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CRITICAL FACTORS FOR CSV IMPLEMENTATION

A case study of reconceiving products within the food industry in Sweden

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Summary

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Purpose: The purpose of this thesis is to identify whether there is a difference in critical success factors when implementing CSV compared to a general strategy implementation. A chronological perspective as well as a ranking of importance of critical factors will also be investigated to form a comprehensive framework of the CSV implementation process.

Methodology: This study followed a qualitative multiple-case design including six Swedish case companies within the food industry. The empirical information has been gathered through semi-structured interviews, sustainability reports and with follow up questions through mail correspondence. The empirical information was analyzed through coding and then compared to previous literature.

Theoretical perspective: Previous research has focused on how to implement strategy in general. We could not find as much research on CSV implementation, therefore we have proceeded from the general strategy implementation literature's results where we identified eleven critical factors.

Empirical findings: When implementing CSV our empirical findings show that eleven factors are critical for the implementation process. Out of these eleven factors we have categorized two of them as continuous, corporate culture and cooperation between departments, and we have identified two new factors, trends and timing and education. The remaining seven factors are: clear strategy formulation, management's involvement, commitment, implementation approach, communication, control systems and follow-up and feedback. Besides these eleven factors we could also identify value based communication as crucial for the CSV implementation. Since it has a direct link to corporate culture we have chosen to include this concept within this factor.

Conclusions: This thesis culminates into a three step model for CSV implementation with two continuous factors, corporate culture and cooperation between departments, which are present throughout the entire implementation process. Step 1 includes clear strategy formulation, management's involvement, trends and timing, and commitment. Step 2 consists of implementation approach, communication and education. Step 3 consists of control systems and follow-up and feedback.

Contents

1. Introduction

1.1 Background

On the 30th of October 2015 the world's countries gathered to change the course of our planet. The streets of Paris were overflooded with enthusiastic people who were willing to break the prohibition that the French government had proclaimed in response to the terror attacks the same month. After long and fierce debates all parties could on the eve of December 12th 2015 unite under a forceful agreement.

The world's most proven climate scientists urged for considerable change. According to facts presented in Paris the world cannot withstand more than an increase of 1.5 degrees Celsius without critical consequences, and an increase of two degrees would be catastrophic. What was considered a major breakthrough in comparison to other climate meetings was that this agreement became a binding commitment for all countries to work proactively to keep global warming from rising to these devastating levels. Albeit the acceptance of this agreement must be seen as a great victory for future generations, especially in comparison to earlier climate meetings, there is still a long way to go. Scientists who were invited at the conference argued that although this puts the world on the right path, they concluded that we must still reduce our emissions to zero somewhere between the years 2030-2050 to keep global warming from breaking the critical barrier of 1.5 degrees (C2ES, 2015).

The 12th of December will mean great challenges to our consumerist society. Mankind will no longer be able to continue her consumption in the same manner without pushing the earth into a condition which many scientists believe could be an irreversible state. Despite decades of research and attention on the subject too little has been done to address the problem of global warming.

However, most western countries have enforced different kinds of legislation to protect our planet from the most ruthless devastation and exploitation. Even the private sector has introduced proposals to promote responsibility for both the environment and society. The private sector proposal is known as corporate social responsibility (CSR). Yet, CSR was early criticized for being too philanthropic and considered a left wing movement. Milton Friedman (1970) clearly stated his opinion in his well-known article published by New York Times. He condemned CSR and wittily wrote that "the business of business is business" and strongly argued that spending

stockholders' money on charitable activities is not the companies' responsibilities. The problem, according to Friedman (1970), boils down to a conclusion that CSR does not contribute to the increasing profit, and is thus not sustainable from a business perspective.

In 2011 Porter and Kramer presented a new branch for companies to make money and still contribute to saving the world. In their article they introduce creating shared value (CSV) which enables companies to address societal or environmental problems in line with Friedman's profit requirement. Through either reconceiving products, redefining productivity in the value chain or enabling local clusters, the authors proclaim they have found a solution that combines profit to sustainability.

The production of food is documented to have a major impact on the environment and is something that everyone is affected by and dependent on (Stockholms Stad, 2016). Whether you are a vegan, vegetarian or neither - we all need food to survive. Thus, it is absolutely vital for us to solve the equation of how to feed an ever increasing population in a sustainable way. The public awareness of this problem has increased through documentaries such as Cowspiracy, which depicts the substantial effect food has on our environment (Cowspiracy, 2014), but also through organizations spreading information about this problem (Friberg, 2014; Jonsson, 2016). People are aware of their impact on the environment and are starting to make better choices by, for example, buying ecological products and eating vegetarian options despite not being vegetarians. This way of eating is called being a flexitarian, which means that you are not ready to give up meat once and for all, but you have reduced your consumption of it. According to SVT (Åhgren, 2015) a third of Sweden's population are already flexitarians, something they define as eating a vegetarian diet at least twice a week.

1.2 Problematization and previous research

Strategy implementation is described as the process that puts strategies and plans into action to achieve goals (Li, Guohui & Eppler, 2008). According to Hrebiniak, (2008) it is hard to formulate a good strategy, but it is even harder to implement it. Several studies have been made regarding strategy formulation (Li et al., 2008) but still, according to Johnson (2004), 66 % of corporate strategy is never implemented. Bonoma (1984, in Noble 1999) states that a well formulated strategy will only produce prevailing performance for the company when it is successfully implemented. In other words it does not matter how good your strategy is if you fail to implement

it. In 1999 Noble said that the research history of strategy implementation previously had been described as shattered. He believes that this could be due to the fact that strategy implementation is not seen as a science, in contradiction to strategy formulation, and that it therefore has not been as much research conducted on the subject, in relation to the importance of the implementation process (Noble, 1999).

However, there has been research conducted on strategy implementation in general (Li et al., 2008; Hrebiniak, 2008; Noble, 1999) but not as much on CSV implementation specifically. Due to the importance of the implementation process to make a strategy work, and the rising interest and importance of CSV, we are surprised by the limitations of the assortment of academic literature on this subject on our initial search through LubSearch, Springer, Emerald Insight and Google Scholar. We searched on the words and concepts such as "CSV implementation", "CSV in practice" (and many more) and reckoned that there is a need for more studies on the subject.

This notion made us curious to why it is so. Is it because CSV is a relatively new area or because there might not be any big differences in implementing CSV as opposed to other strategies? By investigating CSV and the critical factors regarding such an implementation we aim to compare this with strategy implementation in general to see if there are any differences regarding which critical factors a company need to take into consideration to achieve a successful implementation. Our aim is therefore to create a framework of the CSV implementation process with a chronological perspective as well. We hope to bring some clarity to CSV implementation and to give managers a tool to better handle this kind of process.

We define a successful implementation from a process view meaning that it is the implementation process in itself that we study, not if the implemented products were successful or not. Neither are we judging the implemented products in terms of how good they are for our environment, health or any other aspects since focus lies on the implementation process and not evaluating products.

For an implementation to be considered successful we consider that the company must have changed its behavior, which is shown through e.g. strategic decision making and product portfolio. However, we do not require that the companies in our study must have accomplished a successful implementation since it is still possible to identify which factors that were crucial for their implementation process regardless of the outcome.

Porter and Kramer's (2011) reconceiving products and markets, for example, requires better nutrition, higher sustainability and the shared value concept which include that the reconceived product is generating both economic, social and/or environmental gains. A crucial criterion for this thesis is that each one of our case companies have either experienced a shift towards a CSV oriented strategy by definition of Porter and Kramer's (2011) concept of reconceiving products and markets, or have had such an orientation from the very beginning.

Our definition of what is accepted as a reconceived product does not necessarily need to be that the company has reconceived its own product. What is important is that the product has been improved from its former state, which can be from the original form, such as milk from cows to being milk made of oats, which is far more environmental friendly. As such the reconceived milk, or more correctly oat drink, works as a substitute to ordinary milk and has less impact on the environment (Röös, Patel & Spångberg, 2016). It could also be that the own company's product has undergone an improvement to include, for example, less saturated fat or sugars and that ingredients such as palm oil with high environmental impact is excluded to make the product more sustainable (WWF, 2016). As the aim of this paper is to identify critical factors in a CSV implementation process and to identify a chronological perspective of the implementation we consider that both these examples, regardless of when the implementation took place, are relevant for our study.

We investigate CSV implementation within the food sector since this area is affecting the environment and health of people, both key aspects within CSV. We came upon this area when searching for companies that actively work with CSV and sustainability. *Resumé*, a Swedish newspaper focused on media and market communication, conducted a study with 9500 respondents in 2015 where they as a result ranked 253 of Sweden's most successful brands from a sustainability perspective. Five of the top ten were in the food industry which is what gave us our initial idea to focus on this particular sector (Winberg, 2015).

In the value chain of the food industry there are many different steps but our focus is on the manufacturing stage. The manufacturer refers to the actor after the producer stage and in our thesis the producer stage is often represented by, but not limited to, farmers within the agriculture business. On the manufacturing stage the farmer's products, such as grain, is processed to a final consumer product by a company, and it would be this company that is a typical case for our study.

1.3 Research question

Does CSV implementation on a manufacturing level in the value chain, within the food industry, differ in critical success factors in regard to a more general strategy implementation?

1.4 Purpose

The purpose of this thesis is to identify whether there is a difference in critical success factors when implementing CSV compared to a general strategy implementation. A chronological perspective as well as a ranking of importance of critical factors will also be investigated to form a comprehensive framework of the CSV implementation process.

2. Methodology

This thesis has a qualitative approach with case studies of six companies that conduct CSV work, within the subcategory reconceiving products, to investigate how they have implemented CSV in each specific company. The study has a focus on the food sector and on the critical factors for a successful implementation in order to provide a guide for other companies that wants to implement CSV in their work but are uncertain about how such an implementation could be organized.

2.1 Research strategy

The aim of this thesis is to add new knowledge and practical comprehension to the chosen field. As such we reckoned that a qualitative research strategy would be the best fit. Qualitative strategy research is described by Bryman and Bell (2011) as a method to understand how people conceive the social world around them. This includes interpreting written texts and the spoken word which is in line with what we have done, interpreting what is practiced in the corporate world and then translating it into academic terms. According to Bryman and Bell (2011) qualitative research is often used in inductive approaches. We believe, as current knowledge regarding our specific research question is inadequate, that our approach should follow the inductive path as well. However, we still proceeded from earlier findings and therefore acknowledge that the thesis has an element of deduction, which the authors define as a process where the researcher "deduces a hypothesis that must then be subjected to empirical scrutiny" (Bryman and Bell, 2011:11).

Our literature review, which this thesis has gathered useful information from and used to build an initial framework, represents the deductive part, whereas the inductive segment comes from our empirical data accumulation which is later used to produce a reworked framework.

2.2 Scientific approach

A scientific approach explains a researcher's way of relating to knowledge. Bryman and Bell (2011) argue that natural science and quantitative research are more concerned and prone to positivism. Positivism is described by the authors to be an epistemological position that stems from the natural sciences, which determines "what is (or should be) regarded as acceptable knowledge in a discipline" (Bryman and Bell, 2011:15). However, positivism is often criticized for not being applicable to social science. This is because of its attitude and separation of research

and theory where the former is a tool to test and supply data for the latter one in order to develop universal laws.

On the other side of the spectrum of epistemological positions one finds interpretivism. Interpretivism has adopted another view where it is acknowledged that people are complex and in order to fully understand one must "grasp the subjective meaning of social action" (Bryman and Bell, 2011:17). We agree with the interpretivist epistemological position and consider, especially as this thesis is of qualitative nature, that we had to interpret social actions to reach a conclusion regarding our research. This choice is also supported by Bryman and Bell (2011) who conclude that the use of an inductive qualitative strategy is often paired and synced with interpretivism.

2.3 Research design

Research design can be defined as "a framework for the collection and analysis of data" (Bryman and Bell, 2011:40). Thus, research design will not provide the researcher with data, but instead sets a focus on what will be studied. It could be seen as a strategic plan which influences most parts, such as how data is collected and analyzed, but also determining what data that should be used. In this study we are interested in what each specific case will contribute with and what critical factors their particular implementation was affected by in order to succeed. Therefore, we found it suitable to conduct a multiple-case study, where emphasis lies on the uniqueness of each process and then comparing the cases (Bryman and Bell, 2011).

A multiple-case study is characterized by having more than two study objects. As we have studied an event that in most of our cases has happened in the past we also have a longitudinal element in our research design, yet this is only reached through retrospective interviews. The reason for this is mainly a limitation in time and monetary resources.

2.4 Empirical Data Collection

2.4.1 Study Object

The aim of this paper is to investigate what factors, within the Swedish food industry, should be regarded as critical for a successful CSV implementation. To gain information on how such implementations were made we considered several companies at several different levels in the value chain. After long consideration we chose to look at the manufacturer level because this is where the decisions of creating CSV products are made. This means that this thesis is focusing on

organizations that are often downstream from e.g. farmers but upstream to the end consumer or retailer.

As a consequence of limitations in resources we were forced to look at companies within Sweden, particularly in the southern area. However, Sweden's agricultural and food producing center is located in these parts which not only made the limitations less present but in fact a great place to study our subject. This argument is also supported by Sweden's commitment to invest in the agriculture and food sector to make it more sustainable. At the U.N climate meeting in Paris 2015 Sweden, among few others, signed an additional document (4/1000 Initiative: Soils for Food Security and Climate) stating that Sweden will take a leadership role in investing and developing more sustainable agriculture (Swedish Government, 2015). This further supports that Sweden is a great geographical location to find empirical data for our research.

However, it was proven difficult to find companies willing to participate in our research. As a result we started to look for more candidates further north which we could conduct a telephone interview with instead. By expanding our geographical area we were successfully able to find more companies willing to partake in this thesis.

2.4.2 Case selection

This report includes six different companies which all have introduced at least one product that fit Porter and Kramer's (2011) description to qualify as a reconceived product. We identified and contacted 21 companies (*see appendix C, table 6*) who fit the profile for our study. With our chosen focus we were specifically looking at food process manufacturers located in Sweden. To find brands within the food industry and to get an overview of companies to contact we used www.resume.se.

The identification process mainly consisted of us researching company websites and NGO-reports. NGO-reports and other objective promotion sites for environmental friendly products were used as an initial scan for companies that might had undergone a sustainability implementation recently, or indicated that through the launch of new products. Secondly, we had to make our own evaluation if the company would suit our research. Our evaluation was mainly based on our own examination of the potential company's CSR, or in some cases, CSV reports. As such we could quickly identify what kind of processes and activities that qualified the company in the NGO reports and promotion sites' lists, thus allowing us to separate those companies that

had reconceived products from those which did not. This in turn indicated and proved in most cases that an implementation process had been carried out.

As we conducted research on what factors an implementation has been affected by to succeed we had to make a decision regarding whether to include companies that always have had a CSV approach rather than newly implementing it. We argue that companies that always have had a CSV strategy still can contribute with important information on the subject. Our argument is that these companies have had to set their strategy from the start, implemented it and continued to nurture it since then. Thus, implementing an initial strategy, although not changing one's strategy, is still to be considered as an implementation process, and by looking in retrospect we could identify the critical factors for these cases as well.

These two activities, selling a CSV product and having implemented a CSV strategy, were the most crucial and non-compromisable traits we used for determining a company's fit for our study. However, in addition to these we had to, due to resource constraints, choose companies located in Sweden. Bryman and Bell (2011) refer to such a selection as a convenience sample, which is criticized for creating results which cannot be generalized. Yet, this study does not aim to provide statistically generalizable results but rather identifying critical factors for CSV implementation to create a framework. All companies that were asked to participate in this study can be viewed in the appendix (*see appendix C, table 6*).

2.4.3 Selection of interview objects

Our strategy for selecting what persons that would be appropriate for the interviews was based on two different types of approaches. For some of the corporations we started by talking to representatives who were present at the eee-dagarna, which is a forum for companies to meet students. Here we had the chance to establish a personal contact and discuss if there was any interest from their side to participate in our study. The response was surprisingly positive and enthusiastic and lead to a snowball selection of whom to contact at the respective company.

Snowball sampling is defined by Bryman and Bell (2011) as when a researcher contacts a small group or a single person and then use their connections to get in contact with more relevant and potential interview objects. As such we received e-mails with contact information for the people responsible for sustainability work at the respective company. We believe that this initial personal contact has helped us and this group's response rate was much greater than our other

strategy of contacting potential candidates. The second strategy was to simply e-mail or phone the company we were interested in. If we were lucky we could find the e-mail address for people responsible for sustainability, otherwise we had to go through a more common e-mail address such as info@companyname.com.

2.5 Harvesting information

2.5.1 Primary sources

Semi-structured interviews

Our prime instrument for gathering empirical data was through the use of semi-structured interviews. Other options were considered but fell short in either being too flexible, and thus risk losing focus, or too narrow with the risk of missing unexpected opportunities that could yield informative data. Using structured interviews require complete knowledge of what you are searching for and would therefore require an excessive framework of all potential critical factors there might be. We consider CSV to be such a new theory that this would be deemed unfit and thus chose to use semi-structured interviews which allowed us to follow up on interesting answers and still maintain control over the interview (Bryman and Bell, 2011). This proved to be a useful method as we were able to identify and follow up on interesting subjects which have been incorporated into our reworked framework.

We conducted our interviews in a relaxed manner so the interviewees felt comfortable and hence more inclined to answer rightfully without any constraints. The nature of our study, which could be considered sensitive, could potentially skew interviewees to give answers that are simply untrue or somehow either exaggerated or diminished. Yet, through the use of open questions and being knowledgeable about probing and prompting, we believe that the data collected should be considered reliable. As a complement to our interviews we also sent follow-up questions on mail to the respondents when we found that certain information needed to be further developed.

Interview guide

To ensure that our interviews covered the topics which we were interested in, we constructed an interview guide. An interview guide allows the researcher to shape the course of the interview yet still maintain a flexibility that allows for the researcher to follow up on interesting answers (Bryman and Bell, 2011).

We were very thorough when developing the guide to ensure that no aspects were lost. With this we refer to forming questions in such a manner that they were perfectly clear to the interviewee, who we predicted might not be fully aware of the concepts and theories in this thesis. Therefore we put much effort into ensuring that our questions were translated into more corporate terms.

The interview guide was inspired by similar studies but then reshaped to fit our specific purpose. It was reviewed multiple times, we restructured the questions to find a logical order and verified that questions were presented in an objective manner and language. Upon completion of this first stage we consulted with our supervisor who contributed with his experience.

After a review from our supervisor, he advised us to conduct a pilot study to test the interview guide. Unfortunately no company was willing to spend extra resources on this which is why we had to work around the problem. Therefore the first interview we conducted had some flaws, but we learned and improved greatly from the experience. As a response to this first interview we decided to follow up with a thorough complementing telephone interview after having reworked our interview guide.

Triangulation

Triangulation refers to "using more than one method or source of data in the study of social phenomena" (Bryman and Bell, 2011: 397). This can be used for either quantitative or qualitative approaches to strengthen validity and reliability in understanding social phenomena (Bryman and Bell, 2011). By allowing for cross-checking between empirical data the researcher can create a more complete picture and reduce the risk of skewness. Our strategy for using triangulation have been to analyze the company's sustainability report and then cross-check it with our empirical data, thus mitigating the risk of skewness and increasing this thesis' reliability.

2.5.2 Secondary sources

Using secondary sources has allowed us to focus more time and resources on our literature review and the analysis. The secondary sources we used consist of companies' sustainability reports and their annual reports. However when using secondary sources the researcher must remember to ask oneself if the information is relevant, credible and has validity (Bryman & Bell, 2011). As the

sustainability and annual reports are public information we considered them to be off high credibility and high validity.

