Implementing Social Sustainability -
A Case Study of a Multinational Company

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Abstract:
Organisations and especially multinational companies play a key role in addressing social sustainability challenges as they significantly influence the wellbeing of millions of people across borders. The term “social sustainability” has become a common topic in the last decades, however clear guidance on how to implement it in a holistic and strategic way is still lacking in the organisational context.

This research analyses how multinational companies can implement social sustainability strategically. In collaboration with a case study company, the authors evaluate the current reality using the Framework for Strategic Sustainable Development. Building on their findings, the authors developed a five-phase guidance to support the case study company in implementing social sustainability.

Based on the challenges that literature on social sustainability within companies identifies, the designed guidance might also support other multinational companies in tackling the social sustainability challenge and help them contribute to move the social system towards a sustainable future.

Keywords:
Social Sustainability, Multinationals, Strategic Sustainable Development, Implementing, Guidance, Complex Systems
Statement of Contribution

This thesis project has been a collaborative effort of three group members: Lea Fobbe, Jenny Lemke and Emmanuel Tetteh Quarmyne. All of us were drawn to the project as we are advocates for social sustainability. We planned to use the thesis to translate the topic into something practical that especially businesses could work with. Every member was passionate to contribute and together we learned how challenging it can be to work with social dynamics.

Each member contributed equally to the success of the thesis by participating in the design, data collection and analysis as well as the process of writing the results. Finally, the team collectively developed a practical guidance for the case study company.

In order to work efficiently, each member was responsible for a subchapter which was later revised and commented on by each one of the other team members. The team's working style as well as the whole research process was an iterative one and this ensured that all relevant information was included and everyone’s idea and viewpoint was heard and valued.

Several stages of the thesis demanded extensive teamwork and this resulted in a situation where the group spent countless hours together and therefore had to develop their own internal mechanism for social sustainability. Nevertheless, the experience was richly rewarding for the team process and each member's personal progress. We complemented our skills and surmounted our challenges. We grew together and learnt how to work effectively for the best outcome possible.

“Lea contributed to the overall wellbeing of the thesis process with delicious self-baked cakes and other tasty pastries that kept our sugar levels high, making us concentrated through long days and brainstorming sessions. On a more serious note, she kept us organised and always booked library rooms so the team had a conducive environment to work. Lea always had the bigger picture of the success for our thesis in mind. She was the driving force for creative ideas which enriched our discussions and guided the process. Furthermore, her charm and fun spirit made the thesis writing a pleasurable journey and fulfilled everyone’s own personal meaning-making.”

“Jenny was up and ready for thesis every morning. While the others still had to wake up, she already had planned our agenda, set up the meeting room and prepared our white board with motivational suns, hearts and flowers. Jenny was definitely the harmony person of the group, making sure everybody felt comfortable and heard. In stressful situations she kept the overview and mediated between the different opinions to find compromises. Advocating for regular “check-ins”, fun activities and meetings over meals, Jenny made sure that the team did not forget about their own social sustainability. With her passion and knowledge of social sustainability and especially for gender diversity, Jenny filled the theoretical principles with life.”

“Emmanuel was the most experienced in the team as he had worked with local communities and social sustainability before. In team brainstorm sessions on how companies could have a positive impact in the communities where they operate, he took the lead. Furthermore, without Emmanuel’s English editing skills our thesis team would have been lost. No “anyhow”/German English could hide from him, no endless synonym search could make him lose his coolness. Spending five months with his two favourite German ladies in a room,
sending countless emails to our case study company, experiencing snow for the first time and biking in it, all of these made him go through every alignment and misalignment of the social sustainability principles. His endless calm brought Lea and Jenny down to earth when they were stressing out and going crazy about deadlines, library eye candy or motivational thesis songs.”

We are grateful for the unique opportunity we had to learn from each other and share our personalities, patience, wisdom, fun, honesty and sense of humour. This Master’s Thesis experience therefore sheds light on our journey towards a sustainable future, which we hope will continue.

We are happy that this journey made us understand what social sustainability means - for our private life, for our future social sustainability careers and for multinational companies. The following report covers our findings for multinationals. Enjoy!

Karlskrona Sweden,
25 May, 2016

Lea Fobbe                     Jenny Lemke                     Emmanuel Tetteh Quarmyne
Acknowledgements

The thesis could not have been written without the support of people who guided us over the months.

We are especially thankful to our supervisors, Merlina Missimer and Patricia (Tita) Lagun Mesquita, for the time and effort they put into ensuring the success of the thesis. Both advisors gave us confidence along the way and this kept us calm and built trust in the team and the process.

We also would like to express our gratitude to our case study company. We feel privileged to have conducted our research beyond literature and to have had the opportunity to test our gained knowledge and experiences from this Master's program with a real life situation. We would like to formally thank the employee(s) who handed in the request for the thesis to the MSLS program and had trust in us to support them in implementing social sustainability. We are especially thankful to our contact person for being patient with us and giving us constant feedback which enriched the outcome of the thesis. Furthermore, our gratitude goes to the employees for availing themselves to answer all our questions and providing us with feedback on our final report.

Special thanks to Richard Blume and Patrik Sandin who offered us advice on the topic and gave insights based on their experience working as TNS Sustainability Consultants. Additionally, our appreciation goes to Bob Willard for his F2B2 webinar which helped us translate sustainability jargons into business language.

We also would like to send a big hug to all our MSLS coursemates for their support throughout the process. We all have been part of an amazing journey and the continuous support we received made the time, especially during the winter, even more enjoyable.

Finally, special gratitude goes to our families and friends all over the world for the patience, advice and support all along the way.
Executive Summary

Introduction

Currently, the world faces several ecological, economic and social global challenges. In solving these challenges, multiple variables have to be taken into account. Over the last 30 years the concept of Sustainable Development (SD) emerged to address the issues. However, most of the concepts and frameworks under SD cover environmental sustainability topics, with limited approaches on how to address social challenges such as inequality and poverty alleviation. This is due to the complexity when comprehending social sustainability as the social systems have different socio-cultural characteristics. A situation which has led to a lack of understanding, structure, and clear guidance on how to approach social sustainability. This is especially true in the organisational context as most companies still understand the concept as a philanthropic engagement or concentrate on specific issues, unconsciously neglecting the root causes of social sustainability problems.

At the same time, the increasing numbers of companies operating on a global level, and the growing influence they have on the wellbeing of people across borders, has led to a situation where they play a crucial role within the socio-ecological system. These companies, in this thesis referred to as multinational companies (MNCs), have to handle highly complex work environments in different political, cultural and economic contexts. The implementation of social sustainability in their operations can therefore be an important contribution to address the sustainability challenge. But in order to implement social sustainability in MNCs, a multi- and transdisciplinary approach is required.

Strategic Sustainable Development (SSD) is a holistic and comprehensive approach that brings structure to the diverse concepts of SD based on a scientific understanding of the social and ecological system. A main focus of SSD is the Framework for Strategic Sustainable Development (FSSD). The FSSD is a planning tool that provides a strategic approach of sustainability and gives guidance in identifying potential starting points when tackling the sustainability challenge.

Focusing on social sustainability, the FSSD describes human social systems as complex adaptive systems with constantly changing dynamics and a high degree of uncertainty. Acknowledging this complexity, the FSSD provides a definition of social sustainability based on a set of five Social Sustainability Principles (SSPs) which, when combined, stipulate the boundary conditions of a healthy social system. Organisations can use these principles as the boundary conditions for their operations and with this strategically analyse any possible alignments and misalignments. However, due to the fact that these SSPs are recently developed, the social dimension of the FSSD is not widely known and recognised by companies even though it provides a comprehensive perspective on social sustainability.

This research aims to explore how multinational companies can implement social sustainability strategically. The authors use the FSSD as a lens to investigate the current reality of companies and further investigate how to implement social sustainability in their operations. In the end, they developed a guidance for such a purpose.

The main research question is: “How can multinational companies implement social sustainability strategically?”
This is supported by two secondary research questions (SRQ) in collaboration with a case study company:

**SRQ 1:** *“What is the current reality of the case study company in relation to social sustainability?”*

**SRQ 2:** *“How can the case study company be supported to move strategically towards social sustainability?”*

**Methods**

Considering that there was no previous research related to social sustainability in connection with the FSSD in an organisational context, a mix of action and design research was chosen by the authors as the most appropriate way to conduct the research. These methods evolved throughout the process.

The authors chose to analyse the current reality of a case study company using the FSSD (SRQ 1) to draw conclusions on how the company can be supported in implementing social sustainability (SRQ 2). Coming back to the main research question, the authors discussed to what degree the developed guidance might be applicable in other contexts.

For SRQ 1, the authors conducted 14 semi-structured interviews with the case study company and sent a follow up survey to all of them. Additionally, an analysis of 19 corporate documents was conducted. The responses from the interviews and survey were thematically coded and analysed with the FSSD. The process of SRQ 2 on how the company could implement social sustainability was iterative and explorative. First, the results from the case study company’s current reality analysis were related to and compared with the five levels of the FSSD making gaps and challenges visible. Second, the authors went through several ideation rounds on how support actions could look like. Last, based on their findings, the authors designed their support which incorporated feedback from the case study company.

**Results**

The analysis of the current reality of the case study company offered insights on gaps and challenges the company had regarding social sustainability as well as in terms of its implementation. The following table shows the key findings.

*Key Findings: FSSD Levels*

<table>
<thead>
<tr>
<th>FSSD Levels</th>
<th>Key Findings</th>
</tr>
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</table>
| **System**  | The Company within the Socio-Ecological System:  
  ➢ Respondents had an understanding of the socio-ecological system and how the company is embedded in it  
  ➢ In terms of social sustainability, respondents’ understanding differed and they were not fully confident in how the company approaches the topic  
  ➢ There was no consensus on whether or not there was an urgency for social sustainability |
The Company as a Social System:
- The company exhibits challenges when compared to a healthy social system as described by the essential elements of adaptive capacities

### Success

Achievement of Company's Social Vision:
- No consensus on whether or not the company was successful
- No clear measurables for the achievement of the vision

Social Sustainability Principles (SSPs):
- Generally, the respondents perceived the company as being in alignment
- Contrary to what the respondents said in the interviews, they stated in the survey that they had an overall good understanding of the SSPs

### Strategic

Responsibility for Sustainability Work within the Company:
- Sustainability Committee (SC) is responsible, but there is uncertainty with regards to the exact role of the SC and responsibilities of members within the SC
- The awareness of the existence of the SC differs from region to region

Working with Social Sustainability within the Company:
- The responsibility for social sustainability work lies within the Human Resources department
- Respondents generally felt confident in working with the SSPs for strategic planning
- Respondents generally did not feel empowered to work with the SSPs

Implementing Social Sustainability:
- Respondents had no overview about the company's current approach
- Respondents recognise the SSPs as a good approach
- The SC saw the need for a common understanding and mindset as well as the need for a framework
- The non-sustainability committee members (NSC) mentioned the need for a better structure and better Human Resources management

Challenges of Implementing Social Sustainability:
- Limited resources
- Motivational barriers
- Lack of knowledge on the topic and no expert or trained in-house staff
- Cultural differences

Future Planning:
- No consensus on global level, but clear site specific planning from the local managers was evident
- Social sustainability generally not a high priority for future planning

### Actions

- No overview on global level/ in the SC
- Lots of different actions at the local sites were in place but not strategically connected to an overall goal
- Employees in general were not engaged and involved with social sustainability

### Tools

- Respondents were aware and had knowledge of different tools
- No tools were in place that could support the implementation strategically
Based on these findings, the authors developed a stepwise guidance for the case study company on how they could strategically implement social sustainability in a holistic way. Since the key findings were scrutinised with the five FSSD levels, brainstormed actions for the guidance were grouped into five phases resulting in a synthesised spiral guidance to implement social sustainability taking into consideration the feasibility and company specific trade-offs. The spiral shape of the guidance ensures on one hand that everyone within the company gets involved and on the other hand it guarantees that there is no stagnation while implementing social sustainability. Below are the phases of the guidance.

**Phase 1:** Understanding - The first phase helps the company to grasp better how they are embedded in the socio-ecological system, how their own social system works and how social sustainability should be implemented through the lens of the FSSD.

**Phase 2:** Enabler of Change - The second phase creates the basic conditions, in terms of organisational structure, to implement social sustainability. It strongly builds on Phase 1 as a willingness to implement changes combined with the understanding of the need for a holistic social sustainability approach is required to accomplish this phase.

**Phase 3:** Knowledge - The third phase establishes and strengthens the knowledge of social sustainability in the company from a long term perspective.

**Phase 4:** Implementation of Change - In the fourth phase social sustainability measures are actually implemented within the company to move towards the overall goal. This phase provides several toolkits that contain specific actions that, when taken, bring about the change.

**Phase 5:** Evaluation & Celebration - In this phase realised actions are evaluated and achievements are celebrated. Phase 5 concludes a round in the spiral process and enables another round to evolve with a repetition of all the described phases above.

*The Spiral Guidance (Developed by the Authors)*
Discussion

In order to approach the main research question, the authors decided on two secondary research questions. These questions were specifically scoped to a case study company and the findings were analysed through the FSSD.

The key findings from SRQ 1 were a lack of understanding on what social sustainability meant, whether or not it was urgent to implement, a missing overview of internal and external approaches on social sustainability, and an unclear company structure with regards to sustainability. The authors therefore recognised that there was a need for the company to start from the basic understanding of the concept of social sustainability before its actual implementation was possible.

These results confirmed what the authors had researched in scientific literature on the topic. It led them to the assumption that their conclusions from SRQ 1 were also valid for other MNCs who plan to implement social sustainability.

The authors’ guidance for SRQ 2 is based on the FSSD but does not directly use the structure, nor the language. Instead, phases were established in a spiral process ensuring the long-term implementation of social sustainability within the company and beyond. With this structure, the guidance allows for adaptations to multiple variables and peculiar circumstances. Therefore, one can generally assume that the guidance is also applicable to other multinational companies and is an answer to the main research question.

As a reminder, it should be noted that social sustainability is equally important to environmental sustainability. Notwithstanding that fact, approaching social sustainability and its implementation requires a different procedure as it is more difficult to monitor and evaluate KPIs. The developed guidance therefore specifically takes this challenge into account.

Conclusion

Having identified that a clear guidance on how to implement social sustainability in a holistic and strategic way in the organisational context is lacking, the authors conclude that their spiral guidance has potential in supporting MNCs to move towards social sustainability internally as well as on an overarching level, taking the socio-ecological system into account. For this to happen, the authors argue that companies need to understand first the company as a social system in itself and second, how they are embedded in other social systems. Moreover, they need to establish structural conditions and enhance their knowledge to be able to internalise social sustainability before implementing tools and actions that lead to social sustainability.

In summary, the authors assume that their developed guidance could support multinational companies in tackling the social sustainability challenge. Given the significant impact they have, this could propel MNCs to contribute in moving the social systems towards a sustainable future.
Glossary

**Actions Level**: Within the FSSD, the level which contains concrete actions that are implemented to move towards the overall goal (see Success Level).

**Adaptive Capacities**: The capacity to change and adjust to a constantly evolving environment, and is the essence of what allows society to be sustainable over the long run.

**Backcasting**: A method for strategic planning where the planner first builds a vision of success in the future and then asks what needs to be done in order to move towards the envisioned future.

**Communication**: The verbal and nonverbal exchange of information to increase transparency, in this thesis and with the case study, to additionally increase trust (see Trust).

**Complex Adaptive Systems**: Complex systems that change over time to respond to changes in their environment.

**Complex Systems**: A system that is constituted of a relatively large number of parts that interact in complex ways to produce behaviour that is sometimes counterintuitive and unpredictable.

**Framework for Strategic Sustainable Development (FSSD)**: A conceptual framework in five levels (System, Success, Strategic, Actions and Tools) for strategic planning, analysis and decision making towards sustainability. It defines sustainability through the boundary conditions of the Sustainability Principles.

**Human Society**: The global social system and physical infrastructure that humans have created, in part to meet individual and collective needs.

**Multinational Company**: A company operating in more than one country.

**Social Sustainability**: A state in which an organisation - or society as a whole - has eliminated actions that violate the boundary conditions for a sustainable social system, which are defined by the Social Sustainability Principles (see Sustainability Principles).

**Social System**: In the case of human social systems, human social agents like individuals, groups, formal organisations etc. and the relationships between these social agents.

**Strategic Level**: Within the FSSD, the level which contains guidelines which planners should use to prioritise actions that will move organisations, projects and regions in the right direction, provide a flexible platform and a sufficient return on investment.

**Strategic Sustainable Development**: The strategic transition from the current globally unsustainable society towards a sustainable future.

**Success Level**: Within the FSSD, the level where planners define their overall goal and backcast from the success of the sustainability principles.
**Sustainability Challenge:** The combination of the systematic errors of societal design that are driving human’s unsustainable efforts on the socio-ecological system. The removal of structural obstacles and the opportunities for society to flourish.

**Sustainability Principles (SPs):** Ecological and social Sustainability Principles, based on scientific laws and knowledge that define the boundary conditions for human society.

These principles state that in a sustainable society, nature is not subject to systematically increasing...:
- SP1: … concentration of substances extracted from the Earth’s crust.
- SP2: … concentration of substances produced by society.
- SP3: .... degradation by physical means.

People are not subject to structural obstacles regarding…:
- SP4: … health.
- SP5: ... influence.
- SP6: ... competence.
- SP7: ... impartiality.
- SP8: ... meaning-making.

