

# Proceedings for the Sustainability in a Scandinavian Context Conference 2013

10-11 June 2013 Copenhagen Business School

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SUSTAINABILITY

IN A

SCANDINAVIAN

CONTEXT

CONFERENCE

10 - 11 June 2013

COPENHAGEN BUSINESS SCHOOL (CBS)

COPENHAGEN

CONFERENCE ORGANIZER

Robert Strand

Assistant Professor of Leadership & Sustainability

Copenhagen Business School





# SUSTAINABILITY IN A SCANDINAVIAN CONTEXT

## CONFERENCE

10 - 11 June 2013

COPENHAGEN BUSINESS SCHOOL (CBS)  
COPENHAGEN

**Proceedings for the Sustainability in a Scandinavian Context Conference**

10-11 June 2013

Copenhagen Business School

Editor

Robert Strand

Assistant Professor of Leadership & Sustainability

Copenhagen Business School

Proceedings for the Sustainability in a Scandinavian Context Conference

Editor: Robert Strand

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## Support

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Support for the Sustainability in a Scandinavian Context Conference was provided in part by:

- Danish Ministry for Science, Technology & Innovation International Network Programme Grant
- CBS Sustainability Platform
- CBS Principles for Responsible Management Education (PRME)
- CBS Department of Intercultural Communication and Management (ICM)
- University of Minnesota CIBER (Center for International Business Education and Research)

***Thank you.***

## Introduction & Conference Proceedings Overview

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by Robert Strand

Conference Organizer

Assistant Professor of Leadership & Sustainability, Copenhagen Business School

Greetings. With this section I intend to offer a summary of the Sustainability in a Scandinavian Context Conference hosted at the Copenhagen Business School during 10-11 June 2013. I had the privilege of organizing the conference with the close support of the student assistant Ellen Eide and visiting MBA student Tony Pringle. With these proceedings we will do our best to enable you to experience the conference – whether you were there as a participant, were interested in the topics but could not attend in person, or are an academic historian who is reading these proceedings in 2030 and attempting to understand how sustainability in a Scandinavian context has become a dominant research field in its own right.

The expressed intent for this two-day conference was to bring scholars and practitioners together to consider sustainability in a Scandinavian context and the potential development a research paradigm dedicated to exploring sustainability in a Scandinavian context – and to consider the potential implications for a broader global context. As a complementary initiative, within the conference we also held the inaugural meeting of the United Nations Principles for Responsible Management Education (PRME) Regional Chapter Nordic in which over half of the existing PRME signatories from across the Nordic region participated alongside of representatives from institutions beyond the Nordics who were interested in sharing their stories and consider opportunities for collaboration.

I am pleased to say that we achieved success thanks in large part to the active engagement of the 125+ conference participants who came from across a wide array of universities and organizations. A quick review of the conference schedule and presentations included within these proceedings will also reveal the incredibly high caliber of speakers who contributed to this conference. This list includes **Professor R. Edward Freeman** of the University of Virginia Darden School of Business and commonly titled father of stakeholder theory; **Claus Meyer**, founder & co-owner of the world-renowned restaurant noma and founding father of New Nordic Cuisine Movement; **Marianne Barner**, IKEA Senior Sustainability Advisor and continued fighter for the rights of children; **Mads Øvlisen**, Chairman of the UN Global Compact's Advisory Group on Supply Chain Sustainability, former CEO & Chairman of Novo Nordisk and former Chairman of LEGO; and many other prominent scholars and practitioners.

So, why come to Scandinavia to consider sustainability? A few reasons I teed up during my initial conference presentation (included within these proceedings) include that Scandinavia is

often recognized as a world leader in sustainability given that Scandinavian companies are disproportionately well-represented in the major sustainability performance indicators including the Dow Jones Sustainability Index (DJSI) and that, furthermore, the Scandinavian region as a whole has demonstrated remarkably strong and balanced country-level economic, environmental, societal, and economic performances. The Scandinavian context is recognized for encouraging a commitment to cooperation & consensus building, stakeholder engagement, building partnerships, soliciting the critical voice, humility, high trust, long term, promotion of democracy, frugality, caring, flat organizational structures and egalitarian, low power distance, high social mobility and low disparity where these characterizations are likely to favorably influence sustainability outcomes. Furthermore, sustainability-minded movements such as the New Nordic Cuisine Movement and sustainability city movements such as “Copenhagenization” serve as examples of Scandinavian sustainability in process.

These collections of offerings serve as a few of the many examples discussed during the conference as to why Scandinavia represents a particularly promising context in which to consider sustainability and the associated issues. However, and quite importantly, while the Scandinavian context may likely offer a great inspiration, the challenges associated with sustainability continue to rise throughout the world and this is certainly no different in Scandinavia. Thus despite these aforementioned references to comparatively strong sustainability performances found in Scandinavia, further examinations are merited to more critically explore sustainability in a Scandinavian context where looming challenges may be mounting.

All keynote conference presentations (and a number of others) were recorded on video and posted to the conference website [www.conferencemanager.dk/ssc2013/conference.html](http://www.conferencemanager.dk/ssc2013/conference.html). The conference website will be maintained online as long as is feasible. Keynote conference presentations are also posted to this website along with a number of other materials including conference participant lists and abstracts presented during the conference. Many of these materials are also printed within these conference proceedings to better ensure their availability over the long-term.

We built the conference upon experiences through the previous conferences “Nordic Symposium on Corporate Social Responsibility” hosted at the Copenhagen Business School in 2010 and 2011, and the “Sustainable Scandinavia” conference hosted at the University of Minnesota in 2012. We intend for the Sustainability in a Scandinavian Context Conference 2013 to become the first of a series of conferences to serve as a forum for scholars and practitioners to come together and jointly explore the issues, perspectives, and questions related to sustainability in a Scandinavian context – and to consider the potential implications for a broader global context. Our intent is to run a conference by this name every two years at the Copenhagen Business School, and to also consider the possibility for launching a traveling

conference/workshop focused on these topics that can be hosted by different partner institutions (in the Nordics and beyond) in the off years.

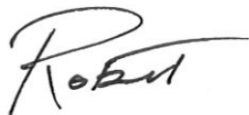
This conference also served as the first formal initiative of the ***Nordic Centre for Sustainability***. The objective of the Nordic Centre for Sustainability is to encourage explorations and awareness of sustainability issues across the Nordic region. The Centre is intended to serve as a platform to encourage collaborative research endeavors between Nordic institutions and researchers – and connect these Nordic institutions and researchers with collaboration partners throughout the world who share an interest in exploring sustainability issues across the Nordic region. The Nordic Centre for Sustainability represents a revitalization of the Nordic Centre for Corporate Responsibility that was made possible through a generous 5 year research grant donated in 2006 by Mads Øvlisen. The founding partners of this original network were the Copenhagen Business School, BI Norwegian School of Management, Stockholm School of Economics, Helsinki School of Economics, and Reykjavik University. Soon thereafter, Oslo University, Aalto University School of Economics, Ethikos (Icelandic Centre for CSR), Aarhus School of Business, and Turku School of Economics joined the network as partners.

During the conference, we did not explicitly reference the Nordic Centre for Sustainability by name given that we are still in process of formalizing the structure of the Centre and achieving the necessary agreements to move forward. We plan for the Centre to be a co-hosted endeavor by the Copenhagen Business School (CBS) and a soon-to-be-named university outside of the Nordic region in an effort to encourage collaborative endeavors across institutions from the Nordic region and beyond. As I author my contributions to these conference proceedings, I sit as a visitor at the University of Minnesota. As a fair warning to my many friends and colleagues at the University of Minnesota - and my friends colleagues across North American universities including the University of Wisconsin, University of California-Berkeley, University of Virginia Darden School of Management – I am targeting you to help build up this network under the moniker of the Nordic Centre for Sustainability.

Before concluding, the key people who offered their invaluable support for this conference deserve further recognition. Ellen Eide continued to astonish me with her capabilities to manage wide and varying work streams. She was simply a pleasure with whom to work. Ellen also pulled together coordinated a strong team of energetic and helpful team of volunteers comprised of students from the Copenhagen Business School who were instrumental to make sure the conference ran smoothly. Tony Pringle provided the initial spark of inspiration and proceeded to lay the groundwork for this conference and engendering interest in the topics at hand across a suite of key stakeholders. I should stress that Ellen, Tony, and all of the volunteers were all *students* of the Copenhagen Business School who made this conference a reality that has helped to lay a foundation for many fruitful conversations and activities that lie

ahead. Thus on behalf of all of us who have benefited from the hard work of these students,  
***thank you.***

And now.... Onward!!!

A handwritten signature in black ink, appearing to read "Robert", with a large, stylized capital "R" and a long horizontal flourish extending to the right.

Robert Strand

July 2013

Minneapolis, Minnesota USA



## Some Comments from Conference Participants

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"I found the conference highly inspirational – an amazing array of well-known scholars and experienced practitioners with relevant messages. The program was very well composed and highly professionally performed. Well done!" -- Anne Mette Christiansen

"I really liked the setup and the mix of experienced scholars, industry leaders and presentations of new thoughts and ideas on CSR. It was an ideal time for thinkers and practitioners of corporate social responsibility and sustainability to explore if we can gain any common global learning about this important subject from a specific cultural and geographical region." -- Ketill B. Magnússon

"With this program we have been able to gain a sound understanding of the theoretical and practical background of the current state of the sustainability context." -- Oxana Wieland

"I was inspired by Claus Meyer. He lives sustainability, and he lives 'creating value for stakeholders'. Not to mention he's a real kick ass chef, and he's not afraid to take on big challenges." -- Ed Freeman

"I felt all the keynote presentations were very good and thoughtful, resourceful and helped with knowledge enhancement." -- Suman Niranjana

"The conference was an eye opener on the real world mobilization for sustainability. I found it interesting that people feel that the Scandinavian model is inspiring, and that they are open to learn from it. It made me more interested in studying the differences between what is done in Scandinavia, and what is done in the rest of the world. The conference raised some questions: how can we adapt the ideas presented to different contexts? How much ownership is needed in order to implement the ideas that emerge in the Scandinavian context? The diversity of high quality speakers and the general interest and participation of the attendees made it an especially interactive event, inspiring and stimulating. I also think it was a very well-timed event, with fun discoveries and atmosphere and delicious food!" -- Alison Holm (conference volunteer)

## Conference Schedule

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## CONFERENCE

10 - 11 June 2013

COPENHAGEN BUSINESS SCHOOL (CBS)  
COPENHAGEN

### **Sustainability in a Scandinavian Context Conference**

10-11 June 2013

Copenhagen Business School

#### *Primary location:*

Råvarebygningen Building, ground floor

PorcelænsHAVEN 22

2000 Frederiksberg, Denmark

Contact: Robert Strand, Copenhagen Business School, [rs.ikl@cbs.dk](mailto:rs.ikl@cbs.dk)

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- Danish Ministry for Science, Technology & Innovation *International Network Programme Grant*
- CBS Sustainability Platform
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- CBS Department of Intercultural Communication and Management (ICM)
- University of Minnesota CIBER (Center for International Business Education and Research)

*Thank you.*

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**We invite all presenters and conference participants to consider and respond to the following questions throughout the conference:**

- What does 'sustainability' mean to you?
- Is it useful to consider sustainability in a Scandinavian context? If so, why? If not, why not?
- *Industry, NGO, government partners:* What sustainability research do you want to see done by academia? Where is academia getting it right? Where is academia getting it wrong? Where would you like to partner with academia in sustainability research?
- *Academic partners:* Where would you like to engage with industry and/or NGOs and/or government to perform sustainability research? Are there any particular Scandinavian organizations with whom you are hopeful to partner to conduct sustainability research?

# Day 1 (Monday 10 June 2013)

- 8.30-9.00 Registration & Refreshments
- 9.00-9.05 Welcome to Sustainability in a Scandinavian Context Conference
- Assistant Professor Robert Strand, Copenhagen Business School
- 9.05-9.10 Welcome to the Copenhagen Business School
- President Per Holten-Andersen, Copenhagen Business School
- 9.10-9.15 Welcome to Scandinavia
- Mads Øvlisen, Chairman of the UN Global Compact's Advisory Group on Supply Chain Sustainability. Former CEO & Chairman of Novo Nordisk. Former Chairman of LEGO. Adjunct Professor, Copenhagen Business School
- 9.15-9.30 Overview of Sustainability in a Scandinavian Context Conference
- Assistant Professor Robert Strand, Copenhagen Business School
- 9.30-10.10 Stakeholder theory, Scandinavia, & Sustainability
- Professor R. Edward Freeman, University of Virginia Darden School of Business
- 10.10-10.30 Panel reflections & discussion with Ed by Atle & Mette facilitated by Robert
- Professor Atle Midttun, BI Norwegian Business School
  - Professor Mette Morsing, Copenhagen Business School
- 10.30-10.45 Open questions & discussion facilitated by Robert
- 10.45-11.15 Break with refreshments
- 11.15-11.25 United Nations Global Compact Nordic Network
- Dorte Gram Nybroe, Focal Point, Global Compact Nordic Network
- 11.25-11.35 UN Global Compact Supported Fashion Sector Initiative & Nordic Initiative Clean & Ethical (NICE)
- Jonas Eder-Hansen, Development Director, Danish Fashion Institute
- 11.35-11.50 Open questions & discussion by all participants facilitated by Robert
- 11.50-12.15 Reflections from a Scandinavian Sustainability Leader: Marianne Barner of IKEA
- Marianne Barner, IKEA Senior Sustainability Advisor
- 12.15-12.30 Open questions & discussion facilitated by Robert

- 12.30-14.00 Lunch
- 14.00-14.45 Perspectives from Leading Global Sustainability Centers & Institutes
- Lewis Gilbert, Managing Director & Chief Operating Officer, Institute on the Environment at University of Minnesota
  - Mette Morsing, Co-Academic Director, Sustainability Platform at Copenhagen Business School
  - Erika Herz, Associate Director, Sustainability Programs at University of Virginia Darden School of Business
- 14.45-15.00 Reflections by Susanne & questions to Lewis, Mette & Erika
- Susanne Stormer, Vice President Corporate Sustainability, Novo Nordisk. Adjunct Professor, Copenhagen Business School
- 15.00-15.15 Open questions & discussion by all participants facilitated by Robert
- 15.30-16.00 Break with refreshments
- 16.00-16.20 Nordic perspectives on Sustainability & CSR
- Professor Atle Midttun, BI Norwegian Business School
- 16.20-16.40 Comparative governmental policies on Sustainability & CSR
- Professor Jeremy Moon, Nottingham University Business School
- 16.40-17.05 Panel questions & discussion w/ Atle & Jeremy by Susanne & Dirk facilitated by Andreas
- Susanne Stormer, Vice President Corporate Sustainability, Novo Nordisk. Adjunct Professor, Copenhagen Business School
  - Professor Dirk Matten, York University Schulich School of Business
  - Professor Andreas Rasche, Copenhagen Business School
- 17.05-17.25 Open questions & discussion by all participants facilitated by Andreas
- Professor Andreas Rasche, Copenhagen Business School
- 17.25-17.30 Day 1 concluding remarks by Robert
- 17.30-18.30 Social reception
- 20.30-22.30 Conference dinner at Café & Restaurant Ofelia
- Sankt Annæ Plads 36, 1252 Copenhagen

# Day 2 (Tuesday 11 June 2013)

- 8.30-9.00 Registration & Refreshments
- 9.00-9.10 Welcome and day overview by Robert Strand
- 9.10-9.20 Move to rooms for desired tracks

Session chairs:

- Professor Kai Hockerts, Copenhagen Business School
- Professor R. Edward Freeman, University of Virginia Darden School of Business
- Associate Professor Jared Harris, University of Virginia Darden School of Business
- Professor Alfred Marcus, University of Minnesota
- Professor Dirk Matten, York University Schulich School of Business
- Professor Mette Morsing, Copenhagen Business School
- Professor Anne Ellerup Nielsen, Aarhus University, School of Business and Social Science
- Associate Professor Jeremy Prestholdt, University of California-San Diego
- Professor Andreas Rasche, Copenhagen Business School

Tracks A1, B1, C1 held in Råvarebygningen building, ground floor

Tracks A2, B2, C2 held in Porcelæns haven 26 building, Room PH407

Tracks A3, B3, C3 held in Porcelæns haven 26 building, Room PH408

- **3 papers per track**
- **20 minutes per paper**
  - **Guidance: 10 minute presentation, 10 minutes questions & discussion**

## **9.20-10.20 A1, A2, A3 Parallel tracks for article presentations**

### **Track A1**

Råvarebygningen building, ground floor

Session chair: Professor Dirk Matten, York University Schulich School of Business

- 101- Ikea's approach to sustainable consumption
  - Sophie Esmann Andersen, Aarhus University, Denmark
- 102- Stakeholder management vs. political CSR – corporate legitimacy and the governance of natural resources
  - Siri Granum Carson, Norwegian University of Science & Technology (NTNU), Norway
- 124- From the Old to the New: Institutional Determinants of Implicit to Explicit CSRS Transformation
  - Cary A. Caro, Xavier University of Louisiana, USA

### **Track A2**

Porcelænshaven 26 building, Room PH407

Session chair: Professor Kai Hockerts, Copenhagen Business School

- 107- CSR and Systemic Innovation for Sustainability
  - Annik Magerholm Fet, Norwegian University of Science & Technology (NTNU), Norway
- 115- A Scandinavian Sustainability Stakeholder Model: Green and Clean-tech Sustainability Alliances and Public-Private Partnerships
  - Stevan R. Holmberg, American University, USA
- 121- Examination of U.S. Firms' Renewable Energy Utilization and Financial Performance with Suggestions for Replication in Scandinavia
  - Helenka H. Nolan, University of Alabama, USA

### **Track A3**

Porcelænshaven 26 building, Room PH408

Session chair: Associate Professor Jared Harris, University of Virginia Darden School of Business

- 108 - An Integrative Organizational Framework for Sustainability
  - Mark P. Finster, University of Wisconsin, USA
- 110 - Sustainability - Perception vs. Reality
  - Tina Graven Østergaard, Reputation Institute, Denmark
- 111 - Corporate Sustainability Strategies: Configurations, Structure, and Outcomes - Development of a Generic Strategy Typology
  - Sylvia Grewatsch, Aarhus University, Denmark

10.20-10.40 Break with refreshments

#### **10.40-11.40    B1, B2, B3 Parallel tracks for article presentations**

##### **Track B1**

Råvarebygningen building, ground floor

Session chair: Professor Anne Ellerup Nielsen, Aarhus University, School of Business and Social Science

- 109 - Disparities between Consumers' Adoption of Environmentally-Friendly Behaviors and their Positive Attitudes toward Sustainability: A Comparison among Danish, Norwegian, British and American Customers
  - Marcia H. Flicker, Fordham University, USA
- 123 - At the crossroads of institutional logics and nested identities: Identity work in a socially-engaged consumer cooperative
  - Janni Thusgaard Pedersen, Copenhagen Business School, Denmark
- 125 - Selling an Ethos: Social Responsibility, Iconicity, and the Bob Marley Brand
  - Jeremy Prestholdt, University of California - San Diego, USA

##### **Track B2**

Porcelæns haven 26 building, Room PH407

Session chair: Professor Alfred Marcus, University of Minnesota

- 106 - Sustainable resilient, robust & resplendent enterprises: Translating triple top line strategy & governance into triple bottom line performance
  - Rick Edgeman, Aarhus University, Denmark
- 113 - Environmental, Social and Governance Performance, and Corporate Governance
  - Bersant Hobdari, Copenhagen Business School, Denmark
- 116 - Operationalizing CSR through Project Conception: Inspiration from a Scandinavian Project Management Course
  - Constance Kampf, Aarhus University, Denmark

##### **Track B3**

Porcelæns haven 26 building, Room PH408

Session chair: Professor Mette Morsing, Copenhagen Business School

- 103 - Cross-Disciplinary Sustainability at the University of Wisconsin-Madison
  - B. Marcus Cederström, University of Wisconsin, USA
- 120 - Building resilient and sustainable global agricultural systems: Research from Scandinavia and Minnesota
  - Nathaniel D. Mueller, University of Minnesota, USA
- 127 - Contextual Factors and Their Place in CSR Interpretation Process
  - Marina Vashchenko, Aarhus University, Denmark

11.40-12.00    Break with refreshments

## **12.00-13.00 C1, C2, C3 Parallel tracks for article presentations**

### **Track C1**

Råvarebygningen building, ground floor

Session chair: Professor R. Edward Freeman, University of Virginia Darden School of Business

- 104 - North Atlantic Perspective on CSR
  - Anne Mette Christiansen, Deloitte Denmark & Ketill B. Magnússon, CSR Iceland/Festa
- 118 - Shareholder and Employee Rights: A Comparison of Scandinavian Nations and of Scandinavian Nations and Other Nations in the World
  - Alfred Marcus, University of Minnesota, USA
- 119 - The value of the Shared Value-concept: A critical examination
  - Dirk Matten, Schulich School of Business, York University, Canada

### **Track C2**

Porcelæns haven 26 building, Room PH407

Session chair: Professor Andreas Rasche, Copenhagen Business School

- 112 - Reclaiming Sustainability: A Pragmatic Perspective on the False Dichotomy between Business and the Natural Environment
  - Jared Harris, University of Virginia Darden School of Business, USA
- 117 - How current assessments of Sustainability Performance by Best Practice in the UN Global Compact challenge legitimacy
  - Thomas Kjærgaard, Aarhus University, Denmark
- 122 - Iceland . How sustainable is Iceland?
  - Snjólfur Ólafsson, University of Iceland, Iceland

### **Track C3**

Porcelæns haven 26 building, Room PH408

Session chair: Associate Professor Jeremy Prestholdt, University of California-San Diego

- 114 - Untangling Diversity Management vis-à-vis Sustainability
  - Lotte Holck, Copenhagen Business School, Denmark
- 126 - How Sustainable is The New Nordic Cuisine Movement?
  - Heather Thomas, YouthNet, UK
- 105 - The Nordic Region as Global Leaders in Sustainable Fashion?
  - Jonas Eder-Hansen, Danish Fashion Institute, Denmark

13.00-14.30 Lunch



14.30-16.00 Inaugural UN Principles for Responsible Management Education (PRME) Regional Chapter Nordic Meeting *(all conference participants welcome)*

14.30-14.40 Introduction

- Assistant Professor Robert Strand, Copenhagen Business School

14.40-15.05 Tour around the Nordics- PRME at your institution:

- Aarhus University, School of Business and Social Sciences (Denmark)
  - Thomas Kjærgaard, Ph.D. candidate
- Copenhagen Business School (Denmark)
  - Professor Kai Hockerts
  - Lene Mette Sørensen, Director of PRME & Sustainability Office
- Aalto University, School of Business (Finland)
  - Professor Armi Temmes
- Hanken School of Economics (Finland)
  - Tina Karme, PRME Project Coordinator
- Reykjavik University Business School (Iceland)
  - Þorsteinn Kári Jónsson, Program Manager
  - Hrefna Briem, Program Director
- Lund University, School of Economics and Management (Sweden)
  - Stephan Schaefer, Doktorand *(Observer for Lund PRME)*

15.05-15.20 Potential work streams for consideration:

- Sustainable Leadership Simulator
  - Thomas Kjærgaard, Ph.D. candidate, Aarhus University
- Toward a Nordic Sustainability Research Agenda?
  - Robert Strand, Assistant Professor, Copenhagen Business School

15.20-15.50 Open discussion amongst all participants.

- Question: What do we want the PRME Regional Chapter Nordic to be? What are promising potential opportunities for actionable next steps?

15.50-16.00 Reflections and promising potential opportunities and next steps

- Professor Andreas Rasche, Copenhagen Business School

Current PRME signatories based in the Nordic region:

# Country Institution

- 1 Denmark Aarhus University, School of Business and Social Sciences
- 2 Denmark AVT Institute of Executive Education
- 3 Denmark Copenhagen Business School
- 4 Finland Aalto University, School of Business
- 5 Finland HAAGA-HELIA University of Applied Sciences
- 6 Finland Hanken School of Economics
- 7 Finland School of Business and Services Management
- 8 Iceland Bifrost University
- 9 Iceland Reykjavik University Business School
- 10 Sweden Lund University, School of Economics and Management
- 11 Sweden The School of Business, Economics and Law at University of Gothenburg

- 16.00-16.20 Break with refreshments
- 16.20-16.45 The New Nordic Cuisine Movement
- Claus Meyer, Founder & co-owner of noma. Founding father of New Nordic Cuisine movement
- 16.45-17.05 Response & questions
- Professor Mette Morsing, Copenhagen Business School
  - Professor R. Edward Freeman, University of Virginia Darden School of Business
- 17.05-17.20 Open questions & discussion facilitated by Mette
- Professor Mette Morsing, Copenhagen Business School
- 17.20-17.30 Conference concluding remarks & proposed future directions by Robert
- Assistant Professor Robert Strand, Copenhagen Business School
- 17.30-18.30 Social reception
- Catered by Meyer's Deli with examples of New Nordic Cuisine

## Participation List

First name	Last name	Organization	Country	Position Title	
1	Marianne	Barner	IKEA	Denmark	Senior Advisor Sustainability, IKEA Group
2	Tetyana	Bazylevska	Copenhagen Business School	Denmark	MBA student
3	Barbara Louise	Bech	Copenhagen Business School	Denmark	Project Manager, Sustainability Platform
4	Christian	Bendsen	Copenhagen Business School	Denmark	Research Assistant, PRME
5	Robert	Bird	University of Connecticut	United States	Associate Professor of Business Law
6	Jonathon	Bloomberg	Bloomberg Podpekar, LLP	United States	Partner Attorney
7	Laura	Bloomberg	University of Minnesota	United States	Ph.D. / Interim Associate Dean/ Executive Director, Center for Integrative Leadership
8	Sarah	Bly	Copenhagen Business School	Denmark	Researcher, Sustainable Consumption
9	Hrefna	Briem	Háskólinn í Reykjavík	Iceland	Director of BS program in business
10	Ole	Buhl	ATP	Denmark	Head of ESG
11	Cary	Caro	Xavier University of Louisiana	United States	Assistant Professor of Management
12	Siri Granum	Carson	Norwegian University of Science & Technology (NTNU)	Norway	Associate Professor
13	B. Marcus	Cederström	University of Wisconsin	United States	PhD Student
14	Michael	Cervetti	University of Memphis	United States	Instructor of Statistics
15	Anne Mette	Christiansen	Deloitte/ Copenhagen Business School / CSR Greenland	Denmark	Partner
16	Andrew	Dalík	Copenhagen Business School	Denmark	MBA student
17	Simone	de Colle	Dublin City University Institute of Ethics	Ireland	Lecturer in Business Ethics
18	Camilla	Dolberg Schmidt	Meyers Madhus	Denmark	Head of Project management and consulting
19	Christopher	Doval	Virginia State University	United States	Assistant Professor of Management and Marketing
20	Iryna	Drobysheva	Copenhagen Business School	Denmark	MBA student
21	Jonas	Eder-Hansen	Danish Fashion Institute	Denmark	Development Director
22	Rick	Edgeman	Aarhus University	Denmark	Professor of Sustainability & Performance
23	Jan	Edgren	Scandinavian Institute for Administrative Research	Sweden	Adj Professor Member of the Board
24	Ellen	Eide	Copenhagen Business School	Denmark	Conference Program Coordinator
25	Allison	Elias	University of Virginia Darden School of Business	United States	Research Associate
26	Anne	Ellerup Nielsen	Aarhus University	Denmark	Professor
27	Sophie	Esmann Andersen	Aarhus University	Denmark	Associate Professor
28	Annik Magerholm	Fet	Norwegian University of Science & Technology (NTNU)	Norway	Professor
29	Mark	Finster	University of Wisconsin	United States	Associate Professor   Wisconsin School of Business   Nelson Institute for Environmental Studies   College of Engineering
30	Marcia	Flicker	Fordham University	United States	Associate Professor of Marketing
31	Mikkel	Flyverbom	Copenhagen Business School	Denmark	Associate Professor
32	Edward	Freeman	University of Virginia Darden School of Business	United States	University Professor
33	Maria	Garcia	Florida International University	United States	Instructor in Marketing
34	Henriette	Gejsing	Dan Church Aid	Denmark	Responsible of Corporate Relations
35	Lewis E.	Gilbert	University of Minnesota	United States	Managing Director / Chief Operating Officer at Institute on the Environment
36	Tina	Graven Østergaard	Reputation Institute	Denmark	Manager
37	Sylvia	Grewatsch	Aarhus University	Denmark	PhD Researcher
38	Øivind	Hagen	BI Norwegian Business School	Norway	Associate Professor
39	Lara	Hale	Copenhagen Business School	Denmark	PhD Fellow
40	Liv	Hansen	Danish Business Authority	Denmark	Head of Section
41	Deborah	Hanson	University of Great Falls	United States	Professor of Business
42	Jared	Harris	University of Virginia Darden School of Business	United States	Associate Professor of Business Administration, Darden School of Business
43	Bruce	Henrikson	Parkland College	United States	Business & Agri-Industries Department Chair
44	Erika	Herz	University of Virginia Darden School of Business	United States	Associate Director of Sustainability Programs, Darden School of Business & Managing Director, Alliance for Research on Corporate Sustainability (ARCS)
45	Bersant	Hobdari	Copenhagen Business School	Denmark	Associate Professor
46	Kai	Hockerts	Copenhagen Business School	Denmark	Professor and Academic Director of PRME
47	Lotte	Holck	IOA, Copenhagen Business School	Denmark	PhD fellow
48	Stevan	Holmberg	American University	United States	Professor and Chair, Management Department
49	Lise	Holst	Novo Nordisk	Denmark	Director, Global Bioethics Management
50	Per	Holten-Andersen	Copenhagen Business School	Denmark	President
51	Michael	Houston	University of Minnesota	United States	Associate Dean of Global Initiatives and CIBER Faculty Director
52	Christiane Marie	Høvring	Aarhus University	Denmark	PhD student
53	Ellen Marie Friis	Johansen	Danish Business Authority	Denmark	Chief Advisor
54	Þorsteinn	Jónsson	Háskólinn í Reykjavík	Iceland	Program Manager
55	Stine Kirstein	Junge	UNDP Nordic Representation Office	Denmark	Private Sector Officer
56	Constance	Kampf	Aarhus University	Denmark	Associate Professor
57	Kasper	Kanstrup	SOS Children's Villages Denmark (SOS Børnebyerne)	Denmark	Head of Programme and Partnerships
58	Tina	Karne	Hanken School of Economics	Finland	Project Coordinator
59	Adrian	Keevil	University of Virginia Darden School of Business	United States	Doctoral Candidate
60	Maria	Kim Lassen	Danish Ethical Trading Initiative	Denmark	Knowledge and Resources
61	Nette	Kirkegaard	Carlsberg Group	Denmark	CSR Manager
62	Ole	Kirkelund	Danish Business Authority	Denmark	Chief Advisor
63	Thomas	Kjærgaard	Aarhus University	Denmark	PhD
64	Marie	Koustrup Frandsen	Copenhagen Business School	Denmark	PRME Manager
65	Anne Marie	Kroon	Dan Church Aid	Denmark	Corporate Fundraiser

