Intervening Role of Sustainability Practices in the Nexuses of Responsible Leadership and Environmental, Task, and Contextual Performance

Sulaman Hafeez Siddiqui, Associate Professor, Institute of Business Management and Administrative Sciences, The Islamia University of Bahawalpur Pakistan
Ali Ijaz, PhD Scholar, Institute of Business Management and Administrative Sciences, The Islamia University of Bahawalpur Pakistan
Rahil Nazar Chawla, PhD Scholar, Hailey College of Banking and Finance, University of the Punjab, Lahore, Pakistan
Muqaddas Naz, Hailey College of Commerce, University of the Punjab, Lahore, Pakistan

*Corresponding author’s email: aliijaz0092@gmail.com

Purpose: The current study assessed the function of responsible leadership in the banking industry using the stakeholder theory. The current study also looks into the connection between responsible leadership and task, contextual, and environmental performance.

Methodology: The banking industry's 389 branch employees, including branch managers, business development officers, general banking officers, branch operation managers, cash officers, and relationship managers, were surveyed using a survey questionnaire approach to gather data. Mplus was used to analyze the data using the structural equation modeling method.

Findings: The study's findings showed that ethical leadership had a direct influence on a firm's environmental (0.204), task (0.365), and contextual performance (0.188), as well as indirect effects through varied sustainability policies.

Implications: It implies the significance of sustainable policies concerning responsible leadership and a company's success. The current study is a pioneering effort that added to the body of knowledge on the relationship between organizational tasks, contextual performance, and environmental performance in Pakistan's banking industry. It also evaluated the role of sustainability strategies in the interim.

Introduction
For work and organizational psychologists, understanding the factors that contribute to job performance has long been a major concern since it directly affects organizational effectiveness and offers essential information. To establish a comprehensive knowledge foundation for such organizational goals across diverse work settings, it is essential to understand the processes and mechanisms involved in the many indicators of performance since job performance is a
multidimensional construct. Task performance and contextual performance are two of the most essential elements of work performance (Conway, 1999). Task performance refers to how well employees accomplish the real duties outlined in the official job description or other duties that directly or indirectly support the technological infrastructure of the company. Contrarily, contextual performance refers to work behaviors that go above and beyond what is expressly specified in the job description but are nevertheless essential to the effective operation of a company. It includes actions like offering to perform extra work, working harder than necessary to complete tasks, helping colleagues, cooperating, and publicly supporting and promoting corporate goals (Demerouti, Derks, Ten Brummelhuis, & Bakker, 2014). Task and contextual performance are both subject to within-person variation, which means they can change over time for a single individual, even from one day to the next.

Companies all around the world have realized how crucial performance measurement is to growth, success, and stability (AlNuaimi, Al Mazrouei, & Jabeen, 2020; Lee, 2021). Without performance, an organization’s survival is at stake due to competition and globalization. Prior studies have identified various aspects of performance i.e. overall performance (Lynham & Chermack, 2006), environmental performance (Liao & Zhang, 2020), and task performance (He, Morrison, & Zhang, 2021). In these studies, researchers identified responsible leadership linked with financial and non-financial performance. In the present business world, organizations are changing rapidly and it is essential to keep the organizations alive, practices must be perform as per prevailing standards. Now, businesses focused on triple bottom approach which includes people, planet, and profit simultaneously. In the past, businesses focused on profitability alone instead of focusing planet and people (Kharlamov & Parry, 2021). Pakistan is facing severe environmental issues (Ullah et al., 2019) which calls the importance of environmental performance. In the present paper, researchers defined the role of responsible leadership in relation to environmental performance.

The banking industry in Pakistan has advanced significantly in recent years. Pakistan’s banking industry is thought to be one of the fastest-growing in the world (Rahim & Malik, 2010). This research will examine the function of responsible leadership in the context of employee performance. Any nation’s financial system is crucial to that nation’s overall economic health. Consequently, the leadership position is essential, and without it, the banking industry cannot continue to succeed. The banking sector of Pakistan covers the whole of Pakistan without any discrimination in any area which motivates the researchers to take this sector for the present study.

