



Drivers of Change: The Influence of Age and Gender in Leadership and the Motivators Behind Sustainability in the Fashion Industry

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Abstract

Title: Drivers of Change: The Influence of Age and Gender in Leadership and the Motivators Behind Sustainability in the Fashion Industry

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The fashion industry is notorious for environmental pollution, and the demand for leaders to prioritize sustainability is rising. In order to gain a deeper understanding of the traits and motivations of these leaders, this research project uses quantitative and qualitative analysis through a mixed-method approach. The study aims to contribute to the existing literature on sustainability and leadership in the fashion industry by providing in-depth insights into the characteristics and motivators that drive leaders toward sustainability initiatives.

The dissertation uses secondary data from acknowledged indexes for transparency and sustainability, followed by semi-guided interviews with leaders and an online survey answered by industry experts. The quantitative data analysis focuses on the demographic characteristics, age, and gender of the leaders. The interviews and the survey study their motivations towards sustainability and additionally aim to verify assumptions regarding the influence of age and gender on sustainability initiatives.

Contrary to the assumptions based on the existing literature, the data used in this research project cannot support any significant influence of age and gender on the placements in rankings of sustainability and transparency. The interviews indicate that own personal principles for sustainable business models are an important driver for small or founder-led organizations. Hired leaders tend to have other motivations for implementing sustainability in their business strategies, such as focusing on shareholder interest or governmental regulations.

Keywords: fashion industry, textile industry, fashion, sustainability, sustainable business, leadership, CEO characteristics, CEO demographics, CEO motivations, strategy, sustainable strategy

Resumo

Título: Fatores de mudança: A Influência da Idade e do Gênero na Liderança e os Motivadores da Sustentabilidade na Indústria da Moda

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A indústria da moda é notória pela poluição ambiental, estando a aumentar a procura de líderes que deem prioridade à sustentabilidade. Para compreender melhor as características e motivações destes líderes, este projeto de investigação utiliza uma análise quantitativa e qualitativa através de uma abordagem de estudo de método misto. O estudo tem como objetivo contribuir para a literatura existente sobre liderança sustentável na indústria da moda, fornecendo uma visão aprofundada sobre as características e motivações que levam os líderes a adotar a sustentabilidade.

A dissertação utiliza dados secundários de índices de transparência reconhecidos e sustentabilidade, seguidos de entrevistas semi-guiadas com líderes e um inquérito online respondido por especialistas da indústria. A análise dos dados quantitativos incide sobre as características idade e género dos líderes. As entrevistas e o inquérito estudam as motivações para a sustentabilidade e, além disso, visam verificar os pressupostos relativos à influência da idade e do género nas iniciativas de sustentabilidade.

Contrariamente às suposições baseadas na literatura existente, os dados utilizados neste projeto de investigação não apontam na direção de que exista uma influência significativa da idade e do género nos rankings de sustentabilidade e transparência. As entrevistas indicam que os princípios pessoais são um fator importante para modelos de negócio sustentáveis nas organizações de pequena dimensão ou lideradas por fundadores. Os líderes contratados tendem a ter outras motivações para implementar a sustentabilidade nas suas estratégias de negócio, tais como o interesse dos acionistas ou os regulamentos governamentais.

Palavras-chave: indústria da moda, indústria têxtil, moda, sustentabilidade, empresas sustentáveis, liderança, características dos diretores executivos, características demográficas dos diretores executivos, motivações dos diretores executivos, estratégia, estratégia sustentável

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IV. List of Abbreviations

BoF	Business of Fashion
CEO	Chief Executive Officer
CSR	Corporate Social Responsibility
EU	European Union
FR	Fashion Revolution
GDP	Gross Domestic Product
GOTS	Global Organic Textile Standard
GRI	Global Reporting Initiative
H	Hypothesis
IP	Interview Partner
KPI	Key-Performance-Indicator
NGO	Non-governmental Organization
RQ	Research Question
SAC	Sustainable Apparel Coalition
SME	Small and Medium-sized Enterprises

1. Introduction

Maslow placed clothing in the pyramid about the motivation of human beings as a basic need, along with breathing, food, and sleep, at the bottom of his model (Maslow, 1943). Therefore, derived from this fact, it is less surprising that fashion is one of the most relevant industries worldwide and is a significant part of the global economy. Ranked alongside individual countries' GDP, the global fashion industry would represent the seventh-largest economy in the world (Business of Fashion & McKinsey & Company, 2016).

As one of the largest industries, the textile industry is after the fossil fuel sector, one of the leading polluters in the world. It is responsible for 8-10% of global carbon emissions and 20% of global wastewater (Ellen MacArthur Foundation, 2017). For that reason, sustainability has become a critical issue and agenda for the fashion industry since consumers increasingly demand more sustainable and ethical practices (Khandual & Pradhan, 2019; McKinsey & Company, 2023). According to McKinsey & Company (2020), about 66% of consumers are willing to spend a price premium on sustainable products. Therefore, the role of leaders in the fashion industry is rising to drive and implement sustainable and ethical initiatives (Wijethilake et al., 2023).

There are sound reasons why promoting sustainability is essential for the fashion industry. The production of textiles is highly energy and resource intensive. The manufacturing of one t-shirt alone requires 2,700 liters of water (Global Fashion Agenda & Boston Consulting Group, 2017). In addition, this industry is considered a significant waste producer worldwide, responsible for around 92 million tons of waste per year. Moreover, the production of textiles has led to environmental problems such as water scarcity, pollution, and deforestation (Ellen MacArthur Foundation, 2017; Shirvanimoghaddam et al., 2020).

The fashion industry also struggles with significant ethical issues, like exploitative labor practices and animal cruelty. Garment workers in countries such as Bangladesh and Cambodia are often paid less than sufficient for a decent life and work under unsafe and unhealthy conditions. The production of animal-based products like leather and fur has also been linked to animal abuse and environmental damage (Anner, 2020; Fashion Revolution, 2022).

Overall, the global relevance of sustainability has led to a growing demand for sustainable and ethical practices in the fashion industry. Moreover, 75% of consumers would stop buying from a brand if they discover it is not transparent about its sustainability and ethical practices

(Fashion Revolution, 2020). As a result, sustainability and transparency have become a business imperative for fashion brands to be strongly considered for enduring success (Bain & Company & WWF Italy, 2022).

1.2 Research Problem

Even today, diversity in leadership roles is an unsolved issue worldwide (McKinsey & Company & Lean In, 2022). The fashion industry is no exception to that. The fact that many male and middle-aged individuals hold leadership positions in fashion companies raises the question of whether sustainability initiatives are influenced by demographic characteristics like gender and age (Gazzola et al., 2020). Studies have found that women tend to be more environmentally conscious and prioritize sustainability in their decision-making process more likely (Zhao et al., 2021). However, it is unclear whether this is transferable to the fashion industry, where male leaders still represent a dominant share of management positions. Further, younger leaders may have a different perspective on sustainability than older managers, as they should have grown up with a greater awareness of environmental and social issues (Huang, 2013).

Motivations for implementing sustainable initiatives could be attributed to a variety of reasons. Leaders can be motivated by intrinsic factors such as personal values, beliefs, and attitudes or extrinsic factors such as governmental regulations, customer demand, and other pressures by stakeholders (Freeman, 2010; Ryan & Deci, 2000). Studying these motivations can help to identify the most common drivers and connections behind the sustainability actions of fashion brands.

1.3 Research Questions

Based on the research problem above, this study will aim to answer the following research questions:

RQ1: *Do the characteristics, gender, and age of leaders significantly influence the implementation of sustainability initiatives at fashion companies?*

RQ2: *What are leaders' motivations for implementing sustainability actions at fashion companies?*

1.4 Approach of the Work

The introduction follows the literature review, which provides a theoretical overview of the research topic. This includes sustainability itself and within fashion brands, the role of leadership, the motivations of leaders, and leaders' characteristics during the decision-making process. To elaborate on the current state of research, various studies are used to form the theory of the present work and to develop the hypotheses. The methodology of this dissertation is a combination of quantitative research, for the examination of the effects of leaders' age and gender, from secondary data on sustainability and qualitative research with the collection of data utilizing semi-guided interviews with industry leaders and a questionnaire answered by executives from the fashion industry, which are elaborated in the methodological part of the study in further detail. Secondary data from acknowledged rankings regarding sustainability and transparency is extended by additional information, such as CEOs' names, ages, and gender, and analyzed with RStudio in regression models. The data collected from semi-guided interviews is studied by using Mayring's (2015) content analysis approach. Further, the questionnaire answered by fashion executives aims to validate the findings and hypotheses of the research. The following literature review supports the hypotheses built in this study.

2. Literature Review

The following section provides an overview of the existing academic literature related to the research topic in this study. It aims to establish the context and significance of the research. The research questions and hypotheses are developed through a comprehensive review of the relevant literature, key concepts, theories, and research methods.

2.1 Sustainability

Sustainability aims to fulfill the requirements of the present without jeopardizing the ability of future generations to satisfy their own needs (United Nations, 1987). This concept has garnered worldwide interest due to increasing worries about climate change, resource shortages, and societal disparities. Sustainability consists of three related aspects: ecological, social, and economic (World Commission on Environment and Development, 2009). Ecological sustainability focuses on conserving natural resources and minimizing environmental harm. Social sustainability aims to improve social fairness and inclusivity, while economic sustainability highlights the importance of long-lasting economic viability and profitability (Purvis et al., 2019).