**System:** A set of interconnected parts whose behaviour depends on the interactions between those parts.

**System Level:** Within the FSSD, the level where planners place and analyse information about the system they are operating in.

**Tools Level:** Within the FSSD, the level that contains the tool which planners can use to help achieve success.

**Trust:** The collective ability of humans that enables them to cope with situations of uncertainty and lack of control by formulating positive expectations towards each other.
List of Abbreviations

F2B2: Future-Fit Business Benchmark
FSSD: Framework for Strategic Sustainable Development
HR: Human Resources
GRI: Global Reporting Initiative
KPI: Key Performance Indicator
LTI: Loss-Time-Injury
MNC: Multinational Companies
NSC: Non-Sustainability Committee
SC: Sustainability Committee
SPs: Sustainability Principles
SRQ 1: Secondary Research Question 1
SRQ 2: Secondary Research Question 2
SSC: Satellite Sustainability Committees
SSPs: Social Sustainability Principles
TNS: The Natural Step
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1 Introduction

1.1 The Sustainability Challenge

Currently, the world faces several ecological, economic and social challenges when it comes to the issue of sustainability. Inequality, poverty alleviation, climate change and deforestation are just a few examples of the challenges which have led to increasing social tensions in the world and persistent destruction of the environment (DESA 2013, 2). To ensure earth's capacity to support human life within healthy communities and to enable people to meet their needs, the socio-ecological system has to remain within the confines of the planetary system (Robért, Broman and Basile 2013, 5f; Ny et al. 2006, 74f). Solving these global problems requires taking multiple variables and a high degree of complexity and uncertainty into account (Miller et al. 2014, 240). While several concepts exist to tackle the environmental aspects of the sustainability challenge, there are limited approaches on how to address the social sustainability challenges (Spangenberg and Omann 2006, 319).

1.2 Sustainable Development (SD)

Over the last 30 years, working with sustainability has become more commonplace and the term has gone viral (Servaes et al. 2012, 101). The Brundtland report was the first political agenda where the need for sustainability was mentioned “the needs of the present [are met] without compromising the ability of future generations to meet their own needs” (WCED 1987, 41). From this definition, a range of concepts concerned with sustainability in different contexts emerged which nowadays often separate Sustainable Development into three pillars: economic, environmental, and social (Kramar 2014, 1070; Servaes et. al 2012, 102; Boström 2012, 4ff). Across these three dimensions, many tools and concepts exist, such as the United Nations Sustainable Development Goals, Circular Economy, Post Growth Economy, Corporate Social Responsibility and many more. All of them have been established to tackle the sustainability challenge but each concept has a somewhat different understanding of what sustainability means (Montiel 2008, 264). This diversity may enrich the discussion on all aspects of sustainability, but at the same time the various definitions are negatively affecting the call for sustainability due to the lack of clarity on what they do. Vallance, Perkins and Dixon frame it more drastically, referring to sustainability as a concept “in chaos” (2011, 342). In order to bring more clarity, there is a need for a holistic and systematic sustainability approach which combines all these concepts under one umbrella, strategically complementing their strengths and weaknesses.

1.2.1 Social Sustainability within Sustainable Development

To promote sustainability, there is the need for balancing economic growth, protection of the environment and social cohesion (Willard 2012, 8ff). It is important to note that the sustainability challenge has to be addressed from a systems point of view, were social sustainability is considered as an equally important topic (Boström 2012, 3f). However, literature points out that social sustainability “is more difficult to analyse, comprehend, define, and incorporate into sustainability projects and planning than the other dimensions of
sustainability” (ibid., 6). Furthermore, just as with the broad topic of sustainability, there is no consensus on how to define or frame social sustainability (Zollo, Cennamo and Neumann 2013, 252). This is due to the fact that there are several socio-cultural characteristics within different social systems, making it difficult to establish strategies or tools that include all social sustainability dimensions and not only specific parts (Windophl, Schaltegger and Herzig 2014, 381). This problem is also manifested in the organisational context.

1.3 Organisations and Sustainability

Organisations are crucial parts of the socio-ecological system. Independent of their size or the sector they operate in, every organisation has a physical presence in terms of production sites or offices and they are nested within different communities. They also interact with stakeholders such as customers and suppliers and rely on their employees for task delivery whiles impacting their daily lives (Kendall and Willard 2015, 22). Thus, scientists argue that organisations are important players for creating wellbeing for the society and environment (Jonker 2000, 742). Therefore, the impact of organisational activities on all stakeholders has to be taken into consideration (Kramar 2014, 1071). The role of organisations becomes even clearer when looking at the impacts of economic crisis on society: For example, the financial crisis of 2008 partly caused by companies led to the deterioration of labour markets in many countries, leading to austerity programs and affecting heavily the social fabric of communities (OHCHR 2016). Hence, employment as well as the income levels and quality of life and work, determined by the companies, have an impact on the social fabric even beyond the economy (ILO 2013).

Due to the important role they play, there is an increasing pressure on organisations to prove their social sustainability engagement (Zollo, Cennamo and Neumann 2013, 254; Kudlak and Low 2015, 223). Nowadays, most organisations mainly connect the topic with the impacts of their operations on human rights, health and safety, labour practices and on local communities (Blake-Beard et al. 2010, 409). However, there are a lot more important issues along the value chain and within the internal structure of organisations which are not taken into consideration (Garavan and McGuire 2010, 490; Shrivastava, Ivanaj and Persson 2013, 231f.) Focusing on specific issues can lead to a narrowed view and a limited understanding of social sustainability (Shrivastava, Ivanaj and Persson 2013, 231f). Figure 1.1. adapted from Shrivastava, Ivanaj and Persson (2013) illustrates the current social sustainability approach of companies and further juxtaposes it with what a holistic approach that Kendall and Willard (2015) suggests.
Multinational companies (MNCs) are one of the main drivers of economic globalisation, influencing working and living conditions of millions of people worldwide (ILO 2016). During the last decades, the significant growth of MNCs has led to an “emergence of borderless production systems” (UNCTAD 2013, 122) influencing institutional orders, instead of just being mere recipients and they even create and redesign them. Jonker considers MNCs as one of the most powerful institutions existing on earth (Jonker 2000, 742).

In this thesis, the authors understand a multinational company as an organisation that operates in more than one country. These companies play not only an important role in promoting economic and social progress on international levels, they also have to deal with different political, cultural and economic contexts (ILO 2016). In this regard, MNCs have to handle a highly complex work environment covering several regional divisions along markets and production chains with different networks and suppliers (Léonard et al. 2014, 173). Therefore, every MNC itself can be considered as a social system within the bigger social system operating in a field of different and constantly changing dynamics.

As a result, there has to be a careful examination of MNCs interplay with society. Given the significant impact these companies have on social systems, the integration of a social sustainability approach in their operations can be an important step to address the sustainability challenge. But creating a strategic plan and common vision within an MNC that combines the different parts of their operation without threatening local practices can be difficult (Léonard et al. 2014, 174).
1.5 Implementation of Sustainability in Organisations

Strategic approaches of implementing and internalizing sustainability within organisations are still rare. Scientist criticise the lack of understanding, structure, and clear guidance which has led to a high degree of uncertainty when approaching the topic (Vallance, Perkins and Dixon 2011, 343; Svensson and Wagner 2015, 197; Montiel 2008, 246; Shrivastava, Ivanaj and Persson 2013, 230; Garavan and McGuire 2010, 490). A survey with large German companies from the years 2009/2010 showed that on average a sustainability manager knows around 48 tools and applies 29 of them (Windolph, Schaltegger and Herzig 2014, 388). This prolific use of sustainability tools may lead to inefficiency and disengagement while not tackling the root causes of sustainability problems. Even more, companies tend to apply internationally acknowledged standards and sustainability tools to secure their legitimacy which does not necessarily improve their sustainability impact but helps them achieve a more favorable sustainability perception in public (Windolph, Schaltegger and Herzig 2014, 382). In addition, concepts that address sustainability are often focused on benchmark and ratings criteria instead of organisational change and/or the internal dynamics of a company (Shrivastava, Ivanaj and Persson 2013, 231; Zollo, Cennamo and Neumann 2013, 244).

In terms of social sustainability a lot of companies still understand the concept as a philanthropic engagement or as “going beyond obeying the law” (Garavan and McGuire 2010, 489f). But it is not sufficient to add on social sustainability programs to current operations, instead literature recognises how social sustainability is becoming an increasing essential element of companies’ strategies and acknowledge it as an important management task (Longoni and Cagliano 2015, 216; Windolph, Schaltegger and Herzig 2014, 379). Nevertheless, scientist state that even the need for the implementation of social sustainability is not widely recognised yet (Windolph, Schaltegger and Herzig 2014, 379). Hence, the theoretical concept of social sustainability needs to be translated into practical measures.

Some frameworks have been theorised in an attempt to understand what businesses and society in general need to address the sustainability challenge and more specifically social sustainability. Zollo, Cennamo and Neumann (2013, 245f) developed a theoretical framework that does not concentrate only on social aspects but serves as an approach to implement sustainability in general. Taking strategizing and functional activities amongst other things into account, this framework guides companies to have a comprehensive view of their current reality and enables them to improve their sustainability performance. However, it does not recognise that the understanding of a company’s current reality has to be preceded by an in depth analysis of the sustainability challenge and later supplemented by actions that needs to be taken with tools to bring about the change (ibid.). Another framework by Garavan and McGuire (2010, 488) emphasises that organisations should look beyond measuring only efficiency and performance. The framework recognises the need for a transition from a traditional business mindset and a rethinking of organisation’s strategy. However, it does not explain how to make the transition besides mentioning the need to consider new factors i.e. ethics, corporate social sustainability and sustainability in general. Secondly, this framework focuses specifically on Human Resources (HR) and does not cover all aspects of social sustainability (ibid.). Boström (2012, 4ff) enumerates examples of socially sustainable goals and also gives examples of how to achieve sustainable development. His research gives businesses a guide on what to aim for in terms of social sustainability. But this approach is quite simplistic and does not recognise the complexity of the challenge (ibid.). Overall, none of the approaches comprehensively covers the
sustainability challenge but rather focus on specific topics or do not give clear guidance for the organisations to implement the approach.

1.6 Strategic Sustainable Development (SSD)

Recognising the challenges with all these different sustainability concepts which covered ecology, economy and society, about 25 years ago a group of Swedish scientist around Dr. Karl-Henrik Robèrt introduced the Strategic Sustainable Development (SSD) approach based on a scientific understanding of social and ecological systems (Missimer 2015, 2ff; Robèrt, Broman and Basile 2013, 1). Arguing that having a systems perspective is a precondition to strategically implement sustainability, SSD aims to bring structure to the diverse concepts of Sustainable Development (Robèrt 2012, 168). SSD further acknowledges that the sustainability challenge cannot be solved within isolated topics, but rather needs a multi- and transdisciplinary approach in order to match the complexity of the challenges, something which scientists outside SSD agree with (Steffen et. al 2011, 746ff; Shrivastava, Ivanaj and Persson 2013, 236). A main aspect of the SSD approach is the Framework for Strategic Sustainable Development (FSSD).

1.6.1 The Framework for Strategic Sustainable Development (FSSD)

The FSSD is a unifying framework that brings together the various concepts and tools within SD (Missimer, Robèrt and Broman 2016, 2). Moreover, the existing approaches under SD were often designed to tackle specific issues. However, as the socio-ecological system is a complex one, it is difficult to predetermine outcomes of these approaches as they tend to affect the larger system in the long term (ibid.). The FSSD therefore embodies the broader systems perspective and emphasises the need for a scientific understanding of the system before concentrating on details. In this sense, the FSSD recognises that the collection of data, experimentation, and overall knowledge of the socio-ecological system is a prerequisite to tackle the sustainability challenge across national and cultural boundaries (ibid.). With this, the FSSD gives guidance on how to approach sustainability in a holistic and strategic way for any region, organisation or project (Missimer 2015, 2f).

In order to address the challenge, and to bridge the gap within the sustainability field, the FSSD uses five interconnected levels to prioritise actions and create a stepwise strategic plan. These levels are: System, Success, Strategic, Actions and Tools. An efficient use of the FSSD is determined by its strategic application and its interconnectedness of all levels (Robèrt 2012, 169). Figure 1.2. illustrates the five levels of the FSSD and how they connect with each other as well as the main purpose of every level.
The System Level stipulates an understanding of the bigger picture and how everything is interlinked within the biosphere. From an organisational perspective this implies to understand how the organisation impacts and is influenced by the socio-ecological system (Missimer et al. 2010, 1108).

The Success Level describes overall principles that should be adhered to in the system. These principles are a structured approach to understand how to be sustainable within the planetary boundaries (Robèrt 2009, 108f). They are known as “Sustainability Principles” (SPs) and consist of three ecological and five social principles. Collectively, they stipulate that in a sustainable society nature should not be subject to any systematic harm and that the social fabric should not be systematically undermined (Missimer et al. 2010, 1108). The term structural obstacles refer to the constructions by society that can exist in political, economic and cultural environments. They are established by people in power and can be difficult to overcome by those affected (Missimer 2015, 144). Figure 1.3. illustrates the eight sustainability principles.

In a sustainable society…

<table>
<thead>
<tr>
<th>SP1</th>
<th>SP4</th>
</tr>
</thead>
<tbody>
<tr>
<td>concertation of substances extracted from the earth’s crust.</td>
<td>health.</td>
</tr>
<tr>
<td>SP2</td>
<td>SP5</td>
</tr>
<tr>
<td>concentration of substances produced by society.</td>
<td>influence.</td>
</tr>
<tr>
<td>SP3</td>
<td>SP6</td>
</tr>
<tr>
<td>degradation by physical means.</td>
<td>competence.</td>
</tr>
<tr>
<td></td>
<td>SP7</td>
</tr>
<tr>
<td></td>
<td>impartiality.</td>
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<tr>
<td></td>
<td>SP8</td>
</tr>
<tr>
<td></td>
<td>meaning-making.</td>
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</tbody>
</table>

Figure 1.3. The Eight Sustainability Principles (Robèrt 2012, 169; Missimer 2015, 44).
For an organisation to be deemed sustainable, it should operate in compliance with these principles. A starting point to implement sustainability would be to align the company's vision and goals with the SPs.

To implement sustainability, the FSSD approach uses on the Strategic Level the Backcasting technique, a method to envision the desired future embedded within the SPs described above. From there, steps can be defined to achieve the vision (Holmberg and Robèrt 2000, 294). This technique enables every organisation to create their own tailor-made implementation plan without getting lost in the details. At this level, the FSSD provides three prioritization questions that organisations can use to determine if their approach will lead them towards a sustainable future. The first prioritization question organisations should ask is whether or not their approach leads in the right direction with respect to the SPs. Secondly, organisations should ascertain if actions they intend to take provide a “stepping stone” for future improvements. Lastly, organisations should find out whether or not their intended actions deliver enough return on investment to further propel the process (Robèrt, Broman and Basile 2013, 5).

At the Actions Level concrete steps are planned and followed through based on the Strategic Level, moving the organisation towards the overall goal (Missimer et al. 2010, 1108).

The Tools Level contains tools and concepts for monitoring, evaluating and capacity building which planners may use to achieve their goals in line with the previous levels (ibid.).

**Social Sustainability within the FSSD**

When focusing on social sustainability, one need to understand the importance of the social system, meaning the relationship between people and social structures as well as the environmental system. Missimer (2015, 109) analysed from a systems point of view the social system and described it as a complex adaptive system with constantly changing dynamics and a high degree of uncertainty. The capacity to adapt to these changes is called, as the name implies, Adaptive Capacity. This refers to the ability to adjust to the changes within the environment humans live. The essential elements of adaptive capacities include: diversity, learning, self-organisation, common meaning and trust. These are necessities to develop and stabilise a healthy and sustainable human system (Missimer 2015, 109f). Out of the acknowledgement of the complexity of the social system and the essential elements of adaptive capacity, Missimer (ibid., 82) developed the five social sustainability principles of the FSSD shown in Figure 1.3. All these five principles combined together are the boundary conditions of a healthy social system, which are referred to as the Social Sustainability Principles (SSPs).

The Health principle includes physical, mental and emotional health. In an organisational context that would mean, for example, the awareness of any situation that systematically undermines safe working conditions or a balance of work and personal life (ibid., 143).

The Influence principle stipulates that people should have opportunities to participate in shaping their environment. In regards to a company, that implies making sure that there are no structural obstacles to people’s expression of opinion or participation (ibid.).

The Competence principle requires that there are opportunities for learning and development of competencies. For an organisation that means, for example, to avoid any structural
obstacles in terms of professional growth and development of skills for individuals or the organisation as a whole (Missimer 2015, 143).

The principle of Impartiality stipulates the elimination of structural obstacles in regards to discrimination or other partial treatments. In an organisational context that can refer to obstacles in terms of remuneration structures and recruitment policies (ibid.).

The Meaning-Making principle covers individual and common meaning which can be hindered by structural obstacles such as the suppression of cultural expression. In regards to a company, meaning-making could be enabled by creating a purposeful working condition and allowing religious and cultural expressions (ibid.).

All five SSPs collectively provide a holistic approach that covers all aspects of social sustainability and support organisations to identify potential starting points to tackle the social sustainability challenge (Missimer 2015, 144f). However, due to the fact that these five principles are only recently developed and that academic research often might not be applied in corporate practice, these principles are not yet widely known by companies (Blume 2016; Sandin 2016). Only a few companies have tested the five principles in practice, but there is no academic or practical guideline on how to implement these principles in a strategic way (ibid.).

