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Framing the development and directions of business sustainability efforts

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Abstract

Purpose – The purpose of this paper is to frame the development and directions of business sustainability efforts.

Design/methodology/approach – A qualitative study was undertaken with respect to a convenience sample of reputable companies in Norway, which have implemented significant business sustainability efforts within their organisations, their business networks, the marketplace and in the society, beyond the level of mere compliance.

Findings – Different directions are associated with the development of corporate efforts in connection with business sustainability. Business sustainability efforts are not static, but dynamic and based upon continuous flexibility to changes and adaptations over time.

Research Limitations/implications – The current study highlights the need for further research into the development and directions of corporate efforts in connection with business sustainability in the marketplace and society. A key suggestion for further research is to further explore the existence of other directions.

Practical Implications – The directions reported, provide a framework to assess the development or the status of companies' business sustainability efforts in the marketplace and society. Corporate efforts in connection with business sustainability develop over time as experiences are gained and personal impressions move the identified directions forward.

Originality/value – This study contributes to seven interconnected directions of corporate efforts in connection with business sustainability that are both relevant and potentially fruitful to both scholars and practitioners.

Keywords Norway, Triple bottom line, Sustainable business, Corporate social responsibility (CSR), Sustainable practices

Paper type Case study

Introduction

The World Commission on Environment and Development (WCED, 1987) indicates a future direction when sustainable development is defined as inter-generational well-being, highlighting transformational and long-term change, rather than short-term planning cycles and strategies.

The themes of global warming and climate change also develop along different directions and are considered worldwide in different ways in different markets and societies. Irrespective of the differences, the directions of business sustainability efforts are being developed and implemented to reduce the impact of business practices on the natural environment (e.g. carbon footprint). This is a complex field that requires additional insights and further research.

Elkington (1997 cited in Elkington, 2004) argues that business sustainability efforts need to consider environmental, social and economic elements to approach the organisational challenges involved in a meaningful manner. In an era of climate change and global warming, it is important to examine how these elements relate to each other and how they

develop. This study contributes to an understanding of how corporate efforts in connection with business sustainability appear to develop along a set of directions over a timeline.

Vos (2007) argues that many definitions of sustainability have common elements and are related to economic, social and environmental elements in the marketplace and society. These elements should be mutually balanced. Social well-being and economic growth are supported by environmental concerns and vice versa.

Another aspect of the definitions extends beyond regulatory compliance that also direct development through time (Senge *et al.*, 2008). According to Høgevold and Svensson (2012), business sustainability must be viewed as a continuous process. Therefore, the present study focuses on the development and directions of corporate efforts in connection with business sustainability.

Svensson and Wagner (2012) conclude that existing business theory generally ignores the fact that the Earth is the ultimate stakeholder and source, where everything starts and ends. Business sustainability efforts need to be based on economic, social and environmental elements to provide foundations for the development of a viable business theory. However, the development and directions of business sustainability efforts have rarely been explored in previous research (except Høgevold *et al.*, 2014).

The present study is based on a grounded methodology with information gathered from a series of different companies, which are all highly regarded in both the marketplace and broader society for their business sustainability efforts. The objective of this study is to frame the development and directions of business sustainability efforts.

The remainder of the article is organised as follows:

- frame of reference;
- methodology;
- empirical findings and analysis;
- research and managerial implications; and
- conclusions and summary of suggestions for further research.

Framing business sustainability efforts

Organisations started to change their focus from only economic considerations of responsibility in the 1980s, in favour of making strategic changes and directions towards environmental societal expectations (Robinson, 2000; Evans and Sawyer, 2010). Changes continued in the 1990s from a perspective of environmental management defining directions of managing sustainability (Schuftan, 2013). Global sustainability is generally regarded as having been encouraged in early 2000 by "industrial activity, consumption, pollution and waste generation" and more interaction between society-based stakeholders, new technology development providing different solutions to known problems and finally more "population, poverty and inequity associated with globalization" (Hart and Milstein, 2003).

Environmental, ethical and societal aspects have been considered since the 1960s (Carson, 1962), but research has increased substantially in the past few decades, as reflected in a number of literature reviews (Chabowski *et al.*, 2011; Leonidou and Leonidou, 2011; Seuring and Müller, 2008).

Sustainability is a concept that does not have one clear definition which is commonly agreed upon in the literature. On the contrary, there are many definitions that are both proposed and used.

Sustainability research has developed from compiling existing theory and previous studies to introducing genuinely new concepts or constructs. This development has addressed the integration of institutional theory, stakeholder theory, the resource-based view, political

economy paradigm and corporate social performance (Wood, 1991), cause-related marketing (Varadarajan and Menon, 1988), "enviropreneurial" marketing (Menon and Menon, 1997) and corporate environmentalism (Banerjee et al., 2003).

The literature has addressed different aspects or approaches to sustainability. Faber et al. (2005) explore the principles of sustainability, stressing whether sustainability is in itself sustainable. Glavic and Lukman (2007) look into the meaning of the sustainability concept. Shrivastava and Berger (2010) address the direction of sustainability and Guest (2010) focuses on economic aspects of sustainability in connection with climate change. Hassini et al. (2012) present a review of the literature and a case study measuring sustainable business practices.