Researchers have identified several antecedents, including transformational leadership (Arif & Akram, 2018), ethical leadership (M.-S. Kim & Thapa, 2018), transactional leadership (Kalsoom, Khan, & Zubair, 2018), servant leadership (Alafeshat & Aboud, 2019), environmental strategy (S. Zhang, Wang, & Zhao, 2019), environmental proactivity and environmental awareness (Pusparini, Soetjipto, Rachmawati, & Sudharto, 2018), and response management (Pusparini et al., 2018) for the performance of employees. Studies have shown that leadership plays a paramount role in organizational performance (Rehman, Shafique, Khawaja, Saeed, & Kalyar, 2021). As per leadership studies, executives are crucial due to their role in strategy formulation and implementation for achieving organizational performance. A responsible leader cares firm’s economic, social, and environmental aspects simultaneously (Siddiqui, Viswanathan, & Rasheed, 2020). Although the body of existing work substantially deepens our comprehension of the crucial part that leadership plays a crucial role in the environmental, task, and contextual performance. This line of inquiry is nevertheless constrained in several ways.

First, with an eye toward the future, responsible leadership has become more important for the future environment. Organizations are converting their energy systems into green energy (Xin-gang, Wei, & Jieying, 2022) which is an essential element of the environment. Making ethical business decisions that take into account the interests of all parties—including shareholders, customers, producers, staff, the environment, and future generations—is necessary to achieve sustainable performance (Voegtlin, Patzer, & Scherer, 2012). This style of leadership is crucial for enabling environmental practices and improving business performance because responsible leaders are accountable for sustainable
decisions by taking into account all stakeholders and future generations (Miska & Mendenhall, 2018). However, the majority of the current research has heavily emphasized other leadership styles, such as servant leadership, transformational leadership, and agile leadership, and has generally ignored the paramount of responsible leadership regarding environmental performance. Second, responsible leadership due to its triple bottom approach is effective for the economic, environmental, and social aspects of the firm. It indicates that responsible leadership will ultimately be beneficial for boosting organizational tasks and contextual performance. Past studies have tested the various leadership styles with task and contextual performance as the role of visionary leadership in contextual performance (WIDODO & YUSUF, 2021), and transformational leadership's impact on task performance (Pradhan & Pradhan, 2015).

Individual performance has a significant impact on how long an organization will exist. Performance is based on an individual's actions or conduct and performance may be evaluated from the perspective of contextual performance, which comprises actions that enhance the efficacy of the organization by creating a conducive atmosphere for task performance (Aguinis & Burgi-Tian, 2021). Additionally, actions that are not specifically connected to work duties but have a big influence on organizational, cultural, and psychological settings are included in the contextual performance. These actions act as catalysts for the effective completion of the duties that have been given to them. A person's performance is demonstrated to spur business expansion (Abbasi, Tahir, Abbas, & Shabbir, 2022), organizational effectiveness (J. A. Zhang, Chen, O’Kane, Xiang, & Wang, 2022), and overall performance of the organization (Anwar & Abdullah, 2021). Whereas, individual performance can be boosted through the induction of responsible leaders at workplaces (Dong & Zhong, 2022). So, the present study will explain the role of responsible leadership in relationship with the environmental, task, and contextual performance in the banking sector of Pakistan. The banking sector covers the whole of Pakistan and bank branches are working all around the country without any discrimination. However, the literature reveals that the majority of research was conducted on other leadership styles with task performance. The current study will add to the body of literature and fill the gap by testing the role of responsible leadership in contextual, environmental, and task performance.

**Literature and Hypotheses**

The organizational environment, task, and contextual performance are thought to play a role in an organization's success. According to some academics, leaders may encourage their staff to compete by adopting leadership styles (Hurduzeu, 2015) as leadership is considered a key player in organizational success. Measuring organizational success in the context of environmental, task, and contextual performance is essential because without measuring performance, organizational success is unable to evaluate. In the past literature, various studies conducted to evaluate the role of various leadership styles to measure the impact on task and environmental aspects of performance. However, the present study evaluated the role of responsible leadership on organizational environmental, task, and contextual performance.

