

DOI: 10.5281/zenodo.12426423

INSTITUTIONAL CHALLENGES AND OPPORTUNITIES IN ADVANCING THE SUSTAINABLE DEVELOPMENT GOALS IN MALAYSIAN UNIVERSITIES

Suriati Saad¹, Jamilah Ahmad^{2*}

^{1,2} *Universiti Sains Malaysia*

Received: 11/11/2025

Accepted: 07/02/2026

Corresponding author: Jamilah Ahmad
(jahmad@usm.my)

ABSTRACT

As sustainability becomes an institutional imperative in higher education, universities are increasingly expected to play a central role in advancing the United Nations Sustainable Development Goals (SDGs). This study examines the institutionalisation of sustainable development in Malaysian public universities across institutional, leadership, and strategic dimensions. Guided by Institutional and Stakeholder Theory, the research explores how universities navigate diverse internal and external expectations to align institutional strategies with national and global sustainability priorities. Using a qualitative approach, semi-structured interviews were conducted with senior administrators from ten leading public universities, selected for their contributions to sustainability, as reflected in the Times Higher Education Impact Rankings. The findings indicate that universities are demonstrating a growing commitment to the SDGs, evidenced by strategic planning, green campus operations, curriculum integration, and community engagement programs. Leadership emerged as a critical driver, facilitating cross-departmental collaboration, aligning stakeholder expectations, and embedding sustainability within institutional culture. Despite these advances, challenges persist, including fragmented governance, siloed decision-making, low SDG literacy among faculty and students, and limited collaboration with industry and community partners. These insights have implications for shaping future research directions and informing policy development to strengthen sustainability practices in Malaysian higher education. The study offers a nuanced understanding of the institutional dynamics shaping sustainability in Malaysian higher education. It provides practical insights by highlighting both barriers and enablers for enhancing strategic SDG integration. These findings contribute to the broader discourse on sustainability leadership and stakeholder management, demonstrating how multi-stakeholder engagement can bridge the gap between policy aspirations and institutional practice.

KEYWORDS: Leadership, Stakeholder, Sustainability, Sustainable Development Goals (SDGs), Institutional Theory

1. INTRODUCTION

Over the course of history, human civilisation has undergone successive phases of transformation, from industrialisation and urbanisation to the digital and ecological revolutions (Karyamsetty et. al, 2024). While each phase has contributed to economic progress, technological innovation, and improved quality of life, the pursuit of growth without adequate regard for environmental and social limits has resulted in a multidimensional global crisis. As a result of persistent neglect of sustainability principles, the phenomenon of climate change, which transcends national and disciplinary boundaries, becomes the defining crisis of the century (Abbas et al., 2022). Its consequences, including rising sea levels, biodiversity loss, and increasing food and water insecurity, affect vulnerable communities, deepening existing inequalities (Shivanna, 2022). These interconnected crises underscore the consequences of human-centred development models that prioritise short-term economic gains over long-term ecological balance and social justice, highlighting the urgent need for transformative approaches to sustainability.

In response, global efforts have shifted toward reexamining development through the lens of sustainability, aligning economic progress with environmental integrity and social well-being. Sustainability, as defined in the Brundtland Report (1987), refers to “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” Building on this foundation, the Sustainable Development Goals (SDGs) were established in 2015 as a universal framework of 17 goals and 169 targets to eradicate poverty, protect the planet, and promote peace and prosperity through five key pillars: people, planet, prosperity, peace, and partnership (United Nations, n.d.).

Within Higher Education Institutions (HEIs), sustainability extends beyond environmental preservation to encompass social responsibility, ethical governance, and inclusive institutional practices (Leal Filho et al., 2022). This integration is operationalised through **Education for Sustainable Development (ESD)**, an approach that equips learners with the knowledge, skills, values, and attitudes necessary to contribute to a sustainable future (UNESCO, 2023). ESD provides the pedagogical foundation for embedding sustainability into teaching, research, and campus operations, fostering critical thinking, systems understanding, and transformative action. By embedding ESD

principles into these functions, universities move beyond symbolic commitments to sustainability and become active agents of transformation.

Building on this global framework, Malaysia has actively localised sustainability principles within its higher education system. National policies such as the Thirteenth Malaysia Plan (13MP) and Malaysian Education Blueprint (2015–2025) emphasise the integration of sustainable development and community engagement in university governance and curriculum. Reflecting these commitments, the Sustainable Development Report 2025 ranks Malaysia 84th among 167 countries, with an SDG Index score of 69.52%, showing notable progress in education, innovation, and infrastructure (United Nations, 2025). While Malaysia has made significant strides in sustainability, progress toward the SDGs remains uneven, revealing institutional and governance challenges that require further exploration.