In the context of business, sustainability refers to the integration of environmental, social, and economic aspects into business strategies and decision-making processes (Longoni & Cagliano, 2015). The range goes from reducing emissions to promoting ethical labor practices and supporting local initiatives to improve living conditions (Epstein & Roy, 2001). These initiatives are increasingly important for companies that seek to build long-term value for their stakeholders and reduce risks about environmental and social issues (Dahlsrud, 2008).

Sustainability has become a critical matter for businesses in recent years due to growing awareness of environmental and social concerns by society. Many companies have adopted sustainable business practices to manage risks, enhance reputation, and create value for stakeholders (Porter & Kramer, 2019). This has led to the emergence of sustainability reporting frameworks, such as the Global Reporting Initiative (GRI), which provides guidelines for companies to learn how to disclose and evaluate their environmental, social, and economic impacts (Milne & Gray, 2013). Further, due to legal requirements, more and more companies disclose their efforts regarding sustainability to the public (Shad et al., 2019).

Regarding sustainable actions, the definition of the World Commission on Environment and Development (2009) is used in this study which encompasses practices that address current needs while ensuring future generations' ability to fulfill their requirements. To achieve this, transparency is essential, as it promotes open communication and informed decision-making across the relevant aspects of sustainability (Garcia-Torres et al., 2022; Gardner et al., 2019). By incorporating sustainability principles and transparency into decision-making processes, global challenges such as climate change, the depletion of resources, and social inequality can be tackled more effectively (Dalal-Clayton & Bass, 2002).

2.2 Sustainability in Fashion

In recent years, there could be observed an increasing interest by the fashion industry in sustainability practices, as consumers, decision-makers, and other stakeholders all progressively started to acknowledge the damaging effects of this industry on environment and society (Diddi et al., 2019; European Commission, 2019; McKinsey & Company, 2020).

Over the years, the term "sustainability" has been defined and redefined in the fashion sector. According to some researchers, it is the manufacturing of clothes that is socially responsible, environmentally friendly, and economical (Strähle & Müller, 2017). Others have emphasized the circular economy concept, which strives to minimize waste and promotes the recycling and reuse of resources (Shirvanimoghaddam et al., 2020). Despite the different definitions, there is

broad agreement that sustainability in fashion should include lowering adverse environmental effects, defending human rights, and implementing ethical labor practices (Joy et al., 2012).

Key topics like the current *status quo*, transparency, and the impact of leadership on the promotion of sustainable fashion will be explored in the following chapters.

2.2.1 History

The history of sustainability in fashion began in the 1960s and 1970s with the increasing awareness of society of the effects of human activity on the environment. For instance, the term "slow fashion" appeared in the 1970s, highlighting the value of quality above quantity and the need for environmentally friendly production techniques and was a counter approach to "fast fashion" (Aspers & Skov, 2006; Fletcher, 2010). As the fashion industry is increasingly recognized for its significant role in causing environmental damage, there is an increased focus on minimizing its ecological impact. The Rana Plaza tragedy in Bangladesh in 2013, where more than 1,100 workers lost their lives due to hazardous working conditions, raised awareness of the need for ethical and sustainable fashion (Donaghey & Reinecke, 2018; Schuessler et al., 2019). This tragedy triggered a worldwide movement demanding more responsibility and transparency in the fashion industry.

This movement towards a more responsible and sustainable industry has resulted in the establishment of numerous programs and organizations that support and create awareness about sustainability in the fashion industry. With the primary goal of setting a sustainability standard for the fashion sector, the Sustainable Apparel Coalition (SAC) was established in 2011. The SAC-created Higg Index is a measure to evaluate the social and environmental effects of fashion goods (Mejías et al., 2019). In 2013, Fashion Revolution was founded by Carry Somers and Orsola de Castro and is considered today as the world's most significant fashion activism movement (Fashion Revolution, 2023). The Global Fashion Agenda, established in 2016, was also created to inspire the fashion sector to take action on sustainability (Global Fashion Agenda, 2020).

Innovation in materials has also contributed significantly to the advancement of ecological fashion. The fashion industry started to utilize more sustainable materials like organic cotton and recycled polyester, which helps to reduce the consumption of resources during the manufacturing process significantly (Smelik, 2018).

In conclusion, fashion sustainability has advanced significantly over the past few decades. To encourage sustainability, numerous programs and organizations have appeared, and material innovation has substantially reduced the adverse environmental effects of the fashion industry. As customer demand increases, more fashion companies are implementing additional sustainable initiatives (Joy et al., 2012).

2.2.2 Status quo

The fashion sector has been undergoing a significant shift towards sustainability in the last few years. Sustainability has become fundamental for the industry, mainly due to the ecological and social issues linked with the manufacturing and consumption of products (Jacobson & Harrison, 2022; Thomas, 2020).

One of the most notable developments in the fashion sector is the increasing utilization of sustainable materials. The industry is starting to move away from traditional materials such as cotton, which requires significant amounts of resources, like water, and has negative effects on the ecosystem due to the usage of pesticides. Therefore, some fashion brands aim for more eco-friendly materials, such as organic cotton or recycled polyester. In addition, some innovative alternative materials were developed to replace conventional synthetic and animal leather, such as pineapple leather, mushroom leather, and orange fiber, which create sustainable substitutes for mindful consumers. With the utilization of these materials, there was significant success achieved by reducing the environmental impact during the production as the reduction of greenhouse gas emissions and water consumption (Freudenreich & Schaltegger, 2020; Global Fashion Agenda, 2020; Khairul Akter et al., 2022; Minh & Ngan, 2021; Niinimäki et al., 2020).

Another development in the fashion industry regarding sustainability is the implementation of sustainable production techniques. Many fashion brands adopt sustainable manufacturing methods (Black, 2012; de Brito et al., 2008). According to researchers, the implementation of such practices can help to reduce waste, energy consumption, and water consumption (Choi & Han, 2019; Sandvik & Stubbs, 2019).

Fashion brands are also taking significant steps towards sustainability by adopting circular business models. These models aim to create a closed-loop system where products are recycled or reused at the end of their lifecycle. Researchers also found that the adaption of circular business models helps to reduce environmental impact significantly and promotes sustainable consumption towards consumers (Kirchherr et al., 2018; Niinimäki, 2017).

The fashion industry also focuses on improving working conditions and ethical practices along its value chain. Many fashion brands are establishing ethical and fair labor practices, like fair-trade policies. This development has helped to improve the livelihoods of workers and reduce exploitation in the industry (de Brito et al., 2008). Researchers state that ethical practices can improve the social sustainability of the fashion industry significantly (Goworek, 2011).

Sustainability has become a central focus of the fashion industry in recent years. This sector is progressing significantly towards sustainable production, circular business models, and further ethical practices (Porter & Kramer, 2019). However, as of today, there is still a lot of space for improvement to achieve a higher level of sustainability in the industry. The first step on this journey can be the increase of transparency (Garcia-Torres et al., 2022).

2.2.3 Transparency in Fashion

Transparency in fashion is gaining importance among consumers and stakeholders. It has the potential to promote sustainability, ethical practices, and social responsibility in this industry. Transparency defines the disclosure of information about the production process, environmental impact, and labor practices involved in the manufacturing of fashion products (Jestratišević et al., 2020). It can improve the accountability of fashion brands to their consumers, support informed consumer choices, and enhance trust and credibility between stakeholders (James & Montgomery, 2017). Therefore, transparency can be considered a crucial factor in promoting sustainable and ethical fashion practices.

Transparency is vital to promote sustainability, as it allows stakeholders to monitor and evaluate the environmental impact of supply chains. Since the textile industry is one of the most polluting sectors in the world, it contributes notably to environmental deterioration, such as water contamination, greenhouse gas emissions, and waste. Transparency can support consumers to make decisions based on the environmental impact of products and encourage brands to implement sustainable practices in their production processes. Transparency can lead to improved environmental performance and a higher level of sustainability in the fashion industry (Ellen MacArthur Foundation, 2017; James & Montgomery, 2017; Mandarić et al., 2022).

Further, transparency can also improve ethical practices in the fashion industry, including better labor practices and human rights. According to researchers, transparency can enhance accountability and prevent exploitation and abuse in the supply chain. Brands that disclose information about their manufacturing processes and labor practices can be held accountable

for their actions and will improve their labor standards if necessary (Jestratijevic et al., 2020; Kim et al., 2020).

Transparency might also promote stakeholder engagement, like workers, trade unions, and NGOs, in monitoring and ensuring ethical standards. Therefore, transparency plays a significant role in promoting social responsibility and ethical practices in the fashion industry. Transparency is the base foundation for sustainability and accountability for brands in the industry (Fashion Revolution, 2023; Lee et al., 2017).

2.3 Leadership and Sustainability

According to Kotter (2000), leadership includes creating a vision for the organization by bringing people together around a goal through communication and inspiring them to take action by emancipating them and meeting their basic needs. Leaders can take specific steps or create ideas in a particular group, like an organization or society, that attract the members of a group over a long period of time. Therefore, leaders play a significant role in developing and executing a company's strategy. They are responsible for setting the strategies and directions of the organization and ensuring that all actions align with the company's strategic objectives. Leaders also must communicate the plan effectively to all stakeholders, including employees, customers, and shareholders. They must continuously monitor and adapt the strategy to changing market conditions so that the company stays competitive and has the opportunity to achieve its long-term goals (Altenburger et al., 2016; Buysse & Verbeke, 2003; Chinyio & Olomolaiye, 2010).