**Banking Industry and use of Stakeholder’s Theory**

Since India split in 1947, Pakistan's banking industry has seen dramatic transformations. The only two commercial banks run by Muslims at the time were located in Pakistan, hence the banking system at the time had 195 branches and was dominated mostly by non-Indian international banks. Currently, Pakistan’s banking sector has five public sector commercial banks, four specialized banks, fifteen local private banks, five Islamic banks, and four foreign banks (SBP, 2022). Pakistan's banking sector played a crucial role in the firm’s performance by providing funds through commercial banks to entrepreneurs for the setup of businesses. Stakeholders’ theory depicts that all the stakeholders are key players in the organizational success and no one should be ignored. The banking sector covers the whole of Pakistan and the stakeholders' perspectives were used to conduct the present study.

**Responsible Leadership and Environmental Performance**
Environmental pollution has been focused on in various research fields due to its impact on society and overall organizational performance (Islam, 2022). Environmental pollution causes irreversible damage to a firm’s economic interests and natural environment. Various countries are under intense pressure to reduce their environmental emissions. Waste-to-energy technology provides the benefits of renewability, minimal pollution, and steady supply as a type of clean energy. For the transition to a low-carbon society, developing an inexpensive, practical, and ecological waste disposal system is essential (Wei, Xin-Gang, & Jieying, 2022). Organizations are being used various innovative technologies to produce green energy (Xin-gang, Wei, & Ling, 2021). Consequently, it is important to research the role of responsible leadership in improving the environmental performance of the organization. Therefore, it's the need of the hour to protect the natural environment and improve environmental performance. Recent studies have found that responsible leadership has an impact on environmental performance in the context of the link between these two concepts (Liao & Zhang, 2020; Mantikei, Christa, Sintani, & Negara, 2020; Wang, Shen, Chen, & Carmeli, 2021). A responsible leader covers the triple bottom approach and simultaneously focused on the economic, social, and environmental aspects of the firm (Siddiqui et al., 2020). Drawing upon stakeholder theory, the goal of the current study is to determine how responsible leadership affects environmental performance. Hence,

H1. Responsible Leadership improves Environmental Performance.

![Figure 2.1: Theoretical Framework](image)

Note: H1, H2, H3, H4, H5, H6, and H7 hypothesized for direct relationship and H8, H9, and H10 hypothesized for mediating impact.

**Responsible Leadership and Task Performance**

A responsible leader under the triple-bottom-line approach performs economic, social, and environmental simultaneously. Past studies defined that responsible leadership enhanced organizational performance (He et al., 2021; Lynham & Chermack, 2006). Task performance is a core need of the organization that is expected from its workforce for organizational performance. Without the task performance of employees, organizational goals cannot be achieved. A recent study conducted in the Chinese hospitality industry found that responsible leaders have a direct impact on the task performance of employees (He, Morrison, & Zhang, 2019). In light of the stakeholders’ theory, the responsible leader is assumed to positively impact the task performance of employees working in the banking sector of Pakistan. Hence,

H2. Responsible Leadership improves Task Performance.
Responsible Leadership and Contextual Performance
Organizations are expecting more and more from the workforce due to the competitive environment and globalization. Task performance is an essential element but contextual performance is essential for excellence in the industry. Literature support is available as transformational leadership improves contextual performance (Ahmad Zawawi, 2020; Manesh, Singh, & Hussain, 2018) and transactional leadership improves contextual performance (Young, Glerum, Joseph, & McCord, 2021). The role of contextual performance is undeniable in the success of an organization because contextual performance determines the ability of employees for contributing to organizational well-being. Stakeholders are essential players in organizational performance and under the light of stakeholder theory and literature, it is assumed that responsible leadership will improve contextual performance. Hence,
H3. Responsible Leadership improves Contextual Performance.

Responsible Leadership and Sustainability Practices
Responsible leadership starts from being responsible for economic, social, and environmental aspects simultaneously. Literature reveals that responsible leadership positively impacts sustainability practices (Colley & Spyridonidis, 2022; James & Priyadarshini, 2021). Sustainable practices are essential for environmental performance and to save the planet. Responsible leadership is essential for protecting the environment as well as social and economic aspects. Hence,
H4. Responsible Leadership improves Sustainability Practices.