The literature has also addressed different areas of sustainability. Chabowski et al. (2011) explore the development of sustainability in marketing. Vaaland et al. (2008) also examine corporate social responsibility (CSR) in marketing. Leonidou and Leonidou (2011) assess marketing and management research, addressing environmental issues. Peloza and Shang (2011) focus on the creation of value capabilities of CSR. Kolk and van Tulder (2010) stress sustainable development and CSR in international business, and Goyal et al. (2013) explore corporate sustainability performance.

Seuring and Müller (2008) conduct a literature review and introduce a framework for sustaining supply chain management over time. Ashby et al. (2012) connect sustainability literature to supply chain management. Gimenez and Tachizawa (2012) assess to the evidence connecting sustainability and suppliers in an organisation's supply chain.

Saarinen (2006) examines sustainability practices in tourism. Schianetz et al. (2007) explore methods for assessing the sustainability of tourist destinations. Haiyan et al. (2013) assess tourism value chain governance.

Evidently, there are many different angles and literature reviews on sustainability and related themes. A common denominator through the assessed reviews is the fact that economic, social and environmental aspects are commonly examined separately. There appear to be a direction on how sustainable business efforts develop, but these are not addressed explicitly (Høgevold et al., 2014). This present study therefore aims to make a complementary and extended contribution to (Høgevold et al., 2014) the development and directions involved in connection with business sustainability efforts.

Methodology

A qualitative approach was applied to a sample of companies, all well known for their significant and long-term efforts in connection with business sustainability. Their efforts within the respective organisations, business networks, marketplace and society all go beyond the level of mere compliance with regulations (Senge et al., 2008). To help find companies, the authors asked environmental organisations that are known to be critical of businesses, to name companies they regarded as the best in Norway in the area of business sustainability.

Based on advice from these organisations, the six companies across different industries were selected. The companies were as follows (see Table I for details): MailCo, HotelCo, EventCo, TransportCo, ManufacturerCo and RetailCo.

Because of Norway's environmental profile, ranking top ten of 178 countries, according to the Environmental Performance Index (EPI, 2012), Norwegian companies were selected in this study. All are well known in Norway and internationally, for their efforts in connection with business sustainability.

According to Senge et al.'s (2008) framework, all corporate efforts in connection with business sustainability go beyond mere compliance in the marketplace and society. The corporations shown in Table I have achieved domestic and international acknowledgement for their business sustainability activities. Table I also shows various aspects of information

Table I Brief description of companies studied

Business sector	Key informant(s)	Date of interview	Length of interview	No. of employees (full time equivalent)	Turnover (Million Euro)	Vision and mission of sustainable business model
Hotel	Manager Corporate responsibility and Manager sustainability and energy	February 2013, November 2014 and December 2014	60 + 70 + 15	6,000	800	". . . with energy, courage and enthusiasm, we create a better world . . ."
Manufacturer	Information director	March 2013, October 2014 and January 2015	100 + 75 + 10	1,900	780	". . . sustainable business practices have become our business mission . . ."
Mail	Environment director group	March 2013, October 2014 and February 2015	75 + 60 +15	16,000	3,070	". . . to work in a goal-oriented manner to achieve environmentally efficient operations and sustainable development – becoming the world's most future-oriented mail and transport group . . ."
Event	Head of environment	March 2013, October 2014 and December 2014	90 + 70 + 10	10*	8	". . . to build a strong reputation as one of the most environmentally sound festivals in Norway and give its visitors the opportunity to act in an environmentally conscious manner . . ."
Transport	Head of communications	March 2013, November 2014 and February 2015	95 + 80 + 10	1,300	500	". . . by carrying out efficient transportation and developing efficient solutions, unwanted emissions and environmental impacts are reduced . . ."
Retail	Head of Business politics and Manager of environment	March 2013, October 2014 and December 2014	180 + 120 +15	22,000	5,070	". . . to contribute to a more sustainable consumption and society . . ."

Notes: *10 fulltime employees; 150 part-time and 2000 volunteers
Source: Expanded and adapted from the original study by Høgevold *et al.* (2014)

about the selected companies, such as the position and responsibility of key informants. The term *key informant* refers to the executive in charge of business sustainability or to a corporate expert in business sustainability.

In targeting the executives in charge of corporate efforts in connection with business sustainability, the authors found that two in-depth interviews, and a third following up by telephone, were sufficient for gaining a comprehensive understanding of and insights into each corporation's current status of the development and directions of business sustainability efforts.

Primary data were collected through interviews with key informants in each of the studied corporations. The interviews were transcribed, proofread and the content checked. Content analysis was performed after each interview.

Each interview lasted between one and three hours and two rounds of interview were conducted with each key informant. Semi-structured interviews with follow-up questions were conducted. The interviews were built on previous in-depth studies of the studied corporations. A third round of follow-up interviews was conducted to clarify and confirm the content, and our interpretations and conclusions from earlier rounds of interviews.