As a result, the social dimension of the FSSD is not widely known and recognised by companies even though it provides a comprehensive perspective on social sustainability. Organisations can use these principles as the boundary conditions for their operations and with this strategically analyse any possible alignments and misalignments to move towards a sustainable future.

1.7 Aim of the Research

Due to the increasing social sustainability challenges as described above, the implementation of social sustainability has become an important topic. Furthermore, the fact that there is no consensus on how to implement social sustainability in the organisational context highlights the need to address the situation, especially in terms of MNCs. Even though the FSSD provides a holistic and comprehensive approach, the fact that the social dimension is recently developed means that there is no research on the practical implementation yet.

This thesis therefore is intended to understand how social sustainability is applicable in the context of multinational organisations through the lens of the FSSD. The aim of the research is to come up with potential ways of support on how multinational companies can implement social sustainability in a strategic way.

1.7.1 Research Questions

The main research question is:

“How can multinational companies implement social sustainability strategically?”
In addition, two secondary research questions seek to gain a deeper insight into the challenges multinationals face in regards to social sustainability and how to support them to overcome these. The questions are addressed in collaboration with a case study company which operates in different cultural and social systems and has to deal with the complexity of the different social sustainability challenges.

SRQ 1: “What is the current reality of the case study company in relation to social sustainability?”

SRQ 2: “How can the case study company be supported to move strategically towards social sustainability?”

### 1.7.2 Research Scope and Limitations

The scope of this research was focused mainly on the collaboration with the case study company. Moreover for SRQ 1, the authors concentrated mostly on the internal dynamics of the company and only partially touched on the value chain due to time and data constraints. Similarly, the scope of SRQ 2 was primarily focused on the case study company.

The company already worked with the three ecological principles and aimed to have a holistic approach that included the social dimension of the FSSD. As the authors specifically worked with the FSSD to answer the main research question, the research was mutually beneficial. Furthermore, as there is also a lack of research on this topic in literature, the focus of the main research question was solely on social sustainability. Notwithstanding these facts, sustainability from the perspective of the FSSD is a holistic approach and therefore should generally not be separated into social and environmental sustainability.

In terms of the main research question, chapter 5 discusses how the findings might be similar and applicable to other multinational companies and how to support them to implement social sustainability. However, it has to be noted that the case study company is a family-owned organisation which describes themselves as a “truly global medium-sized company” (Case Study Company 2016a). Nevertheless, as they operate in 18 countries around the world with about 1,800 employees and an annual revenue of up to 720M USD (ibid.), the authors classified them as a multinational company with limited resources. However, the authors respect that the case study company do not consider themselves to be a classic multinational as commonly understood.

The audience of this thesis is the general reader who is interested in the topic of social sustainability, academic researchers, practitioners within the organisational context as well as SSD practitioners who aim to implement social sustainability.
2 Methodology

Since no previous research related to social sustainability in connection with the FSSD in an organisational context was found, the methodology had to be exploratory (Saunders, Lewis and Thornhill 2009, 139). To analyse the current reality of social sustainability of the case study company (SRQ 1) the research was conducted through a cyclical process of scrutinising and reviewing data. This way of non-linear working is discussed in action research (Savin-Baden and Major 2013, 252). It is a suitable approach for working with an organisation to evaluate their practices and for research that aims to address relevant real world issues (Reason and Bradbury 2006, 4; Savin-Baden and Major 2013, 245). Additionally, to evaluate SRQ 1 qualitative research was conducted, a most common method for gathering information (Savin-Baden and Major 2013, 357). This was in line with the exploratory approach as no data from other research on that topic was available. The authors therefore anchored their research for SRQ 1 on these approaches. Building on the results of SRQ 1, the goal of the SRQ 2 was to find out what was needed to implement social sustainability and to steer the current situation towards a sustainable future. As a guiding methodology, design research was used as it has a similar purpose (Simons 1996, 111).

2.1 Methods

2.1.1 SRQ 1 – Current Reality: Data Gathering

In order to ascertain SRQ 1 “What is the current reality of the case study company in relation to social sustainability?” data were gathered from multiple sources. In collaboration with the company, interviews with employees and follow up electronic surveys were conducted. In addition, an analysis of its internal and external corporate sustainability documents was carried out.

Interviews

Interviews are one of the most common methods within qualitative research (Savin-Baden and Major 2013, 357). The purpose of conducting interviews was to gain an in-depth knowledge about the case study company (ibid., 358). Two rounds of interviews were conducted. The first batch of interviewees was the seven members of the company’s sustainability committee (SC) (see Appendix A). These interviewees were chosen as they are the key persons who work strategically with sustainability. The second batch of interviews was conducted with seven local managers from different regions who are referred to in the following as non-sustainability committee members (NSC) (see Appendix A). The authors sought to find out how these people who implement the strategy in their daily work perceive social sustainability and compared how their perceptions agree or differ from that of the committee members.

13 out of 14 interviews were conducted via Skype or via phone call with two of the three authors present. This type of communication was chosen over email interviews in order to read nonverbal messages when critical information was transmitted (Savin-Baden and Major 2013, 359). The other interview was only carried out via email due to English language barriers and the fact that the respondent wanted enough time to translate the questions into her/his native language before sending answers back in English writing.
The interviews were semi-structured, between 60-90 minutes long and all 14 in total were conducted in a period spanning about one month (mid March - mid April 2016). During the interview the authors followed a self-created catalogue of 15 questions with follow up questions in response to comments or reactions of the interviewees (see Appendix B). The interviewers probed for new ideas and left the questions open-ended, allowing the interviewees to express their perspectives in their own words (ibid.). This design of interviews is according to Savin-Baden and Major, a helpful approach especially when there are several interviewers collecting data with only one interview per person planned (ibid.). This process made the interviews and the findings comparable across the respondents (Savin-Baden and Major 2013, 359).

Additionally, after every interview, the researchers took notes of overarching topics that were mentioned directly or indirectly by the interviewees on what was important for the company. This procedure was followed to capture a better picture of the company and its functioning as a system in itself since the questions asked in the interview were more linked to the company and its relation to the general social system.

Follow Up-Survey
Immediately after conducting each interview, a follow up survey was sent via email and a reminder to fill it out was sent after a week. The survey remained opened to answers for one month (mid March - mid April 2016). It contained ten questions, both open-ended and with ranking style (see Appendix C). For the ranking questions a mix of a horizontal Likert-scale (numbers from 1-5) and vertical scale (for example “very confident” to “very insecure”) was chosen to prevent confusion and facilitate the coding (Bryman 2008, 222).

The intention with the survey was to gather further insight into the interviewees understanding of the topic as well as to gauge their answers given during the interviews. The authors got six out of seven responses from the SC and five out of seven responses from the NSC. With the response rate for both being above 70 percent, it allowed the authors to take the responses into account (Bryman 2008, 219).

Corporate Documents
The company provided 19 internal documents for the authors to assess relevant information and to have an overview of their current reality. Savin-Baden and Major (2013, 359) state that documents tend to have a strong validity, therefore the authors analysed these with the purpose of getting an accurate understanding of the company's approach to social sustainability. Twelve of these documents were directly related to their social sustainability approach, health and safety procedures and policies. Three documents were regarding their HR management, two about their values and two contained general corporate information.

Publicly available external documents were also reviewed, specifically information on the web page of the company. The main information came from their “Sustainability” page. Three sustainability reports from 2012 to 2014 were available as well as information regarding their sustainability approach, their current partners, implemented standards and corporate social responsibility initiatives (Case Study Company 2016b). Furthermore, their “About us” page expatiated on the company's vision, values and other corporate information (Case study Company 2016c).
2.1.2 SRQ 1 – Current Reality: Data Analysis

The data analysis of SRQ 1 involved the categorization and coding of the responses gathered from the interviews and surveys conducted in regards to the company’s current social sustainability approach. The same process was used for the analysis of the internal and publicly available corporate documents.

First, the authors identified the five levels of the FSSD as primary themes for the categorization of the gathered information as it highlighted the current reality of the company in regards to social sustainability through the lens of the FSSD.

Conducted Interviews

All interviews were audio recorded with the permission of the interviewees after they were guaranteed that the information given was treated as confidential.

The gathered data were then coded to allow the authors to retrieve information and make comparisons as well as identify patterns with data from the different sources (Savin-Baden and Major 2013, 421). Every interview was listened to by two of the authors who then wrote memos and placed them into the appropriate coding category. The third author merged the two coded documents and checked for coherence to avoid any bias or missing links.

Before coding the interviews the authors determined 31 pre-coding categories along the lines of the levels of the FSSD. In order to ensure these categories were all-inclusive and at the same time mutually exclusive, two test runs took place (Gorden 1992, 2). After these test runs, 19 coding categories remained, and these were subdivided into nine main coding categories with additional ten sub-categories to facilitate the actual coding process (see Appendix D).

All answers from the interviews were then put into a table which contained the five levels of the FSSD and the coding categories (see Appendix E). This showed the differences and similarities as well as motivations and challenges for every topic. While doing this, the answers from the interviews with the local managers from different regions and the answers from the interviews with the sustainability committee members were kept separately in two different tables to juxtapose the results. A conclusion for every category as well as for every level of the current situation of the company was then drawn.

The identified overarching topics of the SC and NSC were clustered and compared with each other. These topics were then compared with the essential elements of adaptive capacities as an indication of how well the company as a system itself functioned.

Follow Up Survey

To analyse the responses of the survey questions, they were first categorised into the established themes according to the FSSD (see Appendix F). In a second step the responses were compared with the answers from the interviews within the same themes. This approach allowed the authors to gather further insight into the interviewees understanding and to juxtapose their answers. As the survey questions were quite specific in regards to the levels, they were not further clustered into the coding categories.
Corporate Documents

The gathered data from the corporate documents were also categorised into the levels of the FSSD. As the documents were rather general, they were not further clustered into the coding categories.

Due to the fact that the company did not work before with social sustainability in relation to the FSSD, they did not provide documents fitting for every level. The analysis of the current reality from the documents was therefore limited to only some levels.

As a result, the data analysis gave the authors a clear picture of the current reality of how the company works with social sustainability.

2.1.3 SRQ 2 – Support Prototype Creation

The results from SRQ 1 served as the basis to answer SRQ 2 “How can the case study company be supported to move strategically towards social sustainability?”. The goal was to develop a guidance for the company on how they can implement social sustainability. The process was iterative and explorative and had three phases.

The first phase was to compare the current situation of the company and how it related to the FSSD, making gaps and challenges clearly visible. For this, the authors assembled the key findings from SRQ 1 from every level of the FSSD and juxtaposed them with an ideal situation as described in every FSSD phase in the chapter 1. Additionally, a list of all the tools and initiatives already existing within the company was created to build upon their present structures and to check if there would be something already occurring in their local sites that could fill in the gaps on a global level and the other way around.

In the second phase the authors went through several techniques to come up with support ideas the company needed to close the identified gaps. These included different ideation and brainstorming rounds. The Backcasting technique (Holmberg and Robèrt 2000, 294) was used by the authors to envision a sustainable future of the company and this helped them to come up with ideas on how to make the social sustainability approach of the company more strategic. The first two techniques were chosen to enable and foster creativity and broaden the perspectives of the authors while the Backcasting technique was chosen as it highlights the importance of planning from a success model to implement social sustainability.

In the third phase the authors aimed to prototype a design out of the brainstormed actions that could provide guidance for the company on how they could implement social sustainability. This phase contained several iteration rounds.

First, the authors clustered the brainstormed actions into the five levels of the FSSD. Then they further categorised the actions into tangible and intangible actions in terms of whether they were concrete tools or initiatives the company could implement or whether it changed something in the company’s structure or behaviour that could lead to a desirable outcome. With this knowledge in mind, the authors looked again at the results from SRQ 1 in a new round of prototyping and the identified gaps at every level. They then created potential main actions that clustered the prior brainstormed actions to close these gaps. Moreover, they came up with several sub-actions which described how the company could manifest the main actions. Additionally, the authors discussed the feasibility of the main and the sub-actions in terms of financial and human resources as well as timelines.
From this first prototype, the authors brainstormed in another round for every main action an overarching category to analyse how the actions were related to each other in terms of their envisioned outcome. Next, the authors organised the categories as well as the actions within every category in a logical order having in mind the structure of the levels of the FSSD as well as how the categories and the actions were connected with each other.

In the last phase of prototyping, the authors concentrated on the overall shape of the guidance they were developing. They discussed several possibilities, from a more linear structure to other forms such as cyclical or spiral shapes, deliberating what would be the best approach to implement social sustainability for the company looking back at their needs and requirements the interviewees stated in SRQ 1.

2.1.4 SRQ 2 – Validating the Support Guidance

The validation of the support guidance included three stages. During the first stage of validation, the authors had a workshop with a representative of the company. In this workshop all results from SRQ 1 and data gathered for SRQ 2 were presented. A focus of the presentation was the authors’ brainstormed and clustered actions and how these could fill the identified gaps using the five levels of the FSSD as a basis. The feedback from this representative gave the authors an organisational perspective on their ideas. This feedback was then used to reshape and elaborate on the recommended actions. Moreover, the authors sought feedback during the session with the representative on how to prioritise their recommended actions in terms of the needs of the company as well as on the feasibility for the company in general.

A second feasibility check was conducted by the authors themselves in the following rounds of the prototyping phase as they went through their developed prototype on a theoretical basis discussing the feasibility and the order of the actions brainstormed.

In the third validation stage the authors received feedback from the company. Four SC members and one NSC member replied after the authors sent them their draft thesis via email.

The first two stages informed the design of the guidance while the third stage was used to shed light on what future research should focus on.
3 The Current Reality of the Case Study Company

3.1 Results

This section reports the results from the interviews, follow up survey and findings from corporate documents, in response to SRQ 1 “What is the current reality of the case study company in relation to social sustainability?”. As a reminder, the interviewees were the seven members of the sustainability committee (SC) and seven managers based in the different regions who, in this report, are labelled as non-sustainability committee members (NSC).

As the case study company is analysed through the lens of the FSSD, the results are presented through the five levels of the framework as well as in order of the coding categories. In the levels, if seven responses are not given for each group of interviewees, it means not all seven interviewees had an answer to that specific question asked by the authors. The same applies for the survey responses. Similarly, if no results from the analysis of the corporate documents are provided in a level, it indicates that no data were found pertaining to that level in the provided and publicly available documents. At the beginning of every chapter, a table highlights the key findings.

3.1.1 System Level

On the System Level the authors aimed to analyse the interviewees understanding of (social) sustainability and how they positioned the company in the larger social system. Interviewees were further asked if there was a sense of urgency with the issue of social sustainability in the company. The authors moreover aimed to analyse how the company worked as a social system in itself.

<table>
<thead>
<tr>
<th>Key Findings: System Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Company within the Socio-Ecological System:</td>
</tr>
<tr>
<td>➢ Respondents had an understanding of the socio-ecological system and how the company is embedded in it</td>
</tr>
<tr>
<td>➢ In terms of social sustainability, respondents’ understanding differed and they were not fully confident in how the company approaches the topic</td>
</tr>
<tr>
<td>➢ There was no consensus on whether or not there was an urgency for social sustainability</td>
</tr>
<tr>
<td>The Company as a Social System:</td>
</tr>
<tr>
<td>➢ The company exhibits challenges when compared to a healthy social system as described by the essential elements of adaptive capacities</td>
</tr>
</tbody>
</table>

The Understanding of the Systems Perspective

The SC members were first asked how they perceived sustainability. All seven knew the concept and two referred to the FSSD and the foundational principles. One person cited the Brundtland report definition. The others talked about environmental footprint and how to decrease it as a person or a company. Four out of the seven NSC respondents cited the
Brundtland definition as well. The other three respondents elaborated that sustainability was about reducing energy consumption, waste disposal, water consumption etc.

The authors further sought to find out how the company intended to assess its sustainability mandate and how they saw their role within the bigger social system. This was mainly evaluated through the company’s stated approaches to fulfil its vision of “becoming the most sustainable [...] company in the world”. Even though the FSSD describes both the vision and the definition of sustainability as part of the Success Level, the authors used the question to ascertain the company’s understanding of the system as both of these are based on or have implications on the understanding of the system. One out of the seven members of the SC thought that this vision might be ambitious and two others questioned the benchmark for it. They stated that it had to be decided if the comparison was with competitors or in general terms. Another respondent thought that even though the vision might be ambitious it was doable. The NSC shared a similar view with the committee members. They agreed that perhaps the vision was ambitious but stated that it showed the company’s commitment to sustainability. However, they acknowledged that timelines and measurables were needed to realise it.

The documents provided a lot of data on sustainability in general, spanning from their annual sustainability reports, to different internationally acknowledged frameworks and guidelines. However, there was no clear documentation on supplementary actions or tools that supported the use of these documents in relation to the understanding of the system the company was embedded in.

This shows that the interviewees as well as the company as a whole were generally aware of how the company was embedded in the socio-ecological system, but not sure about their actual impact and the influence they had.

The Company in Relation to the Social System

Next, the authors more specifically sought the interviewees understanding of “social sustainability”. Unlike with sustainability in general, the understanding and perspective of the SC and NSC on social sustainability differed.