Sustainability Practices and Environmental Performance
Concerns of investors and consumers have been raised regarding the environmental performance of organizations (K. Kim, 2018). Firms need to develop strategies for reducing pollution and protecting the natural environment. Sustainability practices can provide the solution to overcome pollution and protect the natural environment which will ultimately enhance environmental performance. Literature suggested that sustainability practices are an essential element of environmental performance (Mapar et al., 2020; Nguyen, Elmagrhi, Ntim, & Wu, 2021). Hence,
H5. Sustainability Practices Improve Environmental Performance.

Sustainability Practices and Task Performance
Sustainability practices are the need of the hour to protect the planet from fast-growing businesses. Sustainability practices are essential for task performance as organizations have paid focused on sustainability and consider it the key component for success. Literature reveals that environmental practices are influencing task performance (Min, 2017). Hence, it is assumed that sustainability practices will positively influence task performance.

Sustainability Practices and Contextual Performance
The contemporary business world is complex and dynamic due to globalization and the competitive environment. Contextual performance is an essential element for competitive advantage (Kappagoda, 2018). Sustainability practices have been found essential for organizational success (Biswas, 2021; Fok, Morgan, & Zee, 2021). Based on the above discussion, it is assumed that sustainability practices will positively influence contextual performance. Hence,
H7. Sustainability Practices Improve the Contextual Performance.

Mediating Role of Sustainability Practices
Drawing upon the stakeholder’s theory, organizations have changed their stance from motives of profit to long-term success which includes all stakeholders of the society. The sustainability concept is prominent in the business world for achieving long-term success (Singh, Pradhan, Panigrahy, & Jena, 2019). Past studies’ result reveals that sustainability practices performed mediating role between management innovation and organizational performance (Y. Zhang, Khan, Lee, & Salik, 2019), and social performance enhancement (Agussani & Akrim, 2020). Hence, it is obvious that sustainability practices provide a mediating role in organizational performance studies. We argue that
due to the competitive business world, sustainability practices can play mediating role between responsible leadership and environmental, task, and contextual performance. Hence,

H8. The connection between responsible leadership and environmental performance is favorably mediated by sustainability practices.

H9. The association between responsible leadership and task performance is favorably mediated by sustainability practices.

H10. Contextual performance and responsible leadership are favorably mediated by sustainable practices.

Research Methodology
Sample and Data Collection
The targeted sample was employed in the present study to gather data using a survey questionnaire approach. From February to June 2022, a sizable survey was carried out. The research subjects chosen were the top four local private banks working in Pakistan. Only officers who were knowledgeable about the general state of their organizations were asked to participate in the survey, allowing the respondents to evaluate the questions on the questionnaire in an unbiased manner. The technique of stratified simple random sampling was employed to gather cross-sectional data. 560 questionnaires were distributed among officers of the banking sector and valid 398 valid questionnaires were returned with a 71% response rate. 11 responses that were outliers during the process of ensuring that the data was normal were removed, and 387 responses were then used for final data analysis.

Constructs Measurement
There are two components of the questionnaire that was used for this investigation: conceptual variables (independent, mediating, and dependent variables) and demographic variables (age, gender, qualification, experiences, and province).

Responsible Leadership
RL was measured using a 5-item (Voegtlin et al., 2012). Examples of possible elements include "My direct supervisor shows an understanding of the relevant stakeholder claims," "My direct supervisor examines diverse stakeholder claims before deciding," and "My direct supervisor attempts to reach consensus among the affected stakeholders."

Environmental Performance
The 6-item scale was utilized in the current study to measure environmental performance (Zailani, Eltayeb, Hsu, & Tan, 2012). Examples include "During the last three years, my firm significantly improved its overall environmental position" and "During the last three years, my firm significantly reduced its energy consumption."

Task Performance
The three-item scale used to assess task performance was adapted and focused on quality, efficiency, and quantity (FARH, Dobbins, & CHENG, 1991). The criteria included "High quality, low errors, and high accuracy in main job responsibilities," "High efficiency, fast execution, and high quantity in main responsibilities," and "Achieve high goals and in key job responsibilities."