During the data collection process at each organisation, the research team checked for knowledge saturation during the interviews. Key informants in the last three interviews of the 12 did not provide any significant or additional insights. Interviews were thus terminated and the researchers proceeded with the content analysis phase.

The responses and statements were analysed and classified after the interviews, so as to gain an understanding of the companies' development and directions of business sustainability efforts. In the data collection process, secondary sources, such as organisational documents, websites and other available information, were also used.

Each interview was analysed and interpreted, and insights gained were taken into consideration in subsequent interviews. According to recommendations from Yin (1981), the research team remained sensitive and receptive to additional insights and interpretations throughout the research process, applying a stepwise and systematic approach to ensure scientific relevance and rigour.

Abductive matching (Dubois and Gadde, 2002) was applied and enabled recurring themes, patterns and categories to be uncovered through iterative processes of analysis. Data from each informant were examined individually, and analysed in relation to all of the other informants. The aim was to safeguard the themes, pattern and categories found in the present study (Dubois and Gadde, 2002).

Throughout the case studies, the origins of information were gathered and triangulated. For example, each case study explored common concepts and internal validity of evidence by investigating multiple sources. Multiple cases and replication facilitated the explanation of phenomena (Miles and Huberman, 1994). Different industry settings and the use of multiple sources of evidence go some way to explaining variations. Although generalisation was not the research aim, what was of concern was a broad understanding of phenomena and common denominators between case studies within the business context (Bonoma, 1985). Future research can assess the applicability and transferability in other situations (Punch, 1989).

Empirical findings and analysis

The empirical findings frame the development and directions of business sustainability efforts in the studied companies. Business sustainability efforts are not static, but dynamic and based upon continuous flexibility to change and adaptation over time.

We observe that the development and directions of different business sustainability efforts are interconnected – some originate from the *initial* efforts, while other efforts are a consequence of subsequent ones.

The development of business sustainability efforts appears to take place along a timeline of inter-connected and inter-related directions. It appears that the timeline of development was initiated in the studied companies when moving from limited to extended perspectives in their business sustainability efforts. Once the perspectives developed, intrinsic values moved towards a focus on extrinsic ones.

In extension, evolving perspectives and values originate from inside-out approaches in the studied companies' efforts that are associated with business sustainability, towards outside-in approaches based upon expectations and requirements in the marketplace and society.

Studied companies have also realised the need for long-term orientations and for specific solutions to become and stay proactive, rather than short-term, general and reactive. The organisational structures of all the studied companies have, to some extent, changed since their inception.

From limited to extended perspectives

A direction (identified in all studied companies) is evidently how corporate perspectives develop in connection with business sustainability efforts through time. The studied companies have developed from mostly limited perspectives towards extended ones. This refers to the fact that efforts in connection with business sustainability are not myopic, but entail a more far-reaching perspective.

Figure 1 shows the development through time from limited to extended perspectives in corporate efforts in connection with business sustainability. Below are a few extracts from each company studied, which substantiate the evolving direction of perspectives.

HotelCo states that: "[. . .] business sustainability efforts are now an integrated part of the whole company [. . .]". For this company, it is a more all-embracing perspective and not isolated to parts of the organisation, which has become essential in business sustainability efforts. *TransportCo* also emphasises a broader perspective:

> [. . .] our customer consultants are responsible fully for the transport solution [. . .] [. . .] it is not product-based as previously (not bulk cargo or cargo, not a car, train or boat), but now it is about the best transport solution [. . .] [. . .] much work is done in relation to transport and energy [. . .] [. . .] subject to these conditions, profitability and environmental efforts two sides of the same coin [. . .].

This statement indicates the change from product to solving customer needs.

Furthermore, *RetailCo* expresses that:

> [. . .] more business partners and our staff are looking at business sustainability efforts with new eyes [. . .] [. . .] what can we do together to bring down the footprint on the natural environment [. . .] ? [. . .] our efforts are now much broader and integrated into our business [. . .].

Altogether, corporate efforts in connection with business sustainability have moved from limited to extended perspectives that are nowadays taken into consideration in decision-making. *EventCo* strives to amplify the efforts done:

> [. . .] we mostly had a focus on organic food and recycling (e.g. 95 per cent organic food, no palm oil, less meat, local food and seasonal goods), but now more activities are required [. . .] [. . .] for example, the cotton t-shirt sponsored by a soft drink brand should be organic [. . .] [. . .] it can be difficult to get partners to change their behaviour [. . .].

Subsequently, further aspects are included to enhance the various efforts.

ManufacturerCo also communicates an extended perspective in relation to their business sustainability efforts: "[. . .] we must now take responsibility for all our subcontractors and their subcontractors [. . .] [. . .] including working conditions [. . .] [. . .] it is insufficient to only take responsibility for our own operations [. . .]". PostCo highlights the same approach: "[. . .] we work now much more broadly and integrated regarding our efforts at business sustainability [. . .]".

