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Copenhagen Business School
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Assistant Professor of Leadership & Sustainability
Copenhagen Business School
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
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Support

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

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 Øviken, 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. 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), Arhus 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!!!

Robert Strand
July 2013
Minneapolis, Minnesota USA
Some Comments from Conference Participants

“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 Niranjan

“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-tied event, with fun discoveries and atmosphere and delicious food!” -- Alison Holm (conference volunteer)
Conference Schedule

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

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

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Thank you.

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 Pretholdt, 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 Porcelænshaven 26 building, Room PH407
Tracks A3, B3, C3 held in Porcelænshaven 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 CSR 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
Porcelænshaven 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
Porcelænshaven 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
  o 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
  o Alfred Marcus, University of Minnesota, USA

- 119 - The value of the Shared Value-concept: A critical examination
  o Dirk Matten, Schulich School of Business, York University, Canada

Track C2
Porcelænshaven 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
  o 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
  o Thomas Kjærgaard, Aarhus University, Denmark

- 122 - Iceland. How sustainable is Iceland?
  o Snjólfur Ölafsson, University of Iceland, Iceland

Track C3
Porcelænshaven 26 building, Room PH408
Session chair: Associate Professor Jeremy Prestholdt, University of California-San Diego

- 114 - Untangling Diversity Management vis-à-vis Sustainability
  o Lotte Holck, Copenhagen Business School, Denmark

- 126 - How Sustainable is The New Nordic Cuisine Movement?
  o Heather Thomas, YouthNet, UK

- 105 - The Nordic Region as Global Leaders in Sustainable Fashion?
  o 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 Karmo, PRME Project Coordinator
- Reykjavik University Business School (Iceland)
  - Porsteinn 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:
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<th>#</th>
<th>Country</th>
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<td>1</td>
<td>Denmark</td>
<td>Aarhus University, School of Business and Social Sciences</td>
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<td>2</td>
<td>Denmark</td>
<td>AVT Institute of Executive Education</td>
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<td>Denmark</td>
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<td>Finland</td>
<td>Aalto University, School of Business</td>
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<td>Finland</td>
<td>HAAGA-HELSI University of Applied Sciences</td>
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<td>Finland</td>
<td>Hanken School of Economics</td>
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<td>School of Business and Services Management</td>
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<td>Bifrost University</td>
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<td>Iceland</td>
<td>Reykjavik University Business School</td>
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<td>Sweden</td>
<td>Lund University, School of Economics and Management</td>
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<tr>
<td>11</td>
<td>Sweden</td>
<td>The School of Business, Economics, and Law at University of Gothenburg</td>
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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
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<td>Ellen</td>
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<td>Assistant Professor of Management</td>
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<td>United States</td>
<td>Global Spokesperson for Corporate Social Responsibility (CSR)</td>
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<td>Zirk</td>
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<td>Canada</td>
<td>Co-Director, Centre of Excellence in Responsible Business</td>
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Conference Website

http://www.conferencemanager.dk/ssc2013/conference.html
## Conference

The Sustainability in a Scandinavian Context Conference 2013 is hosted at the Copenhagen Business School and will take place during 10-11 June 2013. The 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 of a research paradigm dedicated to exploring sustainability in a Scandinavian context – and to consider the potential implications for a broader global context.

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.

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 needed to more critically explore sustainability in a Scandinavian context where looming challenges may be mounting.

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 held during the evening of 10 June.

We build this conference upon experiences through the previous conferences “Nordic Symposium on Corporate Social Responsibility” hosted at the Copenhagen Business School in 2010, 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.

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**PLEASE NOTE!**

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

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

Contact your organiser here
The Sustainability in a Scandinavian Context Conference 2013 takes place at Rådhusbygningen Building at the Copenhagen Business School. Rådhusbygningen, as its name denotes, was originally a very new material for the old Royal Borsen Factory (known today as Royal Copenhagen).

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

Conference Dinner Venue

The Royal Danish Theatre
Lykke & Restaurant Oyster
Søren Anmes Plads 36
1350 Copenhagen K.