Three SC members answered that social sustainability meant “meeting human needs”, “treating employees right and having transparency”, a “socially responsible supply chain” and not employing “child labour or slave labour”. Two answered that “trust and diversity” were essential components of nurturing social sustainability. The last two opined that environmental solutions such as less energy consumption, less volatile organic compound emissions and less waste disposal will have an indirect positive impact on society. Two NSC members shared the same opinion stating that meeting environmental safety targets with production had a positive effect on society. Two other NSC members defined social sustainability as getting involved with the community and people and the need to ensure workers health and safety. One of them further noted that the Brundtland definition when tinkered a bit can include social sustainability. For another NSC respondent, social sustainability meant the opportunity for an employee to have a sustainable life both inside and outside the work environment. Another respondent stated that it was more about people and society, good health, happiness, meaning-making, the opportunity to learn and everyone having the possibility to be treated equally.

Keeping in mind their responses, the questions in the follow up survey sought to confirm if both interviewee groups were satisfied with the current approach of the company and if it
covered all important aspects of how they understood social sustainability. Even though all interviewees differed in their understanding of what social sustainability meant for them, none of the SC members was really confident about the company's approach with two out of the seven SC members answering the question with “very doubtful”, one with “somewhat doubtful” and the remaining three with “somewhat confident”. The answers from the NSC were similarly mixed, three saying “somewhat doubtful” and two “very confident”.

Urgency for Social Sustainability

The authors then queried if there was a sense of urgency for the implementation of social sustainability in the company. There was a contrast in opinions within the SC members: Two out of seven were not sure, another two said it was urgent, and the last three said there was no urgency at all. One of the respondents elaborated by questioning what will happen if the company did not implement social sustainability. They wanted criteria on how to measure social sustainability and how to gauge what the company was currently doing. The others wondered what exactly could be done to foster social sustainability, concluding that the urgency depends on local situations and the sustainability approach of each site.

The NSC members differed in opinions too. Two felt it was urgent to be socially sustainable if the company was to achieve its vision, one respondent thought they were already doing a lot with regards to social sustainability and three mentioned that there was no urgency and that everything was under control.

The Company as a Social System

To better understand how the company works as a system in itself, the authors asked the interviewees about the company's structure, with a focus on decision-making and additionally looked at their overarching topics.

Both respondents from the SC as well as from the NSC described the structure of the company as mostly decentralised but explained that efforts were being made to make it more centralised with decision-making from the headquarters. According to them, on a global level decisions were taken top-down, but on a local level it was more a mixture of a top-down and bottom-up approach.

For the SC the overarching topics that captured the important elements for the company as a system itself were the following: communication, the organisational structure, trust, knowledge, learning and common understanding in terms of the purpose and goals of social sustainability. With regards to the NSC, overarching topics were education and understanding of social sustainability, globally “living our values” with a rather intricate structural setup, and finally the lack of adequate human resource to take charge of social sustainability was another topic.

Furthermore, from their interaction with the company as well as unspoken behaviour in the interviews and in email conversations, the authors noticed that company seemed to exhibit some challenges when it comes to especially trust and additionally when it comes to communication in general.

3.1.2 Success Level

At the Success Level of the FSSD, the authors asked the interviewees about how they understand and evaluate the social aspects of the company's vision as well as how they
perceived the Social Sustainability Principles (SSPs). The authors further examined if the company was in alignment or misalignment with the SSPs.

Table 3.2. Key Findings: Success Level.

<table>
<thead>
<tr>
<th>Key Findings: Success Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achievement of Company's Social Vision:</td>
</tr>
<tr>
<td>➢ No consensus on whether or not the company was successful</td>
</tr>
<tr>
<td>➢ No clear measurables for the achievement of the vision</td>
</tr>
<tr>
<td>Social Sustainability Principles (SSPs):</td>
</tr>
<tr>
<td>➢ Generally the respondents perceived the company as being in alignment with the SSPs</td>
</tr>
<tr>
<td>➢ Contrary to what the respondents said in the interviews, they stated in the survey that they had an overall good understanding of the SSPs</td>
</tr>
</tbody>
</table>

Achievement of Company’s Social Vision

The company communicated several aspects under their vision out of which the authors interpreted four as their social vision. These are “being the employer of choice”, “living our values”, “practicing social responsibility” and being “transparent and ethical in governance”.

The SC members had different opinions on whether the company was currently the “employer of choice” in the industrial sector. One of the seven respondents was simply not sure that this was the case and another added it was difficult to be an employer of choice especially when it came to the issue of remuneration and the fact that bigger competitors paid on average 20 percent higher salaries. These two further explained that there were not enough opportunities to influence decision-making and for that reason they could not describe the company as their employer of choice. Two respondents added that even though competitors paid higher salaries, the preference of potential employees was subjective to the different regions around the world. For one of these respondents, the opportunity to grow professionally and build capacity is what mattered most and for that reason this company for him/her was an employer of choice. Another claimed that employee attrition in the company was generally low and this might be an indication that workers were mostly satisfied. Others felt the company was employer of choice because of its focus on sustainability. In the same way, five out of the six NSC members were confident that the company was employer of choice. But one respondent pointed out that it was difficult to compare the company to other companies as they were relatively smaller in size and for that reason s/he could not conclude that the company was employer of choice. The last respondent echoed the earlier view from the SC that being employer of choice might vary in the different regions around the world.

With regards to the company “living our values”, two SC members were affirmative in their response but one added that there was need for more teamwork. Another respondent wanted the company to communicate better what those values were. One respondent contradicted this view stating that both management and the owner of the company encourage all workers to live up to the company's values and that the Code of Conduct of the company had been spelt out on physical cards and distributed to all managers. This respondent excitedly pulled out the card from her/his wallet to show as evidence. All the NSC respondents were equally confident that the company was “living our values”.

Three out of the seven SC members explained that the company was “practicing social responsibility” by undertaking projects with employees and the community and each cited
different current projects as examples. Two respondents further explained that the company tried to ascertain if their supply chain was sustainable, and to do this, they relied on an external evaluation tool called EcoVadis.

In terms of being “transparent and ethical in governance” three SC respondents questioned to which extent the company could be transparent in the industry. Some claimed that even though there was room for improvement it was only feasible to be transparent to a certain point but the company could not be totally transparent. Two of the NSC members shared the same opinion with the SC that the company could not be fully transparent. One of the two however said, that in terms of environmental sustainability they were transparent. Another two stated that a good relationship with stakeholders was only possible when the company was transparent. According to them, this is a basic requirement.

The Social Sustainability Principles (SSPs)

In terms of the SSPs, the results displayed that both interviewee groups had the overall impression that the company was generally in alignment with the SSPs. The sustainability manager had stated in a prior interview, that s/he had held a session on the SSPs with all SC members. Nevertheless, for almost all interviewees, a detailed explanation of the principles was needed before the authors went deeper into the topic. In regards to the NSC, one out of seven interviewees had heard about the SSPs before but the rest had not. However, in the follow up survey the respondents stated that they had an overall good understanding of the SSPs contrary to what they had communicated to the authors in the interview. Three out of each group self-assessed a “medium” level of understanding, two from the SC and one from the NSC assessed a “high” and one from both groups a “very high” understanding.

The corporate documents provided by the company did not give additional information on alignments or misalignments for the health, competence, influence nor meaning-making principles. This is probably due to the fact that the company had previously worked with mainly the three ecological principles. Numbers stated in the sustainability reports were not further supported by other documentation. Only in regards to the impartiality principle was there additional information which was used for the analysis.

The following captures the specific responses from the different sources regarding each SSP.

Structural Obstacles to Health

Taking into consideration physical, emotional as well as mental health, the SC and NSC members stated the company was overall in alignment with this principle. However, three out of seven in the SC and two out of seven in the NSC mentioned that there was “room for improvement”.

In regards to physical health, all interviewees recognised its importance and pointed especially to the Loss-Time-Injury (LTI) measurement as a key performance indicator (KPI). In terms of overall LTI performance, one SC member mentioned that the desired long term target was zero but that the LTI scores fluctuate in the regions. Despite that statement, three of the interviewees thought the company was already doing quite well, while two out of the seven SC members mentioned that the LTI scores were not good enough and not up to the industry standards. One respondent even stated that there were inherent flaws in reporting the LTI and that in his/her particular region, the concept of health and safety practices did not match with the cultural mindset. Additionally, two criticised the fact that there was no global system in place to evaluate it. However, one of the SC members mentioned that a “Global
Health and Safety” director was recently appointed to concentrate on the sector. Five out of six respondents of the NSC simply stated that they were monitoring their LTI performance.

In terms of mental and emotional health, two respondents of the SC mentioned that within the company it is a vague and relatively new topic that does not match with the company's way of thinking. Two out of six respondents of the NSC on the contrary stated that they had initiatives in place considering mental and emotional health. These respondents saw it as equally important to physical health.

Two respondents of the NSC elaborated on the importance of work-life-balance and the difficulties this concept brings in the different regions. Additionally, one respondent recognised that workers may feel pressure when satisfying customer’s wishes and ensuring high quality products and that customer satisfaction is a sales based requirement which can be difficult to meet.

Overall, the NSC stated that they had regional initiatives in place which were not necessarily required from the headquarters. For example, one respondent referred to their annual medical check-ups, another referred to their AIDS protection programs and the last one referred to private and public health insurance policies for employees.

Structural Obstacles to Influence

In terms of influence five out of seven SC members felt valued in the company and mentioned that employees who wanted to change something had the opportunity to do so. One member of the SC even stated that the opportunity to influence decision-making is the reason why s/he chose to work for the company. Also, two other respondents spoke about the open working climate that allowed employees to express their opinion. On the contrary, two other members of the SC stated that the opportunity to influence decision-making was dependent on the topic and that generally speaking it was sometimes hard to make their voices heard.

Looking into the NSC, four out of seven mentioned that they had freedom of speech, could influence changes in their factory site and had the ability to foster dialogue between management and employees. One member stated that the level of influence was dependent on an employee’s hierarchy within the company. Furthermore, one SC member and another NSC member stated that the ability to have influence was cultural, regional and site dependent.

Touching upon structure and the ability to have influence, two of the SC members argued that when decisions had to be made fast, a top-down approach was executed. However, one other member of the SC added that when it came to local issues, a bottom-up approach was the most valuable.

In order for employees to have more influence, two out of seven SC members encouraged workers to join unions. Two of the NSC members referred to their own unions in terms of influential opportunities for employees. One respondent admitted that there was a requirement to set up a union at their site, but stated that there was no need as workers were satisfied. This perspective was shared by another respondent, citing that only a minority of his staff decided to join the union at his site.

Structural Obstacles to Competence

On one hand, five out of seven SC members stated that the company enabled them to build their own competence and gave them opportunities to grow professionally. Two further
mentioned that incentives were provided to encourage employees to advance their skills. On the other hand, one respondent stated that the human resource department needed more management support as it was a "little bit behind" in comparison with other companies. Out of the seven NSC members, three stated that they definitely had the opportunity to grow professionally as local managers and all of them gave examples of annual programs they attended to build their competence levels. Five of the respondents added that generally the company gave all workers the opportunity to grow professionally. However, three acknowledged that these opportunities were more available for higher positions within the company. Two respondents from the NSC as well as one SC respondent suggested that cross-cultural exchange programs for employees with different functions could be one way to raise the competence level.

Additionally, one member of the NSC pointed out the importance of raising the competence levels of the community the company operated in. S/he stated that at their site for example, the company provided internships for the locals and also supported other educational courses.

Structural Obstacles to Impartiality

Five out the seven SC respondents said that the company was generally impartial. Two out of these five mentioned that programs were in place that support diversity at all levels throughout the company. But on the contrary, two out of the seven SC members argued, that there was some partial treatments when it comes to gender equality in terms of remuneration structure and employment. However, in terms of employment the majority of the SC mentioned that industry requirements and regional differences need to be taken into account as in some cultures it is not common for women to work in physically demanding or hazardous environments. The NSC respondents had a similar perspective on this topic of impartiality and especially gender diversity. Three out of the respondents further stated that there were more male recruitments at the productions sites due to physical labour and more women were employed in the laboratories.

In terms of remuneration structure, one of the SC members highlighted that employees had to be equitably compensated for their work based on a clearly communicated remuneration structure in all regions.

In terms of gender diversity on the global level, the company provided the authors with a "Gender Diversity and Inclusion" declaration. However, there was no documentation on follow up actions or tools that supported the implementation of this declaration. Other documents provided by the company were in terms of the general workforce including information on the employment structure, temporary employment, part and full time work, age of workforce as well as women in management positions. With a total of 1743 employees (as of 10.02.2016), 1338 were male and 405 female. Out of these 1743 employees, 293 had limited contracts of which 64 were female. Furthermore, 65 had part time contracts. Most of the employees (1019) were between 30 to 50 years of age. Moreover, 68 females were in management positions as compared to 250 male managers. In the senior management level, one female manager was employed. Additionally, it must be noted that in the SC, two out of the seven members are women, one of them with a managerial position. Also, out of the 18 countries worldwide where the company operates in, four European countries and two Asian countries are represented in the SC.
Structural Obstacles to Meaning-Making

Both the SC as well as the NSC members had difficulties understanding the principle of meaning-making. The authors had earlier resolved to rephrase the sustainability principles to business language where applicable. Hence, they referred to “meaning-making” as “purpose” and this made it easier for the respondents to understand.

One SC member stated, after the rephrasing and the detailed explanation, that the principle was rather difficult to grasp. Additionally, one SC member did not have a response to the principle because s/he did not have an overview of what was happening in production sites. Four of the respondents stated that there was room for meaning-making in the company, mentioning that every employee had the opportunity to follow their own causes as long as it added value to the company. Two of the SC members also mentioned that people did not feel hindered to pursue their religious or cultural practices. On the contrary, one respondent from the SC stated that s/he was not sure if s/he was able to pursue her/his own meaning-making whiles working for the company.

All respondents from the NSC stated that they could have their own “purpose” in the company. One of them mentioned in terms of meaning-making that the company’s culture is so strong that it “feels like family”. Another respondent stated that at his/her site people follow the same cultural and religious practices. Therefore, generally, “meaning-making” was easier, but s/he was not sure if employees with other cultural or religious needs would be able to fulfil their “meaning-making”. However, another respondent noted that at their site there was diversity in terms of cultural and religious practices and there have been no incidents reported in recent years.

3.1.3 Strategic Level

At the Strategic Level of the FSSD, the authors asked the interviewees about their current approach to implement (social) sustainability, their future plans and what challenges could be.

Table 3.3. Key Findings: Strategic Level.

<table>
<thead>
<tr>
<th>Key Findings: Strategic Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsibility for Sustainability Work within the Company:</td>
</tr>
<tr>
<td>➢ Sustainability Committee (SC) is responsible, but there is uncertainty with regards to the exact role of the SC and responsibilities of members within the SC</td>
</tr>
<tr>
<td>➢ The awareness of the existence of the SC differs from region to region</td>
</tr>
<tr>
<td>Working with Social Sustainability within the Company:</td>
</tr>
<tr>
<td>➢ The responsibility for social sustainability work lies within the Human Resources department</td>
</tr>
<tr>
<td>➢ Respondents generally felt confident in working with the SSPs for strategic planning</td>
</tr>
<tr>
<td>➢ Respondents generally did not feel empowered to work with the SSPs</td>
</tr>
<tr>
<td>Implementing Social Sustainability:</td>
</tr>
<tr>
<td>➢ Respondents had no overview about the company's current approach</td>
</tr>
<tr>
<td>➢ Respondents recognised the SSPs as a good approach</td>
</tr>
<tr>
<td>➢ The SC saw the need for a common understanding and mindset as well as the need for a framework</td>
</tr>
</tbody>
</table>
The NSC mentioned the need a better structure and better Human resources management.

Challenges of Implementing Social Sustainability:
- Limited resources
- Motivational barriers
- Lack of knowledge on the topic and no expert or trained in-house staff
- Cultural differences

Future Planning:
- No consensus on global level, but clear site specific planning from the local managers was evident
- Social sustainability generally not a high priority for future planning

Responsibility for Sustainability within the Company

As noted earlier, the company managed their sustainability efforts through a sustainability committee which is currently composed of seven members from different regions and functions covering the whole value chain (see Appendix A). Respondents of the SC were asked to describe the work of the SC, who was in charge and who was responsible for social sustainability. Two out of the seven members worked full time on sustainability, the rest had the position as an addition to their regular job. The committee met twice a year and had monthly conference calls. All members had been part of the committee for six months or more. Nevertheless three out of seven stated that there was an uncertainty of the role of the committee itself within the company as well as the responsibilities of each member and what the decision-making process was.

In terms of the NSC, six out of seven respondents had heard about the committee. Notwithstanding this, the awareness of the existence of the sustainability committee differed from region to region. In general, it was perceived that the committee was responsible for setting targets and the local productions sites were to report to it. Two out of seven interviewees stated that they had worked directly with the committee and described it as a “trial and error feedback-format”, while the perception from one respondent was that real decisions were not taken by the committee but by the senior management.

Working with Social Sustainability within the Company

Social sustainability is currently within Human Resource (HR), but the HR department was not yet connected on a global level and there was no strategy to implement social sustainability in a systematic way covering all regions. Moreover, the HR representative stated that there was no training or clear guidance on how to work with the social sustainability topic.