From intrinsic to extrinsic values

Another direction identified in all studied companies entails how corporate values develop in connection with business sustainability efforts through time. The studied companies have undergone a development from predominantly intrinsic values towards extrinsic ones. This refers to the corporate assessment of business sustainability efforts taking external aspects into greater consideration, rather than only focusing on internal ones. The benefits achieved in the past were mostly within the organisation, such as cost reduction. Nowadays, benefits

Figure 1 Direction of perspectives
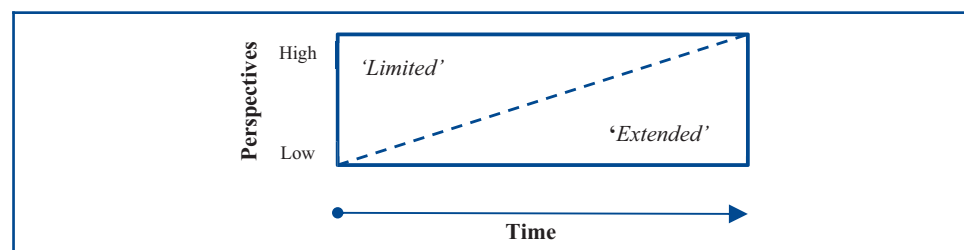
gained in the marketplace and society, such as brand value and word-of-mouth, are more significant.

Figure 2 depicts the revealed development through time from intrinsic to extrinsic values in corporate efforts in connection with business sustainabilities. Below are a few extracts from each company, which substantiate the evolving direction of values.

TransportCo: "[. . .] we have now created a new strategy in the area People, Economy and Environment [. . .]" (i.e. an adapted model of TBL). This company has adapted its external efforts to bring together TBL, based upon their own business, to fit the expectations and requirements of the marketplace and society. *EventCo* confirms that the efforts in connection with business sustainability are more important nowadays:

> [. . .] our industry has changed [. . .] [. . .] there is a greater interest in what we are doing now than there was before [. . .] [. . .] in the past, mostly an internal focus, but not so much going onwards [. . .] [. . .] presently, the focus is on influencing sponsors, the public, partners [. . .] [. . .] this is where we see the major changes [. . .].

The external influence is stronger and the internal efforts need to have a stronger focus on the outcomes in the marketplace and society.

RetailCo expresses their view that business sustainability: "[. . .] is now a competitive advantage and differentiation factor [. . .] [. . .] in the past, it was not at all equally important [. . .] [. . .] we cannot refrain from acting [. . .]". Evidently, there has been a move from within-organisational values towards those that extend beyond the organisation itself. The company's supply chain beyond suppliers is needed to address business sustainability efforts. *HotelCo* explains that: "[. . .] we look at ourselves and how we affect the outside world and what we can do about it [. . .]". This is another indication of moving from intrinsic to extrinsic values. The external outcome is seen as more important than the internal one.

MailCo says that: "[. . .] climate change is now more visible and more important [. . .] [. . .] it is the joint perception among both us and our customers [. . .] [. . .] thus, projects are more economically profitable [. . .]". Joint efforts in connection with business sustainability have become more important today to improve the outcome and gain synergy effects. *ManufacturerCo* argues that: "[. . .] diversity in business sustainability efforts is important [. . .] [. . .] and there is now a greater focus on accountability, not only for our labour force, but also for subcontractors and others [. . .]". This is another indication that the development from intrinsic to extrinsic values is necessary.

From inside-out to outside-in approaches

A third identified direction is how corporate approaches develop in connection with business sustainability efforts through time. It appears that all the studied companies have undergone a transformation from a predominantly inside-out approach towards an outside-in one. Accordingly, their corporate efforts today are more about satisfactory adaptations within or beyond compliance, based upon expectations and requirements from stakeholders in the marketplace and society. Nowadays, it is less about doing their

Figure 2 Direction of values
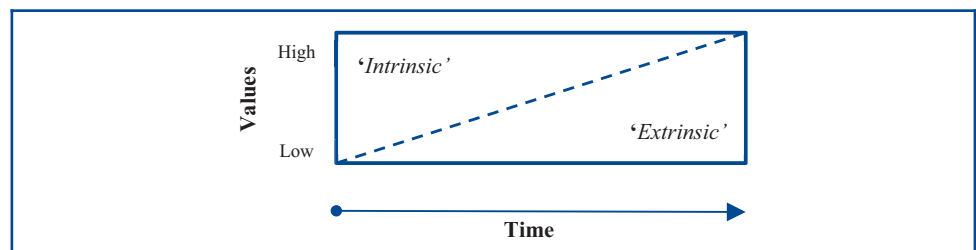
own thing internally, than being continuously responsive to the expectations and requirements of external stakeholders.

Figure 3 illustrates the gradual development through time from inside-out to outside-in approaches in corporate efforts at business sustainability. Below are a few extracts from each company studied, which substantiate the evolving direction of approaches.

