





This is an electronic reprint of the original article. This reprint may differ from the original in pagination and typographic detail.

Author(s): Ritvala, Tiina & Salmi, Asta

Title: Network mobilizers and target firms: The case of saving the Baltic Sea

- Year: 2011
- Version: Post print

Please cite the original version:

Ritvala, Tiina & Salmi, Asta. 2011. Network mobilizers and target firms: The case of saving the Baltic Sea. Industrial Marketing Management. Volume 40, Issue 6. 887-898. ISSN 0019-8501 (printed). DOI: 10.1016/j.indmarman.2011.06.023

Rights:© 2011 Elsevier BV. This is the post print version of the following article: Ritvala, Tiina & Salmi, Asta. 2011.
Network mobilizers and target firms: The case of saving the Baltic Sea. Industrial Marketing Management.
Volume 40, Issue 6. 887-898. ISSN 0019-8501 (printed). DOI: 10.1016/j.indmarman.2011.06.023, which has
been published in final form at http://www.sciencedirect.com/science/article/pii/S0019850111000824

All material supplied via Aaltodoc is protected by copyright and other intellectual property rights, and duplication or sale of all or part of any of the repository collections is not permitted, except that material may be duplicated by you for your research use or educational purposes in electronic or print form. You must obtain permission for any other use. Electronic or print copies may not be offered, whether for sale or otherwise to anyone who is not an authorised user.

Network mobilizers and target firms: The case of saving the Baltic Sea

Abstract

This paper examines why and how firms participate in issue networks that aim at solving contemporary complex problems. We build mainly on network and stakeholder literatures to understand mobilization from a relational perspective. Drawing on a single embedded case study of four initiatives to save the Baltic Sea, we build a multilevel model for firm participation in issue networks. Besides discovering diverse motivational factors, the model sheds light on the interaction between individual, organization, and network levels factors explaining mobilization. We argue that there is high theoretical, managerial, and societal relevance for studying the dynamics of issue networks – a topic which could be better incorporated in the research agenda of business network scholars.

Key words: mobilization, issue networks, stakeholders, Baltic Sea

1. Introduction

Society is facing a dramatic increase of complex and urgent issues. Such issues may be numerous, but seen from an organizational perspective, they are developments, events, or trends that potentially have an impact on the organization (Dutton, Fahey, & Narayanan, 1983). The complexity of issue solving creates increasing demands for theory advancement in the area of cross-sector cooperation. Environmental issues, for instance, are increasingly being raised, addressed, and tackled by a multitude of different actors. These concerns and activities have led to the emergence of "modern environmental networkers" (Ritvala & Salmi, 2010). These environmental non-governmental organizations (NGOs) take action by bringing together different actors from the highest policy makers to individuals at the grass roots level with the aim of solving environmental problems. A major contribution of modern environmental networkers has been their capability to address and engage a new important stakeholder group to participate in environmental work, namely, business firms. Without contributions from firms we are unlikely to be able to solve today's big issues.

Finding solutions to contemporary issues and engaging different types of actors call for mobilization efforts. We define mobilization as a dynamic process of engaging actors on broad fronts to tackle a common issue. Several authors within the industrial networks research tradition have addressed network mobilization, primarily in the business context (Araujo & Brito, 1998; Brito, 2001; Lundgren, 1992; Mouzas & Naudé, 2007). Unlike these accounts, we investigate business firms as targets of mobilization activities in areas that often lie outside their business focus, and see why and how the companies may be activated to join the common efforts. The research question we aim to answer is: *What are the responses and motives of target firms to participate in issue solving*? Thus far, this has been a little researched area, and

yet, given the fundamental issues of today, there is a pressing need to understand the linkages between socio-political and business networks (Welch & Wilkinson, 2004; Hadjikhani & Thilenius, 2009).

Our empirical case study investigates network activities around the poor state of the Baltic Sea. The Baltic Sea is an ecologically unique and fragile ecosystem with shallow bays, which makes it highly sensitive to the environmental impacts of human activities. The Baltic Sea is the most studied and protected, yet among the most polluted seas in the world (Helsinki Commission, 2010). Solutions to its environmental problems call for networking among different actors across borders. In our case, many actors, including governments and environmental non-governmental organizations (NGOs) such as WWF (World Wide Fund for Nature) have worked on the protection of the Baltic Sea for more than 30 years. Alongside these traditional players, new types of actors (private foundations with political and business connections) try to tackle the issue with new ways by mobilizing actors on broad fronts to join the efforts. For concrete rescue results, it is increasingly important to activate also business firms.

This paper addresses a major societal issue, and in so doing, starts to fill a significant gap in our theoretical understanding of the mobilization of business actors to issue networks. Our major theoretical framing comes from network (particularly on business networks) and stakeholder literatures. By studying different actors involved in the issue network we expand the focus of stakeholder theory beyond bilateral relationships (Zietsma & Winn, 2008) and acknowledge the connections between relationships. Business network scholars take the dyadic relationships as a unit of analysis but are simultaneously concerned with the embeddedness of this dyad in a wider network of interdependencies (Granovetter, 1985; Anderson, Håkansson, & Johanson, 1994). To date, studies of mobilization within industrial networks as well as

stakeholder literatures tend to concentrate on the side of the mobilizer (Araujo & Brito, 1998; Brito, 2001; Mouzas & Naudé, 2007; Ritvala & Salmi, 2009; 2010), while the perspective of the targets of mobilization efforts has received little attention. We also apply ideas from the issue identification and issue selling literature (Dutton & Ashford, 1993; Bansal, 2003) in trying to understand why managers 'buy' a specific issue from a myriad of issues. Our key theoretical contribution is a multilevel model for firm participation in issue networks, where we bridge between our empirical findings and mobilization literature. The model shows the complex interaction between individual, organizational, and network level attributes, motives, and processes in explaining firm mobilization to issue networks.

The paper is structured as follows. Our conceptual discussion starts with the concept of issue networks, and then investigates the stakeholder and network literatures. On this basis we build an analytical framework for mobilization setting and tactics. After describing our research strategy and methods, we discuss the finding of our empirical case study. We conclude with theoretical and managerial implications and suggest new avenues for future research.

2. Theoretical basis: stakeholder mobilization and networking in issue solving

We analyze issue networks that emerge around the issue of the poor state of the Baltic Sea. Dahan, Doh and Guay (2006) define an issue network as a loose, issue-based coalition of a large number of actors with asymmetrical resources and power, who argue about policy options, values, and norms in order to induce change through collective action. From a target firm's perspective, an issue is a development, event, or trend perceived as potentially having an impact on the organization (Dutton et al., 1983). The issue network is a temporary network in which contacts fluctuate in frequency and intensity depending on the issue lifecycle. This definition shows the importance of having both several actors and heterogeneous resources for solving common issues, and, points to the dynamics related to issue networks – they are by their very nature temporary. Our perspective to issue networks, while based on this definition, pays more attention to the relationships between the actors. We therefore aim to understand both conceptually and empirically both sides of the relationship – the mobilizer and the target firm. Further, because it is virtually impossible to study entire issue networks, our analysis will concentrate on subsets of the overall network, on "issue-based nets" (Brito, 1999, p. 92). An issue-based net is a net of relationships amongst actors who are concerned with a particular issue through mutual or conflicting interests (ibid.). In order to understand better how issue networks are, or may be, mobilized, we look both at stakeholder theory (to investigate how a mobilizer may act towards its stakeholders, i.e. target organizations) and at network theory (to investigate the connectedness of different stakeholders).

2.1.Stakeholder approach

Stakeholder theory has become fashionable among management scholars, organizational theorists and political scientists alike in trying to understand how managers deal with moral and normative issues increasingly present in their operating environments. A quarter of a century ago, Freeman (1984) argued that firms must consider not only the requirements of their shareholders but also those of a broad range of stakeholders, who can affect or are affected by the achievement of the firm's objectives. The theory assumes that managers are aware of stakeholder interests and can prioritize among them based on the stakeholders' power, legitimacy, and urgency; i.e. "the degree to which stakeholder claims call for immediate attention" (Mitchell, Agle & Wood, 1997, p. 865). Stakeholders are typically classified as

primary stakeholders (e.g. owners, employees, customers, and suppliers), and secondary stakeholders (e.g. NGOs, special interest groups, and media).

