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A Study on ESG Awareness and Willingness to Adopt Sustainable Business Practices among Young Professionals

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Abstract

Environmental, Social and Governance (ESG) commitments succeed only when employees put them into practice, yet little is known about what drives young professionals to adopt sustainable business practices at work. Most Indian ESG research examines investors, funds and listed firms (**Deka et al., 2023; Negi et al., 2025; Yadav, 2022**). This study examines how ESG awareness, attitude toward sustainability, perceived organizational support and perceived benefits explain the willingness of young professionals to adopt sustainable business practices.

The study used a quantitative, cross-sectional, explanatory design. A questionnaire of 25 Likert items measured five constructs among 220 respondents from five industry sectors. **The responses are simulated, so the paper serves as a worked reference and its findings must not be read as evidence about real respondents.** Data were analysed in SPSS, with a PLS-SEM model in SmartPLS as a robustness check. All scales were reliable (Cronbach's alpha .830 to .891). ESG awareness was moderate (M = 3.60) and did not differ by generation. Awareness, attitude and perceived benefits significantly predicted willingness to adopt (R^2 = .777; PLS-SEM R^2 = .782), with perceived benefits the strongest (β = .431), whereas perceived organizational support had no significant effect (β = −.009, p = .778). Organisations are advised to communicate the benefits of sustainable practice, build awareness and nurture favourable attitudes.

Keywords: ESG awareness; attitude toward sustainability; perceived organizational support; perceived benefits; sustainable business practices; young professionals; PLS-SEM

Introduction

ESG has moved from a voluntary disclosure topic to a core part of how organisations are judged by investors, regulators and employees. Policies on emissions, workforce welfare and governance only change outcomes when people inside the organisation apply them in daily work. Young professionals will lead the next phase of this change, and their awareness of ESG, their attitude toward sustainability and their willingness to act are therefore central to implementation.

Research on ESG in India has concentrated on investors and markets. Studies cover the resilience of ESG-compliant firms (**Yadav, 2022**), investor consciousness and behavioural biases (**Deka et al., 2023**), attitude and investment decisions (**Makhija et al., 2023**) and ESG strategy in start-ups (**Singh and Tarkar, 2024**). What employees themselves know, feel and are willing to do about ESG at work is rarely examined. This study asks how aware young professionals are of ESG, how attitude, organizational support and perceived benefits relate to their willingness to adopt sustainable business practices, and which factor matters most.

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Literature Review

Awareness and attitude are the most consistent drivers in the evidence. In a survey of 438 Indian investors, ESG consciousness was related to risk perception and weakened the effect of behavioural biases (**Deka et al., 2023**). Among 307 individual investors in Bangalore, perception of company ESG initiatives shaped attitude, and attitude influenced decisions (**Makhija et al., 2023**). A generational study of 400 retail investors found that awareness differed across Gen Z, Millennials, Gen X and Baby Boomers, and that access to ESG information correlated strongly with adoption (**Bhide, 2025**). Regression evidence from 219 investors showed that environmental, social and governance factors each influenced behaviour, with governance having the highest beta (**Upadhyaya et al., 2023**).

Favourable views do not always become action. A systematic review of 30 studies identified 35 behavioural biases in ESG investing (**Amgain, 2024**), and an experiment with 1,034 US investors showed that defaults and explicit recommendations raised the ESG allocation from 20.63% to 39.85% and about 56% (**Ramadugula, Kumar and Meunier, 2026**). Outcome studies show why benefits matter: high-ESG Indian firms performed better during uncertainty (**Yadav, 2022**), ESG scores helped predict fund performance (**Momparler, Carmona and Climent, 2025**), and ESG factors raised growth outcomes in young IT firms (**Singh and Tarkar, 2024**). Market studies add that sentiment and volatility can move ESG returns away from fundamentals (**Negi et al., 2025**).

The theoretical lens combines the Theory of Planned Behavior (**Ajzen, 1991**), which links attitude to intention, stakeholder theory (**Freeman, 1984**) and organizational support theory (**Eisenberger et al., 1986**), which expects employees to reciprocate support from their employer.