Contextual Performance
Four items scale is used to measure the contextual performance of employees (Lin & Peng, 2010). Contextual performance is an essential player for competitive advantage as well as overall organizational performance.

Sustainability Practices
Five items scale is used to measure the sustainability practices of organizations (Lawrence, Collins, Pavlovich, & Arunachalam, 2006). Researchers asked simple questions to measure the sustainability practices of the organizations i.e. impact of employee activities on the environment.

Data Analysis and Results
The analysis is of two types: the first one is descriptive analysis and the second one is hypothesis testing. SPSS was utilized to carry out a descriptive analysis and hypothesis testing was conducted through Mplus. Results of descriptive analysis depict that there were more men than women among the respondents indicating that men predominate in Pakistan's banking industry. Male respondents 339 and female respondents 48 which is comparatively low. The majority of respondents belong to the less than thirty years category as 189 respondents were below 30 years of age which is 48.8% of the sample size. Five private sector commercial banks were selected for the study and the majority of the responses were collected from HBL, MCB, UBL, ABL, and BAHL respectively. HBL is the largest private-sector commercial bank with the highest number of branches across Pakistan. Most of the respondents have master’s education. 249 respondents have master’s degrees which are 64.3% of the sample size.

<table>
<thead>
<tr>
<th>Table 4.1: Demographic Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
</tr>
<tr>
<td>-----------</td>
</tr>
<tr>
<td>Gender</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Age</td>
</tr>
<tr>
<td>Up to 30 years</td>
</tr>
<tr>
<td>31 to 40 years</td>
</tr>
<tr>
<td>41 to 50 years</td>
</tr>
<tr>
<td>50 and above</td>
</tr>
<tr>
<td>Banking Organization</td>
</tr>
<tr>
<td>HBL</td>
</tr>
<tr>
<td>MCB</td>
</tr>
<tr>
<td>UBL</td>
</tr>
<tr>
<td>ABL</td>
</tr>
<tr>
<td>BAHL</td>
</tr>
<tr>
<td>Education</td>
</tr>
<tr>
<td>Graduation</td>
</tr>
<tr>
<td>Masters</td>
</tr>
<tr>
<td>MPhil</td>
</tr>
<tr>
<td>PhD</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Banking Experience</td>
</tr>
<tr>
<td>Up to 1 year</td>
</tr>
<tr>
<td>1-3 years</td>
</tr>
<tr>
<td>3-6 years</td>
</tr>
<tr>
<td>6-9 years</td>
</tr>
<tr>
<td>9 years and above</td>
</tr>
<tr>
<td>Province</td>
</tr>
<tr>
<td>Punjab</td>
</tr>
<tr>
<td>Sindh</td>
</tr>
<tr>
<td>KPK</td>
</tr>
<tr>
<td>Baluchistan</td>
</tr>
<tr>
<td>AJK</td>
</tr>
<tr>
<td>GB</td>
</tr>
</tbody>
</table>

Source: Author’s completion

A large number of respondents have 3-6 years of experience in the banking sector and 118 respondents have 3-6 years of banking experience which is 30.5% of the sample. Punjab is the largest province according to population and 209 respondents belong to Punjab which is 53% of the entire sample size. Whereas, extensive details regarding respondents were given in Table 4.1.

Through the use of the Mplus software, the structural equation modeling (SEM) approach is employed to assess the study’s hypothesis. SEM is the second generation of multivariate analysis which covers every characteristic of the first-generation and updated version for handling complex models (Fornell, 1982). One of the most important advancements in the field of social sciences is SEM due to its significant role in social sciences (Dash & Paul, 2021).

