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Identifying and Navigating Barriers to ESG Strategy Implementation: Perspectives of Corporate Senior Leaders in a MENA Context

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ABSTRACT

Effective ESG implementation remains a critical yet persistently underachieved organisational priority, particularly in emerging markets where reporting standards, leadership capabilities, and regulatory environments remain inconsistent. This paper aims to develop an interpretive framework that senior leaders in large organisations can apply with contextual nuance to navigate ESG implementation, measure performance, and improve organisational outcomes. Drawing on semi-structured interviews with 12 senior sustainability leaders across multiple industries in the UAE, against a backdrop of growing investor demand, expanding ESG assets and ambitious regional sustainability targets, the study employs thematic analysis to examine the barriers and complexities shaping ESG adoption across the MENA region. The findings reveal two overarching motifs: barriers, encompassing strategic ambiguity, internal communication, frameworks, reporting and regulation; and compounding complexities, including limited ESG knowledge and expertise, unwillingness or inability to identify problems, unsuitable organisational infrastructure and inconsistent government policy. Together, these factors not only hinder effective ESG adoption but generate broader organisational uncertainty around ESG's measurement, relevance, and long-term strategic value. The paper contributes a conceptual framework demonstrating that embedded, well-governed ESG integration, supported by clearer standards, aligned infrastructure, and enabling policy environments, can meaningfully enhance operational efficiency, transparency and organisational performance.

1 | Introduction

The urgency of meeting the United Nations' 2030 sustainable development goals (SDGs) has placed environmental, social and governance (ESG) integration at the centre of corporate strategy globally. Multinational Corporations (MNCs) increasingly acknowledge the strategic necessity of embedding ESG principles (Kim et al. 2025), and stakeholder demand is demonstrably robust. The 2025 Morgan Stanley Investors Report highlights that 88% of investors seek portfolios incorporating sustainability and resilience (Morgan Stanley 2025). Without sustained top-down

organisational commitment to ESG implementation, the 2030 targets will not be met, and current progress remains significantly below required trajectories (United Nations Publications 2023).

In the MENA region, this imperative is particularly acute. Sovereign Wealth Funds from the UAE and Saudi Arabia (KSA) are directing substantial capital flows into clean energy and green infrastructure (Deloitte and Touche 2025), regional expansion in sustainable investment (Basrai and Al-Shihabi 2025) is echoed by growth in Europe (Olumekor and Oke 2024), and anticipated regulatory pressures in both areas (Grassa et al. 2024)

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are creating unprecedented pressure on corporations to formalise ESG strategies. This is added to by the UAE government's ambitious national targets such as decarbonising commercial transportation through the Dubai Commercial Transport Strategy 2030 (2024) and achieving the top position in the Global Food Security Index by 2051 (National Food Security Strategy 2051 2024).

Europe has pioneered ESG strategy development (Zuazua Ruiz et al. 2023), and it is now essential that the MENA follows suit by establishing resilient ESG targets and transparent measurement frameworks. Yet implementation lags dramatically behind intent. In the UAE, only half of organisations are actively implementing ESG initiatives, and fewer than a third use internationally recognised frameworks for external reporting, with others relying on internal processes, revealing a critical transparency gap between aspiration and practice (Dubai Chamber 2025). Senior leaders thus operate in a high-pressure environment, expected to deliver against these commitments while navigating practical barriers in strategy, measurement, and reporting (Chopra et al. 2024), and simultaneously having to build the internal business case for sustainability with stakeholders (Pimpa 2025).

1.1 | Research Background

Despite significant advancements in sustainability and ESG research over the past decade, the literature has not adequately addressed the implementation challenge, particularly in the MENA context. Specific gaps persist in knowledge, including the barriers preventing effective ESG adoption and consistent reporting in the region (Mukhtar et al. 2025), the effectiveness and consistency of drivers behind ESG implementation and key success factors (Ahmad et al. 2022), as well as the role of leadership and decision-making in driving ESG strategy in less developed and emerging market contexts (De Falco et al. 2024). There are also limitations in how it can be practically integrated into business activities in developing economies (Zairis et al. 2024) and how businesses can construct a credible internal business case for sustainability. Elidrisy et al. (2024) further emphasises the need for additional MENA-focused research to enhance understanding of ESG's impact on organisational performance. There is a broader methodological gap: qualitative research exploring how it is practically embedded in organisational activities remains scarce (Aldowaish et al. 2022). Taken together, existing literature offers limited actionable guidance for senior leaders in MENA seeking to align regional practice with global sustainability standards. This study addresses these gaps directly.

This study focuses on larger organisations and MNCs, which research consistently identifies as the primary drivers of ESG implementation and reporting (Dubai Chamber 2025). It investigates the challenges of implementing effective ESG, with a particular focus on leaders based in the UAE who oversee organisations operating across MENA, thereby capturing the wider regional dimensions of ESG implementation. While many respondents refer specifically to the Gulf Cooperation Council (GCC) of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE, others identify a wider MENA geography to encapsulate the full scope of the discussion, this study retains the wider MENA framing.

The study is guided by two research questions:

RQ1. *What are the primary barriers faced by senior leaders in implementing ESG strategies in large organisations from the UAE operating in the MENA region?*

RQ2. *How can businesses within the MENA region integrate ESG to improve organisational performance?*

To address these questions, this study employs a qualitative approach using semi-structured interviews with a purposive sample of 12 senior strategic sustainability leaders across the UAE. Participants were selected for their seniority and direct strategic responsibility for ESG across key corporate sectors. This purposive sampling strategy ensures that findings reflect the perspectives of those most directly engaged in navigating ESG implementation at an organisational and regional level. The interview-based methodology enables in-depth exploration of the perceived barriers and opportunities that quantitative approaches cannot adequately capture.

The study identifies four primary barriers to ESG implementation reported by those corporate leaders. An absent or insufficiently embedded ESG strategy at the organisational level; weak internal communication around sustainability goals and responsibilities, inconsistent or inadequate reporting frameworks and standards and mounting regulatory pressures that outpace organisational readiness. These barriers do not operate in isolation. The findings reveal a set of complexity factors that deepen their impact, including limited knowledge and expertise in ESG and sustainability indicators among leadership and staff, a reluctance to openly acknowledge shortcomings in current practice, inadequate organisational infrastructure to support meaningful ESG integration, and inconsistent, ambiguous or shifting government policy that undermines long-term strategic planning. Together, these interlocking challenges help explain why ESG commitment sometimes does not translate into effective organisational practice. Alongside these barriers, the study also identifies significant opportunities; organisations that successfully integrate ESG into their core business models demonstrate enhanced stakeholder engagement, stronger investor relationships, and improved long-term strategic positioning. The study further highlights that sustained, top-down leadership commitment is the critical enabling condition for overcoming these barriers and driving meaningful ESG progress.