First name	Last name	Organization	Country	Position Title
66 Jack	Langworthy	Copenhagen Business School	Denmark	MBA student
67 Mina	Lee	Xavier University of Louisiana	United States	Assistant Professor of Management
68 Henning	Madsen	Aarhus University	Denmark	Professor
69 Ketill B.	Magnússon	Festa CSR Iceland	Iceland	Managing Director
70 Alfred	Marcus	University of Minnesota	United States	Edson Spencer Endowed Chair in Strategy and Technological Leadership
71 Dirk	Matten	York Schulich School of Business	Canada	Professor of Strategy / Hewlett-Packard Chair in Corporate Social Responsibility
72 Caroline Krabbe	Melchior	ATP	Denmark	/ Co-Director, Centre of Excellence in Responsible Business
73 Beth	Mercer-Taylor	University of Minnesota	United States	Web Editor – Social Responsible Investments
74 Claus	Meyer	New Nordic Cuisine/Noma	Denmark	Sustainability Education Coordinator
75 Atle	Midttun	BI Norwegian Business School	Norway	Founder and Co-Founder of Noma, Founding Father of New Nordic Cuisine Movement
76 Jeremy	Moon	Nottingham University Business School	United Kingdom	Professor
77 Mette	Morsing	Copenhagen Business School	Denmark	Director, International Centre for Corporate Social Responsibility (ICCSR)
78 Nathan	Mueller	University of Minnesota	United States	Professor
79 Peter	Neergaard	Copenhagen Business School	Denmark	Graduate Research Fellow
80 Morten	Nielsen	Carlsberg Group	Denmark	Professor
81 Ulla	Nilsson	Arla Foods	Denmark	Director CSR & Public Affairs
82 Suman	Niranjani	Savannah State University	United States	Vice President, Corporate Responsibility
83 Helenka	Nolan	University of Alabama	United States	Assistant Professor of Operations and Supply Chain Management
84 Dorte Gram	Nybroe	UN Global Compact Nordic Network	Denmark	Lecturer
85 Snjólfur	Ólafsson	University of Iceland	Iceland	Senior CSR Adviser
86 Birgitte Kofod	Olsen	Tryg	Denmark	Professor
87 Sonja	Pálsdóttir	Háskólinn í Reykjavík	Iceland	CSR Chef
88 Esben Rahbek Gjerdrum	Pedersen	Copenhagen Business School	Denmark	Administrative Director
89 Rasmus Juhl	Pedersen	PBU (Pension Fund of Early Childhood Teachers)	Denmark	Associate Professor
90 Sofie	Pedersen	Danish Business Authority	Denmark	Communications Consultant, Responsible Investment
91 Kjell Lundén	Petterson	Arla Foods	Denmark	Head of Section
92 Robert	Phillips	University of Richmond	United States	Senior Manager
93 Abby	Pinto	University of Minnesota	United States	Associate Professor of Management and Business Ethics
94 Clyde	Posey	Alcorn State University	United States	CIBER Managing Director
95 Evelina	Poupalova	Copenhagen Business School	Denmark	Professor of Accounting
96 Jeremy	Prestholdt	University of California-San Diego	United States	MBA student
97 Anthony	Pringle	Copenhagen Business School	Denmark	Associate Professor
98 Lauren	Purnell	University of Virginia Darden School of Business	United States	Conference Program Coordinator
99 Andreas	Rasche	Copenhagen Business School	Denmark	PhD Candidate
100 Thomas	Reading	Ivy Tech Community College	United States	Professor of Business in Society
101 Juan Felipe	Reyes Rodríguez	Aarhus University	Denmark	Professor of Business Administration
102 Anders	Sandoff	University of Gothenburg School of Business, Economics & Law	Sweden	PhD Student
103 Stephan	Schaefer	Lund University	Sweden	Assistant Professor
104 Lykke	Schmidt	Novo Nordisk	Denmark	Doktorand
105 Christine Espersen	Schrøder	Novo Nordisk	Denmark	Programme Manager, Global Triple Bottom Line Management
106 Alfred	Smith	Johnson C. Smith University	United States	Assistant Global Bioethics Management
107 Jette	Steen Knudsen	Copenhagen Business School/Copenhagen University	Denmark	Assistant Professor of Management
108 Susanne	Stormer	Novo Nordisk	Denmark	Professor
109 Robert	Strand	Copenhagen Business School	Denmark	Vice President, Corporate Sustainability
110 Sture	Svantesson	Scandinavian Institute for Administrative Research	Sweden	Assistant Professor
111 Lene Mette	Sørensen	Copenhagen Business School	Denmark	Former President Malmö Invest
112 Armi	Temmes	Aalto University, School of Business	Finland	Director of PRME and Sustainability Office
113 Heather	Thomas	YouthNet	United Kingdom	Professor
114 Maria Jin	Thomsen	SOS Children's Villages Denmark (SOS Børnebyerne)	Denmark	Development and Marketing Director
115 Janni	Thygesgaard	Copenhagen Business School	Denmark	Project Manager, Leadership Giving
116 Valeria	Torre	University of Florence	Italy	PhD Fellow
117 Steen	Vallentin	Copenhagen Business School	Denmark	Student
118 Marina	Vashchenko	Aarhus University	Denmark	Associate Professor
119 Robert	Vellella	University of Minnesota	United States	PhD student
120 Karina	Vissonova	Business Centre Bornholm	Denmark	Instructor at Center for Human Resources and Labor Studies
121 Marie	Voldby	Danish Business Authority	Denmark	Innovation Strategist/Product Developer
122 John	Wendell	University of Hawaii	United States	Head of Unit
123 Oxana	Wieland	University of Minnesota	United States	Professor and Director of Accounting
124 Irene	Winther	SOS Children's Villages Denmark (SOS Børnebyerne)	Denmark	Lecturer in Economics, Business Department
125 Gabriella	Wulff	University of Gothenburg School of Business, Economics & Law	Sweden	Project Manager, Leadership Giving
126 Mads	Øvlisen	Copenhagen Business School	Denmark	PhD candidate
				Professor (adj.)

## Conference Website

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<http://www.conferencemanager.dk/ssc2013/conference.html>



# SUSTAINABILITY IN A SCANDINAVIAN CONTEXT

## CONFERENCE

10 - 11 June 2013

COPENHAGEN BUSINESS SCHOOL (CBS)

COPENHAGEN

Conference	Conference
Location	The <b>Sustainability in a Scandinavian Context Conference 2013</b> is hosted at the Copenhagen Business School and will take place during <b>10-11 June 2013</b> . This conference is intended for scholars and practitioners with the intent to bring academics and practitioners together to consider sustainability in a Scandinavian context and the potential development a research paradigm dedicated to exploring sustainability in a Scandinavian context – and to consider the potential implications for a broader global context.
Speakers	
Speaker Presentations	Scandinavia represents a particularly promising context in which to consider sustainability and the associated issues. Scandinavia is often recognized as a world leader in sustainability where Scandinavian companies are disproportionately well-represented in the major sustainability performance indicators including the Dow Jones Sustainability Index (DJSI) and the Scandinavian region as a whole has demonstrated remarkably strong and balanced country-level economic, environmental, societal, and economic performances. Furthermore, the most commonly used definition of sustainability as “development that meets the needs of the present without compromising future generations to meet its needs” has Scandinavian roots as it is drawn from the 1987 “Brundtland Report” in reference to the chair of the committee: former Norwegian Prime Minister Gro Harlem Brundtland.
Schedule	However, the challenges associated with sustainability continue to rise throughout the world, where this is no different in Scandinavia. Thus despite these aforementioned references to comparatively strong sustainability performances found in Scandinavia, further examinations are merited to more critically explore sustainability in a Scandinavian context where looming challenges may be mounting.
Registration	The conference will commence at 9.00 on 10 June and will conclude at 18.30 on 11 June. The registration fee is 1300dkk (approximately 175€). A group dinner for conference participants will be <u>held</u> during the evening of 10 June.
Participants	We build this conference upon experiences through the previous conferences “ <b>Nordic Symposium on Corporate Social Responsibility</b> ” hosted at the <b>Copenhagen Business School</b> in 2010, 2011, and the “ <b>Sustainable Scandinavia</b> ” conference hosted at the <b>University of Minnesota</b> in 2012. We intend for the Sustainability in a Scandinavian Context Conference 2013 to become the first of a <u>series</u> of conferences to serve as a forum for scholars and practitioners to come together and jointly explore the issues, perspectives, and questions related to sustainability in a Scandinavian context – and to consider the potential implications for a broader global context.
Extended Abstracts	
Call for Extended Abstracts	
Partners	
Nordic Centre for Sustainability	

### PLEASE NOTE!

*Conference is nearing capacity limit. Once capacity is reached, individuals who attempt to register will be placed on a waiting list*

Copenhagen Business School - Porcelænshaven 18A - 2000 Frederiksberg - Denmark

[Contact your organiser here](#)

# SUSTAINABILITY IN A SCANDINAVIAN CONTEXT

## CONFERENCE

10 - 11 June 2013

COPENHAGEN BUSINESS SCHOOL (CBS)  
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### Conference Venue



Copenhagen Business School  
Råvarebygningen Building  
Porcelænshaven 22  
2000 Frederiksberg  
Denmark

The Sustainability in a Scandinavian Conference 2013 takes place at Råvarebygningen Building at the Copenhagen Business School. Råvarebygningen, as its name denotes, was originally storing raw material for the old Royal Porcelain Factory (known today as Royal Copenhagen).

The building is another great example of Danish architecture where the famous Henning Larsen Architects have kept some of the rough industrial expressions in the renovation. One of the main elements of the renovation is the façade that was torn down and replaced with windows looking out towards The Frederiksberg Have – a beautiful park complete with winding streams and running paths that is a favourite amongst the locals.



### Conference Dinner Venue

The Royal Danish Theatre  
Café & Restaurant Ofelia  
Sankt Annæ Plads 36  
1250 København K



### Transportation

**Metro** Råvarebygningen Building is situated only 600 meters away from Fasanvej metro station with frequent service every 3-5 minutes during day time. From the Copenhagen Airport or downtown Copenhagen one can readily take the metro line to the Fasanvej metro station. From the airport this trip takes approximately 30 minutes and from downtown Copenhagen this trip takes approximately 15 minutes.

**Bicycles** Råvarebygningen Building at the Copenhagen Business School is readily found regardless of your starting point armed with the address and [map](#). Bicycles can be easily rented at many of Copenhagen's numerous bicycle shops. And while you are here consider taking a bicycle tour of Copenhagen through Bike Copenhagen with Mike [www.bikecopenhagenwithmike.dk](http://www.bikecopenhagenwithmike.dk).



**Bus** Bus 4A runs on Søndre Fasanvej between Valby St. and Råvarebygningen every 5-10 minutes during day time. Buses 14 and 15 run on Smallegade.

**Car** Entrance via Søndre Fasanvej. 2-hour parking spaces are available in front of Råvarebygningen, and on the west side of Søndre Fasanvej parking without time restrictions is possible. However, the number of parking spaces are limited.

**Map** [Click here](#)

Copenhagen Business School - Porcelænshaven 18A - 2000 Frederiksberg - Denmark  
[Contact your organiser here](#)

# SUSTAINABILITY IN A SCANDINAVIAN CONTEXT

## CONFERENCE

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**Professor R. Edward Freeman**

*University of Virginia Darden School of Business*

Professor Freeman will headline a list of speakers, panelists, and discussants comprised of leading scholars and practitioners. Professor Freeman's 1984 [book](#) "Strategic Management: A Stakeholder Approach" has proven to be a landmark moment in the development of stakeholder theory. More recently in 2010, Professor Freeman and close colleagues published "Stakeholder Theory: The State of the Art" that examines the ever growing body of research associated with stakeholder theory and assesses its relevance for our understanding of modern business. Professor Freeman has long touted the seminal contributions to stakeholder theory that have come from Scandinavia and he will discuss these important offerings and the interrelationships between stakeholder theory and sustainability.



**Claus Meyer**

*Co-founder noma, Founding father of New Nordic Cuisine Movement*

Co-founder of noma, Claus Meyer, shares his dream of unfolding the potential of indigenous food cultures worldwide. When in 2004 Meyer co-authored the New Nordic Food Manifesto, he and noma were in pursuit of purity, simplicity and freshness based on seasonal foods that make the most of the local region's climate, water and soil, but he had no firm idea what great an impact those ideas would eventually have.



**Marianne Barner**

*Senior Advisor Sustainability, IKEA Group*



**Professor Atle Midttun**

*Norwegian School of Management (BI)*



**Professor Jeremy Moon**

*Nottingham University Business School*



**Professor Mette Morsing**

*Copenhagen Business School*

Copenhagen Business School - Porcelænshaven 18A - 2000 Frederiksberg - Denmark

[Contact your organiser here](#)



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## PRESENTATIONS

Freeman, Ed - Stakeholder Theory & Sustainability-Scandinavian View

Freeman, Ed- Scandinavian Cooperative Advantage by Strand & Freeman

Gram Nybroe, Dorte - Nordic Global Compact

Meyer, Claus - New Nordic Cuisine

Middtun, Atle - 20130610 CSR - A Nordic Perspective

Moon, Jeremy - Handout

Moon, Jeremy- CSR and Govt in Scandinavia

Strand, Robert - Sustainability in a Scandinavian Context Conference

## VIDEO PRESENTATIONS (click on images to view)

Welcome by Per Holten-Andersen & Mads Øvilsen

Sustainability in a Scandinavian Context, Per



UN Global Compact: Dorte Gram Nybroe & Jonas Eder-Hansen

Sustainability in a Scandinavian Context, Dorte



Perspectives from Leading Global Sustainability Centers & Institutions: Lewis Gilbert, Mette Morsing, Erika Herz, Reflections by Susanne Stormer

Sustainability in a Scandinavian Context, Leale



UN PRME Regional Chapter Nordic

Sustainability in a Scandinavian Context



Robert Strand & Ed Freeman + Panel Reflections & Discussion with Ed by Atle Middtun & Mette Morsing

Sustainability in a Scandinavian Context, Robert



Scandinavian Sustainability Leader: Mariann Barner of IKEA

Sustainability in a Scandinavian Context, Mariann



Atle Middtun, Jeremy Moon + Panel Discussion w/ Atle & Jeremy by Susanne Stormer & Dirk Matten

Sustainability in a Scandinavian Context, Atle



Claus Meyer

Sustainability in a Scandinavian Context



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## Extended Abstracts

Here you will find material related to all activities held at the event.

### Documentation:

<a href="#">000 - SUMMARY of Sustainability in a Scandinavian Context Extended Abstracts as of 19May2013.pdf</a>
<a href="#">101 - Ikeas approach to sustainable consumption.docx</a>
<a href="#">102 - Stakeholder management vs. political CSR.docx</a>
<a href="#">103 - Cross-Disciplinary Sustainability.docx</a>
<a href="#">104 - Iceland and Greenland.docx</a>
<a href="#">105 - The Nordic Region as Global Leaders in Sustainable Fashion.pdf</a>
<a href="#">106 - Sustainable Resilient Robust and Resplendent Enterprises.docx</a>
<a href="#">107 - CSR and Systemic Innovation for Sustainability.docx</a>
<a href="#">108 - An Integrative Organizational Framework.docx</a>
<a href="#">109 - Scandinavian-US consumer differences in sustainability attitude-behavior incongruity.docx</a>
<a href="#">110 - Sustainability - Perception vs. Reality.docx</a>
<a href="#">111 - Corporate Sustainability Strategies.docx</a>
<a href="#">112 - Reclaiming Sustainability.docx</a>
<a href="#">113 - Boards and Top Management Teams.docx</a>
<a href="#">114 - Intersection Diversity vis a vis Sustainability.docx</a>
<a href="#">115 - Scandinavian Sustainability Stakeholder Model.docx</a>
<a href="#">116 - Operationalizing CSR through Project Conception.docx</a>
<a href="#">117 - How Current Assessments of Sustainability Performance by Best Practice.docx</a>
<a href="#">118 - Shareholder Rights.docx</a>
<a href="#">119 - The value of the Shared Value concept a critical examination.docx</a>
<a href="#">120 - Building resilient and sustainable global agricultural systems.docx</a>
<a href="#">121 - An Examination of U.S. Firms Renewable Energy Utilization.doc</a>
<a href="#">122 - How sustainable is Iceland.docx</a>
<a href="#">123 - At the crossroads of institutional logics and nested identities.pdf</a>
<a href="#">124 - From the Old to the New Institutional Determinants of Implicit to Explicit CSRS.docx</a>
<a href="#">125 - Selling an Ethos.docx</a>
<a href="#">126 - How Sustainable is the New Nordic Cuisine Movement.docx</a>
<a href="#">127 - Contextual Factors.docx</a>



# SUSTAINABILITY IN A SCANDINAVIAN CONTEXT

## CONFERENCE

10 - 11 June 2013

COPENHAGEN BUSINESS SCHOOL (CBS)  
COPENHAGEN

Conference	The <b>Sustainability in a Scandinavian Context Conference 2013</b> is hosted at the Copenhagen Business School.
Location	University of Minnesota, University of Virginia Darden School of Business, University of California-Berkeley, University of Wisconsin, and University of California-San Diego are official collaboration partners with the Sustainability in a Scandinavian Context Conference 2013 as made possible through the Danish Ministry for Science, Technology & Innovation international network programme grant.
Speakers	
Speaker Presentations	The United Nations Principles for Responsible Management Education (PRME) initiative at the Copenhagen Business School represents an important collaboration <a href="#">partner</a> with the Sustainability in a Scandinavian Context Conference 2013 through their support with the intent to help establish a Nordic PRME network of Nordic universities committed to responsible management education.
Schedule	
Registration	The University of Minnesota CIBER (Center for International Business Education and Research) is a key collaboration partner with the Sustainability in a Scandinavian Context Conference 2013 through the CIBER Professional Development in International Business (PDIB) program "Sustainability and CSR in Scandinavia." Through this a <a href="#">number</a> of participants from across U.S. institutions will participate in the conference.
Participants	
Extended Abstracts	The CBS Sustainability Platform also represents an important collaboration partner with the Sustainability in a Scandinavian Context Conference 2013 through their support.
Call for Extended Abstracts	
Partners	
Nordic Centre for Sustainability	

Copenhagen Business School - Porcelænshaven 18A - 2000 Frederiksberg - Denmark

[Contact your organiser here](#)

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#### Nordic Centre for Sustainability

The objective of the Nordic Centre for Sustainability is to encourage explorations and awareness of sustainability issues across the Nordic region. We serve as a platform to encourage collaborative research endeavors between Nordic institutions and researchers – and connect these Nordic institutions and researchers with collaboration [partners](#) throughout the world who share an interest in exploring sustainability issues across the Nordic region. We also draw upon the Nordic traditions of engaged scholarship in which the boundaries between academia and industry are blurred and thus we intend to further encourage greater engagement and discussions between practitioners and academics.

The Nordic Centre for Sustainability represents a revitalization of the Nordic Centre for Corporate Responsibility that was made possible through a generous 5 year research grant donated in 2006 by former Novo Nordisk Chairman and CEO Mads Øvlisen. The founding partners of this network are the Copenhagen Business [School](#), BI Norwegian School of Management, Stockholm School of Economics, Helsinki School of Economics and Reykjavik University. Soon thereafter, Oslo University, Aalto University School of Economics, Ethikos (Icelandic Centre for CSR), Aarhus School of Business, and Turku School of Economics joined the network as partners.

The Nordic Centre for Sustainability is hosted at the Copenhagen Business School (CBS) and a [soon-to-be-named](#) university outside of the Nordic region in an effort to encourage collaborative endeavors across institutions from the Nordic region and beyond.



**Robert Strand, Director**  
Nordic Centre for Sustainability  
Contact: [rs.ikj@cbs.dk](mailto:rs.ikj@cbs.dk)



**Ellen Eide, Program Coordinator**  
Nordic Centre for Sustainability  
Contact: [ee.ikj@cbs.dk](mailto:ee.ikj@cbs.dk)



**Tony Pringle, Program Coordinator**  
Nordic Centre for Sustainability



**Mette Morsing, Advisor**  
Nordic Centre for Sustainability



**Jonas Eder-Hansen, Advisor**  
Nordic Centre for Sustainability



**Mads Øvlisen, Founding Benefactor**  
Nordic Centre for Sustainability

## Conference Presentations

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## Conference Presentations

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**Robert Strand**

Conference Organizer

Assistant Professor of Leadership & Sustainability

Copenhagen Business School



# SUSTAINABILITY IN A SCANDINAVIAN CONTEXT

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CONFERENCE  
10 - 11 June 2013  
COPENHAGEN BUSINESS SCHOOL (CBS)  
COPENHAGEN

## Sustainability in a Scandinavian Context Conference

**Copenhagen Business School**  
Copenhagen, Denmark

10-11 June 2013

Robert Strand    [rs.iki@cbs.dk](mailto:rs.iki@cbs.dk)  
Assistant Professor of Leadership & Sustainability  
Copenhagen Business School

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# Welcome!

- **Welcome** to Sustainability in a Scandinavian Context Conference
  - Assistant Professor **Robert Strand**, Copenhagen Business School
- **Welcome** to the Copenhagen Business School
  - President **Per Holten-Andersen**, Copenhagen Business School
- **Welcome** to Scandinavia
  - **Mads Øvlisen**, Chairman of the UN Global Compact's Advisory Group on Supply Chain Sustainability. Former CEO & Chairman of Novo Nordisk. Former Chairman of LEGO. Adjunct Professor, Copenhagen Business School
- **Overview** of Sustainability in a Scandinavian Context Conference
  - Assistant Professor Robert Strand, Copenhagen Business School

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# Welcome!

- **Welcome** to the Copenhagen Business School
  - President **Per Holten-Andersen**, Copenhagen Business School

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# ***Welcome!***

- ***Welcome*** to Scandinavia
  - ***Mads Øvlisen***, Chairman of the UN Global Compact's Advisory Group on Supply Chain Sustainability. Former CEO & Chairman of Novo Nordisk. Former Chairman of LEGO. Adjunct Professor, Copenhagen Business School

5

# ***Welcome!***

- ***Overview*** of Sustainability in a Scandinavian Context Conference
  - Assistant Professor Robert Strand, Copenhagen Business School

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- **Day 1**

- Discussions with Ed Freeman, Marianne Barner, Atle Midttun, Jeremy Moon & many others
- Presentations from leading sustainability centres & institutes
- Questions & answers throughout
- Dinner at Café & Restaurant Ofelia

- **Day 2**

- Academic paper tracks
- Inaugural meeting PRME Regional Chapter Nordic
- Claus Meyer & samplings of Nordic cuisine



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- All extended abstracts are on conference website, all presentations agreed to be made public will be posted also... videos soon to follow
  - Conference website: [www.conferencemanager.dk/ssc2013](http://www.conferencemanager.dk/ssc2013)
- Please mind the time during breaks & come back **5 minutes before** starts
  - Presenters: If you have presentations, please load with USB in advance
- Toilets on ground floor, also up on 1st floor, and 2nd floors...
- Lunch served in building next door
  - Volunteers will guide you
- Frederiksberg Have just outside



Frederiksberg Have

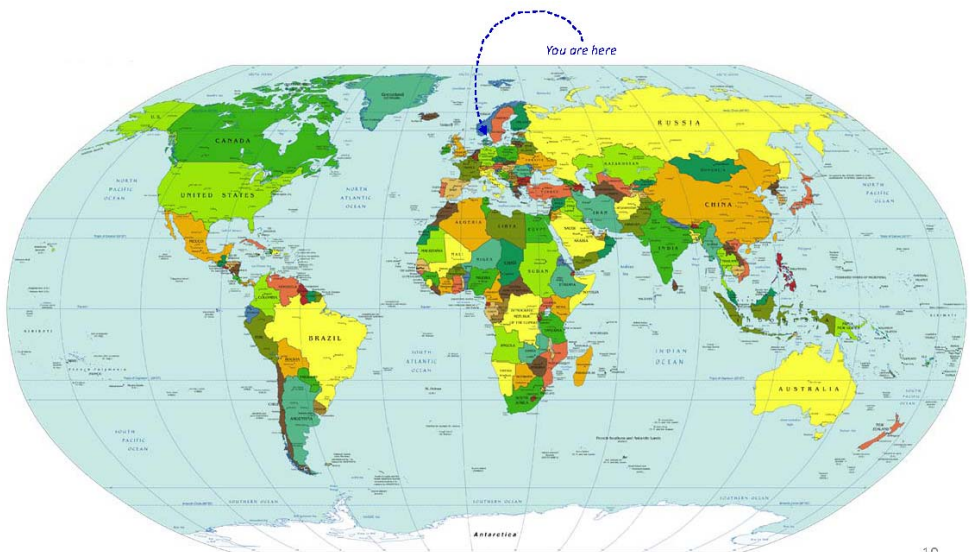
*Support provided in part by:*

- Danish Ministry for Science, Technology & Innovation *International Network Programme Grant*
- CBS Sustainability Platform
- CBS Principles for Responsible Management Education (PRME)
- CBS Department of Intercultural Communication and Management (ICM)
- University of Minnesota CIBER (Center for International Business Education and Research)

**Thank you.**

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## **Why** consider sustainability in a Scandinavian context?



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# Some *potential* reasons for our considerations...

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## Why Scandinavia? *The Companies*

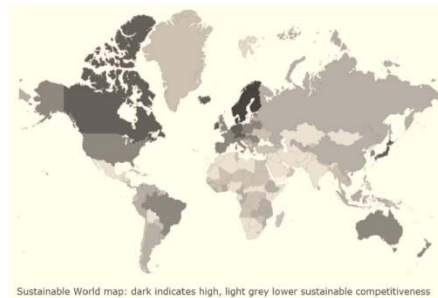
- Scandinavian companies *disproportionately well-represented* at the top of the major global sustainability indices



Midttun et al., 2006; Morsing et al., 2007;  
Gjelberg, 2009; Strand, 2013: 726

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## Why Scandinavia? *The Countries*



<u>Rank</u>	<u>Country</u>
1	Denmark
2	Sweden
3	Finland
4	Norway
13	Iceland

<u>Rank</u>	<u>Country</u>
1	Norway
5	Denmark
7	Finland
8	Iceland
14	Sweden

WORLD ECONOMIC FORUM

**Sustainable Competitiveness**

13

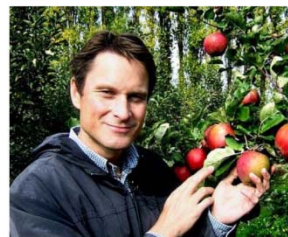
## Why Scandinavia? *The People*



Marianne Barner



Mads Øvlisen



Claus Meyer

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# Why Scandinavia? *The People*



- Cooperation & consensus building
  - Stakeholder engagement
  - Partnerships: Business+NGO
- Soliciting the critical voice
- Humility
- High trust
- Long term
- Promotion of democracy
- Frugality... "Simplicity is a virtue"
- Caring... & caring for children
- Flat, egalitarian, low power distance
- High social mobility... Low disparity


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**TED** Ideas worth spreading

TALKS

Richard Wilkinson: How economic inequality harms societies

FILMED JUL 2011 • POSTED OCT 2011 • TEDGlobal 2011



1,798,667 Views

[Like](#) [+1](#)

We feel instinctively that societies with huge income gaps are somehow going wrong. Richard Wilkinson charts the hard data on economic inequality, and shows what gets worse when rich and poor are too far apart: real effects on health, lifespan, even such basic values as trust.

In "The Spirit Level," Richard Wilkinson charts data that proves societies that are more equal are healthier, happier societies. [Full bio »](#)

[Embed](#) [Download](#) [Favorite](#) [Rate](#) [Show transcript](#)

[Get this talk on DVD](#)

***"If Americans want to live the American Dream, they should go to Denmark."*** -- Richard Wilkinson

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## Why Scandinavia? *Sustainability Movements*



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## Why Scandinavia? *Sustainability Movements*

CLAUS MEYER

Claus Meyer

**The New Nordic Cuisine**

Manifesto

The New Nordic Diet

Nordic Terroir

The Principles of Good Flavour

Nordhavn Vinegar Brewery

Grupe & Meyer Flour

Melting Pot Foundation

Restaurants

Meyers bakeries

The Island Lilleø

Contact


Follow Claus Meyer on Facebook

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Claus Meyer on YouTube

### The New Nordic Cuisine Movement

Manifesto



**Manifesto for the New Nordic Kitchen**

As Nordic chefs we find that the time has now come for us to create a New Nordic Kitchen, which in virtue of its good taste and special character compares favourably with the standard of the greatest kitchens of the world.

The aims of New Nordic Cuisine are:

1. To express the purity, freshness, simplicity and ethics we wish to associate with our region.
2. To reflect the changing of the seasons in the meals we make.
3. To base our cooking on ingredients and produce whose characteristics are particularly excellent in our climates, landscapes and waters.
4. To combine the demand for good taste with modern knowledge of health and well-being.
5. To promote Nordic products and the variety of Nordic producers – and to spread the word about their underlying cultures.
6. To promote animal welfare and a sound production process in our seas, on our farmland and in the wild.
7. To develop potentially new applications of traditional Nordic food products.
8. To combine the best in Nordic cookery and culinary traditions with impulses from abroad.
9. To combine local self-sufficiency with regional sharing of high-quality products.
10. To join forces with consumer representatives, other cooking craftsmen, agriculture, the fishing, food, retail and wholesale industries, researchers, teachers, politicians and authorities on this project for the benefit and advantage of everyone in the Nordic countries.

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## Why Scandinavia? *The Governments*

- Active engagement with sustainability & CSR



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## Why Scandinavia? *'Scandinavian Cooperative Advantage'*

- Sustainability demands cooperation between stakeholders
  - Shift from *'competitive advantage'* → *'cooperative advantage'*
- Traditions of effective cooperation between Scandinavian organizations with stakeholders
- *'Scandinavian Cooperative Advantage'* by Robert Strand & Ed Freeman (*in review*)
- Is this shameless self-promotion?
  - *I'm an American, not a humble Scandinavian*

20



## Why Scandinavia? *World is taking note*



21



...the new Nordic model is proving strikingly successful.  
*The Nordics dominate indices of competitiveness as well as of well-being...*

...The Nordics' success depends on their long tradition of good government, which emphasises not only *honesty & transparency but also consensus & compromise*.

