

Sustainability and legitimacy theory: The case of sustainable social and environmental practices of SMEs

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Abstract

The aim of this paper is to identify and gain insights into small and medium-sized enterprises' (SMEs) rationales ('*why*') for engaging in sustainable social and environmental practices (SEPs) that influence social and environmental policy and sustainability changes. Specifically, we depart from the predominately quantitative-orientated SEPs literature by conducting in-depth interviews and analysis of owners and managers of SMEs in the UK within a legitimacy theoretical framework. Our findings from a comprehensive number of interviewees show that SMEs employ a complex mix of both symbolic and substantive SEPs with the aim of enhancing the legitimacy and sustainability of their operations. The results emphasise the strengths of social engagement, reputation and image, environmental embeddedness, industry differentiation and education facilitators. In particular, the paper shows that legitimating strategies can have a dual purpose of being symbolic in nature, but also inferring a substantive legitimacy claim. Evidence of SMEs maintaining their legitimacy position stretches further via either a moral and/or a pragmatic standpoint.

Keywords – SMEs, social and environmental practices, environmental policy and sustainability, environmental performance, legitimacy theory, substantive and symbolic legitimation, UK.

1. Introduction

This paper explores ‘*why*’ small and medium-sized enterprises (SMEs) voluntarily engage in sustainable social and environmental practices (SEPs)¹. SMEs have played, and continue to play an increasingly important role in the global economy and contribute significantly to output, employment and incomes. For example, at the start of 2019, SMEs accounted for 99.9% of all private sector businesses in the UK in 2018 (DBEIS, 2019). They also accounted for 60% and 52% of all private sector employment and turnover, respectively (DBEIS, 2019). Indeed, it has been argued that SMEs will play a huge role in facilitating the ability of the global economy to recover from the negative effects of the current global COVID-19 pandemic. Still, SMEs also cause significant harm to the environment and wider society, and thereby raising major ethical, social and environmental dilemmas for stakeholders, such as customers, governments, regulators and activists. For example, and according to a study conducted by the European Commission, SMEs were responsible for 64% of the industrial pollution in Europe (European Commission, 2010). In the UK context, SMEs account for about 60% of commercial waste and they cause about 43% of serious industrial pollution incidents (Blundel et al., 2013).

Despite the substantial contribution of SMEs and their significant impact on the sustainability of the environment and wider society, most of the prior studies have focused mainly on the social and environmental impact of large listed companies (Berens et al., 2004; Haque & Ntim, 2018, 2020; Harjoto & Rossi, 2019; Gamerschlag et al., 2011; Ntim, 2016). By contrast, existing studies examining the impact of SMEs’ activities on the environment and broader society are rare (Boakye et al., 2020; Chassé & Courrent, 2018; Graafland, 2018; Zhu et al., 2018). These studies examining environmental and social issues among SMEs are arguably impaired in that they have mainly employed quantitative methodologies. By contrast, there is limited qualitative evidence on why SMEs voluntarily engage with SEPs (Ciasullo & Troisi, 2013; Veronica et al., 2020) within a legitimation context. We contend that this is primarily due to two main reasons: (i) it is difficult to obtain data from SMEs (based primarily

¹For the purpose of this paper and as part of the interviewee process, each SME was asked to identify, what they thought their businesses social and environmental practices were. No indication or explanation as to what these may be was given by the interviewer. Hence, their interpretations ranged from holistic/general initiatives, such as the use of environmentally friendly products and appropriate waste disposal, to more business specific drivers, such as the strategic use of the unemployed and the use of fewer chemicals within their production process. It is from the SMEs explanation, understanding, engagement and extended dialogue of their SEPs that subsequently developed into a continuum of symbolic and/or substantive themes, as to ‘*why*’ the SMEs engage with SEPs. Appendix A gives examples of categorised SME SEPs with industry affiliation.

on personal circumstances)²; and (ii) SMEs receive less public attention about their SEPs than their larger counterparts (Aragón-Correa et al., 2008; Gadenne et al., 2009; Handrito et al., 2021). The relatively less attention directed at SMEs also implies that there is less pressure on SMEs to voluntarily engage with SEPs, and due to the absence of previous analysis, it is important to understand why SMEs engage with SEPs through a legitimisation lens.

Nevertheless, it is acknowledged that SME research is expansive in areas of sustainability and social responsibility, for example; more noticeable within developing countries (Crane et al., 2008; Haynes et al., 2013). Research is often narrow at times, such as a focus on responsible entrepreneurship and co-operatives (Fayolle and Matlay 2010; Mazzarol et al., 2014). Thus, there is a growing, global interest of small business and socially responsible practices, in areas, such as supply chains and sustainability for example; warranting further investigation (Spence et al., 2019).

Theoretically, Ashforth and Gibbs (1990), and Suchman (1995) suggest that organisations may engage in SEPs in order to achieve specific objectives, including gaining, maintaining and/or repairing their legitimacy to engage in operations, winning the support of their key stakeholders, and securing access to critical resources, amongst others. In this case, organisations may attempt to seek legitimacy for their operations by adopting symbolic and/or substantive legitimating management tactics. Symbolic legitimating management strategies will seek to demonstrate organisational commitment to SEPs, but implementation of such practices will aim at winning the support of key stakeholders rather than to bring about meaningful change in an organisation's behaviour towards SEPs in real terms. By contrast, substantive legitimating management strategies will seek to implement SEPs that bring about real and fundamental changes in an organisation's behaviour and practice regarding social and environmental issues. In practice though, as SEPs take time and significant financial resources to implement, it is more likely that an organisation's SEPs can be a mixture of symbolic and substantive management strategies (Ashforth & Gibbs, 1990; Suchman, 1995). In this instance, we argue that organisations are more likely to employ symbolic measures in the short-term in comparison to the long-term, whilst firms with better financial resources may be able to employ substantive management strategies even in the short-term compared with their less financially resourced counterparts.

² We note, however, that other scholars, such as Spence et al. (2019) have suggested otherwise that small businesses are often highly engaged with their communities and environment, and as such their engagement can be more participatory in nature compared with large ones.

Consequently, this paper offers a fertile opportunity to explore the diverse rich data of what makes SMEs tick when it comes to ‘*why*’ they engage with SEPs. This was a challenge in itself, due to the hidden nature of SEPs within SMEs (Jenkins, 2004; Perrini, 2006; Veronica et al., 2020). Given the need to investigate environmental and social issues among SMEs using qualitative research in order to gain close-up and in-depth understanding (Harjoto & Rossi, 2019; Uzhegova et al., 2020), this paper seeks to provide new and rich insights from UK SMEs undertaking some form of social and/or environmental activities. To do this, we conducted in-depth semi-structured interviews with a sample of owners and managers of SMEs in the UK of differing sizes and industries over a two-year period, in order to gain an understanding of why these enterprises engage in SEPs.

Our findings indicate that SMEs not only evidence a commitment to symbolic legitimation, but also a wide range of substantive claims that reduces the legitimacy gap by increasing their intention and continued engagement in substantiating their legitimacy. Our findings are consistent with the expectations of legitimacy theory that organisations may adopt symbolic practices and engage in substantive SEPs in order to improve their reputation and image within the market. This paper, therefore, extends, as well as contributes to the extant limited qualitative evidence by providing insights on why SMEs engage in SEPs. Additionally, and unlike previous limited qualitative studies that have largely been descriptive or relied on insights from innovation and grounded theoretical perspectives (Baron & Apitsa, 2019; Boiral et al., 2019; Blundel et al., 2013; Bos-Brouwers, 2010; Williamson et al., 2006), we use the legitimacy theoretical framework as proposed by Ashforth and Gibbs (1990) to explain why SMEs might voluntarily engage with SEPs.

The remainder of this paper discusses the importance of legitimacy, legitimation and fundamental SME peculiarities. This is followed by a brief presentation of the symbolic and substantive literature within a social/environmental context. The remaining sections present a comprehensive account of the qualitative methodology, which forms the platform for the findings and discussion, uncovering a variety of thematic results. The final section provides concluding remarks embedding the significance of bringing together legitimating techniques, SME legitimacy and emerging qualitative themes.

2. Legitimacy Theory, Legitimation and SME Peculiarities

This paper follows the managerial perspective of what constitutes legitimacy; specified by Ashforth and Gibbs (1990) and later dissected by Suchman (1995) (also see Figure 1). In terms of understanding what legitimacy means, it is Suchman's (1995) broader definition that is used, which is considered to be more appropriate for SMEs. It captures the cognitive position (the perceptive minds of SMEs); evaluative (expanding more than self-justification of a right to exist, but what is also understandable (i.e., some form of explanation of their existence); and a degree of social connectedness (that SMEs' values are brought together with what society deems to be acceptable).

“Legitimacy is a generalised perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions.” Suchman (1995, p. 574). Due to its flexibility, the definition itself can be tweaked to ‘fit’ the social and or environmental spectrum, for example, *“the generalised perception or assumption that firm’s environmental performance is desirable, proper, or appropriate”*, (Bansal & Clelland, 2004, p. 94).

The strategic managerial approach of legitimacy is argued by Aerts and Cormier (2009, p. 3), to mean that *“organisations are able to make strategic choices to alter their legitimacy status and to cultivate the resources through corporate actions, by adapting their activities and changing perceptions.”* This associates itself with SMEs and is complemented by Massey (2001, p. 153), who suggests the ways organisations strategically manipulate and deploy symbols in order to gain societal support (Suchman 1995, Ashforth & Gibbs, 1990; Dowling & Pfeffer, 1975). In essence, it is to gain legitimacy from society via some form of communication outlet. It also assumes that management have a greater foothold with their legitimacy strategies and as SME owners have a greater say in the future direction of their firms, this strategic ‘angle’ seems more appropriate.

It was suggested by Gómez-Carrasco et al. (2020) and Magness (2006), for example that legitimacy theory was integrated into the literature to address ‘why’ certain issues are addressed by management in their communication with their stakeholders. This operational relationship with business and its constituents is very much apparent in Kechiche and Soparnot (2012), whereby they go on to suggest that there lays a relationship between external actors and the business. The image that is built up by the SME owner is important and derives from the human capital that is brought to the business. This suggests that it has a knock-on effect in terms of

the SEPs that could be adopted. Kechiche and Soparnot (2012, p. 99), go on to say that “...it can even influence the behaviour of other SMEs in the same sector”.