This paper makes three primary theoretical contributions. First, it advances the conceptual understanding of ESG implementation barriers by developing a region-specific analytical framework that accounts for the distinctive institutional, cultural and regulatory context of the MENA, moving beyond frameworks derived predominantly from European or Western corporate settings. Second, it contributes to ESG leadership theory by examining how senior leaders perceive, navigate, and respond to implementation challenges, adding qualitative depth to a literature that has relied heavily on quantitative and firm-level performance metrics. Third, the paper extends existing sustainability governance frameworks by proposing a methodology applicable across organisations of varying scale, from SMEs to MNCs, that enables measurable ESG reporting aligned with the UN SDGs and other

globally recognised frameworks, making global standards actionable at a regional level. Empirically, the study provides original qualitative evidence from senior sustainability leaders offering previously underexplored practitioner-level insight into ESG strategy in a region where the existing literature has yet to fully capture the realities of on-the-ground implementation, where the findings carry implications beyond the UAE and offer transferable practices relevant to comparable emerging market contexts globally.

The paper is structured as follows. Section 2 presents the literature review, examining the current state of ESG research globally and within the MENA region. Section 3 details the research methodology, including the qualitative design, sampling approach and analytical framework. Section 4 presents the empirical findings, organised around the key motifs emerging from the interviews. Section 5 discusses the findings in relation to the existing literature and the study's research questions. Section 6 presents the conclusions, the proposed region-specific ESG integration framework, the theoretical and management implications and limitations and areas for further study.

2 | Literature Review

This literature review explores foundational theories and contemporary frameworks of ESG and Corporate Social Responsibility (CSR) strategy development and implementation. While the two concepts are frequently treated as congruent in academic and professional discourse, the background research highlights fundamental differences in their definitions and practical application (Kandpal et al. 2024). CSR reflects broader voluntary commitments, often deployed as a defensive or compliance-oriented strategy, while ESG emphasises measurable, stakeholder-centred performance indicators aligned more explicitly with investor expectations and governance accountability (Kazmierczak 2022; Passas 2024). Definitional ambiguity has long undermined CSR's effectiveness, where it is defined too narrowly, corporate strategy risks becoming disconnected from genuinely responsible practice (Sheehy 2014). ESG addresses this by incorporating governance factors and non-financial performance indicators that enable more rigorous assessment across a broader range of stakeholders. This study adopts the view that ESG represents an evolution of CSR, offering a more holistic perspective beyond a simplistic shareholder-centric approach (Rau and Yu 2024), incorporating the wide-ranging deployment and importance of stakeholders in the implementation and governance of ESG (Mahajan et al. 2023).

This review maps the current state of knowledge on barriers to ESG implementation, addressing the complexity of successful adoption across three interconnected dimensions: strategy design, barriers to implementation and consistency of outcomes. It examines stakeholder theory, highlighting its role in balancing diverse interests and aligning corporate actions with societal expectations. Finally, the review explores Business to Business (B2B) v Business to Consumer (B2C) purchasing, contrasting rational purchasing theory with other influencing factors. Across each of these dimensions, the role of technology is intertwined and requires further investigation, not only as a potential barrier to ESG implementation, given the complexity of disparate

systems, data management, and reporting infrastructure, but equally as a critical enabler of improved outcomes, with the capacity to enhance implementation and streamline operations and drive more consistent and scalable ESG performance (Saxena et al. 2023).

2.1 | Barriers to ESG

A central remit of this paper is to identify the current state of research on barriers to ESG implementation, as a necessary foundation for understanding how organisations can improve performance through a more effective ESG strategy. The existing literature reveals several consistent and interconnected obstacles.

Operating within a complex ecosystem of competing reporting standards and differing philosophical approaches, organisations face significant difficulty in constructing coherent ESG strategies from the outset (Elidrisy 2024; Sulkowski and Jebe 2022). This challenge is compounded by the voluntary and fragmented nature of ESG regulation and governance, which Sulkowski and Jebe (2022) identify as a persistent structural weakness undermining the comparability and reliability of results across organisations and sectors. The absence of a consolidated global governance framework for ESG reporting remains a substantive barrier to the kind of standardisation that would enable meaningful benchmarking and strategic alignment (Kashim Ibrahim et al. 2023).

A further barrier identified in the literature concerns the dissociation of ESG strategy from an organisation's core operational activities. As Müller et al. (2025) argues, when ESG is treated as peripheral rather than integral to organisational practice, it instrumentalises the tension between external stakeholder pressures and internal policy priorities. There is further emphasis that robust corporate governance is a critical enabler of more effective sustainability strategy, suggesting that organisational structure itself is a determining factor in ESG outcomes (Annesi et al. 2025; Müller et al. 2025).

A compounding barrier identified is the inconsistency in the demonstrated relationship between ESG implementation and organisational performance ratings (Lukács and Molnár 2025; Zhao et al. 2025). Even where comparable strategies have been adopted, the results diverge considerably, raising fundamental questions about the reliability of ESG as a performance lever and complicating the development of consistent models for corporate strategy (Busch et al. 2024). This complexity is further intensified by regional variation, including significant differences within major economic zones such as the EU and MENA, which disrupts attempts to establish universally applicable frameworks (Passas 2024).

Identifying barriers to ESG implementation is a crucial aspect of this research, as there is a notable lack of data on consistent or recurring obstacles that affect the implementation of ESG practices across different sectors (Lee and Suh 2022). The examination of ESG ratings and their relationship to financial performance reflects this same inconsistency, underscoring the broader challenge of application at scale (Pérez et al. 2022). Gaining a clear understanding of ESG developments, barriers, and the

complexity of implementation is essential for organisations, governments, and institutions to effectively identify and mitigate potential environmental impacts, navigate diverse regulatory frameworks, address social issues, and establish best practices in governance (Annesi et al. 2025).

2.2 | Stakeholder Theory

According to Mahajan et al. (2023), stakeholder theory is an essential framework for understanding the comprehensive application of ESG management, as it integrates both ethical considerations and core business operations (Hörisch et al. 2014). This perspective extends beyond Friedman's (1970) traditional view that a firm's primary obligation is to maximise shareholder profits, emphasising instead that organisations should aim to generate benefits and create value for a broad range of stakeholders, including employees, community, governments, customers, and shareholders (Freeman 2010). Stakeholders are integral to contributing to the different facets of ESG goals, thus building sustainable value creation (Talan et al. 2024).

While organisations focus on delivering value to shareholders, they also bear responsibility and accountability to their stakeholders (Peng and Mansor 2020). Freudenreich et al. (2020) support this approach, arguing that effective business models can drive shared value through stakeholder engagement, and Goyal (2022) highlights that stakeholder theory provides a holistic framework for managing organisations by recognising their diverse roles and fiduciary duties, underscoring the necessity for corporations to embed sustainability initiatives within their strategic models.