Given that secondary stakeholders are not in direct transaction with firms, firms are not believed to be dependent for their survival on secondary stakeholders (Clarkson, 1995). Not surprisingly then, the literature to date focuses mostly on firms reacting and responding to their primary stakeholders and much less attention has been placed on understanding how secondary stakeholders are able to influence firms (de Bakker & den Hond, 2008; Eesley & Lenox, 2006; Reid & Toffel, 2009).

Secondary stakeholders are often seen in a rather negative light, as homogeneous groups guided by predominately rational pursuit of their stake-defined interests (de Bakker & den Hond, 2008). Social movement theory inherently deals with the relationship between interests and group action, and is increasingly combined with stakeholder theory in order to understand how collective inaction (Olson, 1965) may be overcome through mobilization of a broad range of stakeholders (Frooman, 2010; King, 2008; de Hond & de Bakker, 2007; Rowley & Moldoveanu, 2003). Collective inaction is a by-product of free-rider incentives where freeriders obtain the same benefits as those of active participants who incur the costs (Rowley & Moldoveanu, 2003; Olson, 1965). Collective inaction tends to characterize collective goods such as water, air, and soil, resulting in severe issues, such as pollution of the Baltic Sea.

Social movement scholars argue that three key factors contribute to collective action: framing processes, corporate and industry opportunities, and mobilizing structures (McAdam, McCarthy, & Zald, 1996; King, 2008). Framing is the choice of particular words to formulate a problem or solution (Kahneman & Tversky, 1984) and involves the strategic use of shared

meanings and definitions to invoke a sense of responsibility to a cause (Benford & Snow, 2000). The role of shared meanings, such as common stories and collective identity, is emphasized by scholars studying framing processes in collective action (King, 2008). Major changes in company leadership or increased competition within an industry are examples of corporate and industry opportunities that increase collective action. Finally, mobilizing structures are formal organizations and interpersonal networks through which people mobilize and engage in collective action (King, 2008). Such formal and informal networks connect likeminded individuals (sharing opinions, beliefs and interests) and may even influence collective and personal identity.

Rowley and Moldoveanu (2003) challenge the pure rational actor view of stakeholder action, and argue that an interest-based explanation does not adequately explain the variation of stakeholder group behaviors. For instance, we see very different types of behavior by environmental groups: Greenpeace promotes radical solutions while WWF relies more on cooperative action (see also Holzer, 2008). Rowley and Moldoveanu (2003) argue that interests do not easily translate into action, but critical for stakeholder group mobilization is a desire to express an identity. The power of identity, i.e. a set of logically connected propositions that a person uses to describe him or herself to oneself or others, is argued to be a key driver of mobilization. Corresponding to an individual's choice of joining in a particular movement to reflect his/her identities, organizations also behold and nurture their distinctive identities by participating in selected initiatives. Such participation may influence both organizational identity (internal perception) and the organization's image (outside perception) (Dutton and Dukerich, 1991). However, the question of how and why firms are mobilized to participate in issue networks still remains. We argue that by integrating ideas from network theories we may better understand firm mobilization and how sustained mobilization is reflected in broader networks. Indeed, there is a need to move beyond the analysis of dyadic relationships between an individual stakeholder and a focal organization, to broader networks of relationships (Rowley & Moldoveanu, 2003; Zietsma & Winn, 2008; Wilson, Bunn & Savage, 2010).

2.2.Network approach

Marwell, Oliver and Prahl (1988) argued that collective action happens when a critical mass of interested and resourceful actors coordinate their efforts. The authors suggest that collective action is often produced by actions that originate with one or few people who plan a campaign and purposely seeks to draw others into it (Marwell et al., 1988). Bringing together diverse actors necessitates network centrality, which is argued to be crucial for stakeholder mobilization (Rowey & Moldoveanu, 2003) and for non-market strategies (Mahon et al, 2004). Network centrality refers to an actor's position in a network relative to others (Freeman, 1979). While it has been widely agreed that pre-existing social ties are important for collective action, the findings of Marwell and colleagues (1988) showed the powerful effects of concentrating the mobilization efforts selectively to those individuals whose contributions seem likely to be largest. But how can such key contributors be identified and mobilized?

Research on actor attributes in social networks investigates how the characteristics of actors, such as attitudes and opinions, co-vary depending on relationships and network positions (Mahon et al., 2004). It is well established in the literature that similarity breeds connection between actors. Homophily is the principle that contacts between similar people are more likely than among dissimilar people. Lazarsfeld and Merton (1954) distinguished two types of homophily: status homophily – in which similarity is based on informal, formal, or ascribed status – and value homophily, which is based on values, attitudes, and beliefs (McPherson,

Smith-Lovin, & Cook, 2001). In the context of voluntary organizations, the similarity of status has been found to drive interpersonal tie formation (McPherson & Smith-Lovin, 1987). Homophily also relates to structural network positions: people who are more structurally similar to one another are more likely to have interpersonal communication and compare themselves and their opinions (McPherson et al, 2001). Besides homophily, interpersonal tie formation is biased towards individuals with a reputation for being competent, and towards individuals with whom they have had strong working relationships in the past (Hinds et al., 2000).

While social networks studies provide visualizations of the network structures, they tend to neglect deeper contextualization of network mobilizers and target firms. With regard to the mobilization of business actors into issue networks, we need to understand the features and dynamics of long term business relationships between actors and the governance structures of business interaction (Brito, 2001; Mouzas & Naudé, 2007). In mobilization of business partners, it is not only actors, but also the interrelationships between actors, resources, and activities that are involved (Håkansson & Snehota, 1995). Actors with heterogeneous resources may control the activities that are needed to combine the resources in a new way. To reach other actors and resources, network mobilizers may resort to their personal contacts. Each individual has his/her personal contact network, which is based on his/her personal history, family, friends, education, and earlier tasks in various firms and organizations. This network, labelled 'the relationship sediment' by Agndal and Axelsson (2002), provides a basis for interaction, and may be used for working on the emerging issue.

According to business network scholars, mobilization goes beyond dyadic relationships and interactions (Brito, 2001; Mouzas & Naudé, 2007). Araujo and Brito (1998) stress the role of multilevel games that a small number of actors play in order to mobilise collective action and

change power positions within networks. Mouzas and Naudé (2007) are the first industrial network scholars to explicitly discuss the underlying processes of network mobilisation. Their model of the network mobilizer articulates network mobilisation, a sequence of five interdependent phases, as organisational challenges: network insight, business propositions, deal, social contract, and sustained mobilization (Mouzas & Naudé, 2007). While the model recognises that these challenges (arising from attempts to either increase internal operating efficiency or to find new business opportunities) are affected by macro-level externalities, it lacks the capability to discuss how societal level changes, such as those promoted by different stakeholders, affect firms' operations and opportunity identification. In contrast, the study on social partnership as a means to increase highway safety by Wilson et al. (2010), took a common issue as a starting point of analysis. This is similar in spirit to our research. Their findings highlight the role of politics, leadership, trust, cooperation, and communications for successful social partnerships between for-profit and non-profit organizations. While their study provides insights on partnership development and relationship dynamics within a stakeholder network of a single project, our study concentrates on the development of broader issue networks composed of multiple separate projects.

Surprisingly, little research has been conducted on the interaction between firms and NGOs within industrial networks. An exception is the study of mobilization attempts by NGOs who act as environmental networkers (Ritvala & Salmi, 2010). The study pointed at three key aspects of mobilization around environmental issues: personal commitment and face giving by network mobilizers; relationship sediments between network mobilizers and target organizations; and finally, a shared value base that "glues" individuals with heterogeneous backgrounds (ibid.). However, since the study primary focused on the activities of the network mobilizers (Mouzas & Naudé, 2007) little insights were gained when it comes to the firms'

motives for joining issue networks. Our study aims to start filling the gap in research concerning firm mobilization and opportunity building around pressing societal issues. It follows that the unit of analysis must be extended from the interaction and features of individuals into the organizational analysis level.