22

## Why Scandinavia? *World is taking note*

- *'The Scandinavian Approach to CSR & Sustainability' special symposium* in *Journal of Business Ethics* (forthcoming)
  - *Responsibility, Reputation and Stakeholder Support in Scandinavian Firms*: a Comparative Analysis by D. Vidaver-Cohen & Peggy Simcic Brønn
  - *Ye Olde CSR*: The Historic Roots of Corporate Social Responsibility in Norway by Øyvind Ihlen & Heidi von Weltzien Høivik
  - *Governmentalities of CSR*: Danish Government Policy as a Reflection of Political Difference by Steen Vallentin
  - *Scandinavian Stakeholder Thinking*: Seminal offerings by the late Juha Näsi
  - ... others still in review
  - edited by Ed Freeman, Kai Hockerts, & Robert Strand
- *More special issues to come*

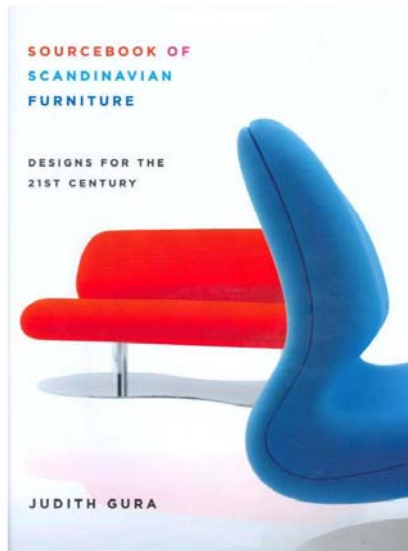
23

## Why this strange logo?



24

Let's draw inspiration from one another



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## Day 1: 9.30 – 10.45

SUSTAINABILITY  
IN A  
SCANDINAVIAN  
CONTEXT

CONFERENCE  
10 - 11 June 2013  
CONFERENCE BUSINESS SCHOOL (CBS)  
COPENHAGEN

- Stakeholder theory, Scandinavia, & Sustainability
  - Professor **R. Edward Freeman**, University of Virginia Darden School of Business
- Panel reflections & discussion with Ed by Atle & Mette facilitated by Robert
  - Professor **Atle Midttun**, BI Norwegian Business School
  - Professor **Mette Morsing**, Copenhagen Business School
- Open questions & discussion facilitated by Robert

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## Day 1: 11.15 – 12.30

- United Nations Global Compact Nordic Network
  - **Dorte Gram Nybroe**, Focal Point, Global Compact Nordic Network
- UN Global Compact Supported Fashion Sector Initiative & Nordic Initiative Clean & Ethical (NICE)
  - **Jonas Eder-Hansen**, Development Director, Danish Fashion Institute
- Open questions & discussion by all participants facilitated by Robert
- Reflections from a Scandinavian Sustainability Leader: **Marianne Barner** of IKEA
  - Marianne Barner, IKEA Senior Sustainability Advisor
- Open questions & discussion facilitated by Robert

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## Day 1: 14.00 – 15.15

- Perspectives from Leading Global Sustainability Centers & Institutes
  - **Lewis Gilbert**, Managing Director & Chief Operating Officer, Institute on the Environment at University of Minnesota
  - **Mette Morsing**, Co-Academic Director, Sustainability Platform at Copenhagen Business School
  - **Erika Herz**, Associate Director, Sustainability Programs at University of Virginia Darden School of Business
- Reflections by Susanne & questions to Lewis, Mette & Erika
  - **Susanne Stormer**, Vice President Corporate Sustainability, Novo Nordisk. Adjunct Professor, Copenhagen Business School
- Open questions & discussion by all participants facilitated by Robert

30

## Day 1: 16.00 – 18.30

- Nordic perspectives on Sustainability & CSR
  - Professor **Atle Midttun**, BI Norwegian Business School
- Comparative governmental policies on Sustainability & CSR
  - Professor **Jeremy Moon**, Nottingham University Business School
- Panel questions & discussion facilitated by Andreas
  - **Susanne Stormer**, Vice President Corporate Sustainability, Novo Nordisk. Adjunct Professor, Copenhagen Business School
  - Professor **Dirk Matten**, York University Schulich School of Business
  - Professor **Andreas Rasche**, Copenhagen Business School
- Open questions & discussion facilitated by Andreas
  - Professor Andreas Rasche, Copenhagen Business School
- Day 1 concluding remarks by Robert
- 17.30-18.30 Social reception


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## Day 1: 20.30 @ Café & Restaurant Ofelia *Sankt Annæ Plads 36*



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## Day 2

- 9.20-10.20: A1, A2, A3 tracks
- 10.40-11.40: B1, B2, B3 tracks
- 12.00-13.00: C1, C2, C3 tracks
  - A1,B1,C1 in Råvarebygningen building, ground floor ([here](#))
  - A2,B2,C2 in Porcelæns haven 26 building, Room **PH407**
  - A3,B3,C3 in Porcelæns haven 26 building, Room **PH408**
    - (4<sup>th</sup> floor above where lunch was served)
- 14.30-16.00 Inaugural meeting PRME Regional Chapter Nordic 
- 16.20-17.20 Claus Meyer.... and questions
- 17.20-17.30 Concluding remarks
- 17.30-18.30 Reception catered by Meyer's Deli *with Nordic Cuisine*

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## Day 2

### Session chairs:

- Professor Kai Hockerts, Copenhagen Business School
- Professor R. Edward Freeman, University of Virginia Darden School of Business
- Associate Professor Jared Harris, University of Virginia Darden School of Business
- Professor Alfred Marcus, University of Minnesota
- Professor Dirk Matten, York University Schulich School of Business
- Professor Mette Morsing, Copenhagen Business School
- Professor Anne Ellerup Nielsen, Aarhus University, School of Business and Social Science
- Associate Professor Jeremy Prestholdt, University of California-San Diego
- Professor Andreas Rasche, Copenhagen Business School
- Tracks A1, B1, C1 held in Råvarebygningen building, ground floor
- Tracks A2, B2, C2 held in Porcelæns haven 26 building, Room PH407
- Tracks A3, B3, C3 held in Porcelæns haven 26 building, Room PH408

- **3 papers per track**
  - **20 minutes per paper**
  - **Guidance: 10 minute presentation, 10 minutes questions & discussion**

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## Day 2: 14.30 – 16.00

Inaugural **UN PRME Regional Chapter Nordic** Meeting 

- Introduction
- Tour around the Nordics- PRME at your institution:
  - Aarhus University, School of Business and Social Sciences (Denmark)
  - Copenhagen Business School (Denmark)
  - Aalto University, School of Business (Finland)
  - Hanken School of Economics (Finland)
  - Reykjavik University Business School (Iceland)
  - Lund University, School of Economics and Management (Sweden) (*Observer*)
- Potential work streams for consideration:
  - Sustainable Leadership Simulator
  - Toward a Nordic Sustainability Research Agenda?
- Discussion amongst all participants
  - What do we want the PRME Regional Chapter Nordic to be?
  - What are promising potential opportunities for actionable next steps?
- Reflections and promising potential opportunities and next steps

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## Day 2: 14.30 – 16.00

*Current PRME signatories based in the Nordic region:*



#	<u>Country</u>	<u>Institution</u>
1	Denmark	Aarhus University, School of Business and Social Sciences
2	Denmark	AVT Institute of Executive Education
3	Denmark	Copenhagen Business School
4	Finland	Aalto University, School of Business
5	Finland	HAAGA-HELIA University of Applied Sciences
6	Finland	Hanken School of Economics
7	Finland	School of Business and Services Management
8	Iceland	Bifrost University
9	Iceland	Reykjavik University Business School
10	Sweden	Lund University, School of Economics and Management
11	Sweden	The School of Business, Economics and Law at University of Gothenburg

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○ **Principle 1 | Purpose:** We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.



○ **Principle 2 | Values:** We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.



○ **Principle 3 | Method:** We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.



○ **Principle 4 | Research:** We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental and economic value.



○ **Principle 5 | Partnership:** We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.



○ **Principle 6 | Dialogue:** We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organisations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.



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CONFERENCE  
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COPENHAGEN BUSINESS SCHOOL (CBS)  
COPENHAGEN

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  - What are promising potential opportunities for actionable next steps?
- Reflections and promising potential opportunities and next steps

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# Toward a Nordic Sustainability Research Agenda?

- 'The Scandinavian Approach to CSR & Sustainability' special symposium in *Journal of Business Ethics* (forthcoming)
  - **Responsibility, Reputation and Stakeholder Support in Scandinavian Firms:** a Comparative Analysis by *D. Vidaver-Cohen & Peggy Simcic Brønn*
  - **Ye Olde CSR:** The Historic Roots of Corporate Social Responsibility in Norway by *Øyvind Ihlen & Heidi von Weltzien Høivik*
  - **Governmentalities of CSR:** Danish Government Policy as a Reflection of Political Difference by *Steen Vallentin*
  - **Scandinavian Stakeholder Thinking:** Seminal offerings by *the late Juha Näsi*
  - ... others still in review
- More special issues to come
- ***What else? And with whom? Collaboration within the Nordics... and with others throughout the world?***

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## Day 2: 16.20 – 17.20

- The New Nordic Cuisine Movement
  - **Claus Meyer**, Founder & co-owner of noma. Founding father of New Nordic Cuisine movement
- Response & questions
  - Professor **Mette Morsing**, Copenhagen Business School
  - Professor **R. Edward Freeman**, University of Virginia Darden School of Business
- Open questions & discussion facilitated by Mette
  - Professor Mette Morsing, Copenhagen Business School

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*None of this would have been possible without*

- Our wonderful volunteers.... *and especially*

• ***Ellen Eide***



***Tony Pringle***



***Thank you.***

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## Conference Presentations

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**R. Edward Freeman**

Professor

University of Virginia Darden School of Business

# Stakeholder Theory and Sustainability: A Scandinavian Interpretation

R. Edward Freeman  
The Darden School  
University of Virginia  
and

Adjunct Professor of Stakeholder Management  
Copenhagen Business School  
freemane@darden.virginia.edu

## Stakeholder Theory: Some Main Interpretations

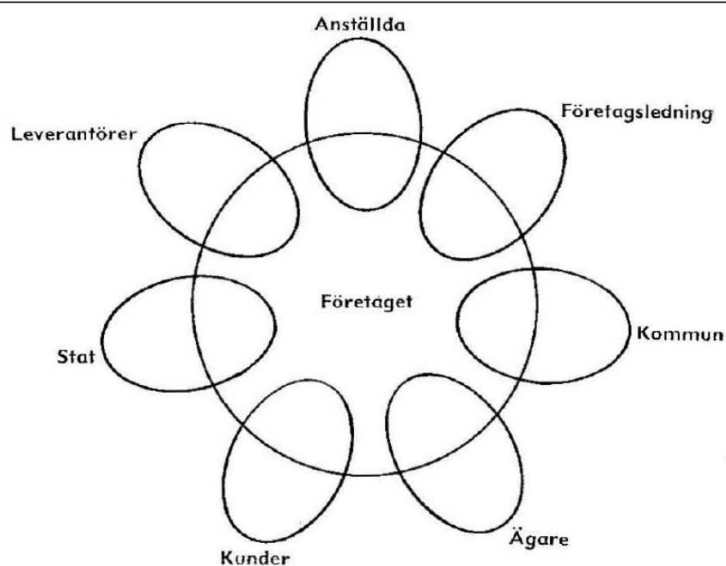
- The CSR View
  - The Ethics Interpretation
  - The Civil Society Interpretation
- The Communications View
- The Instrumental Theory View
- The Strategic Management View
- The Value Creation View

## Value Creation Stakeholder Theory: Scandinavian Influences

- “Stakeholder” as Unit of Analysis
- Interdependence Principle
- No Tradeoff Principle
- Conflict Rocks Principle
- Human Complexity Principle

## “Stakeholder” as the Unit of Analysis

- Business is about creating value for customers, suppliers, employees, communities (and society), and financiers (and maybe others)
- History of “stakeholder”
- The Role of Eric Rhenman



FIGUR 5 *Intressenterna i organisationen är de individer eller grupper som är beroende av företaget för att förverkliga sina egna personliga mål och av vilka företaget är beroende för sin existens.*

## Eric Rhenman (1964, 1968)

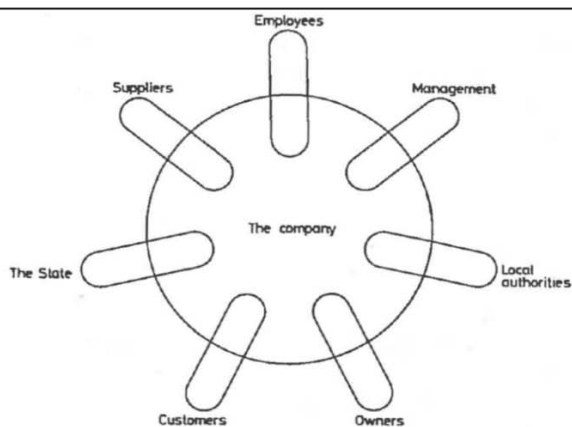


Figure 5. The stakeholders in an organization are the individuals or groups dependent on the company for the realization of their personal goals and on whom the company is dependent for its existence.

# Interdependence Principle

- Fundamentally, there is a jointness to stakeholder interests. Their interests are interconnected, and this interconnection is why companies exist.
- Coase's question: Rhenman's answer

## Rhenman's Answer

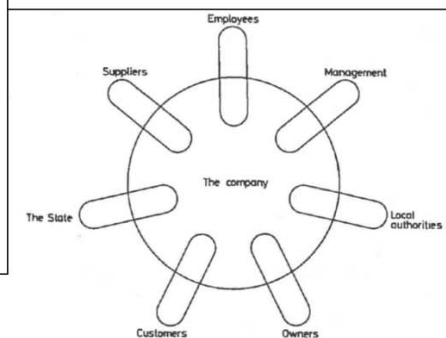
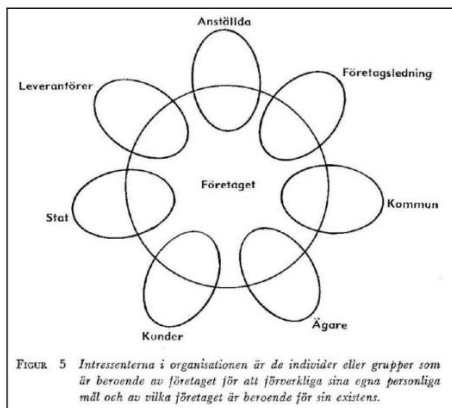
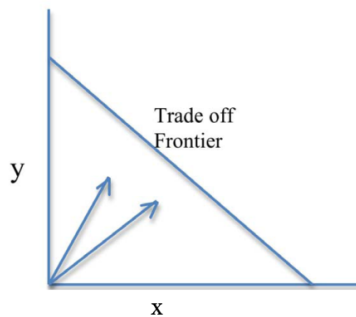


Figure 5. The stakeholders in an organization are the individuals or groups dependent on the company for the realization of their personal goals and on whom the company is dependent for its existence.

# The No-Trade-offs Principle

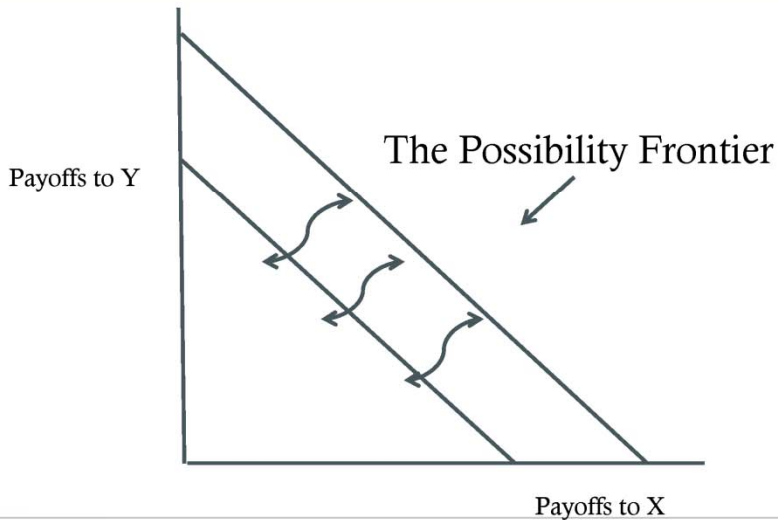
- The only job of the executive is to create as much value as possible without resorting to trade-offs.
- Bengt Stimne on “mutual adjustment”
- The Possibility Frontier
- The Idea of “Cooperative Advantage” (Strand)

# The Path to Tradeoffs





# The Path to Value Creation



## The “Conflict Rocks” Principle

- Sources of conflict are opportunities for value creation.
- Sources of conflict include:
  - Conflicts between stakeholders
  - Conflicts within heterogeneous stakeholders
  - Time
  - Critics
  - Values
- The Role of Imagination

# The Human Complexity Principle

- Human Beings are complex creatures. We have evolved by virtue of our ability to cooperate together to create value for each other.
- The Role of Language
- The Integration of our institutions
  - Business and Civil Society

## The Idea of Moral Sustainability: A Pragmatist View

- A Business is morally sustainable if and only if it:
  - Has a purpose greater than profits
  - Continuously creates value for all stakeholders
  - Engages the imagination of its people and its stakeholders
  - Engages with the other institutions in society to create a better world for our children
- The Pragmatist Project
  - Re-describing ourselves and our communities to live better, with more freedom and responsibility.
  - See “living authentically” as a central project of life.

# So What?



# So What?

- Come to see Business as value creation and trade---an institution that promotes social cooperation, and moral sustainability.
- Encourage business leaders to be responsible. for the consequences of their actions on stakeholders.
- Teach the possibility of capitalism: Scandinavian View of Stakeholder Theory
- Encourage Entrepreneurship

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# Your Questions?



## Conference Presentations

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**Dorte Gram Nybroe**  
Focal Point  
Global Compact Nordic Network

# Global Compact Nordic Network

Focal Point: Dorte Gram Nybroe

[dgny@di.dk](mailto:dgny@di.dk)



Global Compact Network  
Nordic Countries

## Global Compact: Two complimentary Objectives

Make the ten principles  
part of business strategy,  
operations and culture  
everywhere.

Internalization

Facilitate partnerships in  
support of broader UN  
goals.

Contribution  
to  
Development



Global Compact Network  
Nordic Countries

# The 10 Global Compact Principles

## Human Rights

- **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- **Principle 2:** make sure that they are not complicit in human rights abuses.

## Labour Standards

- **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- **Principle 4:** the elimination of all forms of forced and compulsory labour;
- **Principle 5:** the effective abolition of child labour; and
- **Principle 6:** the elimination of discrimination in respect of employment and occupation.

## Environment

- **Principle 7:** Businesses should support a precautionary approach to environmental challenges;
- **Principle 8:** undertake initiatives to promote greater environmental responsibility; and
- **Principle 9:** encourage the development and diffusion of environmentally friendly technologies

## Anti-Corruption

- **Principle 10:** Businesses should work against all forms of corruption, including extortion and bribery.

## Global Compact Nordic Network [www.gcnordic.net](http://www.gcnordic.net)

### The purpose of the Network is to:

- Provide a learning forum for Nordic signatories of the UN Global Compact
- Promote the UN Global Compact
- Showcase good practice
- Inspire and assist other companies in implementing the ten principles



Global Compact Network  
Nordic Countries

## Main Activities of the network

Participate in learning and dialogue at bi-annual events

Receive support with the COP Process

Learn from peers through best practice and mentorships

Development Chapter activities

National outreach activities



Global Compact Network  
Nordic Countries

## Thank you for your attention

**Thank you for your attention**

**Dorte Gram Nybroe**

**[dgny@di.dk](mailto:dgny@di.dk)**

**+45 33773769 (direct)**

**+45 29685962 (mobile)**





## Conference Presentations

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### **Lewis Gilbert**

Managing Director & Chief Operating Officer  
Institute on the Environment at University of Minnesota

# University of Minnesota Institute on the Environment (IonE)



## Conference Presentations

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**Mette Morsing**

Co-Academic Director

Sustainability Platform at Copenhagen Business School

# Towards Sustainability in the Context of Copenhagen Business School ...

Sustainability in a Nordic Context Conference  
10-11 June 2013

Professor Mette Morsing  
Academic Director, CBS Sustainability Platform  
Copenhagen Business School  
mm.ikl@cbs.dk



## Sustainability at Copenhagen Business School

1. Sustainability at a business school?
2. How do we approach sustainability at CBS?
3. Why is progress so slow?



## What is wrong with business schools?

"Bad management theories are destroying good management practices"  
(Ghoshal, 2005)

Business schools have been reduced to a "kind of physics" ...

"The ideas of economist and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is run by little else. Practical men, who believe themselves to be quite exempt from any intellectual influence are usually the slaves of some defunct economist."

"It is ideas, not vested interests, which are dangerous for good or evil"

(Keynes, in Ghoshal, 2005)

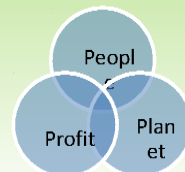
## Sustainable Development



Brundtland Commission Report 1987

**Brundtland Commission.** development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts:

- the concept of 'needs', in particular the essential needs of **the world's poor**, to which overriding priority should be given; and
- the idea of limitations imposed by the state of technology and social organization on the **environment's ability** to meet present and future needs.



## A Context for Sustainability: Copenhagen Business School

- Student population: 20.000 (app. 2.700 new BA students annually)
- Foreign students: 3,400
- Full-time academic staff: 594
- Visiting professors.: 85
- PhD students: 202
- Part-time academic staff: 797
- Administrative staff: 628
- Departments: 15
- Degree programs: 22 (BS and Ms.C)

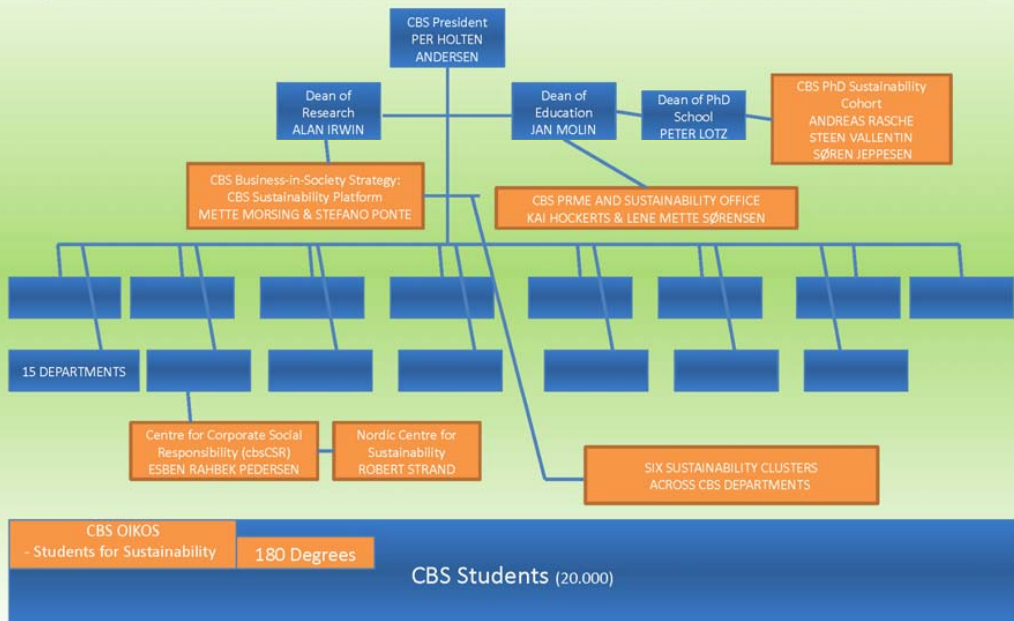


### Some Key Moments in Sustainability at CBS

- (1989) Professors Peter Pruzan and Ole Thyssen introduce ethics at CBS and develop the “Ethical Accounting Statement” – with Professor Ed Freeman.
- (2002) Centre for Corporate Social Responsibility, cbsCSR, is a research centre with around 20 scholars researching in CSR and sustainability. Strong student engagement.
- (2003) “WELL” CBS student organization on CSR
- (2006) Centre for Business and Development Studies (CBDS)
- (2006) “DEVELOP” CBS student organization on CSR in emerging economies
- (2009) UN PRME. CBS becomes signatory and establish CBS UN PRME Office in 2010
- (2010) CBS Green Office focus on operations and procurement at CBS
- (2011) CBS Sustainability Platform. CBS Business-in-Society Strategy: exploring and facilitating interdisciplinary, context-driven and problem-focused research.
- (2012) CBS Sustainability PhD Cohort - 12 PhD students
- (2013) CBS Sustainability Office (merging UN PRME and Green Office)



## Organizing Sustainability at CBS: From Bottom-Up Process to Strategic Initiative



## Engaging Faculty



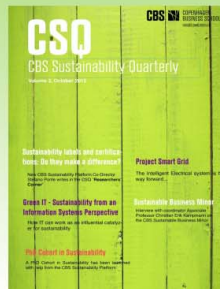
### CBS SUSTAINABILITY PLATFORM: SIX SUSTAINABILITY CLUSTERS ACROSS CBS

1. Green Innovation and New Business Models  
Professors Jens Frøsløv Christensen and Christian Erik Kampmann
2. Sustainable Transitions in Developing and Emerging Economies  
Professors Søren Jeppesen and Stine Haakonsson
3. Governing Sustainability  
Professors Andreas Rasche and Jette Steen Knudsen
4. Communicative Dimensions of Sustainability  
Professors Anker Brink Lund, Julie Uldam and Anne Vestergaard
5. Corporate Governance and Leadership for Sustainability Strategy  
Professor Bersant Hobdari
6. Sustainability in the Post-Growth Economy  
Professors Ole Bjerg and Bent Meier-Sørensen



## Engaging Faculty

- President, Dean and Chair approval + Chair of CBS Board!
- Head of Department talks
- UN PRME signatory, rankings and accreditations
- Communication and reporting
- International Conferences
- External funding
- Informing at study board meetings
- Engaging via students (fx. inviting to Green Week)
- Being Denmark's first Fair Trade University
- Appointing Sustainability Ambassadors
- ...



## Engaging Students ...

### 17 study programs – students and faculty on study boards + intro courses

- CBS UN PRME – “CBS PRME and Sustainability Office”
- “RESPONSIBILITY DAY” every September 1, all new BA students invited (app. 2,700)
- Introductions and short lectures to all study boards and at all student intro courses, where possible: BA, Ms.C., Master Executive, and PhD.
- Engaging with CBS OIKOS – CBS Students for Sustainability (600 student followers)
- CBS Green Office
- CBS “180 ° Consulting”: Students for social impact
- Student Prizes and Awards
- BA and M.Sc. Core Courses
- BA and M.Sc. Electives
- Minors: Sustainability, Business and Development Studies, BioEntrepreneurship
- PhD Cohorte in Sustainability
- Master Executive core course in CSR/Sustainability





# Engaging Alumni and Corporations

## **“CBS Sustainability Alumni Network”**

More than 500 practitioners, former CBS students, have signed up to create an alumni network, connecting current and future professionals working with sustainability from private, research, public and NGO communities.

## **“CBS Knowledge Group on CSR”**

A group of senior executives and academics discuss the societal and business impact of various sustainability issues. Guided by CBS professor Steen Vallentin, the roundtables takes place 3-4 times per year at CBS. Corporate members are for example AP Møller Maersk, Novo Nordisk, Novozymes, Danske Bank, Arla Foods, TrygVesta, ATP and ECCO.

## **CBS Adjunct Professors**

- Professor Ed Freeman, Darden School of Management
- Mads Øvlisen, UN Global Compact Senior Advisor
- Annette Stubbe, Head of Group Sustainability, AP Møller Maersk
- Susanne Stormer, Vice President Sustainability, Novo Nordisk



# Engaging broader Community

- **Danish Ethical Trading Initiative**

Founded in February 2008, DIEH is the first Danish multi-stakeholder initiative bringing together trade unions, business associations, NGOs and companies to promote ethical trade and responsible supply-chain management among Danish companies. The start-up phase in 2008-09 was actively supported by CBS and, until January 2010, the DIEH secretariat was hosted by cbsCSR and engaging students in projects.

- **Government’s National Council on Social Responsibility (Rådet for Samfundsansvar)**

- **CBS Volunteer Programme**

CBS is supporting students’ growing interest for volunteer work. Convinced that community benefit programs, clubs and/or competitions and encourage students to use their business skills and competencies, CBS wants to find a way to increase the incentive to volunteer by allowing credits for certain extracurricular activities. Students can expand their own skills and learn to think beyond traditional business organizations, ultimately strengthening their ties to CBS and the community and helping to develop the CBS brand.

- Exploring collaboration on sustainability across **Copenhagen Business School, Copenhagen University and Technical University of Denmark**



## CBS partners on CSR and sustainability projects



We are still working on it ...

- According to Beyond Grey Pinstripes ranking 2011 (Aspen), CBS has:
  - 43rd place in the world on sustainability teaching (jumping up 20 positions since 2009)
  - New sustainability core course + new elective being developed for MBA programme
  - 9th in sustainability research publications in the world (btw Berkeley and Columbia)
  - 2nd in sustainability research publications in Europe
- Measuring activities and progress, reporting
- There are 600+ Green Ambassadors at CBS
- We have 300 + international research publications from CBS faculty
- There are 30 core members and 600 followers of CBS OIKOS -CBS Students for Sustainability
- Increasing number of sustainability events:
  - CNN Sustainability Debate (640 students participated)
  - Responsibility Day/ PRME (1,200 BA students attended)
  - CBS Green Week (each year)
  - Green Office Thursday events
  - 360° Student Film Academy + Academy
- International Conferences such as:
  - \* Partnership towards Sustainable Society , 2012
  - \* Sustainable Fashion Conference, 2013
  - \* Bio-Fuel Conference, 2013
  - \* Sustainability in a Nordic Context, 2013
- Research projects such as:
  - \* Governance and transparency
  - \* Political CSR
  - \* MISTRA: Sustainability in Fashion
  - \* Nudging and Sustainability
  - \* ...



# Measuring Activity and Progress ...

- How to translate sustainability achievements into measures with the purpose of evaluating progress?

## RESEARCH

- Number of research articles published on CSR and Sustainability
- Amount of external research funds to explore CSR and Sustainability research
- Number of faculty engaging in seminars and workshops

## EDUCATION

- Number of students' participation in sustainability electives
- Number of programmes with a sustainability core course
- Number of research centres focusing on sustainability related issues
- Number of research projects focusing on sustainability
- Number of students in annual CBS Responsibility
- Number of research master thesis focusing on sustainability

## OUTREACH

- Number of formal corporate partnerships on sustainability  
(i.e industrial PhDs, internships, etc.)
- Number of alumni in CBS Sustainability Alumni Group
- CBS position in rankings: e.g. Beyond Grey Pinstripe ranking / ASPEN



## WHY IS PROGRESS SO SLOW?:

### Mobilizing FACULTY !

- \* Beyond classic business school theories
- \* Beyond technology fix: sustainability in a managerial context
- \* Understanding business school professors as culture carriers
- \* Attract external funding across disciplines

### Engaging STUDENTS

- \* Managing expectations
- \* Building skills for critical analysis
- \* Developing extra-curricular events (competition, internships, etc.)
- \* Beyond exotic electives: Systematic integration of CSR into the core curriculum across disciplines

### Involving PRACTITIONERS

- \* Into practice: CBS Sustainability Alumni Network
- \* Into training: Beyond CSR/sustainability core course at MBA Executive
- \* Don't forget ethics ...



Thank you

Mette Morsing  
mm.ikl@cbs.dk



## Conference Presentations

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**Erika Herz**

Associate Director

Sustainability Programs at University of Virginia Darden School of Business



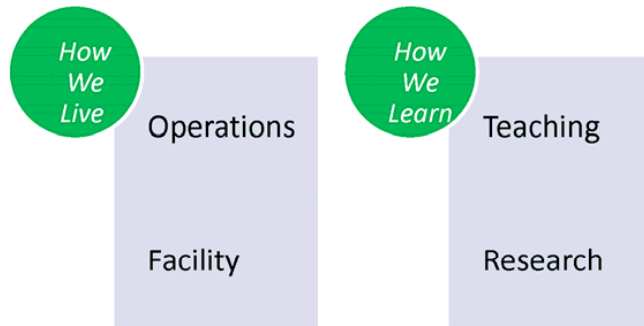


## On a mission

The Darden School improves the world by developing and inspiring responsible leaders and by advancing knowledge.