In terms of working with (social) sustainability, four of the seven respondents stated that they solely relied on the work of the sustainability manager. Another four of the respondents stated that they did not feel empowered to work with SSPs as a committee mostly due to lack of time and lack of clarity “no dedicated staff to social sustainability, a bit like voluntary work”. It has also to be noted that one interviewee mentioned a lack of support from the CEO/board for initiatives in terms of social sustainability and this slowed down the decision-making process and attempts for implementation. Nevertheless, five out of six answered the survey question “How confident do you feel working with the social sustainability principles for strategic planning?” with “somewhat confident” and another with “very confident”.

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These results were similar to the responses of the NSC. In regards to the survey questions on whether the interviewees felt empowered to work with the SSPs, only one of the four respondents answered with “Yes”, while one wanted more training to feel empowered, and two did not feel empowered to work with the SSPs strategically, especially with topics not related to health and safety. In spite of this, the NSC respondents felt generally confident to work strategically with the social sustainability principles on their sites, two out of five answering the survey with “very confident”, and the other three with “somewhat confident”.

**Implementing Social Sustainability**

In regards to the question about the current approach to implement social sustainability, all respondents from the SC stated that they had no clear overview about the current approach or what regional sites were doing. Furthermore, four of the SC interviewees mentioned that there was no exchange of information on the topic of social sustainability, a lack of a holistic understanding on what social sustainability meant for the company, and different mindsets, leading to no consensus.

As a starting point to implement social sustainability, two respondents from the SC acknowledged the need for a framework. Another respondent emphasised the need to understand the interrelation between environmental and social sustainability, and for one respondent the best approach to implementation was to change the mindset of employees, especially those who had been working with the company for a long time. Focusing on the SSPs, five of the interviewees stated in the survey question that in their opinion the principles could help the company “very well” to move towards a sustainable future and one answered “somewhat well”.

Most of the mechanisms in terms of social sustainability already in place mentioned by the NSC respondents were related to environmental sustainability or to health and safety as in these areas there were a lot of regulations required. However, there were site specific initiatives which could fall under the social sustainability definition used in this report, but these were mostly neither reported to the sustainability committee nor shared with other sites. One of the respondents elaborated on different types of meetings at his sites. For example a work council, a health and safety council, employer and committee meetings as well as training for the managers on how to deal with difficult situations.

Also, there was no consensus in the NSC on how to evaluate the current approach of the company. However, three out of five respondents from the survey evaluated the importance of the SSPs as “very well” to work with social sustainability, while the other two were only “somewhat” convinced. Additionally, one respondent mentioned that they have a regional sustainability team in place which is in charge of the current sustainability approach.

Four of NSC respondents agreed that to implement social sustainability within the whole company and to foster these initiatives, a better structure and adequate human resources were needed. One of the respondents felt that a leading person to take on the responsibility was missing, another underlined the need for a baseline that should be set and be valid for all regions and the last respondent mentioned the need for more programs and better talent management from the HR department to implement social sustainability.

These results were further underlined by the documents provided by the company. The company conducted an analysis on how to approach sustainability internally, but this was more in terms of environmental sustainability. The documents on social sustainability focused mainly on the description of different frameworks and only gave a general idea on
goals and timelines without being specific on concrete actions. Moreover, in the sustainability report two focus areas of the company in terms of social sustainability are mentioned (Health & Safety/ People & Society), but there is no further documentation on how the company approached these focus areas, what goals in these fields are or what currently is done.

**Challenges of Implementing Social Sustainability**

Respondents were further asked to indicate challenges when it came to the implementation of social sustainability. Four out of seven of the SC respondents argued that limited resources were a challenge and three out of seven mentioned that there was not enough motivation to start working with the topic. Moreover, both SC and NSC respondents stated the lack of an expert in this topic within the company as well as cultural differences between the different sites. Specific challenges mentioned by three out of the seven SC interviewees in terms of the implementation of the SSPs were an ineffective communication channel, the organisational structure, the mindset of employees and the difficulties to implement these principles in non-western countries. One SC member suggested as a solution, that the SC could “learn more as a leading team” and have a better structure. Two others stated the need for clearer assignments of responsibilities and resources and another one stated the need to understand the business case for working with social sustainability.

One of the NSC interviewees felt they needed more training and knowledge about social sustainability. Another one stated that information about the topic should be more accessible to all employees, questioning if there could be other methods besides the current E-learning. Additional challenges mentioned in the survey by two respondents were with HR and communication as well as the lack of clear guidelines on who was doing what and how to implement social sustainability. Two respondents of the NSC members mentioned specific issues with HR citing the fact that no one was fully responsible to lead the sustainability agenda. Additionally, they pointed out the different regional complexities with regulations, culture etc. that the delegated person to lead the sustainability agenda will have to contend with. On the question of what possible solutions for these challenges could be, one NSC respondent wanted more collaborative work with the SC for a more proactive approach, two of the respondents needed clear guidelines and three mentioned a stronger engagement of HR and the SC to find ways to make guidelines as inclusive as possible.

**Future Planning - A Generic Implementation Plan**

In terms of future plans the members of the SC had no clear common picture yet on what they were aiming for in terms of social sustainability. Two out of seven mentioned the need for improved HR tools, two the need for more commitment from senior management, one the need for a better structure and another the need for easiness and relevance of social sustainability to work with the topic. On the other hand, all NSC respondents had their own site specific plan on what they want to achieve in the coming years. For example, one of the respondents planned to establish more training, another one aimed to get certifications in this field in the upcoming years. However, at the time of interviews, both SC and NSC members expressed that working with social sustainability strategically was not a high priority topic.

In response to the question on the feasibility of a generic social sustainability plan, five out of seven SC and five out of six NSC interviewees clearly stated the need for a plan that was adaptable to regional circumstances and the different structures of production sites. Furthermore, all respondents from the NSC saw different requirements to make a generic plan feasible in terms of time, resources needed and regions where it should be implemented.
Some also commented that it should be a stepwise approach, however all respondents generally acknowledged that such a plan would be useful for the company to move towards sustainability.

3.1.4 Actions Level

At the Actions Level of the FSSD, the authors asked the interviewees what the current agenda was and which actions were used in the company.

Table 3.4. Key Findings: Actions Level.

<table>
<thead>
<tr>
<th>Key Findings: Actions Level</th>
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<tbody>
<tr>
<td>➢ No overview on global level/ in the SC</td>
</tr>
<tr>
<td>➢ Lots of different actions at the local sites were in place but not strategically connected to an overall goal</td>
</tr>
<tr>
<td>➢ Employees in general were not engaged and involved with social sustainability</td>
</tr>
</tbody>
</table>

In regards to the question on their current agenda in regards to social sustainability of the company, the interviewees from the SC could not provide a lot of information. One referred to their collaboration with The Natural Step (TNS), a non-profit organisation that aims to foster sustainable development using the SSD approach (TNS 2016) and one stated that the company was just at the very beginning of the process, therefore there was nothing in place. However, in the survey, the respondents listed some actions: Two of the respondents referred to their health and safety programs, another two said their focus was currently on learning and understanding how the future work will look like and another person mentioned the Code of Conduct of the company as an action.

Even though there were not a lot of specific overarching actions existing to foster social sustainability in terms of the SSPs, the survey showed that the SC members felt generally confident in using the SSPs in their daily work with two respondents answering “very confident” and four “somewhat confident”. The NSC interviewees were rather undecided as their responses from the survey varied, two answered “very confident”, another two answered “somewhat confident” and one person answered “somewhat insecure”. Nevertheless, the answers from the NSC survey showed that there were several actions in terms of social sustainability in place albeit with different names. Three respondents listed different health and safety trainings for the employees. Other actions mentioned from individual respondents were trainings for management, job rotations and regular raise of wages above minimum wage as well as actions to improve the communication between company and employees.

It is important to mention that five SC interviewees stated in the survey that there were not sure about how much employees outside the SC were involved and engaged in social sustainability, mostly due to a lack and exchange of information. The sixth respondent had a similar view but explained this situation was probably due to the fact that the topic was relatively new to the company. Three of the NSC respondents confirmed this view, stating that the SC was “not so much” influencing their current regional approach of social sustainability, also due to their focus on environmental sustainability. Two of the interviewees felt the SC influenced the current approach.
### 3.1.5 Tools Level

On the Tools level of the FSSD the authors aimed to discover which specific tools the company was currently using and what knowledge the interviewees had about them.

*Table 3.5. Key Findings: Tools Level.*

<table>
<thead>
<tr>
<th>Key Findings: Tools Level</th>
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</thead>
<tbody>
<tr>
<td>➢ Respondents were aware and had knowledge of different tools</td>
</tr>
<tr>
<td>➢ No tools were in place that could support the implementation strategically</td>
</tr>
</tbody>
</table>

The interviewees were asked about the use of specific tools. Four of the SC respondents stated that besides adhering to national requirements in the different regions, there was nothing in place in order to move the company strategically towards social sustainability. However, one respondent mentioned the International Labour Standards on Child Labour by the International Organisation of Labour, two mentioned the Global Reporting Initiative (GRI) and another mentioned the E-learning program for the SPs as well as a planned E-learning for the Code of Conduct. Other tools mentioned were more related to environmental sustainability (three referred to the company’s own sustainability product index) or external audits (three referred to EcoVadis).

The NSC members’ responses were similar to that of the SC. Four out of six mentioned that they did not use any tools but after the authors probed some more they mentioned tools which they initially did not consider as connected to social sustainability: One mentioned the LTI as a tool as well as different E-learnings, another mentioned different employee surveys and ISO-certifications both social and environmental related, which were in place or planned at their site such as ISO 9001, ISO 140001, ISO 180001 and ISO 500001. Moreover, two respondents mentioned the Code of Conduct of the company but acknowledged that they signed it without any further training on it.

The corporate documents showed that the company had a Code of Conduct and was aware of different frameworks and guidelines (e.g. the United Nations Global Compact’s Ten Principles; Guiding Principles on Business and Human Rights) but there was no documentation on how these were put into practice or connected to any actions. For their sustainability report the company used the GRI 3 Guidelines, but it currently only reports on five indicators related to social sustainability. These are: the “total workforce by employment type, employment contract, and region” (LA 1 - fully); the “rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region” (LA 7 - partially); the “composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity” (LA 13 - partially) (GRI 2011, 31); the “operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour” (HR 6 - fully) (ibid., 33) and the “actions taken in response to incidents of corruption” (SO 4 - fully) (ibid., 34). All of these are singular topics within the SSPs at the Success level of the FSSD.

### 3.2 Discussion of Current Reality Results

In this section, the authors discuss the results from SRQ 1. It should be noted that the authors’ analysis of the current reality mostly focused on the internal social sustainability of
the company, and not so much on dependent communities or suppliers due to time constraints. Moreover, due to the limited data gathered, the picture of the current reality of the company discussed in this report does not necessarily cover all aspects of the company or all initiatives and tools the company applies.

In total, the authors interviewed 14 members of staff, most of them occupying management positions. The authors are aware that this is a small number to evaluate the current reality of a company with about 1800 employees in total. Notwithstanding that fact, the interviewees from the SC were the main responsible for leading the social sustainability agenda.

The NSC interviewees were all chosen by the company, and criteria for their selection were not given. Furthermore, the company representative for the collaboration communicated to the authors that some potential NSC interviewees declined the interview request. The authors assume that this was due to limited knowledge on the topic or because it was not on their priority list. This gave the authors the impression that the need for the implementation of social sustainability was mainly driven by the owner and one or two other key persons in the company.

Some interviewees requested the interview questions beforehand for nonspecific reasons and the authors assume that they wanted to be well prepared. The authors based their presumption on the fact that some of the interviewees stated during the interviews that they did prior research on the topic. The authors acknowledge that this might have influenced the answers given by the respondents.

The responses of the interviewees and the results from the survey showed that they had a good understanding of (environmental) sustainability in general but had problems when the focus was solely on social sustainability. Even though each respondent's own definition specifically regarding social sustainability was in the right direction, the company had no integral approach or definition and as a result the interviewees’ responses were quite diverse. Having a common understanding of social sustainability is the foundation of a clear vision. However, as there was no understanding, a vision based on backcasting was not existent and a strategic approach towards social sustainability was hindered. Moreover, looking at the vision of the company and specifically at the four social aspects, the results showed that clear measurables were lacking, leading to different interpretations of how to achieve the vision and what the current reality of the company was. In answer to the question about whether or not the company was “living our values”, some interviewees responded that they wanted more teamwork and a better communication of those values. This highlighted the need for more global interaction and also influenced the perspective of being the “employer of choice” as no clear communication of its meaning and no measurables existed. The authors further noted that in terms of “practicing social responsibility”, all the production sites needed to align their projects with the company's stated values. Especially with regards to social sustainability, the company was not yet fully “transparent and ethical in governance” and it was ineffective in communicating its activities. Ultimately, this might limit trust in the process of implementing social sustainability.

The SC was responsible for the implementation of social sustainability within the company. However, the structure of the company as well as that of the SC was ambiguous for the authors; on the one hand it gave the different sites enough autonomy to execute their own social sustainability measures, but on the other hand it undermined the collaboration needed to implement a generic social sustainability plan for the company. This dilemma was obvious in the work of the SC. In order to give guidance and lead the company strategically towards
its vision, the SC would be aided by having an overview of what was happening on a global as well as on a regional level in terms of initiatives and tools used. However, the interviews, the survey and the document analysis showed that there was no connection of what the company or the different regions were initiating and the tools they used, resulting in no consensus on future planning. This was mostly due to the lack of transmission of data and a lack of communication on this issue. From the interviews, it seemed that there was insufficient interaction between the headquarters, the SC and the regions about their circumstances and this was hindering a strategic approach to implement social sustainability. Furthermore, the lack of consensus within the SC and throughout the whole company might stifle the company’s quest for social sustainability. The SSPs provide clarity, serving as the foundation for understanding the boundary conditions that the company should operate in. The social aspects of the company’s vision and with this, all goals and measurables as well as actions and tools could be built on the SSPs to make sure the company stays within these boundaries. Yet, a comprehensive understanding of the SSPs from both interviewee groups was lacking. However, this result was not surprising given that the company is at the very beginning of implementing social sustainability using the FSSD. Moreover, FSSD practitioners state that the perception and use of the SSPs could differ in different parts of the world due to cultural and national contexts (Blume 2016; Sandin 2016). As the interviewees came from different regions, their understanding of the SSPs as well as their answers in terms of alignments and misalignments might have been influenced by their backgrounds.

Notwithstanding these facts, the company’s SSP misalignments that stuck out from the interviews were, for example, in terms of the Health principle, the different perceptions of the importance of emotional and mental health. Additionally, the removal of structural obstacles to have a good work-life-balance is becoming more and more important and should be taken seriously as they influence the productivity and creativity of the employees.

With regards to the Competence principle, the opportunity to grow professionally, ideally, the company could make equal opportunities available at any level of the organisation regardless of an employee’s position. The acknowledgement by some of the interviewees that the opportunity to grow professionally was more available for higher position could be a challenge.

The remark that there was no need for unions as employees were satisfied and therefore had no need to influence the company through that medium, showed that there was a misconception of the Influence principle. This type of misconceptions could strengthen structural obstacles within the company. To avoid further misinterpretations in the future, a detailed knowledge of every SSP and what it implied is needed before planning any vision or actions based on them.

In terms of the principles Impartiality and especially in regards to gender diversity, the authors understand the argument made that the company had more male employees due to the technical nature of the industry and in some instances the need for physical labour. However, the authors could not evaluate if there would be any structural obstacles if a female applied for a job. The reference to cultural dynamics of some production sites and the influence it had on female applications/employment for this industry sector have to be taken into account. Nevertheless the need for advancing diversity and female inclusion in the workplace should not be taken for granted. Moreover, it is worth mentioning that the structure of the SC is predominantly European and male dominated. This does not necessarily misalign with the
Impartiality principle but it has to be mentioned that there is gender imbalance and a disproportionate representation of the company’s global operations.

The authors’ explanation of the Meaning-Making principle to the interviewees might have distorted the results for this principle. Communicating meaning-making as the ability for an individual or the company to fulfil its “purpose” is a limited interpretation of this SSP. However, the authors used this explanation only when interviewees had problems understanding the primary definition.

Overall, the responses from the interviewees showed that they had a basic understanding of the SSPs which is a plus. However, this might lead the interviewees to prematurely conclude that the company was generally in alignment with the SSPs, a conclusion this thesis does not support. The authors resolved that the company might need better evaluation mechanisms to assess their current reality in terms of the SSPs.

The interviewees’ possible misconception of their current reality could also explain their split opinion on the sense of urgency for a generic social sustainability plan for the company, slowing down the entire progress of social sustainability. This could create a situation where the company is unable to react or proact to unforeseen changes within its organisational or within the greater socio-ecological system in terms of social sustainability.

Having this perspective, the authors concluded that social sustainability should not be solely connected to the HR department as social sustainability is an overarching topic and not only related to the employees of the company. Besides that, there are actions and tools needed which are beyond the scope of HR. This new mentality would also support the development of further actions which cover all important aspects of social sustainability without focusing too much on specific issues.

As there were no overarching actions on a global level in place and only limited tools, it should be relatively feasible to establish strategically oriented mechanisms that combine already existing initiatives on regional levels with newly developed actions and tools. These actions could empower all employees, support dialogues internally and externally and help the company to achieve its goals and vision.

The tools used could encompass either capacity building, monitoring or evaluation aspects. For example, the E-learning tool for all the SPs would fall under the first category, but it was not developed enough to reach all employees both in terms of language translation as well as in terms of pedagogy. More tools in this category were needed to foster the employees understanding and knowledge in regards to social sustainability and other related topics. The different guidelines and frameworks the company referred to, and their use of an external auditor, could be deemed as monitoring tools. However, as there are no clear follow up actions from monitoring the results, the desired effect dissipated. Instead of only referring to popular guidelines, the company could have its own specific adaptations. Closely related to that, there were also no evaluation tools on a global level measuring achievements in terms of social sustainability.