Given this gap, there is a growing need to critically examine how Malaysian public universities operationalise their sustainability commitments to align with the SDGs. Accordingly, this study examines the institutionalisation of sustainable development in Malaysian public universities across institutional, leadership, and strategic dimensions. Specifically, the study aims to:

1. Explore the implementation of sustainability initiatives within Malaysian universities.
2. Examine the role of leadership in advancing SDG-related initiatives within Malaysian universities.
3. Analyse the challenges that hinder the advancement of SDG-related initiatives within Malaysian universities.
4. Identify institutional opportunities that support the advancement of SDG-related initiatives within Malaysian universities.

2. LITERATURE REVIEW

2.1. Globalisation and the Transformation of Higher Education

Globalisation has become an inevitable feature of the twenty-first century, reshaping economic, social, and academic systems worldwide (Strielkowski et al., 2021). It is a continuous and multidimensional process that deepens interdependence among nations through intensified flows of trade, technology, information, capital, and human mobility (Kolb, 2018). While globalisation has accelerated economic growth, cultural exchange, and technological innovation, it has also generated complex challenges related to inequality, sustainability, and social justice.

These tensions are particularly evident in higher education institutions (HEIs), which occupy a central role in shaping human capital, producing knowledge, and influencing societal development (UI Hassan et al., 2025).

In response to the forces of globalisation, higher education institutions (HEIs) have undergone profound and rapid transformation (Rasheed, 2023). From a constructive perspective, the expansion of transnational education, digital learning platforms, and academic mobility has diminished geographical barriers, accelerated the exchange of information on an unprecedented scale, and strengthened interconnectedness among people and institutions (Rocha et al., 2023; Ge, 2022). Consequently, students and scholars now operate within a borderless academic environment that offers diverse, accessible, and flexible international learning opportunities (Wang, 2025).

On the contrary, globalisation of higher education has also raised serious environmental and ethical concerns. The expansion of university operations, through campus construction, procurement, and institutional operation, has increased carbon emissions and ecological footprints. According to the United Nations (2017), the building and construction sector contributes 39% of global energy-related CO₂ emissions, highlighting the environmental cost of university infrastructure. In addition, energy consumption, daily commuting, and waste generation, including paper, laboratory, food, and liquid waste, further intensify the environmental impact of higher education institutions (Genta et al., 2022). These challenges urge universities to align their educational missions with environmental stewardship and sustainable operational practices.

As higher education systems confront both intensified global challenges and expanded opportunities for collaboration, universities have assumed a more prominent role in shaping collective responses to the world's most pressing sustainability issues (Ge, 2022). This repositioning aligns directly with the global sustainability agenda, where universities are increasingly recognised as key institutions capable of knowledge dissemination, innovation, and societal engagement (Ashida, 2022).

2.2. Universities and the Global Sustainability Agenda

Universities are pivotal drivers of societal development, tasked with nurturing competent future leaders and innovators capable of addressing the increasingly complex global challenges (Snow & Magash, 2025). Over recent decades, higher education institutions have undergone significant

transformations driven by evolving social expectations, economic shifts, and external pressures. While teaching and research remain the central pillars of university activity, universities are now expected to demonstrate broader societal contributions. This expanded role is widely understood through the concept of the "third mission" (Guerrero & Menter, 2024).

This Third Mission, grounded in the Triple Helix Model of university–industry–government collaboration (Etzkowitz & Leydesdorff, 1995), extends the university's traditional roles by emphasising its contribution to society. It encompasses "all activities involving the generation, application, and utilisation of university knowledge, capabilities, and resources beyond academia" (Compagnucci & Spigarelli, 2020, p. 5). Through partnerships with governments, industries, and communities, universities act as catalysts for societal advancement by developing innovative solutions and fostering positive societal impact (Naranjo Africano et al., 2023). According to Vefago et al. (2020), the Third Mission the Third Mission is increasingly regarded as equal in importance to teaching and research, marking a fundamental shift in the university's institutional purpose.

This expanded role has become even more significant within the framework of the United Nations' 2030 Agenda. Universities are now widely acknowledged as strategic actors in advancing sustainability and global development, owing to their capacity to produce knowledge, shape policy, and cultivate responsible citizenship (UNESCO, 2020). Growing empirical studies shows that universities contribute to sustainable development through multiple pathways. They foster public awareness and critical dialogue on global issues, advance research and technological innovation in fields related to the SDGs, and support multi-stakeholder collaborations involving government, industry, civil society, and local communities (Hanadi & Abuzar, 2021). At the same time, HEIs play a vital role in promoting inclusive socioeconomic development, ensuring that sustainability efforts address not only environmental concerns but also social equity and community well-being (Qazi et al., 2021). These interconnected functions demonstrate how universities act simultaneously as educators, innovators, and societal partners.