2.6 Method of analysis

2.6.1 Grounded theory

Qualitative data analysis normally follow two general strategies, which are either the grounded theory or analytical induction. Both features iterative processes in that sense that the gathering and analysis of data interplays (Bryman and Bell, 2011). The authors also state that both processes, which refers to analyzing data, starts as soon as the first data has been collected, this then reshapes how the remaining data collection process will be carried out.

In our thesis we chose to use a grounded theory strategy. The reasoning behind our decision can be traced back to the tools grounded theory provides. In accordance to Bryman and Bell's (2011) description of grounded theory it would seem as if it is supposedly well suited for creating theoretical ideas from extracted data within new research fields. Grounded theory uses certain tools to create new theory from data. Among these Bryman and Bell (2011) highlight key features such as coding, which is considered one of the main processes in grounded theory.

Coding within grounded theory captures the work where the researcher separates data into different parts and labels them. This process starts as soon as initial data has been collected and is then revised and reworked during the whole data collection process. The outcome from coding is known as concepts and categories and will be presented later in the analysis.

2.6.2. Transcription

It was our ambition and will to have all interviews recorded and then transcribed. However, one interviewee was not willing to be recorded, thus prohibiting us from transcribing the interview. Yet, luckily for us we were all three present at this occasion and could thereby capture most by taking notes during the interview.

We are aware that recording the interview might make the interviewee uncomfortable or uneasy, and thus not answer as truthfully (Bryman and Bell, 2011). Yet we consider that the benefits gained from recording and then being able to transcribe, to ensure that no information has been lost, will produce the best outcome in comparison to other less intriguing techniques.

Transcribing the interviews also allows for a better analysis and was of great use when we coded our data, thus contributing to the reports validity (Bryman and Bell, 2011).

2.7 Integrity of the study

The quality of a scientific report is reflected in its integrity. Most prone for qualitative research are the criteria of reliability and validity (Bryman and Bell, 2011). In the section below we measure if this report passes as trustworthy.

2.7.1 Reliability

Reliability refers to being able to trust the gathered information by having taken measures to test the information and look at it from different angles (Bryman & Bell, 2011). When studying strategy and successful implementations an economic perspective inevitably seems relevant as it is an important aspect for all companies. Initially we wanted to include the participating companies' financial reports in our study to be able to judge whether or not the implementations had been successful.

However, when looking at these financial reports we quickly realized that all information was tied to an overall performance of the company, and not to specific products or activities. This fact and realization made it impossible for us to draw any conclusions from these reports regarding the financial impact from the implementation, without the risk of providing misleading information. A positive financial result could mean that the implementation had yielded a positive result, but it could also be the result from a successful year for the business overall which could more than cover the losses the implementation had caused.

Another question that we have dealt with regarded our participants and whether or not we were given access to the right interviewees. This has, of course, affected the outcome of this thesis, as would any other combination of participants. It is important to be aware of the role the participants have played since their answers and personal perspectives have influenced our conclusions.

We also question if our questions were interpreted correctly all the time. If not, this would be reflected in our interviewees' answers and in turn in our conclusions. We have examples of both these situations where we question if some of our interviewees were the right people to

participate in this thesis as well as questioning if some questions were misinterpreted. We are aware of this but believe that we have done what is possible to cope with these problems.

We informed each company of what we were interested in studying from the very beginning and what position we preferred our interviewees to have but ultimately, we had no final saying in whom we would be interviewing. Regarding our concerns about misinterpreted questions we worked through them multiple times before presenting them to our interviewees and therefore believe that they were thoroughly elaborated even though we realize that there is always room for improvements.

When facing these problems we had to make a choice of how to deal with the gathered information and we could not exclude these interviewees or questions since that would leave us with too little empirical data. Instead we tried to be clear in our final discussion with any deviations and answers that we suspect should not be weighted too heavily.

External reliability

The ability to replicate a study is often referred to as external reliability. Qualitative research scores badly on this criterion as social settings are dynamic, ever changing and can do so very rapidly. Thus, as a consequence it becomes difficult for researchers to replicate a study (Bryman and Bell, 2011). We realize that our study will be difficult to replicate, yet not impossible. As Bryman and Bell (2011) argue, if the researcher is to find a similar social setting, the replication could potentially be possible.

We argue that our setting, which is the Swedish food sector that is undergoing major changes towards a more sustainable manner, could very likely surface in other parts of the world. Yet this setting would still be influenced by many factors that might differ from those we were exposed to, thus making the external reliability still rather weak in this report.

Internal reliability

This concept refers to whether the research team share the same interpretation of what their study provides. We have not encountered any disputes regarding how our empirical data should be analyzed and interpreted. But, throughout this study we have had discussions where we have not agreed on certain subjects, among these the interview guide. However, these different viewpoints

and aspects were ventilated and we believe that the outcome of these events only improved the final result. Thus we consider the internal reliability to be considered as high.

2.7.2 Validity

Validity refers to whether one manages to capture what one aims to capture in the study and if the collected information is relevant in relation to what is being studied (Bryman & Bell, 2011). Our thesis is about the implementation process within CSV strategies and therefore we interviewed companies who are or has undergone implementation processes within this area. Most often however, our interviewees talked about CSR and sustainability, not CSV. Our interviewees were not familiar with this theory in advance but when introduced to it, using the definition of Porter and Kramer (2011), they agreed on it being a fair description of their way of thinking about business and sustainability.

We realized that it could be a problem conducting a study about CSV with participants that were not familiar with the theory but have tried to take measures to eliminate this problem. We introduced the theory to our interviewees and gave them the chance to respond to it. We also had control questions during our interviews where certain answers were indicators on whether the companies had a philanthropic view (CSR) or if they were willing to contribute to society only when the company itself could gain from it (CSV). This enabled us to make the conclusion that even though the companies themselves were not using the concept CSV, the way in which they were talking about CSR and sustainability was in line with Porter and Kramer's (2011) CSV concept.

External validity and transferability

External validity concerns to what degree results can be generalized (Bryman and Bell, 2011). This is often a criticism that qualitative research has to endure. As for our study we must raise awareness that our findings cannot be considered representative for a larger population. Bryman and Bell (2011) write about another criterion for qualitative research called transferability, which is more apt for our study.

Transferability refers to qualitative research's inability to generate generalizable results. As qualitative research most often study smaller groups or individual cases its findings yield much greater depth than quantitative research (Lincoln and Guba, 1985, in Bryman and Bell, 2011). This

does not necessarily mean that the results are absolutely locked to the specific setting the study has been conducted in. Instead the authors argue that rich and detailed research, which qualitative research is considered to be, still can be useful.

We believe that our findings in this thesis will be helpful to many companies all over the world, yet we realize that certain factors are specific to Sweden and the food sector and will therefore negatively affect the transferability level. Despite this issue we still believe our findings will have great relevance for those companies that are located outside of Sweden and interested in CSV implementation.

Internal validity and credibility

Internal validity has by some researchers been reshaped to better measure qualitative studies. This criterion is known as credibility, and refers to "how believable the findings are" (Bryman and Bell, 2011:43). This mainly revolves around the methodology and how the research process has been carried out. We have worked thoroughly to create a sound plan and have reflected openly about possible problems with our findings, which according to us, yields a high level of credibility.

3. Literature review

3.1 Theory of the firm

The theory of the firm is explained through a combination of different economic theories to answer questions such as "why do firms exist?" and "what are the goals of companies?". Throughout the history researchers have tried to answer these questions with the help of theories such as transaction cost economics (Coase, 1937, Williamson, 1981) and the principal agent theory (Jensen & Meckling, 1976).

3.1.1 Why firms exist

In 1934 John R. Commons (in Williamson, 1981) found that exchanges of services and goods were made between many different types of governance forms and that it was important to examine the different capabilities between the governance forms. From this realization he proposed that transactions were the basic units of analysis in economics and this is what Coase further developed a few years later (Williamson, 1981).

In Coase's article from 1937, The Nature of the Firm, the author gave his explanation on why firms exist and why the boundaries of a firm are set where they are. He stated that there are two ways to organize the same type of transactions and these ways are either by using the market or within a firm. According to Coase, using the market brings inevitable costs, called transaction costs, that could be avoided or diminished by internalizing processes within a firm and that this is why firms exist. He was the first to say that the boundaries of the firm depend on economic decisions such as when the firm should produce a good itself and when it should use the market. Thus, according to Coase, the boundaries of the firm are not static but depending on active decisions based on the most profitable solution as to what to produce in-house and what to appoint to the market (Coase, 1937).

Williamson later developed Coase's thoughts in his transaction cost economics (TCE) where transactions are the units of analysis as well. Williamson argued that understanding why and how transaction costs emerge is central in understanding how organizations work. The transaction cost theory entails parts from different schools such as economic theory, organization theory as well as parts from contract law to provide a more comprehensive and unitary explanation of how companies work (Williamson, 1981).

3.1.2 The goals of companies

In 1970 Milton Friedman contributed with his thoughts about the goals of companies. According to Friedman, managers are employees and have a responsibility towards the company's owners. In his arguments Friedman said that the managers are agents to the individuals who own the corporation and their primary responsibilities are therefore towards them.

These thoughts, about managers acting as agents for their owners, were developed by Jensen and Meckling a few years later in 1976. They named their theory the principal-agent theory and it concerns the separation between ownership and control. In bigger companies the owners will not always be responsible for the daily decisions which is why managers, that Jensen and Meckling refer to as agents, are appointed by the owners, or as principals as the authors call them, to act in their best interest. The theory assumes that the managers will act in their own best interest, and not in the company's nor its owner's best interest and that the managers therefore needs to be incentivized to strive towards the same goals as the owners (Jensen & Meckling, 1976).

Almost always, the objective of the owners is to create as much profit as possible according to Friedman (1970). The fundamental goal for most companies is therefore to maximize profit but they have to do it in a way that takes laws and ethical customs into consideration (Friedman, 1970). Other motives and goals of companies, that are in contrast with Friedman's idea of profit maximization, have however been presented by other researchers.

3.1.3 Evolvement of other business goals

In 1979 Carroll stated that companies, in addition to maximizing profits, have other responsibilities which he labeled as legal, ethical and social. These responsibilities sprung from customers' and other stakeholders' increased attention and demand on the subject.

One outcome of the increased demand and attention was the Triple Bottom Line (TBL), which was introduced by John Elkington 1994. TBL is a measurement which adds new aspects, such as social and environmental achievements, alongside economic profit. TBL has had a great impact and is still used by many companies to keep track and measure the company's progress with regards to social, environmental and economic aspects. Elkington argue that the key to get companies to embrace social and environmental duties is by measuring them. By introducing clear measurements in these two new areas TBL increases companies' awareness. However, TBL has had to endure critique regarding its effectiveness and difficulty to apply in practice. TBL's strength

is also considered its weakness in this regard. Although measurements increase awareness it has proven difficult to in practice measure companies' social and environmental impact in monetary values (The Economist, 2009).

Rosabeth Moss Kanter (2011) discusses value when companies not solely focus on economic profit. Not only would their contribution strengthen society and contribute to a more sustainable world but also add value to the companies themselves. When social and environmental goals are treated as important factors in building a company, only then does the company have potential to become truly great. Moss Kanter (2011) has listed six principles that separate great companies from average ones. By having a "common purpose" companies can ensure staying on the right course as the environment changes around them. A stark purpose will unite the company and in addition also distance the company from pettiness connected to short-term profits. As a consequence this will foster greatness.

Lastly, Moss Kanter mentions "emotional engagement" as a final argument to motivate the personnel. The author, too, mentioned that companies should view societal problems as opportunities of new business and work together with the public sector to increase the wellness in the society they operate in. These different aspects are reflected in Porter and Kramer's (2011) CSV framework that aims at maximizing the value for both society and companies.

3.2 CSR

CSR can be traced back to the early 1950s to Howard Bowen's book Social Responsibilities of the Businessman. Yet, back then the term had yet not incorporated the C and was thus called only Social Responsibilities (Carroll, 1999). However, his initial definition of social responsibility and his arguments were focused on corporations and the definition of SR was

"the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society"
(Carroll, 1999:270)

Since then the concept of CSR has had a diversified history and in 1991 Carroll illustrated in his article a pyramid of corporate social responsibility which consists of four bricks of responsibilities for a business. The first one is economic responsibility that all of the other

responsibilities rest upon and it regards the need for the business to be profitable. The next brick is legal responsibilities which includes the expectation of business to comply with laws and regulations. The third brick is ethical responsibilities and refers to the activities and practices that by norms or standards are expected or prohibited by members of society even if they are not embodied in the law. The fourth and last brick concerns philanthropic responsibilities and good corporate citizenship through contributing financially or with human resources to improve quality of life for the community. Carroll (1991) stated that the CSR pyramid is not perfect but it intends to visualize CSR as a whole.

A more recent definition of CSR is the one created by the CSR Initiative at Harvard Kennedy School, cited in Moore (2014:3):

"We define corporate social responsibility strategically. Corporate social responsibility encompasses not only what companies do with their profits, but also how they make them. It goes beyond philanthropy and compliance and addresses how companies manage their economic, social, and environmental impacts, as well as their relationships in all key spheres of influence: the workplace, the marketplace, the supply chain, the community, and the public policy realm".

In 2006 Porter and Kramer wrote in their article that CSR has become an inseparable activity in today's corporate world. The reason behind this lies in increased public awareness and publicity from NGOs and other organizations. As a consequence companies are today held accountable to a larger degree than before, mainly through pressure from media, NGOs and even governments.

Although the notion of CSR must be seen as a step in the right direction Porter and Kramer (2006) criticize its effectiveness. Albeit companies have made great progress in regards of creating a more sustainable world, these efforts are not anywhere near reaching the full potential of companies' capabilities. The authors argue that this ineffectiveness is due to primarily two factors. The first being that society and corporations are seen as separate units, each fighting the other, whereas the fact is that they are allies who support each other. The second factor is that companies are forced through pressure to engage in CSR in generic ways instead of aligning CSR with companies' own strategies and capabilities (Porter and Kramer 2006).

The current usage and notion of CSR is too separated from business and strategy that it becomes masked from the most beneficial possibilities. Porter and Kramer (2006) highlight that if companies are to use the same analytical tools for CSR as they use for their core business, companies would detect countless of opportunities where CSR would not merely be a philanthropic and non-profit activity but instead generate innovation, competitive advantage and profit.

3.3 CSV

CSR	CSV
Value: Doing good	**Value: economic and societal benefits**
Citizenship, philanthropy, sustainability	**Joint company and community value creation**
Discretionary or in response to external pressure	**Integral to competing**
Separate from profit maximization	**Integral to profit maximization**
Agenda is determined by external reporting and personal preferences	**Realigns the entire company budget**
Impact limited by corporate footprint and CSR	**Realigns the entire company budget**

Table 1. A comparison of CSR and CSV. (Porter & Kramer, 2011).

Creating shared value, a relatively new theory within the subject is Porter and Kramer's (2011) developed notion from their article in 2006. The authors argue that CSV is neither charity nor philanthropy but a new way of pursuing actual profit alongside solving societal and environmental problems. By pursuing CSV concepts companies can align profitability with solving such problems. Porter and Kramer also argue that a company's competitive advantage is intertwined

with the well-being of the society of which it also is a part off. Thus, by engaging in CSV companies can increase their own level of competitive advantage as well as aiding the society.

Furthermore, the authors state that business in recent years has been accused of being a major part of social, environmental and economic problems and as a consequence its legitimacy has fallen. The authors mean that the problem lies within the companies themselves due to their outdated ability to create value. To achieve long-term success companies must reconsider their short-term perspectives and their shortsightedness of how to create shared value.

Porter and Kramer (2011) believe that business and society need to be brought back together and it is the companies that must be the leading player in this enterprise. They also stress the need for social responsibility and the must for it to be a part of a company's core activities. With this they describe the definition of creating shared value as a theory that will not only create economic value for the business but also create value for society by taking consideration to societal needs and challenges.

There are three different ways of creating shared value; (1) reconceiving products and markets, (2) redefining productivity in the value chain or (3) enabling local cluster development (Porter & Kramer, 2011). The three ways of creating shared value will be discussed further below, with a main focus on reconceiving products and markets since that will be the fundamental area in this thesis.

3.3.1 Reconceiving products and markets

Porter and Kramer (2011) mean that the needs of society today are substantial and come in different forms such as health care, improved nutrition and to minimize our environmental footprint. This category is based upon the most basic question that companies should ask themselves; is our product good for our customers? And in the next step; for our customers' customers? Along with a developing society there is a growing demand for products and services that meet this social need. For example, the focus for food companies has therefore switched from large quantities and promoting consumption to a refocus on more healthy nutritious food.

Porter and Kramer (2011) also argue that private companies are better at making customers embrace products and services that solve those societal needs than what governments and non-profit organizations are, thus making the private sector more suitable to solve these problems. Another thing besides reconceiving products and to better serve existing markets is to meet the

needs of new markets such as underserved communities that include for instance developing countries as well as poor urban areas. Porter and Kramer (2011) stress that it is important for a company to understand that nothing is static and the societal needs will constantly change along with development of economies and new technologies.

3.3.2 Redefining productivity in the value chain

Porter and Kramer (2011) argue that a company's value chain both affects and is affected by different types of societal issues, such as natural resources, working conditions and health. These societal problems can create costs in the value chain of the firm and therefore opportunities for creating shared value arise. Porter and Kramer (2011) define six areas within the supply chain where to make a difference; energy use and logistics, resource use, procurement, distribution, employee productivity and location. Things that a company can do to redefine productivity in its value chain is for example to reroute transports to minimize carbon footprint or reduce packaging for its goods.

3.3.3 Enabling local cluster development

Porter and Kramer (2011) mean that the success for each company is dependent on the support it gets from other companies as well as the infrastructure where the company is operating. The authors stress that there is a strong connection between clusters and a company's productivity and innovation. With clusters the company will receive supporting companies and good infrastructure at the same place, which will enable shared value creation (Porter & Kramer, 2011). Other benefits with clusters are for example higher efficiency for local suppliers and that there always will be educated workforce within your area, both regarding location and profession (Porter & Kramer, 2011).

3.4 Criticism against CSV and incorporating social goals into business

All are not as positive to the new theory, or the old CSR phenomena, as Porter and Kramer are. Friedman (1970) has numerous times expressed his concern and disbelief for corporations to take on responsibilities beyond fulfilling the wishes of its stockholders. His argument lies in companies not having the right to distribute investors' money in the way the management team sees fit.

Instead, Friedman, urged that it is up to each and every individual to spend their own private money in any way they so choose.

Simons (2013) shares Friedman's concern in regards of companies losing focus on the business part of business, but instead spend time and effort on activities which are not generating profits for the company. This has in turn hollowed the competitiveness of American companies. According to Simons (2013) this is due to American business schools' harmful and non-critical adoption of CSR as a part of the education, which has clouded business leaders' judgement when they encounter difficult choices that require clear prioritizing. A scattered focus steals resources and time from the core business, which according to Simons (2013:13) should be "competing to win".

Crane, Palazzo, Spence and Matten have stated their concerns regarding CSV in their article from 2014. The authors criticize CSV for its lack of originality and argued that it is merely a new branch of CSR. Crane et al. (2014) also highlight Porter and Kramer's ignorance regarding the trade-off between social and economic goals and their simplification of societal and environmental problems. Crane et al. (2014) question CSV's ability to deal with the problematic situation when economic profit and societal/environmental problems are not only not aligned but clearly in conflict with one another. Lastly the authors present that the incentives for companies to act responsible are too low as there are at best contradictory evidence that it is economically profitable to adopt CSV behavior.

Other critique similar to what Crane et al. (2014) stated is provided by an article in *the Economist* (2011). The article criticizes the examples made by Porter and Kramer (2011), which suggested that their largest concern is to encourage businesses to think long-term instead of short-term. This notion is according to the article nothing new, in fact the "new" concept of CSV has similarities with other authors' work such as Jed Emerson's concept of blended value introduced in 2000 and Stuart Hart's book "Capitalism at the Crossroads" written in 2005 (The Economist, 2011).