2.3 | B2B Purchasing Decisions as Rational-Based Buying

Rational-based buying theory posits that purchasing decisions are made logically and objectively to maximise self-interest, utility, and satisfaction (Smith 1776). The theory of rational-based buying contrasts with emotional buying behaviour, which suggests that consumers' purchasing decisions are influenced by emotions rather than solely by logic or practicality. This emotional influence plays a key role in shaping consumer choices and is especially prevalent in B2C contexts (Sharma et al. 2022; Watson and Spence 2007). Smith (1776), however, argued that consumers are rational actors who purchase goods and services not out of goodwill or emotional impulse but are driven solely by self-interest. What motivates consumers to make purchases is typically determined by their buying behaviour, and numerous theories and factors have been studied regarding B2C buying behaviour, including the Theory of Reasoned Action (Ajzen 2012), Fishbein's Multi-attribute Model (Lindgren and Konopa 1980), and the Hierarchy of Effects Model (Lavidge and Steiner 1961). These models examine a range of personal factors, such as cultural, social, emotional and rational elements (Roy and Datta 2022).

Purchase behaviour is a widely studied field, and the consensus is that consumers use both rational and emotional elements in buying decisions. Zaltman (2003) from Harvard Business School

states that 95% of all consumer purchase decision-making takes place due to an emotional connection. Evidence suggests that corporate procurement decisions in B2B contexts is formed by rational considerations such as cost-effectiveness, performance metrics and long-term value, while emotional factors serve as a secondary influence (Hadjikhani and LaPlaca 2013). Billo et al.'s (2023) systematic study in the field showed that supplier selection was highly rational, emphasising the most essential elements of cost and quality, delivery, flexibility and performance. However, Haußmann (2016) suggests that the distinction between B2C and B2B settings is less clear than traditional notions suggest. While consumer studies such as Kamalanon et al. (2022) illustrate an individual's willingness to pay more for sustainable products, research on sustainable B2B buying remains limited, especially in the MENA.

The distinction between B2B and B2C buying behaviour carries relevance when examining ESG implementation within large, complex organisations. In B2C contexts, emotional drivers and individual values, including environmental and social concerns, have been shown to influence purchasing decisions and, by extension, create external market pressure on corporations to demonstrate credible ESG commitments (Chao and Yu 2024). In B2B contexts, however, where procurement decisions are governed more heavily by rational criteria, the integration of ESG considerations into supplier selection and corporate strategy faces a structurally different set of incentives and constraints (Hadjikhani and LaPlaca 2013). This tension between externally driven ESG expectations and internally rational procurement logic represents one of the less examined dimensions of ESG implementation complexity identified in the broader literature.

The theoretical framework adopted in this study was not applied in isolation but was deployed as an integrated interpretive lens, applied specifically through the perspective of senior leadership to examine the research questions and illuminate ESG challenges as experienced and understood by those responsible for strategic decision-making. Stakeholder theory informed the identification and prioritisation of key actors, including regulators, investors, senior leadership and supply chain partners, whose expectations and pressures were consistently evident in the interview data as drivers of ESG adoption. Resource dependence theory underpinned the interpretation of findings related to access to capital, regulatory compliance and the strategic value of ESG credentials in securing institutional legitimacy. The theory of reasoned action informed the analysis of individual and organisational behavioural intent, particularly where participants articulated awareness of ESG principles but described barriers to consistent implementation. Together, these theoretical perspectives provided a coherent interpretive scaffold that shaped both the coding framework and the discussion of findings, ensuring that empirical observations were grounded in established theoretical reasoning rather than treated as isolated practitioner accounts.

3 | Methodology

This study was conducted using semi-structured interviews, as these are shown to be beneficial when investigating complex, subjective, and specialised information, as this research aims to

TABLE 1 | Participants list.

Participant	CSO—C-suite—owner/Manager (SME)	> 5 years exp	Industry	Gender
P1	CSO	> 10	Banking/Finance Sector	Female
P2	CSO	> 10	Legal/Compliance	Female
P3	Owner/Manager	> 5	Carbon Technology Solutions	Male
P4	C-Suite—Legal/Compliance	> 5	Banking/Finance Sector	Male
P5	Owner/Manager	> 5	Startup Finance/Investment	Male
P6	Owner/Manager	> 5	Sustainable Marketing/Branding	Male
P7	CSO	> 15	Engineering/Development consultancy	Female
P8	CSO	> 15	Accounting/Consultancy	Male
P9	C-Suite—Sustainability and Logistics	> 15	Logistics/Transportation	Male
P10	C-Suite and CSO	> 10	Transportation and Mobility	Male
P11	Head of ESG (CSO)	> 5	Accounting/Consultancy	Male
P12	CSO	> 5	Retail and Brand franchise operator	Female

do (Bell et al. 2019). A purposeful sample was used to ensure that interviewees could provide relevant responses to the topic (Suri 2011). The selection criteria for these participants ensured that only persons in a senior position (e.g., CSO, C-suite or owner) were interviewed, that they had worked in the sector and MENA region for over 5 years, they were leading some form of innovation activity within their organisation, and they were responsible for both the measurement and reporting of ESG activities. This resulted in the interviewing of 12 senior managers from a wide cross-section of industries, as seen in Table 1. While a sample of 12 may seem modest, other studies in this area have successfully used smaller samples (Agarwal et al. 2020; Prabowo and Anggoro 2024; Vanyushyn et al. 2025).

Semi-structured interviews took place from September to December 2023, each lasting 35 and 55 min, after interviewees were briefed on their role in the study and their written consent was obtained. The interview structure was developed based on existing literature, highlighting key aspects of ESG (Kazmierczak 2022), as well as social impact (Bilro et al. 2023), governance issues (Aldowaihi et al. 2022), reporting (Singhania and Saini 2022), technology (Saxena et al. 2023) and barriers (Lee and Suh 2022). This ensured focus on the topic area and a strong foundation for discussion with leading practitioners. Each question is also aligned to at least one of the study's two research questions, this is illustrated in Table 2.

The interviews were conducted by the same interviewer in the same location to ensure consistency and reliability, and to provide replicability of the study (interview questions are available in Table 2). This approach aligns with the theory that these purposeful sampled (M. Ahmad and Wilkins 2025) C-suite leaders were the logical choice to provide more valuable and relevant data as they had experience in the development and operation in this field. This selection is supported by research from both Mitra and Tam Bui (2024) and Dubai Chamber (2025) who identify SME's as crucial in their actual impact on carbon emissions.

The analysis of the data were completed using a thematic analysis, which is designed to help draw out meaning from the data (Braun and Clarke 2006). Following the phases of thematic analysis, the data were transcribed and checked for accuracy before

being uploaded to NVivo. Time was then taken so that the authors could familiarise themselves with the data before initial coding was undertaken. The authors consulted with one another through the entire coding process to uncover deeper meaning through collaboration (Hilal and Alabri 2013), while also providing further validation. It was through this collaborative process that saturation was recognised.