Even from a SME perspective, by placing such interests on the stakeholder audience, it is no surprise that “all organisations, wherever situated, and whatever their characteristics, must recognise the interests of stakeholders...” (Perrini, 2006, p. 307; Donaldson & Dunfee, 1999, p. 247). Perrini (2006) continues to state that researchers are focussing on what Phillips (2003) calls ‘stakeholder legitimacy’. He suggests a two-level legitimacy framework to be adhered to, first to recognise that certain stakeholders are important to their business and are therefore, legitimate (derivatively), and second, that legitimacy stems from the moral obligation that is owed to other stakeholders. This appears to suggest that businesses must address and prioritise those immediate stakeholders that probably have the most impact towards the business and show some form of moral legitimacy for their actions in either a consequence, procedure, structural or personal position (Elmagrhi et al., 2019; Tran et al., 2020). This theory does not prejudice against the size of the business and is not constrictive onto which stakeholder perceptions are more desirable, hence, legitimacy, albeit more of a challenge to identify in SME SEPs, is considered an appropriate theoretical pod to justify the SEPs of SMEs to a group of immediate stakeholders (Gómez-Carrasco et al., 2020; Lu et al., 2017).

To further explain legitimacy’s use in terms of justification as to SMEs practice and communication strategies, Ashforth and Gibbs (1990) debate the rationalisation of the mechanics of legitimacy theory through the two management lenses of substantive and symbolic management strategies. As legitimacy has been conveyed as being in the eyes of the beholder, in other words legitimacy is a “*social judgment*” (Ashforth & Gibbs, 1990, p. 177), of those constituents. These two legitimisation tools are used as a yardstick as to whether the company in question has developed a relationship with society at large.

For SMEs to gain legitimisation, the typology of legitimacy strategies, constructed by Suchman (1995) is used for reference. Due to the nature of SMEs and the split of substantive and symbolic statements, which are drawn from Ashforth and Gibbs (1990), a choice of a pragmatic, moral and/or cognitive association is offered. For this paper, the two former strands are of greater focus. In understanding ‘*why*’ SMEs actually engage in SEPs, the paper captures an array of instances and uses the symbolic and substantive led management framework to establish organisational legitimacy.

The following diagrammatic representation (see Figure 1) shows the culmination of substantive and symbolic criteria/examples, drawn from Ashforth and Gibbs (1990) (as means of legitimation), and that SMEs may associate with as a means of expressing their legitimacy, depicted by Suchman (1995) (the dynamics of legitimacy). Nevertheless, we note that attempting to engage and legitimise SMEs SEPs has had its barriers. These are partly due to a lack of formal ethical codes, standards and certification (Calace, 2014; Valentine et al., 2019), limited resources (de Bruin & Moore, 2003; Roberts et al., 2006; Lepoutre & Heene, 2006; Lewis & Cassells, 2010; Veronica et al., 2020), a lack of time (Eweje, 2020; Spence & Rutherford, 2001; Tilley, 2000), SMEs not having sufficient SEP knowledge (Hitchens et al., 2005), and SEPs often 'hidden' from their stakeholder audience (Jenkins, 2004; Perrini, 2005, 2006; Veronica et al., 2020).

SMEs engagement in SEP's is different from larger businesses. Their association is ignited and developed via owner manager's idiosyncrasies, the pressure of maintaining close stakeholder relationships, differing communication strategies, and some persuasive drivers (Masurel, 2007). The nature of doing business for SMEs engaged in SEPs has said to be largely personal (Jenkins, 2004; Grayson, 2006; Fuller & Tian, 2006), and centres on a more interpersonal, (Murillo & Lozano, 2006); and informal working relationship (Kechiche & Soparnot, 2012). SMEs, therefore, are more heavily influenced by the beliefs, values and attitudes of those who run the businesses (Davies & Crane, 2010; Hammann et al., 2009; de Bruin & Moore, 2003). This SME's individuality suggests that SMEs are not 'little big companies', as thought by Tilley (2000).

Subsequently, their stakeholder relationships are different. Kechiche and Soparnot (2012, p. 99) state that a company's local foothold is significant in assisting to implement SEPs, making sure that "*practices fit in with the values and expectations of the local community*". As Spence and Schmidpeter (2003, p. 94) state; "*...business organisations need to engage in the development of the society in which they want to do business, since business is influenced by the society in which it operates...*" This local community association is also supported by Amato and Amato (2007), especially through sponsorship programmes; local events and job creation (Jenkins, 2006). Ultimately, with fewer formal procedures in place (Grayson, 2006; Vives, 2006; Murillo & Lozano, 2006), SMEs can actually influence the way they manage their stakeholder relationships, (Jamali et al., 2008). This connection develops into 'strong social networks' Fisher et al., (2009, p. 69) internally and externally in order to share and receive information for survival and to develop opportunities.

A close relationship with their immediate stakeholders (Besser, 2012), is important in order to survive, echoed by Russo and Perrini (2010, p. 211), “...small businesses need such relations with the community to survive, whereas in general, large firms do not. Therefore, it is the community that wants SEPs from small businesses, and as a consequence small businesses pursue SEPs”. SMEs, therefore exploit their strong stakeholder relationships that are built out of trust, reputation and legitimacy (Russo & Perrini, 2010, p. 217), with the likes of suppliers, customers, competitors, and the local community. Benefits derived from Russo and Perrini (2010), suggest, a guaranteed stable workforce, an improvement with financial bodies and the company’s sustainability over time. Now, SMEs “act responsibly because their legitimacy with immediate stakeholders; employees, customers, suppliers and their ‘local’ community is at stake in a far more direct and personal way than it is with major corporations” (Fuller and Tian 2006, p. 295).

Communication is also seen as different from large businesses. Large company web-based SEP communication, for example is rife (Pattern 2002; Pollack 2003; Welcomer et al., 2003; Adams and Frost 2006). However, SMEs’ communication maybe different, due to what Nielsen and Thomsen (2009, p. 181) state, that “...we [SME’s] have always been bad at telling the public how good we are”. Yet, Graafland et al., (2018) when comparing SMEs with Multinational Corporations (MNCs), suggested visibility to the public and media needs to be addressed. There needs to be more instruments that facilitate the communication of the values and norms within the firm and to its customers, and hence, tools that may increase transparency and better engage stakeholders. Golob and Bartlett (2007) suggest that successful indirect communication outlets such as ‘word of mouth’, rooted in the individual owner-managers personal values and beliefs (Nielsen & Thomsen,2009) and networking and web-site channels (Guében & Skerratt,2007) are a positive step forward. This direct communication is supported by Jenkins (2006) and Zackrisson et al. (2008). In fact, where there is a meaningful relationship between eBusiness and SEPs, “...owner-managers who are proactive with [SEPs] (for altruistic or commercial benefits) are increasingly using websites to communicate their initiatives to stakeholders,” (Parker et al., 2010, p. 510). Additional consideration suggested by Morsing (2006) and Nielsen and Thomsen (2009, p. 180), that having the assistance of a third party, i.e. ‘gatekeepers’ endorsing business activity, is more effective.

SMEs communication may well be different from that of MNCs, but the explicit and implicit communication divide, i.e. historically larger businesses tend to communicate more explicitly and SMEs more implicitly; the balance is changing (Soundararajan et al., 2017).

Engagement strategies can be seen via the positive drivers noted by some European SMEs. Internal SEPs advocated by Coppa and Sriramesh (2013), single out employee training and development, and employee welfare, which is consistent with Hammann et al's., (2009) view as employees being the most important asset for a SME. Owner managers motivations for socially responsible behaviour is said to, "*improve the image and profile of my business*"; whilst it also "*helps me make more money*" and "*it's what my clients and customers expect of me*" (Evans & Sawyer, 2010, p. 440).

SEP drivers have ranged from, for example; (i) a Germany and UK perspective, of formal engagement and networking (Spence & Schmidpeter, 2003) thus, there is an attempt that SMEs wanting to give something back to their communities; (ii) The incorporation of sports clubs, the family unity and the church from a Dutch perspective, so as to raise help within the community and therefore boost the community spirit (Uhlener et al., 2004). Finally; (iii) in Italy, SEP initiatives revolve around training activities, safeguarding employees' health and support of the local community, (Perrini, 2006). This allows SMEs to drive and embed the community into their business to allow a degree of legitimacy and stakeholder approval.

SME engagement includes fewer costs associated with retention and absenteeism (Jenkins, 2006; Longo et al., 2005); the creation of a healthy working environment that transpires in productivity improvement (Mandl & Dorr, 2007). SEPs can also stimulate innovation (Carfora et al., 2021; Murillo & Lozano, 2006). Guében and Skerratt (2007, pp. 6-7), go on to suggest that shared environmental performance communications create benefits of trust, customer loyalty and attracting specific clientele. In fact, SEP implementation was ignited "*in order to add value to their image in the eyes of both commercial and institutional stakeholders*" (Battaglia & Frey, 2014, p. 11).

Due to the first-hand account of our interviewees, this paper has gained important, additional rich insights into the diverse social and environmental nature of SMEs. Regardless of potential barriers and the differing communication outlets, some SMEs consider their SEPs (whatever their impact) to be an important aspect of their everyday business. The astute business owners and upper level management may window dress their SEPs for personal satisfaction or they may have a more strategic role in gaining additional business, for example. Whatever their goals, lies a mix of legitimacy levels of engagement; from unearthing genuine SEPs in a symbolic manner to a more substantive level of legitimacy. The types of legitimacy may be pragmatic or moral but there lies a genuine legitimation strategy that benefits the SMEs via a 'close' stakeholder relationship.

So as not to let large businesses SEPs overshadow the immense effort SMEs go to, the research question of why do SMEs engage in social and/or environmental practices via this symbolic and substantive management practice is paramount, especially if differing levels of legitimation (via the types of legitimacy) can reap positive outcomes for a range of SMEs, no matter what size or type of SME.

[Insert Figure 1 near here]

3. Literature Review

There is very limited empirical research relating to the application of substantive and symbolic legitimating management strategies, especially that of Ashforth and Gibbs' (1990) dichotomy within the SEPs research generally, but almost none existent with respect to SMEs. For example, evidence provided by Day and Woodward (2004) on the reporting of information relating to employees issues in the director's report of 100 UK largest listed companies suggests that many of the sampled companies disclosed an extensive amount of detail to render it substantive, whereas symbolism was considered a simplistic reiteration of the Companies Act. Substantive claims stem from '*how* and *why*' the companies fulfilled their obligations to employees (Ntim & Soobaroyen, 2013a, b; Soobaroyen & Ntim, 2013). In contrast, symbolic communication within directors' reports are ones, where 'information is made available to employees' and consultation was indicated 'when necessary' (Day & Woodward 2004, p. 53). Minimal compliance or recognition via disclosure was sufficed for a symbolic interpretation, but a more active intent secured a substantive outlook.