RetailCo explains that: "[. . .] companies build their business around sustainability [. . .]". Evidently, sustainability is the core for some companies, based upon outside impressions that are brought into the organisation. *EventCo* reveals that: "[. . .] now there are many festivals with a focus on the natural environment [. . .] [. . .] it is the core [. . .]". The idea is to minimise the negative impact and reduce waste. *EventCo* also aggregates that: "[. . .] *there is a focus on selecting good suppliers* [. . .]".

HotelCo explains that:

> [. . .] employees really feel for environmental and social work [. . .] [. . .] it means something to them and they contribute through their employer [. . .] [. . .] for example, those who work with food are concerned that we are using organic food [. . .] [. . .] it is also easier to talk about something that is directly related to their own company [. . .].

This company has changed its focus from making donations to external causes, to focusing on being a role model itself, because external stakeholders influence the organisation's efforts in connection with business sustainability and, by having them brought back into the organisation, they are controllable.

According to ManufacturerCo: "[. . .] customer demands are there, thus, we must follow up and control in a different way [. . .] [. . .] it is a competitive advantage and differentiation factor [. . .]". The outside-in approach becomes evident here – the benchmark is the marketplace and society. *PostCo* states that:

> [. . .] we had mostly an internal focus in the past, but not so much now [. . .] [. . .] the industry has changed [. . .] [. . .] there is greater interest in what we are doing now than before [. . .].

The expectations and requirements from outside are nowadays taken into account inside the organisation.

TransportCo argues that: "[. . .] changes happen slowly [. . .] [. . .] carbon offsets purchased less [. . .] [. . .] it is a greenwash at best [. . .] [. . .] there is a deeper understanding of the sustainability challenge [. . .]". Again, the outside is nourishing organisational efforts in connection with business sustainability.

From short-term to long-term views

A fourth identified direction in all studied companies is how corporate views develop in connection with business sustainability efforts through time. The studied companies have changed from basically short-term views towards long-term ones. This refers to the outcome of corporate efforts in connection with business sustainability not necessarily being evident in the present, but the company may have an agenda that continues for decades into the future.
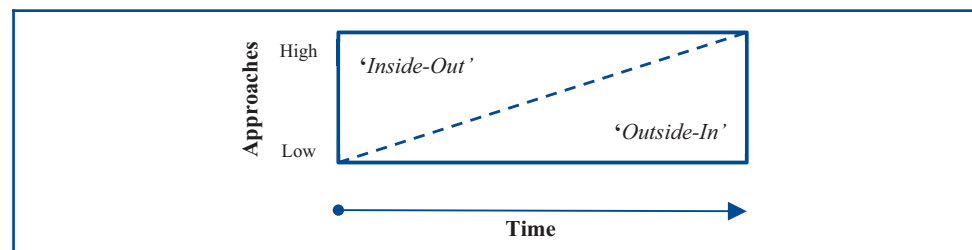
Figure 3 Direction of approaches

Figure 4 shows the development through time from short-term to long-term views of corporate efforts in connection with business sustainability. Below are some extracts from each company studied, which substantiate the evolving direction of perspectives.

ManufacturerCo stresses the future:

> [. . .] we are an old company with long traditions [. . .] we are long-term in everything we do [. . .] [. . .] we have plans and develop products based on what comes around in about two decades [. . .] [. . .] for example, 3D-printers – the designer can sit anywhere in the world and the printer stands at the production place or where it is needed [. . .] [. . .] it saves transport, emissions, energy and other costs [. . .] [. . .] this can change many industries [. . .] [. . .] combines sustainability efforts and less footprint with more innovation and lower costs [. . .].

Evidently, this company sees potential through technological innovation for enhancing performance in connection with business sustainability.

HotelCo comments on their views as follows: "[. . .] our current business sustainability efforts are part a of long-term strategy [. . .]". It is common among the studied companies to look into a fairly distant future, when it comes to current efforts in connection with business sustainability. *TransportCo* is more diffuse, but emphasises that: "[. . .] the expertise in the industry is growing [. . .] [. . .] knowledge, knowledge and knowledge is the future [. . .]". Their view appears to be that the current knowledge is important for managing the company's efforts linked to business sustainability in the future.

EventCo reflects on stakeholder perceptions in the marketplace and society:

"[. . .] there is more acceptance of what we do today [. . .] [. . .] stakeholders in society and the marketplace realise that mankind is facing enormous climate challenges [. . .]". This company is striving to move beyond compliance in their efforts at business sustainability. However, *RetailCo* refers to other companies saying:

> [. . .] there are businesses that have explicitly been built upon sustainability to compete in the future [. . .] [. . .] these companies set standards and have a rooted understanding of what they want to achieve with sustainability and where [. . .].

There appears to be an awareness in dealing with corporate efforts linked to business sustainability. Some of them are amended over time, while others have been in place since inception of the business.

MailCo has also a view into the distant future:

> [. . .] now everyone understands that you should care about what you can offer to the next generation [. . .] [. . .] our children must have the same opportunities that we had [. . .] [. . .] we must therefore make good choices today [. . .] [. . .] we aim to become climate-neutral in the future.