Taken together, the evolving expectations placed on universities, through the Third Mission, the Triple Helix model, and the global sustainability agenda, underscore their expanding responsibility in shaping just, resilient, and sustainable societies. HEIs are no

longer passive recipients of policy directions; they are active agents capable of mobilising knowledge, influencing behaviour, and strengthening collaborative action for sustainable development.

2.3. Advancing the SDGs in Malaysian Higher Education

Global commitments to the 2030 Agenda for Sustainable Development have accelerated efforts within higher education institutions (HEIs) to integrate sustainability across teaching, research, governance, and community engagement. In Malaysia, these global aspirations are shaped by national policies that articulate long-term development priorities for the higher education sector. Policies such as the Malaysia Education Blueprint 2015–2025 (Higher Education) (Ministry of Education Malaysia, 2015), the Pelan Strategik Pengajian Tinggi Negara (PSPTN) (Ministry of Higher Education Malaysia, 2007), Higher Education 4.0 (MyHE 4.0) (Ministry of Higher Education Malaysia, 2018), and the Education for Sustainable Development (ESD) for 2030 Country Roadmap endorsed by the Malaysian Cabinet (Ministry of Education Malaysia, 2021) collectively emphasise the pivotal role of universities in cultivating sustainability competencies, strengthening community engagement, and advancing Malaysia's SDG commitments. These policy directions position Malaysian universities as critical institutional actors tasked with driving sustainable development at national and community levels.

According to Ahmad et al. (2025), Malaysian universities adopt distinct sustainability strategies reflecting their missions and national policy mandates. Research-intensive universities prioritise SDG-focused research and interdisciplinary knowledge production, advancing national and global sustainability agendas. Technical and applied universities emphasise applied research, technological innovation, and industry partnerships, linking sustainability to workforce development and practical community solutions. Private and internationally oriented universities approach sustainability through globalisation, student empowerment, and international SDG collaborations, positioning it as both a societal responsibility and a strategic tool for institutional competitiveness.

Together, these differentiated approaches reveal that Malaysian HEIs engage with sustainability in diverse ways shaped by national policy priorities, institutional logics, and stakeholder expectations.

Conceptual Framework: Integrating Institutional Theory and Stakeholder Theory in Understanding

Universities' Engagement with the SDGs

Higher education institutions (HEIs) face a dual challenge: responding to external pressures to adopt sustainable practices, such as government mandates, accreditation requirements, and SDG alignment, while simultaneously engaging diverse stakeholders, including students, faculty, industry, and communities, in meaningful sustainability initiatives. Institutional Theory explains how universities adopt SDG-aligned practices to gain legitimacy and stability within their environments. Coercive pressures (policy mandates), normative pressures (professional and faculty standards), and mimetic pressures (rankings and benchmarking) drive conformity, often producing similar programmes across institutions. However, institutional forces alone may lead to symbolic compliance rather than genuine transformation.

Stakeholder Theory complements this perspective by highlighting the active role of actors who influence or are affected by university initiatives. Through collaboration, participation, and co-creation, stakeholders shape sustainability agendas, ensuring that initiatives are contextually relevant and socially impactful. Students, faculty, community partners, industry, and regulators contribute resources, knowledge, and legitimacy, fostering both local and broader societal benefits. While stakeholder engagement is critical for operationalising sustainability, it must be supported by governance structures and institutional alignment to avoid fragmented or tokenistic outcomes.

In summary, integrating Institutional and Stakeholder Theories provides a holistic framework for understanding sustainability in HEIs. Institutional pressures drive the adoption of SDG-aligned programs, while stakeholder engagement operationalises them through participatory processes. Governance and strategy structures enable collaboration, while feedback loops between practice and outcomes enhance institutional learning and legitimacy. This combined lens captures both structural conformity and stakeholder agency, highlighting the opportunities and challenges of translating national and global sustainability commitments into meaningful, measurable impact in Malaysian universities.