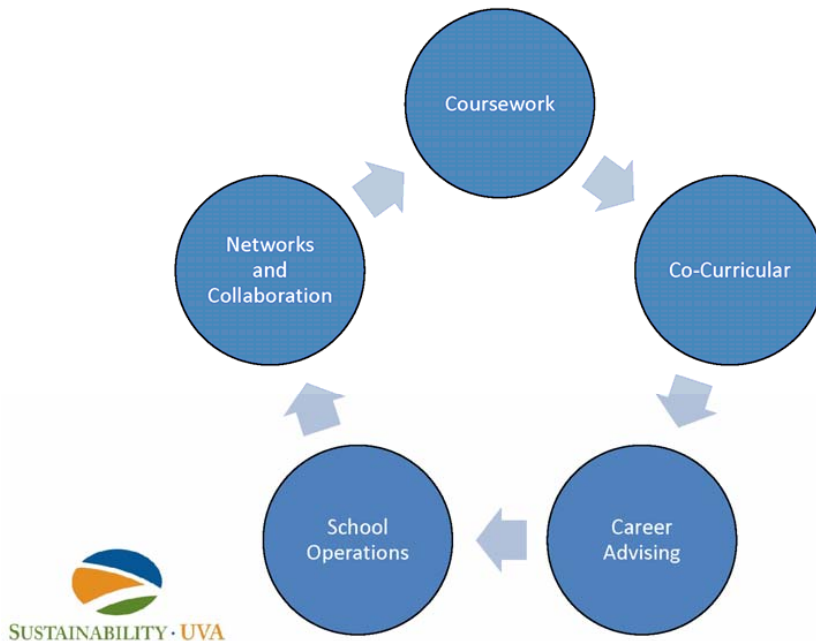


# Sustainability Strategy



“We teach best about Sustainability when we are grappling ourselves with the challenges of implementing Sustainability.”

## Efforts on All Fronts



# Sustainability Courses

17 courses totally or partially focused on sustainability, including 3 Global Business Experiences (GBEs)



Andrea Larson  
*Sustainability, Innovation & Entrepreneurship*



Richard Brownlee & Mark White  
*Business & Sustainability*



Bob Landel  
*Systems Design & Business Dynamics*



Ed Freeman  
*Creative Capitalism*



Greg Fairchild  
*Entrepreneur as Change Agent*

## INNOVATION FOR Sustainability Concentration

- Grounded in Sustainability Learning Objectives
- Students choose from electives
- Includes courses in other schools at UVA
- Requires an experiential Capstone course



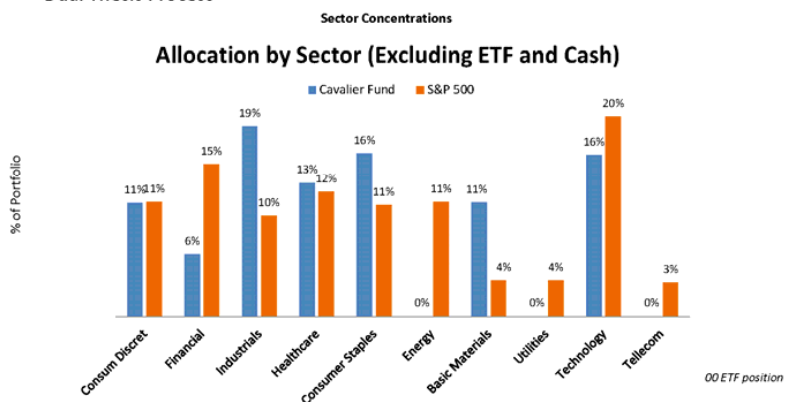
# Sustainability Learning Objectives

Enable students to design and understand fundamentals of executing sustainability strategies. This requires that they be exposed to the decision making approaches and tools presently available, including systems analysis, industrial ecology, cradle to cradle design, The Natural Step framework, green supply chain management, reverse logistics, green chemistry, green engineering principles and eco-efficiency tactics, and sustainable innovation strategies.

## Darden Endowment Sustainability Investing: Student Rotunda Fund

- Portfolio Profile
  - Market cap must exceed \$500MM
  - Value and GARP
  - Sustainability (ESG) and Fundamental Focus
  - Dual Thesis Process

Characteristics	Rotunda Fund	S&P 500
Wtd. Avg. Beta	0.96	1.00
Number of Holdings*	22	500
% Cash	0.2%	NA



8

# Sustainability Co-Curricular Activities

- Net Impact at Darden
- Walmart Better Living Business Plan Competition
- Aspen Institute Business & Society Case Competition
- Business in Society Conference (Student-Led)



## MBA Careers in Sustainability



Concept adapted from *Profession and Purpose: A Resource Guide for MBA Careers in Sustainability*, by Katie Kross

Will Teichman ('10)  
Director of Sustainability  
Kimco Realty

Kate Heiny ('07)  
Senior Sustainability, Target

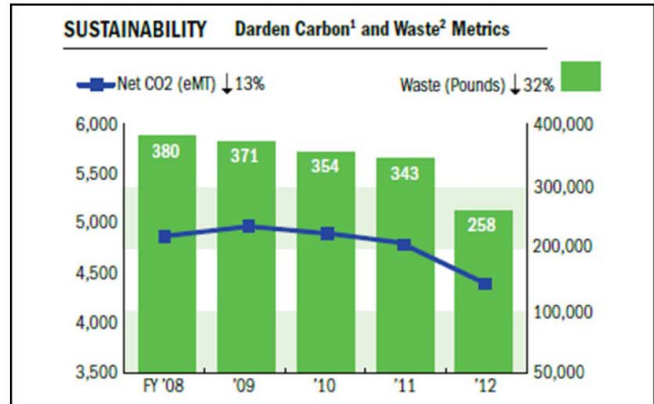
Coleman Bigelow ('05)  
Global Sustainability Mktg Director  
Johnson & Johnson

# School Operations: Zero Waste, Carbon Neutral by 2020



“Darden will be a zero waste, carbon neutral enterprise by 2020.”

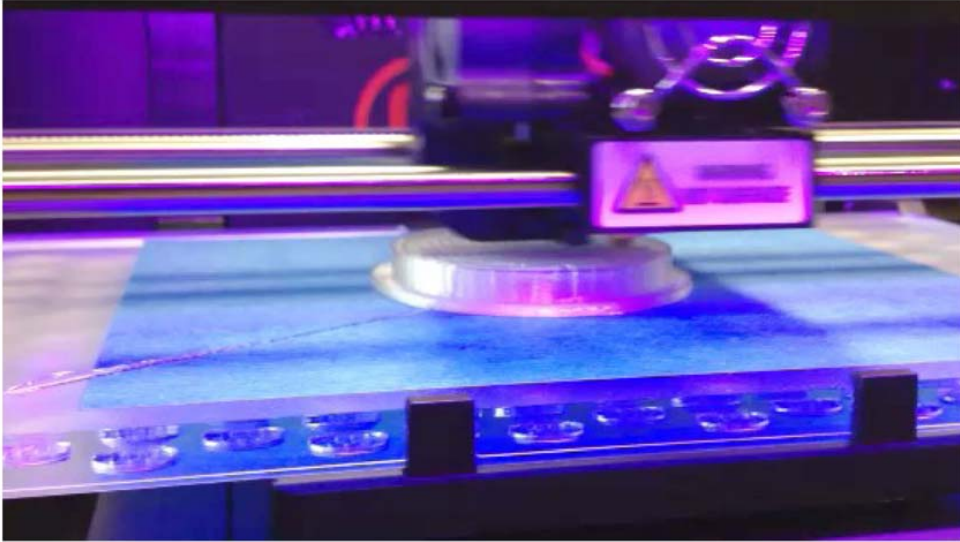
-Dean Bob Bruner  
April, 2008



## Students helping achieve zero waste: First Coffee



## Students Prototyping for Zero Waste



## What networks do we need?



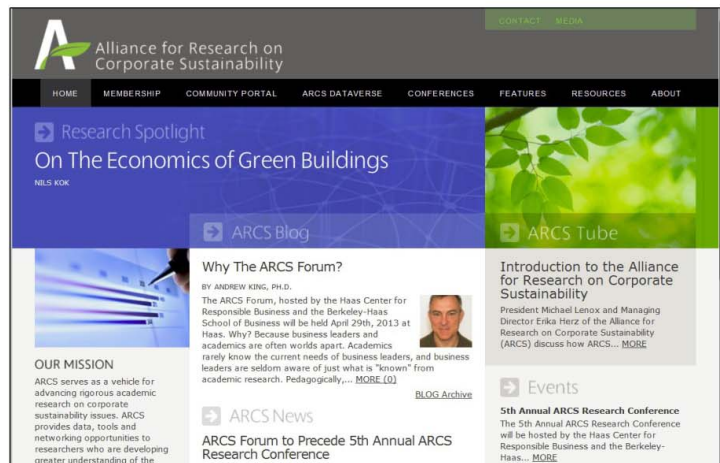
“Sustainability is a team sport.”

-Roger McFadden, Staples, 2/13/13

# Institute for Business in Society (IBiS)



## ARCS: Global Network of Sustainability Facult



-15 universities, network of corporate sustainability researchers from business, public policy, law, sociology and more.

-Annual Research Conference and ARCS Forum connecting researchers & business leaders.



# Collaboration

## Sustainability, Innovation and Design in Scandinavia



# Engagement

## DARDEN PODCASTS



**NEW! Friday, August 31, 2012**  
**GREENPOD 21 WITH ANNE KILGORE, DIRECTOR OF GLOBAL SUSTAINABILITY, EASTMAN CHEMICAL**

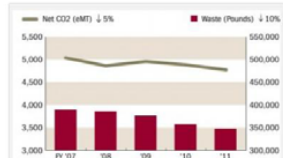
Anne Kilgore, Director of Global Sustainability, offers her view on how Eastman incorporates sustainability as a key strategic driver of innovation, business growth and competitive advantage, including the goal to derive two-thirds of new product revenue from sustainability-focused product launches. She shares how Eastman took its sustainability strategy first steps, and the focus on finding the intersection between the company's strengths and society's greatest needs.

## BLOG

### Seeing Progress, Building Capacity

Aug 13th, 2012 by Erika Herz

During Earth Week 2008, Darden's Dean Bob Bruner announced the School's ambitious goal to be zero waste, carbon neutral by 2020. This summer, the American Society for Quality featured our progress to date on page 5 of their annual publication, *Pathways to Social Responsibility: Successful Practices for Sustaining the Future 2012*. A few small but hard-won and satisfying accomplishments to share:



## TWITTER



# Thank You!

[herze@arden.virginia.edu](mailto:herze@arden.virginia.edu)



## Conference Presentations

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**Atle Midttun**  
Professor  
BI Norwegian Business School



# CSR: A NORDIC PERSPECTIVE

Sustainability in a Scandinavian Context,  
Copenhagen June 10. 2013

Professor Atle Middtun

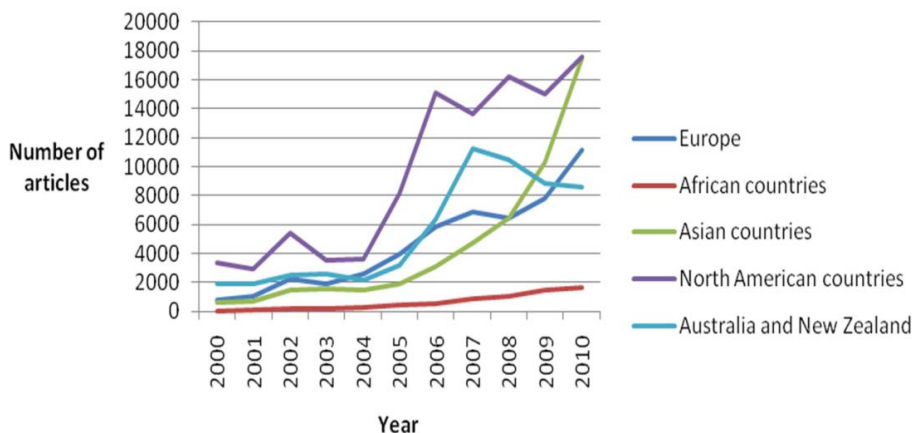
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## CSR in international media



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# CSR Extensions in Important Business School Disciplines

- **Strategy:**
  - Stakeholder theory; shared value perspectives
- **Finance:**
  - SRI, ESG
- **Marketing:**
  - Cause related marketing
- **Logistics:**
  - Life cycle analysis
  - Supply chain mgt.
- **HR and Org. Theory**
  - Work relations
  - Worker motivation
- **Governance:**
- **Innovation**
  - Social and env. Oriented entrepreneurship, green growth
- **Accounting and Reporting**
  - Triple bottom line
- **Business law**
  - Anti-corruption
  - Human rights
- **Business ethics**
  - Company values
  - Attitudes
  - Ethical Dilemma Training
- **CSR and Political Governance**
  - Interplay with the welfare state
  - New tools for collective action



## Three Perspectives on CSR

- The «business case»
- «greenwashing»
- Critical CSR



# A Cultural Transformation Perspective



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# CSR in a Cultural Transformation Perspective



**Civilised Capitalism**

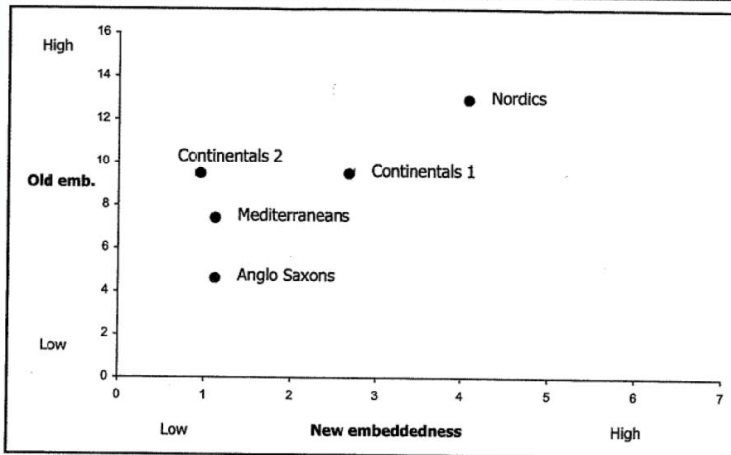


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# CSR and the Welfare State I

Figure 4 Scores on "old" and "new" embeddedness

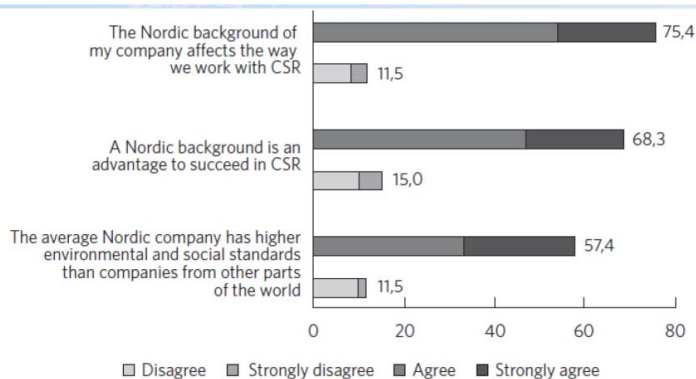


BI BUSINESS SCHOOL

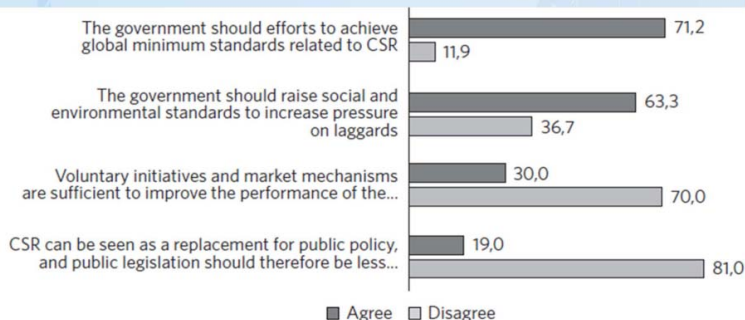
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## Survey of Leading Nordic Companies

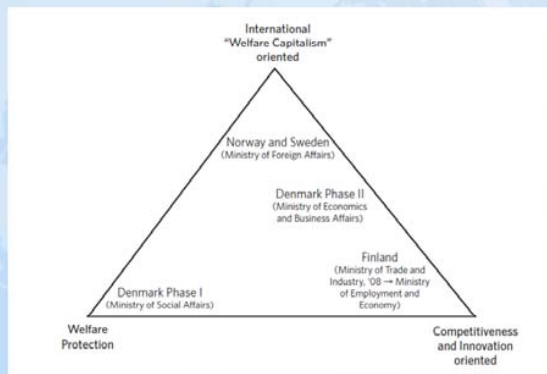


# Aligning CSR with the Nordic Welfare States II

- Goal Compatibility.
  - Both CSR and the Welfare State focus on social and environmental responsibility
- But Conflict of Means
  - Voluntary versus mandatory measures
  - Industry-led versus negotiated or regulated
- How can these contradictions be resolved?



# Aligning CSR with the Nordic Welfare States





# Civilising Capitalism

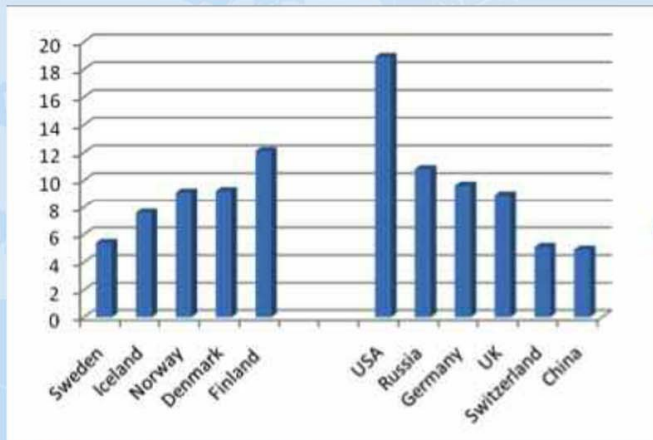
## Where Do We Go From Here?



## A CSR Agenda Towards Civilised Capitalism

- Extended social and environmental accounting, in line with financial.
  - Internalisation of externalities
  - SRI/ESG investment
- Public Procurement Power for Social and Environmental Upgrading «with teeth»
  - Reinforcing supply chain mgt.
- Conquest of Tax Paradises
  - Transparency-movement spilling over into public policy
- Focus on distribution
  - Increased focus on distributive justice
- Extended civic participation (Montesquieu for the 21st cent.)

# The Climate Challenge



# Distributive justice



# Baumols Three Types

- ~~Criminal entrepreneurship~~

- ~~Unproductive entrepreneurship~~

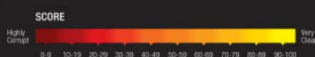
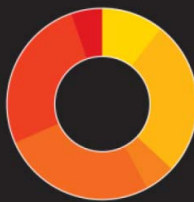
- Productive entrepreneurship
- +CSR is true

BI NORWEGIAN BUSINESS SCHOOL



## CORRUPTION PERCEPTIONS INDEX 2012: G20

The perceived levels of public sector corruption in the Group of Twenty countries.



## CORRUPTION PERCEPTIONS INDEX 2012

The perceived levels of public sector corruption in 176 countries/territories around the world.



Is the State any better?

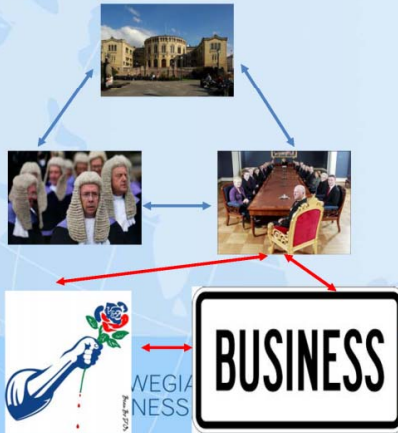


TRANSPARENCY INTERNATIONAL  
the global coalition against corruption



## Montesquieu 18. century + triparism

Power sharting between  
The branches of the state



## Montesquieu 21. Century

Power sharing between  
Societal partners



## Nordic Best Practice

- Initiative to improve environmental and social reporting for core Nordic sectors
- Initiative to develop procurement and supply chain management policies with «teeth»
- Collaborative effort between
  - Corporate CSR leaders;
  - Business Schools;
  - Government Agencies
  - NGOs
  - Advanced consultants

# References

- Atle Midttun (ed): CSR and Beyond – A Nordic Perspective.
  - Available at:  
<https://www.cappelendammundervisning.no/undervisning/search-result.action?query=midttun>
  - Or at Amazon in a couple of weeks.
- Atle Midttun & Nina Witoszek (eds): The Nordic Model: Is it Sustainable and Exportable.
  - Available at:
  - [http://www.ceres21.org/media/UserMedia/Nordic%20model\\_original%2020110309.pdf](http://www.ceres21.org/media/UserMedia/Nordic%20model_original%2020110309.pdf)



## Conference Presentations

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**Jeremy Moon**

Professor

Nottingham University Business School



# Comparative Governmental Policies on Sustainability and CSR

Jeremy Moon

Sustainability in a Scandinavian Context  
Conference  
CBS 10 -11 June



## Introduction

- To present recent findings on CSR and Government in Europe (WP 1 FP & EU Research Project; paper under review: Knudsen, Moon & Slager)
- Reflect on comparative significance of the findings for Scandinavia

## Background

- Comparative political economy approaches to European CSR (Midttun 2005; Matten & Moon 2008)
- Scandinavian CSR interpreted as reflecting strongly embedded systems of responsibility among key societal actors
- Expect individual companies to yield less 'explicit' CSR; more likely to be 'implicit' responsibilities in 'welfare state model'

## Background

- Midttun et al (2006); Gjørlberg (2009) suggests that whilst M&M's 'implicit' model may hold for Rhenish Europe, it did not hold for Scandinavia
- High score for Scandinavian countries on 'CSR practices'; 'most demanding (international) CSR initiatives'; 'least demanding (international) CSR initiatives' and 'revised performance-based index' (Gjørlberg 2009)



## Background

- Scand finding explained by :
  1. greater awareness of / capacity for stakeholder relations
  2. competency for addressing high social and environmental standards due to regulatory experience
- Other high scorers (Switz, UK, Neths) explained by 'neo-liberal' (M et al 2006) 'globalised economies/ TNCs exposure to critique (G 2008)



## Abstract Summary

Article title	Presenting Author	Affiliation	Country
101 - Ikea's approach to sustainable consumption	Sophie Esmann Andersen	Aarhus University	Denmark
102 - Stakeholder management vs. political CSR	Siri Granum Carson	Norwegian University of Science & Technology (NTNU)	Norway
103 - Cross-Disciplinary Sustainability	B. Marcus Cederström	University of Wisconsin	USA
104 - Iceland and Greenland	Anne Mette Christiansen & Ke	Deloitte & CSR Iceland/Festa	Denmark
105 - The Nordic Region as Global Leaders in Sustainable Fashion	Jonas Eder-Hansen	Danish Fashion Institute	Denmark
106 - Sustainable Resilient Robust and Resplendent Enterprises	Rick Edgeman	Aarhus University	Denmark
107 - CSR and Systemic Innovation for Sustainability	Annik Magerholm Fet	Norwegian University of Science & Technology (NTNU)	Norway
108 - An Integrative Organizational Framework	Mark P. Finstera	University of Wisconsin	USA
109 - Scandinavian-US consumer differences in sustainability attitude-behavior incongruity	Marcia H. Flicker	Fordham University	USA
110 - Sustainability - Perception vs. Reality	Tina Graven Østergaard	Reputation Institute	Denmark
111 - Corporate Sustainability Strategies	Sylvia Grewatsch	Aarhus University	Denmark
112 - Reclaiming Sustainability	Jared Harris	University of Virginia Darden School of Business	USA
113 - Boards and Top Management Teams	Bersant Hobdari	Copenhagen Business School	Denmark
114 - Intersection Diversity vis a vis Sustainability	Lotte Holck	Copenhagen Business School	Denmark
115 - Scandinavian Sustainability Stakeholder Model	Stevan R. Holmberg	American University	USA
116 - Operationalizing CSR through Project Conception	Constance Kampf	Aarhus University	Denmark
117 - How Current Assessments of Sustainability Performance by Best Practice	Thomas Kjærgaard	Aarhus University	Denmark
118 - Shareholder Rights	Alfred Marcus	University of Minnesota	USA
119 - The value of the Shared Value concept a critical examination	Dirk Matten	Schulich School of Business, York University	Canada
120 - Building resilient and sustainable global agricultural systems	Nathaniel D. Mueller	University of Minnesota	USA
121 - An Examination of U.S. Firms' Renewable Energy Utilization	Helenka H. Nolan	University of Alabama	USA
122 - How sustainable is Iceland	Snjólfur Ólafsson	University of Iceland	Iceland
123 - At the crossroads of institutional logics and nested identities	Janni Thusgaard Pedersen	Copenhagen Business School	Denmark
124 - From the Old to the New Institutional Determinants of Implicit to Explicit CSRS	Cary A. Caro	Xavier University of Louisiana	USA
125 - Selling an Ethos	Jeremy Prestholdt	University of California - San Diego	USA
126 - How Sustainable is the New Nordic Cuisine Movement	Heather Thomas	YouthNet	UK
127 - Contextual Factors	Marina Vashchenko	Aarhus University	Denmark



## **101 - Ikea's approach to sustainable consumption**

**Sophie Esmann Andersen**

Associate Professor, Ph.D.

Faculty of Business & Social Sciences, Aarhus University

[sea@asb.dk](mailto:sea@asb.dk)

**Anne Ellerup Nielsen**

Professor, Ph.D.

Faculty of Business & Social Sciences, Aarhus University

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## Ikea's approach to sustainable consumption

CSR have been among the most popular issues within social sciences, management and organisational research and practice during the past decade (*Crane et al. 2008*). Not only are companies under pressure from their stakeholders to engage in sustainable thinking and CSR (Maignan & Ferrell 2005). Engaging in sustainability and CSR is also increasingly regarded as a driver for business performance and as a path to value creation (Porter & Kramer 2011). However, in order to be recognized as authentic and legitimate, sustainable practices must follow certain norms, rules and conventions, including being aligned to corporate strategy (Porter & Kramer 2006) and complying with the expectations and claims of society (Dimaggio & Powel 1983). As one of the Scandinavian frontrunners in sustainability, IKEA has transformed its business model into a sustainable brand strategy. Urging affordability and sustainability at home, IKEA will spend 2 bill. USD on energy efficiency, supply chain lean management and improved design by 2015 <sup>1</sup>. Based on IKEA's approach to sustainability, the purpose of the paper is to discuss the challenges of predominant CSR business models with regard to corporate sustainability in order to provide insights into how to overcome the challenges and dilemma of achieving strategic business goals while practising moral ethics (Carrol & Shabana 2010). On the one hand, IKEA explicitly documents its willingness to act as a good corporate citizen by taking numerous sustainability initiatives. On the other hand, the invitation to excessive consumption is paradoxically embedded in its strategy. Framed within institutional theory and models of CSR, the paper analyses how IKEA's sustainable brand strategy establishes the 'licence to operate' of the company upon an economic and consumption legitimacy, creating a 'licence to (over)consume', and thereby transferring the corporate dilemma onto consumer practices. Consequently, IKEA fails to take into account and actively engage in the dominating trend in consumer culture to practise sustainable living, and it may seem legitimate to question whether CSR is sustainable – or whether it is merely a way of legitimizing non-sustainable consumption based on the production of unnecessary products and services (Flemeing & Jones 2013).

A brief introduction to institutional theory and CSR models is presented as the theoretical framework, followed by a qualitative content and discourse analysis of IKEA's CSR strategy on the basis of IKEA's annual sustainability report 2010 (IKEA 2011), placing an analytical focus on sustainable initiatives addressing and involving customers as stakeholders. The analysis is organized in two steps: the first step draws on the theoretical framework and illustrates the IKEA way of practising sustainability. On this basis, it is analysed how IKEA's sustainability practice is framed by an economic discourse of profit maximization and growth, transforming the 'licence to operate' into a 'licence to (over)consume', which consequently undermines the company's own sustainable visions. The second step takes its point of departure in this dilemma between excessive consumerism and sustainability, which is used as a starting point for re-analysing IKEA's sustainability report 2010. On the basis of this two-step analysis, we argue that there is a need to

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<sup>1</sup> "Ikea's goal: Both affordability and sustainability at home" <http://www.triplepundit.com/2013/01/ikeas-goal-affordability-sustainability-home/> (assessed March 2nd 2013)

establish new sustainable practices and processes that include and genuinely address new presumptive and co-creative practices in order to maintain the strategic value-creating status of CSR and sustainability. As also argued by Porter & Kramer (2011), strategic value can no longer be conceptualised as mere organisational value. Rather values from a sustainability perspective are a process of co-creation of shared value.

It is concluded that rather than framing sustainable living through co-creating and empowering prosuming, IKEA reproduces a traditional capitalistic discourse, in which efficiency and instrumental measures seem to overshadow the apparent ethical urge to do good. Expressions such as the 'balanced scorecard', 'resource', 'investment' and the use of discourses of sustainability and sustainable living in terms of 'more for less' and 'buy more, give more' support the claim that IKEA is a company that might produce sustainable values but has not yet blossomed into a genuine profinder of sustainable living. In order to reach this sustainability stage, corporations have to rethink their business strategies and practices – including CSR.

### References

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DiMaggio, P.J. & Powell, W.W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American Sociological Review*, 48: 147-160.

Fleming, P. & Jones, M. T. 2013. *The End of Corporate Social Responsibility – Crisis & Critique*. London: Sage.

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Maignan, I., Ferrell, O.C. & Ferrell, L. 2005. A Stakeholder Model for Implementing Social Responsibility in Marketing. *European Journal of Marketing*, 39(9/10): 956-977.

Paine, L.S. 2003. *Value Shift - Why Companies Must Merge Social and Financial Imperatives to Achieve Superior Performance*. McGraw Hill Professional.

Porter, M.E. & Kramer, M.R. 2006. Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility. *Harvard Business Review*, 84(12): 78-92.

Porter, M. & Kramer, M. 2011. Creating Shared Value. *Harvard Business Review*, 89 (1/2): 62-77.

## **102 - Stakeholder management vs. political CSR – corporate legitimacy and the governance of natural resources**

**Siri Granum Carson**

NTNU Norwegian University of Science and Technology

[siri.granum.carson@ntnu.no](mailto:siri.granum.carson@ntnu.no)

## Stakeholder management vs. political CSR – corporate legitimacy and the governance of natural resources

Stakeholder management conceptualizes the social responsibility of business in terms of securing that due consideration is given to everyone who has a stake in the business.<sup>2</sup> According to Palazzo and Scherer, the globalization of the economy calls for new thinking on governance and democracy, suggesting a re-evaluation of the political role of corporations. In their opinion, the theory of stakeholder management is too limited:

“In contrast to stakeholder management which deals with the idea of internalizing the demands, values, and interests of those actors that affect or are affected by corporate decision making, we argue that political CSR can be understood as a movement of the corporation into the political sphere in order to respond to environmental and social challenges such as human rights, global warming, or deforestation”.<sup>3</sup>

The concept *political CSR* is in other words launched as a way to explicate that private companies have responsibilities concerning global problems, including global governance of natural resources. In this paper, the theoretical frameworks of stakeholder management and political CSR are compared with relation to governance of natural resources. More specific, I discuss whether political CSR implies that corporations under certain circumstances ought to take measures against the so-called ‘resource curse’, i.e. the possible negative impacts on less powerful groups when natural resources become commoditized. This question is discussed with reference to an example, namely that of the mainly state-owned, Norwegian oil company Statoil and their activity in the Republic of Azerbaijan.

As an international oil company, Statoil is involved in environmentally degrading activity, and operates in several countries marked by poverty, inequality and political oppression. Thus, one might expect that Statoil would have a hard time passing as a socially responsible company. Nevertheless, the company performs well on international ratings of socially responsible companies. In 2011, Statoil ranked as the number one petroleum company on Fortune Magazine’s “World’s Most Admired Companies” ranking, and the company has for several years scored top marks on Dow Jones Sustainability Index. Statoil has participated actively in the shaping of CSR initiatives regarding transparency and the protection of human rights, and is award-winning awards for its community projects. From Statoil’s own perspective, these initiatives are justified in

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<sup>2</sup> Stakeholder management is a diverse and contested concept, and R.E. Freeman, who coined the phrase in his book from 1984, *Strategic Management: A Stakeholder Approach* has suggested that we rather speak of stakeholder theories as a genre of theories (cf. R.E. Freeman (1994): “The Politics of Stakeholder Theory”, *Business Ethics Quarterly* 4 (4)). In this paper, I emphasize stakeholder management as a normative theory, cf. Donaldson and Preston (1995): “The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications”, pp. 65-91 in *The Academy of Management Review* 20 (1).