The question is not the extent to which this is desirable thinking, but whether it really reflects the ambitions of this company.

Figure 4 Direction of views
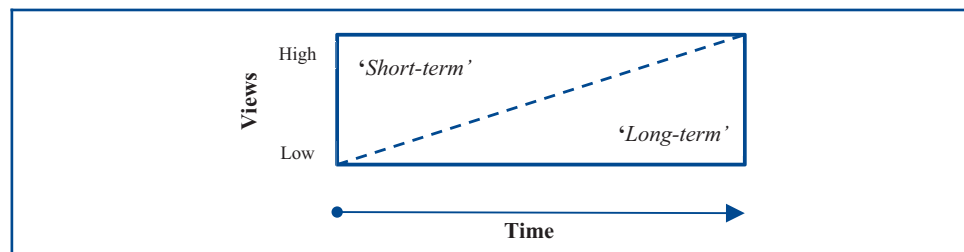
From general to specific solutions

A fifth identified direction in some of studied companies is how corporate solutions develop in connection with business sustainability efforts through time. The studied companies have to some extent developed from general solutions towards specific ones. This refers to the fact that there has often been a need to implement adapted solutions to manage their own initiatives for reducing the corporate footprint on the natural environment.

Figure 5 shows the change through time from general to specific solutions in corporate efforts in connection with business sustainability. Below are a few extracts from some of the companies studied, which substantiate the evolving direction of solutions.

TransportCo explains that a significant change has been made to enhance their business sustainability efforts:

> [. . .] we have established our own train from the North of Norway (Narvik) to the capital (Oslo) [. . .] [. . .] it replaced 13.000 trucks [. . .] [. . .] in addition, we have also increased the truck length from 20 to 25 meters [. . .] [. . .] we can now send two trucks instead of three on the same stretch [. . .].

This seems an impressive change aimed at optimising their corporate efforts at business sustainability.

HotelCo presents other specific solutions linked to business sustainability efforts:

> [. . .] we link our business sustainability efforts to our employees [. . .] [. . .] before we gave money to external organizations and good causes [. . .] [. . .] we now believe it is better to own our sustainability projects [. . .] [. . .] for example, each hotel has got its own project at a local level [. . .].

RetailCo explains that when something goes wrong with the suppliers:

> [. . .] .nowadays, it's not enough to just recognise it [. . .] [. . .] some companies publish the names of suppliers, so the public can check where products are produced [. . .] [. . .] a possible scenario is that producers have a web camera, so customers can chat with employees and secure their well-being [. . .].

From reactive to proactive orientations

A sixth direction identified in all studied companies is how corporate orientations develop in connection with business sustainability efforts through time. The studied companies have moved from reactive orientations towards proactive ones. The studied companies are all reputable for their business sustainability efforts in the marketplace and society, and as such, they all strive to be ahead of the competition and to go beyond compliance (e.g. regulation).

Figure 6 shows the development through time from reactive to proactive. Below are some extracts from each of the companies studied, which substantiate the evolving direction of orientations.

Figure 5 Direction of solutions
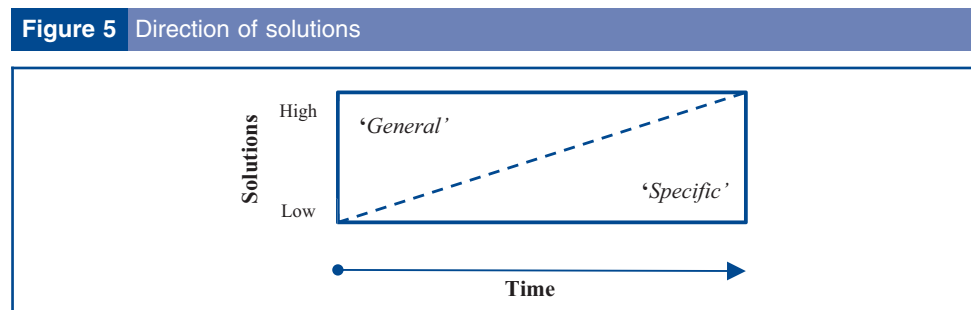
Figure 6 Direction of orientations
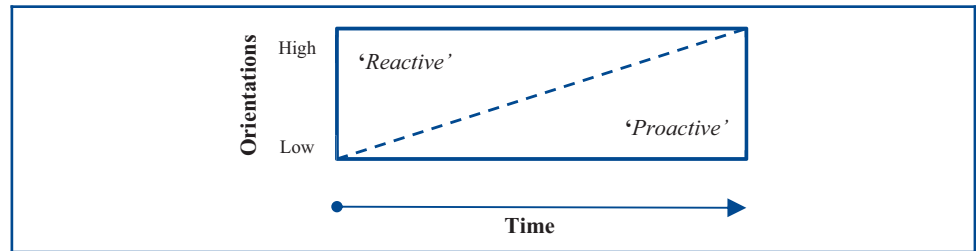
RetailCo elaborates the need to strive towards proactive efforts at business sustainability:

> [. . .] there is a significant increase in understanding the effects of global value chains [. . .] [. . .] acknowledgement goes beyond national borders [. . .] [. . .] for example, nowadays, we will be questioned about working conditions at factories in China that we barely know the name of [. . .] [. . .] but it is not acceptable not to know [. . .] [. . .] there are nowadays high expectations that we have done our homework in relation to conditions at suppliers and their suppliers [. . .] [. . .] to ignore it if something happens is unacceptable [. . .].