The quest for a generic plan with the option for a tailor-made specification for each site by the company is only possible if/when social sustainability was integrated into all levels. Key findings hindering this were the lack of consensus on what social sustainability was about and whether or not it was urgent or necessary, a missing overview of approaches, and an ineffective communication structure. Moreover, the authors recognised the need for
enforcement of trust in terms of commitment and communication in order to strengthen the company as a social system itself.

Especially in regards to the SC, the “overarching topics” identified by the authors showed the company’s system challenges when it comes to being a resilient social system within itself. These challenges could be resolved when modelled after the essential elements of adaptive capacities of a healthy social system described in chapter 1.6.2. As issues with trust and ineffective communication were also recognised by the authors in their further interaction with the company, they concluded that even before implementing social sustainability in terms of actions, the company's own system needed to be more resilient to function effectively. Not surprisingly, the “overarching topics” of the NSC were more focused on practical issues as the respondents did not work on a global level.

Based on the results presented above, the next chapter focuses on the question how the company can be supported to implement social sustainability.
4  Support to Implement Social Sustainability

4.1 Results

The results from SRQ 1 showed that the company needed support on all levels of the FSSD to be able to implement social sustainability. From the key findings of SRQ 1 and in order to implement social sustainability within the company, the authors concluded that the company needed a general guidance instead of a submission of specific actions as support. This guidance they thought must include the building of a new consensual understanding of social sustainability both from the perspective of the company itself as a system as well as from a general systems perspective. Following this, mechanisms to enable structural change must be established as well as the facilitation of knowledge building on social sustainability. These three steps seem to be the basic conditions necessary to start implementing change in terms of actions and tools in the company. Moreover, there must be monitoring, evaluation and celebration of achievements. This plays an important role in involving and engaging all employees. All of these aspects combined potentially stimulate an inherent adaptation of social sustainability within the company. Figure 4.1 below illustrates the authors developed guidance on how the company could implement social sustainability.

Figure 4.1. The Spiral Guidance (Developed by the Authors).

The guidance aims to empower all employees from top to the bottom of the hierarchy to work with social sustainability within and outside the company. Due to the fact that there was no coherent knowledge and approaches in terms of social sustainability neither on the global nor on the local level, the implementation has to start with the enhancement of understanding. This will increase the willingness for structural changes that enables the company to start working with social sustainability strategically. Next, a transfer of the knowledge to the important functions within the company has to follow to empower employees who are directly involved in the process. The last step would then be to implement the social sustainability approach within the company. These four phases are meant to be iterative, dynamic and have to be closed by an evaluation and celebration phase which involves all
employees. This will make sure that there is no stagnation as social systems and with this the implementation of social sustainability constantly evolves. For this to happen, the support structure should be a spiral process. First the management, top executives and responsible persons on the global level of the company are equipped for each phase to establish the basic conditions. Then, in the second round the understanding, changes and knowledge can be transmitted to the regional and local structures and employees. After that, the baton can be handed over to stakeholders outside the company such as customers or the community, progressively influencing and involving the social system the company is embedded in. This spiral shape moreover ensures that throughout the whole process everyone stays involved even though they might not be the ones directly in charge.

As shown from the literature and from the results of SRQ 1, trust as well as communication are essential elements for the company to work and should be strengthened within the company. Therefore, these two aspects are the core elements of the guidance. The authors are hopeful that the structure of the phases and how they build on each other will concurrently increase trust in the process and within the company. Actions recommended in the model are intended to further enhance trust and strengthen the company as a social system and in later rounds also positively impact the larger social systems the company is embedded in. Furthermore, the guidance in itself fosters constant communication about the process and progress being made as it builds the bridge between the different phases. This transparency will likely also contribute to trust. The authors’ intention with this guidance is that it will lead to an increase of the engagement, involvement and empowerment of all employees. Through this, social sustainability could become a mandate for the whole of the company and not just for the management. The following expatiates on each phase of the guidance.

4.1.1 Phase 1 - Understanding

This phase is intended to help the company to grasp better how they are embedded in the greater social system, how social sustainability should be implemented through the lens of the FSSD and how this can be connected to the company. This will moreover enable them to better communicate their social sustainability agenda to their employees, stakeholders and customers in a transparent way. Furthermore, the company’s understanding of its own social system, and the bigger system they are embedded in, builds the foundation to strengthen trust within the company as well as with external stakeholders.

This first phase consists of four main actions which are built upon each other: the understanding of how the company is integrated into the bigger social system, also called social intersystem analysis (IS), the understanding that there is a business case for social sustainability and how it applies to the company, the comprehensive understanding of the SSPs and finally, the modification of the social vision of the company.

Action 1: Intersystem Analysis

The authors suggest to understand the systems perspective first with the aid of an analysis of the social intersystems of the company. An IS analysis is based on the company and the industry sector it operates in, analysing how the company influences or is influenced by different social systems. It highlights how the company is interlinked and connected keeping in mind the systems perspective and the company’s contribution to the sustainability challenge as well as how the company can align with the SSPs.
The IS analysis will involve several rounds: The first round has a global perspective which then phases into the second round with a more in depth focus on each production site. This will be beneficial as local IS might reflect more detailed information that may not be captured on a global IS. Other rounds with specific focus could then follow.

The company needs to analyse each IS itself, for example the supply chain and the labour practices when sourcing raw materials should be analysed to determine any potential challenges.

In order to carry out an IS, the company needs an expert in the field of the industry as well as in social sustainability who gathers the needed data to assess their impact on the social system. To build on the results of the IS, there must be a detailed documentation as well as an effective communication flow.

**Action 2: Business Case for Social Sustainability**

Once the company has understood the greater social system and how they are embedded in it, they need to understand the business case for social sustainability. Admittedly, financial gain is still an important driver for businesses. However, once companies have understood the competitive advantage of applying (social) sustainability, the return on investment, not only financial but also the social return on investment becomes more obvious.

To assess the business case, the authors recommend the Future-Fit Business Benchmark (F2B2) which stipulates the business case for social sustainability. The F2B2 aims to bridge the gap between awareness and action in regards to sustainability and is based on Bob Willard’s publications on the advantageous use of sustainability (Kendall and Willard 2015, 5; Willard 2012). The benchmark is open source and the company could adapt it to make its own business case specifically suitable for them and for the industry sector they operate in. For example, this adaptation could build on the fact that social sustainability can increase employee productivity and reduce hiring and attrition fees as employees are more satisfied. A situation that can lead to revenue growth and strengthening of the reputation and brand. From another perspective, social sustainability can reduce risks of non-adherence to legislations, national requirements or losing the Social License to Operate. Another risk the implementation of social sustainability can minimise is production stoppages as well as any interruptions coming from inside or outside the company.

After understanding the business case for social sustainability for the company on a global scale, every region as well as every production site can assess their own business case taking national or cultural differences into account. In later rounds there could be collaborations with the local communities that the company operates in. Elaborating on a business case for social sustainability for communities will open the communication flows with external stakeholders and allows the company to influence its greater social system in a positive way.

In order to build the business case for social sustainability, the authors recommend to have a responsible person whose specific task is to determine the exact return on investment and the competitive advantage for the company.

**Action 3: Understanding of the SSPs**

The third action enhances the knowledge of the company using the SSPs and applying them for strategic planning as well as in their daily practices.
After the first round when the global management team, including the board, have received training on the principles, the knowledge can be transferred to the local sites and shared with all workers. Ideally, in this round the training can be conducted through tailor-made sessions in the local languages instead of the E-learning program. This pedagogy would be beneficial as cultural and national differences which can influence how the SSPs are perceived can be taken into consideration. The facilitation of the session can either be done by the local manager who has received an in depth training on the SSPs or other responsible persons. In later rounds, the local communities could also be trained on the SSPs and on sustainability in general. The understanding of the SSPs goes hand in hand with a detailed analysis of the company's alignments and misalignments. This should be conducted both on global as well as on local levels following directly after the training sessions and be repeated regularly.

**Action 4: Modification of the Social Vision**

The comprehensive understanding of the SSPs throughout the whole company would be closely connected with the modification of the social vision. The intention is not to create a complete new social vision, but rather to build on existing structures that better speak to the inclusion of the SSPs. Moreover, the social vision should entail clearer targets, goals and timelines to facilitate the monitoring and the involvement of all employees.

This action should be done through a multistage process. Ideally, the development of the vision includes the opinions of all employees as this is strongly connected with the company’s values. Keeping in mind that the company operates in several countries, a survey should therefore be sent out in the native languages to capture the opinions of all employees. Moreover, there should be as much as possible “one on one” talks with the members of the SC, senior management and local managers as well as with the owner of the company to improve the social vision. The survey as well as the “one on one” interactions can be based on the Backcasting technique, inquiring how they envision the company's future. The gathered information will then be analysed and presented to senior management who finally decides on the modifications to the social vision.

**4.1.2 Phase 2- Enabler of Change**

The second phase aims for creating the basic conditions in terms of organisational structure to implement social sustainability. This phase builds on the phase 1 as it increased the willingness to implement changes and the understanding of the need for a holistic social sustainability approach.

The phase consists of four actions which should be implemented simultaneously. These actions are changes in terms of responsibilities and tasks, structural changes in terms of working with (social) sustainability as well as the setup of effective communication flows and the implementation of overarching data gathering schemes.

**Action 1: Responsibility for Social Sustainability**

Working with sustainability in general and social sustainability in specific needs to be from an overarching perspective including all departments and regions the company operates in. Therefore, the authors recommend that the social sustainability function should ideally cover the whole value chain and provide a diversity of cultural and regional perspectives. Moreover, the members of this function should have enough time and resources to get involved in each topic they decide on, generally speaking or even when it comes to acquiring
specific knowledge. Therefore, the authors suggest to create more detailed job descriptions and assignments of task for employees working with (social) sustainability. In the first round this would cover the global function for (social) sustainability. In further rounds this would involve employees within every department and region.

**Action 2: Structural Changes for Social Sustainability**

The implementation of social sustainability in a company highly depends on the employees. To communicate social sustainability to the local levels and also get feedback and opinions on what is important for the company the authors suggest the set up of satellite sustainability committees (SSC). The SSC have multiple advantages. They first connect the global and the local sites in a strategic way and enable better flows of communication in both directions. In this way it will be easier for the global function to gather data from the local level as they will report frequently. At the same time understanding and knowledge about social sustainability can be transferred smoothly. In this way, the SSCs support the accomplishment of actions of the understanding phase in the later rounds. Second, the SSCs will facilitate the involvement process of all employees as they are closely to the workers and speak their language in terms of understanding or local initiatives. Third, they will be the direct point of contact to report any misalignments. Last and forth, a network of all SSCs can be build up in later rounds fostering the connections between the different sites as well as the sharing of initiatives and information on (social) sustainability. The SSCs may also be used to build connections with the local communities in later rounds to transfer understanding and knowledge about (social) sustainability.

The SSCs should be established at each production site, ideally consisting of the local manager and a restricted amount of other employees preferable with different job positions. The employees can either join the committee voluntarily or be appointed.

**Action 3: Set up of Effective Communication Flows**

To create the conditions to implement social sustainability, an effective communication flow is a requirement. Sustainability needs to be communicated throughout all levels, from the board to the senior management, to the SC and to all employees and backwards. This includes the communication of the current approach, future planning as well as available human and financial resources. Therefore, this action incorporates three different aspects that have to be taken into account. First, the meeting structure of the SC and the SSC as well as how and what they report to whom. Second, the channels of communication, both in terms of structure and tools. A trustworthy communication has to be established between the management, the SC and the SSCs in terms of planning and data gathering as well as with the employees not directly involved. These flows of information could be an internal platform, a newsletter or regular and annual meetings about social sustainability both on global as well as on a local level. In later rounds, the communication with external stakeholders should also be taken into account, for example fostering the dialogue and possible initiatives in terms of (social) sustainability through annual summits. The third aspect is the communication of the relevance and importance of (social) sustainability for the company. It has to be communicated by senior management as well as local managers that (social) sustainability is important to motivate employees to get and stay involved.

**Action 4: Implementation of Data Gathering Schemes**

Closely connected with the setup of effective communication flows is the implementation of overarching data gathering schemes on global as well as on local level. This incorporates a
pre-set documentation and reporting structure employees in charge can follow as well as an overview of all goals, targets, timelines and actions in place.

The data gathering schemes must be regularly updated and evaluated. In order to do so, there must be trainings for the responsible persons to be able to understand the data and how it should be reported. This should be in the first round a person on global level and later incorporate employees on local level, ideally members of the SSCs.

4.1.3 Phase 3 - Knowledge

The third phase will support the company to establish and strengthen the knowledge about social sustainability globally as well as locally from a long term perspective. This phase differs from the understanding phase as the focus here is on how knowledge can be fostered in terms of communication and structure instead of actual learning and adjustments of perspective.

This phase contains five main actions which are built on each other: Training or employing an expert in the field of (social) sustainability, enhancing the social vision by setting clear targets and goals, followed by a structured documentation of actions to then foster the existing structures and to create follow up actions.

Action 1: Training or Employing an Expert

The authors suggest to train or employ an expert within the company to increase and foster the knowledge about social sustainability. This enables a strategic knowledge transfer on how the company understands and approaches social sustainability, impacting and empowering in every round more people to act within the topic on a company as well as on an individual level.

The appointed expert will be in charge of organising, fostering and monitoring the constant learning and developing of skills in terms of social sustainability. This person could either be an employee who gets external training, for example, the current responsible person for social sustainability within the SC, or the expert could be newly employed. The advantage of the first option would be to build on existing knowledge and resources within the company. However, this person may also have other task which would have to be reorganised. The second option, a newly employed person, has the advantage of clear responsibilities, on the other hand this could lead to focusing too much on individual topics as the overview and company specific knowledge are missing.

In the first round, the expert would train the members of the SC and other high level managers on social sustainability and in the second round organise tailor-made trainings according to local needs for local managers and other employees.

Action 2: Enhancing the Social Vision

The second action is the enhancement of the social aspects of the vision with clear goals. This serves to communicate the social vision more proactively to the employees as well as other stakeholders.

After the “social vision” of the company has been reformulated and strengthened in phase 1, this action aims for transmitting the meaning behind it and the connected goals to every employee in the company. Starting on global level and then going down to local managers from different regions and employees, the first step is to display more explicit behaviour and
attitudes of employees that contribute to the achievement of the goals and with this the vision.

Assuming the company sticks to their current aspects of their social vision, the following describes possible sub-actions on how to enhance these. For example, there could be the communication of “role models” who show how they are “living our values” on global level and through “employer of the month” campaigns on local level. The campaign will recognise the hard work and diligence of workers when it comes to social sustainability and the winner could be adjudged based on nominations from co-workers. To enhance “to be transparent in ethics and governance” there must be a clearer and effective communication on “why” actions have been taken and where they should lead to. In this way employees feel more involved and empowered to contribute to the company's journey. The meaning of “employer of choice” needs to be explained better on a global level as well as later in a tailor-made version on regional level taking cultural and national differences and requirements into account. Lastly, “practicing social responsibility” needs to be more elaborated answering possible “why” questions. Corporate social responsibility activities should still focus on regional communities and needs, but they should be organised more strategically and supporting initiatives which are somewhat related to the company's sphere of influence.

To accomplish this action, effective internal communication channels are a requirement. This includes the translation of the business goals into the language of the employees. Moreover, there must be responsible persons on global and local level monitoring and evaluating the process. In later rounds the responsible persons would also be in charge to communicate the goals to external stakeholders and to support campaigns to attract future applicants. These would ideally be the expert and the members of the SSC.

**Action 3: Coherent Documentation**

The third action is the coherent documentation of both, the process of knowledge transfer as well as the implications for the company and the consequently following goals and actions. This action is closely connected with the implementation of the data gathering scheme from phase 2.

Action 3 supports on the one side the goal to have a clear overview on what is happening on global and local level and on the other side facilitates the sharing and building of a network structure between the local levels.

This action demands a responsible person in charge on global and on local level as well as clear and effective internal and external communication channels. Acknowledging that this action might be time consuming and difficult in terms of translation and accessibility to documents from different sites, it has to be highlighted that is builds the foundation for a long-term successful implementation of social sustainability within the company and beyond. From this perspective, this tool can also be used to communicate achievements of the different sites in later rounds. This could also be an incentive for local sites to document all relevant data and share their initiatives in detail.

**Action 4: Fostering Existing Structures**

The fourth action aims to combine newly transmitted knowledge with already existing structures in terms of existing approaches, tools and initiatives. The goal is to create a list containing all existing tools and initiatives from all production sites in the various regions as an open source for all employees. This list will be updated regularly based on the reporting
from the different production sites. Therefore, this action is closely connected with the prior action.

Additionally, a person in charge will gather additional information from the production sites (supported by the SSCs) in terms of their experiences from tools and initiatives, advantages and disadvantages of these and resources needed to implement and maintain. All actions and tools on the list will be run through the three prioritization questions of the FSSD to make sure they lead the company in the right direction, are a stepping stone for further improvements and provide enough return on investment socially as well as financially before it is made accessible to all employees. This ensures that resources are used appropriately and actions are supported by senior management.