Research Gaps

- Most studies examine investors, funds, indices or firm performance, and not employees (**Yadav, 2022; Momparler, Carmona and Climent, 2025; Negi et al., 2025**).
- Positive attitudes are reported, but the step from attitude to workplace action is rarely measured directly (**Amgain, 2024; Ramadugula, Kumar and Meunier, 2026**).
- Awareness, attitude, support and perceived benefits are studied separately, and none of the ten studies reviewed measures perceived organizational support.
- Indian evidence is concentrated on investors, markets and start-ups, with little on young working professionals across industries (**Deka et al., 2023; Singh and Tarkar, 2024**).

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Research Questions

- **RQ1.** What is the level of ESG awareness among young professionals across industry sectors and generations?
- **RQ2.** Is there a significant relationship between ESG awareness, perceived benefits and professional attitude toward corporate sustainability?
- **RQ3.** Is there a significant relationship between attitude and willingness to adopt sustainable business practices?
- **RQ4.** Which of ESG awareness, attitude, perceived organizational support and perceived benefits best explains willingness to adopt?

Aim, Objectives and Hypotheses

Aim: To study ESG awareness and the willingness of young professionals to adopt sustainable business practices.

Objectives:

- To evaluate the level of ESG awareness among young working professionals across different industry sectors.
- To analyse the relationship between the perceived importance of environmental, social and governance factors and professional attitude toward corporate sustainability.
- To assess the relationship between professional attitude and willingness to adopt sustainable business practices in day-to-day workplace operations.

Table 1: Research hypotheses

No.	Alternative hypothesis (H1)	Null hypothesis (H0)
H1	ESG awareness has a significant effect on willingness to adopt sustainable business practices.	ESG awareness has no significant effect on willingness to adopt.
H2	Attitude toward sustainability has a significant effect on willingness to adopt.	Attitude toward sustainability has no significant effect on willingness to adopt.
H3	Perceived organizational support has a significant effect on willingness to adopt.	Perceived organizational support has no significant effect on willingness to adopt.
H4	Perceived benefits have a significant effect on willingness to adopt.	Perceived benefits have no significant effect on willingness to adopt.

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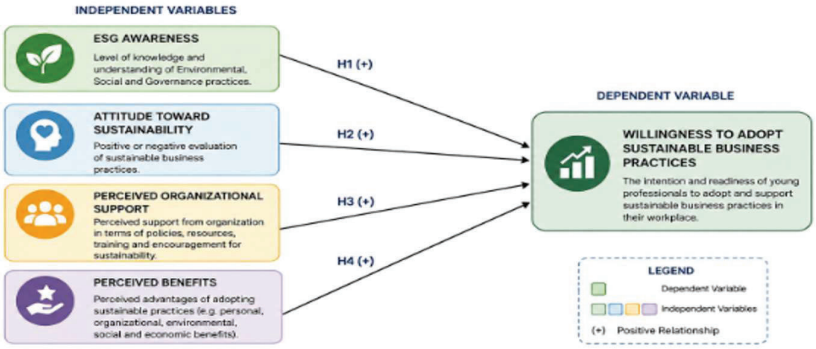


Figure 1: Conceptual model

Research Methodology

- **Research design:** The study is quantitative, cross-sectional and explanatory, with a deductive approach: the hypotheses were drawn from the literature and tested against primary data.
- **Variable identification:** The four explanatory constructs are ESG awareness (EA), attitude toward sustainability (ATS), perceived organizational support (POS) and perceived benefits (PB). The outcome is willingness to adopt sustainable business practices (WTA).
- **Questionnaire development:** The questionnaire has 25 statements, five for each of five constructs, rated from 1 (strongly disagree) to 5 (strongly agree) on a Likert scale (**Likert, 1932**). A profile section records age group, gender, occupation and industry sector.
- **Data collection:** The dataset has 220 respondents from five sectors (IT and Software, Automobile, HealthCare, Real Estate and Construction, Other). **The responses were simulated for teaching purposes.** An a priori power analysis in G*Power *(Faul et al., 2009) for multiple regression with four predictors, medium effect* $f^2 = 0.15$, $\alpha = .05$ *and power .80 (Cohen, 1988) gave a minimum of 85 respondents, which the sample of 220 exceeds*
- **Data analysis tools:** SPSS was used for frequencies, Cronbach's alpha (**Cronbach, 1951**), the KMO measure (**Kaiser, 1974**), Bartlett's test, factor analysis, one-way ANOVA, Pearson correlation and multiple regression. SmartPLS was used to estimate a PLS-SEM model as a robustness check (**Hair et al., 2022**).