If we are to understand better the mobilization of firms to engage in activities that are outside their day-to-day business activities, it becomes crucial to understand how issues are sold to the management. In other words, why do firms decide to participate in solving particular issues from the countless number of different issues? Based on the literature on issue identification and issue selling, Bansal (2003) argued that besides individual concerns, organizational values influence whether an organization responds to an issue. If the issue is consistent with organizational values, it is labelled as strategic and will appear on the organization's agenda (ibid.). This facilitates organizational response and participation in issue networks. Therefore, it is important that issue sellers or issue sponsors (Dutton et al., 1993) are able to label their issues as strategically important (Dutton & Ashford, 1993). While helpful for understanding issue framing, this stream of literature is limited in that it focuses only on issue selling to top management by middle management, within the organization. In the present study, we are interested in mobilization dynamics at the interface between firms and their external stakeholders.

2.3.Analytic framework

Our empirical study aims to understand why and how different stakeholders of the issue of a clean Baltic Sea become mobilized to join an emerging issue network. Conceptually, we build on earlier studies on stakeholder mobilization (Rowley & Moldoveanu, 2003; King, 2008) and

environmental networkers (Ritvala & Salmi, 2010), and extend these views by also covering the targets of mobilization. In particular, we focus on business firms as participants in environmental issue networks.

For the purposes of analysis we distinguish three phases in the mobilization process. Phase 0 demarks the time prior to the mobilization efforts when a severe issue starts to emerge. In Phase 1 some actors, the environmental networkers in our case, start acting on the issue and mobilizing issue stakeholders. This is followed by Phase 2, in which the target organizations join in the issue networks and joint efforts of tackling the issue commence. These phases are illustrated in Figure 1, and briefly discussed next.

Figure 1 around here

Phase 0: A new issue emerges

Our framework starts with the situation wherein an urgent issue emerges and the need for joint efforts to find solutions and overcome collective inaction is acknowledged. Contemporary severe issues, such as environmental pollution, tend to be multi-sectoral and multi-level phenomena. It follows that their solving necessitates the mobilization of diverse types of actors: from governmental to business and civil society, and all types of interest groups and media. Roloff (2008) calls these networks – in which actors from civil society, business and governmental institutions come together – multi-stakeholder networks. Gradually an 'issue space' evolves, which is characterized by ambiguity and lack of coordination between activities and which involves different actors around the issue. While primary to the issue, these actors are typically – from the business perspective – secondary stakeholders to the business firms. When trying to tackle complex issues actors from previously unrelated industries need to

interact, often at the interface between established industries. But for this to happen, someone needs to take the role of a network mobilizer. This leads to the starting phase of mobilization.

Phase 1: Initiatives and mobilization tactics

The task of a network mobilizer is to overcome collective inaction and bridge between dispersed actors. To understand the catalysing acts of the mobilizer, we refer to the conceptual model of value-based network mobilization proposed by Ritvala and Salmi (2010). This model shows the importance of the mobilizing actors, values, and relationship sediments in creating issue networks. Thus, we see that the following tactics are used: the mobilizer may firstly, rely on the relationship sediments and previous contacts across industries, and secondly, refer to the similarities in status and values with the representatives of the target organization. Furthermore, it is fruitful to frame the issue in a catchy way and appeal to the sense of responsibility of the target. Finally, foreseeable business benefits contribute to the mobilization of business actors.

While the mobilization model (Ritvala & Salmi, 2010) shows the mobilization tactics, it still focuses on the issue network mobilizers, and fails to show how the process continues when it comes to the mobilization targets. We thus need to develop the ideas further to cover the phase of becoming mobilized.

Phase 2: Mobilization outcomes

Our focus in this paper is on the phase where the target organizations become involved in issue networks and start acting on the mobilization. While, in practice, the second phase cannot be separated from the previous one, the analytic perspective is different here – we aim to answer why and how firms would act on the initiatives. The expected strongest motivations to join are

new business opportunities, and that those companies 'close to the issue' are more likely to participate. This is shown by their different distances to the issue in the figure. In addition, potential ensuing new connections between different business nets are illustrated. Building on this setting, we investigate the motivations in more depth in order to understand firm participation in issue networks.

3. Research context and methodology

We subscribe to an abductive research approach with a creative and iterative process of matching between empirical fieldwork and theoretical framework (Dubois & Gadde, 2002; Lundberg, 2000). In practice, we started with a pressing and badly understood real-life phenomenon and matched this with the existing theoretical understanding of mobilization of issue networks. The framework presented in Figure 1 forms the backdrop for our discussion of the empirical case. The aim of the empirical case study is to find plausible explanations for firms' participation in issue networks.

We chose to use a single in-depth case study approach because it is well suited to understanding the sentiments of actors and complex interaction processes that are embedded in time (Woodside & Wilson, 2003; Quintens & Matthyssens, 2009). Single cases are often used to extend existing theories and to build new theories (Dyer & Wilkins, 1991; Siggelkow, 2007) and are commonly used to study network dynamics (Easton, 1995; Halinen & Törnroos, 2005). A focus on a specific case is also valuable for our understanding of how collective action emerges in a historical and cultural context (King, 2008). Next, we discuss the research context, our case study, and the analysis in more detail.

3.1. Context

Our empirical case is the issue network to "save" the Baltic Sea. We selected this particular case because it represents a contemporary pressing issue the solving of which requires the mobilization of new types of networks across borders. This context provides us with a fruitful setting to study network mobilization around a common issue, and enables us to make new theoretical insights on the mobilization mechanisms and motives of firms to participate in these efforts. The case was selected based on theoretical sampling (Patton, 2002), and also because it touched us on a personal level (Dutton and Dukerich, 2006). Due to the high public interest on the issue, it is well documented in the scientific and popular press, which made data collection feasible.

Our case has four embedded units of analysis (issue-based nets) consisting of four distinctive initiatives to protect the Baltic Sea. Each initiative provides us with rich contextual data, which permits a closer look at the motives of the target firms to participate in issue solving. The first initiative is Operation Mermaid, launched by WWF Finland in 2001. This is a culmination of WWF's protection work of the Baltic Sea that had already started in the early 1970s. The other three initiatives are organized by new types of actors involved in solving the environmental issues of the Sea. First, we investigate the pioneering work carried out by a private foundation (John Nurminen Foundation) in removing phosphorous from the wastewater in St. Petersburg (in cooperation with Vodokanal, which is a municipality-owned, and one of the largest and most modern waterworks in Russia). Second, we look at the organizing of the Baltic Sea Action Summit in Helsinki in February 2010 by the Baltic Sea Action Group. The summit brought together heads of state, ministers, and business and civil society leaders from eleven countries

around the Baltic Sea to announce their commitments to save the sea. Third, we explore the Baltic Sea Challenge campaign launched by the cities of Helsinki and Turku in Finland, which aims to mobilize different actors around the Baltic Sea in order to build concrete action plans to protect the sea. We studied these four initiatives from their inception until March 2011.

3.2.Data

The main source of data for each initiative was in-depth interviews, which were supplemented with initiative-related documentation. For each initiative, interviews were conducted both with organizers of the initiatives (NGOs acting as network mobilizers) and with participating firms. Altogether, we conducted 26 in-depth interviews with 35 people in Helsinki, Tallinn, Riga, and Stockholm between February 2009 and February 2011 in order to discover the motivations for joining the initiatives, mobilization activities, and relationship dynamics. The 15 firm interviews accounted for 55 % of all interviews. While in some cases the firms' business was closely related to the pollution of the Baltic Sea, in most of the cases the business linkage to the sea was only indirect (see Table 1.). Most of the interviews were conducted in Finland (three in Estonia and one in Sweden) with representatives of Finnish firms (two firms were headquartered in Estonia and two in the U.S.). In addition to the companies, we interviewed representatives of private foundations and other NGOs (in total seven organizations; ten people) and cities and public bodies (four organizations; six people). We use mainly data from a dyadic perspective (mobilizer – target firm), but also explore broader network influences of mobilization.