<sup>3</sup> Palazzo and Scherer: “The New Political Role of Business in a Globalized World: A Review of a New Perspective on CSR and its Implications for the Firm, Governance, and Democracy”, in *Journal of Management Studies* 48 (4), p. 910.

terms of «enlightened self-interest»: Maintaining good relations to its surroundings is part of a strategy to achieve competitive advantages, and Statoil's good results on these areas could be seen as indications that this is a successful strategy. However, this strategy seems to suggest that there are clear limits when it comes to the political responsibilities of the company. Even though there has been a development towards exercising political influence<sup>4</sup>, one could argue that the CSR initiatives of Statoil only scratch the surface of the problems with doing business in a country such as Azerbaijan. Azerbaijan is one of the most corrupt regimes of the world, and a country where a small, ruling elite enjoys the wealth created by the petroleum industry, while these riches do not benefit the poor and politically oppressed majority of the people. Arguably, to conduct business under these circumstances serves to enrich and strengthen the ruling elite, thus stalling a potential development in the direction of civil rights and political freedom.<sup>5</sup> Are Statoil as a company responsible for this situation in the sense that they ought to take measures towards changing it (e.g. by attempting to influence the Azeri government or by supporting its opponents), or are such measures beyond the sphere of corporate legitimacy? In this particular example, the general questions concerning the limits of corporate responsibility are further complicated by the state ownership, in the sense that it could be argued that the Norwegian state as a responsible owner is obligated by certain principles of foreign policy.

The main question of this paper is the following: Does the theoretical framework of political CSR move beyond that of stakeholder theory when it comes to corporate responsibility for sustainable governance of natural resources? In situations such as the Statoil case, it would seem that the framework of political CSR suggests an expansion of the sphere of corporate legitimacy. I argue that such an expansion is problematic.

---

<sup>4</sup> Cf. Gulbrandsen and Moe (2005): "Oil Company CSR Collaboration in 'New' Petro-States», *Journal of Corporate Citizenship* 20, pp. 53-64 (12).

<sup>5</sup> Cf. Gordon and Stenvoll (2007): "Statoil: A study in political entrepreneurship", The James A. Baker III Institute for Public Policy, Rice University.

## **103 - Cross-Disciplinary Sustainability at the University of Wisconsin-Madison**

**B. Marcus Cederström**

Contact Information:

Email: [cederstrom@wisc.edu](mailto:cederstrom@wisc.edu)

Mailing address:

University of Wisconsin-Madison  
Department of Scandinavian Studies  
1306 Van Hise Hall  
1220 Linden Drive  
Madison, WI 53705  
USA

## **Cross-Disciplinary Sustainability at the University of Wisconsin-Madison**

Business programs are recognizing the need for collaborative and cross-disciplinary approaches to teaching sustainability. Scholars within the management field continue to call for more cross-disciplinary approaches to teaching sustainability. Walsh and Murray argue for collaboration between business, economics, law, industrial ecology and industrial design (2003). Starik, Rands, Marcus, and Clark argue for continued cross-disciplinary cooperation and innovation in order to radically shift the future of sustainability (2010). Strand calls for a participatory and holistic approach in which, among other things, students are exposed to sustainability leaders in various sectors including business, government, and academia, while working to understand the commonalities between these different sectors (2011). This acknowledgement of the need for participatory collaboration is not unique to business schools, nor should it be. At the University of Wisconsin-Madison, such a cross-disciplinary approach is available to graduate students and upper-level undergraduate students of any discipline, with plans currently in progress to further extend those opportunities to incoming first-year students. In doing so, we hope to encourage the creativity necessary to create a culture of sustainability on the University of Wisconsin-Madison campus that students will carry with them as they graduate.

This paper will explore current programs and curriculum at the University of Wisconsin-Madison that encourage cross-disciplinary approaches to sustainability – from business to the sciences to the humanities. Three ongoing approaches will be examined, followed by a brief discussion of future approaches to cross-disciplinary work in sustainability at the University.

The first example is a program that encourages collaboration outside of the University – specifically with businesses that are working towards a more sustainable corporate culture. The Wisconsin Green Masters Program was developed jointly between the University of Wisconsin and the Wisconsin Sustainable Business Council and is a points-based sustainability recognition program that works to recognize leaders in sustainable business. Developed in 2010 by a graduate student, the program is still graduate-student run, is completely free for businesses, and aims to give companies on the road to sustainability a broad and comprehensive view of their sustainability actions in order to encourage businesses to identify potential areas of improvement.

Moving from collaboration between the University and businesses, the second example examines an existing cross-disciplinary collaboration on campus, which joins the Wisconsin School of Business with the Nelson Institute for Environmental Studies. This collaboration has resulted in courses cross-listed in the course catalogue, which are available to both undergraduate and graduate students as part of a certificate, or minor, from the Nelson Institute and one from the School of Business. These courses bring together people from across campus, pulling heavily from environmental sciences and business, but also the humanities. It is this type of integrative and holistic approach, which encourages a culture of sustainability throughout the University.



The third example looks at the ongoing process of integrating sustainability into the humanities, specifically in the Scandinavian Studies Department at the University. While the connection between the humanities, business, and even sustainability is often overlooked or unacknowledged – commonalities abound. There is fieldwork in folklore looking at the folk art being produced while autoworkers have downtime on the assembly line (today this has been institutionalized at some companies and is similar to what Google calls “20% time”), and environmentally sustainable, sometimes called “traditional,” reindeer herding practices of the Sámi in the Nordic region ensuring that the moss and lichen will be available again next year. In fact, Professor Thomas A. DuBois and Dr. Tim Frandy at the University of Wisconsin-Madison have begun to explicitly incorporate sustainability from a cultural, environmental, and economic perspective into their research and teaching in order to expose students to a more globalized understanding of sustainability.

Finally, this paper will look to the future and a potential collaborative project between the School of Business and the Scandinavian Studies Department. Currently, the Scandinavian Studies Department is exploring the possibility of developing what the University calls a First-year Interest Group, or FIG, focusing on Scandinavian sustainability. FIGs are learning communities of approximately 20 first-year university students who enroll in a series of classes together, which are connected by a common theme in order to encourage cross-disciplinary connections between various courses. Because of Scandinavia’s leading role in sustainability measures, the Scandinavian Studies Department hopes to implement a “Sustainability in Scandinavia FIG” featuring introductory courses in business, environmental studies, and a sustainability in Scandinavia course designed specifically for the FIG. The goal is to encourage students to integrate sustainability thinking into all of the classes they take from their first semester at the University.

In 2010, Anderson, Amodeo, and Hartzfeld wrote that “It is important at this point to tap into the organization’s creative intelligence and its stakeholders through dialogue, collaborative inquiry, community building, and cutting-edge methods of change that support new ways of thinking and transforming.” At universities throughout the world, the creative intelligence across the disciplines is overwhelming. Unfortunately, it seems that at many American universities, as budget cuts loom, the dialogue, the collaborative inquiry, even the community building is lacking. However, according to the Rocky Mountain Institute, more and more students are choosing universities due to the sustainable campus, and more funding from both the federal government and private donors is being earmarked for sustainability projects; in fact, they argue that sustainability is a competitive advantage for universities.

As calls for more cross-disciplinary approaches to sustainability grow louder, the University of Wisconsin-Madison aims to leverage expertise within sustainability in the broad sense of the word – from business to environmental studies to Scandinavian studies – to further encourage integration of sustainability. In order to ensure buy-in across all levels of the university, sustainability must become a part of the academic culture. To do so, continued collaboration

between academic disciplines must be developed and expanded. By exposing students at all levels to sustainability, the University hopes to set an example of how a cross-disciplinary approach can lead to a transformative shift in the way in which sustainability is considered, discussed, and performed by students as they leave the university setting and enter the workforce.

## 104 - Abstract: A North Atlantic Perspective on CSR

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## **Abstract – A North Atlantic perspective on CSR**

Iceland and Greenland have many things in common. Located in the North Atlantic, both islands have small populations and a shared colonial history. Natural resources such as fish, water and energy along with tourism play a central role in both economies. Also, both countries have come fairly late to the CSR agenda.

So far, no studies have been made of the drivers, motivations and benefits for companies for working with CSR in the two North Atlantic nations. While many studies have been performed in the Nordic countries to address these questions, it is still unknown if the North Atlantic represents a different case or whether it is similar to the rest of Scandinavia. Understanding this is central to understanding to what extent best practices can be used from Scandinavia by Greenlandic and Icelandic companies. Also, it can provide new insights into the importance of context to the CSR debate.

Both Iceland and Greenland have established national CSR networks called Festa – Icelandic center for CSR and CSR Greenland respectively. The networks consist of the front runner companies in both countries, and also play a central role in advocating CSR. The research is based on interviews and inputs from network members based on the following questions:

- What are main drivers of CSR in Iceland and Greenland
- What are the main motivations for Icelandic and Greenlandic companies to engage in CSR
- What results are companies experiencing from working with CSR in Iceland and Greenland

The paper will analyze the results to explore potential similarities and differences between the countries in search of a potential North Atlantic perspective on CSR. Also, the paper will analyze similarities and difference to the Scandinavian approach.

In addition the research aims at examining the impact of the local context and of global market drivers, looking at both the potential impact of international companies operating in the two countries and market/ customer demands from the outside.

Of particular interest is how issues such as the political, social and economic situation might shape the development of CSR in Greenland and Iceland. Greenland is currently striving for political and economic independence, and is in a rapid transformation from a traditional society to an extractive industry based society. Iceland is currently coming out of a dramatic economic crisis which seems to have altered relations and trust between business and the wider society, and is going through many changes.

## **105 - The.Nordic.Region.as.Leaders.in.Sustainable.Fashion?**

By Development Director **Jonas Eder-Hansen**, Danish Fashion Institute

## **The Nordic Region as Leaders in Sustainable Fashion?**

On the brink of potentially dangerous climate change and with attention to corporate social responsibility soaring to new heights, the world needs innovators who can lead the push toward a more sustainable economy. The Danish fashion industry has the potential to be one such innovator, working creatively and proactively to address critical environmental, social, and ethical challenges on a global scale. Already Danish brands like Ecco, Jackpot, Aiayu, New Generals, Katvig and A Question Of have created successful businesses with high environmental and social standards without compromising design and quality.

It might sound like a paradox that the fashion industry engages in sustainability – the industry primarily builds its entire business model on increased consumption through constant launch of new collections. However, perhaps the fashion industry holds part of the solution to the global challenges we face? Along with the rest of the Nordic fashion industry, Denmark is right now working hard to take the lead on making the fashion industry sustainable.

### **The Power of Fashion to Create Change**

Fashion has always reflected and influenced trends and tendencies. Fashion changes, amplifies and seduces us as individuals and has become a strong cultural factor in today's society. Consequently, fashion holds the power to influence and change the society, and thereby set the agenda.

The Danish fashion industry is Denmark's fourth largest export industry and is a key driver for job creation and economic growth. Over just a few years the industry has grown rapidly to be a crucial factor for the Danish economy and a unique platform for marketing and visibility. With an export share of more than 80% of revenue the industry is considered to be one of the most important future sources of income and growth drivers for Denmark.

With influence comes responsibility. As one of the most polluting industries in the world that daily exploits human resources to send cheap products quickly to market, the fashion industry in recent years has acknowledged its responsibility within ethical, environmental and social performance. While the international fashion industry primarily works with sustainability from a risk minimization approach, the Danish fashion industry focuses on the unique opportunities for (green) growth embedded in the sustainability agenda. Under the heading 'sustainable fashion' the Danish fashion industry works hard to take a leading position on sustainable solutions to global and socially relevant issues in the international fashion industry.

And there are great opportunities for growth if more focus is put on sustainability and development of green technologies. A recent survey conducted by Messe Frankfurt shows that the market for sustainable fashion consumption was growing about 10% more than the market for non-sustainable fashion consumption was growing about 10% more than the market for non-

sustainable fashion. This development is currently changing the market and leaves untapped potential for growth. An emerging trend that the Danish fashion industry and Danish companies have a unique opportunity to take a lead on.

### **Unique Opportunity for Denmark**

Besides consuming large quantities of water, chemicals, energy and other raw materials, the fashion industry is known for exploiting low-cost labor in developing countries. Danish Fashion Institute has worked hard to make the fashion industry join forces for being much more environmentally and ethically aware throughout the entire value chain.

Denmark has now a unique opportunity to take a leading position as the first country to actively take ownership on the sustainable fashion agenda and make Denmark the key reference point for agenda-setting and a hotbed for the most visionary strategies.

Danish fashion companies are among the most advanced in the world within, for example, improving health, environmental management and cleaner technologies in the global fashion industry. Danish companies were among the first to put eco-labels in its products and still count as pioneers in the field of organic and cradle-to-cradle approaches. Many of the companies that have set up production facilities in low-wage countries, have included the traditional of high Danish standards and stand as good examples of how to engage in local responsible production while running a healthy business.

In the years 2009-2012, the network organization Danish Fashion Institute initiated a number of projects, all of which have been intended to kick-start a long-term strategy that motivates and assists the Danish fashion industry in the integration of sustainability into their business processes and practices. 2013-2015 will showcase concrete change and action-oriented projects initiated in cooperation with the Danish fashion industry.

The Danish fashion industry consists primarily of small and medium-sized enterprises and employs about 10,000 people (2012). Many start-ups demonstrate how sustainability is an integrated part of the strategy and make quality and aesthetics go hand in hand with social responsibility and sustainable business models. Also, the established fashion companies have changed the processes that will guide them. IC Companys employed in 2011, a CSR Manager and in 2012 Bestseller recruited a high-profiled manager to spearhead their overall CSR and communication efforts.

In the near future, raw materials and resource efficiency will become crucial for business-including the fashion industry. With a growing middleclass demanding a high level of material goods including clothes, the current volume of cotton and oil based fibers available are nowhere near adequate. However new innovative materials made from for instance wood, seaweed, cow milk, or crab shells, which all are plentiful in the Nordic region, can help meeting the demand.

Potentially, this can become new export success, help secure jobs and potentially even revitalize production in Denmark.

Most companies in the Danish fashion industry have established strong relationships with their foreign suppliers to create the best conditions for sustainable production. Denmark is among the countries where most fashion companies per capita have chosen to let themselves and their suppliers get certified by international standards such as SA8000, BSCI (Business Social Compliance Initiative) or other internationally recognized standards.

### **Pooling Resources to Achieve Global Positioning**

To fully integrate sustainable business processes is a long-term learning and training process for most companies. Few Danish fashion companies have the resources required to initiate and lead this learning process. It requires coordinated efforts and access to information, knowledge, a wide network and an efficient platform to facilitate the industry-specific needs.

This is the reason why the Danish Fashion Institute and a total of 10 partners from the Nordic fashion industry, have initiated the NICE project. NICE stands for Nordic Initiative Clean and Ethical. In short, NICE is a joint commitment from the Nordic fashion industry to take a lead on social and environmental issues.

It is the first time that the entire Nordic fashion industry cooperated on a joint project with the same goal: To motivate and support industry in integrating sustainable principles and practices. The reason for this cooperation is a shared desire to be leaders in sustainable fashion on a global scale in order to increase competitiveness. The Nordic cooperation has been successful in creating the critical mass needed to actually be able to create change. NICE is coordinated from the secretariat based at Danish Fashion Institute.

### **Setting Global Targets to Create Sustainable Change**

The timing around the NICE project has proven to be right. There is great interest in the topic in the industry and the international spotlight is set on Scandinavia and Copenhagen as a thriving center for sustainable fashion. More and more international fashion companies are waking up to the reality that companies must take responsibility for the triple bottom line, People, Planet and Profit – the social, environmental and financial bottom line.

Most of the work within NICE is deliberately focused on regional and national levels. However, on a biennial basis Danish Fashion Institute organises the Copenhagen Fashion Summit – the world's largest summit on sustainable fashion. This is where Under the patronage of the Royal Highness Crown Princess Mary of Denmark over 1,000 designers and decision makers from leading global fashion companies, experts, politicians and NGOs to inspire and challenge the industry to set new, ambitious targets for the development of sustainable fashion. On 3 May 2012, the Summit saw the launch of the world's first industry-specific Code of Conduct based on the principles of the UN



Global Compact. Danish Fashion Institute participated in Rio+20 to promote the results from the Copenhagen Fashion Summit which also showcased among others the fantastic story of Brazilian brand Osklen.

Agenda setting events like Copenhagen Fashion Summit has the potential to create a real movement in the fashion industry – a driving force and common will to change things around production and consumption of fashion. If sustainability and responsibility becomes a real choice when consuming fashion and if the consumer acknowledges the “cool factor” the fashion industry has the ability to also affect the option of sustainability in other decisions and actions such as the purchase of organic food and investing in an electric car etc. In other words, fashion has the potential to drive a new responsible lifestyle.

The next Copenhagen Fashion Summit will take place in Spring 2014. Learn more at [nordicfashionassociation.com](http://nordicfashionassociation.com)

**106 – Sustainable  
Resilient, Robust & Resplendent Enterprises:**

TRANSLATING TRIPLE TOP LINE STRATEGY & GOVERNANCE INTO  
TRIPLE BOTTOM LINE PERFORMANCE

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## SUSTAINABLE RESILIENT, ROBUST & RESPLENDENT ENTERPRISES:

### TRANSLATING TRIPLE TOP LINE STRATEGY & GOVERNANCE INTO TRIPLE BOTTOM LINE PERFORMANCE

#### Abstract

Although organizational *resilience* and *robustness* may be cast in many lights, their core constructs are simply represented. *Resplendence* is, however, a less well-defined and perhaps more transient enterprise condition that is complementary to, but relatively distinct from resilience and robustness.

*Resilience* may be regarded as enterprise ability to recover from negative shocks or extreme challenges to its ecosystem (Contu, 2002). *Resilience* is thus not binary, but occurs along a high-dimensional spectrum. Identified dimensions of resilience depend on one's perception of enterprise *resilience* – what it is and the threats to which it is subject. Risk mitigation and reduction of vulnerabilities (Starr et al., 2003) are commonly identified *resilience* dimensions, and when viewed through strategic management lenses dimensions such as the abilities to breach barriers to change and develop multiple sources of competitive advantage emerge (Hamel and Välikangas, 2003). Consistent with the perspective proffered herein, *resilience* may also be characterized as enterprise capacity to self-renew over time through the dimension of innovation (Reinmoeller and Van Baardwijk, 2005).

*Robustness*, in contrast to resilience, is not so much enterprise ability to recover from shocks or challenges to its ecosystem, but rather resistance or immunity to their impact. One clear means of enhancing robustness is intentional and strategic diversification of the portfolio of areas in which an enterprise possesses competitive advantage and in its innovation targets. This is, of course, more easily said than done, but can be advanced through adoption of a *socio-ecological innovation (SEI)* strategy that integrates *innovation for sustainability* into an enterprise culture of *sustainable innovation* wherein enterprise innovation is regular, rigorous, systematic and systemic and is central to enterprise financial, societal, and ecological performance (Edgeman and Eskildsen, accepted). *Innovation for sustainability* implies – especially – that innovation is intentionally sensitive to and both positively and tangibly impacts societal or ecological performance.

Introduced here is the idea of *resplendent enterprises* wherein *resplendence* refers not to some sort of public or private façade, but is instead intended to convey that *the resplendent organization is marked by combined brilliance and nobility of strategy, governance and comportment that is – again – directed at superior triple bottom line performance*. It is presumed here that *resplendence* may be advanced not only through strategy and governance, but through superior *SEI* (Edgeman, submitted).

Although there are complex relationships among organizational *resilience*, *robustness* and *resplendence* ( $R^3$ ) they are neither identical, nor of necessity fully compatible: strategies and actions maximizing and best sustaining one of these may differ from strategies and actions maximizing and best sustaining either or both of the others. Thus, whenever there are differences, organizations should carefully and cautiously elaborate tradeoffs that constrain  $R^3$  in order to make intelligent selections among strategies, actions, and supporting business models. While any of  $R^3$  may to varying degrees result serendipitously or void of direct consideration, more commonly these will be intentionally infused into enterprise governance and strategy.

In this age of rapid-fire, massive, complex, and interacting data and information sources it seems clear that rigorous strategic and tactical pursuit of joint  $R^3$  optimization is enabled by fast, flexible, dynamic and highly adaptive *big data analytic* capability and capacity (e.g. “enterprise intelligence & analytics”). In all, however, we regard  $R^3$  as co-generates of *Sustainable Enterprise Excellence* (*SEE*), where:

*Sustainable Enterprise Excellence balances the complementary and competing interests of key stakeholder segments, including society and the natural environment and increases the likelihood of superior and sustainable competitive positioning and hence long-term enterprise success that is defined by continuously relevant and responsible governance, strategy, actions and performance consistent with high-level organizational resilience, robustness and resplendence ( $R^3$ ).*

*This is accomplished through organizational design and function emphasizing innovation, enterprise intelligence & analytics, operational, supply chain, customer-related, human capital, financial, marketplace, societal, and environmental performance. Sustainable Enterprise Excellence integrates ethical, efficient and effective (E3) enterprise governance with 3E (equity, ecology, economy) Triple Top Line strategy throughout enterprise culture and activities to produce Triple Bottom Line 3P (people, planet, profit) performance that are simultaneously pragmatic, innovative and supportive of  $R^3$ .*

Among the various elements cited in the above definition of *SEE*, *socio-ecological innovation*, governance, strategy, and enterprise intelligence & analytics play pivotal roles in translating triple top line strategy into realized triple bottom line performance. Proposed herein then is a form of the *Springboard to SEE Model* (Edgeman and Eskildsen, accepted) modified to emphasize the relation of *SEE* to  $R^3$  and referred to as the *SEER<sup>3</sup> Springboard Model*, companion to which a rudimentary maturity assessment and reporting regime is also proposed.

The intent of *SEE* and *SEER<sup>3</sup>* modeling and assessment is that they should not only reflect current enterprise performance, but that it should also deliver actionable foresight leading to improved

performance in most or all relevant areas via identification of *next* best practices and sources of competitive advantage while also improving organizational *resiliency*, *robustness* and *resplendence*. Strong  $R^3$ , *SEE* and *SEI* performance portend enterprise progress toward the asymptotic goal of becoming a *continuously relevant and responsible organization*.

**Keywords:** Big Data Analytics, Dashboard, Enterprise Excellence, Governance, Socio-Ecological Innovation, Strategy, SWOT Plot Narrative, Triple Bottom Line, Triple Top Line.

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## **107 - CSR and Systemic Innovation for Sustainability**

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## CSR and Systemic Innovation for Sustainability

Corporate social responsibility (CSR) is a topic of current interest due to a growing focus on sustainability and a changing role of business, where business is increasingly seen as playing an important part in solving environmental and social problems (Blowfield & Murray, 2011). This has given rise to the debate on what's in it for business, the business case for CSR (Carroll & Shabana, 2010). Up till this date, researchers have not been able to show consistent, positive findings of the influence of CSR on financial measures (McWilliams & Siegel, 2001; Orlitzky, Schmidt, & Rynes, 2003), neither on systemic social changes. In addition, the business case can be highly dependent on industry and company size; large, branded manufacturers typically have more to gain on CSR than smaller service companies. Several studies promote CSR as an important driver for innovation (Nidumolu, Prahalad, & Rangaswami, 2009; Porter & Kramer, 2011), but most of these studies focus on innovation that takes place within companies; e.g. process innovations, organizational innovations and marketing innovations according to how these are systematized in the Oslo manual (OECD & Eurostat, 2005), not much is found in literature on CSR as a driver for product innovation. In addition, the existing studies on CSR as a driver for innovation are mainly on large and multinational companies, and the few studies on CSR-driven innovation in SMEs focus on describing practices and implementation. Therefore, there is a need for more research on how CSR can drive innovation and growth (Bos-Brouwers, 2010; MacGregor & Fontrodona, 2010; Mendibil, Hernandez, Espinach, Garriga, & Macgregor, 2007), especially seen from a larger system perspective. A literature review of accountability approaches (Skaar and Fet, 2011) identified two gaps concerning CSR in larger systems, hereunder upstream and downstream in the value chain of a product. The first gap is that there are no reporting approaches that combine social and environmental aspects in the value chain, and the second gap is that there are no reporting approaches that combine CSR-information from the product life cycle (processes) and with the CSR-information in the extended supply chain (organization).

The presentation will focus on how to address CSR performance of products, starting with identifying and measuring CSR-aspects and continuing with managing and communicating on these aspects to key stakeholder, hereunder both upstream and downstream value chain stakeholders. Further, it will highlight the need for a framework for measuring, aggregating, managing and communicating CSR performance on different system levels to achieve changes towards sustainable solutions illustrated by a few case examples from Norway. The first level addresses CSR-aspects connected to chemical use and human exposure in the production and use phase of products, the second the organizational efforts to reduce chemical exposure, and the third how CSR-aspects can be documented on the product level, e.g. by CSR-claims. Results from case-studies show that the current practice for identifying and measuring CSR performance in the value chain is lacking methods for aggregation and allocation, methods that should preferably be scientific and at least consensus based dependent on further development of social LCA (Skaar, 2013).

The presentation will give some concluding thoughts on how life cycle management, product declarations and social responsible product labeling can, or will, lead to changes towards sustainable social systems, and if these changes will have an impact on the CSR-concept and its operation in the value change or on CSR supply chain management by companies.

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## 108 - Toward an Integrative Organizational Theory for Sustainable Behavior

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# **Toward an Integrative Organizational Theory for Sustainable Behavior**

## **Extended Abstract**

Organizations address long-term risk and opportunity through a variety of practices and approaches broadly characterized as sustainability. Strategic directions of these organizations, formulated through visions, missions and objectives, suggest environmental and stakeholder drivers to many sustainability efforts. To respond to these drivers, organizations seek conceptual frameworks that guide their efforts to identify risk and opportunity, and develop appropriate responses that both strengthen mission central activities and provide benefits to a broad set of stakeholders. Examples of such frameworks include sustainable development, corporate social responsibility, environmental and ecological economics, natural capital, industrial ecology and symbiosis, biomimicry, sustainable agriculture and a host of discipline-based approaches from green chemistry to flow accounting, green marketing, sustainable supply chain management, responsible investing and sustainable strategy.

The variety and complexity of these approaches create uncertainty for uninformed decision makers, students and researchers. For example, many managers find decisions difficult when navigating through the variety of options related to biofuels, solar energy, chemicals, materials, renewable energy, packaging, bio-plastics, and transportation, many of which require a long-term commitment of resources, and many of which can lead an organization to inappropriate directions, such as sourcing toxic-laden bio PVC, food-based biofuels, or production of solar panels that result in heavy pollution and e-waste at end of life. When uncertainty exists, managers perceive risk and often delay action until the path forward becomes clear, delays that frequently lead to increased risk and loss of opportunity when immediate action is needed, for example, to address depleting natural capital and increased buildup of concentrations (waste, toxins, emissions). Uncertainty also complicates learning for students and researchers and leads to hollow claims such as sustainable ingredients, systems, products or services.

We present a visual framework that helps managers, students and researchers identify seminal issues related to sustainability. The conceptual framework integrates diverse approaches to sustainability from both the social and natural sciences, explains actions organizations engage, and enables analysis of an organization's approach to sustainability. The framework also facilitates formulation of objectives that strengthen both environmental performance and mission central activities, identification of strengths and weaknesses in approaches to sustainability, and competitive analysis. In short, the framework helps explain organizational behavior related to sustainability. We illustrate the model with examples from a variety of industries, discuss benefits organizations seek when employing aspects of the framework and demonstrate how to configure benefits into organizational strategy.

The proposed sustainability framework discusses three interrelated organizational aspects central to all activity devoted to carrying out an organization's mission: (1) sourcing resources to

accomplish an activity, (2) design and delivery of benefits produced by the activity, and (3) satisfying beneficiaries of that activity.

The sourcing component to the framework engages theory from environmental and ecological economics, industrial ecology, green chemistry, material flow accounting, footprint analysis, biomimicry, genetics, evolution, resilience, robustness, and reverse logistics to discuss four highly-nuanced, fundamental, strategic approaches that address depletion of resources and the natural capital and biodiversity that enable sourcing: reuse and closed-loop sourcing, open-loop sourcing from waste streams, substitution of renewables for nonrenewables, and dematerialization. Organizational behavior from Toyota, Apple, Hennes & Mauritz, Teijin Shoji, Patagonia, Sears, Interface, the World Bank, Sony, Johnson and Johnson, Rio+20, the Gaborone Declaration, the World Business Council for Sustainable Development, the Wuppertal Institute, the European Union, The Sustainability Consortium, Anheuser-Bush InBev, Unilever, and Nestlé illustrate these approaches to sustainable sourcing.

The second component to the framework describes sustainable approaches to design and delivery of benefits by engaging theory from the fields of sustainable design, planetary, constraints, the precautionary principle, The Natural Step, toxicology, epidemiology, and just-in-time production that seek to produce without buildup of concentrations and toxins of any kind throughout the lifecycle. Organizations and approaches that illustrate organizational behavior include the many design-for-environmental technologies, modular design, active disassembly, sustainable agriculture, green chemistry, conversion of products to services, creating shared value, and reuse technologies with examples from Apple, Toyota, H&M, Interface, General Motors, anaerobic digesters, the solar panel industry.

The third major component to the framework integrates the concepts of customers and stakeholders across the lifecycle through applications of quality theory, stakeholder theory, CSV and CSR, and base of the pyramid develops such as inverse innovation. Organizational behavior that illustrate the goal to serve all customers include Procter and Gamble, Unilever, Nestlé, the World Resource Institute, General Electric, Nokia, Phillips, Gillette, Xerox, Hewlett Packard, Microsoft, Renault-Nissan, Logitech, John Deere, and IBM.

Finally, we summarize the benefits leading organizations target when engaging these practices and arrange those benefits into a topology as illustrated with figure 1.



Figure 1. Examples of Organizational Benefits to Sustainable Behavior

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**109 - Disparities between Consumers' Adoption of Environmentally-Friendly Behaviors and their Positive Attitudes toward Sustainability: A Comparison among Danish, Norwegian, British and American Customers**

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## **Disparities between Consumers' Adoption of Environmentally-Friendly Behaviors and their Positive Attitudes toward Sustainability: A Comparison among Danish, Norwegian, British and American Customers**

Corporations' and NGOs' efforts toward sustainability cannot reach their full potential if consumers do not accept and act on them. Although it often seems as if nearly all consumers have positive attitudes regarding environmental and human sustainability, consumer behavior in the United States has not reflected those attitudes, in contrast to that of Scandinavians and to attitude-behavior models in consumer research (Balderjahn, 1988; Cleveland, Kalamus, & Laroche, 2005; Heslop, Moran, & Cousineau, 1981; Kalafatis, Pollard, East, & Tsogas, 1999; Verhallen & Raaij, 1981; Webster, 1975).