For environmental legitimacy, Rodrigue et al. (2013) asks the question whether 'environmental governance sends a signal of improved environmental performance that reflects a substantive or symbolic approach to managing their legitimacy'. Symbolic practices would show some level of environmental commitment, but would not result in any meaningful changes to their operations and thus, resulting in a symbolic gesture. Their results, mainly quantitative and for large publicly listed firms show that 'environmental governance mechanisms were part of a symbolic approach to manage stakeholder perceptions of environmental management' (Rodrigue et al., 2013, p. 123); the substantive impact on environmental performance was limited. In this case, environmental issues are perceived to be risks that a business needs to protect itself against and thus, businesses simply signal environmental concerns and this does not necessarily translate into significant environmental improvements (Aslam et al., 2020; Jia & Chen, 2019; Shahab et al., 2018, 2019, 2020).

In reviewing environmental voluntary agreements (VAs), to improve environmental quality, Delmas and Montes-Sancho (2010) find that substantive co-operation is one where a firm would participate in VAs, and subsequently improve their environmental performance. Symbolic adoption simply signalled that *'participation'* with VAs did not significantly improve their environmental performance any more so than businesses' that did not partake in the VA initiative. Their paper also highlights the *'appearance'* of performance (VA's) (symbolic action) is well received by stakeholders to gain legitimacy. Berrone et al. (2009) suggested that symbolic actions could be harmful by having an unconvincing statement of 'green' intent, whilst the public somehow withdraws their legitimacy. In contrast, Soobaroyen and Ntim (2013) investigate *'how'* and *'why'* public corporations in South Africa rely on symbolic and substantive social disclosures. They report that the make-up of symbolic and substantive coverage changes is dependent on the 'changes in stakeholder salience, societal attitudes and businesses' current state of legitimacy'. The results also show that declarative statements, initially espousing socially acceptable goals of a symbolic nature, developed later with more 'elaborate' disclosures, showing a substantive movement of detailed communications of their actions and activities. This is evidence, as society's attitude changed, businesses were expressing their acknowledgement of the HIV/AIDS issues with "*declarative disclosures*" (Soobaroyen & Ntim, 2013, p. 103). Substantive measures decrease when fewer pressures are exerted from the likes of the Government and employees, for example. "*...symbolic disclosures will take predominance until a new crisis or event challenges the status quo*" (Soobaroyen & Ntim, 2013, p. 105). Further, Stevens et al. (2005) investigated what factors led executives to use the firms' ethical codes of conduct for strategic decision making, treating them as substantive as opposed to symbolic documents. Not simply by the usage of codes (that could simply be associated as symbolic management techniques), but the actual extent of the usage. The increase use of ethical codes is heightened by the pressure from market stakeholders, agreeing with the results of Westphal and Zajic (1998), whereby top managers satisfy external demands for greater accountability by merely adopting policies and not actually implementing them (i.e., proposing a symbolic management perspective). The expected effects of ethical codes usage, heightens the attitudes of executives to use ethical codes once the benefits derived are known (Chantziaras et al., 2020). Interestingly, Kim and Lyon (2012), ponder that what an organisation says, it does not necessarily paint a true picture of what it actually does. Regardless, the symbolic message portrayed is viewed by external stakeholders favourably and with positive results. They suggest that the usefulness of symbolic

management can lead to substantive results and therefore increased legitimacy. Berrone et al. (2009) suggest that a combination of substantive and symbolic actions working together can have a greater impact on legitimacy.

Noticeably, all the application of the above legitimacy and legitimation techniques are solely found within large publicly listed companies and conducted using quantitative research methods. Thus, and to the best of our knowledge, it is the first time these theoretical dichotomies have been combined with SMEs to assist in uncovering rationales as to SEP engagement. This paper emphasises that SMEs not only confirm to a commitment to symbolic legitimation, but also a wide range of substantive and dual claims that reduces the legitimacy gap³. This subsequently contributes not only to the environmental position of SMEs, but also the impact of engaging in social activities as being equally or more important by some SMEs. Benefits range from enhanced business image, potential collaborations and differentiating products beyond sector competition. This paper also adopts a transparent qualitative interview data coding framework that adds to the qualitative research methods undertaken. Its design is a thorough hybrid thematic coding system, which offers evidence within an interesting context. Unlike other papers, it creates and uses a thematic review to uncover rationales that go some way to understand why SMEs engage in SEPs and the impact that has on their businesses.

4. Methodology

This research is part of a broader paper, additionally examining *'how'* SMEs communicate their SEPs both internally and externally. This paper focuses on *'why'* SMEs engage with their SEPs, seen through the lens of a hybrid thematic review. All participants responded positively after a series of emails and follow up phone calls. The SMEs differed greatly in size, adhering to the UK 2006 Company's Act definition of not employing more than 250 employees.

The strategy used was based on a phenomenological position, i.e. the reality of a 'phenomenon': a social and/or environmental act that is perceived or understood in the human consciousness. Hence, the research question of *'why'* SMEs engage in SEPs (aligned on a legitimation continuum) can be perceived and interpreted in different ways by different SMEs. The explanation of phenomena, in accordance with Gordon and Langmaid (1988), lies centrally with the fact that one is concerned with the understanding of things rather than measuring them.

³For the purposes of this paper, SMEs impact at reducing the 'legitimacy gap' is one where they show a level of SEPs via a symbolic and/or substantive legitimation strategy that goes some way toward societal approval.

Thus, rich insights can only be made if the investigation into an issue is ‘dug deeper’, into the complexities of the social world of business and its cultural organisation. This could be said of SMEs, in terms of their individuality and owner-managers self-drive. Therefore, each SME, may have differing opinions of management thinking, in relation to their opinion of social and environmental issues per se and as part of their business.

Uncovering these appears systematic with what Saunders et al. (2000, p. 86), depicts as uncovering “*the reality working behind the reality*” – discovering the underlying assumptions of how the owner/manager, for example transposes his or her values and behaviour regarding SEPs.

4.1. Methods

We adopted in-depth semi-structured interviews⁴ to allow comprehensive responses and illicit as much rich data as possible, that may not have been collected by a more rigid method of interviews (Veronica et al., 2020; Parry, 2012). A selective and purposive sampling approach was used with the owners and upper level management of twenty SMEs; (Appendix C shows the full SME classification). The range of sampled SMEs resulted in a 15% ‘micro’ business split (1 to 10 employees); a 30% sample of ‘small’ businesses (ranging from 11 to 50 employees); a 30% split of small/medium sized businesses (51 to 100 employees); and a 25% sample of medium sized businesses (ranging from 101 to 250 employees). This paper does not make any separate distinctions between ‘micro’ businesses and those small and medium sized businesses. Such a mixed representative sample helps illustrate the rich and diverse nature of social, environmental, sustainable and ethical practices in operation across a wide range of businesses. The geographical focus was limited to the Yorkshire region in the UK, allowing a “*high degree of interrelation between the firms and their environment and the communities in which they operate*”, (Parry, 2012, p. 224). The focus on Yorkshire was also driven by accessibility, as the authors have family, professional and social connections, which facilitated recruitment of interviewees that otherwise would not be possible in other parts of the UK.

⁴Prima facie, the interview questions appear structured; however, the interviewer adopted the technique of probing to assist conversation longevity and flexibility. To enable an open and flowing conversation it was encouraged that interviewees should talk freely and to interrupt the questions as they see fit and to raise anything that they considered important within any of the question. The interviewer gave the interviewee the freedom to define the content of the discussion, “*Let the informant provide information that he or she thinks is important*” (Bernard, 2000 p. 195).

Those SMEs that took part in this paper met a twofold criterion; (i) they must conform to the Companies Act (CA, 2006) in terms of employee size, as mentioned previously; and (ii) the SMEs must evidence that they practice social and/or environmental activities, drawn from their websites in the form of SEP dialogue; diagrammatic illustrations; recorded messages; or a combination thereof. This was used as a benchmark to proceed to contact management so that meaningful dialogue can take place during the interviews.

The SME search, which amounted to over 100 businesses, used a non-probability selective sampling technique, this was synonymous with all interviewees, who were ‘in control’ of their SEPs; owner-managers being a primary interviewee target, (Lähdesmäki, 2012; Parry, 2012). Therefore, each business was notified that the interviewee should be the person with the most control, ownership and knowledge of their social, environmental, sustainable and ethical practices of their business. This could be the owner, the procurement manager, sales or commercial manager; as there is not always a specific job title for such a role. It should, therefore, not be an indication as to their suitability for interview. The sample was not a statistical representation, but simply an adoption of the population characteristics (Ritchie et al., 2003). An examination was undertaken of the websites of a randomly selected group of UK SMEs within the West Yorkshire region; adopting a close proximity strategy, successfully adopted by Parry (2012), Janjuha-Jivraj (2003), and Worthington et al. (2006), as it was initially difficult to persuade SMEs for interview.

In total, 20 participants were interviewed over a two-year period, by the same person, primarily for consistency purposes. Ethical approval was sought from the authors institution’s ethics committee, with each interviewee’s informed consent explicitly obtained, including highlighting their right to withdraw from participating in the interview/research at any-time. The interviews were tape-recorded in English, with an average duration of 50 minutes. Each interview was mapped around eleven questions (refer to Appendix B) that focussed on ‘why’ (rationales) SMEs engage in SEPs (Appendix A depicts a list of social, environmental, sustainable and ethical examples across the sample). The sample size maintained its reliability and validity due to its richness and complexities of data (Ritchie et al., 2003), supported by Creswell (2011, p. 209), that “*to study a few individuals or a few cases*” is typical within qualitative research. A saturation point was reached (Crabtree & DiCicco-Bloom, 2006) after the 20 interviews. This can occur after the first twelve interviews, (Guest et al., 2006) with no new themes likely to emerge. Bertaux (1981) argued that fifteen would be the smallest acceptable size for qualitative research; Morse (1994) even suggested that six participants for

phenomenological studies would be acceptable, with Creswell (1998) suggesting between five and twenty-five. A homogeneous sample can be even smaller, as suggested by Kuzel (1992), of between six to eight participants; Coppa and Sriramesh (2013), only using five in-depth interviews and two elite interviews.