3.5 Sustainability

In a research report, published January of 2015 in MITSloan Management Review, the subjects: corporate collaborations, the role of the boards and sustainability are being addressed. The authors surveyed nearly 3 800 managers as well as interviewed sustainability leaders from around the

world to better understand these topics. During the last two decades the importance of sustainability as a business issue has grown which most companies have realized, as well as the fact that the contexts in which they operate will affect their sustained success (Kiron, Kruschwitz, Haanaes, Reeves, Fuisz-Kehrbach and Kell, 2015). U.N has, from its start in 1945, worked to solve economic, social and humanitarian problems through international cooperation.

In September 2015, 17 goals were adopted to "end poverty, protect the planet and ensure prosperity for all". Specific targets were attached to each goal and these are meant to be achieved within 15 years (U.N, Sustainable Development Goals). One goal is "Responsible consumption and production" which overall is about creating a better quality of life for all by promoting resource and energy efficiency. When looking at the effects of food one of the facts that the U.N presented were that "the food sector accounts for around 30 % of the world's total energy consumption and accounts for around 22 % of total greenhouse gas emissions" (U.N, Goal 12: Ensure sustainable consumption and production patterns).

Another effect is that even though substantial impacts from food has its origin in the production phase, people's choice in their consumption behavior and habits also play a big role. The U.N also pointed out that while almost one million people are undernourished and just as many go hungry, three billion tons of food is wasted every year. At the same time approximately two billion people are overweight or obese. According to them sustainable consumption and production is something that affects many stakeholders such as business, consumers, policy makers and media and therefore makes it important to everyone (U.N, Goal 12: Ensure sustainable consumption and production patterns).

In 1996 the Center for Health and the Global Environment at the Harvard T.H Chan School of Public Health was founded. They investigate the connection between human health and our environment in collaboration with the U.N Environmental Programme (Harvard T.C Chan; About us). They stressed the impact individual consumers and employees can have and the power they possess through their daily decisions on which food they buy. Questions such as how the food is being produced, processed and transported are things they mean that consumers and employees can affect. (Harvard T.C Chan, Healthy and Sustainable Food).

Svensk Handel, a Swedish employers' organization, conducted a survey in November 2014 regarding health and leisure time. According to their survey 75 % said that they considered themselves as being health aware when they shopped whilst 44 % said that they were more health

aware at the point of the study than they were a year ago. From their survey they could also tell that 66 % said that they bought more healthy food now than before (Svensk Handel, 2014).

3.6 Strategy implementation in general

The word strategy originates from the military and often refers to the art of planning and directing an overall plan. According to Li et al. (2008) there is a growing trend among companies regarding strategy and its implications and benefits. The authors' article from 2008 highlights the difficulties companies face when converting strategic ideas and plans into execution and implementation. According to a survey by *The Economist* from 2004, roughly 60 % of all strategies fail at the implementation phase (Allio, 2005 in Li et al., 2008). Another survey, White Paper of Strategy Implementation of Chinese Corporations in 2006 (in Li et al., 2008), shows that an astonishing 83 % of the companies surveyed experience difficulties to implement their strategy.

This clearly depicts a need among corporations for better understanding when implementing strategies. Li et al.:s (2008) work is a literature review consisting of 60 articles, cherry picked from respected journals, all revolving around implementation of strategy. Their extensive review includes articles from 1984 to 2007, which the authors critically reviews throughout their paper. Lastly Li et al. (2008) present a model based on their thorough review which includes nine factors, which will be presented below. In addition our literature review have yielded an additional two factors that were not found in Li et al. (2008).

3.6.1 Corporate culture and organizational structure

Drazin and Howard (1984, in Li et al., 2008) argue that strategy and structure must exist in harmony for the former to be successfully implemented. A misalignment can lead to poor performance and loss of competitive advantage (Li et al., 2008). Gupta (1987) argues in his article that a decentralized organization is better at adapting and implementing new strategies. However, this is countered by White (1986, in Li et al., 2008) who argues that depending on what kind of strategy is being implemented different organizational structure is preferable. Dobni (2003) is another author who finds corporate culture to be an important factor in strategy implementation. Dobni (2003) mean that culture drives strategy and therefore changes to strategy are best affected by changes in the corporate culture.

3.6.2 Cooperation between departments

Cooperation between departments focuses on organizational relationships and different kinds of strategies. According to Li et al. (2008) strategy implementation is heavily affected by business units' relationship to one another. Their paper sheds light on how both informal verbal and more formal written communication across business units plays a major role for successfully implementing a new strategy, just as conflicts can be equally devastating. Furthermore the authors argue that joint rewards systems and senior management support for better integration between units positively affect the process. Li et al. (2008) also claim that strategy implementation is eased by business units' decentralization from top management. Lastly the authors stress the importance of collaboration between business units when it comes to resource allocation, different units must understand and accept that others might require more resources to change, and thus be willing to contribute to such units' struggle.

Poor coordination and cooperation between business units is another "silent killer" according to Beer and Eisenstat (2000) which further supports the importance of the opposite. Why they are called silent killers is according to the authors because they are "rarely publicly acknowledged or explicitly addressed", but crucial to get right when implementing a new strategy (Beer & Eisenstat, 2000:31).

3.6.3 Clear strategy formulation

Li et al. (2008) introduce strategy formulation as one of their initial factors. According to the authors this factor includes the preparations of implementing a strategy. This also includes the process of how the strategy was formulated and thus regards what people were included and excluded. This affects how the strategy will be embraced by the organization (Li et al., 2008). But it also, more importantly, regards whether the strategy itself is sound and well suited for the company. Allio expresses it as "the soup is only as good as the ingredients" (2005, in Li et al., 2008:24), which of course refers to that an inherently bad strategy will become problematic regardless of how well a company can implement it.

Although extensive and thorough, Li et al. (2008) do not clarify what such a sound or good strategy is, nor what a bad one consists off. This is most likely as a consequence of creating a general framework, but regardless of their reason, its unspecified description leaves a frail guidance for creating a clear strategy formulation.

Other authors that stress the need of having a clear strategy formulation are Beer and Eisenstat (2000) who wrote in their article that having an unclear strategy is one of six silent killers of strategy implementation.

3.6.4 Management's involvement

Li et al. (2008) divide executors into four different groups; top-, middle-, lower- and non-management. It is rather elementary that an implementation is affected by the people carrying it out. As such their capabilities, earlier experiences, skills and attitudes may either contribute or harm such a process. Their review indicates that top management involvement in strategy formulation and giving guidance in the implementation, contribute to a greater commitment which in turn is proven positive for the process of implementation as a whole. However, Li et al. (2008) admit that these arguments lacks empirical support.

Middle management is considered by Li et al. (2008) to have considerable impact in an organization with regards to the implementation process. This management level is often operational managers accountable and answerable for performance for a larger group of people. As such strategy implementation can be affected by middle management's individual perception of how the new implementation will affect their performance and outcome. Middle management who believes that a strategy implementation would harm its future performance has incentive to delay or even sabotage the process. Whereas those who believe their performance would benefit from a new strategy are more prone to implement it.

The bottom two levels of the organization are not as included in the strategy formulation process and thus not as knowledgeable about the implementation (Li et al., 2008). Thus they oppose new strategies simply because they do not understand the reasoning behind the decision. In addition, low- and non-management are seldom adequately trained or informed how the process will develop. The barrier can be overcome by middle and top management through communicating.

3.6.5 Consensus

A lack of consensus or shared understanding could, according to Li et al. (2008) lead to obstacles when implementing a new strategy. This lack can sprout from information barriers in the different management levels in an organization. Floyd and Wooldridge (1992a in Li et al., 2008) discuss

the term implementation gap in their article. This refers to how committed and well informed managers are on different levels in the organization. The authors conclude that a lack of both seriously harms an implementation.

Li et al. (2008) mean that consensus not only consist of an agreement at a top management level, but also includes middle and operation management. According to the authors consensus is built upon two key terms, commitment and understanding. Naturally, having a high level of both commitment and understanding is of course preferable, but their review indicates that it is not critical. Albeit, having low levels of both certainly harm an implementation.

3.6.6 Commitment

According to Floyd and Wooldridge (1992a, in Li et al., 2008) a lack of commitment negatively affects a strategy implementation. Furthermore Li et al. (2008) argue that implementation can have considerable drawbacks if the strategy is not supported by a majority of the organization's employees. The authors therefore suggest that employees should be included in the strategy formulation so that commitment can be assured. Their article also shows that middle management creates a critical segment as its lack of commitment and support have considerable impact when implementing a new strategy. Although enlightening, Li et al.:s (2008) review fails to acknowledge the problematic consideration when including all layers in an organization.

Dobni (2003) also discusses the importance of co-workers being connected to the vision and values of the company because those who are not involved will neither be committed nor take action.

3.6.7 Communication

Little research has been conducted on communication and its effect on strategy implementation (Li et al., 2008). Yet where it has been explored it is indicated that communication carries the message throughout the organization to why a change is happening and how the process will be carried out. Thus, in a more open environment, where employees have better access to management it would appear that such organizations outperform organizations that have more restricted communication (Li et al., 2008). Also, according to Peng and Littlejohn (2001) communication is a key element in that sense that it is always present regardless of what process within a strategy implementation that examines. The authors argue that regardless of what an

organization does it always needs to communicate what it does to its employees, or how else would they know. This argument is supported by the fact that communication barriers are the most reported barrier among all barriers, being learning barrier, cultural barriers or others (Li et al., 2008).

The paper states that vertical communication is vital for creating consensus (*see 3.6.5*), which according to the authors is defined as "shared understanding about strategic priorities" (Li et al., 2008:19). Consensus in turn is important for creating an understanding among the organization's members of what overall strategic goal the organization has set out. The authors also conclude that this factor became increasingly relevant and essential with how radical the change was.

Dobni (2003) states that a lot of the difficulties related to a strategy implementation can be directly connected to communication. If the communication is poor or insufficient it is likely to create other problems such as lack of trust that will aggravate the implementation process.

3.6.8 Implementation approach

Nutt (1986, in Li et al., 2008) found four implementation tactics when conducting his case studies, these were intervention, participation, persuasion and edict. His study shows that persuasion and participation yielded the second highest success rate whereas intervention yielded the highest. The author explains intervention as a tactic where the strategy, which is being implemented, is adjusted along the way to better fit the organization. Persuasion can be seen as an internal marketing campaign where management communicates the benefits of the chosen strategy. Nutt's (1986, in Li et al., 2008) participation refers to the process of assigning a special task force to specifically work with the implementation. Edict, which is when through the use of power forces the organization to change, regardless of its concurrence, was clearly the least successful tactic.

Akan, Allen, Helms and Spralls III (2006, in Li et al., 2008) argue that certain strategies requires certain implementation tactics. For example, being innovative simplifies a differentiation strategy implementation whereas cost minimization showed to be most important when implementing a cost leadership strategy. Yet no information is given on the subject of sustainability, CSR nor CSV.

3.6.9 Control Systems

Pryor, Anderson, Toombs and Humphreys (2007) comment on strategy implementation's high failure rate. They argue that this is a consequence of the deviation between academic research and its practical applicability. In response they created their *5 P's model* that in essence share Li et al.:s (2008) framework with the exception of introducing performance measure as a vital part of an effective strategy implementation. Pryor et al. (2007) write that such an element allows for better decision making and strategic control by enabling feedback from what is measured. The authors argue that the measurements and their results, both bad and good, clarifies what is working and what is not. Positive results inspire the employees and show management that the implementation progresses in a desirable direction, whereas negative results indicate problems that need to be addressed.

Kazmi (2008) offers an interesting insight on measurements effect on strategy implementation. According to Kazmi many strategy implementations fail due to their ambiguity. By introducing distinct measurements corporations can make certain that the strategy's objectives are clearly defined and communicated and thus reducing the ambiguity. Measurements thus work as a checkpoint for corporations to clarify what needs to be done and whether or not the implementation is on the right course. Lastly he expresses his concern and critique towards the use of balanced scorecards. Kazmi (2008) argues that such a control system is too shallow and fails to counter the ambiguity.

Kaplan and Norton (2001) argue in their article that balanced scorecards (BSC) can be used as a tool for strategy driven performance for management to align employees' goals with the overall goal of the strategy and the company. The authors argue that it is important for the corporation to divide the overall goal into more individual goals across departments. Such approach motivates the personnel and creates a better understanding of the sometimes ambiguous implementation goal (Kaplan and Norton, 2001).

3.6.10 Follow-up and feedback

Even the best formulated strategies can fail if not implemented in a proper way. Therefore it is crucial with feedback on different aspects of the company's performance to confirm that the process is going well and to achieve constant improvements and adjustments if other things are not. Control systems is one of many sources feedback can come from and there are many different

areas from which feedback is valuable during an implementations process, e.g. employee performance (MSG, Strategy evaluation process and its significance; OPM, Performance Management).

3.7 Strategy implementation within CSV

With one of Porter and Kramer's ideas in mind, to innovate to meet society's needs whilst building a profitable company, Pfitzer, Bockstette and Stamp (2013) carried through a study with more than 30 companies to investigate how they implemented shared value within the area of innovation. In this study they came up with "five mutually reinforcing elements" that the companies rely on. All five elements are equally important to achieve the dual value, in both business and society, since they reinforce one another.

(1) Embedding a social purpose: according to the authors it is important for companies to embed a social purpose in their corporate culture and that this purpose is clearly defined and communicated. It is also important that the social purpose is incorporated in their regular activities and that managers are up to date on the changing environment and the global challenges so that they are updated on threats and opportunities connected to this subject.

(2) Defining the social need: doing a thorough research early on to learn more about the social need the company aim to address is crucial to get a comprehensive view of the problem as well as finding out if it is a reasonable project for the company to take on. To be able to tackle the social need in the best possible way they are dependent on this research to understand underlying social conditions and what opportunities it opens up for as well as constraints they must take into consideration.

(3) Measuring shared value: there is no good way of measuring shared value yet but The Sustainability Accounting Standards Board and The International Integrated Reporting Council are working to create standards and frameworks to enhance comparisons between companies. However, Pfitzer et al. found a pattern of a three-step-process that companies can use in lack of better ways of measuring shared value. The three steps are; estimating the business and social value – finding out what profitable results a change in social conditions would render and what level of social change that is needed to result in business value. Establishing intermediate measures and track progress – monitoring the progress and the believed link between business value and the chosen social condition to be able to confirm or invalidate the link, and, what course of actions

that work and do not work and adjust them along the process. Assess the shared value produced - measuring the final result of the business value and the social value created to motivate additional investments in the process and asses it.

(4) Creating the optimal innovation structure: there are different aspects and ways of handling the structuring of initiatives when working with new CSV innovations. If the company has a good understanding of the social problem they are approaching and has the right competencies to handle them then they should incorporate it with its core business. If all the above is true but the company does not expect the initiative to meet their normal financial requirements, such as being profitable within a certain time frame, they should create a semi-autonomous unit to work with the initiative. Another scenario would be that a company can identify a social problem and need, but do not believe that they can address it in a profitable way, they can take help from the government in the form of funding. Pfitzer et al.:s final scenario is when a company has identified a social need but lack the knowledge and/or expertise to solve it. Then they can appoint external entrepreneurs and learn from their solutions.

(5) Co-Creating with external stakeholders: one way of coming up with the best way of solving a social problem is by taking help from other stakeholders such as governments, universities, NGOs or other companies and to take advantage of their unique capabilities, capabilities that your own company might lack, to advance with a solution to the social problem (Pfitzer et al., 2013).

Kiron et al. (2015) agree with Pfizer et al. on the importance of co-creating and collaboration with external stakeholders to achieve a social value. In their research report, "Joining Forces" from 2015, they say that the world today is a more interconnected global economy which in turn affect social conditions. At the same time the progress within technical innovations affect consumption and production. This means that the conditions surrounding companies have changed, and are constantly changing, and that corporate sustainability now is about addressing critical business issues whilst being a part of complex networks with strategic relationships. Solving issues together in these networks is a consequence of the fact that sustainability issues have become more global through the interconnected global economy and that the issues, such as "access to stressed or non-renewable resources, avoiding human rights violations in value chains or moderating climate change" (Kiron et al., 2015:3), are too big to be able to solve alone.

Brian Gonzalez, Director of Global Education Sales Programs at Intel, says that they look at any large societal problem in a holistic way to come up with comprehensive solutions. To be able to address the problem in the best possible way they determine, in each case

"which industry, government and academic organizations we can engage to help us create and deliver the optimal solution based on local needs" (Gonzalez in Kiron et al., 2015:4).

Another participant in their research report was Andreas Bluethner, Director of food fortification and partnerships at the German chemical company BASF who said the following;

"Adding essential nutrients to food is not something governments can do, because they don't produce food. The private sector can't do it alone, because public health is not their core purpose. NGOs can't do it because they do not have all the necessary technical expertise. Making nutrition affordable for poorer population groups requires partnerships between all sectors on a global scale." (Bluethner in Kiron et al., 2015:5).

Porter et al. (2012) stress the importance of unlocking new value from shared value measurements to anchor it with strategy. They see it as a process consisting of four steps; (1) Identify the social issue to target, (2) Make the business case, (3) Track progress and (4) measure results and use the insights to unlock new value. Porter et al. see steps one and two as the strategy part and steps three and four as the measurement part. The four steps together form a feedback loop which unlocks new value that can be brought back into the process to make it as good and efficient as possible. According to the authors this is the biggest benefit with measuring shared value, the feedback that leads to new valuable information. Below you can see their looping system.
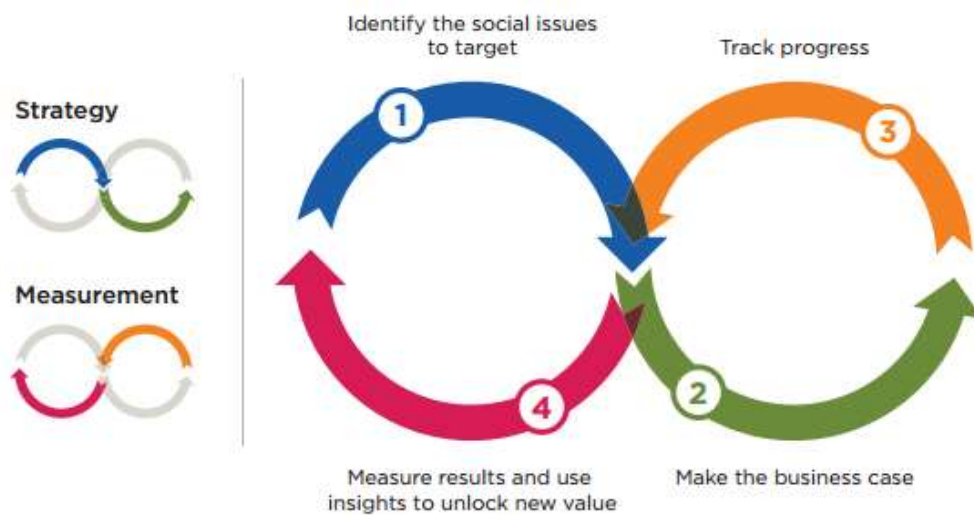
Figure 1 in Porter et al., 2012.

3.8 Preliminary framework

Based on theoretical findings we construct a preliminary framework that we will test in our study. This is the output of our literature review and consist mostly of Li et al.:s (2008) work, but with additional elements such as control systems and follow-up and feedback. Our framework illustrates eleven factors that have proven to be critical in more general strategy implementations, and we have chosen to use them as a foundation when studying CSV implementations at the participating companies.