Table 1 around here

Two different interview protocols were used depending on whether the respondent(s) represented a network mobilizer or a target firm of the mobilization efforts. The key interview themes were, depending on the respondent's perspective, the following: the motivations for targeting an organization/participating in the Baltic Sea initiative(s), communication within the initiative(s), actors, activities and resources involved, and outcomes (business, environmental, and social, as well as network outcomes). The interviews lasted between one and a half, and two hours, and all interviews were digitally recorded. Both researchers were present at most of the interviews, which contributed to a rich dialog between the data, concepts, and researcher perceptions when conducting the analysis.

Additionally, as a background material, we used 28 webcasts from the Baltic Sea Action Summit organized by BSAG in Helsinki in February 2010¹. The webcasts broadened our view, as they show how different types of actors from different positions and across countries present themselves and their intentions to tackle the issue. Such audio-visual records are seldom used within industrial marketing research despite their potential to provide a richer representation of reality (Borghini, Carù, & Cova, 2010).

Secondary sources of material include web page information (e.g. initiatives and signatories), documents (e.g. e-mail letters and seminar presentations of the initiatives, stakeholder magazines of companies, international and national journal articles), and participant observations at public events organized in connection with the Baltic Sea Action Summit²³.

¹ Webcasts from the Baltic Sea Action Summit held in February 10 2010 in the Finlandia Hall, Helsinki <u>http://formin.finland.fi/multimedia/bsas/videos/Morning_Plenary.html</u> <u>http://formin.finland.fi/multimedia/bsas/videos/Afternoon_Plenary.html</u>

³ http://www.helsinki.fi/henvi/tutkimus/BSAS.htm

3.3.Data analysis

Given the complex research setting (emerging issue-based nets) our data analysis consisted of a number of iterative steps. In the first phase, we developed short narratives for each initiative where we produced chronologies of key events and analyzed how the NGO in question attempted to mobilize the target firms. As a second step, based on deep immersion with the data (interview transcripts and documents), we identified and listed various motivations for firms to participate in each initiative. After within initiative analysis, we carried out crossinitiative analysis for common motivations. Through a number of discussion and iterations, we found five key themes of motivations (see Table 2). In order to increase methodological trustworthiness of the study (Healy & Perry, 2000) we report illustrative interview quotations in the table below and in the discussion of results.

Table 2 about here

As a third step of data analysis, we started to develop a multilevel (individual, organizational, network) model that explains why target firms participate in the Baltic Sea initiatives. We applied the literature reviewed before as a backdrop to the empirical analysis and found that individual, organizational, and network levels interacted and were tightly coupled to the industrial context where the firm operated. Based on these high level categories we built a theoretical model (Miles & Huberman, 1994; Ryan & Bernard, 2002) for firm participation in issue networks. We present the results of the case study below.

4. Four initiatives to save the Baltic Sea

Before the actual analysis we provide a synopsis of the four initiatives in order to direct greater attention to the embedded context within which interaction and network mobilization occurs (Anderson, Håkansson & Johanson, 1994).

4.1.Operation Mermaid by WWF Finland

Operation Mermaid, initiated by WWF Finland, is a part of WWF's global marine conservation efforts. WWF Finland was established in 1972 and since then has been involved in the protection of the Baltic Sea. WWF's Baltic Sea office at Stockholm coordinates the joint Baltic Sea strategy, which is implemented nationally. In 2001, WWF Finland started Operation Mermaid, which aims at combating eutrophication, oil spill prevention, improving marine safety, and protecting endangered species, as well as promoting sustainable fishing. In addition to concrete environmental projects, WWF actively participates in social dialogue and influencing decision-makers both nationally and internationally. This involves, for instance, national and international advocacy work with organizations such as the International Maritime Organization (IMO) and Helsinki Commission (HELCOM), as well as awareness-raising at the grassroots level. For instance, WWF initiated and had a key role in getting through the PSSA (Particularly Sensitive Sea Area)⁴ status for the Baltic Sea (with the exception of Russian waters).

⁴ PSSAs are areas of the seas and oceans that need special protection through action by IMO because of their ecological, economic, cultural or scientific significance and their vulnerability to harmful impacts from shipping activities (WWF, 2003).

Concerning corporate partnerships, the WWF, with operations in all continents involving around 100 countries, is able to collaborate with key global players. Examples of such global collaboration are cooperation with Procter & Gamble in the area of phosphate-free detergents and with the Coca-Cola Company in protecting freshwater resources around the world (Senge et al., 2008). The study participants at WWF Finland describe that the key operating principle of WWF is cooperation and a solution-centric approach, meaning that if a flaw is raised, a possible solution is also suggested. Operation Mermaid has company sponsors, while a major part of funding is received from civil society, which makes it distinct from the other initiatives we studied.

4.2. Phosphorous removal from urban wastewater by John Nurminen Foundation

The John Nurminen Foundation (JNF) has its roots in the John Nurminen family company, which started as a trading house and shipping company in Rauma, Finland in 1886. The foundation was established in 1992 with the aim of preserving the sea history collection compiled during its history. In 2004 a project called the Clean Baltic Sea was started on the initiative of the Chairman of Board Juha Nurminen, a fourth generation entrepreneur and dedicated fosterer of maritime culture and the environment. The project concentrates on the reduction of eutrophication and enhancement of tanker safety.

The foundation follows the principle of allocating concrete activities where best results can be achieved with the lowest cost: the tradition of a rule of thumb of the business corporations, which became the key target of the mobilization attempts. This approach was well received by its target audience as the following quote reflects: "I became familiar with the John Nurminen Foundation's operations in the Baltic Sea region for the first time seven years ago when we at Nokia were considering environmental projects that we could start supporting. The criteria set by the foundation for its operations impressed us. They felt like those of our own: focus on achieving the best possible impact on the environment quickly and in a costefficient and measurable manner. Action rather than talk." - Board Member of the John Nurminen Foundation, previous Executive Vice President, Corporate Relations and Responsibility of Nokia Corporation

As a result, in 2005 the first target of the initiative was identified: chemical phosphorus removal from the three biggest wastewater treatment plants in St. Petersburg would cut phosphorus emissions by up to 70 percent, corresponding to 27 percent of the phosphorous load that potentially promotes algae in the Gulf of Finland⁵. The ongoing project is a joint project with the water utility of the City of St. Petersburg – Vodokanal. The initiative and related construction projects have mobilized a broad network of actors in the construction and water chemistry industries among others. Establishing a relationship of mutual trust with CEO Felix V. Karmazinov of Vodokanal has been significant for the projects' success. Successful mobilization of high-level political decision makers to support the project, the President of Finland and the Governor of St. Petersburg in particular, has played a key role.

4.3.Baltic Sea Challenge by the cities of Helsinki and Turku

In June 2007, two Finnish coastal cities, Helsinki and Turku, entered into a commitment to improve the state of the Baltic Sea by challenging over 700 actors including cities and city networks around the Baltic Sea. The idea was that this positive competition between the two cities would bode well both for the sea and for the attractiveness of the cities. The signatories

⁵ http://www.puhdasitameri.fi/en/clean_baltic_sea_stpetersburg.html

of the initiative drafted their own action plans, whereby they listed concrete actions to improve the state of the Baltic Sea. In 2009, one hundred of the largest Finnish companies were challenged to join in. By early 2011, over 170 actors had signed the challenge. One of our interviewees stressed that this project has both high "signal value" and concrete value for bringing these issues forward in various fields of administration.

The impulse for the initiative came from the two city mayors who had brainstormed this idea and then engaged their city administrations and related networks. One of the key measures of the two cities' own action plans concerns wastewater from shipping. In 2008, in cooperation with the Port of Helsinki and Helsinki Water, the ferry companies were challenged to discharge their wastewaters at ports into the city sewer system without a separate charge. Extending the challenge to the whole Baltic Sea region has been difficult, due to the economic downturn and different institutional contexts.

4.4.Bringing together policy and business by Baltic Sea Action Group

The Baltic Sea Action Group (BSAG) was registered in March 2008 by three individuals, all with a background in JNF. While the founders' relevant experience and social networks could be capitalized to create a 'spill-over effect' (de Bakker & den Hond, 2008, p.12) on how to mobilize actors to protect the Baltic Sea, their approach was distinctive from that of JNF. Rather than concentrating on individual projects and fund raising, the foundation catalyzes a variety of projects, which are expected to benefit both the actors involved (e.g. firms and NGOs), as well as the Baltic Sea.