This recognition came about through the continual review of the coding process. Discussion by participants of strategic issues, internal communications, regulation and governance was near universal. Related to some of this discussion, most participants spoke of a form of regulation or formal reporting, while the topic of infrastructure was frequently mentioned, along with internal communications. More insightful leaders raised issues around frameworks or their limitations, and unwillingness to see the problem was a sticking point for some. All spoke to some degree of the complexity of dealing with ESG, often in relation to some form of barrier to one or more aspects of implementation. Central to this complexity was the challenge of maintaining knowledge and expertise across multiple, disparate systems, regulatory environments, and regional requirements, each demanding different standards of application and accountability. This conceptual relationship between complexity and implementation contributes to the understanding of how organisations can integrate ESG to improve performance, by clarifying the structural and knowledge-based conditions that must be addressed before consistent and effective ESG integration at the organisational level becomes achievable.

The inclusion of B2B and B2C buying behaviour in this review was deliberate and directly informed interview design. The participating organisations are primarily MNCs that operate across both sectors simultaneously, navigating the competing demands of emotionally driven consumer markets and rationally governed corporate procurement environments. Understanding how these organisations reconcile or compartmentalise ESG strategy across these two distinct commercial contexts was therefore central to exploring the barriers to implementation examined in this research.

TABLE 2 | Interview guide incorporating research questions and source of question design.

Associated RQ	Interview question	Drawn from
RQ1, RQ2	ESG trends – What trends and developments are you currently seeing being most impactful in the MENA region?	(Każmierczak 2022)
RQ1	What have been the most significant impacts that the business has implemented for environmental and sustainability in the past 3 years since the pandemic?	(Lee and Suh 2022)
RQ1, RQ2	Could you highlight key areas of social impact that the business has worked towards in the past 3 years and plans to implement in the future?	(Bilro et al. 2023)
RQ1, RQ2	In what areas of governance has the business had the most significant challenges, and made the most impacts and developments?	(Aldowaish et al. 2022)
RQ1, RQ2	Tell me about the business's current ESG reporting practices or plans to implement reporting?	(Singhania and Saini 2022)
RQ1	What do you see as the biggest barriers to the strategy development and implementation of ESG practices?	(Lee and Suh 2022)
RQ2	What benefits and drawbacks do you see in the use of the UN SDGs and where is your focus in advancing the United Nations Sustainable Development Goals (UN SDGs), the global framework for driving progress towards a more sustainable future.	(Agrawal et al. 2022)
	What do you see as the most important changes/developments in the industry to lead further adoption of ESG strategy and standards?	(Arvidsson and Dumay 2022)
RQ2	What do you see as the most impactful technology trends to help in ESG development in the next few years?	(Saxena et al. 2023)
RQ2	Is there any other development that we have not covered that you think might be impactful?	Authors

TABLE 3 | Motifs and related sub-themes.

Motif	Related sub-theme
Barriers—RQ1	Strategy
	Internal Communications
	Frameworks
	Reporting and regulation
Complexity—RQ2	Knowledge and Expertise
	Unwillingness to see problems
	Infrastructure
	Governments

It was evident quite early on that these codes and respective motifs were key to the topic for the leaders, further interviews strengthened this view but did not add new topics to the discussion. All coding and thematic development were reviewed and discussed by both authors before finalisation to ensure consistency. Since the vast majority of themes were being consistently discussed by nearly all of the participants and no new themes appeared to emerge, both authors felt saturation had been reached. This is in keeping with other studies that demonstrate that saturation can be achieved by a sample size between 9 and 24 (Bouncken et al. 2025). The motifs and related sub-themes are outlined in Table 3.

4 | Findings

Among the barriers most frequently cited by the participants was the absence of clear and standardised guidance for establishing ESG structures and their associated reporting mechanisms. Commencing the discussion on barriers, the quote below emphasises the critical role of strategic leadership and internal

communication, without which organisational success remains severely compromised. This is perhaps best characterised by the strategic fit concept (Scholz 1987), which refers to the alignment between an organisation's internal capabilities and external environment; the absence of this alignment creates a barrier to strategic success that can result in inefficient resource use and an inability to adapt to market changes.

There is a dissonance between corporate strategy and leadership, vision, and employees actually feeling like they're in a position and empowered to contribute to sustainability. (P6)

Respondents also emphasised ESG's pervasive nature, recognising its strategic influence on both organisational objectives and the operational policies and procedures critical for effective ESG implementation (Arvidsson and Dumay 2022).

ESG is so broad and all encompassing, that it's really challenging to get a consistent view when we are helping to develop ESG strategies, policies, and procedures. (P2)

The discussion of strategies, policies, and procedures often overlapped with the discussion of regulatory frameworks, both voluntary and legal. This informs best practice in terms of implementation while also highlighting potential barriers.

The key challenge I see is that the legislation, the regulatory framework in all these [GCC] regions are quite different than each other. And also, the expectations and the understanding of the level. (P7).

Around the world, many aspects of ESG are being regulated and legislated, most notably in Europe, North America and South-east Asia, but not as widely in the MENA region (Singhania and Saini 2022).

Despite current regulatory inconsistency, standardisation is more recurrent and implemented by regulatory bodies, particularly in Europe. The EU's Corporate Sustainability Reporting Directive (CSRD), for instance, mandates uniform reporting on social and environmental risks for large and listed companies, requiring adherence to European Sustainability Reporting Standards (ESRS) (Directive 2013/34/EU, as Regards Corporate Sustainability Reporting 2022). This directive has been crucial for establishing consistent strategies and metrics, effectively reducing barriers to ESG adoption by standardising disclosure requirements (Elidrisy et al. 2024).

For aspiring businesses and other markets that are slowly following in terms of regulation in the Middle East, and not technically across too much of the detail around what those [regulations] are, there are a number of practices and a number of initiatives as mentioned, SASB [Sustainable Accounting Standards Board] and GRI, that we have, in our own strategies, given to our clients [that] we are using as a guiding post. (P6)

With SASB and Integrated Reporting increasingly being used by organisations to demonstrate ethical and social value, credit ratings firms such as Moody's, S&P, and Fitch are starting to recognise ESG ratings in their valuation (Parfitt 2024), although this level of standardisation has not yet fully materialised within the MENA. Despite this, other respondents felt that regulation needs to be built into sustainability management.

I really believe in harmonising regulation and uniform development in the face of restrictive legislation... so, it's a real balancing act for companies when evaluating their existing DEI and ESG programs and practices to maintain forward progress while navigating these legal and reputational risks. (P2)

Strategic implementation has always been seen as a balancing act (Rohm et al. 2005). As businesses and their stakeholders increasingly recognise the value of sustainable business offerings, organisations must adapt to macro environmental changes in regulation (Annesi et al. 2025) these findings being to show alignment with stakeholder theory. Interviewees widely highlighted that these external changes add significant complexity to strategic implementation and ongoing compliance, representing a key barrier to advancing ESG priorities.

The first thing, post COVID, that we started to see was this focus on net-zero, and some net-zero strategy wanting to be implemented, but not many organizations really understanding the complexity of what that requires. (P12)

Lack of knowledge and expertise is recognised as a fundamental barrier to ESG progression (Daugaard and Ding 2022), out of this lack of understanding organisations often do not know their strengths and liabilities in relation to ESG activities.