Our aim is to then test this framework and see if a CSV implementation differs from a more general strategy implementation and if so what other factors might be relevant but also exclude certain factors that are included in the preliminary framework but are not deemed critical in this thesis. In addition to this we will also try to understand if there are any factors that are relatively more critical than others.
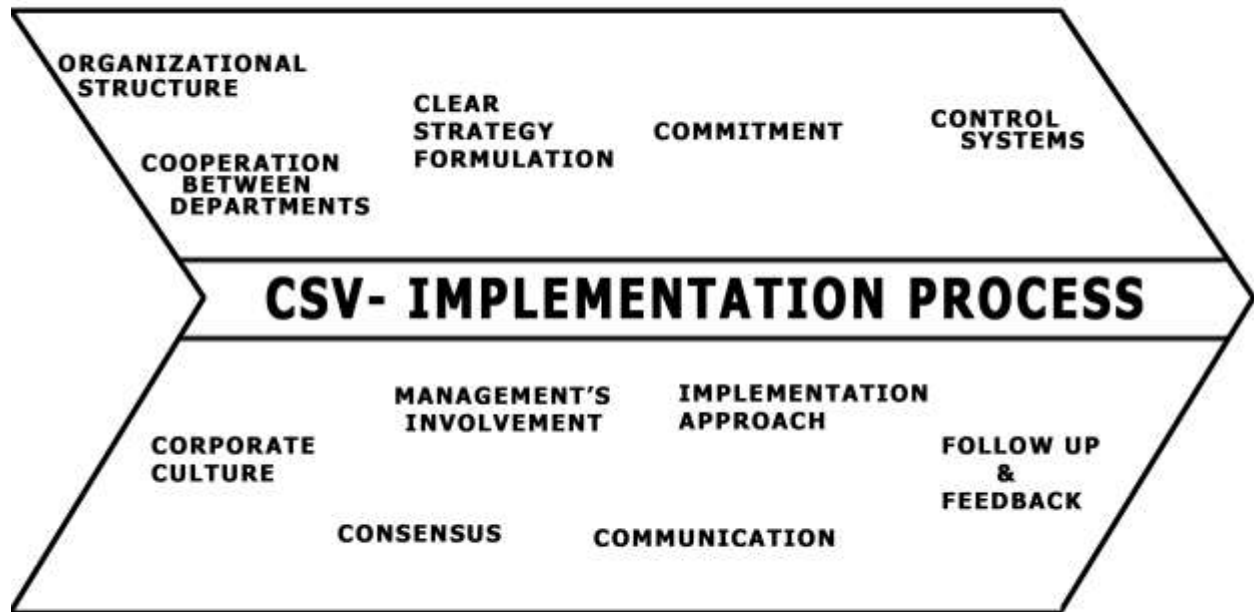
Figure 2. Preliminary framework

4. Empirical findings

4.1. Overview of participating companies

Company Name	Contact Name	Contact Titel	Date	Sort of interview
Arla	Åse Arnbratt	Specialist in Milk Quality	14/4	Telephone
Findus	Maria Svantemark	CSR Director	24/3	Personal
Kung Markatta	Lennart Olsson	Senior Advisor Purchase	6/4	Telephone
Lantmännen	Claes Johansson	Sustainability Director	25/4	Telephone
Oatly	Carina Tollmar	Sustainability Manager	22/4	Personal
Orkla Foods	Agneta Påander	CSR Director	4/4	Personal

Table 2. Participating companies

4.2. Company presentation

4.2.1 Findus AB

Findus has deep roots in Skåne and the company dates back to the early 1940s. The company is today owned by Nomad Foods, an international packaged food corporation, and accounts for a third of the total revenue, which summed up to approximately 430 million euro 2015. The company is currently undergoing major organizational changes as Nomad recently announced that 450 of Findus 800 employees in Bjuv are let go (Svantemark, 2016).

Although Findus does not explicitly communicate a CSV strategy we can see clear signs that their sustainability work resembles Porter and Kramer's (2011) CSV. Their effort towards creating a more sustainable consumption is shown through their work with introducing a new product series of vegetarian food but also a long going project concerning plant breeding (Findus Hållbarhetsrapport, 2014b).

Our interview with Maria Svantemark, CSR Director at Findus, confirms this CSV view on their sustainability work. Despite not explicitly calling their strategy CSV she clearly states that their sustainability work is not to be seen as some charitable activity. Instead Maria argues that Findus' sustainability approach is integrated in their core activities and is treated as any other activity in the organization, i.e. with economic requirements.

Findus sustainability work revolves around five areas which Svantemark presents as sustainable farming, less climate footprint, social responsibility, healthy and sustainable food habits and lastly commitment. These focuses are seen through different operations and activities such as Findus' commitment to MSC-certified fishing and their vigorous work with finding reliable suppliers who pass their requirements. They have also recently started using a state of the art top technology cold storage to reduce energy usage. All initiatives have undergone the same process as any other investment or strategic plan in the company and have all been analyzed and judged on their ability to generate future income or on a long term basis decrease costs (Svantemark, 2016).

Svantemark is currently the only member of their CSR department at Findus and reports directly to the market director. However, she is also part of Nomad's CSR department which is stationed in London where she is one of five people working with sustainability. Yet, Svantemark stresses that despite being the only member at Findus' CSR department she does not see it as working totally alone. Her work includes a lot of communication with the other departments and she says that there are elements of sustainability work within other sections of the company.

Findus current strategic work regarding sustainability proceeds from a sustainability policy from 2012 and Svantemark is currently overlooking the last stages of its implementation (Findus Hållbarhetsrapport, 2014a; Svantemark, 2016). Her way of guiding the company through this implementation process is mainly based from colleagues' advices, her own experience and partly influenced by scientific journals. And in addition to this work our respondent is also overseeing the integration of merging and implementing Nomad's sustainability policy, which poses a major challenge as, according to Svantemark, requires for three companies that work on different markets to unite under one single strategy. It is notable that Svantemark raises the question whether sustainability work might require local rooting and relevance, thus questioning Nomad's decision of centralizing its only CSR department in London.

4.2.2 Orkla Foods Sverige

Orkla is a market leading company within the food industry in Sweden with a revenue of approximately 5 billion SEK and 1500 employees in Sweden. Orkla is the parent company of several well-known Swedish brands such as Abba, Kalles, Felix, BOB, Risifrutti and Önos among others (Orkla Foods Sverige, 2016). Orkla was established on January 1, 2014 when Sweden's

three leading food companies Abba Seafood, Procordia and Frödinge merged and became one large food company.

Orkla's CSR strategy is based upon the international standard for social responsibility, ISO26000 and includes four focus areas which are Health, Food safety, Responsible purchases and Environment (Orkla Foods Sverige, 2016) that are being worked throughout the whole organization with a vision of making a difference for the future.

Even if Orkla Sverige does not use the term CSV when describing and communicating their sustainability work we argue that their work fits the description given by Porter and Kramer (2011). One example of a reconceived product within the Orkla concern is the Bixit oatmeal biscuit that was relaunched in 2015. The product is now free from palm oil and consists of higher content of oats. By this the proportion of saturated fat could be reduced by 63 % when using oil from sunflower, shea nut and coconut instead. The relaunch led to a more sustainable and healthy product since palm oil is produced with high environmental impact and contains of a high proportion of saturated fat (Orkla, Annual Report 2015).

In an interview with Agneta Påander, CSR Director at Orkla, we get to know more about the company. She has been working fifteen years within Orkla as Marketing Director until April 2016 when she started working full time as CSR Director.

To evolve their sustainability work Orkla has formulated a new strategy where sustainability is number one out of five pillars. The strategy is audited approximately every fourth year to ensure it is up-to-date and current. Påander also points out that they have been working with sustainability for many years, in Eslöv as an example, they burn leftovers that generate electricity for many of the households located in the area (Påander, 2016).

The driving force behind sustainability for the company is proactive reasons, a genuine will from within according Påander. They consider sustainability important and that is why it the most important pillar in their new strategy. At the same time, Påander says, the whole evolvement of today's society is a driving force and companies need to be at the forefront to be attractive on the market. Regarding social gains for economic losses Påander means is dependent on the period of time. In a short-time period it is acceptable with economic losses, she states that it is often that something in the short-term cause economic losses. However, she stresses the need for both parties to benefit in the long-run. Påander pinpoints that most investments have a negative financial effect

in a short-term but the plan is for the investments to generate profit in the long-term (Påander, 2016).

Påander does not believe in making a separate sustainability department in the company because then it will be something that only a few people work with. She means that sustainability is supposed to pervade the entire business and be in everyone's DNA (Påander, 2016).

4.2.3 Kung Markatta AB

Kung Markatta started in 1983 and was a pioneer of ecological food in Sweden. The founder of the company, Lennart Olsson, wanted a healthier lifestyle for himself but found it impossible to find such products in Sweden at that time. He then started to import for his own use but after having held cooking courses with these healthy products he noticed a demand from people in his surrounding who also wanted to buy the products.

In 2002 Kung Markatta was purchased by Lantmännen who then sold the company to Ekomodern AB in 2004 (Kung Markatta AB, 2016a). The company had a revenue of 311 million SEK in 2014 and has ca 45 employees in Sweden (Kung Markatta AB, 2016b). Kung Markatta's vision is to offer the Swedes healthy food and to change their food habits in a positive direction. Their products shall be good for both the consumer as well as for the society and the people who consume it.

The company has not reconceived its own products as Kung Markatta from the very start has been focused on ecological products that are healthy and nutritious. However, some of their products, such as pasta made of dinkel or milk-free dairy products, are examples of products that can be considered reconceived compared to the original product (Porter and Kramer, 2011). In a phone interview with Olsson, today Senior Advisor Purchaser at Kung Markatta, tells us about Kung Markatta's journey. Working with sustainability has always been a natural part of the company from the start even if they did not have a written plan when starting up as they have today. Olsson also says that there is a mighty difference of what society thinks about sustainability questions today compared to back in the 80's. By that he means that there is more external pressure from society regarding sustainability today.

When he founded Kung Markatta in 1983 Olsson says that he felt like an odd person. His way of thinking and eating healthy ecological products was not well-established in Sweden at that time and it felt a bit provocative to be first to introduce it on the Swedish market (Olsson, 2016).

If economic losses are accepted for social gains, Olsson means depends on the period of time. In a short-term period it is sometimes necessary but on a long-term basis economic losses cannot be accepted if you are running a business (Olsson, 2016).

Kung Markatta currently has no sustainability department, which Olsson means is because of their relatively small size of the business with 45 employees. When he founded Kung Markatta sustainability was incorporated in the whole business but Olsson means that the more it grew the more abstract it got to keep it that way. Olsson adds, it is always easier when you are on your own and make decisions on your own. When the company was sold to Lantmännen in 2002 there was a great change in business that included collaboration with other people that led to a new way of thinking and working (Olsson, 2016).

4.2.4 Lantmännen

Lantmännen is an agricultural cooperative but also a food producing company and a leading actor on sustainability in both industries in Northern Europe. Lantmännen has 10 000 employees in approximately 20 countries and is owned by 27 000 Swedish farmers (Lantmännen, 2016a). Some of its most well-known brands are AXA, Kungsörnen, GoGreen and Bonjour that together create a product portfolio of granola, oats, flour but also pasta made from beans.

Lantmännen's vision is to have a responsibility from, as they express it "field to fork" and work to develop more sustainable farming methods and offer consulting services to their farmers to further advance their techniques and methods. Among other things Lantmännen has developed a new farming method for grains with a 20 % lower carbon footprint (Lantmännen, 2015). This new cultivation method is made possible through Lantmännen's investment in R&D which has yielded development on several steps in the cultivation chain. For example the farmers now use more climate-friendly fertilizers, more environmental friendly pesticides and are offered to take a course in eco-friendly tractor driving. The reason for this is to assure a decreased effect on the environment from field to fork and is a strategic goal in their long term plan (Lantmännen, 2016b).

As such we conclude that Lantmännen meets the requirements of reconceived product and even if Lantmännen does not use the description CSV itself to communicate their sustainability work we define their activities to be in close affiliation with Porter and Kramer's notion (2011).

We had the chance to interview Lantmännen's CSR Director Claes Johansson. Johansson clearly expresses Lantmännen's devotion to their sustainability development and activities and

how it is anchored in the organization. He explains that Lantmännen's long term focus, which is one of the main forces to their sustainability investments, is due to their ownership structure. Being a cooperative gives an even greater dedication for a company's long term strategic goals according to him. Furthermore Johansson highlights that their recently updated code of conduct strengthens the company's sustainability progress and the organizational behavior. In consistency with this statement Johansson explains that sustainability is to be considered as one of Lantmännen's core activities.

Despite communicating a CSV strategy Johansson clearly states that in order to create more environmental friendly products there must also exist a financial return in the long run. He also states that it is his belief that a company should not engage in projects where it has no knowledge or expertise in. Instead he thinks that for sustainability work to be efficient it must be connected and related to the company's core activities, otherwise such projects would be purely philanthropic and hard to get a return on (Johansson, 2016).

4.2.5 Oatly

Oatly started its business in the 1990s with an original idea of making a liquid product with high nutrition for people who did not drink milk from cows. Today Oatly has a wider supply of products and all of them are made of Swedish oats. The company's vision is to offer its customers products with maximum nutrition that have a minimal impact on the environment (Oatly, 2016). With other words to help people consume products that are good for both the health and for the planet. Oatly also state that they strive to produce the cleanest and most responsible products on the market and therefore also constantly are looking for ways to improve their products.

Oatly may not have reconceived their own products but the revolutionary idea when starting the business of a nutritious liquid product similar to milk, but made of oats, would according to Porter and Kramer's work (2011) be a definition of a reconceived product.

The company is owned by Pågengruppen, Industrifonden, Östersjöstiftelsen, the founders of Oatly, employees and private individuals.

The home market of Oatly is the southern of Sweden but the brand is established in more than twenty countries in Europe and Asia (Oatly, 2016).

In an interview with Carina Tollmar, Sustainability Manager at Oatly, we get to know more about their work. Tollmar herself has been working for the company since 2000 and has been

Sustainability Manager since September 2015 when the role was created. She then worked parallel with her former role as Head of Communication until January 2016 when that role was filled by another person (Tollmar, 2016). Tollmar tells us that sustainability has been on the carpet for a long time for Oatly but more as something everyone should work with rather than a one-person-question. The role as Sustainability Manager was developed to be a support for the whole organization with a focus on sustainability to be able to monitor the company's work, but most important to drive the question as a whole (Tollmar, 2016).

Last year Oatly analyzed their business and found where the problems are and how they should work to really make a difference. Climate is an important question for Oatly though they are producing vegetable products which is more environmental friendly than animalistic production. Tollmar stress that making crop products is not enough and the company is continuously striving to improve their production methods and reduce their emissions. A large part of the company's climate footprint is in the production phase, such as for other businesses in the food industry even if the footprint of crop products is only ⅓ of the footprint of animalistic products. Even though this is the case our respondent stresses the need for improvement to create even less of a footprint (Tollmar, 2016).

The sustainability work of Oatly is incorporated in the core business and Tollmar means that the largest driving force of sustainability comes from within. This is a consequence of their external communication where Oatly consciously have created an external pressure from their consumers by promising to be a good company. This Tollmar thinks is great, because if you say that you are good you need to live up to it as well, otherwise it is just empty words. She also explains that the questions important for the consumers, such as transport and palm oil as, may not always be what have the largest footprints. There is therefore a balance between the larger questions, such as natural gas for example, and smaller questions to be able to handle both in a good way (Tollmar, 2016).

Regarding whether an economic loss would be ok for a social gain Tollmar says depends on what period of time you are looking at. In today's society it is more expensive to be sustainable. For example it is a lot better for the environment with biogas but yet it costs a lot more than other fuels. But Tollmar stress that to have a profit in the long-run it is necessary to take that responsibility and she is also convinced that their customers share that appraisal and continue buying their products therefore (Tollmar, 2016).

4.2.6 Arla

Arla is a global dairy company cooperative owned by 13 413 (in 2014) dairy farmers in Sweden, Denmark, United Kingdom, Germany, Belgium and Luxemburg (Arla, 2016a). They have production in 13 countries and out of 10 liter produced milk 9 liter comes from farmers who own Arla (Arla, 2016a; Arla, 2016b). The history of Arla goes back to the 1880s and in 2000 Arla and the Danish dairy company MD Foods merged and became Arla (Arla, 2016c).

Arla state that they want to grow their business but they also know that the only way to achieve long-term success is if they are able to add value to individuals' lives while also acting responsibly towards the environment (Arla, 2016d). In an interview with Åse Arnbratt, Global Specialist in Milk Quality at Arla during the last six years, she tells us more about the company and their work.

In recent years quark has become a popular product in the fitness branch with its high contain of protein. That made companies realize that the former slag product quark that comes from producing milk actually could be used as a healthy source of protein, a win-win for companies and consumers. Like other dairy companies Arla has developed and produced new and even healthier products within the quark category like Arla Protein and Skyr. Products that contain of no fat, less sugar and high protein (Arla, 2016e). Quark would according to Porter and Kramer's work (2011) be an example of a reconceived product, both from start but also when developing it further and making it even healthier.

The sustainability work of Arla goes throughout the whole company, from production to distribution and it is incorporated in the core business (Arnbratt, 2016). The sustainability thinking of Arla is top down and Arnbratt means that it is very clear how the CEO of Arla wants to work with his distinct guidelines and it also makes it a lot easier to work with these strategies in all countries. They also have global projects that they are working with to come forward and move in the right direction.

The driving force behind working with sustainability our respondent means is a combination of a drive that comes from within the company and a demand from consumers. For example Arla have a lot of large customers such as Unilever that in its turn has very high requirements on climate work regarding companies they purchase from (Arnbratt, 2016).

Regarding economic losses for social gains Arnbratt tells that there is a requirement for profits when implementing sustainability on the farms. She explains that gaining profit on those

investments is almost always the case because it is about optimizing management and production and minimizing spillover that will generate a profit for the farmer. Regarding the company Arla, Arnbratt explains that investments need to be made like changing the products' packages and that will of course bring a cost. The desire though is always to be able to sell more as a consequence of these investments but that is nothing you can know for sure in advance.

Arla has a sustainability department that is global and works over all countries. Then there is also officials working with sustainability within their areas and that pervade the whole organization (Arnbratt, 2016).

4.3 Empirical overview

Here we present three tables that gives a better overview of our findings. We have chosen to divide our data into three tables starting with whether the factor is considered critical or not. The following table depicts the relative importance and table five indicates when a factor becomes relevant from a chronological perspective.

CRITICAL FACTORS	FINDUS	ORKLA FOODS	KUNG MARKATTA	LANTMÄNNEN	OATLY	ARLA
CORPORATE CULTURE	●	●		●	●	●
ORGANIZATIONAL STRUCTURE			●	●		
COOPERATION BETWEEN DEPARTMENTS	●		●	●	●	●
CLEAR STRATEGY FORMULATION	●	●	●	●	●	●
MANAGEMENT'S INVOLVEMENT	●	●	●	●	●	●
CONSENSUS			●			
COMMITMENT	●	●	●		●	●
COMMUNICATION	●	●	●	●	●	●
IMPLEMENTATION APPROACH	●		●	●	●	
CONTROL SYSTEMS	●			●	●	
FOLLOW UP/FEEDBACK	●	●	●	●	●	●

Table 3. Critical factors.

Table 3 shows the participating companies' opinion whether or not the factors in our preliminary framework should be considered critical for a CSV implementation. A box with a dot means that the company deemed the factor to be critical, and a box without would mean that the factor was not considered critical.

RANK OF IMPORTANCE	FINDUS	ORKLA FOODS	KUNG MARKATTA	LANTMÄNNEN	OATLY	ARLA
CORPORATE CULTURE	8	4	10	1	2	6
ORGANIZATIONAL STRUCTURE	10	9	8	2	11	7
COOPERATION BETWEEN DEPARTMENTS	9	8	7	2	6	11
CLEAR STRATEGY FORMULATION	1	3	2	2	3	1
MANAGEMENT'S INVOLVEMENT	2	1	3	2	1	8
CONSENSUS	11	11	4	3	10	2
COMMITMENT	4	2	1	2	4	3
COMMUNICATION	3	5	5	2	5	4
IMPLEMENTATION APPROACH	5	7	6	2	9	5
CONTROL SYSTEMS	7	10	11	2	8	10
FOLLOW UP/FEEDBACK	6	6	7	2	7	9

Table 4. Rank of Importance.