Due to their role and obligations within organizations, leaders play an essential role in driving sustainability initiatives in corporations. They are responsible for shaping the company's sustainability vision, strategies, and values. In addition, they are also setting sustainability goals and ensuring that the company's activities align with its sustainability objectives. The actions and decisions of leaders have a profound impact on the environmental, social, and economic sustainability of the company and, finally, also on society (Kiesnere & Baumgartner, 2020; Metcalf & Benn, 2013; Szczepańska-Woszczyńska & Kurowska-Pysz, 2016).

One of the essential roles that leaders fill in regarding sustainability is the creation of a culture of sustainability within the organization by establishing values that promote those practices and encourage employees to embrace sustainability as part of their own individual operations (Afsar et al., 2020). This includes setting the right targets, providing the required resources, and supporting employees to achieve those goals. When leaders demonstrate a strong commitment

to sustainability, they can inspire their employees and stakeholders to follow (Afsar et al., 2020; Metcalf & Benn, 2013).

Leaders and managers also have an important role in creating a sustainable supply chain. They can influence the behavior of suppliers by introducing sustainability criteria and requiring them to commit to and follow sustainability standards. By taking a proactive approach to sustainability, leaders can mitigate environmental and social risks within the supply chain (Clifford Defee et al., 2009; Turker & Altuntas, 2014).

However, companies' sustainability strategies are increasingly becoming a critical factor in attracting and retaining customers, investors, and talent. Leaders who prioritize sustainability can position their companies as ethical and responsible to attract stakeholders sharing these values. By integrating sustainability into the company's operations, leaders can create a competitive advantage and improve the company's reputation (Laszlo & Zhexembayeva, 2011).

2.4 Leaders' Characteristics on Decision-making

Since leaders have a crucial role in shaping the strategies and decisions of corporations, their characteristics, such as gender and age, might also have a significant influence on the decision-making processes. Several studies have explored the relationship between CEO characteristics like gender and age on decision-making.

Gender is a relevant characteristic that can impact decision-making. Researchers have shown that women tend to be more risk-averse compared to men as they tend to focus on long-term goals and take a more cautious and reflective approach toward making decisions (Eckel & Grossman, 2008; Terjesen et al., 2016). This might be caused by differences in the ways men and women approach risk and uncertainty, as well as expectations and stereotypes from society. Therefore, organizations with female leaders would be more likely to make decisions that prioritize long-term goals and risk mitigation, which would favor decisions positively regarding sustainability. On the contrary male leaders tend to take higher risks and focus on quick wins (Glass et al., 2016; Jeong & Harrison, 2017; Johnson & Powell, 1994). Based on the gender socialization theory, it is suggested that women have a tendency to prioritize caring for others and fostering a sense of community. This would enable female managers to handle stakeholder relationships more successfully (Carlson, 1972; Eagly & Crowley, 1986). By considering the status of academic research, it can be concluded that female leaders might care more about sustainability and corporate social responsibility (CSR) initiatives than their male counterparts (McGuinness et al., 2017).

Age is another critical characteristic that can have an impact on decision-making. Studies suggest that younger CEOs tend to take more risks and pursue more innovative strategies, while older CEOs tend to be more risk-averse and maintain a focus on existing strategies (Hirshleifer & Thakor, 1992; Prendergast & Stole, 1996). This may be caused by differences in experience, knowledge, and cognitive processes, as well as generational differences. Therefore, organizations may need to consider the age of the leader when making decisions that require risk-taking or innovation, as considering sustainability as part of the company's business strategy (Dess & Lumpkin, 2005; Ekvall, 1996; Finkelstein & Hambrick, 1990).

However, it is essential to point out that the leaders' characteristics are not the only factor that influences decision-making processes. Other aspects, such as organizational culture, industry dynamics, and market conditions, may also play a crucial role in the equation. Therefore, it is essential to consider additional factors alongside CEO characteristics when examining the impact on decision-making (Papadakis et al., 1998; Saaty, 2012).

Overall, the literature points out that leaders' characteristics, such as gender and age, can have a significant influence on their decisions. Female CEOs tend to prioritize long-term goals and risk mitigation, while younger CEOs may take more risks and pursue strategies toward more innovation. However, it is important to consider other factors that impact decision-making, such as organizational culture and market conditions.

Based on the literature review above, the following hypothesis can be built:

H1: Fashion companies led by female CEOs will have a higher rating in transparency and sustainability rankings than male-led companies.

H2: Fashion companies led by young CEOs will have a higher rating in transparency and sustainability rankings than companies led by older CEOs.

2.5 Motivation of Leaders during the Decision-making Process

Power, the need for success, purpose, and stakeholder pressure are all factors that might influence a leader's decisions. According to McClelland's theory of needs, the need for achievement is a major motivator for individuals in leadership positions. Leaders with a high need for achievement are more likely to take risks and follow ambitious objectives (McClelland, 1985; Tian et al., 2015).

Power might also be a significant motivator for leaders to achieve their goals. It is a tool that enables them to influence others and make important decisions. Leaders with power are often

perceived as more competent and effective in their roles. This results from the ability to control the resources and people which are necessary to achieve their objectives (Keltner et al., 2003).

Purpose is another motivator that can drive a leader's decisions. Leaders committed to a particular vision or mission tend to make decisions that align with their purpose and values, even if it means pursuing more challenging or unconventional approaches (By, 2021).

Stakeholder pressure can influence a role in a leader's decision-making process, too. Leaders can feel pressured to satisfy the needs and expectations of various stakeholders, such as shareholders, employees, customers, and society (Freeman, 2010). Especially shareholders can often build up significant pressure on leaders to achieve certain, mainly financial, goals as they have a direct influence on the employment relationship (Friedman, 1962).

Based on the literature review above, the following hypotheses can be built:

***H3:** Leaders of fashion companies have different motivations toward sustainability implementations in their firms.*

3. Methodology

The following part provides a detailed description of the research methods and procedures used to conduct the study. This section explains the research design, how the data was collected and analyzed, and how the findings were interpreted.

3.1 Research Design

To answer the two research questions and to verify the hypotheses, a mixed approach of quantitative and qualitative research was chosen. The quantitative approach aims to examine RQ1 with the hypotheses H1 and H2 by investigating a correlation between the placements on indexes regarding sustainability and transparency and leaders' characteristics (age and gender). To answer RQ2 with hypothesis H3, a qualitative analysis of semi-guided interviews was chosen. The combination of the two research approaches (quantitative and qualitative) ensures a suitable way to answer the research questions of the study (Brannen, 2017). Further, a short survey with industry experts was conducted to evaluate and verify the findings of data analysis and to receive further insights about the mentioned motivators in the semi-guided interviews.

3.1.1 Secondary Data Analysis

The first part of this study involves a review of secondary data from the Transparency Index from Fashion Revolution and the Sustainability Index from Business of Fashion. This analysis aims to answer RQ1 with a quantitative approach. Hypotheses H1 and H2 based on the literature review are tested with secondary data analyzed using regression models with RStudio software. The dependent variable in the regression model is the ranking in the data of fashion companies, and the independent variables are the gender and age of the leaders. The regression analysis will determine whether the gender and age of leaders have a significant influence on sustainability and transparency ratings in fashion companies. Both variables were studied individually.

3.1.2 Semi-guided Interviews

To answer RQ2 and to verify the remaining hypothesis (H3), the second part of this study contains guided interviews with fashion brand leaders. The interview partners were selected based on their leadership roles in fashion companies and their involvement in sustainability initiatives. They were guided by a semi-structured questionnaire that included open questions related to the leaders' motivations for sustainability initiatives in their companies and their perspective on the fashion industry regarding sustainability.

3.1.3 Survey

In order to gain further insights into the motivations of fashion leaders for sustainability actions, another qualitative analysis was conducted. A survey was distributed among fashion experts with the aim of evaluating H1 and H2 further and gaining additional insights on the motivators (H3) mentioned in the interviews by the participants.

3.2 Data Collection Method

The mixed approach used in this study combines a quantitative analysis of secondary data from two sources, Fashion Revolution and Business of Fashion, and qualitative research from semi-guided interviews and an online survey answered by leaders from the fashion industry.

According to Creswell (2015), mixed methods research is used in scientific research to provide a more comprehensive understanding of complex issues. Quantitative data collection methods are appropriate for investigating the extent and distribution of the phenomena. In contrast, qualitative data collection methods are useful for understanding the meaning and context of the research question.

3.2.1 Quantitative Data Collection Method

To answer RQ1, the data collection method used in this study is a quantitative analysis of secondary data. The gathered data from Fashion Revolution and Business of Fashion was publicly available on the websites of the two institutions with licenses for academic usage. Both are reliable sources of secondary data on sustainability and transparency in the fashion industry and are acknowledged by researchers and industry experts (Brun et al., 2020; Kennedy & Allan-Ross, 2021). Fashion Revolution provides data on the transparency of the world's 250 largest fashion brands worldwide, including supply chain transparency, workers' rights, and environmental impact (Fashion Revolution, 2022). Business of Fashion ranks the fashion industry's 30 largest publicly-traded companies across luxury, high street, and sportswear regarding their sustainability policies and practices (Business of Fashion, 2022).