In spring 2009, the Baltic Sea Action Summit (BSAS) initiative, a platform for heads of state, companies, NGOs, and individual citizens to protect the Baltic Sea through concrete actions, was launched together by Finland's President and Prime Minister. The initiative called for a new type of moral and collaboration between public, private, and civil sectors to save the sea. All participants of the summit, which took place in February 2010 in Helsinki, formulated a commitment to actions that best 'marry their interests with their abilities'. The idea is that all commitments (over 170 originating from all the nine coastal countries and the U.S., Belarussia, the Netherlands, Belgium, France, Norway) are publicly visible⁶, and that this transparency makes public screening possible. In their Internet page (http://en.bsag.fi/) the founders claim that their novel concept has the potential to be "the dominant design for saving the sea and other nature values in the future". They further describe their operating model as a "social innovation" with "targeted actions by positive interdependencies in a social context". However, the idea of turning good intensions into concrete actions originates largely from the USA, where individuals with high media visibility, such as Al Gore and Bill Clinton, have been active.

5. Results: Explaining firms' participation in issue networks

In this section we aim to answer our research question: What are the responses and motives of target firms to participate in issue solving?

5.1. Value-based and image-based mobilization

⁶ http://www.bsas.fi/commitments/all-commitments

Our findings extend and complement the value-based mobilization model previously proposed (Ritvala & Salmi, 2010) by focusing on the target firms of mobilization efforts. While firm interviewees occasionally stressed the strong importance of shared values and emotional bonds to the sea, more frequently a picture of image-based or revenue-based mobilization emerged. This finding is hardly surprising given the financial pressures on firms. Our interviewees were, however, certainly aware of the strong emotional bonds of the network mobilizers to the sea. One of our interviewees explained: *"all these gentlemen [behind the initiatives] are yachtsmen at least, meaning that they have experienced this sea quite deeply"*. All our interviewees agreed that the health of the Baltic Sea is of fundamental value, and hence, "politically" an easy topic. This agreement seems to challenge the definition of issue networks, offered by Dahan et al. (2006), as platforms for arguing "right" values.

Interestingly, the value-based motivations of target firms were typically raised in interviews with representatives of firms whose businesses were only indirectly related to the sea, i.e. when participation in the Baltic Sea initiatives was something extra rather than a must. For instance, Associate Principal of a global consulting firm explained to us:

"We were interested to know if there was something we could do as we have people who were enthusiastic about this [saving the Baltic Sea]."

Another interviewee described:

"This single individual was so excited about it, and received so much energy from working for the Baltic Sea, that one could see that it did good for these people [involved in the project]".

For these firms, higher employee satisfaction, and potential recruitment benefits, motivated participation in the initiative. In some other cases, the strong emotional "loading" of the issue was even considered to be amusing among firm representatives: "*Towards the end [of the summit] it became slightly amusing – everybody was 'same believers' – united and in a*

trance". On the other hand, firms whose activities had major environmental consequences, or whose core business was directly linked to the sea, did not refer to value base but rather admitted that their participation in these initiatives was a must: "...for shipping companies it is clear that when we are talking about the health of the Baltic Sea we are the ones really on the sea- visual there" (see also Table 2).

5.1.Receptive individuals and firms

Besides individual (and organizational) values stressing ecological responsibility, continued mobilization in the Baltic Sea initiatives appears to be connected to issue sponsors (Dutton, 1993) within firms who have organizational position with sufficient decision-making power and slack, enabling resource commitments to the initiatives. As explained to us:

"I have a job description, which enables freeness in terms of time allocation and measurements. I've been working on these ideas besides my own job."

These issue sponsors must also be ready to take risk, as described:

"A kind of thinking frame where you calculate beforehand the ROI [return on investment] for this, does not work[...] You cannot possibly make such calculations when there are lots of uncertainties and risk taking. You just need to accept certain amount of uncertainty."

This suggests the criticality of reaching individuals within organizations with suitable positions and mindsets. Network mobilizers have noticed the criticality of targeting selectively high status organizational members (both business and policy makers) who were often reached through network mobilizers' relationship sediments. The results of targeting key policy makers were particularly evident in the Baltic Sea Action Summit, where the highest political actors from all the coastal states were present. Key industry actors in environmental business were also targets of mobilization efforts. An interviewee told us: "It was very important for them [network mobilizer] that we were involved. They were contacted by others who asked why our company was not participating. When they have a firm, which is a credible actor in the field of environment as a commitment maker, it is much easier to go and ask next ones to join."

According to one of our interviewees, network mobilizers were "awfully smart" in targeting the highest decision makers in firms:

"They requested Executive Director level commitment... They didn't want these half-green firm employees who prepared these commitments, but those with influence."

Consequently, our findings largely correspond with earlier findings that collective action benefits from status and value homophily (McPherson et al., 2001). However, our data showed that network mobilizers needed to rise above their own status to get the highest level policy makers involved (heads of states, ministers and city governors). This finding is aligned with earlier research that showed the powerful effect of selectivity, the mobilizer's ability to concentrate organizing efforts on those individuals whose potential contributions are largest (Marwell et al., 1988). Typically, while corporate responsibility departments and corporate communications were in charge of preparing firms' action plans related to Baltic Sea, it was often CEOs who represented the firms towards external stakeholders.

5.2. Acting on the issue framing

Our findings are in line with earlier studies (Lounsbury, Ventresca, & Hirsch, 2003; Ritvala & Salmi, 2010) showing that successful mobilization of firms to issue networks is contingent upon the manner that the issue is framed by the network mobilizers. We found that if the issue and its possible solutions were framed in an interesting but loose manner, firms responded positively, because they could *incorporate the issue into their strategies* and *control needed*

resource commitments. Continued mobilization in issue networks seemed to be even self-

evident for firms whose core business was closely related to the pollution of the sea:

"At the end of the day we have business idea here, and not that it is nice to work for the Baltic Sea as such...Two things comes simultaneously: the state of the Baltic Sea becomes better and we can make business. That is not prohibited here – quite the contrary."

Participant firms often also applauded the potential to invest their own time and competence rather than money to the Baltic Sea initiatives:

"They didn't come to ask for money. If they've asked for money, we would have probably said no. We prefer this form [of initiative] where we can apply our technological capabilities and capacity for innovation."

In many cases, the investment of employees' time and capabilities for the initiatives was possible, while unstable economic situation had forbidden any monetary investments. Surprisingly, however, the most important motivation that our interviewees at firms revealed when we asked about their motivations to join the initiative(s) was their access to new networks previously inaccessible or invisible for them.

5.4 Wider network pictures

Both network mobilizers and target firms stressed that participation in the Baltic Sea initiatives is a way for a firm to reach wider networks beyond the initiatives. Most of the firm representatives we interviewed stressed that their participation in the Baltic Sea initiatives have broadened their understanding of networks relevant for their business. The wider network horizons of target firms included public actors such as authorities as well as private actors providing a basis for building new business. Being part of the network meant membership, inclusion, and perseverance as described by an Estonian Manager: "The main benefit is that we are in the picture. That we are somehow part of the network and you never know... The networks side -I would say really needs time. We sometimes joke that it is the same as a good brandy or good wine - it needs time to mature."

Another interviewee explains that:

"When you get involved in these [initiatives] you start to build new networks, which have been beneficial. I admit this openly. You've met with new people, of course, it's impossible to know beforehand what might emerge from these. But we have benefited from these."

Ongoing screening of possible partners seemed also to be an ongoing process:

"One thing I was thinking about is that given that there a hundred and fifty other projects ongoing, which we haven't yet scanned through, whether we could cooperate on some issues. We know some of these firms, but there might be other possibilities for benefiting from this network."

Overall, we may conclude that the managers' network pictures have broadened as a result of their participation in the Baltic Sea initiatives. These socially constructed sense-making (Weick, 1995) devices that managers use to interpret and act on issues may form a powerful tool for identifying new business. These pictures contribute to finding new business opportunities via organizational learning in the context of the environmental issue, and also establishing them in practice.