Transportation

Train
Rådhusbygningen Building is situated only 600 meters away from Fasanvej metro station with frequent service every 3-4 minutes during day time. From the Copenhagen Airport or downtown Copenhagen one can easily take the metro line to the Fasanvej metro station. From the airport the trip takes approximately 30 minutes and from downtown Copenhagen this trip takes approximately 15 minutes.

Bicycles
Rådhusbygningen Building at the Copenhagen Business School is readily found regardless of your starting point armed with the address and maps. 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 Hike www.bikecopenhagenonline.dk.

Bus
Bus 88 runs on Søndre Fasanvej between Fasanvej St. and Rådhusbygningen every 1-10 minutes during day time. Buses 14 and 15 run on Sønder Fasanvej.

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

Map
Click here
Professor R. Edward Freeman
University of Virginia Darden School of Business
Professor Freeman will headline a list of speakers, panelists, and discussants composed 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 these ideas would eventually have.

Marianne Birnberg
Senior Advisor Sustainability, INEA Group

Professor Atle Midttun
Norwegian School of Management (BI)

Professor Jeremy Moon
Nottingham University Business School

Professor Mads Marsing
Copenhagen Business School
## Extended Abstracts

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

<table>
<thead>
<tr>
<th>Document Title</th>
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<tr>
<td>200 - SUSTAINABILITY in A SCANDINAVIAN CONTEXT Extended Abstract as of 2012.pdf</td>
<td>Document</td>
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<td>101 - How approach to sustainability instruction.doc</td>
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<td>102 - Sustainability management vs. political CSR.doc</td>
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<td>104 - Technical and Green Industry.doc</td>
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<td>105 - The Nordic Region as Global Leaders in Sustainable Fashion.pdf</td>
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<td>113 - Brands and CSR Management Teamwork.doc</td>
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<td>114 - Intervention Strategies via a CSR Sustainability.doc</td>
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<td>115 - Sustainable Sustainability Stakeholder Mediation.doc</td>
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<td>117 - How Current Assessments of Sustainability Performance by Best Practice.doc</td>
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<td>126 - How Sustainable is the New Nordic Green Movement.doc</td>
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The Sustainability in a Scandinavian Context Conference 2013 is hosted at the Copenhagen Business School. 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.

The United Nations Principles for Responsible Management Education (PRME) initiative at the Copenhagen Business School represents an important collaboration partner 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.

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 (PDB) program "Sustainability and CSR in Scandinavia." Through this a number of participants from across U.S. institutions will participate in the conference.

The CBS Sustainability Platform also represents an important collaboration partner with the Sustainability in a Scandinavian Context Conference 2013 through their support.

---

Copenhagen Business School - Porcelainhaven 18A - 2000 Frederiksberg - Denmark
Contact your organizer here
SUSTAINABILITY
IN A SCANDINAVIAN CONTEXT

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

Nordic Centre for Sustainability

The objective of the Nordic Centre for Sustainability is to encourage exploration and awareness of sustainability issues across the Nordic region. The Centre serves as a platform to encourage collaborative research and cross-disciplinary perspectives on sustainability issues. The Nordic Centre for Sustainability aims to increase engaged scholarship by connecting the boundaries between academia and industry and thereby facilitate knowledge sharing, networking, 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 Hasso Plattner. The founding partners of the network are the Copenhagen Business School, NTNU Trondheim School of Management, Stockholm School of Economics, Helsinki School of Economics and Business Administration, Luleå University, Aalto University, and Turku School of Economics.

The Nordic Centre for Sustainability is headquartered at the Copenhagen Business School (CBS) and is a cross-disciplinary network of universities outside of the Nordic region, as an effort to encourage collaborative research across institutions in the Nordic region and beyond.