The data, downloaded from the websites, contained the rankings and ratings of fashion companies towards sustainability and transparency. To complete the dataset, additional data needed to be collected since relevant information for the study, like the CEOs' names, ages, and gender, were missing from the original download. The indexes were released in 2022, and their data input is based on information from 2021. This needed to be considered during the research for additional information. The primary source for the CEOs' characteristics were the Bloomberg database and annual reports of the companies included in the rankings. Merging the initial dataset with the additional information gathered was the base for the data, which was used for the statistical investigations with RStudio software.

The use of quantitative data analysis, such as statistical analysis, allows this study to analyze large amounts of data quickly and identify patterns and relationships between the variables. Quantitative data analysis is objective and reliable, as it relies on mathematical and statistical techniques to draw conclusions from the collected data (Kothari, 2004).

3.2.2 Qualitative Data Collection Method – Semi-guided Interviews

The second data collection method employed in this study is a qualitative analysis of semi-guided interviews with industry leaders from the fashion industry. Qualitative research methods are used to attain an in-depth comprehension of complex phenomena, such as attitudes, behaviors, and experiences, from the perspective of those involved (Kothari, 2004).

The usage of guided interviews with industry leaders is a reliable source of data as it provides a perspective from an industry expert on the issues, challenges, and motivations faced by

fashion brands in implementing sustainable and ethical business practices (Kothari, 2004). The usage of open questions in the interviews allows a more detailed exploration of the relevant topics, providing extensive data that can be analyzed using the qualitative content analysis technique of Mayring (2015).

Suitable interview partners were contacted via e-mail, LinkedIn, and telephone. After reaching out to over 60 potential candidates, in the end, eleven leaders from fashion firms aggregated to participate in the study. The key factor for the successful onboarding of interview partners was the confidentiality of their personal and company's identity.

The interviewed fashion leaders answered the following ten questions:

Table 1: List of Interview Questions

Nr.	Question
1.	What is your assessment of the current status quo of sustainability in fashion? How sustainable is the fashion industry?
2.	What are key focus areas of sustainability in the fashion industry?
3.	What indexes are relevant to compare fashion brands regarding their sustainability?
4.	Do you think sustainability can be a source of competitive advantage or a strategy itself in fashion? If yes, how do you pursue this strategy?
5.	Which were the key motivations in your company to introduce sustainability in your strategy?
6.	Would you describe your company more sustainable than your main competitors? If yes, why?
7.	How do you measure sustainability within your company?
8.	Do you think consumers are willing to pay more for sustainable and therefore more expensive fashion?
9.	Do you think your age influences the approach and actions towards increasing sustainability within the company?
10.	What needs to be done to achieve overall a higher grade of sustainability in the fashion industry?

Source: author's own rendering

Questions number 1, 2, and 10 aim to create an overall assessment of the interviewee's understanding of the industry and its approaches toward sustainability. To validate the suitability and credibility of the chosen indexes for this research in the quantitative part,

question 3 was implemented. The remaining questions have the purpose of answering the research questions.

3.2.3 Qualitative Data Collection Method – Survey

The third data collection method utilized in this research project is a qualitative analysis of a questionnaire distributed among experts from the fashion industry. The survey, answered by industry experts, aims to provide valuable insights due to their practical expertise and deep understanding of the industry.

Suitable participants from the fashion industry were asked during an executive education course in the north of Portugal to answer the survey by accessing a QR code provided during the session. Finally, nineteen executives provided their insights in the questionnaire. Due to the limited timeframe available for answering the survey, only three questions were included in the questionnaire.

The survey's first question (Appendix 1) is based on the findings during the semi-guided interviews about the fashion leaders' motivation for sustainability initiatives. The survey participants ranked the, in Chapter 4.3.1, mentioned drivers, in their perspective, from the most to the least relevant. The ranking has the intention to gain a deeper understanding of the relevance of each motivator for implementing sustainability in fashion companies. The remaining two questions aim to validate hypotheses H1 and H2 in front of an increased sample size and gather additional insights for answering the research questions.

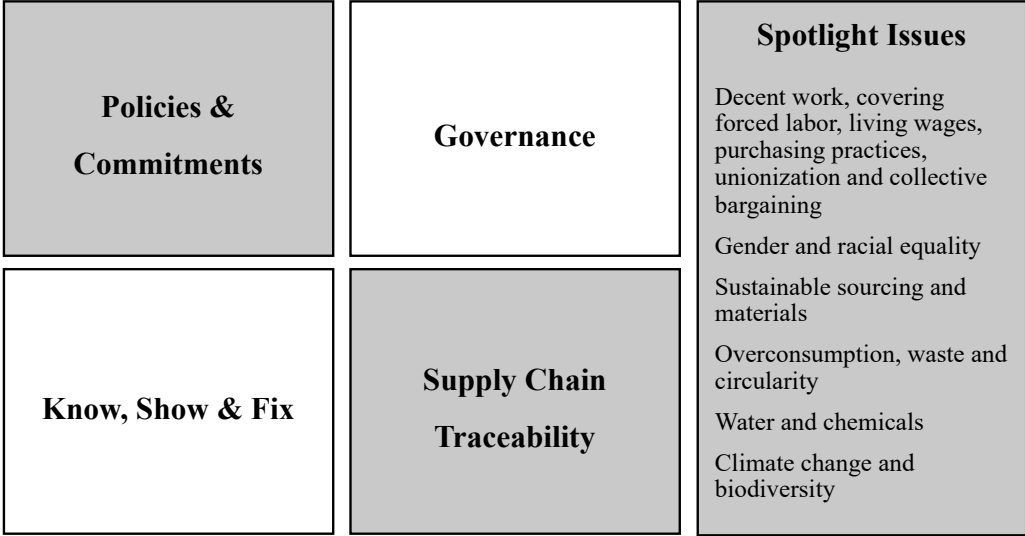
3.3 Data Sample

The data samples used for this study contain secondary data from two acknowledged sources by the fashion industry and qualitative data collected in interviews and a questionnaire with leaders from established fashion brands.

3.3.1 Secondary Data

The Transparency Index from 2022 by Fashion Revolution includes 250 of the largest companies in the fashion industry. It evaluates brands based on their disclosure of human rights and environmental policies, practices, and impacts on their operations and supply chains. The index includes 246 indicators that cover various social and environmental topics, such as animal welfare, climate, forced labor, gender equality, hazardous chemicals, waste, and working conditions. The evaluation of the participants is based on their public disclosure of human rights and environmental issues in the following five key areas (Fashion Revolution, 2022):

Figure 1: Methodology of Transparency Index 2022 by Fashion Revolution



Source: author's own rendering based on index methodologies (Fashion Revolution, 2022)

Fashion brands are awarded points based on publicly available information about their practices. This includes information found on the brand's website or parent company's website, as well as self-published annual reports and third-party disclosures that are linked to the company's website. It's important to note that fashion companies and retailers cannot pay or choose to be included in the Fashion Transparency Index. The brands are all treated equally regarding Fashion Revolution’s ethical policy. The final score is valued between 0% and 100%. A score of 100% would mean that a brand is publicly disclosing details of every supplier in their supply chain and every policy, procedure, performance, and impact reviewed in the Index across a broad range of human rights, environmental and governance issues. In the index of 2022, no brand scores 100%. The highest score is 78%, and the average score across all brands is 24% (Fashion Revolution, 2022).

The Sustainability Index 2022 from Business of Fashion benchmarks the progress of the fashion industry's 30 largest companies toward important sustainability goals. The assessment includes six impact categories: emissions, transparency, water & chemicals, materials, workers’ rights, and waste (Business of Fashion, 2022).

Results encompass over 9,000 data points gathered across over 200 proprietary metrics applied to the 30 companies, allowing a fair benchmarking of brands’ sustainability efforts. The scale reaches from 0 to 100 points. The highest score is 49, and the average score across all brands is close to 28 (Business of Fashion, 2022).

3.3.2 Semi-guided Interviews

The data for the study was collected between the 09. March 2023 and 14. April 2023. The interviews were conducted in remote video meetings over Zoom or Microsoft Teams. Every interview partner received the questions upfront to ensure the highest level of efficiency during the sessions, which were scheduled for 30 minutes. The sample reaches from small companies with two to big corporations with over 2500 employees. Each interviewee holds a high position in their company, including roles such as Global Head of Sustainability or CEO and founder. The gender distribution is six women towards five men that participated in the study. The sample contains established corporations with a long history and younger, more recently founded companies. A simplified table with the characteristics of the interview partners can be found below. To ensure anonymity, names are coded, and the company names are removed.

Table 2: Interview Participants – Overview

Code	Position	Gender	Age
IP01	CEO	Male	41
IP02	Head of Sustainable Supply Chain	Female	41
IP03	Head of Sustainability	Female	40
IP04	Designer	Male	25
IP05	CEO & Founder	Male	52
IP06	CEO & Founder	Male	55
IP07	CEO & Founder	Female	51
IP08	CEO & Founder	Female	48
IP09	CEO	Female	50
IP10	CEO & Founder	Female	34
IP11	CEO	Male	29

Source: author's own rendering based on the interview participants (more details see Appendix 2)

3.3.3 Survey

The data for this research project was collected on the 03. May 2023, during an executive education course. The participants are all representatives from fashion companies in Portugal, which are members of the CITEVE Institution. CITEVE is a Technological Institute that provides support and services to companies acting in the textile & clothing industry (CITEVE Textile Technology, 2023). The data sample contains nineteen responses. All participants have leadership positions in Portuguese textile companies, which are SMEs or multinational firms.

There is no further demographic data evaluated for the sample due to the short amount of time that was available for the participants to answer the questionnaire, which was limited to two to three questions. The researcher, therefore, prioritized the qualitative content over demographic evaluation.