The work described here expands on research in 2007 into the mediators between Americans' positive dispositions toward environmental sustainability and their failure to act in environmentally-responsible ways. It will replicate the previous study in the U.S. (for temporal and economic comparability) and extend it to the Scandinavian and British contexts, where sustainable corporate and consumer behavior is more wide-spread and the cultural norms are different from those in the United States. Cultural differences, for example, appear in Hofstede's Individuality and Long Term Orientation dimension scores for Denmark, Norway, Sweden, the U.K., and the U.S. They are, respectively: IDV of 74, 69, 71, 89, and 91; and LTO of 26, 44, 20, 25 and 29 (Hofstede 2013). The IDV and LTO dimensions are hypothesized to be critical influences of individuals' willingness to forego immediate gratification or to incur higher financial costs or greater inconvenience in aid of a probable future benefit (Steenkamp 2001).

Greenwood (2007) employed a stratified sample of undergraduates and graduate students in a variety of disciplines that could be hypothesized to be more (e.g., Social Work) or less (Finance) sensitive to issues of societal and environmental well-being. This paper demonstrated the role of environmentally-specific consumer attitudes in bridging the gap between environmentally-friendly beliefs and their implementation by consumers. Hierarchical regression found that environmentally-specific attitude variables (Perceived Consumer Effectiveness and Environmental Locus of Control) contributed to understanding the discrepancy between pro-environment dispositions and environmentally-responsible behavior.

The current set of studies will use established scales for general pro-sustainability dispositions, behaviors, perceived consumer efficacy, environmental locus of control, and dimensions of culture. Student surveys that parallel Greenwood's will be supplemented by surveys of adults in five countries, obtained from an online research panel (100 Americans and 320 Europeans from Denmark, Norway, Sweden and the U.K.). Literature review has been completed and modified questionnaire design is underway. Both the European and U.S. general population surveys will be administered in September to coincide with new student surveys. The author hopes to find one or

more Scandinavian collaborators at the “Sustainability in a Scandinavian Context” Conference so that those studies can be launched in the U.S. and Scandinavia simultaneously in September.

Four research questions can be addressed among the studies described here:

- 1) How do environmentally-specific attitudes mediate between a positive disposition towards environmentalism and actually behaving in an environmentally-responsible manner?
- 2) Which dimensions of “national” culture impact consumers’ attitudes toward sustainability and their adoption of environmentally-responsible behaviors?
- 3) How do Americans and residents of several Western European countries – where environmentally sustainable behavior has been adapted and mandated earlier than in the U.S. – differ on the mediating effect of these specific attitudes?
- 4) How have student populations’ attitudes and behaviors been changed by the advance of time and by the global recession?

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## **110 - Sustainability - Perception vs. Reality**

**CBS Academic Abstract:** "Sustainability in a Scandinavian Context" conference (1028 words)

This abstract especially responds to topics listed under the call for the academic abstract: stakeholder engagement, sustainability performance, Scandinavian cooperative advantage.

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**Title:** Sustainability - Perception vs. Reality

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## Sustainability - Perception vs. Reality

### Introduction and Context

This abstract aims to contribute to the ongoing conversation of whether Sustainability in a Scandinavian context demonstrates a particular strength or formula. To shed more light on this, we will add a (stakeholder) perception perspective to the more commonly known material perspective of sustainability typically used to measure corporate contribution to a greener and socially more equitable world.

Reputation Institute (RI) specializes in stakeholder engagement through research and analysis of perceptions and expectations towards global corporations, incl. those that particularly relate to sustainability and corporate responsibility. We advise corporations on how to incorporate stakeholder engagement and reputation management into strategic business decisions<sup>6</sup>.

What is the rationale for introducing perceptions into the material world of sustainability, and why talk about Perception vs. Reality? The following quote illustrates in simple and clear terms the power of perceptions *"...People make decisions not only on the basis of reality itself, but on the basis of their perceptions of reality, whether accurate or not"*<sup>7</sup>. As with most things, it is wise to maintain a sound balance also between perception and reality. Let us see how perception and reality balances within corporate sustainability in Scandinavia.

There is prevailing consent that Scandinavian companies almost have sustainability in their DNA with a pre-defined holistic approach that interweaves corporate and societal concerns and priorities. Indeed, the strong results in the major sustainability indices are material evidence of highly competent Scandinavian companies.

Still, how are the sustainability endeavors of Scandinavian companies replicated in the minds and perceptions of, in this case, the consumer? First, a global perspective:

In the The Global 100 CSR index RepTrak™ survey<sup>8</sup> consumers globally rate 100 companies according to how the companies are perceived across the following dimensions: citizenship, workplace and governance<sup>9</sup>. Only a handful of Scandinavian companies are included by this study,

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<sup>6</sup> RI conducts annually the Global RepTrak™ 100 and numerous market-specific Annual RepTrak™ studies among consumers to understand perceptions and measure the degree and drivers of affinity and support of consumers towards the companies.

<sup>7</sup> Charles J. Fombrun & Cees B.M. Van Riel: Fame and Fortune – How successful companies build winning reputations, 2004, Pearson Education Inc. One of the founding books published by Reputation Institute's two academic founders.

<sup>8</sup> Global 100 CSR index RepTrak™ survey 2010-2013 conducted by Reputation Institute with 57357 interviews across 15 countries.

<sup>9</sup> CSR Index dimension questions asked in Global CSR index RepTrak™ survey:

Citizenship: (Company) is a good corporate citizen – it supports good causes and protects the environment

Workplace: (Company) is an appealing place to work – it treats its employees well

Governance: (Company) is a responsibly-run company – it behaves ethically and is open and transparent in its business dealings

but it is interesting to note that out of this handful only Danish LEGO makes it into the CSR Index Top 10 in 2011 and 2012. Neither do we see Scandinavian representation among the European regional Top 5 in the CSR Index. Having pointed to Scandinavian absence, it is although fair to say that a key conclusion of the 2012 CSR Index is that, overall there is room for improving global consumers' regard for sustainability performance among the worlds' 100 heavyweight corporations.

Let us zoom into Denmark, Sweden and Norway to see if the consumer perceptions of Scandinavian companies are generally stronger in their home markets. Looking at the mean scores of the CSR Index 2010-2013<sup>10</sup>, Scandinavian consumers perceive companies only to be performing on average across citizenship, workplace and governance. The three countries follow each other until 2012/2013 where consumer perceptions of sustainability in Norway improve (up 7 points) for two consecutive years, although still remaining in the average score tier, whereas CSR Index scores in Denmark fall and Sweden remain more or less the same.

In conclusion, 'Average' Consumer perceptions do not really reflect the Scandinavian sustainability superiority that we see in the material world, and we can conclude that we have a gap between consumers' perception of and the reality of Scandinavian sustainability merits. Is that because it does not matter and because the consumer does not care about environmental and social responsibility at the end of the day? Our research tells us a different story, because the importance of sustainability measured as the weight that the CSR Index carries in consumer perceptions in Scandinavia has increased significantly from 37% in 2009 to 43-44% in 2013. In other words, sustainability drives or predicts close to 50% of stakeholder perception and reputation – so it does matter also to the consumer!

### **Bridging Perception & Reality**

We now know that sustainability matters, but that the perceived sustainability performance leaves something to be desired. Interesting learnings lie in the gaps and imbalances, which we can only speculate on here: is it lack of awareness; wrong communication; irrelevant material issues and priorities; lack of differentiation; lack of business integration; lack of trust/green-washing; overstated Scandinavian modesty “do good – but do not tell”; or perhaps a case of high expectations that prompt even higher expectations.

Gaps or imbalances between perception and reality may equally represent risk to a company as well as un-tapped opportunity and in either case something that the company should address. Stakeholder engagement, dialogue and analysis are necessary tools to drill deeper and understand the details and gaps related to the perceived shortcomings of Scandinavian companies among consumers, or other stakeholders key to impactful sustainability. Bridging perception and reality

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<sup>10</sup> Annual CSR index RepTrak™ survey conducted by Reputation Institute annually as part of Annual RepTrak™ survey 2010-2013 in DK, NO, SE w. between 5-7.500 interviews in each country.

will lead to a more in-depth understanding of what truly matters to these different stakeholders, and what they each expect from companies in order to become true sustainability champions. Accentuating this need for more stakeholder dialogue is the continuous upsurge in expectations of companies to remedy social and environmental gaps globally even outside their company sphere. Only when a company dialogues, listens and responds to the changing collective of stakeholder expectations will it be able to gain the stakeholder trust and support critical to its fundamental license to operate and its long-term survival.

**111 - Corporate Sustainability Strategies: Configurations, Structure, and Outcomes**  
**- Development of a Generic Strategy Typology**

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# Corporate Sustainability Strategies: Configurations, Structure, and Outcomes

## - Development of a Generic Strategy Typology

### Abstract

Corporate Social Responsibility (CSR) and the broader term Corporate Sustainability (CS) are ongoing and increasing important topics in management research and for businesses. Even though the research in this field has evolved intensively over the last 10-15 years, CS literature remains still highly fragmented and discordantly, especially in the area of strategic CS and CS as the future business opportunity (Aguinis & Glavas, 2012). Both, within the Scandinavian context and globally, the development and implementation of CS strategies as well as the associated opportunities of strategic sustainability decisions require further research and contribution.

Therefore this research paper moves towards a clearer understanding of CS strategies and under which it does and does not pay off to be good through contributing a configurational model of CS. The proposed typology consists of four types of aligned CS practices (labeled passive, active, proactive, and visionary), which are linked to corporate strategy, as well as external factors and internal interdependencies. Each of the four proposed CS strategy types reflects a unique combination of aligned CS practices, which fits most effective in a particular given context. Configurational factors and the impact on corporate performance are considered for each CS strategy characteristic.

This configurational approach to CS stays very closely to the strategy typology of Miles and Snow (1978), who argued that different corporate strategies are based on a company's perception of the environment and which adaptive behavior causes the most effective outcome in the given context. The development of our conceptional model is based on a comprehensive literature review in the three main areas: CS and Contingency Theory (Drazin & Van de Ven, 1985; Miller, 1979); CS and Organizational Performance (Barnett & Salomon, 2012; Orlitzky et al., 2003) and models of strategic CS (Baumgartner & Ebner, 2010; Carroll, 1991). In order to embed this CS strategy typology in strategic management literature, it is finally discussed under the main strategic management theoretical lenses: managerial behavior and cognition, competitive dynamics, resource-based view, stakeholder management, Strategic Choice Approach, and theory of the firm. The underlying research questions are: *1. To what extent and why do companies differ in their CS strategy, structure and process? What factors influence this decision? 2. Which costs and benefits, financial and non-financial outcomes, relate to each individual CS strategy type?*

**Key Words:** (Strategic) Corporate Sustainability, Corporate Sustainability Configurations, Strategic Fit

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## **112 - Reclaiming Sustainability: A Pragmatic Perspective on the False Dichotomy between Business and the Natural Environment**

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## **Reclaiming Sustainability: A Pragmatic Perspective on the False Dichotomy between Business and the Natural Environment**

There long has been a “zero-sum” stalemate view in management theory between economic objectives and concerns for the natural environment. Despite the efforts of some theorists (e.g. Gladwin et al. 1995) to transcend this false dichotomy and integrate economizing and ecologizing logics, most business and environment research – including that on sustainability – continues to either privilege economizing, or promote compromise between the two (so-called ‘least worst’ tradeoffs), rather than offer a theoretical framework that can truly integrate the logics of economizing and ecologizing. As such, we propose to redirect business-environment scholarship and the concept of sustainability in management research by adopting a pragmatic perspective. Environmental pragmatism calls for pragmatic environmental experimentation, at both organizational and institutional levels, with approaches that seek to simultaneously satisfy both economizing and ecologizing imperatives. Drawing on the literature on environmental entrepreneurship, we discuss and give examples of pragmatic environmental experimentation.

For over a decade, management researchers have sought to better understand the relationship between business and the natural environment (Aragon-Correa, 1998; Aragon-Correa & Sharma, 2003; Hart, 1995; Hart & Milstein, 2003; Shrivastava, 1995a, 2000). Over a decade ago, Gladwin et al. (1995) pointed out that there is a fundamental need to consider the role of the natural environment within the realm of management studies and more recently, Hoffman and Bansal (Hoffman & Bansal, 2011) noted that academic work in this area has turned towards a focus on corporate environmentalism as sustainability (WCED, 1987). While the focus of management scholars on this area is encouraging, by many measures, environmental degradation attributable to business has become persistently worse (Brown & Earth Policy Institute., 2009; United Nations, 2005, 2006). In this paper we seek to understand the underlying issues pervading this lack of progress, and suggest alternative approaches.

Rather than adopt a “sustaincentricism” approach, based on the concept of sustainable development (WCED, 1987) rooted in these existing paradigms, the aim of this paper is to explore the root causes of competing business/environment narratives and their impact on management theory (Wicks & Freeman, 1998). We propose that by adopting a philosophical framework that rejects the fundamental dichotomies between fact and value, business and the natural environment, and business and ethics, we can open a new path for research and business practice. Drawing on the work of foundational philosophical pragmatists such as Putnam, Rorty, and Dewey, we propose an experimental and collaborative approach to the problem of environmental degradation that could allow for a more useful approach, acknowledging that business, like all human activity, is embedded within nature (Dewey, 1925, 1934, 1940; Frederick, 1999).

We begin the paper with a brief overview of the concept of what philosopher Hilary Putnam describes as the “fact/value dichotomy” (Putnam, 2004). We then describe how the fact/value

dichotomy leads to the formation of multiple dualities in our thinking, such as the business/ethics separation thesis (Freeman, 1994; Harris & Freeman, 2008), the separation of ethics from economics more generally (Sen, 1988), and finally, the separation of business and the natural environment. We develop our argument through discussing the negative implications of this type of thinking for management theorists, and offer several examples from the literature (Shrivastava, 1995b). We then develop a pragmatic approach to organizational studies concerning natural environment and offer examples of thinking that move beyond the dichotomy between economics and the natural environment. Finally, we outline an alternative, pragmatic orientation for management scholarship concerning environmental issues, focusing on the practically useful role such research could play in creating better ways of living and creating value.

Our goal in this paper is to shed light on the fundamental assumptions that undergird our understanding of environmental issues, thus providing a basis for new ways of understanding the business/environment nexus. We argue that the preferred alternative to anthropocentric and economic-centric thinking is not the adoption of a sustainability paradigm, but rather the adoption of what Freeman and Wicks have termed “pragmatic experimentation” (1998).

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## **113 - Environmental, Social and Governance Performance, and Corporate Governance**

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## Environmental, Social and Governance Performance, and Corporate Governance

### Abstract

In this study we examine the role of the composition of boards of directors (BoD) and top management teams (TMTs), and the characteristics of individual directors and members of TMTs on the propagation of corporate social responsibility, environmental and social initiatives, and the resulting environmental, social and governance (ESG) performance. Boards are found to be increasingly involved in shaping companies' involvement in social and environmental issues. Often, this involvement goes beyond simply adhering to accepted and legitimated standards by adopting practices that go further than regulative and normative expectations. This suggests that this involvement is not dependent only on the specific institutional context but also on the characteristics of the boards, with the relative value each board puts on these issues differing across firms, industries and countries. In this study we attempt to provide empirical support for the relationship between board and TMT composition and corporate social responsibility, environmental and social initiatives in a panel of firms across industries and countries.

The data to be used in this study comes from a variety of sources. In total, we employ an unbalanced panel covering more than 5000 firms from the North America, Europe, developing and emerging markets over the period 2001-2011. There are four types of variables we employ in our study: institutional variables, board level variables, firm financial/accounting information and corporate social responsibility, environmental and social performance. The variables are constructed from information obtained from different sources.

*Institutional Variables:* We use several measures for institutional dimensions: *Degree of Market Competition*, *Degree of Property-Rights Protection*, *Degree of Freedom of the Media*, and *Rule of Law*. Retrieved from the World Bank's Doing Business database, *Degree of Market Competition* is measured as the first principal component index of *Starting a Business*, *Dealing with Construction Permits*, *Trading across Borders*, and *Paying Taxes* of this database. Retrieved from the same database, *Degree of Property-Rights Protection* is calculated as the first principal component index of *Registering Property* and *Protecting Investors* of this database. *Degree of Freedom of the Media* is measured through the Freedom of the Press index of Freedom House. Finally, *Rule of Law* is directly retrieved from the Worldwide Governance Indicators database.

*Board and TMT Composition Variables:* The board and TMT data comes from BoardEx – a database, provided by Management Diagnostics Limited, containing current and historical (up to 12 years) information on directors for a large number of public and private companies across the world. The database provides in-depth information on the composition of boards of companies across the world. The coverage is most extensive for companies in North America and Europe, but over the last few years the coverage has been extended to companies from other regions of the world, especially emerging markets. Overall, detailed data is provided covering more than 500,000 directors in more than 15,000 companies worldwide. Geographical coverage includes, for instance,

7,800 companies from North America, 2,600 from the UK, 2,300 from the rest of Europe, 718 from Australasia, and 240 from India. The database provides information on the following: executive directors (backgrounds, experience, education, board tenure, history with the board, other external board responsibilities, remuneration in the form of cash, shares or options), board structure (stability, succession issues, experience, independence ratio, attrition rates, diversity, board committees and their composition), and non-executive and independent directors (backgrounds, other directorships, history with the board, experience, potential conflicts of interests, remuneration).

*Financial/Accounting Variables:* These variables are constructed by combining information from several databases, namely, Thomson Financial SDC and BvD Orbis. Firms included in BoardEx are assigned unique IDs, which allows us to identify their presence in the other databases and retrieve the relevant information.

*CSR, Environmental and Social Performance Variables:* These variables are obtained from several sources such as ASSET4/Datastream, KLD, EIRIS and Vigeo.

## **114 - Untangling Diversity Management vis-à-vis Sustainability**

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# Untangling Diversity Management vis-à-vis Sustainability

## Abstract

This paper explores the intersection between diversity management and Sustainability and how diversity management is to be interpreted vis-à-vis the related concept of (Social) Sustainability. More accurately I will investigate the pro's and con's for distinguishing between the two as managerial concepts – reflecting on the present situation where they are happily and (un-) consciously being mixed and used interchangeably at the political scene, in the Danish business environment and at corporate level. My argument is that the present interchangeable use of the two concepts in relation to framing and definition might have positive implications when it comes to the *diffusion* of the two concepts but contra-productive implications when it comes to the practical *adaptation* and implementation at corporate level.

## Introduction for main inquiry of this paper

At the turn of the millennium Diversity management was introduced in Danish business context and was first time mentioned as a management concept in a Danish newspaper in 2000 (in Berlingske Tidende cf. Boxenbaum 2006). Since 2000 the term “diversity management” has appeared frequently both in Danish newspapers and on the management scene (Risberg and Sørderberg 2008).

The notion of Sustainability is commonly believed to be of **Scandinavian origins and has a much longer history in management in a Danish context**. The definition of sustainability as “*development that meets the needs of the present without compromising the ability of future generations to meet their own needs*” is drawn from the definition of ‘sustainability development’ offered within the 1987 report commonly referred to as “The Brundtland Report” as the authoring commission was chaired by Former Norwegian Prime Minister Gro Harlem Brundtland. Later on the concept of Sustainability has been merged with the concept of CSR, and today Sustainability embodies both the environmental, economic and social dimension<sup>11</sup>. I thus take particular interest in Social Sustainability – the term being an “umbrella construct” for these several understandings (Strand, 2012, Gond et al 2010).

When it comes to the related concepts of sustainability and diversity management, they share several common features: Firstly even though the two concepts do not share origin, most of their theorizing and development have been done in a predominantly North American setting – and the concept of sustainability has been re-framed or re-translated in a Danish context as the concept of diversity management.

Secondly they are mainly viewed as a management fashion concept but being of a tenacious nature than most fashion trends – thus having their peak and low periods in an international and

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<sup>11</sup> In this paper I use the word Sustainability as a generic term that also includes CSR - even though CSR is the most common used in a Danish context. The definition and separation of the two concepts of Sustainability and CSR is not clear, but this distinction is not the purpose of the paper, so for reasons of clarity I leave this distinction out of my paper.



Danish context. Right now the concept of sustainability is predominant in a Danish context threatening to swallow up or wipe out the concept of diversity management (also for historical reasons as I explore in my paper).

Thirdly they draw on some of the same value goods; the moral imperative to conduct a socially viable HRM policy at corporate imbuing Human right and equal treatment obligations as well as creating a “sound” social working environment. The social (and environmental) dimension brings in the perspective of corporate image (legitimacy) and motivation/satisfaction on behalf of the employees. Hence the two leading to the other shared dimension – the perceived economic advantage of an ‘ethical business’ furthering the competitive edge and benefitting the bottom-line (the business case). But then again they share the same destiny of being difficult to measure the exact impact of the ‘business case’.

Finally they are both predominantly coined as a voluntary activity on behalf of the companies and they are both used in a magnitude of ways about different phenomena and therefore all are very open to interpretation – being flexible ‘umbrella terms’ (Strand 2012, Gond et al 2010).

So they share a common destiny of a rather ambiguous and blurred definition, partly because of the interchangeable use of the two concepts and partly because of the historical framing of the two concepts in a Danish context. More over their use at corporate<sup>12</sup> as well as at political and institutional level are with no clear distinction between the two concepts: It is the argument of my paper that this might be an advantage to the *diffusion* of the two managerial and corporate value-oriented concepts – the one serving as the vehicle for the other. By the same token the very same lack of adequate distinction between the two concepts can be an important hindrance when it comes to *adaption* at corporate level. This can lead to great confusion and at times a dilution of the concepts with very practical implications: Lack of progress and use of the concepts as ‘window dressing’ or hollow values not advancing the intended ‘qualitative change’ on behalf of the corporations (Aguilera et al). How are the corporations to distinguish between an act of (social) sustainability *vis a vis* an act of diversity of corporate level?

Thus this is not a paper based on the argument of preference of one concept to the other – the main purpose of this paper is to trace the sources of this interchangeable use of the two concepts and to warn about the practical implications that this intertwined understanding of the two concepts might bring along. Thus my contribution with this paper is to take up this challenge of a confused translation and argue for the need to clarify to avoid dilution and make way for a more throughout adaption utilizing the progressive possibilities embedded in both of two concepts.

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<sup>12</sup> For instance one of the frontrunner companies in a Danish context - Novo Nordisk – takes the concept of diversity management as a part of the CSR initiatives and is not able to explicitly distinguish between the two. Some of the initiatives taken in the “name” of diversity like Human Rights focus, a focus on gender, international employees and seniors in management teams as well as the quest for greater transparency (equal opportunities) also form part of their CSR policy. Thus some of their future initiatives like gearing the recruiters to recruit more “wild cards” and staff with more unusual Curriculum Vitae can be more unambiguously phrased under the heading of diversity management, e.g. Annelise Goldsmith at CBS, Diversity Conference January, 31 2013.

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**115 – A Scandinavian Sustainability Stakeholder Model:  
Green and Clean-tech Sustainability Alliances**

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Sustainability in a Scandinavian Context Conference 2013  
Copenhagen School of Business  
Copenhagen, Denmark

June 10-11, 2013

# **A Scandinavian Sustainability Stakeholder Model: Green and Clean-tech Sustainability Alliances**

## **Long Form Abstract**

### **Introduction**

Scandinavia provides a unique context to examine the confluence of sustainability, stakeholder models, and “cooperative advantages” including alliances and public-private-NGO networks. Scandinavian (Denmark, Sweden and Norway) countries and companies have a long and deep history in a stakeholder approach to business decision making where profit and multiple stakeholders’ needs are considered important (Freeman, et.al., 2010; Rhenman, 1968; Grenness, 2003). Scandinavian countries also have a culture/society that fosters a “cooperative approach” across business, nonprofits, and government as well as within individual organizations (Strand and Freeman, 2012; Grenness, 2003). Finally, Scandinavian countries have a strong sustainability, green and clean-tech orientation that is generating multiple opportunities for entrepreneurs, businesses, nonprofits, government and society (Gjølberg, 2011; Holmberg, 2013).

### **Objectives and Approach**

This paper applies a stakeholder model to sustainable green and clean-tech initiatives in Scandinavian countries that are built on developing “cooperative advantage” through eco-system networks of green and clean-tech strategic alliances and public-private-NGO partnerships. This paper draws on stakeholder literature; sustainable, green and clean-tech entrepreneurship literature; and the “cooperative advantage”, strategic alliance and partnership literature. Wheeler, Colbert and Freeman (2003) suggest that researchers traditionally have tended to take too narrow of a view of stakeholder theory, sustainable development and corporate social responsibility. They proposed an integrative “value-based networks” model bringing together broader concepts of stakeholder, sustainable development and corporate social responsibility. Scandinavia represents a unique context to build a sustainability stakeholder model that is constructed using these three often separate streams of literature and thinking.

### **A New Scandinavian Sustainability Stakeholder Model: Green and Clean-tech Sustainability Alliances and Public-Private Partnerships**

The paper’s proposed holistic model includes green and clean-tech sustainability stakeholder framework that seeks to leverage and accelerate Scandinavia’s green and clean-tech multiparty initiatives constructed from Scandinavia’s strong stakeholder orientation, sustainability focus, and cooperative culture.

### **Creating Eco-systems of Sustainable, Green and Clean-Tech Cooperative Advantage Networks**

Sustainable, green and clean-tech entrepreneurial eco-system networks can create a cooperative advantage, serve as a powerful catalyst for action and contribute to Scandinavian society; economic development and job growth; environmental quality; energy efficiency; health; global

completeness; and export growth. Scandinavian countries have recognized the important relationships between entrepreneurship, innovation and economic development by encouraging and facilitating innovative new entrepreneurial technologies, products and ventures that can profitably scale with potential to grow their economies and increase exports (Holmberg, 2013; Lundström, 2008; Kitagawa and Wigren, 2010; Dahlstrand, 2007; Cornett, 2009). Prior research has also noted that understanding various stakeholder interests and needs is a critical element in the entrepreneur opportunity recognition process (Freeman, et. al., 2010; Schlange, 2006). Venkataraman (2002, 45) focuses on the view that “entrepreneurship has a role to play in stakeholder theory and, relatedly, that stakeholder theory enriches our understanding of the entrepreneurial process”.

Global sustainability and environmental challenges have contributed to the rise of the **sustainable entrepreneurship** literature and an increasing focus on sustainable ventures that produce enduring economic, social and environmental results (Hockerts and Wüstenhagen, 2010; Dean and McMullen, 2007; Cohen and Winn, 2007). These global sustainability challenges and industry discontinuities have also facilitated a growing number of new sustainable, green and clean-tech entrepreneurial and corporate ventures in Scandinavia and elsewhere. Reuer, Ariño and Olk (2011) noted that entrepreneurial venture core strategies often incorporate entrepreneurial alliances in their initial stages and in their path-dependent growth strategies. Beaume and Midler (2009) highlighted the importance of co-innovation partnerships and found that for EV technologies, “successful innovation strategies also require deeply modifying the patterns of cooperation with partners...[and the]...need to open the innovation process outside of the traditional automotive ecosystem.”

Developing “**cooperative advantage**” through alliances and partnerships is a critical core strategy especially for green-technology new entrepreneurial ventures and green-tech corporate entrepreneurial ventures (Holmberg, 2011). Building multi-stakeholder public-private-NGO networks in technology-based areas is important for developing new green and clean-tech entrepreneurial ventures and achieving maximum green and clean-tech partnership potential (Neergaard, 2005). The opportunities to leverage eco-systems of sustainable, green and clean-tech cooperative advantage networks will be explored using the holistic stakeholder model developed in this paper. The sustainable, green and clean-tech challenges facing Scandinavian countries impact and are impacted by each of the stakeholders in these cooperative advantage networks. The stakeholder model framework highlights the actors’ interrelationships and interdependencies that impact and help determine sustainable, green and clean-tech challenges and potential solutions. A study of Danish multi-stakeholder partnerships (businesses, knowledge sector and public sector) suggested that partnerships of innovation can accelerate innovation, entrepreneurship and knowledge transfer (Cornett, 2009).

The centrality of two vital **stakeholders** in the eco-system network will be examined. The role of Scandinavian universities and Scandinavian sustainable, green and clean-tech nonprofit

organizations as central nodes in creating eco-system networks and cooperative advantage will be identified. Scandinavian universities and nonprofit organizations are in a unique position to interact with and bring stakeholders together in impactful combinations that can accelerate change in sustainable, green and clean-tech entrepreneurship with potential economic, environmental, societal, efficiency and competitiveness benefits. Multiple entrepreneurial stakeholder networks have been found to create significant positive network externalities accelerating opportunities for each of the multiple stakeholders, especially where concentrations of new ventures and multiple stakeholders form in a geographic region (Bygrave and Minniti (2000).

This paper applies a stakeholder model to sustainable green and clean-tech initiatives in Scandinavian countries that are built on developing “cooperative advantage” through eco-system networks of green and clean-tech strategic alliances and public-private-NGO partnerships. This paper draws on stakeholder literature; sustainable, green and clean-tech entrepreneurship literature; and the “cooperative advantage”, strategic alliance and partnership literature.



## **116 - Operationalizing CSR through Project Conception: Inspiration from a Scandinavian Project Management Course**

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## Operationalizing CSR through Project Conception: Inspiration from a Scandinavian Project Management Course

### Introduction

*The purpose of this paper is to address issues raised about the content of business education—moving away from a business-centered approach to understanding management, opening up a space for reflection, and offering tools to support this change in paradigm. Strand points out these issues as “relevancy, reflexivity and continuity.” (Strand, 2011, p.41). Although Project Management (PM) is often understood as a specialized and narrow management topic, in organizations that use formalized and integrated PM practices such as Prince2™, management is responsible for project conception. The practice of project conception by management can be understood as the place where CSR and sustainability practices can be operationalized in the base unit of work for many corporations—the project.*

When projects are “created with CSR in mind” (Kampf & Thomsen 2008), project conception can become a place of shared sensemaking and sensegiving, following Morsing & Schultz’s stakeholder dialogue conception. (Morsing & Schultz, 2006). To open up project conception to CSR dialogue, a fundamental shift in understanding corporations is needed—a return to earlier Scandinavian models of the firm which acknowledge overlapping boundaries between corporations and their contexts (Strand & Freeman, 2012). In addition to that shift, placing project conception as a key part of CSR strategy throughout corporations opens up the possibility of integrating CSR at the operational level.

A model for situating project conception in an operationalized CSR strategy can be seen in Figure 1. This is based on a “blueprint for organizing shared value.” (Kampf, in press). The concept of shared value offers a basis for operationalizing CSR in project conception practices. To build this blueprint, she combines 1) de-centering the firm and democratizing the focus for defining and creating value (Ramaswamy, 2008); 2) building a symbiotic relationship between social progress and competitive advantage (Porter & Kramer, 2006); 3) setting up contexts for customers and companies to learn from each other (Payne, Storbacka & Frow, 2008); and 4) understanding transformation as the outcome of shared learning between corporations and the communities in which they work (Wenger, Traynor & DeLaat, 2011).

## Blueprint for operationalizing shared value

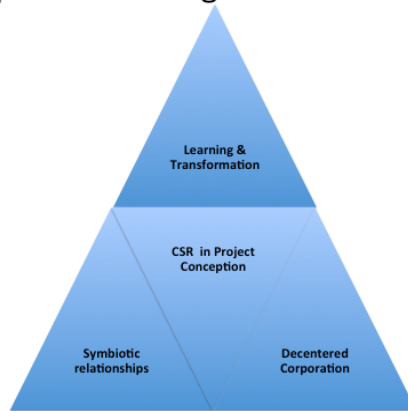


Figure 1: Positioning CSR in project conception at the core of an operationalized strategy for shared value in organizations.