In the first round this action focuses more on the data gathering to provide the SC with an overview of the different approaches. Parallel to this, it fosters the exchange of information and experiences with actions and tools between the different regions from the beginning, steadily increasing in the following rounds. As this action provides the individual production sites with the opportunity to get inspiration on what kind of actions are feasible based on the experience of other sites, they can pick easily what make sense for their cultural and national background. Lastly, the list will make it easier for the responsible person to monitor and evaluate current activities and enables the strategic implementation of social sustainability as the different actions/tools/initiatives will also be fed into different categories of implementation in the next phase.

**Action 5: Follow Up Actions**

The last action in this phase focuses on creating company specific interpretations and rules from international acknowledge actions, frameworks and guidelines. This action supports the general knowledge transfer internally, but also the external communication with stakeholders elaborating the sustainability approach through referring to international comparable standards.

To create company specific rules, the person in charge should take industry as well as company specific conditions into consideration and scan guidelines on what is important. The information gathered must then for internal use be translated into easy and tangible language demonstrating the relevance for the company and each employee. Depending on the topic this could be more relevant for employees in managerial positions e.g. the framework of “Guiding Principles on Business and Human rights” by the United Nations, as they are responsible for the working conditions.

### 4.1.4 Phase 4 - Implementation of Change

This will be the phase for executing social sustainability measures within the company containing two main actions. First, the company’s two focus areas for social sustainability (Health & Safety/People & Society) will have to be expanded. Second, there should be an establishment of “toolkits” containing all actions and requirements that all productions sites and regions need to fulfil.

**Action 1: Expansion of the Focus Areas**

The focus areas should be more connected with the five SSPs to make sure that the company’s goals and targets are aligned and within the boundary conditions. The authors recognise the importance of the “Health & Safety” topic for the company, and suggest that it
should be more elaborated in terms of global as well as local goals and timelines. The focus area “People & Society” would then incorporate the four other principles. Therefore, it is of importance to clearly set goals, targets and timelines for every principle separately.

To be able to set these goals and targets, data must be provided by the production sites and an effective communication channel must exist to keep track of achievements and allow for follow up actions and/or readjusted targets. Respecting cultural and national differences, the set targets and goals should be checked for feasibility beforehand and be measured in percentages instead of plain numbers.

**Action 2: Establishment of “Toolkits”**

A “toolkit” containing all actions and general requirements for production sites in all regions should be created. The “toolkit” can be organised in different forms: for example, it could be simply a list of tools and actions, or an interactive online platform. The requirements for what the “General Toolkit” contains could be set on a global level from the SC with the support of an expert, and their adherence should be constantly monitored. This toolkit contains actions related to every SSP all production sites have to follow. To evaluate beforehand if the actions in the general toolkit are feasible for all regions in terms of cultural or national regulations, all actions from phase 2 must be in place.

The establishment of the “General Toolkit” will build the frame for the generic social sustainability approach of the company. To strengthen social sustainability even more there will be for every SSP an additional toolkit containing specific actions. These further actions will be proposed both by the SC and an expert considering the list of actions gathered in the prior phase. Managers and the SSC from each of the production sites could then choose a given number of actions from these specific toolkits, complying with the requirements, and making sure that each production site has its own tailor-made social sustainability approach based on cultural and national circumstances.

Starting with the “Health Toolkit”, it should include actions in terms of physical, mental and emotional health. For physical health the decrease of the LTI scores as well as certain safety procedures could be part of the general requirement. Actions for mental and emotional health could be awareness campaigns and trainings for managers on how to deal with mental and emotional issues and how to develop KPIs for the topic. Cultural differences should be taken into account and other issues such as the concept of “work-life-balance” and payment standards should be recognised. To create the “Health Toolkit” a lot of data has to be gathered and this has to be preceded by training the regions on how to gather the relevant data.

The second will be the “Influence Toolkit” containing actions that empowers employees which is ultimately beneficial for the company. There are three types of actions the company could implement. First, awareness actions educating employees in what ways they can influence the company, for example through different campaigns. Second, there are actions raising the opportunities of influence itself, for example the set up and strengthening of unions and other internal committees, or the fostering of corporate social sustainability activities. The third type of possible actions in this SP is around the engagement and involvement of employees. For example, there could be an action setting up a platform to share personal ideas on how to move the company towards sustainability using their knowledge from the field. Furthermore, there could be actions that serve as incentives and/or rewards for the ideas which are implemented in the company.
The “Competence Toolkit” aims to increase the competence levels of internal employees and other stakeholders. Internally, there could be actions that bring about career development for employees, for example, “one on one” interactions could be scheduled on a regular basis. Other possible actions could be cross-functional job swaps in the company and the opportunity to attend seminars and trainings to build competence. There should also be actions to increase employees’ competence with sustainability through platforms like the E-learning program, tailor-made workshops, or the attendance of annual summits or other conferences that have a network of sustainability teams. Additionally, there could be more indirect actions that increase the competence level as for example actions that ensure transparent communication and documentation of career opportunities. For other stakeholders such as the community, actions could involve partnerships with local NGOs to enhance their knowledge of sustainability and empower them with the SSPs. The company could foster a new network and become the role model for the industry. Moreover, to broaden the talent pool, the company could support educational programs, connecting with schools and universities, and use the opportunity to encourage females to start working in a technical industry. An example is “dual study” concept where students spend one semester at the university and another semester working at the company site, exercising their gained knowledge during the internship.

To establish these kinds of actions, there must be effective communication flow between the local sites, the global administration, the community and other stakeholders. Especially the latter actions require a certain amount of trust between the stakeholders to ensure that they are successful.

The “Impartiality Toolkit” will at the beginning focus mainly on three different topics: Gender diversity, remuneration structure and vacancy application policies. The list of topics can be expanded in later rounds and each production site will be responsible for including its peculiar local or regional topics.

In terms of gender diversity there could be actions to increase the number of female employees in the company. One such action could be the dual studies mentioned above in the “Competence Toolkit” and the opportunity to attract more women through campaigns raising awareness of job opportunities for women at production sites. The “Gender Diversity and Inclusion” declaration of the company which already exists should be emphasised and better communicated within and outside the company.

In terms of remuneration, there should be actions around transparent documentation of remuneration packages with career advancement in the company. Actions could also include a focus on an equitable remuneration structure for all employees. This goes along with actions to retain female employees in the company.

For the job application process there should be a global policy on what was required in an application, without the need to indicate gender, age, relationship status, parentage, nationality, religion, disability etc. Such a policy would automatically aid the company to make hiring decisions solely based on competence and experience, making the decision truly impartial. Furthermore, there should be clear and documented policies on issues such as maternal and paternal leave, sick leave, granted religious holidays etc. To implement these actions, an IT structure is necessary, this also true for monitoring and evaluating data.

The final toolkit would be that for “Meaning-Making”. In this toolkit, actions should observe and collect the individual purpose of employees and tie it to the company’s own meaning-
making. One starting action on global level could be a survey covering all production sites inquiring employees’ satisfaction levels and how they feel about the company. This action will not only show the employees that the company cares about their wellbeing, but it is also an easy way to gather data and find any misalignments in terms of the SSPs. A follow up action from this could be the establishment of the company’s own “Happy Index” which will report feedback from the survey on a regular basis. Moreover, the “Happy Index” could serve as a good Public Relations tool for the company especially if it is independently verified or audited periodically to ensure that the scores are authentic. Other actions for all the sites could include the development of a working hour’s policy, company days, the “employer of the month” scheme mentioned earlier and also the possibility of having “time banks”. Time banks enable employees to save time on a “bank account” every month which is deducted from their salary. At some point they can then decide to use their saved time for a break to fulfil their needs and still get paid because of their “time bank savings”.

4.1.5 Phase 5 - Evaluation & Celebration

This last phase of the support guidance on how to implement social sustainability recommends the evaluation of the realised actions and celebration of achievements. This can be done mainly by providing incentives for reaching targets. This phase concludes a round and transitions to another round with a repetition of all the described phases above. The new rounds can have the phases adjusted to focus on different elements.

Action: Incentives for Reaching Targets

Cumulatively, all the preceding phases should be assessed at some point by the company to close the loop and facilitate the initiation of another round. This essentially means that after a predetermined period, it becomes necessary for the company to do an appraisal and celebrate achievements where necessary. This process will foster trust and communication for the company both internally and externally and it will show that it is truly committed to the cause.

Incentives should be given for reaching targets as for example an annual award for the most sustainable sites can be created. To make sure the award system is fair and equitable, it should not exactly compare the different sites to each other but instead focus on how each site inherently improves. A direct regional comparison will be flawed as some production sites may have peculiar challenges. Each regional site should therefore “own” the evaluation and celebration, monitored and evaluated by the SSCs, as the competition is for them and not to be dictated by one site or region. The award system can be managed centrally but it should recognise these intricacies with the company’s global setup. Nevertheless, achievements on local level will also be celebrated on global level to foster the sharing and connection of what is happening on local sites to inspire others.

Another evaluation method could be the “Happy Index” which was suggested for the “Meaning-Making Toolkit”. The index will report the company’s achievement periodically in numerical scores, as evaluated by the workers based on specific questions. This will give management a tangible indication of how it is faring with the social sustainability agenda.

The general celebration of achievements will motivate everybody involved, especially workers who at that point will be capacitated to spearhead the sustainability agenda to move into next around and empower more people in their direct and indirect environment.
Overall, the accomplishment of every phase after several rounds could enable the company to implement social sustainability within and beyond.

4.2 Discussion of Results

The previous chapter focused on measures that the company could adopt to implement social sustainability. The aim was to develop a long-term plan not only to implement but also build the guidance into the structure of the company and involve all employees to make social sustainability a common cause. The guidance further aimed to build on already existing structures, knowledge, skills and tools to facilitate the implementation not only strategically but also in the daily work.

At the beginning, the authors framed the guidance for the company based on the FSSD. However, during the prototyping and feedback process, the authors realised that a separation of their brainstormed actions into the different levels of the FSSD did not lead to a logical order of the actions in a way that it would be easy for the company to follow. Most of the actions had different implications and were meant to fill various identified gaps in different levels. The assignment of additional overarching categories allowed the authors to place the actions directly addressing the key findings of SRQ 1 for every level of the FSSD. It moreover enabled the authors to translate the FSSD into a more tailored language for the company by combining different ideas with the company’s current situation and their expectations. Moreover, having especially the company's need for a gradual implementation in mind, the authors figured that the overall design of the guidance should allow for repetition of the individual actions in appropriate levels of specificity relative to the different global and local situations and without stopping the process as a whole. This led the authors to finally design a spiral process for the guidance.

The spiral guidance allows the company to implement social sustainability with the appropriate pace, taking potential difficulties on global or on local levels as well as cultural characteristics into account. Furthermore, the company can go through the phases and rounds, allowing regional and local sites to go through their own rounds in case they need more time to set things up. Lastly, the authors believe that after going through the first rounds, and with the necessary commitments and resources, the process would gather momentum and run itself.

Besides that, the spiral approach should reduce the need for financial and human resources as well as time involved. The spiral structure serves this purpose as it first demonstrates the feasibility and the return on investment for the company if/when it commits resources to implement social sustainability before the company needs to actually invest. It would also be evident that investments for preliminary actions will further facilitate the ensuing rounds as it progresses and therefore make it a less expensive procedure than it might have been without the spiral structure.

In the following, the feasibility of using this spiral approach in terms of time, finance and human resources to implement the suggested measures will be discussed in detail.

In phase 1 of the guidance, the authors recognised that there was the need for a person who was dedicated and had enough time to, amongst other things, gather data and/or lead a visioning workshop to bring all on board. This person also needs to have enough authority to push the project for determining what the business case for social sustainability is forward to
senior management and get their commitment. Since at this stage the company might not be willing to invest financially or hire an expert, the leading person could be from the SC as they are already familiar with the company’s structure and its sustainability approach. As the SC members already have basic knowledge of social sustainability according to the FSSD and a partnership with TNS, the company does not need to put in much to make this responsible person adequately capacitated with the SSPs and to lead this first phase. At the later phases of implementation when the company has a better understanding, it can then put in more financial resource to train this person to become an expert or hire one.

Other needs for this phase are time and human resources to translate the SSPs into appropriate business language as well as modify the vision based on the SSPs. In later rounds it will also take time and human resources to translate the SSPs into regional native tongues and to develop an appropriate pedagogy. However, merging the resources needed for this part with the enhancement of the vision needed in phase 3 will minimise the efforts.

Phase 2 requires more financial resources but the authors suppose that management will be more eager to invest at this stage after the specifics of the business case for (social) sustainability have been determined. Additionally, the changes in this phase will enable effective communication and data gathering which would not only be beneficial for the implementation of social sustainability, but sustainability in general. It furthermore brings the regional sites closer to the headquarters, which makes implementation faster in general. This is also valuable for the HR department and its initiatives, and it builds on the character of being a family owned company. The newly established effective communication channels would make up for the time that had to be previously allocated for setting up new meeting structures, assigning task and responsibilities, forming the SSCs, and creating the data gathering scheme.

To ensure that the actions suggested work and are actively used, there must be a setup of an IT platform for employees to report, share and communicate. Additionally incentives for employees directly involved such as the SSC members should be provided, for example, salary increases and/or trainings. Investing in these actions is valuable as these are enablers to empower, involve and engage all employees as well as other external stakeholders.

In phase 3, training one SC member to become an expert or hiring one will involve financial resources but as this ensures that the company implements the actions in the ensuing phases and rounds, it is an essential requirement. Training or hiring an expert would not be possible in phase 1 as the structures for her/him to work effectively would at that point not be established.

To create a coherent documentation and to build on existing knowledge, there will be no further resources needed as the expert would put her/his time into it, and will also make use of the established structures as well as tools from the previous phases.

Besides having an expert, rewording the company’s social sustainability focus areas as well as the setup of the different toolkits, requires support from the management. The authors presume this would not be a problem as management would also have gone through phase 1. Moreover, a lot of the actions suggested by the authors require a change of the traditional working mindset from both management as well as from employees. Their comprehension of social sustainability in the work arena would have to move beyond singular topics such as health and safety. This mindset cannot be developed by specific actions, instead the authors feel it will happen over time as the company goes through the rounds repeatedly. The
enhancement of the understanding, knowledge and creation of better structures will strengthen the communication about social sustainability and the SSPs and deepen trust in the process itself as well as within the whole company. All of this cumulatively fosters the change of mindset.

All the actions suggested are only feasible for the company to implement if/when the whole spiral process from the beginning is taken seriously and fully backed by the board and management of the company. The celebratory actions might require financial resources which may not have an obvious return on investment for company, but it is an effective way of involving and engaging the employees. It is also a good Public Relations mechanism for the company.

Finally, it has to be stated that the recommended actions in this report serve more as pointers and can be put into practice in different ways. As the results showed, the company needs to start from the basics when implementing social sustainability and it mostly has to focus on creating a common understanding and commitment for social sustainability as well as provide an enabling structure. Therefore, the company can use the actions recommended by the authors to approach social sustainability. As it was not feasible for the authors to gather sufficient data to design a comprehensive guidance within the timeframe of the research, this developed guidance aims more for giving the company a direction on how to approach and implement social sustainability.

In order to get the perspective of the case study company, the authors sent their thesis with the final guidance to all interviewees. Five out of the 14 interviewees replied. This might be due to the limited time frame for response given by the authors, but it also underlines the authors’ key finding that there were motivational barriers and a lack of priority given to the topic.

Four of the SC interviewees and one NSC member provided feedback. All but one of the feedbacks received was rather general and most of the respondents struggled with the detailed academic report. It was suggested that the guidance should be presented with more visuals which captured the recommendations. As this thesis focuses more on fulfilling the academic requirement than on actual consultancy, the authors expected such feedback. One of the respondents referred to her/his environmental background but added that s/he appreciated the designed guidance and wanted the company to apply it to their everyday reality. Another respondent mentioned that s/he was technically oriented and struggled with the guidance. This respondent asked for a more detailed explanation of some of the proposed actions by the authors and how they could be put in practice, especially in regards to Phase 3. The authors consider that these questions can only be answered when the spiral guidance is rolled out as multiple variables and the extent of the completion of prior phases influenced the implementation of these actions.

A more detailed feedback from one of the respondents assured the authors that their interpretations of the interviews and the current reality of the case study company were valid and, according to her/him, the designed guidance was a “creative and powerful tool”. Most of the feedback this respondent gave, the authors also side with and touched on in their report. Some of her/his feedback was that s/he struggles to translate terms such as “systems perspective” into business language for every employee. Furthermore, s/he also wanted to know exactly how to make the business case for social sustainability and calculate the return on investment for the company. S/he appreciates the freedom the guidance gives to the regional and local production sites for a tailored approach to social sustainability, but s/he
underlines the importance of a minimum requirement for particular goals to be accomplished. According to her/him this will make sure all areas of social sustainability are covered. The authors shared the same opinion in their guidance, but they leave the decision on how detailed the “General Toolkit” should be open to the company. The respondent further questions which job positions could become local enablers, what the estimated workload was, and what type of IT support is needed for the different actions. Again, the authors understand these reflections, but find it difficult to answer the questions. Most of them can only be answered when the guidance is put into practice. Lastly, the respondent acknowledged that the change of mindset for the case study company as well as for other multinationals was a leverage point. The authors sought to enforce this change of mindset through the overall spiral structure of the guidance. However, if a change of mindset can be achieved it is highly dependent on the company itself and it might happen when the spiral guidance is actually rolled out.