3.4 Data Analysis Procedure

The following chapter describes the data analysis procedure conducted for this study. It contains a quantitative analysis with data analytics software and a qualitative part with guided interviews and the questionnaire.

3.4.1 Quantitative Analysis

The analyses of the two data sets from Fashion Revolution and Business of Fashion were conducted with RStudio software. After completing the data with the necessary information in Microsoft Excel, the tables were loaded into RStudio. The first step was coding the gender columns where 0 equals male (male=0) and 1 equals female (female=1). This step is required to create the regression models. As the next step, two histograms were created to study the distribution of the data sample. After the definition of the predictor and response variables for each data model (score ~ gender, score ~ age), the regression models were run by the software. The created models will be studied in the data analysis part of the study. This procedure is applicable for both indexes (Fashion Revolution & Business of Fashion).

3.4.2 Qualitative Analysis – Semi-guided Interviews

The interviews, conducted via video conference, were recorded with the full consent of the participants. The recordings were transcribed by the software Microsoft Office Word. Since the software is not entirely accurate, every interview must be checked and corrected by revising the original recordings and the created transcripts.

In the interview analysis procedure, Mayring's Qualitative Content Analysis approach was used, which provides a systematic and rule-guided framework for analyzing textual data (Mayring, 2015). This method is particularly suitable for the research conducted in this study, as it allows the identification and interpretation of patterns and themes emerging from the data while maintaining flexibility (Schreier, 2012).

To achieve an understanding of the key factors that influence a specific phenomenon, Mayring's approach of developing a category system was implemented in the study (Mayring, 2015). Therefore, categories based on the data were created. This involved a close reading of the

interviews, noting any relevant patterns and themes, and assigning them to appropriate categories. If more interviewees were giving the same statements, the code of the participants was noted behind those expressions.

The categories used for the qualitative data analyses were the following:

Table 3: Categories for Interview Analysis

Nr.	Category
1.	View on sustainability in the fashion industry.
2.	Relevant indexes to be considered for stakeholders in the fashion industry.
3.	Sustainability within the interviewee's companies (Strategy, KPIs, etc.).
4.	Leaders' motivations for sustainability.
5.	Consumers perspective and willingness to pay.
6.	Leaders' age and gender as drivers for sustainability in the fashion industry.
7.	Outlook for the fashion industry regarding sustainability.

Source: author's own rendering

3.4.3 Qualitative Analysis – Survey

As the first step, the collected answers from the survey were downloaded in a Microsoft Excel report. Based on the participants' responses, a ranking of the drivers and motivators was created. The ranking evaluates the importance of the motivators regarding the survey participants from the most to the least important driver for sustainability initiatives. To create the ranking, the scores (1-6) were inverted, so the most important drivers received a score of 6 and the least important motivator a score of 1. With the inversion, after summing the scores, the driver with the highest number turns out as the most important motivator, according to the respondents. By following this approach, the final ranking was created.

Questions 2 and 3 were analyzed in Microsoft Excel for the mathematical distribution of the answers, and graphs were created for visualization purposes. The analysis of these questions aims to support answering the research questions of this study. After the analysis of the quantitative and qualitative data, the results are described in the following chapter.

4. Data Analysis

This part of the study presents the quantitative and qualitative data and conducts the analysis to verify the hypothesis built in the literature review. First, the secondary data will be interpreted based on the statistical output of RStudio software. Further, the qualitative data from conducted

interviews will follow. Finally, the analysis will be continued with the findings from a survey conducted by experts from the fashion industry, which will provide further insights into the impact of gender and age on the sustainability initiatives of the fashion firms and the motivators mentioned during the expert interviewees.

4.1 Hypothesis 1 – Gender

H1 states that fashion companies led by female CEOs will have a higher rating in transparency and sustainability rankings than male lead companies (Chapter 2.4). To verify this hypothesis, the potential impact of gender on scores in transparency and sustainability rankings was examined via a descriptive and statistical evaluation of the extended secondary data provided by Fashion Revolution and Business of Fashion.

4.1.1 Hypothesis 1: Analysis Results Transparency Index 2022 by Fashion Revolution

In the regression analysis performed in Table 4, the relationship between the independent variable “gender” and the dependent variable “score” (in the FR Transparency Index) is estimated. The results from the regression analysis (Table 4) can be interpreted as the following: With a female CEO, the average transparency score of a fashion company is lower by 3.803 points than a company’s score with a male CEO, *ceteris paribus*. This could mean that male CEOs, on average, score better in the transparency index than female leaders. However, due to an adjusted R-squared of -0.003 as well as an insignificant estimation, even at the 10% level, no correlation can be drawn.

Table 4: Regression Analysis: Gender – Fashion Revolution Transparency Index Score

Dependent variable:	
score	
gender	-3.803 (7.844)
Constant	60.591*** (3.328)
Observations	250
R2	0.001
Adjusted R2	-0.003
Residual Std. Error	47.648 (df = 248)
F Statistic	0.235 (df = 1; 248)

Note: *p<0.1; **p<0.05; ***p<0.01

Source: RStudio based on extended secondary data (Chapter 3)

4.1.2 Hypothesis 1: Analysis Results Sustainability Index 2022 by Business of Fashion

In the regression analysis performed in Table 5, the relationship between the independent variable “gender” and the dependent variable “score” (in the BoF Sustainability Index) is

estimated. Results from the regression analysis (Table 5) can be interpreted as the following: With a female CEO, the average transparency score of a fashion company is lower by 2.120 points than a company’s score with a male CEO, *ceteris paribus*. This could mean that male CEOs score better in the Sustainability Index than female leaders on average. However, due to an adjusted R-squared of -0.032 as well as an insignificant estimation, even at the 10% level, no correlation can be drawn.

Table 5: Regression Analysis: Gender – BoF Sustainability Index Score

Dependent variable:	
score_B0F	
gender_B0F	-2.120 (7.003)
Constant	28.320*** (2.859)
Observations	30
R2	0.003
Adjusted R2	-0.032
Residual Std. Error	14.296 (df = 28)
F Statistic	0.092 (df = 1; 28)

Note: *p<0.1; **p<0.05; ***p<0.01

Source: RStudio based on extended secondary data (Chapter 3)

4.2 Hypothesis 2 – Age

H2 states that fashion companies led by young CEOs will have a higher rating in transparency and sustainability rankings than companies led by older CEOs (Chapter 2.4).

To verify this hypothesis, the potential impact of age on scores in transparency and sustainability rankings was examined via a descriptive and statistical evaluation of the extended secondary data provided by Fashion Revolution and Business of Fashion.

4.2.1 Hypothesis 2: Analysis Results Transparency Index 2022 by Fashion Revolution

In the regression analysis performed in Table 6, the relationship between the independent variable “age” and the dependent variable “score” (in the Transparency Index) was estimated. Results from the regression analysis (Table 6) can be interpreted as the following: With the increasing age of the CEO, the average transparency score of a fashion company decreases by 0.434 points, *ceteris paribus*. According to an adjusted R-squared of 0.003, if the age of the CEO decreases by one, the transparency score of a fashion brand increases by 0.434 points around its mean. This could mean that younger CEOs have higher transparency scores than older ones. However, due to an insignificant estimation, even at the 10% level, no correlation can be drawn.

Table 6: Regression Analysis: Age – Fashion Revolution Transparency Index Score

Dependent variable:	
score	
age	-0.434 (0.327)
Constant	84.930*** (19.139)
Observations	250
R2	0.007
Adjusted R2	0.003
Residual Std. Error	47.503 (df = 248)
F Statistic	1.753 (df = 1; 248)

Note: *p<0.1; **p<0.05; ***p<0.01

Source: RStudio based on extended secondary data (Chapter 3)

4.2.2 Hypothesis 2: Analysis Results Sustainability Index 2022 by Business of Fashion

In the regression analysis performed in Table 7, the relationship between the independent variable “age” and the dependent variable “score” (in the BoF Sustainability Index) is estimated. Results from regression analysis (Table 7) can be interpreted as the following: With the increasing age of the CEO, the average transparency score of a fashion company decreases by 0.032 points, ceteris paribus. This could mean that younger CEOs’ companies reach higher transparency scores than fashion bands of older ones. However, due to an adjusted R-squared of -0.035 as well as an insignificant estimation, even at the 10% level, once again, no correlation can be drawn.

Table 7: Regression Analysis: Age – BoF Sustainability Index Score

Dependent variable:	
score_BOF	
age_BOF	-0.032 (0.257)
Constant	29.844* (15.401)
Observations	30
R2	0.001
Adjusted R2	-0.035
Residual Std. Error	14.315 (df = 28)
F Statistic	0.015 (df = 1; 28)

Note: *p<0.1; **p<0.05; ***p<0.01

Source: RStudio based on extended secondary data (Chapter 3)

In conclusion, after the conducted analysis, it can be stated that neither age nor gender has a significant impact on the scores of the indexes used. Under the condition of the consideration of the extended secondary data, both hypotheses can be rejected. CEO characteristics (age and gender) are not the main drivers for implementing sustainability at fashion brands. There must

be further motivations for those. These drivers are examined in the following chapter with data from leaders of fashion brands conducted in expert interviews.

4.3 Hypothesis 3 – Motivation: Interview Results

H3 indicates that leaders of fashion companies have different motivations toward sustainability implementations in their firms (Chapter 2.5).