Robert Strand, Director
Nordic Centre for Sustainability
Contact: rstrand@coboc.dk

Ellen Eide, Program Coordinator
Nordic Centre for Sustainability
Contact: eeleneide@gmail.com

Torbjørn Brovde, Program Coordinator
Nordic Centre for Sustainability

Marcia Moeckel, Advisor
Nordic Centre for Sustainability

Jonas Eker Hansen, Advisor
Nordic Centre for Sustainability

Mads Ølensch, Founding Benefactor
Nordic Centre for Sustainability
Conference Presentations

Robert Strand
Conference Organizer
Assistant Professor of Leadership & Sustainability
Copenhagen Business School
Sustainability in a Scandinavian Context Conference

Copenhagen Business School
Copenhagen, Denmark

10-11 June 2013

Robert Strand  rs.jh@dx.dk
Assistant Professor of Leadership & Sustainability
Copenhagen Business School
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 Ølvisen, 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

Welcome!

- Welcome to the Copenhagen Business School

  - President Per Holten-Andersen, Copenhagen Business School
Welcome!

- Welcome to Scandinavia

  – Mads Øvlsen, 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

Welcome!

- Overview of Sustainability in a Scandinavian Context Conference

  – Assistant Professor Robert Strand, Copenhagen Business School
• **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

• 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
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.

Why consider sustainability in a Scandinavian context?
Some potential reasons for our considerations...

Why Scandinavia? The Companies

- Scandinavian companies disproportionately well-represented at the top of the major global sustainability indices
Why Scandinavia? **The Countries**

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Sustainable Competitiveness

Why Scandinavia? **The People**

Mads Øvilsen

Marianne Barner

Claus Meyer
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

---

“*If Americans want to live the American Dream, they should go to Denmark.*” -- Richard Wilkinson
Why Scandinavia? *Sustainability Movements*

---

The New Nordic Cuisine Movement

**Manifesto**

- Embrace the purity, freshness, simplicity, and authenticity that define our region.
- Reflect the changing seasons in the flavors we taste.
- Use seasonal, regional, and local ingredients that are abundant in our environment.
- Promote demand for local, sustainable, and organic produce and meats.
- Pioneer Nordic products and the variety of Nordic flavors and dishes.
- Spread the word about seasonal, sustainable, and organic produce and meats.
- Develop a new appreciation of traditional Nordic food products.
- Establish the base of Nordic culinary and innovative traditions with imaginative flair.
- Celebrate local self-sufficiency and regional sharing of high-quality produce.

---

Copenhagenization
Why Scandinavia? *The Governments*

- Active engagement with sustainability & CSR

---

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*
Why Scandinavia? *World is taking note*

"...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."
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 Simic Brønn
  - *Ye Olde CSR*: The Historic Roots of Corporate Social Responsibility in Norway by Øyvind Ihlen & Heidi van Weltzien Halvik
  - *Governmentalities of CSR*: Danish Government Policy as a Reflection of Political Difference by Steen Valentin
  - *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*

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Why this strange logo?

**SUSTAINABILITY IN A SCANDINAVIAN CONTEXT**
Let’s draw inspiration from one another

Day 1: 9.30 – 10.45

• 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
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

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 Herr, 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
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 Storner, Vice President Corporate Sustainability, Novo Nordisk. Adjunct Professor, Copenhagen Business School
  - Professor Dirk Warten, 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

Day 1: 20.30 @ Café & Restaurant Ofelia

*Sankt Annæ Plads 36*
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 Porcelænshaven 26 building, Room PH407
  - A3, B3, C3 in Porcelænshaven 26 building, Room PH408
    - (4th 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

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 Monsing, Copenhagen Business School
- Professor Anne Ellerup Nielsen, Aarhus University, School of Business and Social Science
- Associate Professor Jeremy Prechtl, 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 Porcelænshaven 26 building, Room PH407
- Tracks A3, B3, C3 held in Porcelænshaven 26 building, Room PH408

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

---

Day 2: 14.30 – 16.00

Current PRME signatories based in the Nordic region:

<table>
<thead>
<tr>
<th>#</th>
<th>Country</th>
<th>Institution</th>
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<tbody>
<tr>
<td>1</td>
<td>Denmark</td>
<td>Aarhus University, School of Business and Social Sciences</td>
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<tr>
<td>2</td>
<td>Denmark</td>
<td>AVT Institute of Executive Education</td>
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<tr>
<td>3</td>
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<td>Reykjavik University Business School</td>
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<td>Lund University, School of Economics and Management</td>
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<td>11</td>
<td>Sweden</td>
<td>The School of Business, Economics and Law at University of Gothenburg</td>
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</table>
Day 2: 14.30 – 16.00

Inaugural UN PRME Regional Chapter Nordic Meeting

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  - What are promising potential opportunities for actionable next steps?