Results

Sample Profile

Of the 220 respondents, 44.1% were aged 18 to 24, 20.9% were aged 25 to 34, 20.5% were 35 and above and 14.5% were under 18. Among those reporting gender (n = 159), 53.5% were male. Among those reporting occupation (n = 149), 55.7% were working professionals and 44.3% were self-employed. IT and Software was the largest sector (31.8%) (Table 2).

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Table 2: Profile of respondents (N = 220)

Variable	Category	n	%
Age group	Under 18	32	14.5
	18–24	97	44.1
	25–34	46	20.9
	35 and above	45	20.5
Gender (n = 159)	Male	85	53.5
	Female	74	46.5
Occupation (n = 149)	Working Professional	83	55.7
	Self-Employed	66	44.3
Industry sector	IT and Software	70	31.8
	Automobile	55	25.0
	HealthCare	16	7.3
	Real Estate and Construction	36	16.4
	Other	43	19.5

Reliability and Factor Analysis

Cronbach's alpha ranged from .830 to .891 for the five scales and was .905 for all 25 items, above the .70 threshold (**Nunnally and Bernstein, 1994; Tavakol and Dennick, 2011**; Table 3). The Kaiser-Meyer-Olkin measure was .861 and Bartlett's test was significant ($p < .001$). Four components with eigenvalues above 1 were extracted, explaining 64.168% of the variance, and the items of each construct loaded on their intended component. Skewness (−0.621 to 0.085) and kurtosis (−1.023 to 0.037) lay within ±2 (**Hair et al., 2019**).

Table 3: Reliability and descriptive statistics (N = 220)

Construct	Items	Cronbach's alpha	Mean	Rating
ESG awareness (EA)	5	.863	3.603	Good
Attitude toward sustainability (ATS)	5	.860	3.821	Good
Perceived organizational support (POS)	5	.872	3.278	Good
Perceived benefits (PB)	5	.830	3.765	Good
Willingness to adopt (WTA)	5	.891	3.587	Good
All 25 items	25	.905	—	Excellent

Note: standard deviations of the construct scores ranged from 0.757 to 0.874.

Differences by Generation

No construct differed significantly across the four age groups. For ESG awareness, $F(3, 216) = 0.335$, $p = .800$. Perceived benefits came closest ($p = .091$); Levene's test was significant for that construct, so Welch's robust test was applied and also found no difference ($p = .150$). Awareness is therefore spread evenly across age groups in this dataset.

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Correlation

Willingness to adopt correlated positively with ESG awareness ($r = .640$), attitude ($r = .660$) and perceived benefits ($r = .643$), all at $p < .01$, and weakly with perceived organizational support ($r = .153$, $p = .023$). Attitude correlated with awareness ($r = .378$) and benefits ($r = .311$).

Regression and Hypothesis Testing

Awareness and perceived benefits together explained 19.4% of the variance in attitude ($R^2 = .194$, $F(2, 217) = 26.124$, $p < .001$), and attitude alone explained 43.6% of the variance in willingness ($\beta = .660$, $t = 12.978$, $p < .001$). In the full model the four predictors explained 77.7% of the variance in willingness ($R = .881$, adjusted $R^2 = .773$), $F(4, 215) = 187.131$, $p < .001$. The Durbin-Watson statistic was 1.691 and variance inflation factors ranged from 1.036 to 1.246, so autocorrelation and multicollinearity were not concerns. H1, H2 and H4 were supported (Table 4).

Table 4: Multiple regression of willingness to adopt (N = 220)

Hyp.	Predictor	B	β	t	p	Result
H1	ESG awareness (EA)	0.378	.392	11.139	< .001	Accepted
H2	Attitude toward sustainability (ATS)	0.376	.379	10.537	< .001	Accepted
H3	Perceived organizational support (POS)	−0.009	−.009	−0.282	.778	Rejected
H4	Perceived benefits (PB)	0.470	.431	12.511	< .001	Accepted

The PLS-SEM model, estimated in SmartPLS, explained 78.2% of the variance in willingness ($R^2 = .782$) and gave the same pattern (Table 5; Figure 2).