To verify this hypothesis, eleven interviews with industry experts were conducted. All the participants hold high management positions in fashion companies of different sizes. Their motivations and views on sustainability regarding the fashion industry will be presented and analyzed in the following.

(1) View on sustainability in the fashion industry

Regarding the fashion industry's current state, the interviewees expressed that although some progress has been made, it is still in its early stages, and there is a lot more work to be done. Overall, the industry experts identified key issues regarding sustainability, such as insufficient transparency towards stakeholders, widespread greenwashing from major players, unresolved environmental problems, and the dominating success of fast fashion. Especially fast fashion, with its low retail prices and fast-changing offerings, tempts customers to purchase over and over products, even if they don't need them. This high level of consumption and the moderate product qualities often lead to the disposition of old textiles.

However, the interviewees also acknowledged an increase in consumer demand and awareness for sustainable fashion, which could drive further changes within the industry. From their perspective, the fashion industry must improve with the utilization of sustainable raw materials, ensuring the durability of products, embracing a circular business model, designing long-lasting garments, minimizing transportation distances, advocating for mindful and sustainable consumption, complying with legislation, and lastly lowering CO₂ emissions. By following these goals, it can be achieved a higher level of sustainability in the industry.

IP01, IP08, IP10, and IP11 highlighted the need for responsibly sourced raw materials to create a more sustainable supply chain that benefits not only the environment but also helps to address social issues in the value flow of fashion companies. Further, by utilizing high-quality and long-lasting garments, the durability of products would have been enhanced significantly, which would lead to a positive effect on the environment by reducing the need to replace broken textile

products. Especially IP01 claimed that this measure could leverage the environmental impact of textiles during their product life cycle.

The concept of circularity emerged as a vital component of sustainable fashion. Eight interviewees advocated for integrating circular economy principles, such as designing products that can be easily repaired, recycled, or repurposed, in order to minimize waste and extend the lifespan of clothing. IP02, IP06, and IP09 indicate that they design and manufacture extra long-lasting textile products, and further, they offer already free repair services towards their goal to achieve a fully circular business model. As a designer, IP04 already experiments with future collections from upcycled products from the brand to create a fully circular line in the future:

“I am currently exploring options on how to create an entirely new collection based on our unsold stock. Maybe we can also offer some kind of buy-back/donation option for our old products in the future. So, people can bring their old and used sweaters, for example, and we will use them in a future collection. I think that would be a great approach for a more circular business model. But to be honest, I think that is a long way ahead. Money is a huge issue here.” (IP04)

Two interviewed participants (IP05 & IP11) also underscored the significance of shortening transportation routes by localizing or near-shoring production to reduce transportation-related emissions in the process. Focusing on the European market would also solve issues with bad working conditions (IP11).

Promoting mindful and sustainable consumption is another essential aspect. Encouraging consumers to make informed purchasing decisions and consider the environmental and social impacts of their choices can lead to a more conscious fashion industry. Therefore, IP09 also embedded the education of consumers towards more mindful consumption into her corporate strategy. From her perspective, consumers decide in the end what they buy. The industry needs to increase transparency and educate customers about valuing the efforts made by sustainable brands (IP09).

Compliance with legislation and support for implementing laws and regulations aimed at promoting sustainability in the fashion industry can facilitate meaningful progress. IP01 and IP03 expect the European Union to set a high level of sustainability standards that everyone in the industry must follow. This would also include adopting energy-efficient production methods and renewable energy sources, which can significantly reduce the industry's carbon

footprint. Higher standards would also relativize the current price discrepancy between sustainable and less sustainable products.

Overall, the interviewees agree that by addressing the identified challenges and incorporating the proposed sustainability aspects, the industry can work towards creating a more responsible and environmentally conscious future.

(2) Relevant indexes to be considered for stakeholders in the fashion industry

As pointed out in the literature review of this study, IP01 and IP06 also mention the Transparency Index from Fashion Revolution as a significant source to compare fashion brands regarding their efforts towards more sustainability.

Two other participants (IP02 & IP03) see the Dow Jones Sustainability Index as a highly trustworthy indicator for the tracking of sustainability actions from a shareholder perspective.

IP02, IP04, IP08, and IP10 state that currently, there is no gold standard for sustainability rankings from the consumers' perspective, and it should be the duty of the legislation to introduce and implement an independent global index for higher transparency in the industry. A highly publicly acknowledged ranking would increase the pressure on the low performers to do better.

The remaining interviewees point out that besides some stamps (e.g., GOTS or Fair Wear Foundation), which they consider relevant but not transparent enough, they are not aware of credible rankings and indexes. They attest them a high level of impracticability and lack of comparability. Especially IP05 considers them *“useless since the fashion supply chains and business models are way too complex to achieve valid comparisons between fashion brands”* (IP05).

(3) Sustainability within the interviewee’s companies (Strategy, KPIs, etc.)

Researchers found evidence that sustainability might be a competitive advantage for corporations (Laszlo & Zhexembayeva, 2011). However, the interviewed leaders could not entirely support this thesis. Six of them do not perceive sustainability as a competitive advantage at all. Moreover, they consider it as a non-negotiable industry baseline every company should follow. According to IP07, *“the industry itself and governments have to create the framework for a high standard of sustainability. The current environmental impact and the miserable working conditions, the majority of the industry players are responsible for, are no longer to be tolerated.”*

On the other hand, IP01 and IP02 see that sustainability is a legitimate part of the business strategy if the target audience is seeking it. From their perspective, as of today, fashion brands are pushing forward their sustainability approaches if most customers are sensitive to that topic. In that case, it can be a competitive advantage for the differentiation of the brand regarding its sustainability. Especially Nordic brands within the luxury segment have those kinds of customers. Therefore, sustainability is fundamental for serving clients' needs towards a purchase experience with a good conscience in the end. IP02 points out *“that we are very lucky with our customers. They care a lot about the environment, and they don't mind paying a premium for our products since they actually make a difference [regarding sustainability]”*.

For the rest of the interviewees, sustainability is a core part of their business strategy. Even though they do not consider it a competitive advantage, these statements come from their opinion that design and price always come first when the final purchase decision is made:

“Sustainability is a nice add-on, but as we see it today, consumers won't buy our shirts because we are more sustainable than others. It will always come down to a design they actually want to wear and, secondly, a price they are willing to pay. For that reason, many brands are only doing the bare minimum toward sustainability. Sadly, the industry is more afraid to be canceled because of bad things than to be praised for being progressive.” (IP10)

Based on the assessment of sustainability as a strategy, almost every interviewed fashion brand measures sustainability within their organization. Only IP08 did not implement any KPIs to follow up on its sustainability efforts. The reason for that might be the size of the company and the founder's strict vision of doing *“everything in my possibility to be as sustainable as we could”* (IP08).

For three participants (IP01, IP02, IP09), sustainable sourcing is a key factor to be measured within their sustainability approaches. This means choosing sustainable raw materials and demanding ethical working conditions from their manufacturers. Mainly, by choosing the right production facility and location, a significant impact can be achieved.

The durability of the garments itself is, for six interviewees, a very important indicator of how sustainable their companies perform. With higher durability, consumers can enjoy the purchased products longer, and therefore, the life cycles of textiles can be enhanced. Additionally, these products can be sold more likely on the secondhand market due to their better quality.

Since the textile industry consumes a large amount of water during its whole supply chain, nine out of eleven leaders implemented processes to measure water consumption and increase the efforts to reduce it significantly. This can be achieved with the right choice of raw materials. Additionally, guidelines can be implemented for suppliers and manufacturers to adopt and improve their water usage efficiency.

Especially all the larger firms are measuring their CO₂ emissions. This is usually a key part of their sustainability reporting, which is mandatory for a lot of them by law. To be more comparable, smaller companies tend to implement this measure for their sustainability tracking. A huge issue for the comparability is regarding IP01, *“the way emissions are being calculated now. There are not sufficient and strict regulations from the legislations side for that topic.”*

Only IP03 mentioned the ratio of women in leadership positions as a KPI they are monitoring. The leaders from smaller companies stated that since they have almost only female employees, they do not monitor those indicators. For instance, IP10 claimed to employ over 93% of female workers in her fashion firm.

Overall, the monitored KPIs by the interviewed fashion leaders depend on several factors, such as requirements from the law and their company size. In conclusion, there can be stated that the key indicators for most firms are sustainable raw materials, manufacturing, the amount of water consumed, and CO₂ emitted in the atmosphere.

(4) Leaders’ motivations for sustainability

Based on the results of the data analysis conducted in chapters 4.1 and 4.2, CEO characteristics like age and gender show no significant impact on the placement in relevant rankings. The interviews carried out in this study with leaders and industry experts pointed to their motivations behind those actions.

The most common motivation to implement sustainability within fashion brands is the fulfillment of requirements by the law. Six interviewees stated that acting accordingly to rules and regulations is the first step in their sustainability strategy for the company. This is the essential baseline for business within the European Union. It is important to point out that governmental and EU regulations are not the only motivators for the participants, and they represent the basic framework for their sustainability approach to their business.

Three interviewees see an increasing demand for sustainable actions for fashion brands in the future. Driven by consumer pressure and regulators, they want to take the first mover advantage

for an industry with higher sustainability standards. By laying the foundation today, these companies can act faster to reach those demands.