- Reflections and promising potential opportunities and next steps
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 Simic Brann
  - Ye Olde CSR: The Historic Roots of Corporate Social Responsibility in Norway by Øyvind Ihlen & Heidi von Weitzien Halvik
  - Governmentalities of CSR: Danish Government Policy as a Reflection of Political Difference by Steen Valettein
  - 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?

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
None of this would have been possible without

• Our wonderful volunteers.... and especially

• Ellen Eide

• Tony Pringle

Thank you.
Conference Presentations

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
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. There 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 Possibility Frontier

Payoffs to Y

Payoffs to X

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?

- 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
Your Questions?
Conference Presentations

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

Focal Point: Dorte Gram Nybroe
dgny@dl.dk

Global Compact Network
Nordic Countries

Global Compact: Two complimentary Objectives

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

Facilitate partnerships in support of broader UN goals.

Internalization

Contribution to Development
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
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

Thank you for your attention

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+45 29685962 (mobile)
Conference Presentations

**Lewis Gilbert**
Managing Director & Chief Operating Officer
Institute on the Environment at University of Minnesota
Conference Presentations

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 Morsine
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

The 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
• (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

CBS President
PER VOLDING ANDERSEN

Dean of Research
ALAN IRWIN

CBS Business-in-Society Strategy
CBS Sustainability Platform
METTE MORTENSEN & STEFANO PONTI

CBS PRO Sustainability
COACH
ANDREAS RANDE
SVERR INGALLASTIN
SOREN JEPPESEN

Dean of PhD School
PETER EJF

CBS PRIME AND SUSTAINABILITY OFFICE
KAI HOKKERS & JENS METTE JØRGENSEN

6 SUSTAINABILITY CLUSTERS ACROSS CBS DEPARTMENTS

US DEPARTMENTS

CENTRE FOR CORPORATE SOCIAL RESPONSIBILITY (CSO)
JEFFREY RM FISHER

NORDIC CENTRE FOR SUSTAINABILITY
ROBERT STRAND

CBS CROSS
Students for Sustainability
180 Degrees
CBS Students (20,000)

Engaging Faculty

CBS SUSTAINABILITY PLATFORM: SIX SUSTAINABILITY CLUSTERS ACROSS CBS

1. Green Innovation and New Business Models
   Professors Jens Freystedt Christensen and Christian Erik Kampmann

2. Sustainable Transitions in Developing an Emerging Economies
   Professors Søren Jeppesen and Stine Haakonsson

3. Governing Sustainability
   Professors Andreas Rasche and Jette Stær Knudsen

4. Communicative Dimensions of Sustainability
   Professors Anker Brink Lund, Julie Uldum and Anne Vestergaard

5. Corporate Governance and Leadership for Sustainability Strategy
   Professor Bernard Hobsli

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 (ex. inviting to Green Week)
- Being Denmark’s first Fair Trade University
- Appointing Sustainability Ambassadeurs
- ...