3. METHOD AND STUDY AREA

This study employed a qualitative research design, using semi-structured online interviews, to explore the implementation of sustainability in Malaysian public universities. This approach enabled an in-depth understanding of institutional structures, leadership practices, and the challenges of advancing

the Sustainable Development Goals (SDGs). Ten public universities were purposively selected based on their inclusion in the Times Higher Education (THE) Impact Rankings 2024, as these institutions are recognised for their demonstrated commitment to the SDGs through research, teaching, stewardship, and

community engagement (Times Higher Education, n.d.). The sample comprised a balanced representation of Research, Comprehensive, and Focused Universities (Table 1), enabling comparative analysis across different institutional types and missions.

Table 1: Malaysian Public Universities Participating in the Study

No.	Code of the Universities by Location	Type of University
1.	Public University (Northern region)	Research University
2.	Public University (Central Region)	Research University
3.	Public University (Central Region)	Research University
4.	Public University (Central Region)	Comprehensive University
5.	Public University (East-coast Region)	Focused University
6.	Public University (Northern region)	Focused University
7.	Public University (East- Malaysia Region)	Comprehensive University
8.	Public University (Northern region)	Focused University
9.	Public University (East-coast Region)	Focused University
10.	Public University (Southern region)	Focused University

A purposive sampling strategy was employed to identify and recruit key informants with comprehensive institutional knowledge and strategic oversight. The selection focused on individuals in leadership positions, including Directors or Deputy Directors of Sustainability Centres, Centres for University-Industry Collaboration, or equivalent administrative portfolios. These participants were chosen for their direct involvement in sustainability planning, implementation, and evaluation at the institutional level. Their positions provided valuable perspectives on governance structures, leadership

dynamics, and institutional responses to SDG alignment (Ma et al., 2021).

Interviews were conducted online via Cisco WebEx Meetings, each lasting approximately 45-60 minutes. All sessions were audio-recorded with participants' consent and supplemented by detailed field notes. A semi-structured interview guide was used to maintain consistency while allowing flexibility to probe deeper into key themes such as sustainability implementation, leadership practices, institutional challenges, and emerging opportunities (Table 2).

Table 2: Semi-Structured Interview Questions

	Main Questions	Probing Questions
1	Can you describe the sustainability-related initiatives your university has implemented in support of the Sustainable Development Goals (SDGs)?	<ul style="list-style-type: none"> • What units, centres, or task forces are involved? • Is there a formal sustainability policy or framework in place? • How is sustainability integrated into academic programmes or community engagement?
2	In what ways does university leadership contribute to the institutionalisation of the SDGs at your university?	<ul style="list-style-type: none"> • How do leaders influence policy, funding, or strategic priorities?
3	What are the main challenges your university encounters in implementing sustainability practices aligned with the SDGs?	<ul style="list-style-type: none"> • Are there structural or governance-related barriers? • How do funding, staff expertise, or institutional priorities affect progress? • How do national or external factors contribute to these challenges?
4	What are the institutional opportunities that can strengthen or expand SDG-related initiatives within your university?	<ul style="list-style-type: none"> • What strategies could strengthen your university's SDG performance? • How does digitalisation or external collaboration contribute to your goals?

Following data collection, thematic analysis was conducted to systematically interpret the interview data. This method enables the identification of recurring patterns, relationships, and meanings that align with the research objectives (Nowell et al., 2017). Adopting Braun and Clarke's (2006) six-phase framework, the process involved: (1) familiarisation with the data, (2) generation of initial codes, (3) searching for themes, (4) reviewing themes, (5)

defining and naming themes, and (6) producing the final report. To enhance the credibility and trustworthiness of the analysis, reflexive notes and iterative reviews were employed throughout the process. This structured and transparent approach ensured that the analysis captured the complex dynamics of sustainability implementation across Malaysian public universities.

4. RESULTS AND DISCUSSION

4.1. Objective 1: Implementation of Sustainability Initiatives in Malaysian Public Universities

The findings indicate that sustainability has moved from being an optional activity to a strategic and institutionalised priority across Malaysian public universities. Participants reported that sustainability goals are embedded within institutional policies, operational frameworks, and flagship programmes, ensuring alignment with both national and global agendas. Several leaders emphasised that their efforts are directly guided by the Malaysia Education Blueprint 2015–2025 and the Ministry of Higher Education's (MOHE) strategic priorities. As one leader explained, *"We put it as the KPI of Uni F 2025, which is the basic or core thing that we have to adhere to"* (P6). This illustrates a top-down approach, where sustainability is formalised within performance targets, signalling organisational commitment and accountability.