4.2. *Data analysis*

Qualitative research, especially those relying on interviews, have become increasingly popular among social science researchers, including business and management researchers (Gunarathne & Lee, 2015; Schaltegger & Zvezdov, 2015; O'Dwyer et al., 2011; Qian et al., 2011). However, whilst different theoretical methods, processes and procedures for analysing qualitative data have been widely proposed by previous literature (Creswell & Clark, 2001; Corbin & Strauss, 2008; Creswell, 2009; Bryman, 2012; Yin, 2014; Veronica et al., 2020), the level of detail and transparency of analysed interview data, and specific coding explanations resemble nothing more than a few 'juicy quotes'. This paper adopted a hybrid thematic analysis approach (refer to Figure 2), after considering the similarities of King and Horrocks (2010), Veronica et al. (2020), and also likened (in part) to that of O'Dwyer et al. (2011). A pilot study was undertaken to test the appropriateness of the initial interview questions, after an initial analysis of the SME literature. Once all interview transcripts were recorded and independently typed up, verbatim by an independent person; the transcripts were read line by line against the recordings for any errors by the main author (stage 1). This assisted in an initial mind map of the individual SMEs, which supplemented the interviewees' profile. This was done a second time, to become familiar with the dialogue and make initial notes and mini comments on each transcript. This stage was repeated to establish any additional comments that might not have materialised earlier. The transcripts were then colour coded (stage 2) into 'why' SMEs participate in SEPs. Specific SEPs were highlighted and individually coded per transcript for reference, e.g., [SEP (a)], [SEP (b)] ... and so on; later categorised and rationalised into a SME Matrix.

Coding was used applying the 'new comments' function from Microsoft Word, creating a series of one and/or two-worded soundbites that best captures every sentence and/or paragraph constructed. Self-automated coding was used by Microsoft Word e.g. comment [s3] "...", comment [s4] "...", and so on. Conversion into Microsoft Excel created a tiered structure, with an initial theme heading and further sub-classes (stage 3). The coding schematic [s1], [s2], [s3] etc., was maintained with the data collected, under each primary segment of 'why'. Each

initial theme led to the development of a mind-map; grouping all sub-categorisations. Recurrent themes and sub-themes were culled as well as areas that were thought irrelevant at this stage. Final mapping of themes was made leaving one or two key sub-themes. Themes were allocated on the substantive/symbolic continuum (stage 4), guided by Day and Woodward's (2004, pp. 50-51) flexible interpretation. For it to be deemed as substantive, at least one of the following criteria needs to be met:

- a) Details are provided as to the mechanisms or strategies employed by the SME to ensure that SEPs are embedded/implemented into their business, where there is evidence of impact and involvement, and/or a degree of consultancy between participants and information dissemination to all constituents; or*
- b) An expression of the rationale for the SMEs social and/or environmental engagement that results in a positive impact and influence of a SMEs commitment.*

Therefore, a SME needs to draw inferences as to 'why' it fulfils its obligations of practicing social and/or environmental activities for it to be considered as a substantive reason for engagement. Symbolic dialogue is seen as a minimum or threshold compliant with societal expectations. The level of dialogue identified, should at least be mentioned by the interviewee, but fails to provide any information on how the SME is involved.

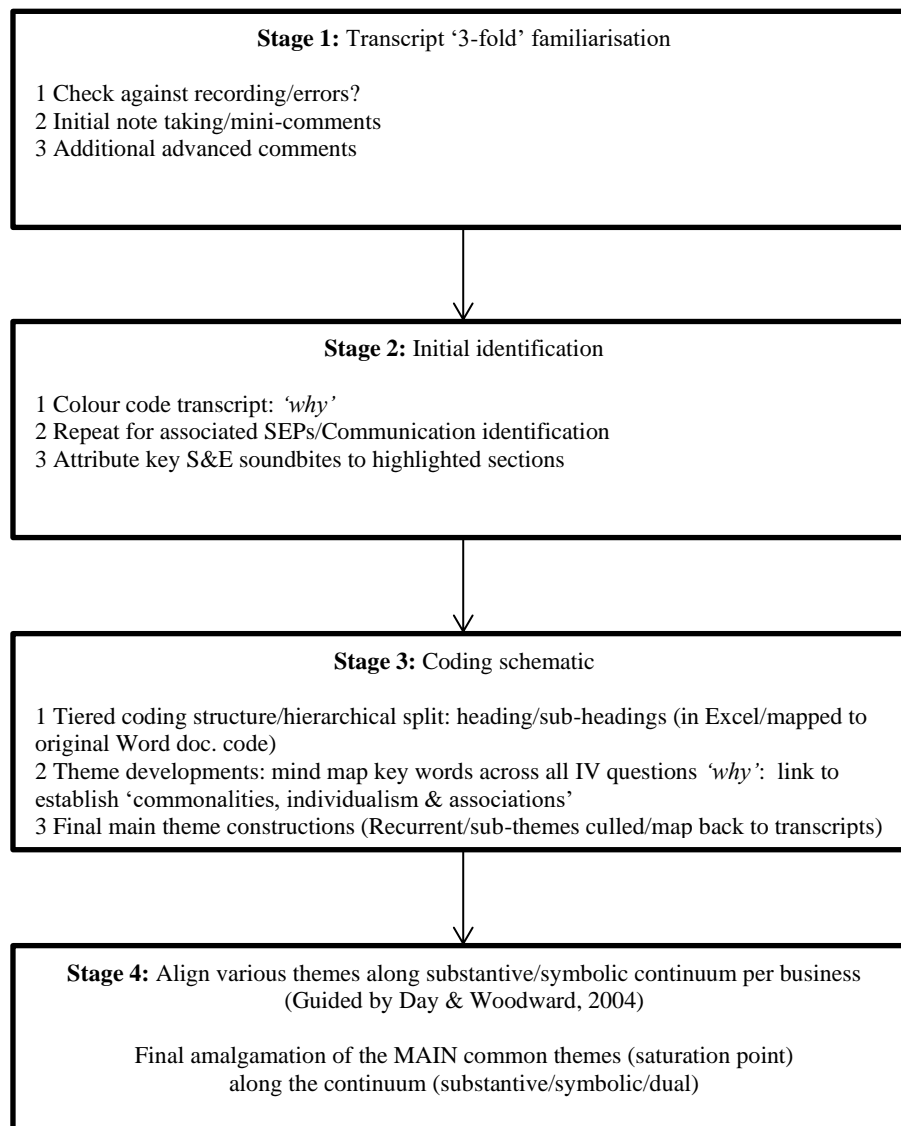


Figure 2: Interview data analysis process

5. Empirical Findings and Discussion⁵

This data analysis approach allowed us to present data in relation to the research question of ‘*why*’ do SMEs engage in SEPs, based on their type and level of legitimacy on the substantive/symbolic legitimation continuum. This resulted in five main themes emerging from the data analysis that represented ‘*why*’ SMEs ultimately engage.⁶ For completeness, the full

⁶ The findings have been limited to two examples per theme and depict a mix of symbolic, dual and substantive legitimation positions. Appendix D shows the dominant themes and the sample of SMEs’ association on the substantive/symbolic continuum

spectrum of emerging 'themes' developed were, environmental embeddedness, reputation and image, industry differentiator, social engagement, educational facilitator, strategic leadership, accreditation & recognition, supply chain transparency, ethical issues, economic balance, employee buy-in, legal compliance, and additional measurement.

5.1. Environmental Embeddedness Theme

Some businesses were offering a caring attitude to legitimise 'doing their bit'. This could be associated with moral legitimacy, whereby it "...rests not on judgments about whether a given activity benefits the evaluator, but rather on judgments about whether the activity is the 'right thing to do'", and "it reflects beliefs about whether the activity effectively promotes societal welfare..." Suchman (1995, p. 579). Thus, interview *IV01* engaged with 'doing their bit' for society and sought SEP legitimacy via a 'close' relationship of client and owner; ultimately gaining legitimacy with support from within the community i.e. via their clients (Kim et al., 2014), filtered through advertising, via leaflet drops, for example. This way of doing business resembles the personal and direct contact between SMEs and the customer (Fuller & Tian, 2006).

"...we can have LED lighting fitted, we have used eco-wallpaper; we have looked for products that are environmentally friendly [...] We do quite a lot of recycling so we use our hair waste that gets sent to the local allotments and they compost that and then we recycle our foil waste." "...a lot of waste is just diverted to landfill whereas there are options to do different things with them and I just think it is that responsibility, it is not trying to change the world, it's just kind of trying to do your little bit." IV01.

From the discussion with *IV01*, their actions of adopting environmentally friendly products throughout their business and engaging in local community waste disposal ideas, demonstrated an evaluation of moral procedural legitimacy; by which one embraces socially accepted techniques and procedures; in other words, what environmentally conscious owners and clients come to expect. There is clearly a promotional element of societal welfare and indicates an extension beyond 'hollow symbolic gestures', Suchman (1995). Thus, *IV01* indicates that it is making solid statements and actions towards legitimising their SEPs, however; cessation of such a cause may have no *impact* on the business. Thus, communicating their "'sound practices' ... [it] serve[s] to demonstrate that the organisation's making a good-faith effort to achieve valued, albeit invisible ends" (Suchman, 1995). In so much that *IV01*'s pursuance may go unnoticed to those that simply want a service for an affordable price, and

therefore no real change in their business processes. Nevertheless, there is some agreement with Scott et al. (2000) that social acceptability and credibility is needed if businesses are to survive in their social environment.

IV01's practices fall within the ceremonial conformity symbolic legitimation category, having a visible and salient association with their customers, via their eco-styled fixtures and waste disposal scheme. Thus, conforming to the social values and expectations of their clients while leaving the under core of the business intact (Ashforth & Gibbs, 1990), that of a hair salon. Their communication visibility generates from both an internal (informal direct verbal communication), and external perspective, (notably via their website, social media, leaflet drops and media outlets).

By contrast, *IV15* undertakes transparent audit trails and specific target, monitoring and measuring of their environmental impacts.

"...we are now zero waste to landfill. Everything that leaves our site goes to be either created into renewable energy or converted into something else. It wasn't enough for me to just be told that, these waste companies coming in picking our cardboard, polythene up etc. I make sure that even to this day that everyone who collects waste, show me a full paper trail of where it goes to because anyone can come to your site and collect it [...] so they all have to provide me with certificates of where it leaves the UK, where it goes to and ultimately the company that it ends up with, it could be China, it could be India, it could be anywhere. They then have to send me documentation of how they have used that material to turn it into a new product. For example, the plastic that leaves our site gets shipped over to China, it ends up in a company and they actually make plastic garden furniture. I have got a full trail from the supply chain from the waste leaving site to where it finishes up and how it gets used." IV15.