This table gives an overview of the participating companies regarding the preliminary factors' relative ranking to one another. All respondents have listed the factors from 1 to 11 where the first is considered most important and the latter the least important. It should be remembered that although ranked, some companies do not consider the factor to be critical. This table should be compared to table 1 to gain a better understanding. Furthermore, Lantmännen's ranking reaches only from 1-3 as the respondent considered that it was too difficult to separate the factors.

CHRONOLOGICAL ORDER	FINDUS	ORKLA FOODS	KUNG MARKATTA	LANTMÄNNEN	OATLY	ARLA
CORPORATE CULTURE	∞	∞	∞	∞	∞	7
ORGANIZATIONAL STRUCTURE	∞	∞	7	7	∞	6
COOPERATION BETWEEN DEPARTMENTS	∞	∞	9	8	∞	11
CLEAR STRATEGY FORMULATION	2	3	2	4	2	1
MANAGEMENT'S INVOLVEMENT	1	1	3	3	1	3
CONSENSUS			4			4
COMMITMENT	4	2	1	2	3	2
COMMUNICATION	3	5	5	6	4	5
IMPLEMENTATION APPROACH	4	4	6	5	5	8
CONTROL SYSTEMS	5			10	7	10
FOLLOW UP/FEEDBACK	6	6	8	9	6	9

Table 5. Chronological Order.

Table 5 offers a chronological dimension to where in time the different factors from our preliminary framework affect the implementation process. Most of our respondents consider that it is too difficult to rank these 1-11, which is why there are some empty boxes. The ranking of 1-11 should be interpreted as a chronological order, where 1 indicates the first event in the implementation process and 11, or the highest number in the column, is the last event. The

infinity symbol represents when a respondent considers that a factor has an on-going effect on the implementation.

In this table one can see that the first three factors have this trait. The respondents argue that these factors are present before, during and after the implementation process, therefore no specific number will sufficiently signal its chronological order. It should also be noted that this table does not indicate whether or not a factor is considered to be critical or not, to that we refer to table 3.

4.3 Empirical factor findings

4.3.1 Corporate Culture

Corporate culture refers to the norms and values that exist in a company, including CSV or sustainability focus but also other values. Our ambition is to see if this factor has had an effect on the CSV implementation and whether the effect is to be considered to have a critical impact and also understand how important the factor is in relation to the others. Therefore we asked the interviewees what the corporate culture looked like before the implementation to gain an understanding of each company's specific culture.

Our interviews show that most companies already include a CSV thinking, or sustainability thinking as they often refers to, in their corporate culture. The interviewees at the different companies report that corporate culture is very essential for their implementation process and many times severely helped the implementation. Many of our companies argue that corporate culture had an aiding effect and eased the process. By having such values in their corporate culture before starting the implementation reduced counteracting from the personnel. In addition to this many say that their implementation process in itself has also had an empowering effect on the corporate culture, evolving and strengthening it. This continual reference to corporate culture throughout the implementation indicates that many of the respondents consider that this factor has affected the process during the whole implementation. In fact, five out of six participating companies argue that corporate culture has an ongoing effect on the implementation.

Of the participating companies five out of six consider that corporate culture should be categorized as critical. Kung Markatta is the only one that disagrees. Olsson, Senior Advisor Purchaser at Kung Markatta, explains that despite the fact that sustainability has always been an important value for Kung Markatta, it is not critical for the implementation. Olsson explains that

it has eased the implementation process, but that the implementation could have been carried through without their corporate culture's impact. Instead Olsson claims that one should emphasize the actual activities in an implementation process, instead of relying on a more passive factor as corporate culture.

Svantemark, CSR Director at Findus, explains that by including sustainability in their corporate culture it becomes much easier to respond to co-workers who do not commit to the implementation. By referring to the corporate culture, and Findus' vision it becomes much easier to get compliance from those who oppose the implementation.

Johansson, CSR Director at Lantmännen, lists corporate culture as the most important factor among all eleven. He argues that it is mainly through their corporate culture, which promotes a very long term perspective, in line with the cooperative ownership structure, that their sustainability implementation has been so successfully carried out. Johansson argues that the corporate culture influences all the other factors to such a degree that it must be considered the single most important and critical factor.

Oatly's Sustainability Manager, Tollmar, lists corporate culture as the second most important factor of all. She explains that by giving the co-workers something more than economic goals to work towards they become inspired. Therefore, by having a corporate culture that includes sustainability the implementation process becomes much easier and can be implemented much better. Tollmar means that Oatly's corporate culture has meant that co-workers have not only complied better to the implementation but that the co-workers themselves actually have proactively helped to implement it by inspiring each other to perform better.

4.3.2 Organizational Structure

Organizational structure represents the infrastructure of the organization, including whether it should be considered decentralized or more structured. A majority of our respondents argue that the organizational structure is not critical for their CSV implementation. And in addition to not listing it as critical it scores low on importance. Regarding the chronological perspective half of our respondents consider organizational structure to affect the implementation throughout the whole process. The remaining three agree on that this factor has an effect after the initial stage.

Two out of the six participating companies consider that the factor should indeed be considered critical. Johansson at Lantmännen says that it is first after the initial implementation

stage that it becomes clear what structural changes that needs to be done. He argues that organizational structure is to be considered as the "operative tool" and as such, critical for the implementation. He says that this might be because Lantmännen is a cooperative and has a special organizational structure. Kung Markatta's Senior Advisor Purchaser, Olsson, argues that organizational structure become increasingly important for any implementation process as an organization grows. Olsson, who is also the founder of Kung Markatta, has experienced his organization grow in size over many years and expanding from only a few employees to today's 45. As such he claims that this factor is critical, especially for companies that have grown in size.

The participating companies all share the view that a CSV implementation has changed the organizational structure, indicating that there is a reversed effect, especially those who discard it as critical. Oatly has formed a new sustainability counsel as a consequence of their implementation process to improve cooperation and communication from the different departments at the company. Orkla has experienced a similar occurrence creating a certain group to better include different aspects and departments of the company in their new strategy. Påander at Orkla also express that the implementation process did consider the current organizational structure, but that it was not a decisive factor when choosing how to implement it.

4.3.3 Cooperation between departments

Three of our participating companies consider that this factor has an ongoing effect during the implementation process. Those who oppose this rank it in a chronological perspective as a factor that influences the process at a later stage of the implementation. Johansson, at Lantmännen, argues that it is first at this latter stage that cooperation becomes increasingly important as the implementation proceeds. Five of the participating companies list that this factor is critical, only Orkla considers otherwise.

Arla, who finds the factor critical, means that their ownership structure makes it less important but still there is a need for some kind of cooperation since the organization consists of thousands of individual farmers. Arla's model of not enforcing anything onto their farmers is a different way of cooperation where they rather try to show their farmers what value that can be created through a CSV implementation, and thus enabling them to understand themselves why the implementation would be good. Påander at Orkla argues that the whole point of appointing a CSR Director is to relieve the departments of the time consuming work, which cooperation takes.

Instead this activity is channeled through the CSR department, which then works as a spider in the net for all departments.

However, the other five companies that do consider cooperation between departments as important argue that it is impossible to implement a new strategy by only using their specific CSR department. Svantemark at Findus explains that she is highly dependent on the help she gets from the departments. She also argues that without cooperation sustainability work becomes too abstract and treated as a separate activity, which no department involves themselves in. Johansson at Lantmännen shares Svantemark's opinion and also argues that cooperation is important to include all departments. He also explains that cooperation enables one "to see the bigger picture and find associations and connections" (Johansson, Lantmännen, phone interview, 2016-04-25). Furthermore Lantmännen's respondent indicates that the CSV implementation has required a better cooperation than before, and thus has had a positive effect on the organization.

At Oatly Tollmar explains that cooperation has had a critical effect on the implementation process. It has proven to be an important factor since cooperation has enabled Tollmar to gain better understanding from all the departments and gained access to input she would not have had time to gather by herself. Olsson at Kung Markatta explains that the cooperation between departments at such a small company is usually not a problem, nor has it been here. As such he means that cooperation has been important to implement the CSV strategy, but argues that the cooperation itself has not required much work due to the small size. With only 45 employees Olsson means that cooperation comes naturally.

4.3.4 Clear strategy formulation

In this thesis a clear strategy formulation includes the process of formulating a strategy, the preparations of implementing a strategy as well as taking into consideration whether or not a strategy is well suited for the specific company. All participating companies find that a clear strategy formulation is a critical factor. To further emphasize the shared view of its importance all six companies have ranked this factor as number 3 or higher. Looking at an implementation process from a chronological order their answers are only slightly more spread, here their answers differs from number 1 to number 4.

Arla, which is a cooperative, says that since they have so many owners it is important with a clear strategy formulation so that everyone understands what needs to be done and what is

expected of each one of them. Olsson at Kung Markatta shares a similar view and highlights that without a clear strategy formulation the employees could interpret the new strategy in many different ways which would create confusion and problems. Since they have put commitment as number 1 in the importance ranking, and clear strategy formulation as number 2, it is important that their top two factors work together, meaning that the employees are committed to the accurate interpretation of the strategy formulation.

Oatly has a similar opinion where Tollmar, their Sustainability Manager, says that since people in general have a hard time grasping the concept of sustainability and what it consists of it is important with a clear strategy formulation so that everyone relates to it in a similar way. Both Findus and Lantmännen point out the importance of having the strategy formulation anchored in the management team. According to Svantemark at Findus this is important since this strategy should permeate the whole organization. Svantemark says that once a strategy has been selected you cannot refuse certain work tasks as an employee which is why it is important with the management's support, so that the message is mediated to the entire organization. Johansson at Lantmännen points out that the strategy formulation is what all of their work proceeds from, which is why it is extremely important that it is crystal clear. Johansson also emphasizes that it is important that a strategy formulation not only is something that a company shows of with or talk about but that it in fact is something that everyone works actively with.

4.3.5 Management's involvement

Management's involvement takes into consideration different levels of management such as top-middle-, lower-, and non-management. Most often it is the top management and middle management that are involved in the strategy formulation and therefore also most informed with the planned steps of an implementation. When talking with our interviewees all participating companies found this factor critical and ranked it between number 1 and 3 in our importance ranking, except for Arla who ranked it as number 8. However, all companies agree upon the fact that seen from a chronological perspective this factor should be taken into consideration in the beginning of an implementation process. Five of the companies put it between number 1 and 3 in this ranking dimension.

Even though Arnbratt at Arla ranked management's involvement as number 8 in the importance ranking she says that management has a great impact on the implementation process

seeing that management has quite high requirements for the implementation to work and fulfilling different demands at the same time. On the other hand, the CSR Director at Orkla ranked this factor as number 1. Tollmar says that their involvement facilitates the implementation process, but that it is not completely necessary. She motivates her statement with the argument that management makes the strategic decisions, but they do not have to be involved in the implementation process. If the governance structure works well she even says that it could work without the management for a period of time but not in the long-run, though this is not a desirable situation.

Olsson, the founder of Kung Markatta says that it is important for them to hire people with the same values as the organization and that this is something they looked at when they hired for example their CEO. They have had a focus on ecological food and sustainability from the very beginning and to be able to continue with this philosophy it is important that the management team feels strongly about this. Svantemark at Findus points out the importance of having a strategy anchored in the management team and said that Findus has representatives from all departments in their management. This is a way for them to ensure that everyone actively works with the sustainability strategy.

Svantemark argues that sustainability often struggles with extracting measurements and KPIs, therefore CSV implementation becomes more value and norm driven. That is why it is so important to have representatives from all departments in the management and that they actively can help make these strategies permeate the entire organization. Johansson at Lantmännen explains that top management's involvement is important as it signals to the rest of the organization that it is important work. Without a clear demand and prioritizing form the top management sustainability easily gets forgotten or pushed aside for other more relatable subjects.

The Sustainability Manager at Oatly, Tollmar, agrees with this. She points out that sustainability questions has to be anchored in the management team to receive attention. Oatly is constantly growing and according to Tollmar many employees have cared strongly about questions regarding the environment and sustainability for a long time but it was not until they appointed a new CEO in 2012 that things changed and more focus was given to these questions.

4.3.6 Consensus

Create consensus is about creating a shared understanding and how it affects an implementation

process. When talking with our interviewees it was clear that this factor, by far, was the one that was most discussable. The common opinion was that consensus is not important when implementing a CSV strategy, but rather that some sort of acceptance is.

The CSR Director at Orkla, Påander, claims that consensus is not important at all but that compliance and acceptance are. She says that the employees need to accept the decisions, although the decisions are not according to the employees' own ideas. According to Olsson at Kung Markatta and Tollmar at Oatly consensus is something that is somewhat typical for Sweden. Olsson says that it is great if everyone can agree and think alike but that it is the responsibility of a CEO to make any uncomfortable decisions that everyone might not agree upon. Tollmar says that she, in general, does not like to ignore anyone's ideas but some things just has to be done and then everyone has to accept the new premises.

Johansson at Lantmännen does not either believe that consensus is something worth striving towards. He says that they try to embed the strategy with their core values and create a common understanding for the basic parts, but it is impossible to make everyone get along and agree all the time, therefore it is better to strive towards acceptance. Svantemark at Findus agrees with Johansson and says that they try to anchor their strategy to their vision and core values but that it is hard, if not impossible, to make everyone satisfied. The most important thing is that one can gain acceptance from the people that are most involved, such as members of the high level management, to be able to move forward. Svantemark considers that the employees comply more willingly if it has been decided on top management level.

Arnbratt at Arla agrees with the others' opinion about acceptance being more important than consensus, however being a cooperative and not being able to force any decisions upon their members puts them in a different position than the others. Just as Findus, Arla believes in raising awareness and educating people to make them take actions by own free will. As mentioned earlier Arla conducts activities to spur their owners to make them see what they can gain from complying with Arla's new sustainability strategy.

When looking at the ranking of importance table the results are spread widely. Three of the companies have given it a 10 or an 11 while three of the companies have ranked it as number 2, 3 and 4. At the same time, only two of the six companies, namely Kung Markatta and Arla, have ranked it from a chronological perspective.

4.3.7 Commitment

Commitment refers to the importance of committed co-workers, how well they are involved in the process and how this affects the implementation. Five out of the six participating companies consider commitment as a critical factor and on the rank of importance the results are centered between 1 and 4. Only Lantmännen deems it as a non-critical factor but when looking at the rank of importance Johansson gives commitment a 2 on his three-numbered scale indicating that it is not unimportant either. This is in accordance with his explanation where he says that it is not necessary or critical with commitment to get certain aspects done, but it is a great advantage if you have a committed organization and committed co-workers.

CSR Director Påander at Orkla says that commitment is one of the most important factors. She says that it is very important to embed this commitment in the DNA of the co-workers since that makes them think about sustainability independently. Nowadays Påander gets feedback from her committed co-workers in a way that she never did before which she says contributes with a decisive effect to the implementation process.

Sustainability Manager Tollmar at Oatly shares her thoughts and says that her work would be much more difficult unless she was surrounded by committed co-workers. She has created a sustainability counsel with the most committed co-workers because she realizes the value the company can gain from their dedication. Tollmar points out that it would be naive to believe that everyone within their organization is as committed to sustainability questions as the ones in her sustainability counsel and therefore it is important for her, with their help, to spread a commitment throughout the organization.

Svantemark, the CSR Manager at Findus, also believes that commitment is an important factor and she says that one way of achieving committed co-workers is by informing and convincing them of the importance of these questions. It is also important that they feel included in the processes to be able to feel a commitment as well. Svantemark also believes that the situation in the world today with the ongoing debates about sustainability and the environment pushes people and organizations to act more responsible which in a way creates commitment.

These thoughts are supported by Arnbratt, at Arla. She argues that there is an overall high commitment in most organizations today regarding sustainability, and that co-workers who are committed on a personal level, who genuinely care about sustainability, will drive these questions. Finally, Olsson at Kung Markatta expresses his belief that commitment is important. He says that

after the company had grown and become more well-known people with similar thoughts and who shared their values about ecological food were drawn to his company. To Kung Markatta it is important to hire people with the same values and norms as they have to ensure the same level of commitment.

Just as with the rank of importance the chronological rankings are set between 1 and 4 meaning that all companies believe that it is something that needs to be considered from the very beginning.

4.3.8 Communication

Communication refers to informing the organization of why a change is happening and how it should be carried out. Without sound communication throughout the implementation process problems, such as a lack of trust, can arise which aggravates the process. All six participating companies consider communication as a critical factor during an implementation process. Once again the answers are quite centered and communication is given a ranking between 2 and 5 from an importance perspective. Olsson at Kung Markatta believes that communication is very important and he adds another dimension to it, namely firm size. He says that previously, when the company did not consist of as many employees, the communication was not as important because everybody knew what to do. Now however, as they have grown has become important with an on-going communication. The firm size and allocation of employees are therefore important aspects when discussing communication.

Oatly has grown faster than expected the last couple of years. Just as Olsson at Kung Markatta says, Tollmar, at Oatly, argues that the communication needs to be adapted to the firm size. Furthermore she adds that internal communication, which allows the employees to know when something is about to happen, creates a sense of participation which is very important.

According to Johansson it is hard to separate the internal and external communication at a big company such as Lantmännen. External communication such as commercials reaches their members as well and signals to them what values Lantmännen stands for. Johansson believes that this makes the employees realize that if certain values are marketed externally then it ought to be important for them as well, therefore the external communication affects the implementation process. He sums up the discussion about communication by saying that it is necessary with communication if you want to draw any value from your sustainability work.

Svantemark at Findus is very keen on making the employees understand why certain work tasks are important and this would not be possible without communication. If it is communicated why you ought to do something and what your task will lead to it will make the process a lot easier and well-motivated to go through with than if you were told to do something without knowing why and the outcome of it, she explains. Arnbratt at Arla shares a similar view and believes that it is important to communicate what you should do, and stresses that one needs to inform everyone of what the strategy looks like and how to go through with the implementation.

From a chronological perspective the interviewees have given communication a ranking between 3 and 6 indicating that it is something that should be introduced if not from the beginning of the process than at least on the first half of it.

4.3.9 Implementation approach

Implementation approach refers to the different tactics that can be used to implement the strategy. It includes intervention; a dynamic tactic where the initial strategy is partly adjusted while encountering obstacles, but not as much to affect the overall strategy formulation. It could also include persuasion, to convince the co-workers, participation; the significance of making the organization participate and finally edict; doing the implementation through compulsion.

Four out of six companies believe that this factor is critical but not one of the most important factors as it gets between a 5 and a 9 when ranked by importance. Lantmännen has given it a 2 but as previously mentioned Johansson found it difficult ranking the factors from 1 to 11 and had his own scale from 1 to 3 indicating that this factor is somewhere in the middle. Arla explains that they implement a strategy within sustainability through participation and through this co-creation it is easier gain acceptance.

The CSR Director at Orkla means that once the strategy is set you do not change it and therefore rules out adjustment of strategy. She believes it is important that the employees understand why it is crucial with sustainability for the company and its surroundings. This could be achieved by for example understanding what was discussed in Paris in late 2015 and how important sustainability work is to our planet which indicates a combination of persuasion and participation. This is in line with the thoughts of Olsson, Senior Adviser Purchaser at Kung Markatta. He also believes that knowledge and understanding are the most important things in order to get your employees to work towards the same goals as the company as a whole.

Both Johansson at Lantmännen and Tollmar at Oatly believe that it is a combination of the four tactics that is the best way of taking on an implementation process. Johansson also adds that they have been working externally and gotten their customers involved in sustainability questions which in turn have made the customers set certain sustainability demands. This means that Lantmännen themselves have created an external pressure that keeps them on their toes and forces them to take a leading position on the market regarding sustainability.