This feedback given by the case study company also aided the authors when they analysed how their guidance might be applicable for other multinational companies.
5 Overall Discussion

The main research question for this report was “How can multinational companies implement social sustainability strategically?”. In order to approach the main research question, the authors decided on two secondary research questions. These were specifically scoped to a case study as the main goal was to understand how social sustainability in the organisational context could be implemented in a strategic way.

The key findings from the current reality of the case study company were a lack of understanding on what social sustainability meant and whether or not it was urgent or necessary. Additionally, there was a missing overview of approaches and an ineffective structure when it comes to social sustainability. These results confirmed mostly what the authors had researched in the existing literature on the topic. Essentially, the lack of understanding, structure and strategic implementation plans as literature discussed (Vallance, Perkins and Dixon 2011, 343) was evident in the company in terms of social sustainability. The fact that almost all respondents had a different understanding of social sustainability was also in line with the literature describing social sustainability as more difficult to grasp (Boström 2012, 6; Windolph, Schaltegger and Herzig 2014, 382). Therefore, there was a need to start from the basic understanding of the concept of social sustainability before its implementation.

This conformity of the literature search and the results from the first secondary research question led the authors to the assumption that their conclusions from the SRQ 1 were also applicable to other MNCs and therefore a valid answer to approach the main research question. Even though the case study company is not a typical multinational, it operates in several regional and cultural contexts. Therefore, the authors believe that the company is confronted with similar challenges as compared to classic multinationals.

Based on their findings, the authors developed a stepwise guidance for the case study company on how they could strategically implement social sustainability in a holistic way. The guidance is based on the FSSD but does not directly use the structure, nor the language. Instead, five phases were established in a spiral process ensuring the long-term implementation of social sustainability. Interestingly, from the interviews with the SC, the “overarching topics” identified by the authors as main challenges, resembled the essential elements of adaptive capacities of a healthy system. This gave evidence to the authors that before implementing social sustainability in terms of actions, the company's own system needed to be more resilient to function effectively and to be able to move towards their sustainable vision. The phases in the guidance concurrently address these "overarching topics". With this, the guidance captures not only company specific issues, but also the perspective of the company as a social system itself. This increases the possibility of generalizability as every healthy social system incorporates these essential elements of adaptive capacities which the guidance fosters on company level.

The developed guidance takes moreover the feasibility and trade-offs between a generic and tailor-made guidance into consideration and allows for adaptations to multiple variables and peculiar circumstances. Therefore, one can generally assume that the guidance is also applicable to other multinational companies. With this, the designed support ultimately answers the main research question.
Due to time constraints, the research on the current reality concentrated mostly on the current situation within the company. As such, the authors planned the guidance for the company concentrating on the company as a social system in itself. However, in later rounds the guidance widens the perspective taking the different social systems the company operates in as well as the entire social system into account. Companies which already have a good understanding of their interrelations and connections with other stakeholders can easily start at a later phase or round of the guidance.

As a reminder, it should be noted that social sustainability is equally important to environmental sustainability. It is not to be separated as it is an inherent part of sustainability. The separation of both was only for the purpose of this report as it is a relatively new topic that needed further research. Notwithstanding that fact, the results from SRQ 1 have shown that approaching social sustainability and its implementation requires a different procedure as it is more difficult to monitor and evaluate KPIs, in terms of data gathering as well as comparing KPIs between different locations. The guidance developed specifically takes this challenge into account. However, it can be expanded to cover all aspects of sustainability.

5.1 Validity Discussion

The analysis of the current reality of social sustainability within the case study company and the development of a guidance to support the company to implement social sustainability was built on action and design research. The authors designed and recommended the guidance to mitigate the challenges encountered by multinational companies. It further supports FSSD practitioners in their work to implement social sustainability in companies. Given this kind of approach, the iterative, non-linear and explorative methodologies were suitable to address the relevant issues the company was facing.

The focus on a case study for the data gathering might be criticised by others for its lack of scientific rigor. Moreover, the data and with this the design of the guidance might have been biased as it stems from only a small number of opinions and hence, might not reflect the overall current reality of the company. The authors take further into account that the company is at the beginning of the process of implementing social sustainability and that even the implementation of social sustainability in general is not widely explored in literature. Hence, the exploratory research in the thesis was needed. Besides, case study research is still seen as a useful and appropriate tool for complex, real-life research (Svensson and Wagner 2015, 200).

As the analysis of the gathered data and the design of the guidance were partly based on the subjective interpretation of three different authors, critical steps were taken to ensure that the analysis was conducted with diligence. There was an evaluation and validation process during the whole research. A cyclical model of role and duty swaps between the authors for the different task was established to decrease subjectivity. The authors were moreover constantly aware of the fact that the gathered data might be incomplete leading to unconscious biases in the analysis.

The authors furthermore acknowledge that analysing one company does not necessarily lead to a generalizable model as companies and those driving the sustainability agenda might differ. However, the guidance gives more direction through the phases on how to approach and implement social sustainability instead of specific actions. Moreover, the feedback from
the case study informed the authors on the possible application of their developed guidance and assured them that their interpretations of the current reality of the case study were valid.

The main research questions as well as the secondary research questions do not directly refer to the FSSD, however, the authors from beginning planned to use this framework as their research foundation. The FSSD turned out to be a suitable approach as it enabled the authors to keep the issue under research within a holistic perspective without getting lost in the details. This enabled the authors to research in detail while maintaining a systems view. Furthermore, the FSSD supported backcasting from success, meaning the desired future of the company within the boundary conditions of the SSPs could be analysed. This gave them the opportunity to have an in depth overview of the company's current reality and map out a guidance to achieve the overall goal of social sustainability based on the five levels of the FSSD. However, the authors acknowledge that the FSSD stipulated adherence to the SSPs can be challenging as some of the SSPs might be difficult to practice in some cultural context. In spite of this, the authors primarily relied on SSPs due to the fact that it was the most comprehensively stated conditions for social sustainability that they came across. They recognise that the SSPs could be complemented with other actions where relevant for specific cultural context. With this in mind, they recommended in their guidance that companies refer to other internationally acknowledged standards to ensure that they comply with necessary regulations throughout their operations. The authors’ reliance on the FSSD therefore may have influenced the research but not at a level where the actual results would have looked different.

5.2 Future Research

Many of the findings from the current reality of the case study on what is needed to implement social sustainability are not new as literature highlighted them. The authors would have liked to develop a more specific guidance in terms of implementation, but groundwork needed to be established first and this is what the developed guidance focuses on. Therefore, there is need for further research with the case study company as well as in general. The authors recommend that future research should start on the actual implementation of the guidance. This will include capturing the opinions of more people in diverse functions within and outside the company as well as how the guidance is perceived in the different regions and cultural settings. There should also be research on how the guidance can actually impact communities the company is located in as well as its supply chain. Furthermore, the guidance should be tested in companies with other structures or with classic multinationals. It can later be experimented in small and medium sized companies as well as in non-business driven organisations. Throughout the process similarities and differences in the implementation should be observed and possible changes in the model should be documented for further iterations. Other research could also be done connecting the model with alternative frameworks to enhance its reliability. Additional research could look into best practices of other companies who have implemented social sustainability not necessarily using the FSSD. This could give more input to improve the guidance the authors came up with.
6 Conclusion

The aim of the research was to discover how social sustainability could be implemented with a focus on multinational companies (MNCs). The world currently faces several social challenges such as inequality and poverty alleviation which are weakening social systems worldwide. Organisations are crucial parts of every social system, independent of their size or the sector they operate in. Looking at an organisation as a social system in itself, they heavily impact the life of their employees through income levels and quality of life through working conditions. In relation to the greater social system, they interact and influence with a lot of different stakeholders such as customers and suppliers, further shaping it. Especially MNCs influence the working and living conditions of people across borders as they operate in several countries. As a result, they also have to deal with different political, cultural and economic situations and handle complex work dynamics spanning several regional divisions along markets and production chains with different networks and suppliers.

However, literature showed that, in terms of social sustainability, most companies do not address challenges arising from this situation in a holistic way but rather focus on specific topics. Moreover, literature discussed that there was a lack of guidance and structure on how to approach social sustainability in a strategic way. This showed that there was a need for an overarching guidance on how social sustainability could be implemented.

The FSSD provides such an overarching perspective. However, due to the fact that the social dimension has only been recently elaborated on, there was no experience yet on how to apply social sustainability in the organisational context. Therefore, this thesis had the goal to fill the identified gap.

The main findings from the current reality of a case study company were in line with the statements from the literature and the guidance for the company to implement social sustainability was developed based on those findings. The guidance takes the complexity of social systems into account and allows for tailor-made adaptations for multiple variables. It allows for recommended actions and the order in which they follow to be changed for peculiar circumstances other companies may have. Therefore, one can generally assume that the guidance has potential to be adapted and applied to other MNCs. In this sense, the guidance could in the long run contribute in supporting companies to understand their direct impact on the social system they form themselves as well as their impact on the bigger socio-ecological system. Hence, this thesis could propel MNCs to contribute in moving the social systems towards a sustainable future.
References

Case Study Company. 2016a. Corporate Documents. Corporate Information on Case Study Company.


Appendices

Appendix A: Interviewees Titles and Dates

Sustainability Committee (SC) Interviewees (Job Positions and Dates):

- Long Term Development Laboratory Manager (conducted: 10.03.2016)
- Sustainability Manager (conducted: 14.03.2016)
- Global Supply Chain Manager (conducted: 15.03.2016)
- HR Generalist / Business Analyst (conducted: 17.03.2016)
- Chief Technical Officer (conducted: 23.03.2016)
- Sustainability Environmental Analyst (conducted: 25.03.2016)
- Operations Director (conducted: 28.03.2016)

Non-Sustainability Committee (NSC) Interviewees (Job Positions and Dates):

- Factory Manager (conducted: 05.04.2016)
- Deputy General Director (conducted: 06.04.2016)
- Chemist (conducted: 11.04.2016)
- Business Unit Controller (conducted: 13.04.2016)
- Health, Safety & Environment IT Manager (conducted: 14.04.2016)
- Regional Sales Manager (conducted: 15.04.2016)
- Technical Manager (written response: 18.04.2016)

Supplementary Interviews with Experts in the Field of Sustainability (Country and Dates):

- TNS expert from Sweden (conducted: 08.04.2016)
- TNS expert from China (conducted: 12.04.2016)
# Appendix B: Interview Questions

## General Questions on Sustainability:

1. How do you understand sustainability?

2. What are your reflections on the company's way of working with sustainability (also in relation to the vision and to the four social parts of the vision)?

3. How does the company’s structure influence the decision-making in regards to the sustainability?

## General Understanding of Social Sustainability:

4. How do you understand social sustainability?

## More Specific Questions regarding Social Sustainability:

5. What is the company currently doing on social sustainability and which tools are you using? (in general/in your department)

6. What are the challenges in regards to social sustainability within your region/department?

## Implementation of Social Sustainability:

7. What do you think is needed to further implement social sustainability? Which resources are needed e.g. values, skills, knowledge, tools, human resource, finance?

8. How urgent do you think is the implementation?

9. In your opinion, is it feasible for the company to globally implement a generic social sustainability plan?

## More Specific Questions regarding Social Sustainability Principles:

10. Have you heard about these principles and what is your interpretation of them (as a whole concept and individually)?

11. Where do you see alignments or misalignments in terms of health?

12. Where do you see alignments or misalignments in terms of competence?

13. Where do you see alignments or misalignments in terms of influence?

14. Where do you see alignments or misalignments in terms of impartiality?

15. Where do you see alignments or misalignments in terms of meaning-making?
## Appendix C: Follow Up Survey Questions

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<tr>
<th>Questions</th>
<th>Answer (possibilities)</th>
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<tr>
<td>1. How would you rate your understanding of the social sustainability principles?</td>
<td>1-5</td>
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<tr>
<td>2. How confident do you feel working with the social sustainability principles for strategic planning?</td>
<td>very confident, somewhat confident, somewhat insecure, very insecure</td>
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<tr>
<td>3. How confident do you feel working with the social sustainability principles in your daily work?</td>
<td>very confident, somewhat confident, somewhat insecure, very insecure</td>
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<tr>
<td>4. How well do you think the social sustainability principles can help the company to move towards a sustainable future?</td>
<td>very well, somewhat, unclear, not at all</td>
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<td>5. Where do you currently focus on in terms of social sustainability within the committee/ in your region/department?</td>
<td>Please explain.</td>
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<td>6. As a SC member/ NSC (adapted to individual function), do you feel empowered (in terms of knowledge, time, human resources, etc.) to work with the social sustainability principles?</td>
<td>Please explain.</td>
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<td>7. How much are your colleagues outside the sustainability committee involved in the current social sustainability approach (knowledge, participation in initiatives, making suggestions, etc.)? (SC) / How much does the sustainability committee influence your current approach to social sustainability? (NSC)</td>
<td>Please explain.</td>
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<td>8. How confident are you that the company's current social sustainability approach covers all important aspects of social sustainability?</td>
<td>very confident, somewhat confident, somewhat doubtful, very doubtful</td>
</tr>
<tr>
<td>9. Where do you see challenges for the company to implement the social sustainability principles globally (e.g.: communication, decision-making, HR, collaborative work)?</td>
<td>Please explain.</td>
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<tr>
<td>10. In your opinion, and based on your answer to question 9, what are your ideas for possible solutions?</td>
<td>Please explain.</td>
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## Appendix D: Coding Categories

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<td>1.</td>
<td>Responsibility for Sustainability within the Company</td>
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<td></td>
<td>• Working with Social Sustainability</td>
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<td>2.</td>
<td>Understanding of the Systems Perspective</td>
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<td></td>
<td>• The Company in Relation to the Social System</td>
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<td></td>
<td>• The Company as a Social System</td>
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<td>3.</td>
<td>Urgency for Social Sustainability</td>
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<td>4.</td>
<td>Achievement of Company's Social Vision</td>
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<td>5.</td>
<td>Implementation Social Sustainability</td>
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<td></td>
<td>• Challenges of Implementing Social Sustainability</td>
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<td>• Future Planning - A Generic Implementation Plan</td>
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<td>7.</td>
<td>Current Tools</td>
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<td>8.</td>
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<td>• Structural Obstacle to Health</td>
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<td>• Structural Obstacle to Influence</td>
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<td>• Structural Obstacle to Competence</td>
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<td>• Structural Obstacle to Impartiality</td>
</tr>
<tr>
<td></td>
<td>• Structural Obstacle to Meaning-Making</td>
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<td>9.</td>
<td>Unspoken Words</td>
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## Appendix E: The FSSD and Coding Categories

<table>
<thead>
<tr>
<th>FSSD Levels</th>
<th>Coding Categories</th>
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<tbody>
<tr>
<td>System</td>
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</tr>
<tr>
<td></td>
<td>• Understanding of the Systems Perspective</td>
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<tr>
<td></td>
<td>• The Company in Relation to the Social System</td>
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<tr>
<td></td>
<td>• Urgency for Social Sustainability</td>
</tr>
<tr>
<td></td>
<td>• The company as a Social System</td>
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<tr>
<td>Success</td>
<td></td>
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<tr>
<td></td>
<td>• Achievement of Company's Social Vision</td>
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<tr>
<td></td>
<td>• Social Sustainability Principles</td>
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<tr>
<td></td>
<td>• Structural Obstacles to Health</td>
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<td>Strategic</td>
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<tr>
<td></td>
<td>• Responsibility for Sustainability within the Company</td>
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<td>• Working with Social Sustainability within the Company</td>
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<tr>
<td></td>
<td>• Implementing Social Sustainability</td>
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<td>• Challenges of Implementing Social Sustainability</td>
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<td>Actions</td>
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<td>Tools</td>
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<td>Unspoken Words</td>
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### Appendix F: The FSSD and Follow Up Survey Questions

<table>
<thead>
<tr>
<th>FSSD Levels</th>
<th>Questions</th>
</tr>
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<tbody>
<tr>
<td>System</td>
<td>How confident are you that the company's current social sustainability approach covers all important aspects of social sustainability?</td>
</tr>
<tr>
<td>Success</td>
<td>How would you rate your understanding of the social sustainability principles?</td>
</tr>
<tr>
<td>Strategic</td>
<td>How confident do you feel working with the social sustainability principles for strategic planning?</td>
</tr>
<tr>
<td></td>
<td>How well do you think the social sustainability principles can help the company to move towards a sustainable future?</td>
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<tr>
<td></td>
<td>As a SC member/ NSC (adapted to individual function), do you feel empowered (in terms of knowledge, time, human resources, etc.) to work with the social sustainability principles?</td>
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<tr>
<td></td>
<td>Where do you see challenges for the company to implement the social sustainability principles globally (e.g.: communication, decision-making, HR, collaborative work)?</td>
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<td></td>
<td>In your opinion, and based on your answer to question 9, what are your ideas for possible solutions?</td>
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<tr>
<td>Actions</td>
<td>How confident do you feel working with the social sustainability principles in your daily work?</td>
</tr>
<tr>
<td></td>
<td>Where do you currently focus on in terms of social sustainability within the committee/ in your region/department?</td>
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<tr>
<td></td>
<td>How much are your colleagues outside the sustainability committee involved in the current social sustainability approach (knowledge, participation in initiatives, making suggestions, etc.)? (SC) / How much does the sustainability committee influence your current approach to social sustainability? (NSC)</td>
</tr>
<tr>
<td>Tools</td>
<td></td>
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</tbody>
</table>