"We want to be, (we call it twenty-five by twenty five), generating twenty five percent of our own energy that is used on site, by the year 2025. So solar panels, wind power etc. Whatever we can get in to we are going to get in to, we are investing and getting into..." IV15.⁷

The detail audit trail and future environmental commitment shows that it is embedded as part of their business; a material change in their processes (Ashforth & Gibbs 1990), whilst maintaining the performance expectations of its constituents whom it is reliant for business, i.e. role performance (Ashforth & Gibbs 1990). There is consultancy between parties, (Day and Woodward 2004), to allow transparency of waste to be traced, resulting in information to be

⁷ *IV15's* representative was their procurement manager, who was very experienced, knowledgeable, honest and very accommodating. He spoke with an air of environmental authority, which stems from the environmental embeddedness culture that *IV15* adopt.

This confidence and experience no doubt stems from their European recognition, educational leader projection, drive for continuous improvements and their meticulous value chain validation.

disseminated accordingly. This positivity is also expressed via their 2025 vision, highlighting their strength and commitment in gaining (conforming to demands) and maintaining (policing their legitimacy) their legitimacy (Suchman, 1995).

There is a communication link between SME, waste distributor and waste user, resulting in an audit trail that satisfies and compounds their genuine zero landfill policy. For this to transpire there must be structured communications and dialogue between all three parties. This substantive similarity draws upon the ‘structured communication’ and ‘regular meetings with employees,’ that was deemed as a substantive act by Day and Woodward (2004).

Being responsible by monitoring energy use against costs of the business could be seen as seeking pragmatic dispositional legitimacy of its own workforce, where the SMEs are personified as morally responsible actors (i.e., via attempting to reduce their environmental output). In essence, an injection of investment into a specific policy ends with cost savings for the business (i.e., a type of exchange).

5.2. Reputation and Image Theme

An analysis of the interviews drew upon some SEPs that go beyond simply symbolic gestures to express their legitimation, and show a strong substantive claim. These substantive legitimacy dynamics all stem from the position of role performance (Ashforth & Gibbs, 1990). *IV02* illustrates a substantive legitimation claim that depicts the interlocking relationship of charitable giving with enhancing reputation, brand image, and stakeholder satisfaction (Brown & Dacin, 1997; Berens et al., 2004). This ultimately assists in new business opportunity; *IV02* showing a clear commitment, positive impact and influence, agreeing with Ashforth and Gibb (1990), which culminates in a possible competitive position (Litz, 1996).

The type of legitimacy could be conferred from two perspectives here. First, those of pragmatic dispositional legitimacy, whereby audiences act as though the SME were an individual, depicting a certain style and personality; a business that threads charitable giving through the core of its business. The constituents of *IV02* are thus likely to confer legitimacy that has ‘our best interests at heart’ and ‘share values such as trust, honesty and decency’ (Suchman, 1995), in line with the strategic charitable associations. Second, there is an overlap with moral consequence legitimacy via an evaluation of outputs and consequences (Suchman, 1995). SMEs will be judged on what they actually accomplish; the focus on charitable giving (breast cancer) capturing the hearts of new clients, who may also believe ‘it is the right thing to do’. This SEP strategy can be seen as added value to their overall image in the eyes of both

commercial and institutional stakeholders, and thus agreeing with Battaglia and Frey (2014). The interview with IV02 could also be viewed as a strategic elevation of value and wealth creation (Fraj- Andrés et al., 2012). Thus, the associated charity branding makes a fundamental difference.

"The big thing about [IV02] is the brand and we work really hard and that brand has followed into the charity work that we have done, quite a lot actually. In fact most people that you speak to in Huddersfield and Kirklees know about [IV02]. A lot of people know about the charity work as well that [we] do...I think if you haven't got them you are just another transport company, [...] it's difficult to make you stand out or look any different. I just think we are very proud of what we have achieved to be honest, I think very few transport companies of our size could say that they have done as much as we have," IV02.

IV02 highlights that they want to stand out and differentiate themselves via their corporate identity (synonymous with brand image) (Knox & Bickerton 2003); simultaneously seeking that competitive advantage (Ackerman, 1984; Simpson et al., 2004). They have embedded a role performance substantive strategy (Dowling & Pfeffer 1975), into their business, as the SME has adapted its methods of operation (strategic plan) and has now shown to infer that there is at least a rationale expression as to their substantive behaviour (Day & Woodward 2004).

"People like to deal with companies that are giving something back [...] we are always trying to get new business and that goes down really well with perspective companies as opposed to using a company that doesn't do any CSR...Our brand has helped massively I think being pink [Cancer awareness]."

"...we have a strategic plan for the twelve months and we do that either via the website and then E Newsletters on a monthly basis and then we have a printed newsletter which goes out to a whole variety of existing customers and potential customers and basically around the area. We do a lot of support down at the Stadium and it gets round there as well and anywhere else that we feel might be appropriate", IV02.

This has some similarities to Day and Woodward's (2004) level of 'intent' via disclosure compliance; or even signalling an improvement in performance as was the case in Rodrigue et al., (2013), even though it was from an environmental perspective, as opposed to no meaningful changes. The extensive compliance from Day and Woodward (2004), exemplified the importance of (i) 'consultation', which IV02 do in terms of having a strategic plan of action with their branding and charitable giving combination. There is also evidence of (ii) 'involvement' of their staff and local stakeholders in conveying their charitable message via their business; and (iii) the 'awareness' of such a strategic cornerstone of their business is well known throughout the local community. This also adheres to Ashforth and Gibbs' (1990)

substantive role performance criteria, especially the embeddedness of charity work, the influence and impact *IV02*'s image and branding has on such a social element; besides a moral concern, the opportunity of new business.

Further pragmatic legitimacy combinations occur in the interview of *IV08*. Here, their image and impact on reputation is fundamental to legitimise their product, in a very competitive fashion market. The substantive level of role performance legitimation here is signalled by impression management, albeit symbolically associated with Rodrigue et al. (2013); and Berrone et al. (2009); they also offer pragmatic exchange legitimacy (Suchman 1995). The embedded nature and substantive commitment illuminate through the company's literature (communicated via their brochures), whereby a pictorial representation of their factory, overseas partnerships and products, illustrates the level of manufacturing effort and ethical dynamics the company embodies; evidence of a strategic implementation into their business, Day & Woodward, (2004). *IV08* ultimately needs to reach the expectations of important clients, which it depends on their customs (Ashforth & Gibbs, 1998).

"...pictures speak volumes and some of our customers when they are buying, if they are an IV08 or a 'talented' customer, [IV08 is where we make things under a private label] so they are manufactured to a brand. It could be a school, it could be a big label, we have some big names, The British Museum, Lush, Liberty of London, River Island, Macy's they are all big brands Jimmy Chu is up there and sometimes they will also want to communicate to their customer base about where their products are being made. They want to show their green credentials, they want to show that they are being socially conscious and conscientious too, so if we have imagery which they can utilise then that's good for them too and their marketing campaign, so again that's good for spreading the message."

This type of legitimacy is a good example of an 'exchange' (pragmatic exchange legitimacy) between SME and client (their immediate audience) and sub-clients. *IV08*'s clients can examine their behaviour via their brochures (imagery and dialogue) for their own self-interests (Suchman, 1995). The practical consequence for them is purchasing a sustainable bag from the SME that is considered trendy and has with it the desirable environmental, social and ethical package that society can associate with. Thus, it adheres to Lindblom's (1994) strategy of influencing the external stakeholder's expectations about its business.

IV08 has evidenced a visual approach, in part, to help gain legitimacy from their immediate stakeholders via the impression management techniques of self-promotion (Ogden & Clark, 2005; Lu et al., 2017). Using their brochures which depict their work ethic, both at home and abroad, and also with the connections they have with major fashion establishments. This emphasis legitimises both the SMEs SEPs, but can also be used by their major clients

(connection here is noted of the potential supply chain importance). This may be thought of *prima facie*, as a symbolic gesture to form part of the SMEs public image (Neu et al., 1998), which is often peripheral to the organisations primary goals. On the contrary, these ‘visual’ messages come in the form of mini-booklets and collectively spearhead the SEPs and sustainable direction the company is going – being paramount and embedded within the routes of the business, (Day & Woodward 2004).

Making sustainable goods ‘cool’ in a difficult market has attracted buyers in such a way that ‘exchange’ could be simply viewed as business ‘A’ purchasing business ‘B’s product. Thus, top fashion houses confer legitimacy upon *IV08* and signal the quality and reputation of the product whilst they reap the rewards of affordable sustainable goods and an associated bought ‘green’ image. It will also involve a degree of self-enhancing through visual effects, designed to capture the thorough dedication *IV08* has to the SEP cause and their own self-improvements, such as employing the long term unemployed and developing ‘trendy’ sustainable totes bags. It is not just the product itself and the market capitalisation that *IV08* has developed, but the way they enhance their business has had a knock-on effect with major industry players. *IV08* at some point would have had to win acceptance from the likes of ‘Lush’ and ‘Jimmy Chu’ to enhance their validity as (sustainable) practitioners (Suchman, 1995; Ogden & Clark, 2005). Additionally, *IV08* gains legitimacy from their major clients through exemplification, with *IV08*’s dedication on sustainable fashionable quality. This pragmatic manipulation, with an exchange and influence position, is in line with what Suchman (1995) suggests as a speedy way to address stakeholders via advertising their good image. *IV08* may have experienced some external pressure from their clients or simply as their business grew, they acknowledged their stakeholders and increased their brochure disclosures; a similar incident occurring with Soobaroyen and Ntim (2013), in terms of government pressure.

5.3. Industry Differentiator Theme

The substantive level of legitimacy can further be examined from the theme, industry differentiator via third party SEP initiatives. Here, there is evidence from *IV11* that a mix of exchange and influence pragmatic type legitimacy is addressed when businesses promote their practice. Developing specific green teams and focussing on communicating their new initiatives, whilst assisting clients with their environmental impacts are examples thereof. The latter, evidence of what Kechiche and Soparnot (2012) were debating that what a SME does, can influence the behaviour of other SMEs.