Tollmar explains her statement that a combination of all four tactics are being used as a way of adapting your working procedures and strategy to reality. She listens to her departments and the input they bring. She believes that this is an important way of creating a commitment. Furthermore she firmly believes in setting up a strategy and sticking to it but at the same time it has to be possible to adjust it when necessary.

4.3.10 Control systems

This factor regards the usage of different control systems such as balanced scorecards and KPIs and how these can affect the implementation process. When asked, none of the companies said that they are using balanced scorecards but on the contrary all of them said that they frequently look at different KPIs. Svantemark at Findus and Tollmar at Oatly both point out the importance of being able to measure sustainability work since it makes the area more tangible and real. Svantemark also points out that as soon as you can measure something it also becomes very easy to track if you have reached your goals or not which Tollmar also believes. Tollmar adds that these KPIs facilitate follow-up and documentation. According to Svantemark, the measuring does not start until the implementation has been fulfilled and they can start working towards their goals. At Findus they also present sustainability reports each year which is a way for them to show transparency and to give their customers an insight in what they are doing. To design this form of report they measure KPIs to show for example how much water they use and other welfare aspects.

Johansson at Lantmännen says that they as well conduct sustainability reports where they use KPIs to gather the right information whilst they at the same time look at other aspects internally to measure how well their sustainability aspects are implemented. Olsson at Kung Markatta says that it is important to track the progress from the beginning, something that Johansson agrees with. He stresses the importance of control systems from the very beginning of an implementation process since he believes, as mentioned earlier, that what gets measured gets done. Therefore, he

says, you need to get this in function quickly when working with implementations and gather data from these control systems as fast as possible.

The CSR Director at Orkla, Påander, also uses the phrase, "what gets measured gets done" (Påander, Orkla, personal interview, 2016-04-04) when asked about the importance of control systems in implementation processes. Furthermore she says that it is smart to adjust goals that are set early on since there is a difference between ambition and reality, but, that it is important to strive towards high ambitions. She also stresses the importance of not making any differences between sustainability work and other parts of the organization. It should be seen as a part of their core business and not be treated any differently.

At Arla they measure things differently depending on if they look at it from a farm level or if they look at it internally within the company. On a farm level they have KPIs that they look at each year to see if they have improved or not whilst they internally have set up goals they need to achieve.

4.3.11 Follow-up and feedback

This factor is more or less directly correlated to control systems and refers to how useful the collected information is to the implementation process. It could also be feedback in the form of personal reflections from people working with the implementation, as such it is not completely intertwined with control systems. All of the companies use follow-up or feedback in one way or another. Some of the companies have come a longer way in their usage of it, yet all companies claim that it is important with follow-up and feedback.

At Oatly it is a work in progress and they have not fully got started with using the information they collect from their control systems but the idea is to do so within shortly. Olsson at Kung Markatta on the other hand says that they frequently take advantage of feedback and that every department gets the feedback relevant to them. Lantmännen gives feedback mainly to the management, both at a company level and at a business group level.

Påander, the CSR Director at Orkla debates whether control systems or follow-up and feedback is most important. Even though her answer boils down to control systems being most important, feedback is the really reason for them having control systems. Most companies consider for this factor to be implemented rather late in the process. Furthermore, when ranked from an

importance perspective this factor, which is considered to be critical to all companies, receives 6-9.

4.4 Categories and additional input

Under this section we present additional input that our respondents have given us during the interviews. In addition to the testing of our preliminary framework we asked the respondents to speak freely what they believed to be important when implementing a CSV strategy and what other factors that were critical. And from these answers we have identified certain categories and categories among the participating companies. However, some of these categories are closely related to the factors in the preliminary framework, yet we consider them to be distinct enough to be presented here instead of under the preliminary factors in 4.3.

4.4.1 Education

Education is perhaps the strongest indication we identified among the companies. Every respondent we interviewed brought up education as an essential factor for succeeding with a CSV implementation. The argument for education often revolves around creating an understanding among the co-workers to *why* the implementation of CSV would add value to their work. Many of our respondents highlight that it is not enough to only tell people what to do or give them certain directions. In addition many of the respondents argue that educating the organization will inspire greater commitment and thus make the implementation process smoother.

At Oatly, Tollmar argues that education is a great tool to enhance their sustainability work. She expresses that only telling people what to do will prohibit the sustainability work from reaching its full potential. Instead, if people know why they are working with sustainability they will include it in all their activities and thus hasten the implementation process and spread awareness across the organization.

Svantemark at Findus gives an example of how she managed to include several more employees in their sustainability work by reaching out to a segment of the organization that earlier had not taken interest in the CSV implementation. She set up a lecture for Findus' account managers about the opportunities that exists within sustainability products and informed them how they could penetrate new customer segments. And by doing so she were able to implement the strategy much faster and in addition she says it inspired more commitment.

Johansson at Lantmännen witnesses similar effects from educating the personnel. Through education he was able to better inform the organization of what value, which previously had not been as clear to everyone, that sustainability can add. He stresses that sustainability could yield benefits such as increased margins in certain areas but also unlock new markets. And as such the implementation gained momentum and could be completed more efficiently. Påander at Orkla supports this argument and stresses how education leads to increased willingness throughout the organization.

4.4.2 Value based communication

During our interviews we found a common perception that value based communication play an important role during CSV implementation processes.

At Arla, Arnbratt says that she believes that a burning passion for sustainability questions such as the environment, is a driving force within CSV implementations in another way than in other implementation processes. At Kung Markatta it was clear that values and norms regarding sustainability played a big role when hiring new personnel which clearly shows their standpoint. Olsson says that when you have employees who truly share their culture and values of the company then a CSV implementation will spread throughout the organization naturally.

At Findus their CSR Manager Svantemark was very clear with her thoughts around CSV strategies and the effect value based communication has on them. According to her, the climate debate in society has made people more aware about the environment. And she argues that by reminding the personnel that this is linked to their CSV implementation she can easier change the organizational behavior to support the implementation process. CSV strategy is value-driven which gives an opportunity to push the right buttons and persuade both customers and employees that this is important.

4.4.3 Trends and timing

While interviewing the respondents we stumbled upon a factor that three companies considered to be critical. Our respondents characterize this factor as being crucial in that sense that it paved the way for reaching successful results from the implementation, which in turn enabled a clarification of what value the implementation would add to the organization.

Our respondents stress market analysis to be an important tool for understanding new customer demands, which then would be incorporated into the CSV strategy. By identifying new demands and trends within sustainability the companies argued that they could gain market shares. Lantmännen expresses that only be recognizing trends and starting the implementation at the right time they could gain a maximum amount of value from their sustainability work. Johansson argues that being too early, before the trend gains momentum and receives public support will merely increase costs without yielding any profitable return.

Svantemark at Findus agrees with this argument. She argues that there is no point in developing a sustainability strategy that produces results that the customers are not yet willing to pay for. Kung Markatta's respondent had particular personal experience from this. When he started his company, Kung Markatta pushed for all different kinds of new healthy products, but it was not in accordance to current market demands. However, with today's health trends Kung Markatta's CSV portfolio has experienced increased market shares and sales, all due to timing.

5. ANALYSIS

In this chapter we will compare our literature review with our empirical findings to understand what factors that have been critical for the participating companies in the case study.

5.1 Critical factors

This section will analyze whether the factors should be considered critical or not. Each factor has been thoroughly elaborated and analyzed to give an assessment of whether it should be included in the reworked framework presented in *6.1*.

5.1.1 Corporate Culture

Dobni (2003) argues that corporate culture is an important factor in strategy implementation and means that corporate culture is what drives strategy, implying that changes in corporate culture is what best affects changes in strategy. This is in line with most of our participating companies opinions who find corporate culture to be a critical factor. Many of them also argue that corporate culture is essential for the CSV implementation and in many cases also eased the process, which further strengthens Dobni's (2003) arguments.

Our empirical findings show that a corporate culture strongly embedding sustainability is a good way to drive a CSV implementation and most of our participating companies already had a corporate culture including sustainability. What differs regarding sustainability already being incorporated in the corporate culture could the company's age. Findus was established in the 1940's and in relation to the company's age they have not had sustainability incorporated in their corporate culture for too long, and therefore it is not as present. Oatly is an example of a younger company, tracing back to the 1990's. Tollmar explained that sustainability has been important from the start and the corporate culture has a strong connection to sustainability which permeates the whole organization. Oatly's Sustainability Manager explained that because of their corporate culture the CSV implementation process has been smooth and led to a larger commitment and passion amongst the co-workers.

According to Pfitzer et al. (2013) it is important that companies embed a social purpose in their corporate culture which is supported by CSR Director at Findus who argued that by including sustainability in Findus' corporate culture it has become a lot easier to respond to co-workers not committing to the CSV implementation.

5.1.2 Organizational structure

According to Drazin and Howard (1984, in Li et al., 2008) strategy and structure need to exist in harmony for the strategy to be successfully implemented.

All of the respondents find organizational structure to have a certain impact on their CSV implementation as a supporting factor, in line with Drazin and Howard (1984, in Li et al., 2008). In regard of importance for the CSV implementation though, the factor is not considered especially important by our interviewees and only two companies rank it as critical.

It appears that it is the CSV implementation that affects the organizational structure, not the other way around. Furthermore, according to our empirical data no matter what organizational structure a company has it is still possible to carry out a CSV implementation and therefore this factor is not critical in regard of the implementation.

5.1.3 Cooperation between departments

According to Li et al. (2008) strategy implementation is strongly affected by relationships between different business units.

Our empirical findings shows that most companies find this factor critical. Johansson at Lantmännen and Tollmar at Oatly say that cooperation is important to include all departments for the CSV implementation process, which is in line with the arguments of Li et al. (2008). Påander at Orkla, who is the only company not ranking the factor as critical explains that the whole reason for appointing a CSR Director at Orkla is to reduce the time consuming work for the departments when trying to build a collaboration each and every one of them. This demonstrates that there is rather a cooperation and link between the CSR department and the different units than between the units themselves.

5.1.4 Clear strategy formulation

Li et al. (2008) state strategy formulation to be their initial factor and other authors such as Beer and Eisenstat (2000) also stress the importance of having a clear strategy formulation to not fail in the implementation phase.

Our participating companies agree with our theoretical findings where all of them say that the factor is critical. Its high rank of importance further clarifies their opinion of it to be crucial for the CSV implementation process. Olsson at Kung Markatta and Tollmar at Oatly stress the

need of a clear strategy formulation especially for CSV implementation. According to our empirical data, this is due to employees finding it difficult to grasp the concept which further increases the need for a crystal clear strategy formulation.

5.1.5 Management's involvement

Li et al.:s review shows that involvement of top management in the strategy formulation, and further on in the implementation, will contribute to a greater commitment, add a bigger focus and give a higher priority, which together is proven positive for the implementation process as a whole.

According to Li et al. (2008), middle management is also stated to have a considerable impact regarding the implementation process whereas lower- and non-management's impact is not as present.

All six companies find management's involvement to be a critical factor and when explaining their thoughts, our participants' focus lay mostly on top management. Olsson at Kung Markatta pinpoints the importance of the management team to feel strongly about what the company stands for. "What gets measured gets done" is a phrase used by both Orkla and Lantmännen, where the latter explains the importance of management's involvement through an on-going dialogue between top- and middle-management, which supports the argument by Li et al. (2008).

Middle management's involvement and impact are scarcely mentioned by our participants, which is in conflict with Li et al. (2008). And something that is not discussed at all is lower- and non-management. This could be an indication, in line with Li et al.:s findings (2008), that these groups have a smaller involvement and less knowledge in such questions.

5.1.6 Consensus

Li et al. (2008) argue that a lack of consensus, or a shared understanding, could lead to obstacles when implementing a new strategy. According to them consensus is built upon the two key factors: commitment and understanding, and lacking both would seriously harm an implementation even if it is not critical to succeed. Our empirical data shows that the interviewees agree on consensus not being a critical factor but they do not share the view that a lack of consensus would equal obstacles in the CSV implementation process. Rather, they are of the opinion that consensus was

an unrealistic goal and therefore it would be much better to strive towards acceptance and compliance and that this was enough to avoid problems.

Our empirical data also indicated that there could be a difference in how consensus is dealt with and between whom it is important dependent on the firm size. Olsson at Kung Markatta, a smaller company, says that it is the responsibility of the CEO to make hard decisions when disagreements arise whilst Svantemark at Findus, a bigger company, says that the most important thing is that the top management could reach consensus, or acceptance, to move forward with the process. The common opinion between all companies is however that as long as the decisions were made on top level it would be easier to get the employees to comply. This stands in contrast with Li et al.:s (2008) argument that consensus is important not only on top management level, but between middle and operational management as well.

5.1.7 Commitment

Floyd and Wooldridge (1992a, in Li et al., 2008) say that a lack of commitment negatively affects a strategy implementation and Li et al. (2008) argue that there can be considerable drawbacks with the implementation if the strategy is not supported by the majority of the employees. Li et al. (2008) also say that one way of assuring commitment is by including the employees in the process which our interviewees also believed in.

All participants are well aware of the importance of committed co-workers and the power they possess in spreading this commitment throughout the organization. They believe that being included in the process and informing the employees of the importance of these sustainability questions is a good way to convince them to commit.

Furthermore, they believe that the ongoing debates about the environment and sustainability have made people in general more aware of the importance of these questions and that some employees even share a passion for the subject. Therefore it is easier to achieve a greater commitment towards CSV implementation processes and to take advantage of the passionate employees to make everyone within the organization committed to it.

5.1.8 Communication

Communication is always present in an organization regardless of what part of a strategy implementation that is being examined. This makes it a key element according to Peng and

Littlejohn (2001). Without any communication the employees would not be aware of new strategies or what the company is up to (Peng and Littlejohn, 2001). Furthermore Dobni (2003) says that many problems and difficulties with strategy implementation can be traced to insufficient communication.

This is in line with the empirical data we have collected where our interviewees stress the importance of communication to complete a CSV implementation. They argue that the employees' motivation many times relies on them being included and informed about the process and the meaning of their work tasks in a bigger picture. Our data also indicates that firm size matter in how the communication is being dealt with. The smaller the company the more informal the communication can be whilst larger, and growing, companies that need to reach thousands of employees need to have a more organized way of communicating.

Furthermore, Li et al. (2008) argue that vertical communication is vital for creating consensus. Our data shows that our interviewees found that it is critical with internal communication to create an understanding of the process, which is a part of consensus according to Li et al. (2008), and the information was mostly vertical, from top to bottom, originally. However, when becoming more actively involved in questions regarding sustainability some of our collected data indicates that the bottom-up communication increase as the employees themselves came with thoughts and ideas regarding this subject. Li et al. (2008) argue that vertical communication is vital for creating consensus which our empirical data supports. The permission and encouragement of bottom to top communication creates a greater commitment and common understanding of the importance of these questions.

5.1.9 Implementation approach

Nutt (1986, in Li et al., 2008) presents four implementation tactics, intervention, participation, persuasion and edict, from his case studies. According to his studies intervention, which is when you adjust the strategy throughout the implementation, yielded the highest success rate. Our empirical data indicates that persuasion, which is when the management internally communicates the benefits of the chosen strategy to persuade the employees, is the most common one. Second comes a combination of all four approaches which use is motivated by a quest to adapt to reality where multiple things affect the implementation approach and the tactics. Arla says that they mostly use participation, but also persuasion, since they try to get all of their members involved

and freely participate. Being a cooperative puts them in a different situation where they do not have the same power to enforce new strategies and the activities that comes with them.

Akan et al. (2006, in Li et al., 2008) argue that certain strategies requires certain implementation tactics but they have not been able to give any information regarding sustainability, CSR or CSV. Our empirical data shows, as stated above, that persuasion is the most common used tactics which we can find traces of in other factors, such as commitment, in this thesis. Our findings show that commitment for a CSV implementation is easier obtained through persuasion, than any other implementation approach.

5.1.10 Control systems

Control systems and measurements are important in implementation processes since they work as checkpoints where companies can clarify if the implementation is on the right course and what requires more work (Kazmi, 2008). Kazmi (2008) also points out that many implementations fail because of their ambiguity and that measurements can help companies with this problem by clearly define and communicate the objectives of the strategy. His statements are supported by our empirical data where CSV is indeed considered hard to measure, but therefore even more important to specify to better understand and control the progress.

Pryor et al. (2007) discuss the high failure rate for strategy implementations and argue that this is because of the gap between academic research and its practical applicability. Even though our empirical data shows no signs of any comments regarding the gap between academic research and its practical applicability the interviewees understand the importance of control systems and measurements to avoid failure. However, only half of our participants deem control systems as a critical factor whilst all of them deem follow-up and feedback as critical. Our empirical data indicates that this is because they see their control systems as a means to achieve feedback and information about the CSV implementation process, not because they are interested in the control systems per se. They all use KPIs to keep track of the CSV implementation progress as measuring has made it easier to see if they have met their goals or not. Our empirical data shows that sustainability reports also was used as a way of reporting externally as well as keeping track internally on what the company actually achieves within this area.

5.1.11 Follow-up and feedback

According to Porter et al.:s (2012) four step model, collecting data is a vital part of CSV work and implementation. By tracking the progress and measuring results an organization gains unique insight for unlocking new value. The authors argue that creating such a feedback loop allows for a company to further increase the effectiveness of its processes and better understand how the CSV implementation process is going. Porter et al. also stress the importance of including feedback early in the process.

Our empirical data confirms the authors' belief that this factor is critical, as our data shows that all companies deem this factor as such. However, our findings show that companies seldom install their feedback loops at an early stage, as Porter et al. suggest. We believe that this is because many of the participating companies do not collect data from the CSV implementation from the start. Their explanation is that they must first understand and gain an understanding of what KPIs and measurements are relevant, which pushes the activity to a later stage in the CSV implementation process.

5.1.12 Education

Education is a new category which was identified from our empirical findings. Despite not included in the preliminary framework we can see indications of being a part of Pfitzer et al.:s (2013) findings as well as Nutt's implementation approach (1986, in Li et al., 2008). According to them it is important that the organization understands the opportunities that CSV brings.

This we argue resembles our empirical findings regarding the new education category. The empirical data shows that this category was often a tool to concretize CSV, which was often perceived as vague by the organization. Our findings show that it proved especially powerful for conveying the opportunities and increasing awareness among groups that initially were indifferent to the CSV implementation. And since this is considered a substantial problem in many strategy implementations (Li et al., 2008) we argue that this new category should be considered critical and part of the reworked framework.

Furthermore our empirical data shows that this category was often brought up in connection to, and sometimes as a part of the CSV implementation approach. This indicates that the two of them share the same chronological time stamp.

5.1.13 Value based communication

Value based communication much resembles corporate culture, so much that we in fact consider this factor to be linked to it. Corporate culture deemed critical in prior literature (Li et al., 2008), however given little specific information of what the corporate culture should consist off. Our empirical data shows that communicating in a value-based manner is critical for gaining support and inspire commitment, which is also partly discussed by Moss Kanter (2011).

We believe that this factor is especially important for CSV implementation as it enables the personnel to relate to the strategy on a personal level. We also believe that this effect is enhanced by the increasing media attention that sustainability questions has received lately. Therefore we argue that it is important for the companies to incorporate this factor into their corporate culture. As such this "factor" is not given its own name in the finalized framework, but instead we merge it with corporate culture.

5.1.14 Trends and timing

Trends and timing was another new category we could identify from our empirical data. It has tendencies to be connected to Li et al.:s (2008) clear strategy formulation as this category, too, revolves around a critical element for the strategy formulation.