The possible network implications go beyond any country borders or sea borders. When it comes to environmental innovations to save the Baltic Sea, their markets are global. This was stressed by our interviewees both on the firm and network mobilizer sides. For instance, WWF possesses a global network of offices, which enables the transfer of good practices around the globe. The interaction between local and global levels was particularly evident on the business side:

"Even though it is said that the Baltic Sea is the dirtiest sea, such dirty regions are elsewhere...Everything that relates to the environment is in, which also brings money and competitiveness. Of course the Baltic Sea is one with a common denominator. But I would like to have a broader view. We are in search of business, new business around the world. "

Environmental issues themselves do not respect any country borders: environmental problems tend to escalate regionally and even globally. This was evident in our case: no actor or country can solve the issue of the poor state of the Baltic Sea alone. This aspect was also raised at the Baltic Sea Action Summit in the speech given by Jorma Ollila, Chairman of Royal Dutch Shell and Nokia:

"Nowadays, every time you are trying to solve a problem on the local level, you need to consider the solution's global effects and — this is for you decision makers — when acting on the global level, you always need to think of the consequences on local circumstances."

5.5. Towards a synthesis: A model for firm participation in issue networks

Our findings suggest a complex interaction between individual, organizational, and network level attributes, motives, and processes in explaining firm mobilization to issue networks. The multilevel model for firm mobilization in issue networks is presented in Figure 2. In accordance with value-based mobilization (Ritvala & Salmi, 2010), individual level values and relationship sediments are often important antecedents for participation in issue networks. Besides individual level attributes, this study further pointed out the role of the individual's assigned organizational roles and responsibilities in terms of their willingness to participate in issue networks. Our findings also suggested that firms' continued mobilization requires that an issue needs to be linked to organizational level values and agenda, as suggested by the issue identification and issue selling literature (Dutton & Ashford, 1993; Bansal, 2003). Such interaction between individual and organizational levels in mobilization is largely missing from the current literature on industrial network mobilization, which focuses on firm level (e.g. Araujo & Brito, 1998; Mouzas & Naude, 2007). The model's third layer is the network level,

which was often found to be the key motivating factor for firms to participate in issue networks. Participation in issue networks broadens network pictures, which in turn may open avenues for strategizing based on new relationships (Håkansson & Ford, 2002). Motivations from each of the three layers (individual, organizational, and network) interact and explain firms' participation in issue networks. The decision to participate and the forms of participation are moderated by three key factors. Most centrally, the closeness of firm's core business to the issue in question seems to explain its willingness to participate in issue networks, indicating a link to organizational level (goals, values and identity/image). Our findings seem to suggest that the more distant the issue is from the core business of the firm, the higher the requirement for personal motivation and a powerful organizational position of the issue sponsor. The size and resources of the firm also influence its decision to participate in issue networks. Finally, the local economic and social political situation influences the perceived urgency of the issue and the pressure for firms to participate in issue networks.

Figure 2 around here

6. Theoretical conclusions

This study was guided by the current need to understand the complexities of mobilizing issue networks. We contribute to the earlier literature on business network mobilization (Araujo & Brito, 1998; Brito, 2001; Lundgren, 1992; Mouzas & Naudé, 2007; Ritvala & Salmi, 2010) by looking at the targets, the mobilized firms, and at issues that lie beyond their usual business focus. Consequently, we are able to show the inter-linkages between business and socio-political networks.

Our approach stresses the opportunities that may be gained through cooperation, so we complement common conflict driven empirical studies within stakeholder literature. Together with Wilson and colleagues (2010) this paper is among the first to combine stakeholder and business network literatures to understand better the broad mobilization of actors to solve contemporary common problems.

Our study confirms the promise of social movement literature with regard to gaining deeper understanding of the mobilization processes in order to solve the problem of collective action (King, 2008). Social movement theory's focus on framing, mobilization structures, and corporate and industry opportunities (McAdam et al., 1996) is valid when trying to understand the mobilization of business actors to participate in collective action. Our results extend and refine these categories by pointing at the importance of positive framing strategies, value homophily in mobilization structures, and the role of global business opportunities (Mouzas & Naudé, 2007) in solving today's big problems. Thus, we respond to the call by de Bakker and den Hond (2008, p. 8) who claimed that "If stakeholder theory is to become a full theory of business–society relationships, it will have to develop a better understanding of processes by which stakeholders may gain and hold influence over firms."

Our study shows that the motivating factors for companies to participate in issue networks include (realized or potential) network benefits, organizational issues (goals, values, and image), as well as individual values and identity. In addition, several mediators contribute to participation. The strategic connection and closeness of the issue to the core business seems to explain the willingness to join in over a shorter or longer term. Other mediators range from the individual level (position and role), to the company level (size and resources), to the broader economic and social political context of business. Looking at the connections of different

relationships in business and societal networks makes it evident that issue mobilization may enhance crossing industry and other boarders. By participating in these new networks the firms create new connections, not only with business partners but also with other types of actors. Participation in the emerging issue-based, multi-stakeholder networks is bound to affect the perceptions of the actors involved. As the initiators are (mostly) external to the existing business networks and often represent new contacts, this broadens the network pictures of firms (Henneberg & Mouzas, 2008; Ford et al., 2002).

Our focus has been on one environmental issue: the poor state of the Baltic Sea, and on the recent initiatives to mobilize firms to solve this problem. This research setting results in some limitations to our study. First, when comes to the firms, we have collected data from firms that participate in at least one of these initiatives. While we have learned about the motivation factors for joining in the initiatives, we do not know about the reasoning of companies who decided not to participate: this forms an interesting avenue for future studies. Second, we have focused on initiatives that were launched relatively recently and some of the developments have only recently started. Our research shows that mobilization studies benefit from rich empirical analysis; a valuable understanding of the developments can be gained by following the developments over time, as mobilization efforts and their visible results takes time. We have provided the first step moving from the mobilizers to the target actors, but only longitudinal studies can explore the concrete network outcomes. Third, the focus on a single geographical context, such as the Baltic Sea, easily downplays the links to broader societal changes, and risks overemphasizing the role of local issues and actors, rather than seeing them as local variants and enactors of globally circulating ideas (Ritvala & Granqvist, 2009). Therefore, future studies could explore firms' motivations and network implications for joining in local versus more global issue networks. All in all, we hope that our insights inspire further research on the interaction between stakeholders, networks, as well as societal and business interests.

7. Managerial implications

The insights gained from this study assist practitioners who deal with environmental – and other societal – concerns and who pursue and integrate market and non-market strategies. The results show that joining broad cross-sectoral networks was seen as beneficial to "securing a place" and cooperation between business and political leaders as well as to bringing concrete new business ideas. The managers that participated in this research raised the issue of the long time horizons needed to nurture (the Baltic Sea) networks and to achieve financial rewards from such activities. Several interviewees stressed that participation in such networks is even a must in the era of hightened environmental concern. It may well be that participation in broader issue networks may even be required for organizational survival (at least in some industries) in the future. Our study illustrates that such concerns have led some firms to address the issue already, ahead of any explicit mobilization efforts.

We have focused on one case – the issue of poor ecological state of the Baltic Sea – but we have chosen it with the intention of reflecting a contemporary pressing problem. Thus, our study contributes to the ongoing public and policy discussion on how to tackle severe issues. The Baltic Sea is in many ways unique, but exemplifies a problem that concerns a variety of actors across borders. In general, concerns around fresh water are increasing, because the world's supply of clean, fresh water is steadily decreasing. Awareness of the importance of preserving water has only recently emerged, but will grow in importance and have global

ramifications. Our study suggests that cooperation around these kinds of issues may provide both public and private benefits, and therefore, deserve managerial attention.