Table 5: Regression and PLS-SEM estimates for willingness to adopt

Path	Regression β	PLS path	Decision
EA → WTA (H1)	.392	0.390	Supported
ATS → WTA (H2)	.379	0.381	Supported
POS → WTA (H3)	−.009	−0.012	Not supported
PB → WTA (H4)	.431	0.434	Supported
R^2 of WTA	.777	0.782	—

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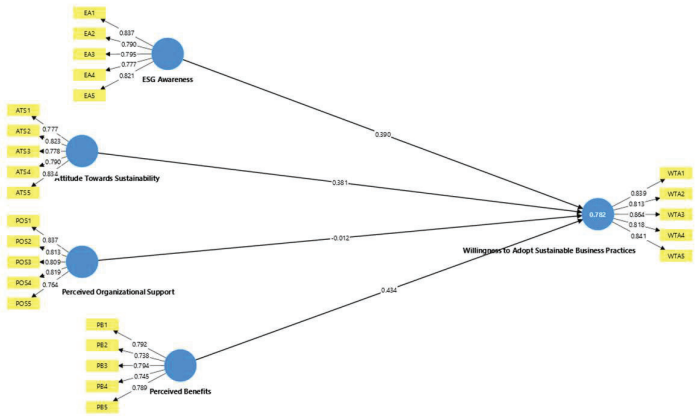


Figure 2: PLS-SEM path model (SmartPLS)

Discussion

Awareness was moderate (M = 3.60) and did not differ by generation, which differs from the generational gap reported among retail investors (**Bhide, 2025**). The difference may reflect the sample, which in this simulated dataset is young, and the measure, which covers general ESG understanding and not investment knowledge.

Perceived benefits were the strongest predictor of willingness, followed by awareness and attitude. This agrees with outcome studies that show the value of ESG (**Yadav, 2022; Momparler, Carmona and Climent, 2025; Singh and Tarkar, 2024**) and with the Theory of Planned Behavior, in which favourable attitudes support intention (**Ajzen, 1991**). It also fits the finding that attitude carries the link between ESG perception and decisions (**Makhija et al., 2023**).

Perceived organizational support had no unique effect once the other constructs were controlled, although it correlated weakly with willingness on its own. Organizational support theory would lead one to expect a positive effect (**Eisenberger et al., 1986**). A likely explanation is overlap: employees who value sustainability already see benefits and hold favourable attitudes, so the extra push from the employer adds little. The result should be read with care because the scale has the lowest mean (3.278) and the data are simulated.

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Recommendations

- **Communicate the benefits.** Perceived benefits are the strongest predictor (β = .431), so organisations should show employees the cost, reputation, health and career benefits of sustainable practice.
- **Keep building awareness.** Awareness is moderate and equal across age groups, so one programme can serve all generations (β = .392).
- **Nurture favourable attitudes.** Attitude is a significant predictor (β = .379); engagement and recognition can strengthen it.
- **Make support concrete.** Organizational support showed no unique effect, so policies and tools should be linked to benefits and attitudes and not offered in isolation.

Limitations and Future Research

The most important limitation is that the responses are simulated, so the estimates illustrate the method and do not describe real young professionals. The design is cross-sectional and identifies relationships, not causes, and the constructs measure willingness and not actual behaviour. Gender and occupation have missing values, and HealthCare is a small group. Future work should repeat the analysis with a real probability sample, measure workplace behaviour, test attitude as a mediator, and use a richer measure of organizational support.

Conclusion

Among 220 simulated young professionals from five sectors, ESG awareness, attitude and perceived benefits each had a significant positive effect on willingness to adopt sustainable business practices, and together with organizational support they explained 77.7% of its variance. Perceived benefits were the strongest predictor and perceived organizational support added nothing beyond the other three. PLS-SEM gave the same result, so it does not depend on the method of analysis.

For organisations, the message is to show the benefits of sustainable practice, keep awareness high and build favourable attitudes. The sample is simulated and cross-sectional, so the findings are best read as a worked example that students can adapt to real data.

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