Beyond national frameworks, many universities are aligning with international sustainability frameworks such as the UN Sustainable Development Goals (SDGs), Millennium Development Goals (MDGs), and the Times Higher Education (THE) Impact Rankings. A senior leader from Uni A shared: *"We look at Brundtland Commission, Millennium Development Goals, SDG... Whatever is being proposed by the government is not in contrast to what we are following. It happens to be part of that"* (P1). This alignment with both domestic and global standards reflect an institutional positioning that balances local relevance with international visibility.

Community engagement emerged as a defining characteristic of Malaysian sustainability initiatives. Flagship programmes such as the Professor Turun Padang initiative and Service-Learning Malaysia–University for Society (SULAM) are intentionally designed to address locally defined needs. As P7 stressed, *"The first initiation part is we want to know what are the challenges and constraints that the community have, so the problem statement must be from the community."* The adoption of the Penta Helix collaboration model involving academia, industry, government, civil society, and environmental stakeholders further strengthens the community-oriented dimension of sustainability work. This model not only fosters resource-sharing but also enhances legitimacy by demonstrating responsiveness to diverse stakeholder expectations (P7).

4.2. Objective 2: The Role of Leadership in Advancing SDG-Related Initiatives

Leadership was consistently identified as a catalyst for sustainability transformation. Participants described their vice-chancellors and senior administrators as vision-setters who embed sustainability into mission statements, strategic plans, and policy documents. As P1 explained, *"It honestly comes from a visionary vice-chancellor... instilling this in the vision, strategies and policies."* Leaders were not merely figureheads; they actively participated in sustainability programmes, demonstrating role-modelling behaviours that inspired commitment across the institution. As P3 remarked, *"In order for you to transform people, you yourself have to transform. You, yourself, need to show good example to other people."* Motivation was cultivated through a combination of extrinsic rewards and intrinsic values. The *Anugerah Kelestarian* award, for instance, provided recognition and financial incentives for sustainability champions (P3), while other leaders encouraged faculty and students to view their work through the lens of societal benefit (P7).

A recurring theme was the leader's role as a bridge between stakeholders, aligning government KPIs and global ranking expectations with grassroots academic and community engagement. Leaders actively dismantled institutional silos, fostering cross-departmental collaboration. As P1 reflected, *"Without knowing it, we have broken the silos... because we're driven by sustainability philosophy... whatever school you come from... would actually be put aside when it comes to achieving sustainability."* This ability to integrate internal and external priorities positions leadership as both a strategic and relational force in sustainability advancement.

4.3. Objective 3: Challenges to Implementing Sustainability Practices Aligned with the SDGs

Despite institutional and leadership commitment, several structural and cultural barriers hinder the comprehensive adoption of sustainability practices. Institutional challenges included fragmented governance, siloed decision-making, and resource constraints. Low SDG literacy among faculty and students reduces the impact of sustainability integration. P7 highlighted that without targeted capacity building, many stakeholders remain unaware of the SDGs' practical implications. Workload pressures and competing priorities further limited active participation, as P3 noted in relation to faculty engagement.

Externally, limited collaboration with industry and community partners restricts the scaling potential of initiatives. The absence of a national SDG reporting framework for higher education institutions

compounds this issue, making it challenging to track and benchmark progress across the sector. As P9 remarked, while universities attempt to map activities to the SDGs, “*siloed*” practices between departments often undermine integrated approaches. These barriers reflect stakeholder misalignments, where internal and external actors are not sufficiently coordinated to achieve shared sustainability outcomes.

4.4. Objective 4: Opportunities to Strengthen SDG-Related Initiatives

Participants identified multiple pathways for advancing SDG-related work. Embedding sustainability explicitly in vision and mission statements was viewed as a foundation for long-term integration. As P7 stated, “*We have already embedded sustainable development in our vision and mission... we emphasize here on strategic engagement.*” International benchmarking through platforms like the THE Impact Rankings was widely seen as a catalyst for continuous improvement. For example, P1 noted, “*We are number 1 in the world for SDG 17 but we are only 600–700 in SDG 9... we’re looking seriously on how to improve sustainability according to this assessment.*” This form of benchmarking provides both reputational benefits and diagnostic insight into performance gaps. Several universities are also adopting Environmental, Social, and Governance (ESG) frameworks and committing to net-zero targets. P2 shared, “*We have a carbon neutral campus and net zero strategy as well.*” These measures signal a shift toward measurable and globally recognised sustainability practices.

Finally, strategic partnerships were identified as essential for scaling sustainability initiatives. Collaborations with government agencies, NGOs, and industry partners expand resource pools, enhance innovation, and amplify impact. P8 emphasised, “*Community programme needs to have collaboration... so we are together, not just the university.*” Such partnerships reflect the multi-stakeholder co-production model, positioning universities as hubs for collaborative problem-solving and knowledge exchange.