IP02 and IP03, which are both parts of bigger holdings, mention the pressure of their owner as a significant driver for implementing sustainability. Since they are part of big conglomerates, their own scope of action for the sustainability strategy is highly restricted by the global agenda of the controlling company (IP03). Therefore, they mostly follow the overall sustainability targets set by the majority shareholder. IP02 explained that since their own target audience is more cautious about sustainability, they receive stricter sustainability goals than their sister companies with the same owner.

More than 50% of the interviewees consider ideological reasons when it comes to implementing sustainability in their companies. They have strong beliefs in sustainable practices and challenging traditional norms. By founding their own fashion brands, they hoped to make a positive impact on society and inspire others to join them in shaping a more equitable and conscientious industry. IP09 also mentioned her own ideology as the guiding principle for sustainability as the primary motivator. Even though she is not a founder in particular, she took over the family business a few years ago with a clear sustainable business vision: *“My motivations are clearly ideological. I can remember when I took over my father’s company in 2008. I was asked for my visions. I was very excited but also scared to tell the previous CEOs about my plan to turn every stone around and create a green company (IP09).”*

Based on the input of the interviewees, there can be drawn a clear connection between personal principles for sustainability and business ownership. Mostly all founders, co-founders, and owners of the interviewed fashion leaders consider their belief in making an impact on the environment and society as their main reason for being in business.

(5) Consumers' perspective and willingness to pay

The interviewed experts share the opinion that, in the end, consumers have a significant impact on a more sustainable fashion industry. They make the final purchase decision and are the main reason why sustainability is still in the early stages (IP03). Even though McKinsey’s (2023) report states that consumers are willing to pay more for sustainable fashion, IP01, IP03, IP04, IP07, and IP11 clearly disagree with that statement. From their perspective, the only aspect most fashion consumers care about is the price. IP03 points out that *“even though we see a more sustainable consumer approach with websites like Vinted [a website for secondhand*

shopping], *we also see the enormous success of the fast fashion industry. Therefore, from my point of view, consumers only care about the price*".

IP02 and IP08 agree with the higher willingness to pay only for mindful clients in the luxury segment. From their understanding of the market, these customers see a social benefit from being perceived as an eco-friendly consumer. Sustainable clothing is a status symbol for that target segment (IP08).

For middle-priced clothing, sustainability comes third after design and price, according to some industry experts. For the clients in that price segment, sustainability is only considered as a differentiating factor if the design is more exciting, or the price is at least the same as the least sustainable option.

Even though the current market dynamic is highly driven by price, the experts agree that there can be observed a slight increase in interest in the market toward more sustainable fashion. They expect that trend to continue in the next years with an increasing demand for sustainable clothing.

(6) Leaders' age and gender as drivers for sustainability in the fashion industry

The majority of the interviewees agree with the results of the data analysis from Chapters 4.1 and 4.2. Without knowledge of the outcome of the previous data analysis in this study, they stated that they don't think there is a correlation between age, gender, and sustainability actions in the fashion industry. Some interview partners noticed that young leaders tend to talk more about sustainability than older ones, but regarding business decisions, in the end, they act driven by financial aspects. Therefore, the experts, based on their own observations, cannot draw any connection between the age and a more sustainable execution of the business agenda.

(7) Outlook for the fashion industry regarding sustainability

The interviewed leaders share the opinion that a lot more must be done for a more sustainable fashion industry in the future. Participants driven by a personal sustainable agenda (ideology) wish for stricter regulations for the brands to ensure the same standards with a tangible impact on the industry. They also think that customers must be educated to value more sustainable clothing. Overall, according to IP01, price shouldn't be the driver for purchase decisions when it comes to sustainable consumption. The industry should ensure that there is no advantage in the price for poorly sourced and produced textiles anymore. Therefore, transparency is a crucial starting point to increase sustainability in the textile sector. Rankings like Fashion Revolution's

Transparency Index create awareness about the issues in the fashion market and send a clear message to the brands that they cannot continue with their non-responsible business models anymore. Non-sustainable textile companies won't survive in the long-term perspective (IP03). By moving towards a circular business model, firms can create a positive impact on the industry, which will be awarded by the increasing consumer demand for sustainable fashion.

Overall, the interviews show that leaders of fashion companies have a similar perception of the current and future market. The motivations vary from extrinsic to intrinsic drivers for the implementation of sustainable practices within the companies. In general, it can be observed that ownership is a key factor when it comes to intrinsic motivation. Brand founders have not only more control over the companies' strategies, but they also tend to execute and follow sustainable goals based on their own ideological reasons. The size of the companies and the number of investors also impact those decisions. Hired leaders, on the other hand, must answer to a various number of stakeholders with different interests. According to the interviewees, especially the pressure of their shareholders is a critical factor for the sustainability actions carried out by the participants. The industry experts also confirm the outcome of the data analysis based on H1 and H2, that the CEO characteristics, age, and gender have no effect on the sustainable actions of organizations. IP11 summarizes: *“As long as there is no business case for sustainability, big companies won't be more sustainable than they are legally obliged to be. In the end, it is all about the money.”*

4.4 Survey Results

The results of the survey, answered by fashion industry experts, provide further insights into the assessment of the impact of gender and age on the sustainability activities of textile companies. Further, they also ranked the motivators and drivers which were mentioned during the interviews (Chapter 4.3) regarding their importance.

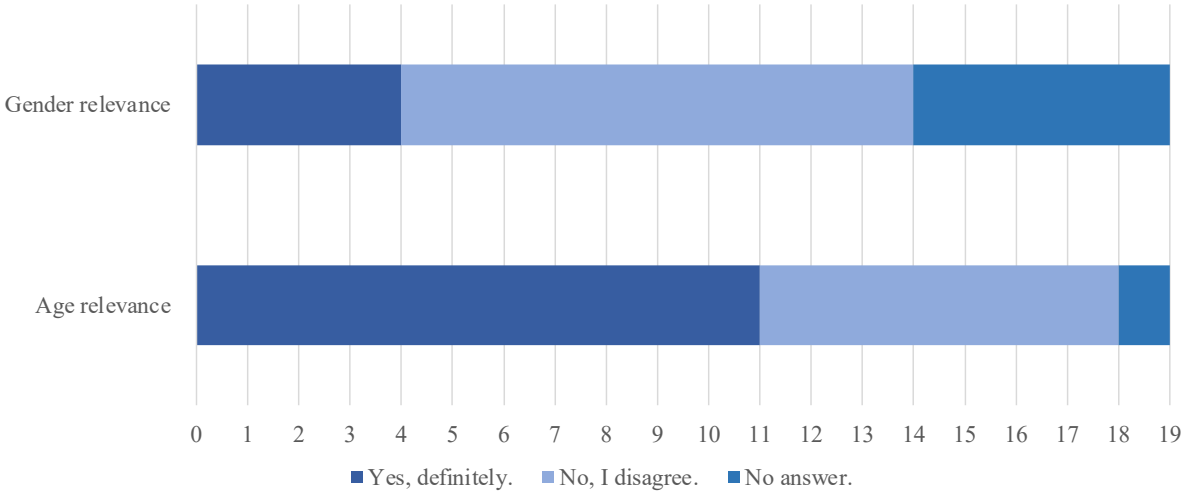
4.4.1 Impact of Gender and Age on Sustainability Initiatives

Based on the responses of the participants, gender is not considered as a significant influencer for sustainability activities in fashion companies. As of the respondents, female managers are not implementing more sustainability initiatives than male executives. This matches with findings from the quantitative data analysis and the statements from the conducted interviews.

Age is, according to eleven respondents (Figure 2), a relevant driver for sustainability in textile firms. More than fifty percent claim that younger managers tend to implement more

sustainability in their agenda than older leaders. Therefore, the age of the decision-maker seems to be a relevant factor when it comes to a sustainable strategy for fashion brands. This result of the survey stands contrary to the findings from the interviews and data analysis. There is no clear consensus regarding the importance of age in terms of sustainability. However, this difference in results might have several explanations. The data samples for the quantitative analysis contain the biggest textile companies in the world. On the other hand, many interviewees and the survey participants are from smaller companies, which can also impact the outcomes. Additionally, every interviewee is from the European Union, and the survey respondents are representatives of Portuguese textile companies. The data sets, on the contrary, include many North American and Asian organizations. The geographic differences might also lead to discrepancies in the findings. Further, as mentioned in the interviews, there might be biases since young leaders tend to talk more about sustainability and, therefore, may be perceived as more sustainable. After evaluating all the given data in this study, there are still tendencies to discover that, in general, the business case seems to matter for implementing sustainability and not the age of the leader.