In Figure 1, CSR in Project conception is depicted as dependent on the creation of symbiotic relationships and a decentered understanding of the corporation. At the same time, it becomes part of the basis for organizational learning and transformation. This configuration offers a blueprint for contextualizing projects and project conception not as a specialized area of interest, but rather as a central part of operationalizing a sustainable organizational strategy.

This paper examines an ongoing PM course, focused on teaching processes of project conception and planning as a form of co-creating value. It offers a set of tools developed in a Scandinavian context that can be used to operationalize project conception as a place where CSR becomes sustainable through relevance, reflexivity and continuous infusion throughout the organization.

**Material and methods** The PM course was developed in a Scandinavian context as a form of dialogue between the instructor and students focused on a real case with a local client. The course is designed through a design science method (Kampf 2012), which combines three interacting learning cycles related to the case context, the production of project content, and the rigor of PM tools and knowledge management theory.

The method requires students to define and delimit a problem within a real case through using systematic tools for stakeholder analysis. The understanding and application of these tools relies on their models for understanding relationships between stakeholders and organizations. The process of developing project conception is semester-long, and analysis tools are used to support reflection and refinement to their project conception, and encourage stakeholder dialogue and analysis as a basis for refinement.

The course has been taught annually since 2006 in Aarhus; in 2008, it was also taught at the Helsinki School of Economics in Helsinki.

**Theory/calculation** The introduction sets up a place for project conception as operationalizing CSR throughout the corporation. This section demonstrates key tools used in the course to enable students to engage in systematic and iterative reflection about project conception based on research. Three key tools that students use are:

1) Contextual analysis, which decenters the organization and offers a place to incorporate ethics by including norms by stakeholder group connecting to consequences, seen in Figure 2;

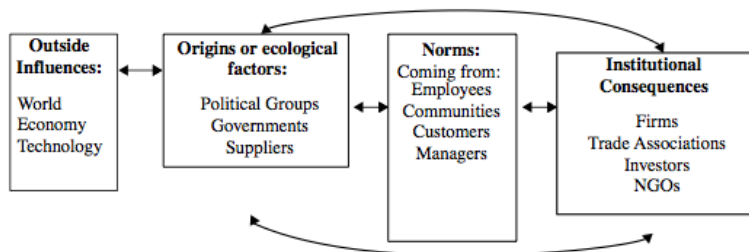


Figure 2: Contextual Analysis (Kampf 2007, Werhane 2011).

2) a project conception model that de-centers the firm by focusing on the intersections of the problem, strategic plan for the corporation and the initial project idea, seen in Figure 3;

### A model for aligning project content

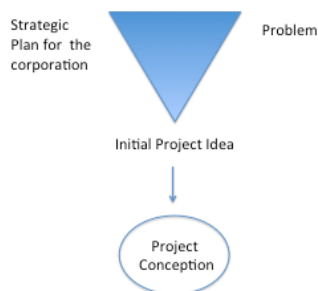


Figure 3: Project conception model which de-centers the corporation (Kampf, in press).

3) Problem-Solution-Outcome analysis; (here used with the example of Coke Farm Project in Indonesia—Kampf (in press)).

Stakeholder Group	Problem	Solution	Outcome
Local Farmers	Lack of land to plant	Offer unused land around the Coke Plant to neighboring farmers	Farmers have more land to plant, and are able to increase their harvest
Coke	Tea leaf waste from Nestea Production	Use waste as fertilizer	Tea leaf waste is recycled in an environmentally friendly and cheap manner (reduced cost for transport and waste)

Figure 4: Table demonstrating PSO analysis for Project Conception at Coke Farm in Indonesia. (Kampf, in press)

These tools set up a space for reflection, research, analysis and ethics as the basis for project conception.

**Results** The results of this course become evident after students enter the workplace, and begin to use this reflective and analytical frame to approach problems in their own business ventures or their work in corporations. Results will be further quantified by a post-course survey conducted with the University Alumni. Anecdotal evidence exists from students emailing the instructor 1-2 years after course completion to thank and explain how course content supports their work effectively.

**Discussion/Conclusions** The significance of these results is that the tools developed in dialogue with Scandinavian students offer a way for building in reflection, ethics, and problem solving skills that de-center the firm, and can function as a first step to solving the problems currently being faced in business curricula. Results also offer a theoretical contribution as the first step towards building a model for operationalizing sustainability and CSR in what is currently the most common form of organizing work—project conception.

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## **117 - How current assessments of Sustainability Performance by Best Practice in the UN Global Compact challenge legitimacy**

By **Thomas Kjærgaard** ([thokj@asb.dk](mailto:thokj@asb.dk)), PhD Candidate, Interdisciplinary Centre for Organizational Architecture (ICOA), Business and Social Sciences, Aarhus University.

## **How current assessments of Sustainability Performance by Best Practice in the UN Global Compact challenge legitimacy**

### **Extended Abstract**

The Scandinavian countries have been strong supporters of the UN Global Compact (UNGC) since the official launch in year 2000. This is best evidenced by the level of adoption of the UNGC, which is the most widely adopted broad sustainability-reporting standard in Scandinavia (Kjaergaard, submitted - in review). And since the UNGC in 2010 introduced the differentiation framework to their reporting standard, a significant number of Scandinavian corporations has chosen to report on an Advanced Level and self-assess their Sustainability Performance. Hence, in times where international opinion makers like the Economist (2013) turn to Scandinavia as having the solutions to some of the global sustainability-related challenges, it might also be worth reversing the optics. One approach could be to take a closer look at whether this high level of support for the UNGC translates to a high level of Sustainability Performance? And how the current assessment of Sustainability Performance by Best Practice in the UN Global Compact challenge the legitimacy of both the corporation, the UNGC and governments attempting to facilitate sustainability and CSR engagement?

Best Practice is a concept frequently used by authorities sources like governments, multi-national institutions etc. to showcase corporate sustainability practices in an attempt to inspire motivate or convince for corporate engagement. UNGC applies this discourse to a great extend and even goes as far as to integrate Best Practices as the core and decisive element in assessing Sustainability Performance with the criteria for Advanced Level reporting in the UNGC differentiation framework. Though, previous empirical research by Kjaergaard (submitted, in review) has demonstrated that although the introduction of this framework generally should be acknowledged, the way it is structured and measures sustainability performance is highly problematic. This has potential to lead to a number of undesirable outcomes for both the corporations and eventually the UNGC. Especially the use of Best Practices as determinants of the self-assessed Sustainability Performance on criterions is problematic when the framework does not weigh the Best Practices individually despite obvious differences in importance. Hence the same assessment score for a criterion can be achieved by adherence to either one of two potentially very different variables. Consequentially, corporations that apply best practices of higher importance are not acknowledged for doing so. Furthermore, since adherence to only one best practice for each criterion is required to be compliant with a criterion, then corporations are also not acknowledged by the framework for adhering to more and maybe more important Best Practices. These issues were identified by assessing the Sustainability Performance and analyzing the sustainability reports of 67 Nordic corporations, whom are signatories to the UN Global Compact.

This study applies a theoretical perspective to the empirical findings by Kjaergard (submitted, in review). The study finds the UNGC reporting framework and the widespread support and adoption



of it in Scandinavia to be *indicative of emerging neoliberal tendencies in governmental approaches to CSR* (Shamir, 2008). In a governmentality perspective these tendencies can be seen as unfolding when *"government assumes the role of an enabling and empowering facilitator of CSR, not a regulatory enforcer"* (Vallentin & Murillo, 2012). Whereas Scandinavian governments influence how widespread the adoption of sustainability reporting is, this study questions government's success as a facilitator of CSR and sustainability, when viewed in a Sustainability Performance perspective. The empirical findings by Kjaergard (submitted, in review) demonstrate that with only relatively few exemptions, the Sustainability Performance of Nordic corporations in general is not on a high level. Though, that is when assessed towards the Best Practices essentially constituting the UNGC reporting framework, which Kjaergaard also questions the validity of. This study suggests that the Best Practices determining the assessed Sustainability Performance are highly biased towards a *discursive frame or institutional logic of "civil regulation"* (Levy et al., 2010) focused on corporate sustainability compliance. The 'competing' institutional logic of *"corporate social performance"* (Levy et al., 2010) and a focus on competitiveness is almost absent in the UNGC reporting framework, which thereby is in sharp contrast to other more classic business performance frameworks. This study suggest that this identified discrepancy constitute a legitimacy issue for both the corporations reporting to the UNGC standard and for the UNGC and it's further institutionalization.

This study then examines this potential legitimacy issue by applying the analytical framework developed by Bernstein and Cashore (2007) that identifies a three-phase process through which non-state market driven (NSMD) governance systems might gain political legitimacy. Although acknowledging that the UNGC currently cannot be described as a NSMD governance system, this study nevertheless suggest that the UNGC to an increasing extent share the characteristics of an NSMD. The introduction of the UNGC differentiation framework and the recent significant increase in the number of member expulsions from the UNGC are highlighted as examples hereof. These examples concern the fifth characteristic or feature of NSND systems as they *"...possess mechanisms to verify compliance and to create consequences for non-compliance"*. Although these UNGC mechanisms to some extent are now present, they must be considered weak when compared to e.g. those of full-blown NSMD systems like the FSC. It is suggested that if the UNGC were to follow the path of a NSMD governance system towards political legitimacy, it must strengthen these mechanisms in order to increase legitimacy while fulfilling both official and unofficial objectives and ambitions of doubling the number of signatories by 2020. Furthermore, the study finds that given this status quo of the UNGC, it can be placed in first half of phase II (with a focus building stakeholder support) in Bernstein and Cashore's (2007) three-phase interaction process. Though, further advancement towards the third phase and political legitimacy, would require that the identified compliancy mechanism is strengthened, which then would require the resolvment of the identified sustainability performance discrepancy. If the UNGC reporting framework remains heavily biased towards contested Best Practices solely focused on sustainability compliance, the legitimacy of more pro-active corporations engaged in a sustainability practice with a simultaneous focus on sustainability compliance and sustainability

competitiveness might be challenged in the perspective of their stakeholders. If not addressed, these stakeholder concerns can potentially lead to the corporations abandonment of the UNGC standard and alternate subscription to other standards compatible with a more holistic view of sustainability performance. It is noted, that the origin of the Best Practices and the processes leading to their presence in the UNGC reporting framework is unclear. It is suggested that the path towards political legitimacy would also require the UNGC to '*take their own medicine*' and increase the transparency and validation of the processes leading to the Best Practices and the structure of the UNGC reporting framework.

The UNGC has been and increasingly is the topic of academic research, describing and analyzing both positive and negative aspects of the UNGC. This study adds the perspective that this kind of re-active approach is common in academic research and is also the basis for this study. Though, this study also suggest that academia can play a more pro-active approach in validating the processes leading to the Best Practices and the structure of the UNGC framework. Such a pro-active approach would require academia to engage as a legitimate stakeholder to the UNGC and conduct further research along the lines of the thinking by Vallentin & Murillo (2012): "*...more elaborate critical reflection on the mindsets and views of CSR that direct and organize activities, their implications in terms of priorities (inclusions and exclusions) and scope of action, and the conflictual aspects of these developments in general.*" It is suggested that this kind of research would require an interdisciplinary approach addressing competing instructional logics within the same studies. That is, studies that addresses the proposed duality of sustainability performance as being comprised by both compliance and competitiveness.

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**118 - Shareholder and Employee Rights: A Comparison of Scandinavian Nations  
and of Scandinavian Nations and Other Nations in the World**

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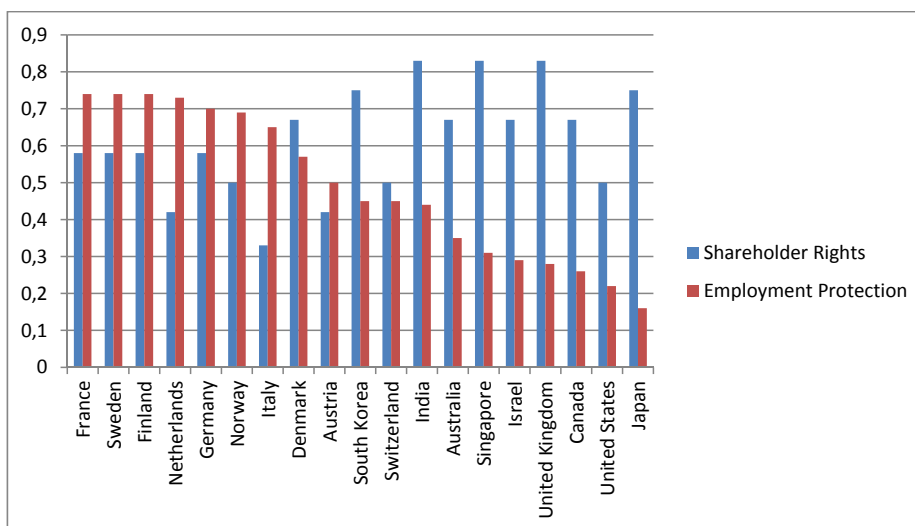
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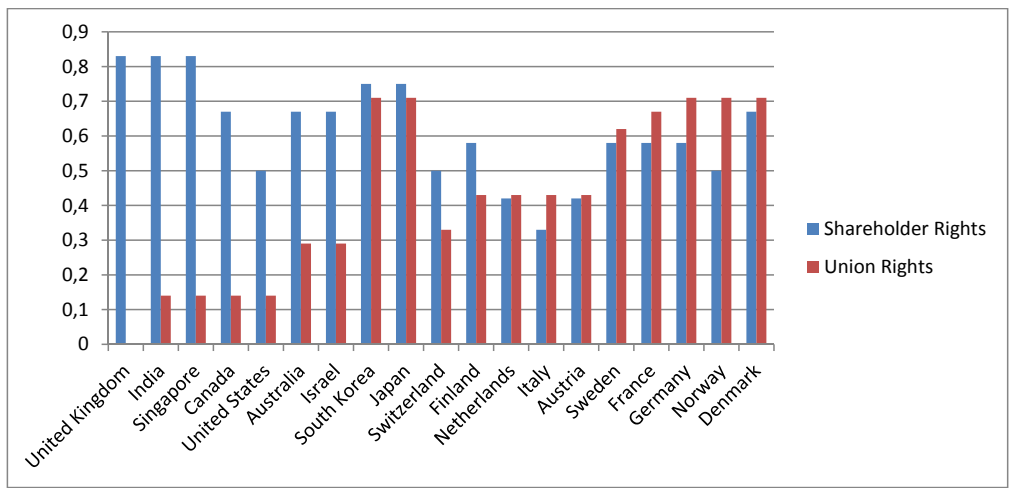
## Shareholder and Employee Rights: A Comparison of Scandinavian Nations and of Scandinavian Nations and Other Nations in the World

Many scholars have written about the different varieties of capitalism. In the paper we would like to present at the conference we would like to do some comparisons among Scandinavian countries and between Scandinavian countries and other countries in the world. We have collected data on shareholder rights (Djankov, La Porta, Lopez-de-Silanes, & Shleifer, 2008), employment protection (Botero, Djankov, La Porta, Lopez-de-Silanes, & Shleifer, 2004), union strength (OECD), and rule of law (World Bank) for 19 countries including four Scandinavian countries— Denmark, Sweden, Norway, and Finland. We also have collected data on the largest companies operating in these countries. Our aim in this paper will be to compare the four Scandinavian countries with each other and with the other 15 nations in our sample. Here we will simply preview some of our initial findings at the country level which excludes the company level data we also have gathered and which we will analyze further in the paper. The country level data sets the background for the company level comparisons. To what extent have the companies operating under these different varieties of capitalism behaved and performed differently. The initial findings below are just about the countries not about the companies. We will develop the country-company comparisons in greater detail for the conference.

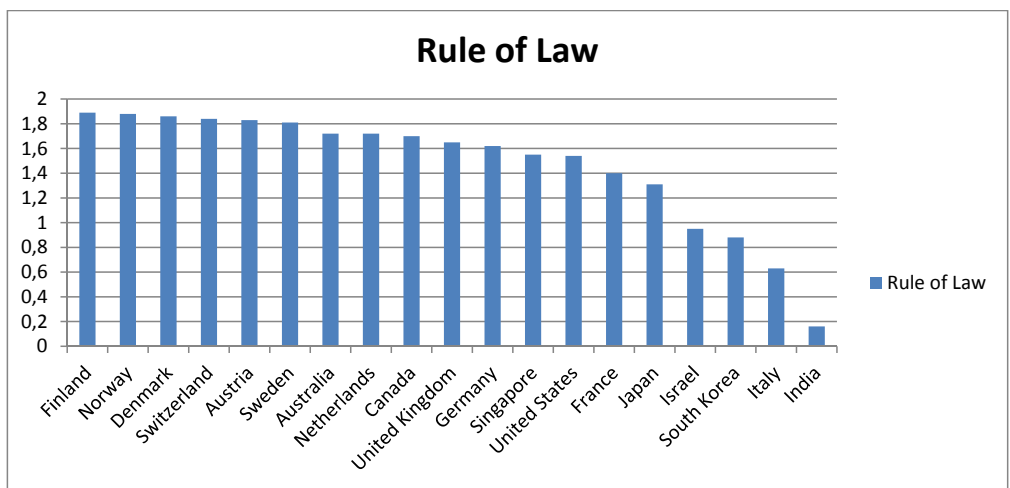
First we note that that the four Scandinavian countries differ from each other in some respects. If we use employment protection (difficulty in firing workers) over shareholder rights as an indicator, then Sweden, Finland, and Norway fall in among the countries where employment protection dominates, while Denmark falls in among the countries where shareholder rights dominate.



However, if we use shareholder rights over union rights as the indicator then Finland falls in among the countries where shareholder rights dominate, while Denmark, Norway, and Sweden fall in among the countries where union rights dominate.

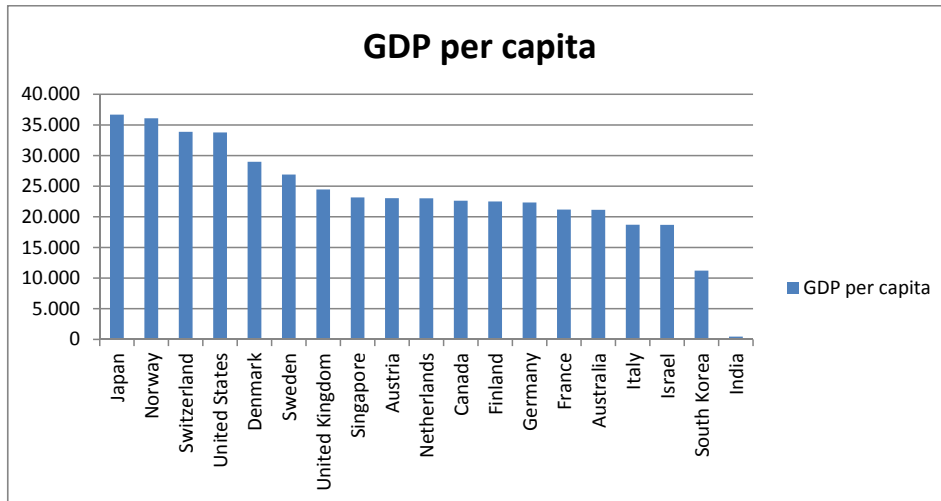


If we rank countries based on rule of law, then Finland, Norway, Denmark, and Sweden all get very high rankings. Along with Switzerland and Austria, they are in the highest tier.



If we look at average GDP per capita in the first decade of the 21<sup>st</sup> century among the Scandinavian nations and compare them to other nations in the world, we see that Norway is in the absolutely highest tier with Japan; Denmark and Sweden are in a third tier behind Switzerland

and the US; and Finland is in a fourth tier with the UK, Singapore, Austria, the Netherlands, Canada, and German but still ahead of nations like France and Australia.



These initial findings suggest to us that though there are many similarities among these Scandinavian countries but there also are some potentially important differences.

Country	Rule of Law	Employee Protection	Union Rights	GDP/Capita
Norway	x	x	x	1
Denmark	x		x	2
Sweden	x	x	x	3
Finland	x	x		4

Though there are differences among the Scandinavian countries when we compare them to other blocks of countries arrayed by their location we find that the Scandinavian countries, like others in Western Europe, afford less rights to shareholders than countries in other parts of the world. In the regression that we have carried out below the dependent variable is shareholder rights divided by employee rights. The independent variables are rule of law and GDP per capita. We have grouped together the Anglo capitalist countries (UK, US, Canada, and Australia), the Euro capitalist countries (Germany, France, Italy, the Netherlands, Switzerland, and Austria), the Asian capitalist countries (Japan, S.Korea, and Singapore). India and Israel are kept separate.

While the Anglo capitalist countries, the Asian capitalist countries, India, and Israel all score highly on the shareholder rights indicator, the Scandinavian and European nations do not. These findings obviously are preliminary, and are not very surprising. In the paper we will give at the

conference we propose to take these analyses further. Our intention will be to compare the Scandinavian nations among themselves and with other developed nations.

share_empr~c	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
ruleoflaw	.04525	.4509191	0.10	0.922	-.9747999	1.0653
gdppercapita	.0000879	.0000229	3.84	0.004	.0000362	.0001396
anglocap	2.065653	.5508216	3.75	0.005	.8196076	3.311697
scancap	.4837627	.5654152	0.86	0.414	-.7952954	1.762821
eurocap	.688922	.5816182	1.18	0.267	-.6267898	2.004634
asiacap	2.822198	.6122086	4.61	0.001	1.437286	4.20711
india	3.789664	1.109251	3.42	0.008	1.280362	6.298965
israel	2.574923	.7915988	3.25	0.010	.7842021	4.365644
_cons	-1.950269	1.051486	-1.85	0.097	-4.328897	.4283579

Source	SS	df	MS	Number of obs =	19
Model	18.4112586	8	2.30140732	F( 8, 9) =	10.67
Residual	1.94112447	9	.215680497	Prob > F =	0.0009
Total	20.352383	17	1.197199	R-squared =	0.9046
				Adj R-squared =	0.8198
				Root MSE =	.46441

Our data base will allow us to add indicators to make these comparisons more rigorous and systematic. We have data on the largest companies in these 19 nations and we can determine the extent to which the different models of capitalism which these countries practice influence the companies. For instance, are there systematic differences in employee practices or in indicators of growth and profitability? In the paper we intend to present at the conference, we will also review the literature to ascertain how prior scholars have approached the issue of comparing different varieties of capitalism.

## **119 - The value of the Shared Value-concept: A critical examination**

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Laura J. Spence, Royal Holloway, University of London



## **The value of the Shared Value-concept: A critical examination**

Shared value, the concept popularized by Porter and Kramer in the Harvard Business Review (Porter & Kramer, 2006, 2011), seeks explicitly to address the task of regaining trust in business in the current age of crisis. The authors contend: 'The capitalist system is under siege, ...learning how to create shared value is our best chance to legitimize business again' (Porter et al., 2011: 64). Porter & Kramer (2011) very much present their concept as a new idea that will 'resolve existing social, cultural, economic and environmental challenges for the benefit of people and planet' and which 'permanently alters the perceptions, behaviors and structures that previously gave rise to these challenges' (Centre for Social Innovation, 2012). In the words of Porter & Kramer (2011: 64), 'it can give rise to the next major transformation of business thinking,' 'drive the next wave of innovation and productivity growth in the global economy' and 'reshape capitalism and its relationship to society'.

In this paper, we seek to analyze and critically evaluate the concept of shared value, both in terms of its stated aims – to re-legitimize business (p.64), to redefine 'the purpose of the corporation' (p.64), to 'reshape capitalism' (p.64), and to 'supersede corporate social responsibility in guiding the investments of corporations in their communities' (p.76) – and in terms of its overall contribution to understanding the social role and responsibilities of corporations. We suggest that the concept makes some significant progress towards enhancing attention to the social dimensions of business, and may act as a spur for better practice. However, it also suffers from a number of serious shortcomings that will fundamentally erode any real possibility for the more fundamental change aimed at by the authors.

By most typical measures, Porter & Kramer's concept has met with considerable success. As an idea developed for and with senior leaders in large corporations, it is little surprise that it has succeeded in gaining a substantial and positive practitioner audience. It has not only reached this audience through the HBR, but in various newspaper, magazine and web accounts, including the New York Times, The Economist, The Guardian, Forbes, and the Huffington Post. It has been the subject of several CEO roundtables at Davos. It is now required reading in a variety of MBA and executive courses. It won the 2011 McKinsey Award for the best article in HBR, and 'shared value' has since been enshrined in the official EU strategy for CSR (see European Commission, 2011). Beyond the practitioner community, the shared value concept has also made great headway into the academic management literature. As of October 2012, the 2011 HBR paper alone had received 454 citations on Google Scholar. By way of comparison, the next four highest cited articles in the same issue of HBR had received 36, 32, 11 and 6 citations respectively.

Despite these strengths and contributions, the shared value concept and its framing is fatally undermined by a number of critical weaknesses and shortcomings. First, Porter & Kramer's avowed aim to supersede CSR with CSV is only achieved to the extent that they construct a largely unrecognizable caricature of CSR to suit their own purposes. For instance, by defining CSR as 'separate from profit maximization', they ignore several decades of work exploring the business case for CSR. As far back as the early 1970s, authors were suggesting that 'social responsibility states that businesses

carry out social programs to add profits to their organization' (Johnson, 1971, cited in Carroll, 1999). The more recent turn towards economic approaches to CSR similarly identifies 'some level of CSR that will maximize profits while satisfying the demand for CSR from multiple stakeholders' (McWilliams & Siegel, 2001). Porter & Kramer also posit CSR as 'discretionary or in response to external pressure' whilst much of the recent 'strategic CSR' literature suggests that 'CSR is strategic when it yields substantial business-related benefits to the firm, in particular by supporting core business activities' (Burke & Logsdon, 1996).

A second major shortcoming is that framing of the shared value concept appears to ignore a well-developed stream of work around creating value within the stakeholder management literature. Instrumental stakeholder theory (see Donaldson & Preston, 1995), for instance, is largely synonymous with the characterization of CSV as 'creating economic value in a way that also creates value for society by addressing its needs and challenges' (Porter & Kramer, 2011: 64). Moreover, even the language of value creation has been a major feature of the work of Ed Freeman, stakeholder theory's leading advocate, over the past decade or so – the key principle here being that 'creating value for stakeholders creates value for shareholders' (Freeman, Wicks, & Parmar, 2004). It is difficult to see where CSV differs in any substantial way from this literature, yet it remains wholly unacknowledged by Porter & Kramer in any of their work to date.

Beyond the unacknowledged overlaps with other established streams of literature, the CSV concept also suffers from a failure to deal adequately with trade-offs between economic and social value creation, and with any negative impacts on stakeholders. Porter & Kramer (2011) claim to 'move beyond' any such trade-offs (p.64), largely by, it would seem, ignoring them. Whilst seeking win-win opportunities is clearly important, this does not provide guidance for the many situations where social and economic outcomes will not be aligned for all stakeholders. Paying decent wages only for its first tier suppliers might for instance evaporate all profits in the apparel industry – not to speak about the wages paid further down the supply chain until the cotton fields. Many, if not most corporate decisions related to social and environmental problems will manifest in dilemmas (Badaracco, 1997). In an ethical dilemma, worldviews, identities, interests and values collide and solutions rather look like compromises or trade offs. Operating with a CSV mindset, corporations might invest more resources in promoting the impression that complex problems have been transformed into win-win situations for all affected parties, while in reality problems of systemic injustice have not been solved (Levy, 2008) and the poverty of marginalized stakeholders might even have increased because of the responsibility engagement of the corporation (Khan, Munir & Willmot, 2007)

A further problem of the concept can be found in the assumption that compliance with legal and moral standards is given and CSV builds on top of such a hard and soft law compliance. This assumption decouples the concept from the more serious social and environmental problems corporations are facing along their supply chains and leads to a cherry-picking strategy. Scholars in CSR have argued that multinational corporations operate in a broad variety of geopolitical contexts where governments are not able or not willing to regulate them (Matten & Crane, 2005; Scherer & Palazzo 2007). However,

what seems to be a key challenge for those corporations, plays no role in the CSV concept. Dealing with the negative impacts of corporations is given short shrift by Porter & Kramer. There is one sentence on this issue, namely: 'creating shared value presumes compliance with the law and ethical standards, as well as mitigating any harm caused by the business, but goes far beyond that.' (2011: 75). It is a remarkable piece of finessing to 'presume' such compliance rather than integrating it within the concept itself, especially given their espoused aims of restoring trust in capitalism and re-legitimizing business. Finally, by taking aim at CSR, Porter & Kramer appear to be identifying a very unconvincing culprit for the problems of capitalism. Clearly there are more fundamental models of strategy that need to be addressed, both to restore trust in our economic institutions, and indeed, to build a case for shared value. Critically, Michael Porter's own models of competitive strategy would need to be overturned in order for shared value to flourish, a point on which he and Kramer are, thus far, silent. For example, looking at his classic model of the Five Forces, which he revised and updated in HBR in 2008 (Porter, 2008), stakeholders such as customers and suppliers are regarded not as participants in a shared value enterprise but in 'competition for profits' with firms (p.79). And even when, in a revision to the original formulation, Porter acknowledges that it is possible to expand the overall amount of value created to open up 'win-win opportunities for multiple industry participants,'(p.92), he then goes on to explain that 'the most successful companies are those that expand the industry profit pool in ways that allow them to share disproportionately in the benefits.' (p.92). As such, the business fundamentals that underpin Porter's view of strategy would seem to undermine the broad goals of the shared value project.

### **Discussion**

The core contribution of the paper is to assess the contribution Porter & Kramer's concept of CSV makes to the debate on business and society, and in garnering such admirable attention, the potential of CSV for the emergence of socially beneficial business practices. However, in focusing on its many strategic exclusions and diversions we argue that it also provides yet more fuel to fan the fires of capitalism's critics who are looking more for a retreat from corporate self-interest, rather than a simple restatement of it. The panelists will also highlight that Porter and Kramer fail to acknowledge or create any 'shared value' in that most collaborative of enterprises, the development of scholarly knowledge. Thus, shared value is not such a social 'innovation' as its proponents contend, and it may prove counterproductive in its aims to create a better world by reshaping capitalism. The CSV concept is corporate-centric. It explains how the corporation can transform (some) of its social and environmental problems into win-win solutions. Another purpose of the discussion of the panel is to highlight a societal perspective, in which many of the problems corporations try to deal with on a local level appear as systemic problems of injustice which require broader solutions (Young, 2004) embedded in democratically organized multistakeholder processes (Detomasi, 2007), for which the perspective cannot be the creation of additional profit opportunity of the corporation but the common good of society (Barley, 2007).

(References can be provided upon request).

**120 - Building resilient and sustainable global agricultural systems: Research from Scandinavia and Minnesota**

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## Building resilient and sustainable global agricultural systems: Research from Scandinavia and Minnesota

### Extended Abstract

As the environmental footprint of human civilization expands, do we risk undermining the life-support systems upon which we depend? An international group of scientists led by researchers at the Stockholm Resilience Centre attempted to answer this question by quantifying a set of critical biophysical thresholds in the earth system – *planetary boundaries* – that provide a safe operating space for humanity (Rockström et al., 2009). Three of the proposed boundaries have already been crossed: nitrogen loading, biodiversity loss, and climate change. Moreover, humans are rapidly approaching boundaries for global land use and disruption to the phosphorus cycle.