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 integrity
- 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
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 take 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 Øvilsen, UN Global Compact Senior Advisor
- Annette Stubbe, Head of Group Sustainability, AP Møller Maersk
- Sustanne 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

- According to Beyond Grey Philanthropy ranking 2011 (Appendix), CBS has:
  - 4th place in the world on sustainability teaching (jumping up 20 positions since 2004)
  - Most sustainability cases written a new method for choosing projects for the MBA programme
  - 7th in sustainability research publications in the world (Next, Berkeley, and Columbia)
  - 2nd in sustainability research publications in Europe

- Measuring activities, progress and reporting

- There are 600+ Ambassadors of CSR
- We have 300+ international research publications from CBS faculty
- There are 30 core members and 600 followers of CBS CMOS - CBS Students for Sustainability
- Increasing number of sustainability events
  - CMOS Sustainability Debate (450 students participated)
  - Responsibility and Finance (2,200 students attended)
  - CBS Green Week (each year)
  - Green Office Thursday events
  - SAP Student Ethics Academy
- International Conferences such as:
  - Partnership towards Sustainable Society, 2012
  - Santa Fe Global Conference, 2013
  - Bio-Hat Conference, 2013
  - Sustainability in a Nordic Context, 2013

- Research projects such as:
  - Governance and Transparency
  - Danish CSR
  - ARTRA, 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
- (e.g. 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

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

How We Live
Operations
Facility

How We Learn
Teaching
Research

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

Efforts on All Fronts

Coursework

Networks and Collaboration

Co-Curricular

School Operations

Career Advising

SUSTAINABILITY - UVA
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

Grae 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

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<td>% Cash</td>
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Allocation by Sector (Excluding ETF and Cash)

- Sector Concentrations
- % of Portfolio

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<tr>
<td>Consumer Disc</td>
<td>23%</td>
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<td>Financial</td>
<td>6%</td>
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<td>20%</td>
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<td>Materials</td>
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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

Operations
- Supply Chain Innovation/Efficiency: reduce energy, water, natural resource use
- Climate Change/Energy Strategy

Marketing
- Communication of eco-attributes
- Corporate sustainability reporting
- Managing NGO/government relationships

Finance
- Renewable energy finance
- Community development finance

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 Faculty

-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, 2013
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 greater needs.

BLOG

Seeing Progress, Building Capacity
May 2013 by Rob Baehr

During Earth Week 2013, Dulles’ Dean Bob Baehr announced the School’s sustainability goal to be zero waste, carbon neutral by 2025. This summer, the American Society for Quality ranked the program to date on page 1 of their annual publication: Pathways to Social Responsibility: 2012 Benchmarking Analysis for Sustainable Business Operations. A few small but hard won and satisfying accomplishments to share:

TWEETS

Erika Herz

Underlining

1. Eastman announced that they have eliminated 370,000 tons of greenhouse gas emissions with their carbon capture and storage project.

2. A new study by the United Nations Intergovernmental Panel on Climate Change (IPCC) indicates that global mean sea level rise since 1901 has been faster than at any time in the last 2,800 years.

3. The Global Commission on Adaptation is urging a strategic approach to investing in climate resilience, highlighting the need for action across sectors and levels of government.
Thank You!

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Conference Presentations

Atle Midttun
Professor
BI Norwegian Business School
CSR: A NORDIC PERSPECTIVE
Sustainability in a Scandinavian Context, Copenhagen June 10, 2013

CSR in international media

Number of articles

Year

Europe
African countries
Asian countries
North American countries
Australia and New Zealand
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
CSR and the Welfare State I

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

- High
- Old emb.
- Low

- High
- New embeddedness
- Low

- Nordics
- Continents?
- Continents 1
- Mediterraneans
- Anglo Saxons

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

Diagram:
- International “We Know What We Are Doing” oriented
- Norway and Sweden (Ministry of Social Affairs)
- Denmark and Russia (Ministry of Economy and Business Affairs)
- Finland (Ministry of Trade and Industry, MoE — Ministry of Employment and Finance)
- Welfare Protection
- Competitiveness and Innovation oriented
Civilising Capitalism
Where Do We Go From Here?

Stages of Capitalism devt.

Time →

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
Baumol's Three Types

- Criminal entrepreneurship
- Unproductive entrepreneurship
- Productive entrepreneurship
  - +CSR is true
Montesqieu 18. century + triparism

Power sharing between The branches of the state

Montesqieu 21. Century

Power sharing between Societal partners
Civil society

State

Business

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=midtun
  – 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
Conference Presentations

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); Gjølberg (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’ (Gjølberg 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

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101 - Ikea’s approach to sustainable consumption

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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 1. 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 (Fleming & 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

1 “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 proponent of sustainable living. In order to reach this sustainability stage, corporations have to rethink their business strategies and practices – including CSR.