We have confirmed the validity and reliability of the scale to verify the study’s hypothesis. The reliability of the scale is already measured as the scale was adopted whereas the Average variance extracted (AVE) and the square root of AVE was used to assess the convergent and discriminant validity of the model. Each of the AVE scores exceeded 0.5 which is acceptable as per the criteria (Henseler, Ringle, & Sarstedt, 2015); while, by utilizing the square root of AVE, we have established the discriminant validity, where the square root of AVE value must be higher than the correlation of the relevant construct (Rönkkö & Cho, 2022) which is fulfilled in the present study. Table 4.2 depicts descriptive statistics, i.e. mean (M), standard deviation (SD), composite reliability (CR), average
variance extracted (AVE), and correlation among variables. Means and SD were calculated (responsible leadership (Mean = 4.011, SD = 0.875), environmental performance (Mean = 3.998, SD = 0.801), task performance (Mean = 4.101, SD = 0.890), contextual performance (Mean = 3.895, SD = 0.795), and sustainability practices (Mean = 0.3.929, SD = 0.799)). To investigate the relationship between the variables, correlation studies were carried out. The results of correlation analysis revealed that responsible leadership and environmental performance are strongly and positively associated ($r = 0.244, p < 0.01$), task performance ($r = 0.365, p < 0.01$), contextual performance ($r = 0.188, p < 0.01$), and sustainability practices ($r = 0.289, p < 0.01$). Environmental performance ($r = 0.264, p < 0.01$), task performance ($r = 0.319, p < 0.01$), and contextual performance ($r = 0.209, p < 0.01$) are all substantially and positively connected with sustainability practices.
Table 4.2: Mean, Standard Deviation, Validity, and Correlation

<table>
<thead>
<tr>
<th>Variable name</th>
<th>Mean</th>
<th>SD</th>
<th>CR</th>
<th>AVE</th>
<th>RL</th>
<th>EP</th>
<th>TP</th>
<th>CP</th>
<th>SP</th>
</tr>
</thead>
<tbody>
<tr>
<td>RL</td>
<td>4.011</td>
<td>0.875</td>
<td>0.899</td>
<td>0.525</td>
<td>(0.725)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EP</td>
<td>3.998</td>
<td>0.801</td>
<td>0.862</td>
<td>0.559</td>
<td>0.244***</td>
<td>(0.748)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TP</td>
<td>4.101</td>
<td>0.890</td>
<td>0.955</td>
<td>0.519</td>
<td>0.365***</td>
<td>0.027</td>
<td>(0.720)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CP</td>
<td>3.895</td>
<td>0.795</td>
<td>0.888</td>
<td>0.577</td>
<td>0.188***</td>
<td>0.066</td>
<td>0.072</td>
<td>(0.760)</td>
<td></td>
</tr>
<tr>
<td>SP</td>
<td>3.929</td>
<td>0.799</td>
<td>0.819</td>
<td>0.511</td>
<td>0.289***</td>
<td>0.264***</td>
<td>0.319***</td>
<td>0.209***</td>
<td>(0.715)</td>
</tr>
</tbody>
</table>

Note: *p < 0.05, **p < 0.01, ***p < 0.001

Note: Discriminant Validity is measured through the Square root of AVE

SD= Standard Deviation; CR= Composite Reliability; AVE= Average Variance Extracted;

RL= Responsible Leadership; EP= Environmental Performance; TP= Task Performance;

CP= Contextual Performance; SP= Sustainability Practices

Source: Author’s completion
The findings of the structural model, which was employed to evaluate the present study's hypothesis, are presented in Table 4.3. The findings of the hypothesis show that responsible leadership significantly improved environmental performance (b = 0.204; p < 0.01), task performance (b = 0.365; p < 0.01), contextual performance (b = 0.188; p < 0.01), and sustainability practices (b = 0.289; p < 0.01) which indicated that results supported H1, H2, H3, and H4. The current study's findings are in line with previous research, which has shown that responsible leadership improves the performance of employees working in Indonesia's education department (WIDOPO & YUSUF, 2021). The findings of a recent study suggested that responsible leadership has a favorable relationship with task performance (He et al., 2021). Responsible leaders are those who performed three functions namely economic, social, and environmental simultaneously (Siddiqui et al., 2020) and recent study results indicated that responsible leaders improve the environmental performance of their organizations (Liao & Zhang, 2020). In line with the findings of a recent study, which found that environmental practices had a beneficial influence on firms' environmental performance, the intervening variable, sustainability practices, had a substantial positive effect on environmental performance (b = 0.264; p < 0.01) (K. Kim, 2018). According to the findings of a recent study, sustainability practices have a beneficial influence on task performance (b = 0.319; p < 0.01) as well as on employees' task performance (El-Khalil & El-Kassar, 2018). Contextual performance is positively impacted by sustainability practices (b = 0.209; p < 0.01) and literature supported the present study results as recent study results revealed that the contextual performance of employees is significantly improved by sustainable measures. (Dongrey & Rokade, 2021). So, it is established that hypotheses of present study namely H5, H6, and H7 are supported.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Environmental Performance</th>
<th>Task Performance</th>
<th>Contextual Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Effect</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RL $\rightarrow$</td>
<td>0.204 (<em><strong>), 0.365 (</strong></em>), 0.188 (<em><strong>), 0.264 (</strong></em>), 0.319 (<em><strong>), 0.209 (</strong></em>), 0.289 (<em><strong>), 0.102 (</strong></em>), 0.099 (***), 0.178 (0.214)</td>
<td>0.306 (<em><strong>), 0.464 (</strong></em>), 0.348(0214)</td>
<td></td>
</tr>
</tbody>
</table>