In each of the above cases, agricultural land use is a major driver – if not *the* major driver – of pressure on planetary boundaries. In sheer area, humans have converted one-third of the earth's ice-free surface to croplands and pastures (Foley, Monfreda, Ramankutty, & Zaks, 2007), with obvious detrimental effects to terrestrial biodiversity. From 1960 to 2000, an eight-fold increase in nitrogenous fertilizer consumption and a three-fold increase in phosphate fertilizer consumption have significantly altered the global cycles of these vital elements and caused widespread damage to aquatic ecosystems (G. D. Tilman, 2001; Vitousek et al., 1997). In addition to the land use and nutrient cycling effects of agriculture, the sector contributes over a quarter of global greenhouse gas emissions (including emissions from deforestation for agricultural expansion). A doubling of nutritious crop demand by 2050 will dramatically intensify these environmental pressures as global population increases by two billion and the developing world adopts an increasingly meat-intensive diet (D. Tilman, Balzer, Hill, & Befort, 2011).

Clearly, the massive environmental footprint of agriculture jeopardizes long-term sustainability. Yet despite the environmental pressures, nothing is more critical to sustaining humanity than a highly productive and resilient food supply.

In this talk, we will detail recent collaborations between Scandinavian and American scientists that have attempted to identify some characteristics of agricultural systems that are both *sustainable* and *resilient* at a variety of scales (Bennett et al., in prep). At the global scale, such a system would stay within planetary boundaries while eliminating malnutrition and hunger. At regional and local scales, such efforts must provide livelihood opportunities and retain natural ecosystems that provide us with “goods and services” for healthy, fulfilled lives.

Research based at the University of Minnesota has also sought to expand on these concepts using a variety of spatial analyses. In particular, staying within the land use and climate planetary boundaries would require limiting land clearing for new agricultural lands. This translates to a need to increase production on existing lands, but this may also require tradeoffs that would counteract other goals for nutrient and water management (Mueller et al., 2012). Here we

quantify global spatial patterns of agricultural management for major crops, and analyze how these patterns may change if we attempt to produce increased yields. We find there are potential environmental tradeoffs to intensification of cropland management, but that decreasing both nutrient overuse and underuse could help minimize these costs. Climate change will decrease the potential of intensification to produce additional food, but in the medium-term net yield increases are still possible. We will close with a discussion of our food choices and how they feedback to global food demand and the environment.

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## **121 - An Examination of U.S. Firms' Renewable Energy Utilization and Financial Performance with Suggestions for Replication in Scandinavia**

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## **An Examination of U.S. Firms' Renewable Energy Utilization and Financial Performance with Suggestions for Replication in Scandinavia**

Organizational sustainability initiatives have gradually increased since the 1987 Bruntland report highlighted the importance of preserving the world's diminishing natural resources for future generations. Consistent with Drucker's contention that "managers must convert society's needs into opportunities for profitable business" (1973, p.76), leading business strategists like Thomas Friedman (2008), Peter Senge (2010) and Michael Porter (2010) have underlined the need to improve organizational sustainability practices with Porter's shared value model suggesting that responding to community needs by demonstrating environmental responsibility provides businesses with opportunities for differentiation.

A particularly critical sustainability issue is firms' continuing prevalent use of non-renewable fossil fuels for generating power instead of renewable energy (EPA, 2012). Renewable energy (RE) refers to energy sources that are naturally replenishable like sun, wind, moving water and waste material (EIA, 2012). Research shows that customers' knowledge and beliefs about the consequences of using RE significantly influence their intentions to pay more for energy (Bang et al., 2000), and purchase products from firms that utilize RE in their manufacturing processes (Ward et al., 2011). However, the United States still depends heavily on coal, oil and gas for generating electricity. Less than 10% of U.S. energy consumption accounted for by RE sources (EIA, 2012). Moreover, despite the well-established benefits of RE and recent empirical studies that indicate firms' sustainability initiatives favorably influence performance (e.g., Jacobs et al., 2010; Ameer and Othman, 2012), research that assesses the efficacy of firms' RE utilization is lacking.

This research examines the influence of U.S. firms' renewable energy utilization on financial performance. The theoretical foundation for our study is the natural resource-based theory of the firm (NRBV: Hart, 1995). The NRBV proposes firms derive competitive advantage by exploiting resources that facilitate environmentally sustainable economic activity. The NRBV perspective is useful for examining the association between environmental and financial performance because of its emphasis on the contingent nature of resource-related capabilities (Hart and Dowell, 2011). Based on a review of the literature for the 15 years since the introduction of the NRBV, Hart and Dowell (2011) suggest that leveraging clean technology is a prominent element of sustainable development strategy that focuses on innovation and future positioning. Therefore, drawing on the NRBV, we propose that firms' voluntary use of RE as a substitute for the use of conventional electricity is embedded in the skills, resources and capabilities that are fostered by commitment to the natural environment that is specific to each individual organization. Two independent sources of secondary data are employed to test our study hypotheses: the U.S. Environmental Protection Agency *Fortune* 500 Top Green Power Partners list to assess firms' RE utilization and the Compustat database for financial performance measures. Tests for equality of paired means are utilized to compare the annual mean Return on Investment (H1) and Tobin's Q (H2) of U.S. firms



identified as exceptional users of RE in the EPA's *Fortune* 500 Top Green Power Partners list with their respective industry averages over a 5 year period (2007-11).

The next step for this research agenda would be to replicate this study using Scandinavian firms. A recent Pew Report (2010) suggests that the nations that lead in the development and use of clean energy will be the leading nations in the 21<sup>st</sup> century. In the years 2009-2011 firms have purchased markedly higher quantities of RE (Bloomberg, 2012). However, European firms purchase far more of their power from renewable sources than North American firms -- an average of 20% vs. 5% (Bloomberg, 2012). Within Europe, Scandinavian countries are leaders in the use of RE. For example, Norway is the largest per capita provider of wind energy globally and Sweden and Iceland are leaders in gross electricity generated by renewable energy sources ([www.europe.eu](http://www.europe.eu)). Research also indicates that Northern European customers expect more than customers in the U.S. in terms of sustainable practices from firms (Bloomberg, 2012). This cultural mindset suggests that replicating the current research using data for Scandinavian firms might yield even more robust associations between firms' RE utilization and financial performance, and may even reveal that Scandinavian firms purchasing more RE are able to generate higher levels of customer satisfaction and loyalty.

**References available on request**

## **122 - How sustainable is Iceland?**

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## How sustainable is Iceland?

The Nordic countries have often been highlighted as the world's most sustainable and thus a model region for others to follow. Iceland is one of the Nordic countries, yet quite distinct in many respects, for example in the context of its environment and natural resources. The aim of this paper is to assess in a comparative context how sustainable Iceland is, compared to the other Nordic countries, with a main focus on environmental sustainability.

The title question is approached by seeking answers to three sub-questions.

1. How does Iceland score on selected sustainability indices?
2. What are the main reasons for that scoring?
3. Given the indices, with additional insights from Iceland, what are the big environmental sustainability issues in Iceland?

Among indices we look at are Environmental Performance Index (EPI), the Happy Planet Index (HPI) and Ecological Footprint (EF) for environmental sustainability and Human Development Index (HDI) for social sustainability. We also explore emissions of greenhouse gases (GHG) as well as indices for soil erosion.

The ranking for the Nordic countries on these indices (2012 except 2007 for EF) is given in the table, as well as the ranking of the GHG emission per capita. For EPI, HPI and HDI low ranking number is positive but negative for EF and GHG.

	EPI	HPI	EF	HDI	GHG
Iceland	13	88	1	14	9
Denmark	21	110	4	15	13
Norway	3	29	18	1	17
Sweden	9	52	14	8	33
Finland	19	80	13	21	7

The table indicates that Iceland is similar to Scandinavia. The countries are doing well measured by EPI and the HDI, but not so good measured by HPI, EF (where Iceland has the largest environmental footprint per capita in the world) and GHG.

The environmental sustainability issues of Iceland, discussed in the paper, include:

- **Fisheries.** Fishing and fish processing was the backbone of the Icelandic economy most of the 20<sup>th</sup> century and still is among the most important sectors. Icelanders have for the last few decades managed their fish stocks in a sustainable manner, yet total allowable catch (TAC) has declined for many stocks since the 1980's. The system has also had significant implications for economic development in the country. The industry has a great

environmental footprint, in particular with respect to impact on the ocean floor and use of fossil fuels as the industry uses 30% of all fossil fuels imported to Iceland.

- **Energy.** Iceland has abundance of renewable energy, both geothermal power and hydropower. Approximately 80% of total primary energy supply is derived from renewable energy resources, with the remainder coming from fossil fuels. Approximately 99% of electricity in Iceland is produced from hydropower and geothermal power and over 90% of all houses in Iceland are heated with geothermal energy. The transportation and the fishing fleet rely on imported fossil fuels. The relative environmental impact of hydro- and geothermal energy is small, yet significant as hydropower has an environmental footprint e.g. due to the reservoirs and the use of geothermal power results in significant emissions of e.g. hydrogen sulfides and has implications for thermal pollution. Furthermore, if the geothermal resource is used excessively it may not be able to replenish itself, and thus it may be necessary to rest overexploited areas for decades. Currently over 76% of all electricity produced in Iceland is bought by the aluminum industry. This has significant implications for sustainability as the industry is a heavy emitter of GHG's and the raw material and the products are transported long distances with subsequent use of fossil fuels.
- **Emissions of greenhouse gases:** Iceland has the 9<sup>th</sup> highest GHG emissions per capita in the world despite relying on low-carbon energy resources. The main reasons for this are; the relative size of the aluminum sector (responsible for over 30% of total emissions), the energy intensive transport (15%) and fisheries sectors (20%). Significant opportunities are available for mitigation, with the most significant opportunities linked to carbon sequestration and land-use change and forestry, including soil and wetland restoration.
- **Air pollution.** Icelanders have generally assumed insignificant air pollution in Iceland. However in recent years levels of both particulate pollution (PM) and concentration of hydrogen sulfides have increased, in particular in the capital area, where PM is on par with large cities such as London. Culprits for PM are use of diesel vehicles, grinding of asphalt and natural sources, whereas the sources of elevated levels of hydrogen sulphide is the use of geothermal energy for electricity production.
- **Material use and waste.** As indicated by the large EF, Icelanders are materialistic and in the past have had lax regulations regarding waste management of all waste categories, ranging from municipal to hazardous waste. Up until the 1990's municipal waste was burned in open pits, with associated pollution and collection and treatment of hazardous and toxic waste was largely non-existent. This has led to the existence of hundreds of contaminated sites all around the country that not yet have been sufficiently researched nor cleaned up. The treatment of waste has significantly improved in the last two decades as Iceland had to implement EU waste directives.

- **Soil degradation** is a serious environmental problem as soil erosion has been active since around 1200 as the country became largely de-vegetated due to both overgrazing and natural hazards such as volcanic eruptions. For example, over 95% of original forests have been lost. Today only 4% of the country is classified with no soil erosion, but over 40% of the country classified with considerable to extremely severe soil erosion.

The results indicate that Iceland is doing well when measured by the EPI, yet scores poorly in assessments of the EF, GHG emissions and the HPI. The reasons for these diverging conclusions, relate to the focus and system boundaries of each index. Furthermore, assessment of significant environmental issues in Iceland illustrate that Iceland's reputation when it comes to environmental sustainability seems inflated.

**123 - At the crossroads of institutional logics and nested identities:  
Identity work in a socially-engaged consumer cooperative**

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# **At the crossroads of institutional logics and nested identities: Identity work in a socially-engaged consumer cooperative**

## **Introduction**

Organizations that come in contact with and need to address diverse institutional logics are exposed to a high degree of institutional complexity (Greenwood, Raynard, & Kodeih, 2011, p. 341). Recently, there has been a growing interest in how organizations respond to institutional complexity by interpreting, filtering, and exploiting the ambiguity and contradictions inherent in different institutional logics to which they get exposed and need to account for (Creed, Scully, & Austin, 2002; Greenwood et al., 2011; Greenwood, Suddaby, & Hinings, 2002; Lok, 2010; Pache & Santos, 2010; Suddaby & Greenwood, 2005).

The rivalry between different logics can be managed in different ways, among which that of collaboration (Reay & Hinings, 2009) and identity work (Creed, DeJordy, & Lok, 2010; Hatch & Zilber, 2011). For example, scholars have found that competing institutional logics may lead to actors altering and negotiating their identities (Battilana & Dorado, 2010; Lok, 2010). However, research has largely overlooked the connection between institutional logics and organizational identity (Thornton, Ocasio, & Lounsbury, 2012). We still know relatively little about how organizations deal with institutional complexity (Battilana & Dorado, 2010; Greenwood et al., 2011; Kraatz & Block, 2008; Pache & Santos, 2011).

In this study, I zero in on cooperatives, as hybrid organizations exposed to a high degree of institutional complexity through their position at the intersection of organizational fields and institutional logics (Steinberg & Powell, 2006, p. 3). Specifically, I trace the development of a collaborative corporate social responsibility (CSR) project pursued by a Danish consumer cooperative through intra- and inter-organizational negotiations that draw on market, social development, and partnership as distinctive logics, and in turn relate to and (re)shape the organizational identity of the cooperative.

I seek to respond to calls for research bridging perspectives of organizational identity and institutional theory through empirical studies of at a micro level - e.g., everyday identity work (Battilana & Dorado, 2010; Christiansen & Lounsbury, forthcoming; Lok, 2010) – by exploring *how organizational actors (re)construct their organization's identity through their involvement in inter-organizational collaborative projects*. The central argument articulated in the paper is that organizational actors can filter and resolve conflict related to conflicting institutional logics by engaging in identity work.

## **Methods**

This paper draws on an in-depth, longitudinal, multi-level case study of the Danish consumer cooperative, the 'Trade Collective' (TC; all names are pseudonym) over a period of 3 years and 10 months, i.e. from April 2009 to February 2013. The findings emerged from an empirically

based analysis of TC's engagement in a CSR project named 'Trade with Africa' that involves collaboration with its subsidiary the Danish retail company 'Trader's' and the non-governmental organization (NGO) 'Develop'. The case provides real time empirical insights into the intra- and inter-organizational project negotiations and TC's development of a new and more strategic group-wide approach to CSR.

Data, collected in Danish, pertained to three levels of analysis: individual, group ('Trade with Africa' project), and organization (TC). I conducted 12 semi-structured explorative interviews with sustainability managers from TC, 2 with Trader's purchasing agent and consumer political and environmental managers, and 5 with project managers from two NGOs. In addition, the empirical data consist of participant observation, email correspondence, and organizational documents (annual reports, internal reports, and project drafts and applications).

### **Conclusions, limitations, and avenues for further research**

The illustrative case study of TC's Trade with Africa project highlights the cross level dynamics of identity (re)construction at the interface between individual, project, and organization. The case study provides empirical examples of individuals' upward influence on organizational level identities through identity work at project level, which adds to our understanding of identity dynamics. Furthermore, the illustrative case study shows how projects and collaborate relationships (e.g. Reay & Hinings, 2009) can serve as a strategy for coping with institutional complexity. It extends previous work on institutional logics and identity work by illuminating how projects may serve as arenas of interplay between institutional logics and identities across different levels. Hereby the paper also adds to the CSR literature by suggesting that CSR partnerships can be understood as identity work and serve as a platform for organizations to handle competing institutional logics.

It is tempting to conclude from the findings that all organizational actors can engage in identity work. It is, however, uncertain whether the findings rely on the individual project managers' entrepreneurial and political skills. Future research needs to examine the extent to which identity work is dependent on entrepreneurial actors. Furthermore, it would be especially interesting to have more empirical studies of nested identities as such studies hold promising avenues for future research in identity theorizing on the individual-organization interface.

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## **124 - From the Old to the New: Institutional Determinants of Implicit to Explicit CSRS Transformation**

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## From the Old to the New: Institutional Determinants of Implicit to Explicit CSRS Transformation

### Abstract

In this study we will investigate theoretically and empirically the institutional forces that influence the shift from implicit Corporate Social Responsibility and Sustainability (CSRS), one that is inherent and largely compliant, and explicit CSRS, one that is discretionary, in Scandinavian firms. This shift, as noted by Strand (2013) is significant, and while in part it may be driven by voluntary firm decision making, we argue, congruent with Matten and Moon (2008), that institutional, isomorphic demands may substantially promote this CSRS transformation.

The study of CSRS, which can be defined as the acknowledgment of firm's responsibility to market, environmental and social demands in a perpetuating manner<sup>13</sup>, has in recent time taken a prodigious turn. As Brammer, Jackson, and Matten (2012) submit, research has shifted from questions concerning the consequences of social responsiveness, to those related to the antecedents of CSRS. Specifically, as Brammer et al. (2012) note, there has been a contemporary wave of institutional theory, both 'neo' and comparative, cascading over CSRS scholarship. While the link between institutional theory and CSRS has previously been explored (c.f. Matten & Moon, 2008; Campbell 2007; Aguilera et al. 2007), the present popularity of 'all things institutional' suggests that this stream of research has gained significant equity with both scholars and practitioners.

This increased attractiveness of institutional theory is arguably a by-product of two realities: (1) the relative inconclusiveness of the 'business case' for CSRS and (2) the internationalization of business and management practices. We seemingly now, at least in academia, care less whether CSRS leads to improved financial performance, and more about the causes and orientation of social responsiveness across nations, industries and firms (Brammer et al. 2012). Since a rational, profit-maximization argument fails to explain heterogeneity across CSRS practices and popularity, a more social and nuanced approach to CSRS is warranted. Enter institutional theory.

Since Matten and Moon (2008) distinguished between explicit CSRS, and open and implicit CSRS, and tied their existences to institutional determinants, the trend towards comparative institutionalism has increased. Researchers have attempted to both validate and extend this dichotomy (Jackson & Apostolakou, 2010; Moon & Orlitzky, 2011). While contrasting institutional forces between and across regions is both interesting and important, these studies often fail to acknowledge intra-regional CSRS heterogeneity (c.f. Jackson & Apostolakou, 2010 for an

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<sup>13</sup> Note we use the term CSR, consistent with Moon and Orlitzky (2011). As they note, combining CSR and Sustainability together explicitly recognizes the market, environment and social aspects of the firm's operations (Triple Bottom Line). We however, much like they do, refrain from opining about the merits or weaknesses of CSR and Sustainability, and try to use the terms in most commonly accepted manner.

exception). Further, they view institutions and CSRS as rather stable and inert, implicitly precluding the possibility that as regions evolve, so do their social responsibility demands.

Thus, to address these deficiencies, we focus on the institutional forces that motivate firms to move from implicit to explicit CSRS. As Matten & Moon (2008) suggest, this transformation is increasingly likely as the Western explicit CSRS influence is transferred to traditionally implicit CSRS regions. Consistent with this position, our central argument and assumption is that the greater the firm's interaction and engagement with explicit CSRS, the greater the propensity and likelihood of change.

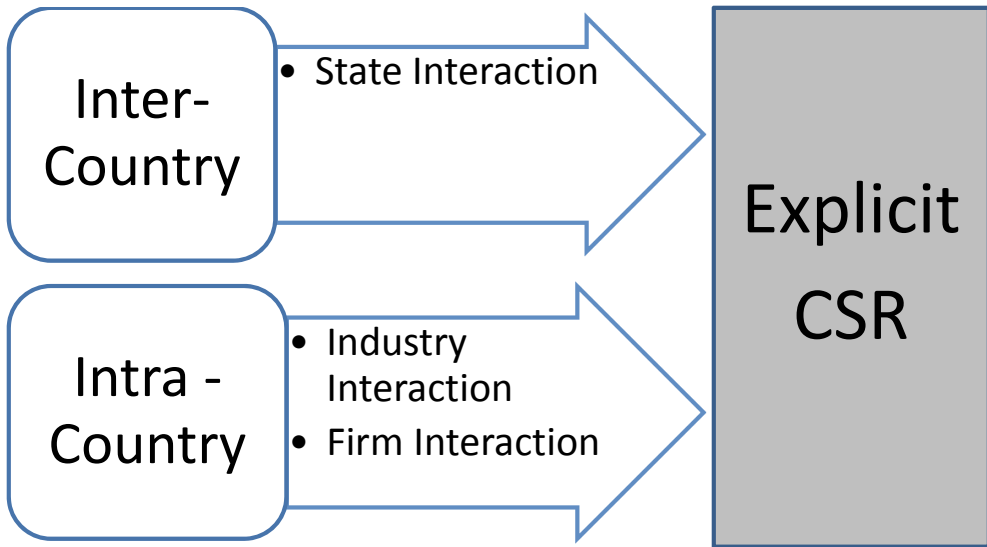
Therefore, based on this argument, we propose three main institutional determinants that are likely to promote explicit CSRS in traditionally implicit CSRS regions and firms. These three are State Interaction, Industry Interaction and Firm Interaction:

1. State interaction refers to the extent of relational ties between the 'implicit CSRS' nation state (Scandinavian country) and nation states considered being high in explicit CSRS (Western countries). These ties may exist through trade, treaties and agreements, compacts, tourism, immigration, etc. The EU also plays an important role in state interaction.
2. Industry interaction is related to the globalization industries. Industries that promote globalization across the supply chain, especially relationships with Western entities, are expected to facilitate greater industry interaction than those that are primarily domestic.
3. Firm interaction considers the extent to which organizations, and their policies, are guided by persons from explicit CSRS regions. This includes corporate governance (board composition) as well operational influence (top management teams).

Our proposed sample will be Scandinavian firms, and thus will consider both inter-country differences (State interaction), as well as intra-country differences (industry and firm interaction). Thus, we seek to combine both the neo and comparative schools of institution and also investigate the transformation of CSRS and its links to globalization.

But beyond simply addressing the existence and antecedents of this change, we will also seek to address the implications of this transformation as they relate to the equilibrium of the 'corporate' and the 'social' aspects of CSRS. A plausible argument can be made that as firms prioritize the strategic advantages of CSRS, the moral aspects are jeopardized and sacrificed. We hope to address this in our study by considering the ramifications of this new explicit CSRS to both the firm and its stakeholders.

### PROPOSED MODEL



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**125 - Selling an Ethos:  
Social Responsibility, Iconicity, and the Bob Marley Brand**

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## **Selling an Ethos: Social Responsibility, Iconicity, and the Bob Marley Brand**

Will reggae legend Bob Marley become a face of sustainability? Bob Marley's global popularity has risen dramatically since his death in 1980. This has affected and been affected by two converging trends: the reimagining of Marley as a moral agent and the commoditization of his image. Yet, the unlicensed production of Marley-related products has created no small irony: his messages of freedom, liberation, and peace are frequently printed on merchandise produced by profoundly unethical means. Over the last decade Bob Marley's heirs have attempted to change this. More precisely, they have linked Marley's iconic name with a wide range of ethically manufactured consumer goods. The Marley family of companies, which includes Tuff Gong Clothing, Marley Footwear, House of Marley, and Marley Coffee, has introduced a range of products that adhere to the tenets of social and environmental responsibility. Products marketed by the Bob Marley family of companies include organic, sustainably produced coffee and sweatshop-free clothing as well as audio systems made from FSC-certified wood and headphones fashioned from recycled rubber. Bob Marley's naturalist vision, company literature suggests, guides all aspects of production. Additionally, a significant proportion of the proceeds from the sale of Marley products go to Marley family charities.

This paper argues that the rebranding of Bob Marley is a landmark linkage of a global popular culture figure and Corporate Social Responsibility (CSR). Marley has long operated as what Bronislaw Szerszynski and John Urry term a 'moral agent', or a figure that stands for ethical behavior and ideals. Bob Marley is a celebrated signifier of social justice, and the Marley family of companies draws on this image to promote what we might think of as a 'Bob Marley ethos'. This confluence of brand and ethos represents a familiar marketing strategy, but the promotion of a Marley sustainable lifestyle, or the marketing of Bob Marley as a socially responsible 'brand', channels Marley's legacy in new directions. At the same time, Marley products face a quandary: ethical practices and sustainable materials necessitate high price points. Therefore, unlike the music of this populist icon, Marley brand products are well beyond the means of most fans. The merging of CSR principles with Marley's iconicity thus raises a number of questions: Is this rebranding of Bob Marley faithful to his worldview? Does the necessarily limited market for sustainable Marley merchandise diminish the power of Bob Marley as a populist figure? If Bob Marley can be reinvented as an icon of sustainability, might this contribute to a wider shift in attitudes towards social responsibility? Can other moral agents be similarly employed to represent ethical production practices?

## **126 - How Sustainable is The New Nordic Cuisine Movement?**

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## How Sustainable is The New Nordic Cuisine Movement?

*What if there was no word for waste? How would we categorise egg shells and coffee grinds?*

*What if everything was edible? How would we perceive tree bark and insects?*

*What if we approach the challenges of food sustainability as we approach a design brief?*

Scandinavian businesses have an international reputation for innovation. Creativity is a core brand value that is driven by adapting the iterative project management style of digital Silicon Valhalla to other industries; fashion (H&M), luxury goods (B&O), toys (Lego). The New Nordic Cuisine Movement is similarly fuelled - its engine room is not a kitchen but a laboratory. Perhaps not what one would expect of a movement committed to reconnecting people with vibrant, seasonal, healthy and locally sourced food.

It is R&D which has driven Danish Agri-Business to an astonishing level of productivity. This nation of 5 million generates enough food each year to feed 30 million people. The negative by-products of such efficiency is a strain on natural resource, carbon emission, a food waste culture and bland processed food – all of which the Movement has the potential to transform, but there are challenges ahead.

NOMA, renowned as one of the best restaurants in the world, is the jewel in the crown of the New Nordic Cuisine Movement. But, it is positioned for wealthy early adopters, it is an inaccessible luxury brand.

Scalability is essential for the Movement to sustain itself and penetrate a wider marketplace. Collaboration is key. The mavericks of the Movement were wise to engage the likes of Arla and Carlsberg from the start and this has resulted in pilot projects in non-pasteurised cheeses and a micro-brewery which are championed as successes by Communications Directors at the companies. But, just how much influence will these intra-preneurial examples have on wider corporate culture?

Large scale change in Agri-business depends on a shift in consumer demand. So it is out of the laboratory and onto the High Street for the Movement in the form of Meyers Bageri's and a foray into the world of FMCG. The New Nordic Cuisine Movement has also paved the way for complementary organisations such as Selina Juul's 'Stop Spild Af Mad' which arguably have greater potential to influence household, industrial and retail practice as they exist to speak directly to the consumer and alter behaviour.

The Movement is driving foodie tourism to Scandinavia, Wonderful Copenhagen promotes the organic and sustainable foodie culture to visitors with films on their website and food festivals on the street of the Capital. But, do the tourists take the principles of the New Nordic Cuisine home with them? And furthermore, is the New Nordic Cuisine Movement itself exportable?

Charlotte Madsen, owner of restaurant and catering company, Madsen in South Kensington says customers naturally associate her Scandinavian cuisine with sustainability thanks to the Movement even though she does little to market herself in that way. Madsen says Scandinavian standards of sustainability are hard to replicate abroad as infrastructure differs. For example, the council has no provision for her to recycle her food waste and her SME margins don't allow her to hire specialist providers. But other principles are replicable. Whilst she specialises in Nordic cuisine, she imports nothing aside from a few beverages, even her Danish style dark rye bread is made on site and she invests in training her kitchen staff on Ida Davidsen's approach to using every last ingredient.

It is a model of sustainable growth which the New Nordic Cuisine Movement must pursue to change the behaviour of a wider marketplace and have a greater impact on food sustainability. Perhaps the next design briefs should question; Which strategic alliances should be formed? How can we deepen collaborations with big business and government? How do they keep our media stories headline worthy? And perhaps how do the Foodie Vikings conquer foreign territory to make a global impact on food sustainability?

## **127 - Contextual Factors and Their Place in CSR Interpretation Process.**

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## **Contextual Factors and Their Place in CSR Interpretation Process.**

### **Abstract**

Business scholars have been investigating business responsibility, which generally is referred as Corporate Social Responsibility (CSR) (Secchi 2007), over the past fifty years. In the last decade, term “CSR” has been one of the most popular expressions in the modern business language (Eden 2000). However, the literature on CSR reveals different and changing over time definitions (Frederick 1998; Carroll 1999). The conceptualization of CSR has been steadily establishing and evolving, and, even after years of research, there is still no consensus regarding CSR definition and its content. Country and industry context specificity makes the process of CSR framing rather problematic (Rowley 2000).

As a consequence, instead of trying to find a universal frame for CSR, some authors suggest to take into account the uniqueness of CSR strategies (Rowley 2000; Smith 2003; Basu 2008) and call for more adaptive and context-related approach (Matten 2003; Porter 2006; Godfrey 2007). According to van der Heijden et al. (2010), translating the general notions of CSR into practice is regarded as a process of creating and collectivizing a company specific approach. Cramer (2005) also states that there is no single strategy or scenario, because CSR is a search process that requires company leaders to develop their own balance between people, planet and profit.

The role of context here should not be underestimated - CSR is highly context-dependent concept and, when studying how CSR is interpreted on organizational level and how company's specific approach to CSR is developed, contextual focus should be specified. Traditionally, Danish companies and their paternalistic founding fathers contributed to society with a great deal of CSR initiatives (Morsing 2008). But how the context, which creates conditions for such responsible behavior of Danish companies, can be described?

In order to get a theoretical insight into the factors which might affect company's engagement with CSR, institution theory is often employed (DiMaggio 1983; Campbell 1991; Schultz 2010). But, since current study is a kind of preamble to investigation of a development process of company's specific approach to CSR, interpretation model of Daft and Weick (1984) is also chosen to be employed. This model suggests three steps which every organization should pass through while creating an understanding of unknown event - these steps are: scanning, interpretation and learning. Since CSR concept is not clearly defined and still new for the majority of companies, this interpretation model is suited well when exploring how companies translate general CSR notion into particular organizational CSR policy and activities.

The combination of institution theory and Daft and Weick's interpretation model can offer an insight into the external for organization, contextual factors which might influence company's specific CSR approach and can help to organize those factors into the groups regarding the steps in the interpretation model where they might affect the company's choices.

Based on that, the research questions are: What are the contextual factors which can trigger CSR adoption by companies? What are the contextual factors which can influence CSR interpretation on the organizational level? What are the contextual factors which can influence the choice of particular CSR activities in organizations? How these contextual factors can be described in Denmark?

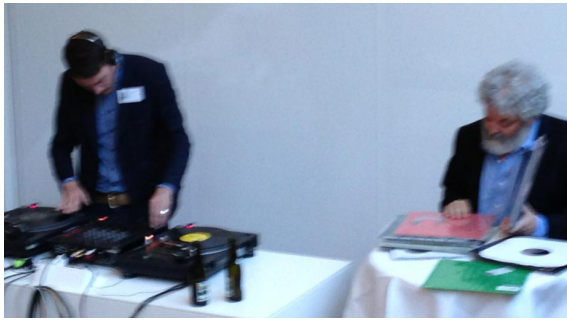
Thus, current study aims to address theoretically the external contextual elements which matter for organizations when establishing company's unique approach to CSR in general and in Denmark in particular. The findings will be a contribution to further research concerning the development process of organizational specific approach to CSR.

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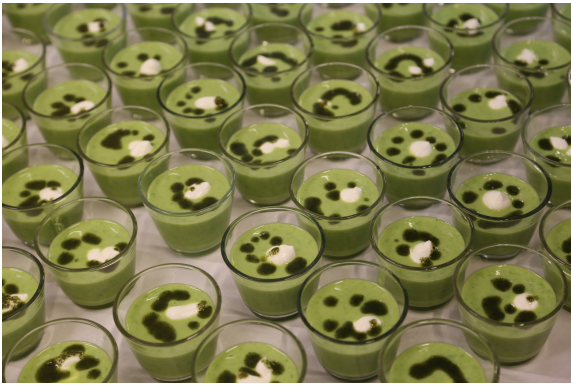














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