The very fact that *IV11* has engaged in forming an additional team within their business to tackle and manage ‘green’ issues, is a fundamental substantive message of gaining (building their reputation in select markets and advertise products and their image) and maintaining legitimacy (making sure they communicate honestly and stockpile trust) (Alrazi et al., 2015; Suchman, 1995). This follows the substantive level of legitimacy, via a degree of consultancy and strategic business implementation, as directed by Day and Woodward (2004). This proactive action subsequently influences legitimacy and sends out a statement to their immediate constituents, as shown by *IV11*.

“With that, we sort of formed a green team, a green committee within the company and we started looking at ourselves in detail. How we can actually have a positive impact on our environmental but also taking that one stage further to our customers.”

“We have just recently added another head count to the marketing team and that is definitely on their agenda because it is something that we need to shout about and keep shouting about to let people know all the different initiatives that we can offer them.”

This renders a strategy of maintaining legitimacy in what Ogden and Clark (2005, p. 329) term as “*sharing benefits with customers*” – passing on savings to clients via their SEP initiatives. This could be considered as anticipatory to clients’ needs, as well as cementing their SEP agenda.

A further example of industry differentiation is that of the substantive legitimization of a 4th dimension sales cog: winning business via an environmental USP. *IV09* operates in a competitive market and legitimises their business practices via a form of pragmatic exchange legitimacy (Suchman, 1995). Motioning their product differentiation in order to win business; seeking support from potential and existing customers to purchase their products because of their environmental credentials, i.e. customers supporting the SMEs ‘environmental policy’, coupled with an expected value (Suchman, 1990), supported by third party verification – goes some way to gaining legitimacy.

“We have got 4000 competitors out there so it is a fiercely competitive market place but very definitely there is nobody out there with our credentials [...] because we can supply anybody [...] basically anybody who sticks their hand up and say’s they are green or who has won an award or raises their profile from a sustainability point of view means that we can be straight on the phone to them saying ok if you are serious about it, you really should be buying from us. Therefore, we do very definitely win business as a result of the strength of our credentials,” IV09.

Thus, reiterated by Battaglia and Frey (2014), where SEP strategies give [SMEs] an opportunity to differentiate their products and service.

“Yes I can see that there would be a risk that the business would drift back to the more traditional model which lacks that USP, that lacks that differentiation because there’d still be responding to customer demands, customers still say price, price, price and the presentation that....Say four thousand competitors all saying price, quality and service, we can all do the same price, we can all do the same quality of product, we can all provide the same level of service. Actually if your business proposition is based on that then actually it is based on your personality but if that’s what you are being asked about then those of you....that’s what the response becomes. If you can actually add the environment as a fourth criteria into that mix then to actually go along and say yes you have the same price, quality and service and reduce the environmental impact as well, why wouldn’t you?” IV09⁸

This is embedded into their business and has an impact through winning custom, but also engaging in some element of dialogue when consulting partners, all of which goes towards a substantive claim (Day & Woodward, 2004; Ashforth & Gibbs, 1990).

5.4. Social Engagement Theme

Although initial analysis of interviews showed symbolic and substantive legitimacy, some interviews suggested that dual legitimacy may be possible. IV08’s Managing Director sought legitimacy via substantive and/or symbolic means, via a mix of pragmatic dispositional legitimacy and/or a more judgmental position of moral procedural or moral structural legitimacy (Suchman, 1995). The issue here, according to Suchman (1995) and highlighted by Soobaroyen and Ntim (2013), is that there is no specific target audience in the case of moral legitimacy for legitimacy to be placed upon. First, IV08 could be seen as gaining legitimacy via their social strategy, i.e., their ‘community savour endeavours’, recruiting the long term unemployed and providing them with a fair wage and job security (Ashforth & Gibbs, 1990). Here, expressing the performance expectations of the employees to which it depends on for critical resources, i.e., efficient labour (substantive level). Alternatively, it can be viewed as an expression of their caring nature mixed with their own economic strategy; a form of ceremonial conformity (symbolic level). Thus, offering a symbolic message that is visible, and is

⁸ IV09’s sustainable development officer is the catalyst and main driver of all things S&E that underpins their ethos. Very relaxed, authoritative and knowledgeable, he advocates their fully integrated strategy throughout the business and is pivotal to their success: from supply chain facilitators to knowledge transfer agents; which both embrace their charitable direction and their environmental and sustainable commercial reality.

considered consistent with the threshold of societal expectations (Day & Woodward, 2004), that is to say, offering jobs, whilst the business operations are in effect not altered (Ashforth & Gibbs, 1990).

Hence, following a procedural moral legitimacy position, one can be seen as adopting socially acceptable techniques (Suchman, 1995) (i.e., a company may communicate details of their social programme on how it is implemented to gain social acceptance in the absence of whether these activities have actually been effective - are they good at their job?) Alternatively, they may simply be part of a larger collective social and environmental package that portray a more structural form of moral legitimacy – because the organisation reflects intrinsic features that are worthy of support (i.e., employer has a dedicated strategy to assist the long term unemployed – viewed by society as morally just). *IV08*'s Managing Director, strategically addresses legitimacy and works to secure this via specific audiences (pragmatic), internal workforce, direct customers and larger organisations (Mobus, 2005). Advertising the fact that *IV08* admirably focusses on the long term unemployed (regardless of their fair wage), could be viewed as a symbolic social statement of caring intent, but in the long term will not affect the ethical or sustainable underpinning of *IV08*s product development.

“...we also engage in employing the long term unemployed and take on apprentices so there is a social component there too. We also have a charity team here, a social team here; we are very good at making sure we are very active in the business community through lots of different ways and means...we developed a business that turns over £2 million and employs 27 people, that in itself is an impact that has an impact on all these people's lives here in Sheffield that have now got a job, a lot of the guys in production, all of them have been long term unemployed.” IV08.

Such social actions of employing long term unemployed people (i.e., non-economic actions), assisting the disadvantaged (Kim et al., 2014), helps businesses gain legitimacy and support from stakeholders. They go on to suggest, via Berry et al. (1997), that creating social, as well as economic profits, they enhance their sustainable marketplace performance – evident as being the first SME totes bag to hit the fashion catwalks of Paris and London. This social element may well play a collective part for larger organisations to exploit their SEPs to their clients (as an overall package), as well as the image of ‘fashionable’ sustainable product.

A further example of substantive practice to explain management's pragmatic exchange and influence legitimacy strategies is embedded via community representation driving legitimacy through a traditional environmental product.

“I think that they enjoy the fact that they are actually the representatives and surveyors of something which is good” IV06⁹ “...the way that it is done and the way that it has evolved I think it has had a very positive impact on the local community” – it is somewhere they can identify with”. IV06 go on to say that, “...sometimes it feels like a bit of a community centre, the number of people that come to meet here, to discuss things, to put up various events that are happening locally.”

There is a strong representation of substantive commitment by the owners that see’s this environmental business as a local hub of social interaction. Thus, IV06 has gained its legitimacy via the inclusion of constituents, i.e. co-opting constituents and recruiting friendly co-optees that make the business thrive. The local community clearly show their support of this local business, which has embedded a traditional edge attracting repeat and new business, where constituents see it as their ‘touch of environmental heaven’. This in itself conforms to Ashforth and Gibbs’ (1990) position, that legitimacy after a while is taken for granted. Their environmental difference and traditional methods has captured a regular niche audience and with their support, enclaves longevity in their business. As such, customers get a reasonably priced product and their substantive action relies on regular custom for survival (Ashforth & Gibbs, 1990).

The reputation that IV06 is developing is embedded with the business, and the community are playing a large part in shaping and supporting the socially responsible behavioural culture (Fuller & Tian, 2006, p. 295). *“They act responsibly because their legitimacy with immediate stakeholders; employees, customers, suppliers and their ‘local’ community is at stake in a far more direct and personal way”.*

Even though IV06 has gained legitimacy by following a particular regime (i.e., that of producing cider in a traditional method), and which attracts local stakeholders, this pragmatic stance has met the needs and tastes of their audience (Suchman, 1995). They just need to make sure that this is sustained. Therefore, there is a clear message for IV06 to survive and maintain legitimacy, as it is still faced with issues (Suchman, 1995) of competition from larger manufacturers. It is imperative therefore, for the SME to make sure that they meet the needs of an ever changing constituent. If the stakeholders continue to buy into the product, then there is

⁹ The owner of IV06 goes back to traditional methods of cider production. He comes across as a progressive opportunist, self-driven with strong ethical and environmental principles. Very much a hands-on person; educated and passionate about his business and what it stands for. What key S&E strands that is portrayed is that of local differentiation, social well-being and environmental developers; but above all it is that loyal community strength, whereby the community constituents are both representatives and surveyors of his business.

no reason why legitimacy will not continue to be inferred upon the SME by stock piling this trust via stakeholder goodwill and support (Suchman, 1995; Pfeffer, 1981).

5.5. Educational Facilitators Theme

A further example of dual legitimacy also addresses one of Lindblom's (1994) strategies of seeking legitimation, that of educating and informing relevant publics about changes in their activities. This process can be symbolic in nature, via ceremonial conformity, where the SME holds visible 'conferences,' discussing salient practices that are consistent with social expectations (Ashforth & Gibbs, 1990). Meyer and Rowan (1977) uses the example of following certain practices, such as attendance taking in schools, but states that this does not really affect the technology of teaching. Similarly, SMEs may discuss social and environmental issues for some form of benefits, but nothing will affect the social and/or environmental running of the business.

Legitimacy type forms a pragmatic influence here, as simply a means of expressing know-how and hoping that other businesses engage with similar or best practice (and thus not affecting the business, or simply just labelling the business as a legitimate fountain of knowledge). In essence, the firm is seeking to offer no assurances that best practices have been carried forward. Though, a substantive level of legitimacy (Ashforth & Gibbs, 1990), via a pragmatic exchange legitimacy (Suchman, 1995), for example, could be viewed via repayment. This could be adopted, if it is seen as a continuous cycle; other businesses are requesting their presence, and employees beginning to feedback their understanding of SEPs, both at home and at work. In essence, a tool used to win business and gain closer business relations. Thus, this process of increased communication will no doubt extenuate the SEP position of the SME (Nielsen & Thomsen, 2009). An internal stakeholder substantive example from IV09, is one of a new environmental structure embedded within their induction programmes; a new change in organisational process (Ashforth & Gibbs, 1990).

"Educating staff with regard to what we were doing environmentally, what we were going to be doing, so that is now incorporated within the induction programme, everybody joining the firm gets a half a day with me as the Sustainable Development Director which therefore you are watching things like an inconvenient tree and essentially getting through to them saying to them this is what we are doing to the planet, this is what we as a company are doing about it and this is what is expected of you as an individual within the company," IV09.