Our empirical data shows that this is an essential part to succeed and create a profitable CSV strategy. Our findings offers clarity to the sometimes disputed profitability trait within CSV (Crane & Matten, 2014). By thoroughly examining market conditions and customer demands companies can ensure that their CSV implementation focuses on the right project. This category is partly confirmed by Porter et al. (2012) who stress the need to define the social need when implementing CSV, however we consider that our empirical data can better pinpoint and develop their notion.

5.2 Ranking

Below follows a brief analysis regarding our empirical data from the tables: critical, importance and chronological order (*see table 3, 4 and 5*). It should be noted that the analysis in 5.2.2 only covers the factors included in our preliminary framework as empirical data regarding the new factors' importance was not obtained as they were first identified after our interviews. Furthermore, as mentioned in our reliability and validity discussion in *2.7* we want to state again

that we have reasons to question some of our answers. Firstly, Arla has for example ranked consensus as a not being critical, yet gives it a 2 from an importance perspective. This is inconsistent and decreases Arla's answers reliability, which we have taken into consideration. Furthermore we, again, want to make the reader aware that Lantmännen considered it too hard to rank the factors regarded in comparison to their importance, which is depicted in Lantmännen's self-constructed 3 point scale. This, too, compromises the results which is further discussed in section *7.1.3*.

The focus of this thesis has been to identify critical factors and therefore we stress that the data regarding the relative importance and chronological perspective was not given as much emphasis. Least attention was given to the relative importance whereas the chronological category was given more time and resources. However, we still present the relative importance, but as a consequence of the compromised answer we have not allowed it to influence our finalized framework.

5.2.1 Critical factors

Our empirical data clearly shows that the factors clear strategy formulation, management's involvement, communication and follow-up and feedback are indisputable critical as all companies ranked them as such. The ones deemed least critical, according to our empirical data, are consensus and organizational structure, which are considered critical only by one respectively two companies. And with our previous analysis regarding these two factors we argue that they should not be considered critical for a CSV implementation. Furthermore, we can identify and introduce three new critical categories namely education, value based communication and trends and timing.

5.2.2 Ranking of importance

The four factors which are deemed critical by all participating companies, clear strategy formulation, management's involvement, communication and follow-up and feedback, are also the ones rank the most important in table four. The ranking was evenly distributed between 1 and 3 on clear strategy formulation and management's involvement except for Arla that gave management's involvement an 8. We believe that this even distribution is a clear sign that these two factors are the most important ones in a CSV implementation process. We also believe that

the deviation of Arla might be connected to them being a cooperative and that they to a greater extent include their members in the strategy formulation, thus diminishing management's impact.

Commitment and communication are also ranked high, given between 1 and 4 respectively 2 and 5. The even distribution, and high scoring, in these cases indicates that there is a shared perception that these two factors are some of the more important ones in our preliminary framework.

Two factors stand out because of the opposite reason compared to the ones mentioned above. The rankings of corporate culture and consensus are widely spread between 1 and 10 respectively 2 and 11. Regarding corporate culture we believe that this is connected to the fact that five out of six participating companies said that this factor is always present in a company, regardless of any implementation process (marked by the infinity sign in Table 5). This could explain why they have found it hard to pinpoint exactly how important it is to the process. The fact that the scoring on consensus is widespread we trace to the discussions held during the interviews about consensus and acceptance. The overall opinion of our respondents was that acceptance was more important than consensus, and as the table 3 shows, consensus is not considered to be a critical factor. We believe that the companies that ranked consensus high have confused this term with acceptance and thereby ranked it higher than they would have otherwise.

The five remaining factors organizational structure, cooperation between departments, implementation approach, control systems and follow-up and feedback are fairly evenly distributed on the second half of the scale. This indicates that there is a common perception of them not being as important as some of the other factors. However, one company's ranking stands out from the other results. Because of Lantmännen's self-composed three point scale, where they have given all factors, except for corporate culture and consensus, a 2, it is difficult to interpret exactly what number a 2 corresponds to on our eleven point scale, other than it ought to be somewhere in the middle. Because of this their ranking is not valued as highly when we analyzed the empirical data.

5.2.3 Chronological ranking

From a time perspective our empirical data shows that the factors with lowest numbers, which are relevant early in the process, are: clear strategy formulation, management's involvement and commitment. To have a clear strategy formulation before you start a CSV implementation we find

to be a crucial part of step one as well as having the management's involvement to drive the process. Committed co-workers from early on is also a factor we believe eases the process.

In step two, with medium numbers, we find communication and implementation approach. These two are therefore to be in the middle stage because, according to our empirical data, this is when the strategy is being communicated internally and when decisions regarding the implementation approach are taken.

Only two companies chose to rank consensus, both giving a 4, which would indicate that consensus belongs in step two. However, since the factor has been deemed non-critical by five out of six participants we do not find it critical in a CSV implementation process. Thereby it is not interesting from a chronological perspective either.

Step number three includes control systems as well as follow-up and feedback. Our empirical data shows that these two factors are used later on in the CSV implementation process.

We have also identified continuous factors that our respondents found difficult to put in a time perspective. These continuous factors were rather explained as supportive factors and consist of corporate culture, cooperation between departments and organizational structure. Our new identified categories education, value based communication and trends and timing will also be categorized out of a time perspective and put in the finalized framework.

Our analysis has shown that education is connected to the CSV implementation approach and is therefore put in step two whilst trends and timing is in close correlation to the strategy formulation and therefore has a natural place in step one. Value based communication is a part of corporate culture which is a continuous factor that impacts the whole CSV implementation (*see figure 4*).

6. CONCLUSION

6.1 Introducing a CSV implementation framework

From our analysis, we can both confirm and reject certain factors as being critical when implementing CSV within the food sector in Sweden. The aim of this thesis has been to develop a practical framework that has initially been constructed from theory and then complemented with empirical data collected from the food industry in Sweden. The analysis shows that a majority of the initial factors are indeed critical, yet consensus and organizational structure are dismissed, and in addition our study concludes that new critical factors have been identified. In conclusion we can present a reworked framework including critical factors with a chronological compass for CSV implementation.

6.2 Presentation of the CSV implementation framework

THE CSV IMPLEMENTATION CYCLE

CLEAR STRATEGY FORMULATION
MANAGEMENT'S INVOLVEMENT
TRENDS AND TIMING
COMMITMENT

STEP 1

IMPLEMENTATION APPROACH
COMMUNICATION
EDUCATION

STEP 2

CORPORATE CULTURE

COOPERATION
BETWEEN
DEPARTMENTS

STEP 3

CONTROL SYSTEMS

FOLLOW UP AND FEEDBACK

Figure 3. The CSV implementation framework.
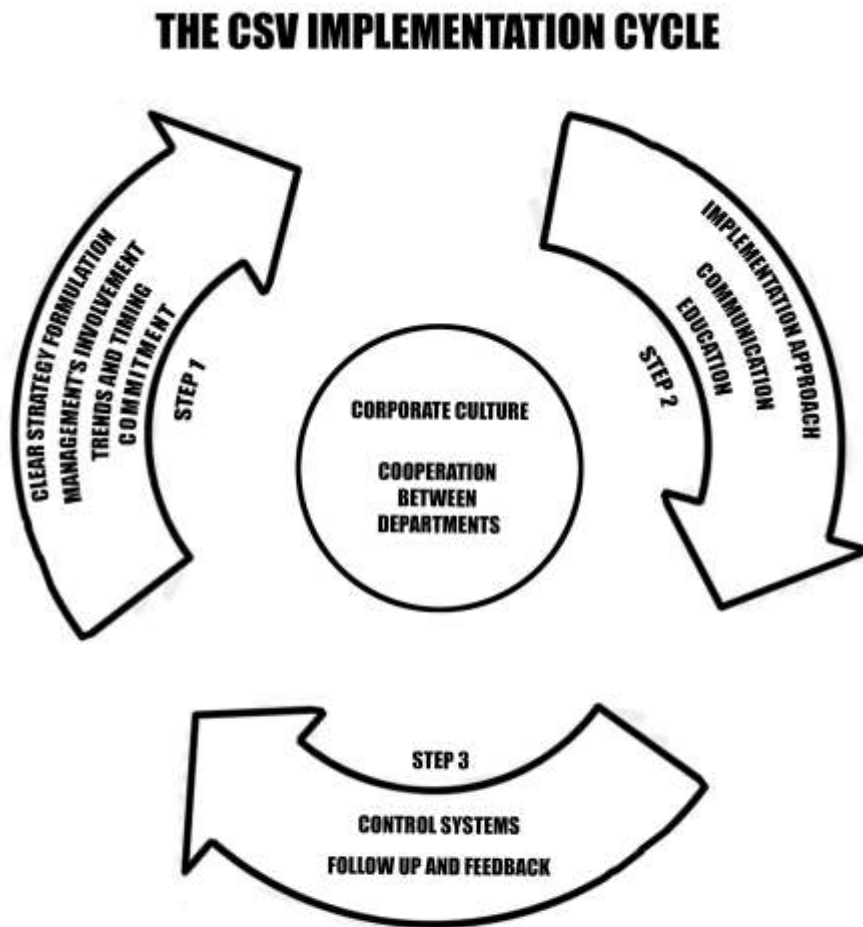
Our finalized framework consist of a three step model with eleven critical factors for a CSV implementation.

Step 1: The initial step for a company to start their CSV implementation includes four factors. Involving top management signals to the organization that it is prioritized and focused. Through the use of clear strategy formulation the organization can ensure that all knows what to

do. And when designing the clear strategy formulation one should keep in mind that trends and timing has proven important regarding the strategy's success. Lastly in this step it has proven to be critical to create a commitment throughout the entire organization to parry any counterattacks.

Step 2: This step consists of rolling out the CSV implementation to the organization. As for CSV implementation it becomes extra relevant that the organization must understand why this strategy is being implemented. By using education and the right implementation approach through the use of internal communication the organization can expect a smooth introduction. Education and communication allow for co-workers to better see the value that CSV brings and the implementation approach can be used to persuade the organization as well as inspire commitment.

Step 3: The last step provides the organization with information of how the CSV implementation is developing. It is vital that the right kind of measures are used, which is often a dynamic process that develops throughout the CSV implementation process. When the specific KPIs are found it is even more important that these are then looped back into the CSV implementation process to improve it further.

It is important to understand the supporting and continuous forces that affect the CSV implementation process as well. The organization should be aware that the cooperation between departments is working, especially the cooperation between the specific department and the sustainability department, and that the corporate culture is integrated with sustainability-thinking. Using a value based communication to spread the corporate culture helps the organization to better relate to the CSV implementation.

7. DISCUSSION

7.1 Implications of our results

In the following section our theoretical and practical implications will be discussed, as well as the limitations of our study.

7.1.1 Theoretical implications

The purpose of this thesis has been to identify whether there is a difference in critical success factors when implementing CSV compared to a general strategy implementation. On a theoretical level this study has contributed with a framework on a CSV implementation process which previously, to our best knowledge, did not exist. Because of this we believe that our thesis and CSV implementation framework fill a theoretical gap. Our CSV implementation framework entails a chronological three step perspective as well as eleven critical factors. The eleven factors are corporate culture, cooperation between departments, clear strategy formulation, management´s involvement, trends and timing, commitment, implementation approach, communication, education, control systems and follow up and feedback. Our initial framework also consisted of eleven factors which were identified from theory regarding general strategy implementation. Due to the results of our study we eliminated two of these factors, organizational structure and consensus, since the interviewees did not find them critical in a CSV implementation process. At the same time we identified two new factors, trends and timing and education, which are now a part of our final framework. Our theoretical contribution is our finalized framework that has been modified to fit CSV implementation.

7.1.2 Practical implications

The practical implications of our framework are somewhat restricted but could still be useful for companies that want to implement a CSV strategy. The framework can be used as a checklist and support while conducting a CSV implementation even if it cannot be used as a detailed guide for each step of the implementation process. This is due to the objectives of our study and the fact that little research on this area have been conducted previously which led us to investigate the basic premises of a CSV implementation process. Our aim was to identify critical factors within CSV implementation and to contribute with a chronological perspective but, we have not investigated

how the identified factors should be taken on during the implementation process and what implications each factor brings. This is why the framework is to be looked at as an overall description of the CSV implementation process, and can be used as a reference when conducting a CSV implementation, but not as a complete CSV implementation guide.

7.1.3 Limitations of our study

The study has encountered situations that has limited our possibilities to fully trust, or use, all the empirical data as we for example have found some answers contradictory. When the collected empirical data on the critical factors table (*see table 3*) shows that a factor is not critical, but is given a higher ranking in the importance table (*see table 4*) than factors that were actually deemed critical, we have to question the credibility in these answers and if our respondent truly has understood our intention. Another example is when a participant claim that he or she was unable to apply our eleven point scale and created an own three point scale to rank the factors. This creates a situation of uncertainty where we have to try to recode or interpret the results before being able to compare and analyze it with the other data. Because of this we have had to ignore these results at sometimes. When examples like these occur we have to question ourselves regarding whether or not our designing of the interview guide and tables have been clear and comprehensible enough. Since the majority of our participants understood the questions and what they were asked to do we believe that we have been clear and that our interview guide was sufficient, but there is of course always room for improvements. Another insecurity we have is whether or not we have succeeded to interview the right person at each participating company, the person who had the adequate knowledge for our study. In some cases this assumption could be confirmed but we do not believe that we could have known or affected this decision ahead of doing our interviews. The companies were presented with what kind of study we wanted to conduct, what type of information we would be needing and what type of position we believed would be suitable for an interviewee. After that they put us in contact with someone they considered to be a suitable person. We believe that it may have been a bit difficult for some of the companies to match us with the right person since our area of research is quite unexplored. In addition, very few were familiar with the concept of CSV which further can have created uncertainties regarding what person would be right for our study. Even though some interviewees may not have been as informed on our research area they were all very accommodating and answered our questions to the best of their ability.

In our study two cooperatives participated but we have not been able to draw any conclusions on how this may affect a CSV implementation process. This is due to the two respondents having different perspectives when answering our questions. One of them focused on the company itself with the management and the employees whilst the other one mainly included the owners, i.e. the farmers, in their answers. Perhaps we could have regulated relevant questions more to make sure that these two respondents answered from the same perspective, or asked for another interviewee. However, time and resource constraints, from both parties prevented this. Even if they had shared the same outlook though, and given similar answers, it would have been hard to generalize or draw any conclusions about cooperatives and CSV implementations based on the answers and reflections of only two companies.

7.2 Suggestions for further research

Our study entails critical factors for a CSV implementation process as well as a chronological perspective but it does collaborate in depth about how the different factors affect the implementation process. We believe that this is an area that is in need of further research to strengthen and develop our framework. Regarding the chronological perspective we have only been able to gather approximate indications of when the factors should enter the CSV implementation process which lead us to create a three steps model. There is room for further research within this area to test our results as well as being able to create a more developed chronological order.

We also believe that it would be interesting to add an ownership perspective to the CSV implementation process to try to establish if the ownership structure affects the implementation. In our study two cooperatives participated but we did not gather enough information to draw any conclusions within this area as this was not the aim for our study.

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Appendix

A. Interview guide

Start

1. Are you OK with us recording the interview?

2. Can we use your name and title in the thesis?

3. Will it be OK if we follow up with questions on e-mail if we need additional information?

Background

4. What is your title/position within the company?

5. How long have you been working for the company? How long within your current position?

6. Is there a specific department for sustainability within the company?

Sustainability

7. What does your company's work with sustainability look like?

8. How does your vision regarding strategy and sustainability look like?

- Incorporated in the core business
- Philanthropy
- Other

9. What have you done to develop your sustainability work?

10. What incentives do your company have to be sustainable?

- Reactive reasons
- Proactive reasons
- Other

11. Would a loss in economic results be acceptable for social gains or is profit for both parties something you seek?

Company and management

12. How integrated is the sustainability department with the rest of the organization?

13. Who gives the final confirmation on an idea before the implementation process starts and do you or the sustainability department have any influence in the decision-making?

Implementation process

14. Has it occurred any large changes during the last years within your company's sustainability work?

15.A. How would you describe your sustainability implementation process?

15.B. What parts do you consider especially important in a strategy formulation? Are there any differences between a general strategy implementation and a strategy implementation regarding sustainability?

Structure

16.A. How has corporate culture influenced your implementation strategy within sustainability? How has the implementation strategy within sustainability influenced your corporate culture?

16.B. How has organizational structure influenced your implementation strategy within sustainability? How has the implementation strategy within sustainability influenced your organizational structure?

16.C. How has the cooperation between departments influenced your implementation strategy within sustainability? How has the implementation strategy within sustainability influenced the cooperation between departments?

16.D. If you should rank the factors above, from most important to less important, how would you then rank them?

Managerial Input

17.A. How does a clear strategy formulation influence your implementation process within sustainability?

17.B. How does the management's involvement influence your implementation process within sustainability?

18.C. How do you value consensus in your implementation process within sustainability?

18.D. If you should rank the factors above, from most important to less important, how would you then rank them?

Implementation process

19.A. How does commitment (on different levels in the company) influence your implementation process within sustainability?

19.B. How does communication (on different levels in the company) influence your implementation process within sustainability?

19.C. In what way (convince, force through order, adjustment of strategy or commitment) do you carry out an implementation within sustainability?

19.D. How has that influenced your implementation process within sustainability? Do you have any experience from earlier implementations that made you choose another way?

19.E. If you should rank the factors above, from most important to less important, how would you then rank them?

Measurements

20.A. Do you use any control/measurement systems to measure how the implementation goes?

20.B. How does this control/measurement system influence your implementation process within sustainability?

20.C. Do you follow up and give feedback with standpoint in the information you get from the control/measurement systems? How does that influence your implementation process within sustainability?

20.D. If you should rank the factors above, from most important to less important, how would you then rank them?

CRITICAL FACTORS	Critical factor (Yes/No)	Ranking of most important 1= most important 11=least	Ranking of chronological order. 1=first 11=last
Corporate culture			
Organizational structure			
Cooperation between departments			
Clear strategy formulation			
Management's involvement			
Consensus			
Commitment			
Communication			
Implementation approach			
Control Systems			
Follow-up & feedback			

21. How would you rank all of the factors above, from most important to less important (1-11), and out of a time perspective to when they are used in the implementation process (1-11)?

22. How long time did it take to do the implementation?

23. Do you think that the sustainability implementation have differed from other strategy implementations to an extent that it required other critical factors or that the focus was different?

24. How did you know what steps to take to manage the implementation? Did you have access to any useful framework?

25. Have there been any difficulties in the implementation process? If yes, which where those?

26. Have you had any cooperation with other companies or NGOs?

27. Do you have any advice to give to other companies planning to do a similar implementation process within sustainability?

28. Is there anything you would like to add?

B. Invitation to participate

Dear *company name*,

Me and two fellow students are currently on our last year of our Msc in Business and Economics. We are writing a thesis on CSR/CSV work and how such a strategy is best implemented in an organization. We consider that your company would be a suitable candidate for our study and we are interested in more information regarding your sustainability strategy and how it was implemented. We are conducting a qualitative study and would therefore like to interview you for roughly 1-1.5h. Below follows a short description of our thesis and what information we are looking for.

What research question are we working with?
Does CSV implementation on a manufacturing level in the value chain, within the food industry, differ in critical success factors in regard to a more general strategy implementation?

The purpose of this thesis is to identify whether there is a difference in critical success factors when implementing CSV compared to a general strategy implementation. A chronological perspective as well as a ranking of importance of critical factors will also be investigated to form a comprehensive framework of the CSV implementation process.

What information do we need from you?
We want to know how you have worked with implementing CSR/CSV/Sustainability and what has been important to succeed with the implementation. We must stress that we do not focus on any product but rather the processes and activities for the implementation of the strategy.

How much time and resources do we think it takes?
We would require access to the person who has driven the processes behind the implementation. This is not necessarily the CSR Director but could also be a project leader working with the implementation. We are conducting a qualitative study and would therefore need to interview this person. If you have the time we would also like to interview another person involved with the implementation, but this is not a requirement. We believe that the interview will take 1-1.5 hours, and possibly some additional time for mail correspondence afterwards if we identify any uncertainties or have any additional questions.