The main strategies that are coming in are around net-zero and carbon neutrality from an environmental perspective, a lot of the problem that clients have at the moment, is they actually don't know their own footprint. They don't know their own greenhouse gas emissions. They know that they have them in some respect but actually need to quantify and measure them. (P11)

The challenge of obtaining accurate and reliable data for measuring Scope 1, 2, and 3 emissions is a consistent theme, impacting not only organisations but wider society (Jonsdottir et al. 2022). This data barrier is widely recognised in research, was acknowledged in interviews, and is why ESG audits are recommended (Prodanova et al. 2023), as organisations are often unwilling or unable to see the full scope of the problems at hand, highlighting what is perhaps the most fundamental barrier to implementation, that of realisation. Without recognising a problem, how can an organisation proceed to address it?

A lot of people in the GCC, MENA region are still understanding what is sustainable, we have a younger population in this region than you have in Europe. So, trying to get them educated and get them into sustainability... the majority of people who are demanding these sorts of changes is key. (P11)

Societal understanding and buy-in for ESG, UN SDGs, and broader sustainability concepts are crucial (OECD 2020), yet this knowledge is often uneven globally. These findings also highlight the broader value creation that is central to ESG (Talan et al. 2024). While some populations, notably in Europe, demonstrate a strong grasp, many others, including MENA, frequently lack the essential knowledge (Liu et al. 2023; Mckee et al. 2017). On a more practical level, the issue of infrastructure was identified as a potential barrier.

We don't offer electromobility at a [business] level because of our business capability, or not because of the manufacturing capacities or restrictions but mainly because of the markets are not capable of providing enough required energy. They don't have the energy in the main grid lines. (P10)

This is often cited as a barrier to implementing a range of sustainable practices (Bagheri et al. 2018), as it typically requires large capital investment from either private firms or governments. Government intervention, or the lack thereof, adds complexity to the implementation willingness of corporations. This intricacy is added to when participants highlight the fundamental difference between B2C and B2B decision-making, and the fact that financial considerations often serve as the decisive factor in infrastructure procurement decisions (Ameli et al. 2025),

replacing the emotional drivers common in B2C purchases with a rational approach.

However, when it comes to the commercial vehicle industry, I think as the name already suggests itself, the financial logic is still the biggest motivator, still has the biggest motivation points for purchase decisions. (P10)

The rational approach to purchase behaviour assumes that businesses make purchasing decisions based on careful analysis, weighing costs and benefits to maximise utility and make the most logical and efficient choices (Hadjikhani and LaPlaca 2013). This would suggest that organisations that are able to clearly articulate and evidence aspects of ESG activities are likely to perform better with their stakeholders.

The government's role in infrastructure development and in incentivisation is also cited.

Regardless of that [rational buying behaviour] the whole industry instead of applying financial logic in electromobility or these type of net-zero solutions that manufacturers could apply in the industry, [need] the government support also including incentives, benefits, tax deductions or many other ways to encourage sustainable development. (P10)

This respondent has identified some of the key aspects of rational buying, business make rational decisions rather than emotional, this is evidence in ESG as with other commercial enterprises, while also identifying areas that shape strategic decision making. While regulation is recognised as important in ESG development, so too is the encouragement of positive activities through incentives such as tax breaks and grants, all of which potentially aid with adoption (Ullah et al. 2023). A supportive infrastructure, with suitable incentives are clearly a great boon to ESG strategy development and implementation of activities, their absence could present a barrier.

If you're in a liberalised energy market, then you can obviously opt for green electricity tariffs and that's not possible within the UAE yet. (P8)

With government incentives, higher adoption rates can be achieved (Gallagher and Muehlegger 2011; He and Chen 2021), providing opportunities for increased scale development, which has both advantages and drawbacks (Chen et al. 2023). This approach to adoption aligns with patterns of adaption identify by Rogers (1962) Larger organisations are often better placed to manage increased scale, whereas SMEs can struggle with financial pressures and complex frameworks, often designed for large firms rather than smaller organisations. These affect both barrier and implementation factors laid out in the research objectives of the paper. The focus of SME's is out of scope, but it does highlight areas for further study.

A lot of bigger businesses have a lot of bureaucracy and wastage, where all sundry small businesses don't have

that luxury so should generally be scoring really well in minimising wastage. But that's not something that's captured in typical ESG frameworks. It's just not tailored to small business. The whole [ESG] framework is just aimed at a larger organization. (P5)

If you look at it, the financial institutions here (GCC) are not incentivized in any which way to do or provide sustainable finance. So that is something again, from a central bank perspective, things have to come into play, maybe it's about, risk weighted asset relief, or capital relief, or something or the other, which again, encourages that sort of [sustainable financial regulatory] activity. (P1).

While frameworks are designed to provide uniformity and guidance to organisations in terms of best practice, they are identified as a potential barrier by many interviewees.

It's very hard to identify how good your supply chain is if you're not actively involved with them. So, if you're just buying paper or pens, how do you know that products are actually certified? So maybe we need to think about it in a slightly different way to say how do you get certification through your supply chain up to a certain standard, whether it be an ISO, climate standard, or surety of supply? How do we move the industry to that kind of watermark, as we did for energy efficiency? (P8)

This highlights the complexities of supply chains. While every effort is being made to create sustainable supply chains, without clear certification, organisations cannot be certain of their sustainability (Dai and Tang 2022), this demonstrates further potential barriers to implementation. The IFRS Foundation, a not-for-profit organisation responsible for developing global accounting and sustainability disclosure standards, provides one such framework, however, sustainability models were noted to lack clarity especially when selecting indicators for inclusion (Nikolaou et al. 2019).

What I think is really still a challenge . . . , being the finance guy, is the lack of common standards, right? So, in the accounting world, I have the IFRS [International Financial Reporting Standards] and I have very clear rules. If I think of anything to do with sustainability and how we record, how we report, how we measure, there is still too much ambiguity, and we need more clarity and clear standards. (P9)

Further challenges arise from the frameworks used for monitoring and measuring ESG performance, while also relating to internal communications. Although these activities are essential for both effective ESG practice and its wider acceptance, the variety of frameworks and measurement approaches creates confusion. Confusion in an activity is likely to prove a barrier to successful implementation, not being able to clearly measure

effectiveness or otherwise would be a barrier to implement ESG initiatives properly or to make meaningful improvements.

Measuring – So what are you actually measuring? How are you measuring it and are you forward looking or not? I'm seeing some new developments adopting ESG reporting, in the UAE, the SEE Institute [SEE Institute Hub of Sustainable Education and Research] have developed their own metric, their own rating system, which looks at people's net-zero plans and says whether they're credible or not. (P8)

With these developing frameworks, the accuracy of data becomes a challenge as previously highlighted.