A proactive orientation requires dedication from the organisation. It is not an easy task to stay ahead of expectations in the marketplace and society.

TransportCo explains that: "[. . .] we have an increased focus on doing the right things the first time they are done, which leads to higher efficiency and improved economic outcomes [. . .]". This really means that efforts in connection with business sustainability need to be brought into processes early on, so as to get things rights from the beginning (i.e. no trial and error). *EventCo* applies its own proactive approach: "[. . .] we organise seminars to train and educate staff the whole year, so they are well-prepared during festivals [. . .]". In addition, MailCo raises two questions as guidance for staff: "[. . .] what have you done to prevent? [. . .] [. . .] what will you do to rectify? [. . .]". Raising crucial questions may guide staff in following and understanding the desired corporate direction of efforts in connection with business sustainability in the marketplace and society.

HotelCo stresses the importance of early involvement in business sustainability efforts:

> [. . .] business sustainability aspects enter early in the process of planning a new hotel [. . .] [. . .] there is no value pointing out the flaws afterwards [. . .] [. . .] thus it is important to step in and address business sustainability aspects early in processes [. . .].

It is logical to address business sustainability efforts from the beginning. *ManufacturerCo* informs that:

> [. . .] in our industry, there is significantly more awareness, knowledge and interest in sustainability issues [. . .] [. . .] not long ago it was almost unknown to what extent we have to pay attention to our planet [. . .] [. . .] we now work with what we believe will be good products in 2030 [. . .].

Those who are proactive early in relation to others could stand out positively today, given that attention to business sustainability is widespread across industries and the companies they contain.

MailCo explains that the challenges associated with climate and sustainability are becoming more and more visible to top management and our customers: "[. . .] investments done today, such as the 20 mill NOK in biogas fuel, would probably not been possible 5-6 years ago [. . .]" This is an example of the more proactive attitude currently prevailing among top-level management.

From unchanged to changed organisational structures

A seventh and final direction identified in all studied companies is how corporate organisational structures develop in connection with business sustainability efforts through

time. The organisational structures in the studied companies have changed to some extent to adapt, in relation to expectations and requirements in the marketplace and society.

Figure 7 shows the change through time from no need to change the organisational structure, to a very clear need to change it (adaptations to fit expectations and requirements in the marketplace and society) through corporate efforts in connection with business sustainability. Here are a few extracts from each of the companies studied, which substantiate the evolving direction of organisational structures.

TransportCo elaborates some of their changes:

> [. . .] we have now implemented a new strategy of TBL, based upon people, the economy and the natural environment [. . .] and reorganised ourselves towards a more holistic view of implementing TBL [. . .] [. . .] for example, we have organized our focus on the best way to transport, not according to product as before [. . .] [. . .] we have organized for a more holistic approach to implementing our adapted version of TBL [. . .].

The organisational change taking place here is evidently the result of the other identified evolutionary paths of business sustainability. The organisational structure needs to be aligned with the expectations and requirements of internal and external company stakeholders.

MailCo comments that:

> [. . .] the increased visibility of sustainability provides better working conditions for those who work with this [. . .] [. . .] their work eventually becomes an integral part of the business [. . .] [. . .] more involvement leads to more people taking responsibility [. . .].

It will require adaptions of the organisational structure as more staff get involved. *HotelCo* has also made various changes:

> [. . .] we had a special department responsible for our sustainability efforts [. . .] [. . .] however, many staff perceived that this was something that only this department dealt with and other staff did not understand that it should apply to all [. . .] [. . .] now we have divided up this department [. . .] [. . .] for example, environmental issues have moved into our operations department and aspects related to CSR have moved into HR [. . .].

One of the challenges in business sustainability efforts is to get all staff involved, and subsequently, certain organisational changes become necessary.

ManufacturerCO states that: "[. . .] we organise ourselves in terms of where the competence is located in the organisation [. . .]". Physical distance is essential in some companies, but we believe that service providers may look at it differently. *EventCo* claims that: "[. . .] we do not do business anymore with people who underpay workers [. . .] [. . .] however, this is easier to do with local businesses than with global ones [. . .]". This company appears to be more flexible than the previous one, being in services, but physical distance is still an issue that has to be managed properly. Finally, *RetailCo* makes an interesting remark: "[. . .] openness and dissemination of information is what will really create change in our organisation [. . .]". We have not been able to identify an explicit path

Figure 7 Direction of organisational structures
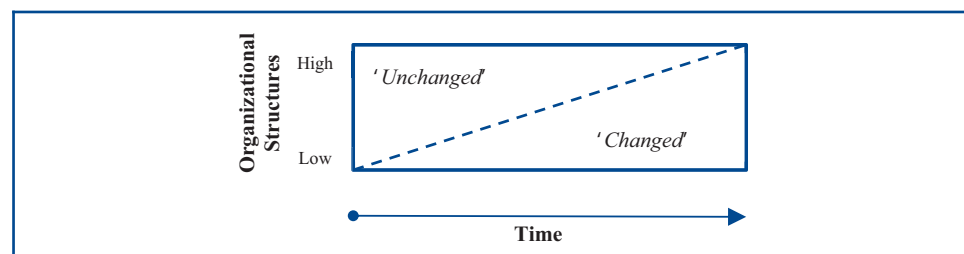
regarding the flows of information, but evidently they will change as organisational structures develop.

