competitive, sustainability-focused environments (Bansal and Hoffman, 2011). A structured, phased strategy for integrating these elements would ensure that organisations can effectively manage the complexities involved and remain adaptable in the face of evolving sustainability challenges.

Table 4: Practical Implications of SQ and IC on Organisational Sustainability

Dimension	Impact on Sustainability
Spiritual Intelligence (SQ)	Foster long-term ethical leadership, driving CSR and sustainable innovation.
Human Capital	Enhances skills and knowledge in sustainability-related areas (e.g., clean tech).
Structural Capital	Streamlines processes to improve resource efficiency and innovation.
Social Capital	Promotes collaboration for achieving SDG targets.

Theoretical Contributions

This study contributes to the theoretical discourse on sustainability leadership by integrating Spiritual Intelligence (SQ) and Intellectual Capital (IC) into a unified framework that addresses corporate sustainability. The proposed model emphasises the interdependent nature of SQ and IC, demonstrating how SQ-driven leadership fosters ethical decision-making, knowledge-sharing ecosystems, and collaborative cultures that amplify the effectiveness of IC management (Fry and Egel, 2021; (Jiang *et al.*, 2024). This integration extends transformational and spiritual leadership theories by incorporating sustainability principles, positioning SQ as a key leadership competency for advancing long-term organisational goals aligned with the Sustainable Development Goals (SDGs) (Bass and Riggio, 2006); (Iazzolino *et al*., 2023). Unlike traditional IC management, which often prioritises financial outcomes, this framework emphasises ethical and empathetic leadership as essential for aligning organisational practices with Environmental, Social, and Governance (ESG) objectives (Griggs *et al*., 2013; Messeni Petruzzelli *et al*., 2023). By highlighting the catalytic role of SQ in enhancing IC, the model provides a novel lens for understanding how human capital development, structural efficiency, and relational collaboration contribute to sustainable innovation and corporate resilience. This framework serves as a foundation for future empirical research, offering a roadmap for exploring how leadership behaviours shape corporate governance and sustainability outcomes across diverse organisational contexts (Omeihe, 2022); (Morea, Iazzolino, and Piatera, 2017). The integration of SQ into leadership practices highlights the importance of trust, respect, and collaboration, as spiritually intelligent leaders are more likely to inspire and engage their teams, leading to enhanced organisational performance. Furthermore, SQ influences organisational culture by shaping values, beliefs, and behaviours that support ethical actions and foster employee engagement. SQ also promotes a culture of continuous learning and innovation, enhancing the creation, sharing, and utilisation of intellectual capital. Although promising, further empirical research is needed to establish clear causal links between SQ and organisational outcomes, with longitudinal studies offering valuable insights into the long-term impact of SQ on performance and sustainability.

Practical implication

The findings of this review underscore the significant role of Spiritual Intelligence (SQ) in enhancing both organisational performance and sustainability. Integrating SQ into leadership development, organisational culture, and human resource management can yield substantial benefits, including improved leadership effectiveness, enhanced employee well-being, and greater organisational innovation. This holistic approach challenges traditional economic-centric models of performance by emphasising empathy, compassion, and purpose, which align with broader sustainability goals. In terms of practical implications, incorporating SQ training into leadership programs can foster qualities such as empathy, ethical decision-making, and a sense of purpose, helping leaders build trust, respect, and collaboration within their teams, ultimately leading to improved organisational outcomes. Furthermore, developing a supportive and inclusive organisational culture that prioritises employee well-being and ethical behaviour can encourage engagement, innovation, and ethical practices. By shaping values and behaviours through SQ, organisations can create environments conducive to both growth and sustainability. Additionally, identifying, and nurturing employees with high levels of SQ for leadership roles can enhance their intellectual capital and overall effectiveness, further driving the organisation's success. Lastly, establishing metrics to evaluate the impact of SQ initiatives on organisational performance and sustainability is crucial. This includes assessing how SQ contributes to both organisational outcomes and employee well-being, ensuring that the integration of SQ leads to measurable improvements across the organisation.

Limitations

This study acknowledges several limitations and proposes directions for future research to deepen the understanding of the interplay between Spiritual Intelligence (SQ), Intellectual Capital (IC), and sustainability. First, the reliance on a limited dataset—primarily from English-language journals and Western contexts—may constrain the generalisability of findings. Future studies should include non-English and emerging economy contexts to explore how SQ and IC manifest under diverse cultural and economic conditions, addressing challenges unique to these settings (Iazzolino *et al.*, 2023; Omeihe, 2022). Second, the reliance on secondary data and interpretive thematic analysis limits the depth of real-time, context-specific insights. Conducting longitudinal studies and case-based empirical research would provide a nuanced understanding of the long-term effects of SQ-driven leadership on IC management and sustainability outcomes (Fry and Egel, 2021; Jiang *et al.*, 2024).