References

- Agndal, H. & Axelsson, B. (2002). Internationalisation of the Firm. The influence of relationship sediments, in *Critical Perspectives on Internationalisation*, V. Havila, M.Forsgren. and H. Håkansson, eds., Elsevier, Netherlands.
- Anderson, J., Håkansson, H., & Johanson, J. (1994). Dyadic Business Relationships Within a Business Network Context. *Journal of Marketing*, 58 (October), 1-15.
- Araujo, L. & Brito, C. (1998). Agency and Constitutional Ordering in Networks. International Studies of Management and Organization, 27 (4), 22-46.
- Bansal, P. (2003). From issues to actions: The importance of individual concerns and organizational values in responding to natural environmental issues, *Organization Science*, 14(5), 510-527.
- Benford, R. & Snow, D. (2000). Framing processes and social movements: An overview and assessment. *Annual Review of Sociology*, 26, 611-639.
- Borghini, S., Carù, A., & Cova, B. (2010). Representing BtoB reality in case study research: Challenges and new opportunities, *Industrial Marketing Management*, 39 (1), 16-24.
- Brito, C. (1999). Issue-based nets: A methodological approach to the sampling issue in industrial network research, *Qualitative Market Research: An International Journal*, 2 (2), 92-102.
- Brito, C. (2001). Towards an institutional theory of the dynamics of industrial networks, Journal of Business & Industrial Marketing, 16 (3), 150-166.
- Clarkson, M. B. (1995). A stakeholder framework for analyzing and evaluating corporate social performance. *Academy of Management Review*, 20 (1), 92-117.
- de Bakker, G. & den Hond, F. (2008). Introducing the politics of stakeholder influence: a review essay. *Business & Society*, 47 (8), 8-20.
- Dahan, N., Doh, J. & Guay, T. (2006). The role of multinational corporations in transnational institution building: A policy network perspective, *Human Relations*, 59 (11), 1571-1600.
- Dubois, A. & Gadde, L-E. (2002). Systematic combining: An abductive approach to case research, *Journal of Business Research*, 55 (7), 553-560.
- Dutton, J., Fahey, L., & Narayanan, V. (1983). Toward understanding strategic issue diagnosis, *Strategic Management Journal*, 4, 307-323.
- Dutton, J. & Dukerich, J. (1991). Keeping an eye on the mirrow: Image and identity in organizational adaptation, *Academy of Management Journal*, 34, 517-554.
- Dutton, J. (1993). The making of organizational opportunities: An interpretive pathway to organizational change, *Research in Organizational Behavior*, 15, 195-226.
- Dutton, J. & Ashford, S. (1993). Selling issues to top management, *Academy of Management Review*, 18, 397-128.
- Dyer, W. & Wilkins, A. (1991). Better stories, not better constructs, to generate better theory: a rejoinder to Eisenhardt, *Academy of Management Review*, 16 (3), 613-619.
- Easton, G. (1995). Methodology and industrial networks, in *Business marketing: an interaction and network perspective*, K. Möller & D.T. Wilson, eds., Kluwer Academic Publishing, Norwell, MA, 411-491.
- Eesley, C. & Lenox, M. (2006). Firm responses to secondary stakeholder action. *Strategic Management Journal*, 27, 765-781.

Ford, D., Gadde, L.-E., Håkansson, H., & Snehota, I. (2002), Managing networks, paper

presented at the Perth IMP Conference, December.

- Freeman, L.C. (1979). Centrality in social networks: Conceptual clarifications, *Social Networks*, 1, 215-139.
- Freeman, R.E. (1984). Strategic management: A stakeholder approach, Piteman, Boston.

- Frooman, J. (2010). The issue network: reshaping the stakeholder model. *Canadian Journal* of Administrative Sciences, 27, 161-173.
- Granovetter, M. (1985). Economic action and social structure: The problem of embeddedness. *American Journal of Sociology*, 91(3), 481-510.
- Hadjikhani, A. & Thilenius, P. (2009). Industrial relationships and the effects of different types of connections, *Industrial Marketing Management*, 38, 679-686.
- Halinen, A. and Törnroos, J-Å. (2005). Using case methods in the study of contemporary business networks, *Journal of Business Research*, Vol. 58 (9), 1285-1297.
- Healy, M. & Perry, C. (2000). Comprehensive criteria to judge validity and realiability of qualitative research within realism paradigm. *Qualitative Market Research*, 3 (3), 118-126.
- Helsinki Commission. (2010). *Hazardous substances in the Baltic Sea*. An integrated thematic assessment of hazardous substances in the Baltic Sea'. Baltic Sea Environment Proceedings No. 120B. Helsinki Commission, Helsinki, Finland.
- Henneberg, S.C. & Mouzas, S. (2006). Network pictures: concepts and representation, *European Journal of Marketing*, 40 (3/4), 408-429.
- Hinds, P.J., Carley, K.M., Krackhardt, D. & Wholey, D.(2000). Choosing work group members: Balancing similarity, competence, and familiarity, *Organizational Behavior* and Human Decision Processes, 81 (2), 226-251.
- Holzer, B. (2008). Turning stakeseekers into stakeholders: A political coalition perspective on the politics of stakeholder influence, *Business & Society*, 47 (8), 50-67.
- Håkansson, H. & Ford, D. (2002). How should companies interact in business networks. Journal of Business Research, 55, 133-139.
- Håkansson, H. & Snehota, I. (1995). Developing Relationships in Business Networks, Routledge, London.
- Kahneman, D. & Tversky, A. (1984). Choices, values, and frames, *American Psychologist*, 39 (4), 341-350.
- King, B. (2008). A social movement perspective of stakeholder collective action and influence. *Business & Society*, 47 (1), 21-49.
- Lazarsfeld, P. & Merton, R.K. (1954). Friendship as a Social Process: A Substantive and Methodological Analysis. In M. Berger, T. Abel & C. H. Page, (Eds). *Freedom and Control in Modern Society*, Van Nostrand, New York.
- Lounsbury , M., Ventresca, M. & Hirsch, P. (2003). Social movements, field frames and industry emergence: a cultural–political perspective on US recycling. *Socio- Economic Review* 1(1), 71-104.
- Lundgren, A. (1992). Coordination and mobilization processes in industrial networks. In *Industrial Networks: A New View of Reality*, Axelsson, B. and Easton, G., eds., Routledge, New York, 224-242.
- Lundberg, C.G. (2000). Made sense and remembered sense: Sensemaking through abduction, *Journal of Economic Psychology*, 21(6), 691-709.
- Reid, E. & Toffel, M. (2009). Responding to public and private politics: Corporate disclosure of climate change strategies. *Strategic Management Journal*, 30, 1157-1178.
- Mahon, J.F., Pursey P. M., Heugens, A.R. & Lamertz, K. (2004). Social networks and nonmarket strategy, *Journal of Public Affairs*, 4 (2), 170-189.
- Marwell, G. Oliver, P.E. & Prahl, R. (1988). Social networks and collective action: A theory of the critical mass, *American Journal of Sociology*, 94 (3), 502-534.
- McAdam, D., McCarthy, J. D., & Zald, M. N. (1996). Introduction: opportunities, mobilizing structures, and framing processes—Toward a synthetic, comparative perspective on social movements. In *Comparative perspectives on social movements*, D. McAdam, J. D. McCarthy, & M.N. Zald, eds., Cambridge University Press, New York.

McPherson, M. & Smith-Lovin, L. (1987). Homophily in voluntary organizations: Status distance and the composition of face-to-face groups, *American Sociological Review*, 52, 370-379.

McPherson, M., Smith-Lovin, L. & Cook, J. M. (2001). Birds of a feather: Homophily in social networks, *Annual Review of Sociology*, 27, 415-444.