5. DISCUSSION

This study conceptualises the institutionalisation of sustainability in Malaysian public universities as a dynamic process of balancing and negotiating diverse stakeholder expectations. As Freeman (1984) asserts, organisations thrive when they effectively recognise and address the interests of multiple stakeholder groups. For universities, these stakeholders include internal actors—such as

administrators, faculty, staff, and students and external partners, including government agencies, industry players, NGOs, local communities, and global ranking bodies. The findings confirm that these universities operate within a complex stakeholder ecosystem in which priorities must be continuously aligned and renegotiated.

Evidence from the interviews shows clear patterns of stakeholder responsiveness. Universities that have established sustainability centres, embedded Education for Sustainable Development (ESD) into their curricula, and expanded community programmes like SULAM demonstrate strong engagement with both academic and community stakeholders. For example, one leader described how sustainability objectives are built into institutional KPIs, ensuring alignment with government expectations while addressing local needs: “*We put it as the KPI of Uni F 2025... it’s the basic or core thing we have to adhere to*” (P6). However, responsiveness varies by institutional type: research universities are more attuned to the demands of international rankings and research funders, comprehensive universities focus on community engagement, and focused universities align closely with industry stakeholders. This variation reinforces the Stakeholder Theory perspective that organisational strategies are shaped by the unique constellation of stakeholders in their environment.

Leadership emerged as the key mediator in managing these complex stakeholder relationships. Transformational and participatory leaders were particularly effective in bridging top-down imperatives, such as ministry KPIs and THE Impact Rankings, with bottom-up engagement from faculty and students. As one vice-chancellor’s approach illustrates, “*He always mentions how the university can bring impact to the community... he made SDG his driven agenda*” (P7). Leaders also acted as role models, with one participant noting, “*In order for you to transform people, you yourself have to transform... show good example*” (P3). Such leadership not only strengthens internal alignment but also builds credibility with external stakeholders. By contrast, symbolic or reactive leadership was associated with compliance-oriented initiatives that lacked integration and produced fragmented outcomes—an indication of weak stakeholder management.

The barriers identified in this study are fragmented governance, siloed operations, low SDG literacy, and limited collaboration that reflect persistent stakeholder misalignments. Internally, poor coordination among faculties, sustainability units, and administrative divisions undermines the coherence of SDG-related efforts. Externally,

insufficient engagement with industry and community partners reduces the potential for collaborative problem-solving and resource-sharing. These findings echo Freeman et al.'s (2010) contention that neglecting stakeholder engagement leads to organisational inertia and diminished legitimacy. The absence of a national framework for SDG monitoring in higher education further complicates accountability and weakens the link between universities and policy stakeholders.

Yet, the results also reveal significant opportunities for strengthening stakeholder relationships and advancing the SDG agenda. Whole-of-institution strategies, where sustainability is embedded in vision and mission statements, can create a shared sense of purpose across internal stakeholder groups. Engagement in international networks such as SDSN, RCE, and UNAI provides legitimacy, facilitates benchmarking, and introduces global best practices into local contexts. As one participant reflected, "We are number 1 in the world for SDG 17 but only 600–700 in SDG 9... we're looking seriously at how to improve" (P1), illustrating how benchmarking can prompt targeted action. Digital sustainability reporting tools can enhance transparency and stakeholder accountability, while cross-sectoral partnerships offer avenues for co-producing knowledge and solutions. From a Stakeholder Theory standpoint, these strategies represent mechanisms for aligning diverse interests and creating shared value, moving universities from symbolic compliance toward genuine sustainability leadership.

In sum, the institutionalisation of sustainability in Malaysian public universities is best understood not as a purely technical or policy process, but as a stakeholder-driven transformation. The ability of universities to advance the SDGs depends on how effectively they manage stakeholder relationships through inclusive leadership, coherent governance, and strategic collaboration. Institutions that proactively engage stakeholders, align diverse

priorities, and maintain open channels of communication are more likely to bridge the sustainability gap and fulfil their role in the national and global 2030 Agenda.