Moreover, the conceptual framework proposed in this study lacks empirical validation, highlighting the need for quantitative and qualitative studies to test its applicability across industries and cultural contexts. Developing robust and reliable

measurement tools for SQ is also essential to ensure accurate assessments of its organisational impact (Griggs *et al*., 2013; Messeni Petruzzelli *et al*., 2023). Additionally, cross-cultural comparisons can offer insights into the universal and context-specific aspects of SQ's role in leadership and sustainability. Finally, practical interventions, such as field experiments, could assess the effectiveness of integrating SQ into leadership development programs and organisational strategies, providing actionable insights for fostering sustainable practices. By addressing these gaps, future research can advance both theoretical and practical understanding, equipping organisations to leverage SQ and IC for long-term sustainability and high performance.

Conclusion

This literature review highlights the intricate relationship between Intellectual Capital (IC) and the achievement of Sustainable Development Goals (SDGs) while underscoring the pivotal role of Spiritual Intelligence (SQ) in shaping leadership and organisational culture. By integrating IC—which includes knowledge, skills, and expertise—with SQ's qualities of purpose, empathy, and ethical decision-making, organisations can significantly enhance performance and contribute to environmental, social, and economic sustainability. The findings demonstrate that strategically managing IC at both individual and organisational levels, while fostering a culture of innovation and integrating Environmental, Social, and Governance (ESG) considerations, positions organisations to advance sustainability objectives. This integrated approach supports initiatives such as Corporate Social Responsibility (CSR) and Circular Economy (CE), strengthens resilience, and cultivates an engaged workforce. SQ-driven leadership emerges as a critical driver of high-performing organisations, aligning them with sustainable and equitable futures.

However, challenges persist, including the need for reliable measurement tools, overcoming resistance to change, and addressing the gaps in empirical evidence regarding SQ's impact. Future research should focus on developing robust frameworks for measuring both IC and SQ, examining their long-term effects on organisational performance, and exploring how cultural and contextual factors influence their integration. Moreover, embedding SQ into leadership development programs, organisational culture, and business strategies could provide actionable insights for enhancing the ethical and sustainable dimensions of IC. Addressing these gaps is essential to refine the understanding of the interplay between IC, SQ, and organisational outcomes. These efforts will contribute to designing effective leadership programs, organisational interventions, and public policies that advance global SDGs. Collaboration across academia, industry, and policymakers will be critical to accelerating these integrations, fostering sustainable development, and creating a more just and humane world.

Final Thoughts and Recommendations

This literature review highlights the pivotal role of Spiritual Intelligence (SQ) in enhancing organisational performance and advancing sustainability. By fostering a culture grounded in empathy, compassion, and purpose, organisations can create high-performing environments that prioritise the well-being of employees, customers, and the planet. SQ-driven leadership promotes organisational success by integrating ethical decision-making, innovation, and long-term sustainability goals, making it an essential component for achieving both business and societal outcomes. To fully capitalise on the potential of Spiritual Intelligence, several key areas require further exploration. First, there is a critical need for the development of measurement tools to validate the impact of SQ on organisational outcomes. Reliable and robust instruments are necessary to assess how SQ influences performance and sustainability. Second, longitudinal studies should be conducted to gain deeper insights into the long-term effects of SQ on organisational success. Such research would provide a clearer understanding of how SQ contributes to sustained organisational performance over time. Third, cross-cultural studies should be prioritised to examine how SQ operates across diverse cultural contexts, offering a more comprehensive understanding of its universal and context-specific impacts. This would allow for the tailoring of SQ practices to different organisational and cultural environments.

In addition to these research areas, collaborations with academic institutions, industry partners, non-profit organisations, and government agencies will be vital in advancing research on SQ and its role in leadership and organisational performance. Academic institutions can provide valuable resources and expertise, improving research methodologies and theoretical frameworks. Industry partners can offer real-world insights, translating theoretical findings into actionable strategies. Non-profit organisations can help extend the impact of research by exploring how SQ addresses social and environmental challenges. Finally, government collaborations can offer data, policy insights, and support for shaping research initiatives in regulatory contexts.

Future research could also explore additional areas, such as the intersection of SQ with emerging technologies, the role of SQ in facilitating organisational change, and its integration into leadership development and strategic management practices. Investigating these topics will expand our understanding of SQ's contributions to innovation and transformation in organisations. By embracing these theoretical and practical implications, organisations can enhance their leadership practices and strategic approaches, contributing to a more ethical and sustainable organisational landscape. Policymakers and practitioners are encouraged to view SQ as a valuable strategic resource, essential for both organisational success and broader societal goals.

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