H8, H9, and H10 were recommended to investigate the mediation effect. Before now, there hasn't been much data to support the idea that sustainable leadership practices and environmental, task, and context performance are mediated by sustainability practices. H8 claims that the association between responsible leadership and environmental performance is mediated by sustainability practices (b = 0.102; p 0.01). Hence, the p-value and beta value supported the proposed hypothesis and resulted in the acceptance of the H8 hypothesis. H9, which also provided support for the hypothesis, asserts that sustainability practices mediate the relationship between task performance and responsible leadership (b = 0.099; p < 0.01). In the last proposed hypothesis H10, mediating role of sustainability practices was tested between responsible leadership and contextual performance (b = 0.178; p < 0.214). Results of hypothesis H10 depict that there is no mediation due to the insignificant value of p. Hence, the present study is based on ten hypotheses, one was rejected and nine hypotheses were accepted as detailed mentioned in tabulated form in table 5.1.

Discussion, Implications, and Future Directions
Drawing light on stakeholders’ theory, by mediating the impact of sustainability practices, the current study experimentally examined the impact of responsible leadership on environmental, task, and contextual performance. There were seven direct hypotheses and three were used to test the mediating role of sustainability practices. Out of ten hypotheses, nine were accepted and one was rejected as
mentioned in table 5.1. The results of this study are in line with those of other earlier ones as responsible leadership significantly impacts environmental performance (Liao & Zhang, 2020; Rehman et al., 2021), and task performance (Ambad, Kalimin, Damit, & Andrew, 2021; He et al., 2021). However, the role of responsible leadership in contextual performance was less empirically tested areas as the role of transformational leadership in contextual performance were tested (Pradhan & Pradhan, 2015). So, the present study empirically tested the relationship and found that contextual performance is significantly improved by responsible leadership, whereas the mediating role of sustainability practices was rejected. Results of the study were shown in figure 5.1 which clearly defined that sustainability practices, environmental performance, task performance, and contextual performance are all impacted by responsible leadership. Stakeholders theory defines that leadership must engage all stakeholders of society instead of shareholders. A responsible leader balances the needs of the economy, society, environment and engages all stakeholders of the society i.e. shareholders, clients, community, employees, and future generations (Haque, Fernando, & Caputi, 2018; Javed, Akhtar, Hussain, Junaid, & Syed, 2021; Voegtlin et al., 2012). Responsible leadership has a favorable effect on a firm's multifaceted performance by employing stakeholders' theory to comprehend why and under what conditions to adopt sustainable policies. However, the literature reveals that performance context was examined to gauge the responsible leadership position in the light of social network theory (Miska & Mendenhall, 2018) and institutional theory (Peters, 2019).