Clearly, there is embeddedness of their SEP position, what the company is doing and what is expected of the employee, suggesting that this is a continuous process. However, if these are not maintained or monitored (in terms of the business's expectations), then there is a risk that substantive educational facilitation may well succumb to simple symbolism. The symbolic feed forward of gaining internal employee's legitimacy here as a means of forwarding the moral message and turning SEPs into practice at home, may be difficult to instil or monitor.

"If I can educate them at the start, if people have got the knowledge, then they can take that home with them and therefore it won't only be influencing how they operate and how they work here within the company it will also influence how they behave at home and indeed in the pub and their own circle of friends, so therefore we as a business can make a bigger difference by taking the time to actually educate people,"

"I think the pressures within society absolutely with materialism and consumerism and so on, works against maintaining those values and needs to be a change of understating, hence the emphasis on education and actually trying to get people at a young age to actually understand and just stop and think, actually is there a better way," IV09.

Reaching their relevant publics at such an early stage and in the way depicted above, stresses the personalistic and direct way emphasised by Fuller and Tian (2006). When reflecting on their environmental impact (partly drawn from the uptake and difficulties in gaining ISO14001 status), IV12 split their rationale of being 'educational facilitators' by withholding knowledge from competitors, but driving the environmental impact through to customers as a potential route for winning and sustaining business. The substantive practice (Ashforth & Gibbs, 1990), of educating constituents as a material process is evident from IV12's position in that they educate their customers on their environmental impact reductions and feed that forward. This positive effect helps maintain client loyalty. In essence, if client loyalty is maintained and the company wins business then this would qualify as a substantive level of legitimacy within IV12's SEP strategy.

"...we could get that knowledge and pass that knowledge and transfer it with customers to help them achieve that but we wanted then to differentiate ourselves with a lot of our competitors and that was the driving force really was for us to be different and for us to have the confidence to go to customers and say we can actually reduce your impact on the environment because we have done it, it is tried and tested, let's pass that on to you," IV12.

With this attribute, IV12 attracts a great deal of additional business. They explain how and why (Soobaroyen & Ntim, 2013; Ashforth & Gibbs, 1990) SEPs will benefit businesses. Incorporating first hand evidence of environmental savings on IV12's own business, triggers interested parties to follow suit. As IV12 will educate businesses on this via training, this

example proves that the way you use your knowledge, as stipulated in Stevens et al. (2005), with their extent of using ethical codes, could be translated as a substantive legitimacy claim.

“I have in the last year added into the induction pack for new starters an environmental awareness briefing. When new starters come they have a full health and safety, they have the HR, they have a company brief which is an overview from the Managing Director of the business, why it is here and what it does. They have a technical brief because the majority of people haven’t worked in textiles before so they don’t know what a ‘warp’ and a ‘wref’ are, so we go back to basics and then we have an environmental brief which talks about all the aspects and impacts working and the site and what they can personally do to improve performance going forward.” IV12.

6. Conclusion

This paper is the first of its kind to bring together SMEs’ legitimation techniques based on a number of emerging themes, rationalising ‘why’ SMEs engage in SEPs. Support is given via in-depth semi-structured interviews that show the flexible nature of Ashforth and Gibbs’ (1990), Suchman’s (1995) substantive and symbolic strategies that SMEs adopt and the level of legitimation was also guided by Day and Woodward’s (2004) legitimation definitional clarity. It shows what types of legitimacy is encountered by SMEs, such as a pragmatic and/or moral path; whilst evidencing the dual nature of the substantive-symbolic continuum. A summary of this paper’s findings is as follows. The emerging themes for engaging in SEPs go beyond ‘social engagement’ affiliations. The paper drew upon, specifically that of ‘environmental embeddedness’, ‘reputation and image’, ‘educational facilitators’, ‘social engagement’, and ‘industry differentiation’; which were considered an important cog within the SMEs overall strategy and proved pivotal in pushing the business forward. Notably, SMEs as ‘educational facilitators’ use their SEP influence to teach how it should be done, and to whomever would benefit, even among their competitors. Alternatively, some SMEs have sought to become ‘industry differentiators’ with the uptake of SEPs, becoming an employer of choice and/or a business that puts them one step ahead of the competition. Conversely, SMEs can see the advantages of SEP engagement, even as a potential for new business opportunities to emerge.

Evidence has emerged that indicates that some SMEs’ underlying rationales when claiming substantive legitimacy can range from attracting new business, breaking business barriers down when they have been dominated by large business’s, enhancing and exploiting their image and reputation for corporate gain, differentiating their business, and educating clients (feed forward). Even when SEPs are considered to be symbolic, they still show that

SMEs have a genuine attempt to engage in the process and show commitment to ‘doing their bit’. But SEPs can also be considered more than just a symbolic gesture.

Legitimation strategies via a substantive or symbolic method do not always happen in such singularity. Dual consideration shows SME examples that could tilt towards both ends of the spectrum. Evidence is taken from ‘educational facilitators.’ This latter example for instance can express forwarding SEP knowledge to internal staff, on a yearly or ad-hoc basis which could be considered as a symbolic gesture. But can also offer educational insights to fellow practitioners, even competitors as to their SEP programmes as a means of spreading the word and encouraging further SMEs to engage with SEPs.

Firstly, from an academic point of view the paper makes several new contributions to the extant SME literature. Legitimacy theory adds to the theoretical debate that examines the relationship between SMEs and SEPs, offering new insights that attempt to extend the relationship between SMEs and SEPs. It also demonstrates how the substantive-symbolic legitimation theoretical dichotomy may be applied with SMEs. The application of legitimacy theory within SMEs’ SEPs has never been attempted before and thus, this paper contributes to legitimacy theory itself in the following ways: (i) it shows that legitimacy is flexible in its interpretation and application, for example, applying strategic organisational legitimacy theory to a SME/SEP context, as opposed to an organisation’s institutional position; (ii) as a means of investigating SEPs and reporting practices of SMEs, it has allowed this to develop via interview dialogue alone; (iii) it also contributes to legitimacy theory in a symbolic context. The theory allows moral and pragmatic legitimacy types to develop, with the dominant legitimacy position of ceremonial conformity and a variety of situations where gaining legitimacy is found; (iv) legitimacy theory is also associated in a substantive SME context, adding to the diversity of disposition and exchange pragmatism, which solely utilises the legitimation position of role performance; and (v) there is also evidence that SMEs employ a combination of substantive and symbolic strategies in their SEPs, which contribute to the environmental position of SMEs, but also the impact of engaging in social activities as being equally or more important to some SMEs. This paper also responds to the call for an increase in empirical research in the SME area.

Although this paper is important as it highlights the legitimisation drivers of social and environmental behaviours among UK SMEs, it suffers from a number of limitations, including (i) focusing on SMEs in Yorkshire region; (ii) using a relatively small sample of interviews; (iii) adopting legitimacy theory; and (iv) focusing on the UK context. Therefore, there are

several potential avenues for future research within the SME spectrum. First, there is a shortage of studies that examine UK SMEs on both a social and environmental scale. Therefore, research could branch further to undertake a larger scale cross country qualitative SME study, even segmenting this further into sector and SME size specifics. This may improve the understanding of the SEP dynamics of a different and targeted spread of SMEs.

Second, this paper examined the combination of legitimation techniques with the theoretical arms of legitimacy in an SME context. Further studies can study the legitimation techniques of substantive and symbolic practices in isolation, and/or with reference to any written SEP information from policy documents to website literature, supported by interviews. Website research on its own could warrant a web-based content and layout review to target external communication. Third, this paper took the opportunity to embrace an alternative theoretical position to identify SMEs commitment to social and or environmental practices. Alternative studies can embrace further theoretical avenues to advance understanding the SME-SEP relationships, which go beyond a social and symbolic capital or idiosyncrasy schematics. Thus, further theoretical adoption, such as a stakeholder approach may be incorporated into future papers in terms of a promotional angle to extend the advantages of SEPs that businesses can engage in.

Finally, and as this paper was based in the UK, it would be interesting to know what other overseas SMEs engage in and how they legitimise their SEPs. There are collections of 'exemplar' SMEs supplied by the EU and other socially and environmentally aware bodies, but these are the exception and further overseas country-wide specific research can be done.

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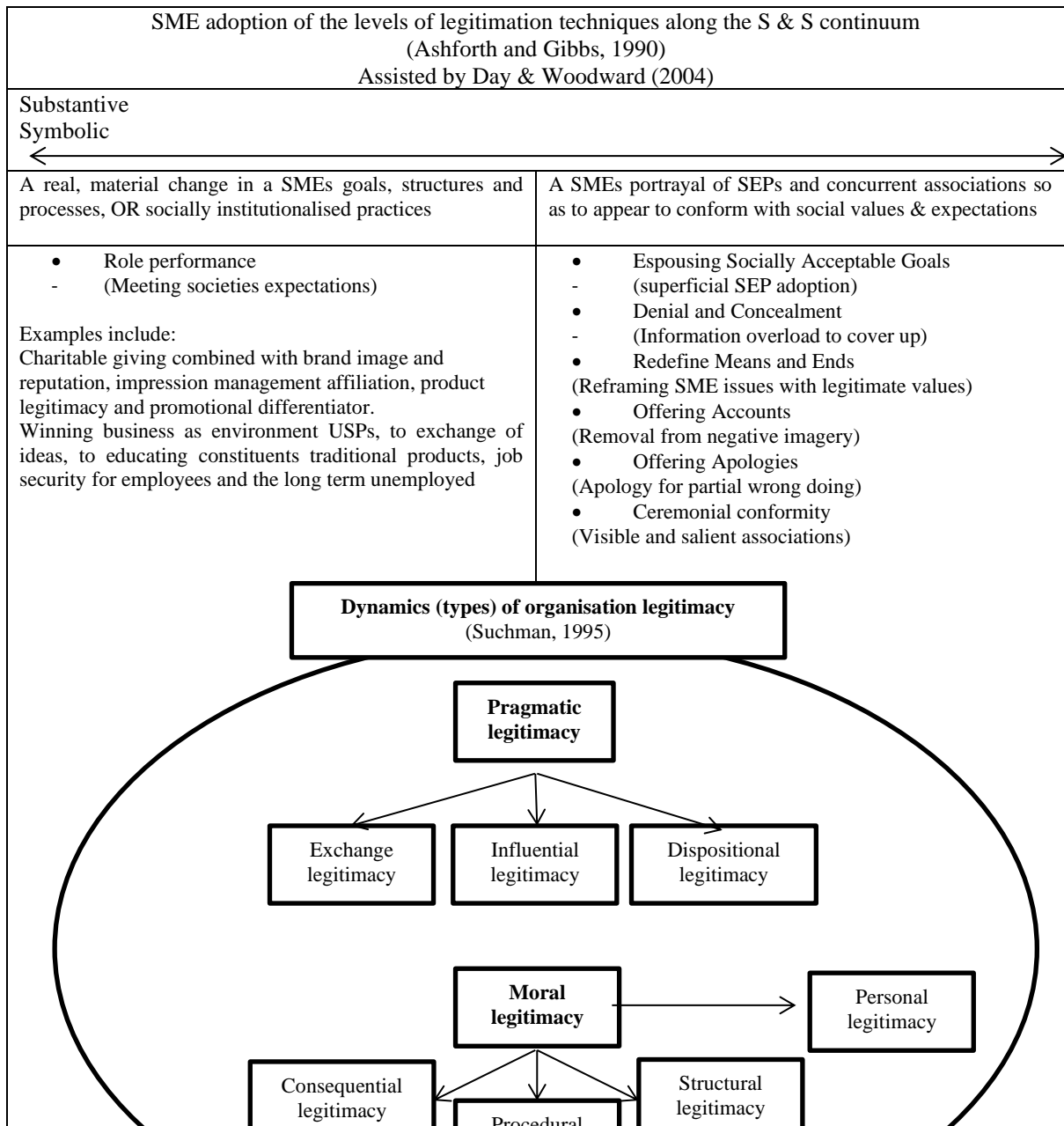