6. CONCLUSION

In summary, this study demonstrates that the institutionalisation of sustainability in Malaysian public universities is a complex process shaped by leadership, governance, and the management of diverse stakeholder expectations. While universities have made notable progress through strategic planning, green campus initiatives, curriculum integration, and community engagement, the findings highlight that active stakeholder engagement is essential for meaningful progress. Persistent barriers such as fragmented governance, siloed structures, limited awareness, and weak external collaboration continue to hinder systemic change. Yet, opportunities remain significant: inclusive leadership, whole-of-institution approaches, digital innovation, and cross-sectoral partnerships provide avenues for universities to strengthen their role as catalysts of sustainable development. Viewed through the lens of Stakeholder Theory, the findings underscore that advancing the SDGs in higher education is not solely a matter of policy adoption but of actively engaging, aligning, and balancing the interests of multiple stakeholders. By embracing this stakeholder-centric approach, Malaysian universities can bridge the sustainability gap and more effectively contribute to the national and global 2030 Agenda.

ACKNOWLEDGEMENT

This work was supported by the Universiti Sains Malaysia, Research University Individual (RUI) Grant Scheme (Grant Number: R502-KR-ARU001-0000002306-K134). This article is one of the stated tangible outputs.

REFERENCES

- Ahmad, J., Saad, S., Krishnan, M., Stancu, A., & Mogoş, O. (2024). Exploring the University Social Responsibility initiatives and sustainable development in Malaysia: A Carroll Model approach. *Journal of Intercultural Management*, 16(1), 1–25.
- Ahmad, J., & Awang, D. N. (2024, October). University Social Responsibility in Malaysian Higher Education: A Qualitative Study of Implementation, Initiatives, and Outcomes. In *International Conference on Competitiveness and Stability in the Knowledge Base Society* (pp. 185–201). Cham: Springer Nature Switzerland.
- Ashida, A. (2022). The role of higher education in achieving the Sustainable Development Goals. In *Sustainable Development Disciplines for Humanity: Breaking Down the 5Ps – People, Planet, Prosperity, Peace, and Partnerships* (pp. 71–84). Singapore: Springer Nature Singapore.
- Chan, R. Y. (2016). Understanding the purpose of higher education: An analysis of the economic and social benefits for completing a college degree. *Journal of Education Policy, Planning and Administration*, 6(5),

1-40.

- Elavarasan, R. M., Pugazhendhi, R., Jamal, T., Dyduch, J., Arif, M. T., Kumar, N. M., ... & Nadarajah, M. (2021). Envisioning the UN Sustainable Development Goals (SDGs) through the lens of energy sustainability (SDG 7) in the post-COVID-19 world. *Applied Energy*, 292, 11665.
- Eshete, Y., Mohammed, A., Bedo, D., Simane, B., & Bizuneh, A. M. (2019). Obstacles to implementation of sustainable development at higher education institutions. In *Encyclopedia of Sustainability in Higher Education* (pp. ...). Springer Nature. https://doi.org/10.1007/978-3-319-63951-2_224-1
- Freeman, R. E., Harrison, J. S., Wicks, A. C., Parmar, B. L., & de Colle, S. (2023). The problems that stakeholder theory tries to solve. In R. Edward Freeman's Selected Works on Stakeholder Theory and Business Ethics (pp. 3-27). Cham: Springer International Publishing.
- Guerrero, M., & Menter, M. (2024). Driving change in higher education: the role of dynamic capabilities in strengthening universities' third mission. *Small Business Economics*, 63(3), 1321-1337.
- Ge, Y. (2022). Internationalisation of higher education: new players in a changing scene. *Educational Research and Evaluation*, 27(3-4), 229-238.
- Gibbons, M. (2005). Engagement with the community: The emergence of a new social contract between society and science. *Springer Science & Business Media, Science and Public Policy*, 32(3), 181-188. <https://doi.org/10.3152/147154305781779361>
- Hofstad, H., & Torfing, J. (2016). Collaborative innovation as a tool for environmental, economic and social sustainability in regional governance. *Scandinavian Journal of Public Administration*, 19(4), 49-70.
- Kumar, S., Kumar, N., & Vivekadhish, S. (2016). Millennium development goals (MDGS) to sustainable development goals (SDGS): Addressing unfinished agenda and strengthening sustainable development and partnership. *Indian journal of community medicine*, 41(1), 1-4.
- Lauder, H., & Mayhew, K. (2020). Higher education and the labour market: an introduction. *Oxford Review of Education*, 46(1), 1-9.
- Leal Filho, W., Eustachio, J. H. P. P., Caldana, A. C. F., Will, M., Lange Salvia, A., Rampasso, I. S., Anholon, R., Platje, J., & Kovaleva, M. (2020). Sustainability leadership in higher education institutions: An overview of challenges. *Sustainability*, 12(9), 3761.
- Lo, C.WH., Pang, R.X., Egri, C.P., Li, P.HY. (2017). University Social Responsibility: Conceptualization and an Assessment Framework. In: Shek, D., Hollister, R. (eds) *University Social Responsibility and Quality of Life. Quality of Life in Asia*, vol 8. Springer, Singapore. https://doi.org/10.1007/978-981-10-3877-8_4
- Lozano, R. (2006). Incorporation and institutionalization of SD into universities: breaking through barriers to change. *Journal of Cleaner Production*, 14(9-11), 787-796. <https://doi.org/10.1016/j.jclepro.2005.12.010>
- Ministry of Education Malaysia. (2015). *Malaysia Education Blueprint 2015-2025 (Higher Education)*. Putrajaya: Ministry of Education.
- Ministry of Education Malaysia. (2021). *Education for Sustainable Development (ESD) for 2030: Country Roadmap (2021-2030)*. Putrajaya: Ministry of Education.
- Ministry of Higher Education Malaysia. (2007). *Pelan Strategik Pengajian Tinggi Negara (PSPTN)*. Putrajaya: MOHE.
- Ministry of Higher Education Malaysia. (2018). *Framing Malaysian Higher Education 4.0 (MyHE 4.0)*. Putrajaya: MOHE.
- Ministry of Higher Education Malaysia. (2019). *Service-Learning Malaysia - University for Society (SULAM) Guidelines*. Putrajaya: MOHE.
- Orts, E. W., & Strudler, A. (2002). The ethical and environmental limits of stakeholder theory. *Business Ethics Quarterly*, 215-233.
- Rasheed, Z. (2023). Educational Innovation amidst Globalization: Higher Education Institutions and Societal Integration. *Igmin Research*, 1(2), 154-159.
- Rocha, O., Kamphambale, D., MacMahon, C., Coetzer, J. H., & Morales, L. (2023). The power of education in a globalised world: challenging geoeconomic inequalities. *Peace Review*, 35(4), 708-723.
- Strielkowski, W., Grebennikova, V., Razinkina, E., & Rudenko, E. (2021). Relationship between globalization and internationalization of higher education. In *E3S Web of Conferences* (Vol. 301, p. 03006). EDP Sciences.
- Snow, L., & Magash, T. (2025). Universities as Drivers of Social Progress. *The New universities quarterly*.
- Syed-Abdullah, S. I. S., Kushnir, I., & Abdrahim, N. A. (2023). Narratives on Education for Sustainable