![Figure 5.1: Theoretical Model along with Results](image)

We suggested that responsible leadership, categorized as leadership behavior that reflects an optimization of numerous stakeholders for network ties with them (Javed et al., 2021), improves the performance of the firm both monetarily and non-monetarily, i.e. task performance, environmental performance, and contextual performance directly and through sustainability practices expect contextual performance.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Statement</th>
<th>Beta Coefficient</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Responsible Leadership has a positive impact on Environmental Performance.</td>
<td>0.204(***)</td>
<td>Endorsed</td>
</tr>
<tr>
<td>H2</td>
<td>Task Performance is influenced favorably by responsible leadership.</td>
<td>0.365(***)</td>
<td>Endorsed</td>
</tr>
</tbody>
</table>
Responsible leaders take care of the triple bottom approach and cover social, economic, and environmental aspects simultaneously. The findings are further supported by the notion of responsible leadership, which contends that it is about making sustainable business decisions while keeping the interests of all stakeholders in mind, such as shareholders, workers, customers, and other parties. Customers, suppliers, society, the planet, and subsequent generations (Rehman et al., 2021). We proposed that responsible leadership, defined as leadership conduct that takes into account the goals of many stakeholders to foster social links with them, enhances firm performance both financially and non-financial. However, based on the triple bottom approach, the current study assessed the impact of responsible leadership on employees' performance concerning their environment, tasks, and context. and the results of the present study depict that the following hypotheses H1, H2, and H3 are accepted.

Present study results depict that if the leader is responsible then organizational performance will be better in terms of task, contextual, and environmental. It is possible to accept hypothesis H4 since responsible leadership has a considerable and beneficial direct effect on sustainability practices. We proposed that sustainability practices due to their multidimensional effect can enhance the environmental, task, and contextual performance of employees. The current study's findings indicate that sustainability practices have a significant positive effect on environmental, task, and contextual performance which provides the basis for acceptance of the H5, H6, and H7 hypotheses. However, H7 and H8 were accepted as sustainability practices that perform mediating roles between responsible leadership and environmental performance as well as task performance. Whereas, in the case of contextual performance, sustainability practices didn’t perform the intervening roles.

The Study's Theoretical Implications

Leadership is a vast and diversified topic and the current study adds to the body of knowledge by empirically examining the function of responsible leadership in the context of task performance, and contextual performance via the lens of stakeholders' theory. The role of responsible leadership is essential to be empirically tested because of its ability to perform based on the triple bottom approach (Siddiqui et al., 2020). In the present study, the role of sustainability practices was empirically tested which further added a body of knowledge and pave way for future research. The present study provides understanding regarding the role of responsible leadership in performance and also identifies the mediating role of sustainability practices (Ijaz, Siddiqui, & Rasheed, 2020) which is essential due to sustainability importance which is acknowledged worldwide (Siddiqui & Ijaz, 2022).

Managerial Implications of the Study

Responsible leadership plays a vital role in the performance outcomes, not only financial but it’s also effective for environmental, task, and contextual performance. It’s worldwide accepted that for multidimensional performance results, responsible leadership is necessary. (Tsui, 2021; Voegtlin et al.,
Responsible leadership is essential for performance due to its stakeholders’ approach under which the leader takes care of every stakeholder instead of shareholders. This study was conducted in the banking sector of Pakistan which covers the whole of Pakistan and covers all financial industries. The banking sector has millions of customers in Pakistan and therefore, its performance in terms of environment, task, and context is essential. Various studies reported the burnout and turnover ratios in the banking sector are higher than in other sectors (Asif & Nisar, 2021; Mushtaq, Shaqfkat, Khan, Ellahi, & Ansar, 2021; Shah, Saeed, Yasir, Siddique, & Umar, 2018) which emphasis the higher management to become responsible leaders. By realizing the importance of responsible leadership by higher management, they will be able to boost multilevel performance. Policy-makers can enhance the organization

Limitations and Directions for the Future
In the present study, data were collected from private commercial banking sector employees whereas it could be collected from the whole industry including specialized institutions, public sector banks, microfinance banks, and foreign banks working in Pakistan. Data collected cross-sectional due to time resources whereas, future researchers can collect data in a time-lagged way to minimize the common method biasness. Future researchers should test the comparative analysis among various forms of bank and cross-sector analysis for its generalizability. In the present study, researchers used firm-level variables whereas future researchers should use employee-level variables like pro-environmental behavior, organizational citizenship behavior, self-efficacy, etc. Finally, sustainability practices were used as mediation whereas, future researchers can use self-efficacy, environmental strategy, and inner motivation as mediation.

References