So, that [detailed] data level for me is the next biggest barrier because as a CEO or a board member, how am I meant to make informed decisions without having accurate data? Or accurate information? You wouldn't sign off on a financial statement, if you know that was kind of a 'on the back of an envelope' sort of calculation. So having that data there is really key. (P11)

This issue of data inaccuracy is problematic in itself (Begg and Cairra 2012) but also links back to an earlier point regarding strategy and visions, strategy setting relies on good data and the leadership and vision of any organisation must be rooted in both an understand of the here and now and where the organisation seeks to be. Without clear measures, the setting of and implementation of the strategy is severely compromised (Sorathiya et al. 2024).

I think the GCC region is obviously taking advantage of the progress that Europe has made. But at the same time the EU taxonomy is still missing here. And I think that is the thing where the investors lack the confidence or haven't been able to build that confidence as yet because from disclosure perspective, there is not enough standardisation or not enough clear requirements or benchmarks. That's where it's very important for the local or the regional taxonomy to develop because each region is different. (P1)

While the respondents were forthcoming about the significant challenges of implementing ESG practices in the region, they also offered considered potential solutions. Despite the criticisms of regulations and frameworks outlined above, several respondents recognised their value in regional bodies providing uniformity and consistency for businesses and communities (Barangă and Țanea 2022).

I really believe harmonising regulation and uniform development, the ISSB [International Sustainability Standards Board] recently announced their first ever set of global reporting standards. I think that the GCC exchange committee is where governments can cooperate to produce the shared vision, and clear

shared sets of rules of the road, particularly given the global economy. It's going to make life much easier for the companies trying to comply with the various ESG requirements. (P2)

This highlights the roots of strategy setting and leadership in the form of vision, while the variety of frameworks is seen as beneficial by many in the implementation of ESG (Pollman 2024), it is not without its critics (Srivastava 2023).

We know the fact that obviously not one size will fit all right. Each and every market, each and every country is different. The needs are quite different; the natural resources are quite different on each and every country. So, we as mobile group, tried to develop, try to develop, all these solutions that we can offer to our customers. So, we are not only offering electoral mobility or biodiesel to the customers but, [offers] based on the capabilities of that country can deliver to the market, to the customers, that we have to be ready. (P10)

ESG frameworks, originally designed for large organisations to aid in the implementation and ongoing monitoring of activities, do not always suit the needs of SMEs. However, a more universal approach to these frameworks has been encouraged (Olanrewaju et al. 2024).

I've been advocating personally for a number of years since I think 2020, advocating for a more holistic impact focused approach, moving away from strict ESG criteria, specifically for micro enterprise and SME businesses. (P5)

The limited resources of SMEs often force implementation opportunities to use other approaches to compete, such as AI (Sætra 2021), which helps to level the playing field for smaller organisations.

I expect that... there will be a company employing AI in some way will better track, measure and analyse impact aspects of micro and small business. I believe that'll come through because the that'll enable a lower cost of tracking, analysing, etc. So, that will be something I'd see as coming through the next five years. (P5)

AI is seen by many as a way of not only lowering costs but also improving efficiency through machine learning (Li et al. 2024), which leads back to issues around infrastructure discussed earlier. Finally, possibly the most prevailing solution to difficulties with ESG adoption is achieving legitimacy and buy-in from stakeholders through effective communication and authenticity of vision, which respondents identified as essential.

Businesses that have got a very, very clear purpose and clear mandate around social responsibility and

impact, historically have done better because the consumer will spend where those organizations do have that. It's not just about having a clear mandate; it's being able to authentically communicate it. (P3)

Stakeholder 'buy-in' has often been vital to any strategic implementation, even more so with ESG activities (Wang 2024) and building the business case for sustainability. Strong buy-in aids in removing barriers, avoiding confusion and conflict between stakeholder, ensuring all are pulling in the same direction.

These findings strongly highlight a range of barriers to implementation which align with (RQ1), specifically referring to aspects of strategy and strategic fit, as well as poor communication, and a lack of managerial frameworks which inhibit both management and implementation of activities as well as the ongoing report of activities for both internal organisation and regulatory requirements.

Further compounding barriers are limited knowledge and expertise, inadequate organisational infrastructure, a reluctance to recognise problems and inconsistent government intervention. While these are potential barriers in their own right, they point directly towards the second research question (RQ2). Addressing and or mitigating these barriers, through clearer strategy, stronger internal communication, consistent frameworks and reporting, while improving expertise, infrastructure and government relations can enhance the implementation of ESG activities.

5 | Discussion

Figure 1 captures the four barriers identified by corporate leaders in the MENA region. It also highlights the factors that further complicate these barriers, including limited knowledge and expertise of ESG elements and sustainability indicators, reluctance to acknowledge the issues, ineffective internal

communications, organisational infrastructural alignment, and inconsistent, fragmented, ambiguous or changing government policy. For organisations actively pursuing or considering ESG strategies, this model supports a more comprehensive view by addressing both the core barriers and the additional layers of complexity that influence implementation and its effectiveness.

Insights from senior leaders and ESG strategy champions operating in the MENA region align with the two distinct motifs, barriers and complexity, identified above in Figure 1, each comprising several sub-themes. Integration, implementation strategy and overcoming these are key to improving organisational performance. This model serves as a guide assimilating all the factors of the research together, drawing on multiple elements highlighted in the interviews. The interrelationships between all these factors in providing both barriers potentially preventing implementation and offering a clearer route to potential solutions for implementation.

6 | Barriers to ESG Implementation

The findings confirm that ESG implementation across MENA organisations is impeded by four interconnected barriers: limited or insufficiently focused strategy, ineffective internal communication, inconsistent frameworks, and inadequate reporting and regulatory standards. Central to this is the broad, all-encompassing nature of ESG itself, which can obstruct effective strategy development. When combined with diverse and inconsistent reporting and regulatory requirements, this complexity often prevents organisations from fully engaging with sustainability demands, resulting in less substantive disclosures, lower-quality reporting, and weaker sustainability standards (Stubbs and Higgins 2018). Conversely, the findings support Ahmed et al.'s (2024) conclusion that strong government regulation is more likely to drive positive economic and sustainability transformations.