- Miles, M.B. & Huberman, M. A. (1994). Qualitative Data Analysis. Sage, London.
- Mitchell, R., Agle, B. & Wood, D. (1997). Toward a theory of stakeholder identification and salience: Defining the principles of who and what really counts. *Academy of Management Review*, 22(4), 853-886.
- Mouzas, S. & Naudé, P. (2007) Network mobilizer. Journal of Business & Industrial Marketing, 22 (1), 62-71.
- Olson, M. (1965). *The logic of collective action: Public goods and the theory of groups*, Harvard University Press, Cambridge, MA.
- Patton, M. (2002). Qualitative Research and Evaluation Methods, Sage, London.
- Quintens, L. & Matthyssens, P. (2010). Involving the process dimensions of time in case-based research, *Industrial Marketing Management*. 39 (1), 91-99.
- Ritvala, T. & Granqvist, N. (2009). Institutional entrepreneurs and local embedding of global scientific ideas - The case of preventing heart disease in Finland, *Scandinavian Journal of Management*, 25 (2), 133-145.
- Ritvala, T. & Salmi, A. (2009). Mobilization of issue networks: the case of fighting heart disease in Finland. *International Journal of Business Environment*, 2 (4), 400-417.
- Ritvala, T. & Salmi, A. (2010). Value-based network mobilization. A case study of modern environmental networkers. *Industrial Marketing Management*, 39 (6), 898-907.
- Roloff, J. (2008). Learning from multi-stakeholder networks: Issue-focused stakeholder management. *Journal of Business Ethics* 82, 233-250.
- Rowley, T. (1997). Moving beyond dyadic ties: A network theory of stakeholder influences. *Academy of Management Review*, 22(4), 887-910.
- Rowley, T. & Moldoveanu, M. (2003). When will stakeholder groups act? An interest- and identity-based model of stakeholder group mobilization. *Academy of Management Review*, 28(2), 204-219.
- Ryan, G. & Bernard, H. (2002). Data Management and Analysis Tools, in *Collecting and Interpreting Qualitative Data* N.K. Denzin & Y.S. Lincoln, eds., Sage, London, 259-309.
- Siggelkow, N. (2007). Persuasion with case studies, *Academy of Management Journal*, 50 (1), 20-24.
- Senge, P., Smith, B., Krushwitch, N., Laur, J. & Shiley, S. (2008). *The necssary revolution: how people and organizations are working together to create a sustainable world*, Doubleday, New York.
- Weick, K. (1995). Sensemaking, Sage, Thousands Oaks, CA.
- Welch, C. & Wilkinson, I. (2004). The political embeddedness of international business networks, *International Marketing Review*, 21 (2), 216-231.
- Wilson, E. J. & Savage, G.T. (2010). Anatomy of a social partnership: A stakeholder perspective, *Industrial Marketing Management*, 39, 75-90.
- Woodside, A.G. & Wilson, E.J. (2003). Case study research methods for theory building, *Journal of Business and Industrial Marketing*, 18 (6/7), 493-508.
- WWF. (2003). WWF briefing on particularly sensitive sea areas (PSSAs), Rostock, Gremany 13-14 May.

Zietsma, C. & Winn, M. (2008). Building chains and directing flows: strategies and tactics of mutual influence in stakeholder conflicts, *Business and Society*, 47(1), 68-101.

Figure 1. Mobilization settings and tactics

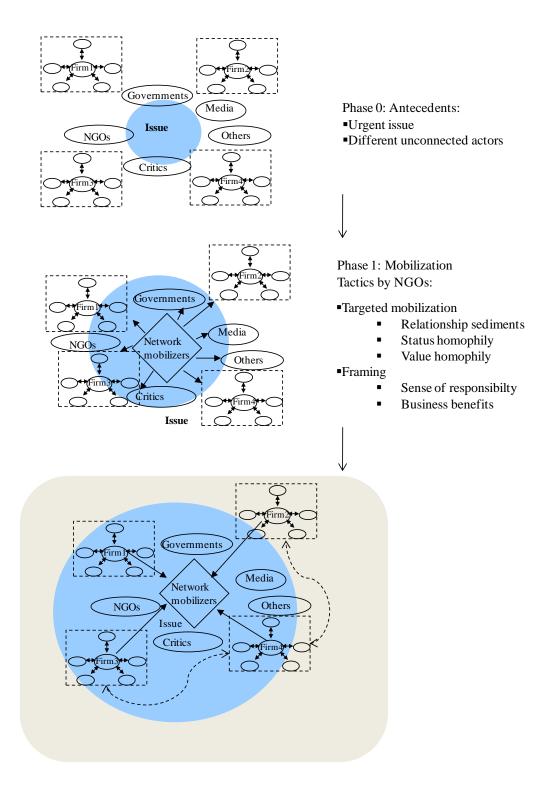


Table 1.

Interviews of the mobilization target firms

Industry	Number of companies	Number of interviewees
Consulting and technology provision	5	5
Shipping	3	4
ICT	2	4
Waste management	2	3
Energy	2	2
Processing industry	1	1
Total	15	19

Table2. Themes, representative data and analytical level

Theme	Representative data (interview quotes)	Analytical level
Values and	A1. "Typically these [a firm's pro bono projects] start when somebody is extremely interested in an issue and	Individual
identity of	wants to do something about it There needs to be someone who takes the lead. In this Baltic Sea case it	
employees	was me." – Associate Principal	
1 2	A2. "The Baltic Sea is very important for us - we [a global firm] have a lot of sailors."	
	-Director of Innovation	
	A3. He [previous Product Development Manager] had a vision that our mission is to save the world."	
	-Director of Business Development	
	A4. "We thought that they [company] had some motive, we thought that they wanted that their logo would be	
	displayed — but they were not interested in it at all They just wanted to have this local environmental project	
	with which they could motivate their personnel." –Director, Eutrophication	
Image	B1. "When you want to be the first in business, you also have to take into consideration that you also have to	Organizational
iniuge	be first in other issues as well. Also taking responsibility. And for shipping companies its clear that when we	organizationa
	are talking about the health of the Baltic Sea we are the ones really on the sea- visual there. So Everyone is	
	associating us with the health of Baltic Sea when actually more of the negative influence is from the	
	agriculture as such. Or from the energy sector for instance. But this is the reality."	
	-Communications Director	
	B2. "Due to the fact that we still are a company which has an influence on the environment, in one or another	
	way, we thought that it is also wise to be a member of this kind of initiative. For us it is also a little bit, to be	
	honest – a must. It is also quite reasonable solution, because at the same time all those commitments we had	
	made during this process, they also fit with our own strategy and we really work with them. So it might also be	
	wise to tell it to the world, not just work at your backyard but do something bigger."	
Increased	C1. "Sustainability is a trend which is real, not only from the environmental perspective, but involves a lot of	Organizational
business	money. Big firms are forerunners but a lot of smaller firms too."	
	-Senior Vice President and Chief Technology Officer	
	C2. "They [foundations behind initiatives] get very different degree of publicity for the issues and our business	
	benefits when people realize that they cannot dirty it [sea]Technically, we could have done the same, but by	
	no means received public acceptance that they did." -Business Director	
	C3. "Even though it is said that the Baltic Sea is the dirtiest sea, such dirty regions are elsewhereEverything	
	that relates to environment is in, which also brings money and competitiveness. Of course the Baltic Sea is one	
	with a common denominator. But I would like to have a broader view. We are in search of business, new	
	business around the world." –Director	
Deserves		Organizational
Resources		Organizational
	prefer this form [of initiative] where we can apply our technological capabilities and capacity for innovation."	
	-Director of Innovation	
	D2. "This doing together fascinated me. That one really do concrete actions, not just money giving. We receive	
	a lot of funding or sponsoring requests for charity. We follow a specific policy, yet the last couple of years	
	have been low profile, almost but zero." – Vice President, Corporate Responsibility	
	B3. We had other ideas too, but they are not activated. They are there waiting for better times because some	
	of these need substantial financing. So at the moment when we have financial recession, and we are cutting	
	also from other CSR issues, then we can't really go out and put huge sums on like those things at the	
	momentSo let's see how this financial year goes so may be we can start with that [another Baltic Sea	
	commitment] next year or in two years" -Communications Director	
Network	E1. "These seminars have been not bad at all as kinds of launch pads for other joint activitiesWe spent with	Network
benefits	him time together in the seminar and started to discuss about another idea and we agreed to look at it	Network
ocherns	together." –Business Development Director	
	E2. "We update the situation in certain intervalsWe have learned extremely much and good contacts have	
	remained not only with them [network mobilizer] but also with the Ministry of Environment and people who	
	deal with these issues We deal with these things also informally so that they may call and ask my opinion of	
	something quite differentUnderstanding of what they [actors not recognized before] do in the Baltic Sea	
	region is good, because there may be other issues where we can cooperate." -Director of Business	
	Development	
	E3. "It is the same thing if you go to some kind of conference and afterwards you have to report how many	
	good contacts you got. It is difficult to say in a short term. I would say myself that the main benefit is that we	
	are in the picture. That we are somehow part of the network and you never knowThe networks side - I	
	would say really needs time. We sometimes joke that it is same like a good brandy or good wine - it needs	
	time to mature."– Environmental Manager	

Figure 2.

Model for firm participation in issue networks