Figure 1: The interlocking nature of SME legitimation techniques and dynamics of legitimacy

Appendix A: Social, environmental, sustainable & ethical practices per business type and size

Employees 2 - 10				
IV01 Hair Salon (2)	IV04 Retail (4)	IV06 Manufacturer/Distributor (cider) (5)	IV10 Textiles (8)	
Hair & foil waste recycled & sent to local allotments to compost	All paper / fabric products recycled	Natural resource usage/traditional manufacturing practices (environmental / ethical perspective – no pesticides/ sulphite free)	80% internal water recycling, monitored by Yorkshire Water	
Sustainable lighting & eco-wallpaper used	Sustainable energy used	Local community engagement: community events / enhanced well being	Chemical monitoring / automatic dispensing	
Ad-hoc charitable giving via Forget-me-not trust/& raffled haircuts	Fair trade product incorporation	Local charity events	Employee wellbeing / apprenticeship schemes / Textiles Group staff training camp	
Employees 11 - 50				
IV07 Ethical fashion/organic producers (12)	IV02: Pallet distribution (48)	IV08: Manufacturing (27)	IV09: Distribution (office Equipment) (48)	IV13: Manufacturing (20)
Environmental / organic principles & animal welfare	Everything recycled including large amounts of cardboard	Sustainability: re-usable cotton bags / sustainable print factory	Recycling segregation	Recycling segregation
Traditional production methods (no natural dyes used)	Operational environmental efficiency: full capacity distribution	Fair Trade tea and coffee	Sustainable Guest lectures	Environmental waste disposal
Local community engagement: school presentations	Adhere to sustainable vehicle legislation	Ethical manufacturing	Employee welfare & employer of choice	Local school engagement
Ethical trading: traceability	Charitable work via sports connection	Ethical & ecological: partnership with certified factories in India	Charitable trust: Set up a charity EU omissions trading scheme Sponsoring award winning sustainable schools / Eden project	Employee well-being 'measure happiness value of employees'
	Investment training: Drivers Initiative scheme (certified 5 year training programme)	Employee welfare: employee long term unemployed / apprenticeship schemes		

Employees 51 - 100

IV15: Manufacturing (Food) (51)

Recycling scheme: on site segregation (divert from landfill): plastic, tin, metal, paper, cardboard, polythene

Food waste management sent to bio mass power plant & in-house packaging reduction. (Zero waste to landfill)

Sustainable awareness campaigns within the community & feed forward: supplier education

Energy management (reduction of 40%): LED lighting & efficient compressors

Local charity association seen as an 'add-on'

PSIV02: Wholesaler (Meat Product) (50+)

Recycle all large items / re-use shredded paper for livestock – zero landfill

Energy management control due to new sustainable building

Water management: use of own artesian well / bottle banks on site

Donations locally

Employee welfare: hardship fund

IV14: Manufacturing (Catering) (60)

One charity p/year
Local school affiliation

Recycle: waste paper/cardboard

Environmentally compliant: environmental audit used

Energy management: Full electricity 'switch off' every day

PSIV01: Timber merchants (60+)

Sustainable purchasing (FSE certified)

Waste management

Energy management: moved from kerosene to biomass (renewable heat)

IV11: Office Supplies (72)

Environmental audit & Ethical supply chain audit (supplier improvements)

Delivery schedule reduction: client carbon emission reduction

Recycle: internal best practice / re-usable packaging (Box for Life scheme)

Charity days / sponsorships (ad hoc)

Internal activities: car sharing

PSIV05: Manufacturers (95)

Reduce energy consumption by a set % of turnover

Waste management

Recycle PCs to charitable organisation

Employee welfare: Professional development

Turn lights off, shut windows, turn heating down

Employees 101 - 250

IV12: Textiles (106)

Reuse / recycle approach
Water reduction / heat reduction in drying process

Waste management / pollution Prevention (ISO14001)
Legislative adherence

Environmental management system: re-use / chemical reduction/alternative materials

Local charitable giving

Employee welfare: 80% local recruitment

IV03: Landscape Contractor (120)

Mobile phones: charity, segregation facilities: plastic pots (Recycle into furniture & decking), batteries, grass, tetra packs, toner cartridges

Waste management: re-use via composting; Timber goes to Drax power station (burn in mass boilers)

Energy management: LED lighting, solar panels, re-use roof water for plant/tree nursery

Fundraising & donations to schools, employ local

PSIV03: Manufacturing (146)

90/95% Recycle & segregate all materials via Roy Castle Trust (Zero Land Fill)

Energy management: monitor gas, electric & water consumption

Waste management system: Monitoring scrap wastage (ISO14001)

Employee welfare: in-house training programmes

Charitable giving
Apprentice Pre-Management group

PSIV04: Solicitors (160)

Recycling paper, ink cartridges

Standard office energy management: turn of lights, PCs each day

People, environment & community:
Voluntary charity work days

IV05: Engineering (Machinists) (200)

Recycling wherever possible (nothing to landfill)

Waste management segregation

Energy management monitoring
ISO14001 driven

Staff well-being: H&S priority 'personalistic organisation'
Work experience programme

Charitable giving

Appendix B: Interview Questions

	Interview question order
1	What types of social and/or environmental activities does your business engage with?
2	Do you consider a heavier weighting towards the environmental or social side or are they considered equal?
3	How does the company communicate your social and/or environmental messages internally and externally?
4	Do you believe your coverage to be adequate and translucent, and if not, why not? If yes, please state your reasons
5	Why does the company engage in and communicate social and/or environmental undertakings?
6	What impact do you or have you achieved from your social and/or environmental practices
7	What message do you wish to convey and to whom?
8	Do you consider your social and/or environmental undertakings to be strategic or institutional?
9	Are your social and/or environmental practices considered a long term commitment or a short term intention?
10	What influences or pressures have been induced when deciding to practice social and/or environmental activities?
11	How important are social and/or environmental practices to your business and wider community? And is there a need to sustain a certain level of commitment?

Appendix C: Anonymised sample and interviewee classifications

Interview code ¹⁰	Business sector	Business type	Size ¹¹	Position held ¹²¹³	SEP experience	Sex, age ¹⁴ , ethnicity
PSIV01	Timber merchants/forestry	Ltd (family business)	60+	Environmental Co-ordinator	None	F, English
PSIV02	Wholesale: meat products	Ltd (family business)	50+	Partner	None	M, English
PSIV03	Manufacturers	Ltd (family business)	146	H&S, QA and Environmental Manager	None	M, English
PSIV04	Solicitors	Limited Liability Partnership	160	Director of Marketing	'Some' ¹⁵	F, English
PSIV05	Manufacturers	Ltd	95	Environmental & Quality Manager	None	M, English
IV01	Hair Salon	Partnership	2	Co-owner	None	F, 33, English
IV02	Logistics	Ltd	48	Sales/Commercial Director	None	F, 50, English
IV03	Landscape Contractor	Ltd	120	Commercial Manager	'Not really'	F, 51, English
IV04	Fashion retailer	Ltd	3	Owner	None	F, 56, English
IV05	Engineering	Ltd	200	Head of Compliance	None	M, 55, English
IV06	Manufacture & Distributor	Ltd	5	Owner	'Some'	M, 47, English
IV07	Fashion	Ltd	12	Managing Director	Organic box schemes	F, 53, English
IV08	Sustainable manufacturer/Retail	Ltd	27	CEO	None	F, 51, English
IV09	Distribution	Ltd	48	Sustainable Dev'tment Director	Member of FEMA	M, 51, English
IV10	Textiles	Ltd	8	Managing director	None	M, 61, English
IV11	Office suppliers	Ltd	72	Sales Director	Sustainability Forum	F, 44, English
IV12	Textiles	Ltd	106	HR Manager	ISO14001 experience	F, 52, English
IV13	Manufacturing	Ltd	20	ISO/ Improvements Manager	None	M, 69 English
IV14	Catering supplies	Ltd	60	Managing Director	None	F, 40, English
IV15	Food manufacturer	Ltd	51	Procurement Manager	None	M, 48, English

¹⁰ Code abbreviation example: *PSIV01* Pilot study interview 1; *IV01* Interview 1.

¹¹ Number of employees correct at the time of interview.

¹² All interviewees were upper level management and were the key personnel 'in control' of all SEPs.

¹³ Column abbreviations - H&S: Health & Safety; QA: Quality Assurance; CEO: Chief Executive Officer; HR: Human Resources; ISO: International Organisation for Standardisation (ISO 14001 Environmental Management Systems Standard)

¹⁴ All *PSIV*'s did not disclose their age.

¹⁵ Two interviewee's declared that they had 'some' knowledge/awareness of SEPs from previous employment in larger businesses.

Appendix D: Theme analysis split on the legitimization continuum