- Development in Malaysian universities. *Sustainability*, 15(17), Article 13110. <https://doi.org/10.3390/su151713110>
- Slimane, M. (2012). Role and relationship between leadership and sustainable development to release social, human, and cultural dimension. *Procedia-Social and Behavioral Sciences*, 41, 92-99.
- Sirat, M., Ahmad, A. R., & Azman, N. (2012). University leadership in crisis: The need for effective leadership positioning in Malaysia. *Higher Education Policy*, 25, 511-529.
- Suleiman Mohamoud, A., Maon, S. N., & Kassim, E. S. (2020). Exploring critical success factors of education for sustainable development (ESD) in Malaysia. *Journal of International Business, Economics and Entrepreneurship (JIBE)*, 5(2), 62-72.
- Teixeira, P. N., Silva, P. L., Biscaia, R., & Sá, C. (2022). Competition and diversification in higher education: Analysing impacts on access and equity in the case of Portugal. *European Journal of Education*, 57(2), 235-254.
- Tran, L. T., Jung, J., Unangst, L., & Marshall, S. (2023). New developments in internationalisation of higher education. *Higher Education Research & Development*, 42(5), 1033-1041.
- United Nations. Transforming our world: The 2030 Agenda for Sustainable Development. Sustainable Development Knowledge Platform
- Ul Hassan, M., Murtaza, A., & Rashid, K. (2025). Redefining higher education institutions (HEIs) in the era of globalisation and global crises: A proposal for future sustainability. *European Journal of Education*, 60(1), e12822.
- United Nations. (2015). *Transforming our world: The 2030 Agenda for Sustainable Development*. United Nations.
- Wang, J. (2025). Triple-A transnational education (TNE): addressing intercultural challenges. *Frontiers in Communication*, 10, 1568138.
- Yan, L., Li, Z., & Arshad, M. H. (2025). From responsibility to action: How CSR drives sustainability in higher education. *Acta Psychologica*, 254, 104831. <https://doi.org/10.1016/j.actpsy.2025.104831>
- Zhao, S., & Cheah, K. S. L. (2023). The challenges of Malaysian private universities in reaching sustainable education toward responsible consumption. *Cleaner and Responsible Consumption*, 10, Article 100130. <https://doi.org/10.1016/j.clrc.2023.100130> emerald.com+7