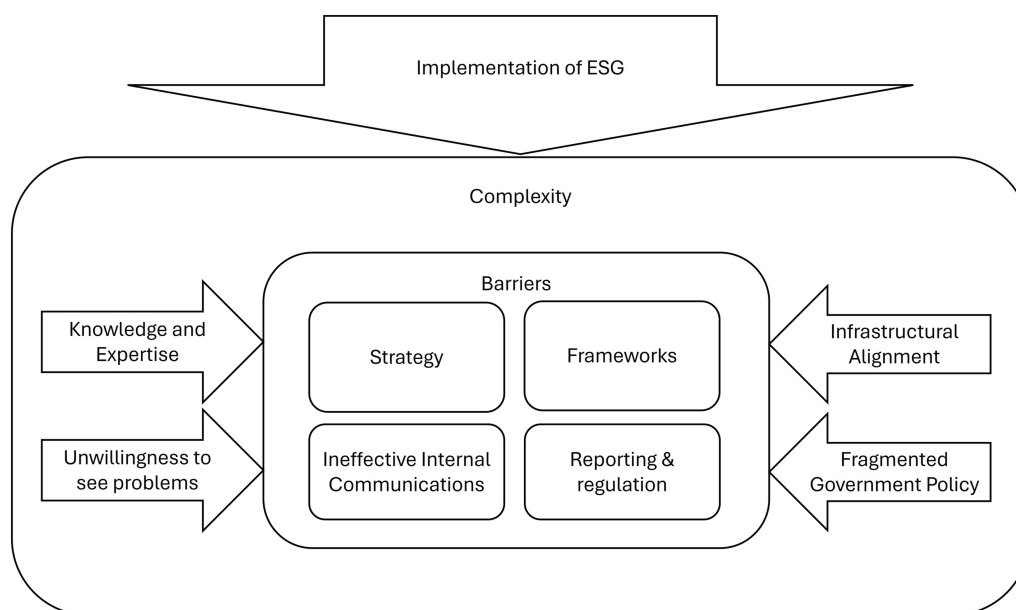


FIGURE 1 | Conceptual framework detailing barriers and complexity to ESG implementation.

A recurring limitation identified in the findings, and consistent with Nikolaou et al.'s (2019) work, is the absence of widely agreed principles for selecting sustainability indicators. This accounts for the persistent diversity and inconsistency of those indicators across economic, environmental and social dimensions. Further challenges arise from the frameworks used for monitoring and measuring ESG performance. Although these activities are essential for both effective ESG practice and its wider acceptance, the sheer variety of frameworks and measurement approaches creates confusion. Where organisations cannot clearly measure the effectiveness of their actions, or underperformance is identified, implementation stalls and meaningful improvement becomes difficult, making measurement itself a significant barrier (Sheehan et al. 2023; Yin and Gao 2026).

Regulatory inconsistency was a prominent premise in participants' accounts of barriers to sustainable frameworks. The absence of a regionally compatible tool was widely identified as an obstacle to reliable external reporting. While the findings indicate a need for differentiated frameworks for esoteric industries and acknowledge that some variation can be beneficial (Pollman 2024), they further underscore the benefits of cross-country and regional standardisation within these sectors. This demonstrates that adherence to common standards can strengthen producer capabilities and support progress towards multiple SDG targets (Agrawal et al. 2022). In some cases, this inconsistency prompted organisations to develop in-house reporting constructs, compounding fragmentation and making cross-organisational comparison more difficult.

The findings also highlight the consequences of weak stakeholder theory application (Mahajan et al. 2023). Inadequate internal communication impedes engagement across business functions and contributes to reduced productivity (Martinez and Hurtado 2018). This aligns with and extends the established linkage between effective stakeholder engagement and value creation (Talan et al. 2024), showing when organisations that embed clear purpose into their ESG strategy and communicate it consistently across stakeholder groups this can generate stronger buy-in, which in turn appears to support more effective and durable implementation. The framework developed in this study reflects this dynamic, positioning internal communication not merely as an operational consideration but as a strategic enabler of ESG success.

7 | The Complexity of ESG and Its Impact on Organisational Performance

Beyond the four core barriers, the study identifies complexity as a compounding dynamic that intensifies existing challenges and constrains their resolution. A primary contributor is the lack of expertise and knowledge required to implement ESG strategies effectively. This deficit impedes accurate diagnosis of ESG challenges and the development of appropriate solutions and in some cases generates reluctance, or an inability to acknowledge problems at all, rendering them still harder to address.

This resource constraint is particularly pronounced for SMEs, which is consistent with Pfeffer and Salancik's Resource Dependence Theory (Hillman et al. 2009). SMEs are constrained by

resources they do not control and must navigate dependencies on external actors, making the management of complex ESG systems especially challenging. It was shown that MNCs, while better resourced, are not immune as implementation delays and effectiveness limitations persist where knowledge gaps go unaddressed or where organisations are unwilling to confront the underlying issues. In the MENA context, this knowledge gap is further intensified by the diversity of regulatory and reporting frameworks operating across comparatively smaller viable populations, a challenge explored further below. These findings are exploratory in nature and further research is needed to fully understand the extent and implications of this challenge across different organisational and regional contexts.

A closely related but distinct sub-topic is the unwillingness or inability of organisations to recognise ESG implementation barriers in the first place. While the knowledge gap identified above speaks to a deficit in technical understanding, this dynamic is more dispositional in nature as some organisations acknowledge the existence of ESG challenges in principle yet resist confronting the specific failures or shortcomings within their own operations (Yin and Gao 2026). This reluctance may stem from reputational concern, from the short-term cost implications of acknowledgement, or from a leadership culture in which sustainability is treated as an external obligation rather than a strategic priority. In either case, whether the barrier goes unseen due to limited expertise or unacknowledged due to organisational resistance, the effect is the same: problems remain undiagnosed and unaddressed. This is especially relevant in the MENA setting, where effective ESG implementation requires not only the capability to act but also a genuine organisational willingness or obligation to engage in self-analysis. This willingness cannot be taken for granted and, where lacking, should itself be recognised as a barrier that demands further study.

Another contributor to complexity is inadequate or unsuitable organisational infrastructure, which directly obstructs the practical delivery of ESG initiatives. This finding is partially supported by the McKinsey 7S framework (Waterman Jr 1982). Participants highlighted structure, systems, and skills as the most relevant elements, while components such as values and style warrant further empirical development within the sustainability domain. What is clear is that all elements are interconnected, and effective ESG implementation requires their alignment. ESG-specific considerations must therefore be integrated into this broader organisational alignment rather than treated as a standalone function; this embeddedness feature is supported by Tyan et al. (2024).

The final dimension of complexity concerns the clarity of government policy. Insufficient or ambiguous policy signals are shown to stifle innovation and make it harder for organisations to move through an already complex landscape of barriers (Ge and Zhang 2025). Conversely, where government ambition in the UAE and wider region was clearly articulated and committed to, organisations demonstrated a strong willingness to integrate ESG into their operations to enhance performance (Ahmed et al. 2024), directly supporting this study's research questions. This pattern extends to SME adoption; the capacity of family-owned enterprises in the region to implement ESG frameworks is significantly shaped by the presence of clear and stable policy (Al Omairi 2025).

These challenges are compounded by a layer of strategic complexity that existing literature has not fully addressed and the need to apply ESG principles coherently across fundamentally different buying behaviour environments. Drawing on B2B to B2C purchasing rational, this study highlights that cross-country business strategies prevalent in the MENA region are frequently incongruent with the divergent regulatory and reporting frameworks operating across it. Unlike larger and most focused research markets in primarily developed countries such as the USA and EU (Baratta et al. 2023), MENA's comparatively smaller regional populations do not generate the economic size and consistency in regulation that would justify the individual development of standardised frameworks (Mckee et al. 2017). The resulting combination of a region-specific knowledge gap (Alharbi 2024), the absence of a shared ESG taxonomy, and infrastructure and regulatory divergence collectively exacerbate the complexity problem and represent a distinctive contribution of this study to the literature.