We hope you would like to participate and please do not hesitate to contact us if there are any uncertainties.

Best regards,

Fredrik Lundin, Stephanie Schramm Davholt and Emelie Jacobsen

CSR	CSV
Value: Doing good	**Value: economic and societal benefits**
Citizenship, philanthropy, sustainability	**Joint company and community value creation**
Discretionary or in response to external pressure	**Integral to competing**
Separate from profit maximization	**Integral to profit maximization**
Agenda is determined by external reporting and personal preferences	**Realigns the entire company budget**
Impact limited by corporate footprint and CSR	**Realigns the entire company budget**

Table 1. A comparison of CSR and CSV. (Porter & Kramer, 2011).

Company Name	Contact Name	Contact Titel	Date	Sort of interview
Arla	Åse Arnbratt	Specialist in Milk Quality	14/4	Telephone
Findus	Maria Svantemark	CSR Director	24/3	Personal
Kung Markatta	Lennart Olsson	Senior Advisor Purchase	6/4	Telephone
Lantmännen	Claes Johansson	Sustainability Director	25/4	Telephone
Oatly	Carina Tollmar	Sustainability Manager	22/4	Personal
Orkla Foods	Agneta Påander	CSR Director	4/4	Personal

Table 2. Participating companies.

CRITICAL FACTORS	FINDUS	ORKLA FOODS	KUNG MARKATTA	LANTMÄNNEN	OATLY	ARLA
CORPORATE CULTURE	●	●		●	●	●
ORGANIZATIONAL STRUCTURE			●	●		
COOPERATION BETWEEN DEPARTMENTS	●		●	●	●	●
CLEAR STRATEGY FORMULATION	●	●	●	●	●	●
MANAGEMENT'S INVOLVEMENT	●	●	●	●	●	●
CONSENSUS			●			
COMMITMENT	●	●	●		●	●
COMMUNICATION	●	●	●	●	●	●
IMPLEMENTATION APPROACH	●		●	●	●	
CONTROL SYSTEMS	●			●	●	
FOLLOW UP/FEEDBACK	●	●	●	●	●	●

Table 3. Critical factors.

RANK OF IMPORTANCE	FINDUS	ORKLA FOODS	KUNG MARKATTA	LANTMÄNNEN	OATLY	ARLA
CORPORATE CULTURE	8	4	10	1	2	6
ORGANIZATIONAL STRUCTURE	10	9	8	2	11	7
COOPERATION BETWEEN DEPARTMENTS	9	8	7	2	6	11
CLEAR STRATEGY FORMULATION	1	3	2	2	3	1
MANAGEMENT'S INVOLVEMENT	2	1	3	2	1	8
CONSENSUS	11	11	4	3	10	2
COMMITMENT	4	2	1	2	4	3
COMMUNICATION	3	5	5	2	5	4
IMPLEMENTATION APPROACH	5	7	6	2	9	5
CONTROL SYSTEMS	7	10	11	2	8	10
FOLLOW UP/FEEDBACK	6	6	7	2	7	9

Table 4. Rank of importance.

CHRONOLOGICAL ORDER	FINDUS	ORKLA FOODS	KUNG MARKATTA	LANTMÄNNEN	OATLY	ARLA
CORPORATE CULTURE	∞	∞	∞	∞	∞	7
ORGANIZATIONAL STRUCTURE	∞	∞	7	7	∞	6
COOPERATION BETWEEN DEPARTMENTS	∞	∞	9	8	∞	11
CLEAR STRATEGY FORMULATION	2	3	2	4	2	1
MANAGEMENT'S INVOLVEMENT	1	1	3	3	1	3
CONSENSUS			4			4
COMMITMENT	4	2	1	2	3	2
COMMUNICATION	3	5	5	6	4	5
IMPLEMENTATION APPROACH	4	4	6	5	5	8
CONTROL SYSTEMS	5			10	7	10
FOLLOW UP/FEEDBACK	6	6	8	9	6	9

Table 5. Chronological order.

Company Name	Participating
Arla	Yes
COOP	No
Finax	No
Findus	Yes
GB Glass	No
Gogreen	No
ICA	No
Kung Markatta	Yes
Lantmännen	Yes
Lohilo	No
Loviseberg	No
Néstle	No
Norrmejerier	No
Oatly	Yes
Orkla Foods	Yes
Pågen	No
Risenta	No
Santa Maria	No
Scan	No
Skånemejerier	No
Tetra Pak	No
Unilever	No

Table 6. Contacted companies.

D. Figures
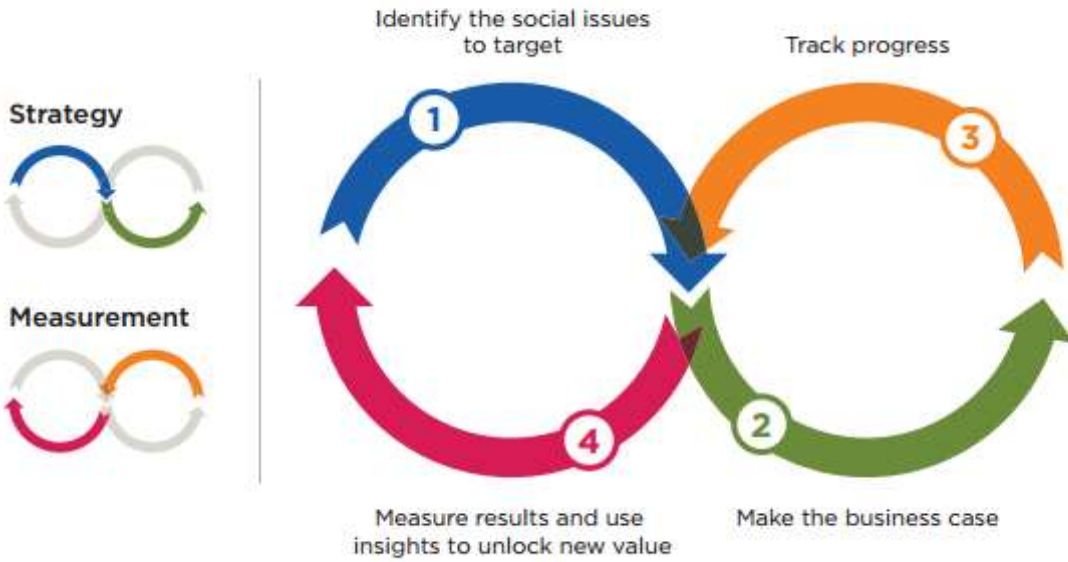
Figure 1 from Porter et al., 2012.
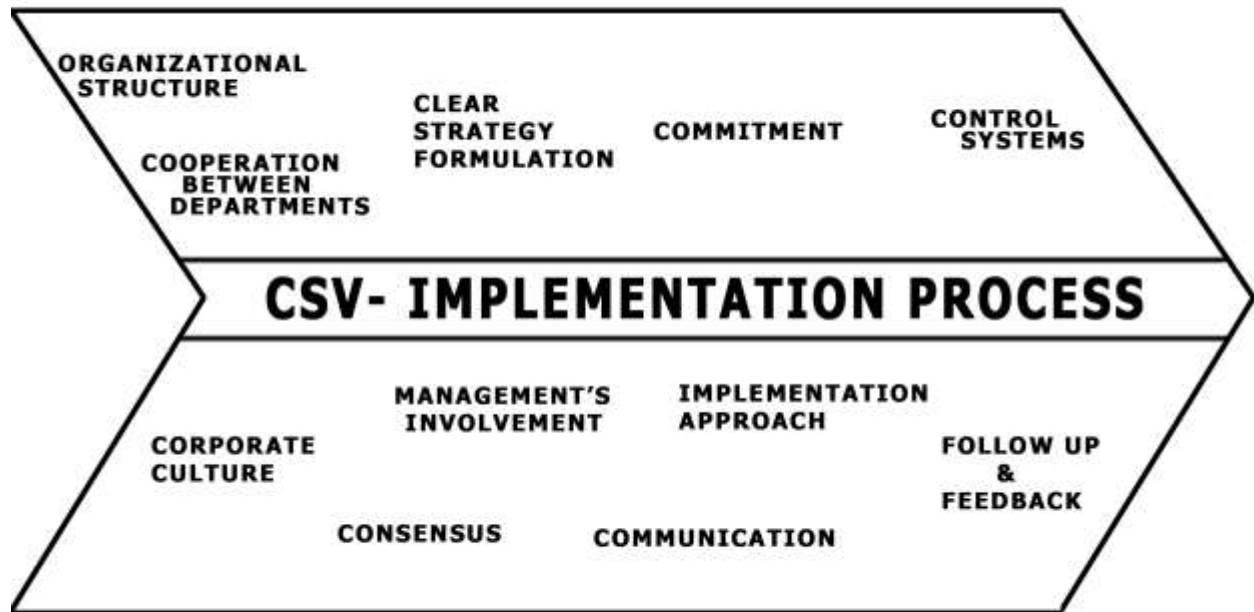
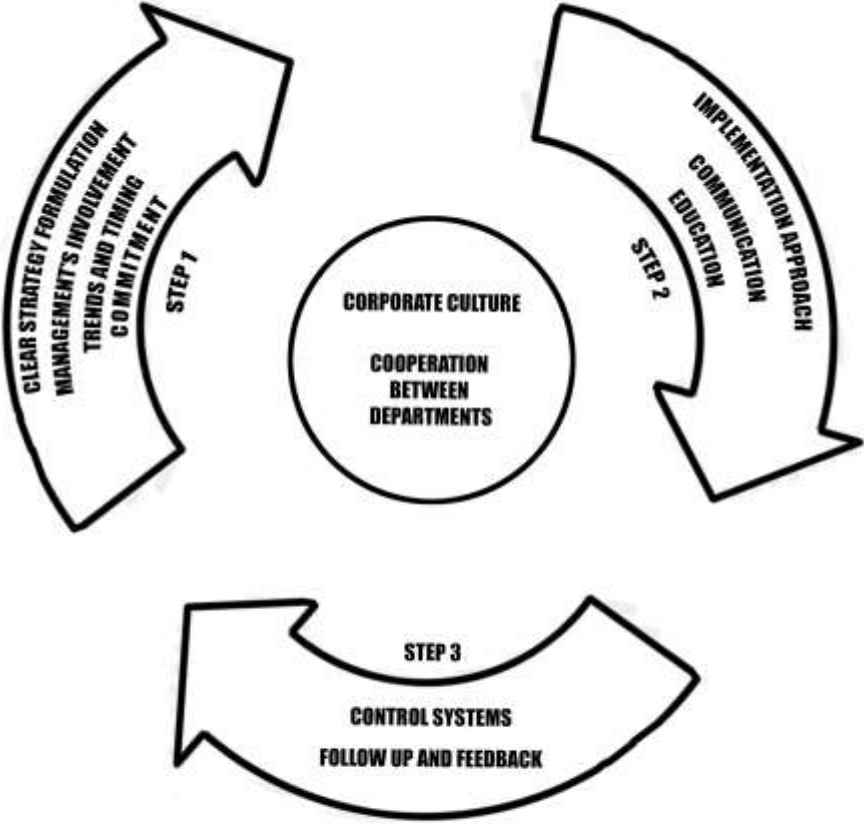Figure 2. Preliminary framework.

THE CSV IMPLEMENTATION CYCLE

CLEAR STRATEGY FORMULATION
MANAGEMENT'S INVOLVEMENT
TRENDS AND TIMING
COMMITMENT

STEP 1

CORPORATE CULTURE

COOPERATION
BETWEEN
DEPARTMENTS

IMPLEMENTATION APPROACH
COMMUNICATION
EDUCATION

STEP 2

STEP 3

CONTROL SYSTEMS
FOLLOW UP AND FEEDBACK

Figure 3. The CSV implementation framework.

LUND'S JOURNAL OF STRATEGY

HOW TO IMPLEMENT CSV

By Emelie Jacobsen, Fredrik Lundin and Stephanie Schramm Davholt

Our world is collapsing and it is no doubt who is responsible - us. The consumerist society we created and live by has for long drained our earth's resources in a non-sustainable way. Greenhouse gas emissions' impact can no longer be ignored as natural cyclical changes, but they are in fact the consequences of years and years ignorance and denial. The climate conference in Paris 2015 confirms the need of behavioral change to ensure future generations' welfare. According to the facts presented in Paris, we are

> **60 % OF ALL STRATEGIES FAIL AT THE IMPLEMENTATION PHASE**

on the edge of pushing the world into an irreversible state, where an increase of more than 1.5 degrees Celsius could mean absolute devastation. This will require substantial adaptation for everyone, including companies.

With the increased attention and awareness on the environment and social problems in the world the pressure on companies to take their responsibility has increased as well. Many urge for companies to update and increase their CSR activities. However, CSR has often been criticized for its ineffectiveness and philanthropic traits. As a consequence, Porter and Kramer (2011), developed creating shared value (CSV) which, if implemented correctly, opens up new opportunities to make profit from doing good. CSV differs from CSR in regards that CSV becomes a part of the company's core business, whereas CSR often includes activities that are not related to the company's expertise. The authors argue that through reconceiving products, transforming a product from its original state to become more environmentally friendly and/or

healthier, companies can access new markets and new customers. One such example could be how a company reconceives a product by replacing unhealthy and eco-destructive ingredients to create a more nutritious product with a smaller climate footprint. And by developing a company's core business and integrating it with CSV, the company can benefit from its expertise and know-how, whereas CSR usually discards these benefits.

Yet, concretizing strategy into plans and action has proven difficult. According to Johnson (2004) almost 70 % of corporate strategy is never implemented. Furthermore, a survey in *The Economist* showed that roughly 60 % of all strategies fail at the implementation phase, clearly highlighting the importance of this phase (Allio 2005, in Li et al., 2008). It is evident that the implementation is both a crucial and problematic part of strategy. Failing at this stage is both time consuming and costly, which makes strategy implementation a must-have quality for successful companies.

Strategy implementation has received increased attention in the academia in the recent years. However, most studies discards if there is a correlation between what strategy that is going to be implemented and the implementation process itself - as to what aspects, factors and activities that are important for the specific strategy. As such it is questionable if the more general strategy implementation is suitable for implementing CSV. Our study, which depicts CSV implementation in the Swedish food industry, shows that there are certain aspects that differs and should be given more attention. As a result this article can present a three-step model with eleven factors of how to succeed with your CSV implementation.

CSV implementation process

Our study of CSV implementation within the food industry in Sweden have resulted in a three step model with critical factors put in a time perspective that can prove helpful for companies interested in how to carry out a CSV implementation.

There are two factors that should be considered continuous throughout the whole CSV implementation process; corporate culture and cooperation between departments. Corporate culture refers to the norms and values that exist in a company and it can include a CSV or sustainability focus as well as other values. Our study showed that value based communication, which consists of sustainability-thinking, is critical and we have included it in corporate culture in our framework. By using value based communication to spread the corporate culture it can help the organization and its co-workers relating to the CSV implementation. Cooperation between departments refers to business units' relationships and collaboration with each other and its effect on the implementation. When implementing CSV it is especially important that there is a communication, to make sure that everyone is working towards the same goal. This communication and cooperation could be directly between departments or go through the organization's sustainability department, if preferred.

THE CSV IMPLEMENTATION CYCLE

CLEAR STRATEGY FORMULATION
MANAGEMENT'S INVOLVEMENT
TRENDS AND TIMING
COMMITMENT
STEP 1

IMPLEMENTATION APPROACH
COMMUNICATION
EDUCATION
STEP 2

CORPORATE CULTURE
COOPERATION BETWEEN DEPARTMENTS

STEP 3
CONTROL SYSTEMS
FOLLOW UP AND FEEDBACK

Step 1: How to get started

The initial step for a company who wants to implement CSV includes four critical factors; clear strategy formulation, trends and timing, management's involvement and commitment. A clear strategy formulation includes formulating the strategy, preparations of implementing it and to consider whether the strategy is well suited for your company or not. If the strategy is unclear it is likely to create problems in the implementation phase as employees might see it from different perspectives, which will aggravate the implementation process. When designing your strategy formulation it is also important to keep trends and timing in mind. Trends and timing refers to current market demands and trends that could increase your company's market share. Timing is absolutely essential, if you are too early it does not matter how good or sustainable your product is if no one is willing to buy it. It is stated that being too early, before the trend gains momentum and receives public support, will rather increase costs without yielding any profitable return. Therefore market analysis is an important tool to be able to understand current customer demands.

Management's involvement is centralized around top- and middle-management and is also an important factor in step 1 since it gives a signal to the company that the implementation is prioritized and in focus, and furthermore, spread throughout the organization.

The final factor that is listed in step 1 is commitment which refers to the importance of committed co-workers from start. Having committed co-workers will ease the implementation process because people who genuinely care about sustainability will contribute by driving such questions. For CSV implementations it is shown that it is often easier to achieve a greater commitment due to today's ongoing debates about the environment and sustainability which have made people in general
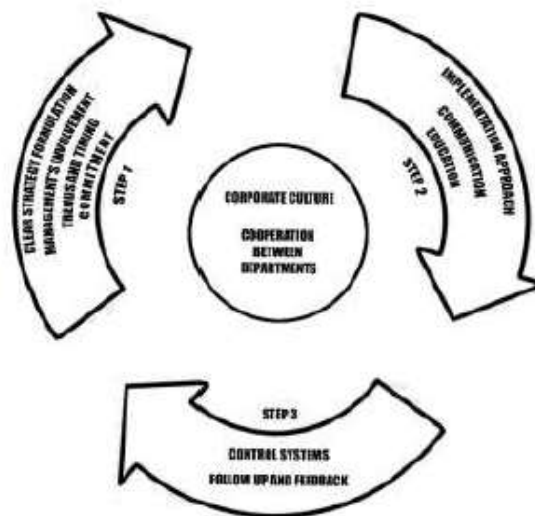
more aware of the importance in such questions. To be able to make your co-workers committed it is important to include them in the process and to inform them about why you are rolling out your new CSV implementation as well as telling them about the importance of it.

Step 2: Rolling out the implementation
This step refers to rolling out the implementation to the organization and consists of three critical factors; education, communication and implementation approach. When implementing CSV it becomes extra relevant that co-workers understand why the strategy is implemented. Education not only refers to telling the co-workers what to do, but rather creating an understanding among them about why the CSV implementation will add value to their work. Educating the organization will inspire even greater commitment and thus make your implementation process smoother. Communication goes hand in hand with education and refers to informing the organization about the change and how the CSV implementation should be carried out. Poor and scarce communication throughout the implementation is likely to cause lack of trust and misunderstandings, things that in its turn will aggravate the process. Implementation approach is the last factor in step 2 and refers to four different tactics that can be used to implement the strategy. It includes intervention; a dynamic tactic where the initial strategy is partly adjusted while encountering obstacles, but not as much to affect the overall strategy formulation. The next tactic is persuasion, to convince the co-workers. Another tactic is participation; the significance of making the organization participate and the last tactic is edict; to do the implementation through compulsion. However, as CSV is norm and value based it is therefore best implemented with the use of persuasion as it inspires and sheds light to the value CSV can bring.

Step 3: Follow up
The third and final step provides the organization with information of how the implementation is developing. This step includes the factors control systems and follow-up and feedback. Control systems refers to the usage of different control systems such as balanced scorecards and KPIs and their eventual effect on the implementation process.
Follow up and feedback could be in form of personal reflections from people working with the implementation but the factor is also correlated to control systems and refers to how useful the collected data is to the implementation process. It is vital that the right kind of measures are used, which is often a dynamic process that develops throughout the implementation process. When specific KPIs are found it is even more important that these are looped back continuously into the implementation process to improve it further.

If you consider doing a CSV implementation, having this three step model in mind will be of great use for your organization.