Figure 2: The Relevance of Gender and Age for Sustainability Initiatives



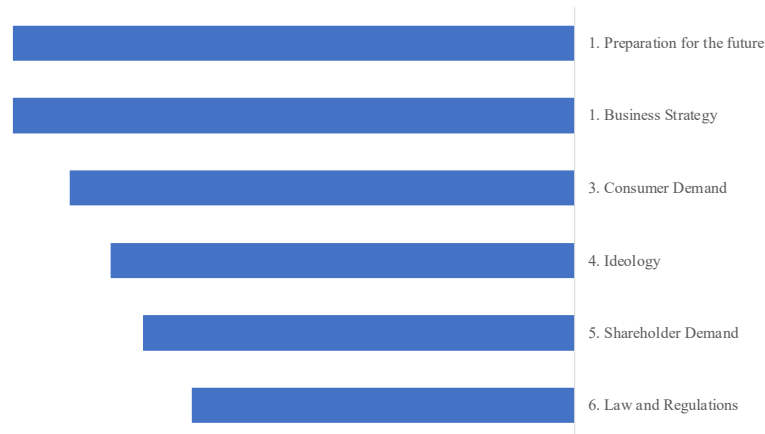
Source: author's own rendering based on the survey results (Questions 2 & 3 – Appendix 1)

4.4.2 The Ranking of Drivers for Sustainability Initiatives

Based on the mentioned motivators in Chapter 4.3, the respondents created a ranking (Figure 3) from the most to the least essential driver for a sustainable business in textile companies. The results hereby differ slightly from the interviewees' most important motivations. The survey participants see business strategy and preparation for the future, with an identical number of votes, as the most crucial driver for sustainability. Ideology, as personal principles

for sustainability, has not the equally high relevance as in the interviews. Following law and regulations seem to be a common baseline that interviewees and survey respondents both agree on. The differences in the relevance of the motivators might appear due to the small sample size of a combined 30 participants and the strong Portuguese focus for the survey respondents, and the more North and Western European focus of the interviewees. Cultural differences can explain the more diverse outcome.

Figure 3: The Ranking of the Motivators for Sustainable Initiatives



Source: author's own rendering based on the survey results (Question 1)

5. Conclusion

The fashion industry has been acknowledged and partially blamed for a long time for its high-speed cycles of production and consumption. This results in massive waste, pollution, and exploitation of natural and human resources. However, a recently growing awareness has led to the increasing significance of sustainability in the industry. From ethical sourcing and production methods to recycling, upcycling, and circular business models, the industry is embracing its responsibility to reduce its environmental impact. Moving forward, leaders must establish supporting and advancing sustainable practices, ensuring a greener, more ethical future for the fashion industry.

The main goal of this study was to investigate the motivations of leaders in fashion companies toward implementing sustainability. To gain a comprehensive understanding of the drivers behind sustainability in corporate strategies, first, the demographic characteristics of the CEOs, such as age and gender, were studied in quantitative analysis with regression models. After the review of the secondary data provided by acknowledged indexes in the field of sustainability (Business of Fashion) and transparency (Fashion Revolution), other motivators were examined through semi-guided interviews with leaders from the fashion industry. To verify the results

from the data analysis and gain further insight into the importance of specific motivators mentioned in the interviews, a survey with experts from the fashion industry was conducted.

Based on the results of the quantitative analysis, no significant evidence can be found that age and gender are characteristics that influence the placement of fashion brands in sustainability and transparency rankings. Therefore, hypotheses H1 and H2, built in this study, cannot be verified. Contrary to the assumptions based on relevant literature, the data shows no correlation that younger CEOs tend to implement more sustainable actions and score, as a result, better in the studied indexes. Although the industry experts, who responded to the survey, slightly state that there might be a connection between age and sustainability initiatives, H1 still cannot be verified. The same applies to the second assumption that female CEOs, in researchers' opinion, are more interested in sustainability and therefore pursue a more sustainable strategy. The conducted data analysis or the survey cannot verify this theory.

The findings of the semi-guided interviews show various motivators behind the inclusion of sustainability in the business strategies of fashion brands. Legal requirements emerge as a non-negotiable factor, providing a baseline for businesses operating within the European Union. The anticipation of increased demand for sustainable textiles and first-mover advantages also influences some industry leaders. Additionally, companies within larger holding structures experience pressure from their owners to adopt sustainable practices and goals, often following a global agenda. Especially, founders and owners of fashion brands pointed out motivation based on personal ideology for sustainability and the desire to positively impact society and the environment. Therefore, based on the collected qualitative data, there might be drawn a connection between ownership and ideology as a driver for sustainability.

Based on the gathered data from the survey by industry experts, the importance of the drivers for sustainability initiatives might also be influenced by local and cultural differences or the role within the company of the participants. This would explain slightly diverse results between the interviews and the questionnaire.

Today, the motivation of fashion industry leaders to adopt sustainability is based on their sense of ethical duty, customer desires, financial success, or the law provided by governments. Customers can help to create since they have the major power to demand the standards by making the purchase decisions, a strong force for change towards a more environmentally friendly and socially aware future in the fashion industry. Sustainability must become a business case for every player in fashion.

6. Limitations and Future Research

This study aims to investigate the motivations and characteristics, considering age and gender, of leaders in the fashion industry on sustainable actions, using a mixed-methods approach, utilizing both quantitative and qualitative analyses. However, like all research endeavors, the results of this dissertation project must be considered in the context of some limitations.

The sample size of the datasets for the quantitative part is limited to 250 (Transparency Index) and 30 (Sustainability Index) of the largest fashion brands worldwide. Although the samples provide a suitable snapshot of the industry, they may not be fully representative of all companies worldwide. More extensive datasets are recommended for a more representative result of the data analysis. Even though researchers and industry experts confirmed transparency as a suitable measure to compare companies' sustainability actions, it would certainly be advisable to perform the analysis with other data to verify the results of this study.

Further, the used datasets contain data which capture a single point in time. This can limit the ability to draw conclusions on the causal relationship between CEO demographics and the companies' placement in the rankings. Longitudinal data, which tracks the same companies over a longer period, would provide a more solid understanding of the relationship between the variables. Access to other recent and valid data was limited in this study due to the poor availability of unrestricted resources to the researcher.

The qualitative analysis, with eleven semi-guided interviews, provide valuable insights into the motivations for sustainable actions of fashion leaders. However, the sample size and the subjective nature of the collected qualitative data can cause limitations in the generalizability of the results. Even though the participants know that their answers are handled anonymously, there is still a chance that their responses are biased to present themselves in a more favorable light. The limited time of 30 minutes available for the interviews may not have allowed the interviewee to expand upon answers to some of the interview questions. Further, the interviewed leaders of fashion companies are, without exception, all from the European Union. By broadening the scope of the interviewees worldwide, new insights could be gathered. However, the results of the semi-guided interviews can vary and are challenging to summarize them all in this study due to their diversity. A more substantial development of the evaluation technique is recommended to include all aspects of the gathered qualitative data. Nevertheless, these points would exceed the scope of this research project and are proposed to pursue in future academic studies.

The same applies to the conducted survey with industry experts from Portugal. The sample size and the geographic focus can cause limitations and biases for this research project. By increasing the number of respondents with participants of a more diverse background, the accuracy of the results could be improved significantly. Moreover, even though the survey was anonymous, the answers can include biases in case some participants wanted to present themselves in a more favorable light. Due to the limitation of two to three questions for the survey, there was no possibility of evaluating demographic data for a more in-depth analysis of the responses, which would have increased the data quality significantly.

Regardless of the limitations of this dissertation, it contributes valuably to improving knowledge and a deeper understanding of the drivers behind leaders' motivation to implement sustainable actions in fashion companies and can be used as a foundation for further research projects. Especially the influence of the factor of ownership on sustainability initiatives is recommended to be investigated deeper in future studies.

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Appendix

1. Survey: List of questions and answer options:

Nr.	Question
1.	<p data-bbox="277 398 1394 472">Please rank the motivations for implementing sustainability in your organization from the most to the least relevant.</p> <ul data-bbox="328 506 703 748" style="list-style-type: none"><li data-bbox="328 506 491 539">▪ Ideology<li data-bbox="328 546 619 580">▪ Consumer demand<li data-bbox="328 586 643 620">▪ Shareholder demand<li data-bbox="328 627 639 660">▪ Law and regulations<li data-bbox="328 667 600 701">▪ Business strategy<li data-bbox="328 707 703 748">▪ Preparation for the future
2.	<p data-bbox="277 779 1394 853">Do you think sustainability in fashion is a question of generations so that younger leaders tend to drive sustainability more than older ones?</p> <ul data-bbox="328 887 571 1003" style="list-style-type: none"><li data-bbox="328 887 571 920">▪ Yes, definitely.<li data-bbox="328 927 564 960">▪ No, I disagree.<li data-bbox="328 967 523 1003">▪ No answer.
3.	<p data-bbox="277 1037 1394 1111">Do you think sustainability is driven more by female leaders than male ones in the fashion industry?</p> <ul data-bbox="328 1144 571 1261" style="list-style-type: none"><li data-bbox="328 1144 571 1178">▪ Yes, definitely.<li data-bbox="328 1184 564 1218">▪ No, I disagree.<li data-bbox="328 1225 523 1261">▪ No answer.

2. List of interview participants:

Code	Country	Employees	Interview Date	Age	Gender	Position
IP01	Portugal	120	09.03.2023 17:00 GMT	41	Male	CEO
IP02	Sweden	800	17.03.2023 18:00 GMT	41	Female	Head of Sustainable Supply Chain & Circular Fashion
IP03	Portugal	2.750	24.03.2023 16:00 GMT	40	Female	Global Head of Sustainability
IP04	Germany	38	26.03.2023 19:00 GMT	25	Male	Designer
IP05	Germany	5	29.03.2023 18:00 GMT	52	Female	CEO
IP06	Germany	7	31.03.2023 15:00 GMT	55	Male	CEO & Founder
IP07	Germany	9	03.04.2023 16:15 GMT	51	Female	CEO & Founder
IP08	Austria	19	05.04.2023 11:00 GMT	48	Female	CEO & Founder
IP09	Germany	1.600	06.04.2023 18:30 GMT	50	Female	CEO
IP10	Austria	43	11.04.2023 7:30 GMT	34	Female	CEO & Founder
IP11	Germany	10	14.04.2023 19:30 GMT	29	Male	CEO & Co-Founder