8 | Conclusions

This paper has examined the barriers and complexities that senior leaders face when implementing ESG strategies in large organisations operating in the MENA region, with headquarters primarily located in the UAE. ESG serves as the defining framework through which the capacity of corporations to simultaneously advance environmental and social objectives, while sustaining and enhancing stakeholder value, is examined, an inquiry whose significance extends well beyond operational management. In an era of intensifying global scrutiny, rising stakeholder expectations, and accelerating regulatory change, the ability to translate ESG commitments into embedded, measurable practice has become a determinant of long-term organisational viability, not merely reputational standing. The MENA region presents a distinctive and underexplored context for this enquiry, characterised by rapid economic development and a unique regulatory landscape, it poses implementation challenges that are both shared with global counterparts and materially specific to the region. The empirical findings of this study converge around two overarching motifs, the barriers to ESG implementation and complexity, which the findings reveal is not merely a background condition but an active force that compounds and entrenches those barriers.

Together, these motifs constitute the conceptual framework this paper proposes: a model that captures both the core barriers impeding ESG adoption and the additional complexity factors that determine whether those barriers can be overcome. Inconsistent regulation, limited ESG capabilities, unsuitable organisational infrastructure, and unclear policy signals emerge as the principal constraints, operating with particular force in the MENA context, because of the presented smaller viable markets, regulatory divergence, and absence of a shared regional ESG taxonomy collectively amplify implementation challenges (Mckee et al. 2017).

9 | Theoretical Implications

This paper contributes to the ESG literature in two principal respects, offering insight to researchers examining senior

leadership perspectives in under-researched regional contexts, and studying strategic implementation more broadly. The conceptual framework (Figure 1) provides a model through which further enquiry in this area can be structured. First, the framework consolidates and contextualises existing theoretical perspectives, including stakeholder theory, resource dependence theory, and B2B and B2C purchasing theory, within the operational realities of MENA-based organisations, a context that has been underrepresented in the ESG literature to date. Second, and more distinctively, it maps the interaction between barriers and the complexity factors that modulate their impact, moving beyond single-factor barrier analyses. This dual-layer architecture reflects a consistent finding across the data, the impact of any given barrier, regulatory inconsistency being a prime example, is not fixed, but is shaped decisively by whether the organisation possesses the capability, leadership willingness, and infrastructure readiness to absorb and respond to it. The framework therefore offers a more comprehensive and actionable view of ESG implementation than prior models have afforded. It should be acknowledged, however, that this framework emerges from an exploratory qualitative study within a specific MENA context, and further empirical investigation across broader organisational settings and regions would be needed to validate its wider applicability.

10 | Managerial Implications

For practitioners, the research identifies clear areas of risk that can delay or prevent ESG implementation within the MENA. Organisations can mitigate the four core barriers by developing clear, well-communicated strategies; adopting consistent frameworks; and establishing robust reporting standards for both internal and external audiences. Equally, practitioners must be alert to how complexity factors can exacerbate those barriers if left unaddressed.

Limited knowledge and expertise can be addressed through targeted training and improved internal communication, but this requires more than technical upskilling, organisations must also cultivate the cultural openness to recognise and respond honestly to implementation challenges, including those that are self-generated. Unsuitable organisational infrastructure, encompassing structure, systems, and skills, must be actively reconfigured to support ESG delivery rather than obstruct it.

Finally, while government policy can act as a powerful enabler of ESG adoption, the fragmented and inconsistent approach characteristic of parts of the MENA region can constrain organisational flexibility; practitioners should monitor policy signals closely and build sufficient strategic adaptability to respond as the regulatory landscape evolves.

The findings indicate that ESG implementation is most effective when sustainability is embedded in the core of an organisation's strategy and governance, rather than treated as a peripheral or compliance-driven activity (Passas 2024). Where internal capabilities, organisational infrastructure, and an enabling policy environment are aligned, organisations achieve stronger implementation outcomes and improved overall performance. Where they are not, even well-intentioned ESG strategies risk

producing the superficial disclosure and fragmented reporting that currently characterise much of the regional landscape. The integration of ESG into core governance is not simply a best practice recommendation; it is, this study suggests, the condition under which ESG realises its transformative potential.

The barriers and complexities documented here are not insurmountable, but they are substantial, and their resolution requires coordinated effort across organisations, regulators, and policy-makers alike. For the MENA region, which stands at a pivotal moment in its sustainability trajectory, the opportunity to develop regionally coherent, embedded ESG practice has never been greater. The framework proposed here is offered as a contribution towards that ambition: a practical and theoretically grounded tool for understanding where the challenges lie, and what conditions are necessary for ESG to realise its full potential as a driver of environmental progress, social value, and sustained organisational performance.

11 | Limitations and Areas for Further Study

This study is not without limitations. The research has intentionally focused on large, for-profit corporate organisations, and as such, not-for-profit bodies and SMEs have not been examined at length. Participant insights suggest that the complexity and rigour required for ESG implementation place a disproportionately higher burden on smaller organisations, SME-focused research, therefore, represents a productive avenue for further study, including the role of family ownership structures, prevalent across the GCC, (Nimer et al. 2025) in shaping ESG adoption in the region.

The sample is also concentrated among organisations headquartered or operationally led from the UAE and KSA. While the MENA region is referenced throughout, the degree to which the findings translate across the full diversity of MENA markets, which the paper has identified, each with its own regulatory environment, cultural context, and economic structure, warrants caution, and an examination of organisations outside the GCC represents a further area worthy of investigation. The study has additionally focused on senior professionals, new and complementary insights may be gained from research conducted at the operational management level, where implementation challenges are often experienced most directly. Finally, further investigation is warranted into the role of organisational culture and leadership disposition in moderating ESG outcomes, given the prominence of the unwillingness and inability sub-theme identified in this study.

The authors also acknowledge that the primary data were collected in late 2023. Given the pace of change in the ESG landscape, views and practices may have evolved since that point, revisiting the relevance and durability of the motifs identified here would itself constitute a valuable area for further study. More broadly, empirical ESG research across the MENA region continues to be constrained by limited access to reliable financial and ESG data. This structural shortfall leaves numerous ESG-related topics insufficiently examined, a gap that is becoming increasingly pressing in light of the region's accelerating ESG uptake, expanding regulatory ambition, and growing demands

from stakeholders (Rashwan et al. 2025). Addressing this data availability challenge is, in itself, a precondition for the kind of rigorous, longitudinal research the field now requires.

Author Contributions

Andrew Mackenzie: conceptualization, investigation, writing – original draft, methodology, writing – review and editing, formal analysis, project administration. **Matthew Brown:** writing – original draft, methodology, validation, visualization, writing – review and editing, formal analysis.

Conflicts of Interest

The authors declare no conflicts of interest.

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