References


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

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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. 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”.

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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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 clear limits when it comes to the political responsibilities of the company. Even though there has been a development towards exercising political influence⁴, 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.⁵ 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.

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

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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, Rand, 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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Anne Mette Christiansen is a partner with Deloitte Sustainability and a driving force behind the CSR Greenland network and the promotion of strategic CSR in Greenland, where she has lived and worked for several years.
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 Companies 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.

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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
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 ($R^2$) 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$^2$ Springboard Model, companion to which a rudimentary maturity assessment and reporting regime is also proposed.

The intent of SEE and SEER$^2$ 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 \( R^2 \), 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.

References


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.

Reference


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.
References


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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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?

References


International Marketing Review 18 (1) 30-44.


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.

Title: Sustainability - Perception vs. Reality

Author: Tina Graven Østergaard, Manager at Reputation Institute
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.9

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”. 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™ survey8 consumers globally rate 100 companies according to how the companies are perceived across the following dimensions: citizenship, workplace and governance. Only a handful of Scandinavian companies are included by this study,

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6 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.


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

9 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 10, 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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10 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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- 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 conceptual 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
References


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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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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 or 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 adoption 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 Søderberg 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. 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 no 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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11 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\(^\text{12}\) 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 à 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.

\(^{12}\) 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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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 steams 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, Lundström, 2013: 2009; 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; Schlake, 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” though 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.
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).
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 de-centers 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).](image1)

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;

![Figure 3: Project conception model which de-centers the corporation (Kampf, in press).](image2)

3) Problem-Solution-Outcome analysis; (here used with the example of Coke Farm Project in Indonesia—Kampf (in press).
### Table demonstrating PSO analysis for Project Conception at Coke Farm in Indonesia. (Kampf, in press)

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

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.

**References**


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

By Thomas Kjærgaard (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 Kjaergaard (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 Kjaergaard (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 UNCG, 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 resolution 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 UNCG 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.

Bibliography for Extended Abstract


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

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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 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 21st 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.

<table>
<thead>
<tr>
<th>Country</th>
<th>Rule of Law</th>
<th>Employee Protection</th>
<th>Union Rights</th>
<th>GDP/Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norway</td>
<td>x</td>
<td>x</td>
<td>x</td>
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</tr>
<tr>
<td>Denmark</td>
<td>x</td>
<td></td>
<td>x</td>
<td>2</td>
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<tr>
<td>Sweden</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>3</td>
</tr>
<tr>
<td>Finland</td>
<td>x</td>
<td></td>
<td></td>
<td>4</td>
</tr>
</tbody>
</table>

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.

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

<table>
<thead>
<tr>
<th>Source</th>
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<th>df</th>
<th>MS</th>
<th>Number of obs = 19</th>
</tr>
</thead>
<tbody>
<tr>
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<td>8</td>
<td>2.30140732</td>
<td>Prob &gt; F = 0.0009</td>
</tr>
<tr>
<td>Residual</td>
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<td>9</td>
<td>.215680497</td>
<td>R-squared = 0.9046</td>
</tr>
<tr>
<td>Total</td>
<td>20.352383</td>
<td>17</td>
<td>1.197199</td>
<td>Adj R-squared = 0.8198</td>
</tr>
</tbody>
</table>

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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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 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.

**Literature Cited**


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

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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 21st 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 worlds 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.

<table>
<thead>
<tr>
<th>Country</th>
<th>EPI</th>
<th>HPI</th>
<th>EF</th>
<th>HDI</th>
<th>GHG</th>
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<tbody>
<tr>
<td>Iceland</td>
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<td>88</td>
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<td>19</td>
<td>80</td>
<td>13</td>
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</tr>
</tbody>
</table>

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 20th 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 an 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 9th 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.
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 form 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.

**References**


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, 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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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.
References:


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-depending 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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