Research implications

Høgevold *et al.* (2014) applied a similar approach to the current one and identified five different directions in connection with business sustainability efforts through time. Their study concluded with the following five directions:

1. corporate reasons evolving from intuitive to conscious;

2. environmental actions evolving from basic to complex;

3. social boundaries evolving from within organisational to beyond organisational;

4. economic effects evolving from cost-oriented to value-oriented; and

5. organisational challenges evolving from myopic to holistic.

Our study confirms their findings to some extent (Høgevold *et al.*, 2014), but the current empirical findings extend them into additional evolutionary directions. They (Høgevold *et al.*, 2014) focus on economic values and effects, while this study refers to both economic and non-economic values and effects.

We have identified intrinsic and extrinsic values, which actually incorporate social boundaries, referring to the development from within organisational boundaries to beyond. Their study (Høgevold *et al.*, 2014) also identified organisational challenges developing from myopic to holistic. Our study expands their findings to include: from limited to extended perspectives, from unchanged to changed organisational structures, as well as from general to specific solutions. Their study (Høgevold *et al.*, 2014) identified environmental actions from basic to complex, while our study complements that approach with findings dealing with: from inside-out to outside-in approaches, from short-term to long-term orientations and from reactive to proactive actions.

Furthermore, we do not explicitly address their directions regarding corporate reasons for developing from intuitive to conscious, but we believe it is implicitly addressed in the seven directions in our study. The corporate reasons constitute a general way to compile various directions, so that in extension, the directions identified in the current study are in reality, based upon the underlying reasons motivating the perceptions and actions of the studied companies.

We argue that our study makes a complimentary contribution to Høgevold *et al.* (2014), but also a unique contribution to previous studies. The development and directions in connection with business sustainability efforts are rarely explored in literature, though we contend they can provide a roadmap for the future, based to some extent upon the past.

Accordingly, the current study highlights the need for further research into the development and directions of corporate efforts in connection with business sustainability in business networks, the marketplace and society. This is still an area in which the existing literature provides limited insight, even though the directions might be highly relevant and valuable for the future development of corporate efforts in connection with business sustainability.

Managerial implications

There are several important managerial implications that are based upon the current study of reputable Norwegian companies in connection with their business sustainability efforts.

A principal implication is provided by the seven directions identified in the current study. They provide a generic framework for assessing corporate development or the status of business sustainability efforts in the marketplace and society. Corporate efforts in connection with business sustainability develop as experiences are gained and impressions that are gathered, move the identified directions forward.

Another essential implication is that the seven directions provide guidance on how companies may move their business sustainability efforts ahead. The directions do not outline exactly what to do or how to do it, but offer insights into what areas are relevant and where companies may decide to allocate their time and resources in the context of business sustainability. For example, to what extent should corporate efforts focus on extended perspectives, extrinsic values, outside-in approaches, long-term orientations, specific solutions, proactive actions or changing organisational structures or their opposites?

A third implication involves the challenges involved moving from myopic to holistic corporate efforts (Høgevold et al., 2014) in connection with business sustainability in the marketplace and society. The longevity of corporate dedication is important, as it is not a quick-fix that will achieve significant results. Rather, it takes years to stand out and become a role model for others. The corporate reasons and motivations need to be conscious and deliberate, as changing organisational structures and specific solutions may demand significant financial investments.

A fourth implication is that the seven directions frame the extent to which a company is genuine or serious about its business sustainability efforts. For example, to what extent is the corporate focus on business sustainability efforts restricted to limited perspectives, intrinsic values, inside-out approaches, short-term orientations, general solutions, reactive actions and unchanged organisational structures? The assessment offers valuable insights that can be applied in practice.

Finally, the findings in our study and the ones provided by Høgevold et al. (2014) provide directions for the future of corporate efforts develop in connection with business sustainability. Companies will increasingly have to make economic and social trade-offs in relation to the environment, as they move along the identified directions. However, spin-offs and synergy effects may occur as business sustainability efforts develop.

Conclusions and suggestion for the future

The main contribution of this study is surely the seven interconnected directions in connection with business sustainability efforts. Another complementary contribution exists in relation to Høgevold et al. (2014), although the current study extends and refines their framework of directions that are depicted in Figure 8.

Figure 8 Summary – direction of business sustainability efforts
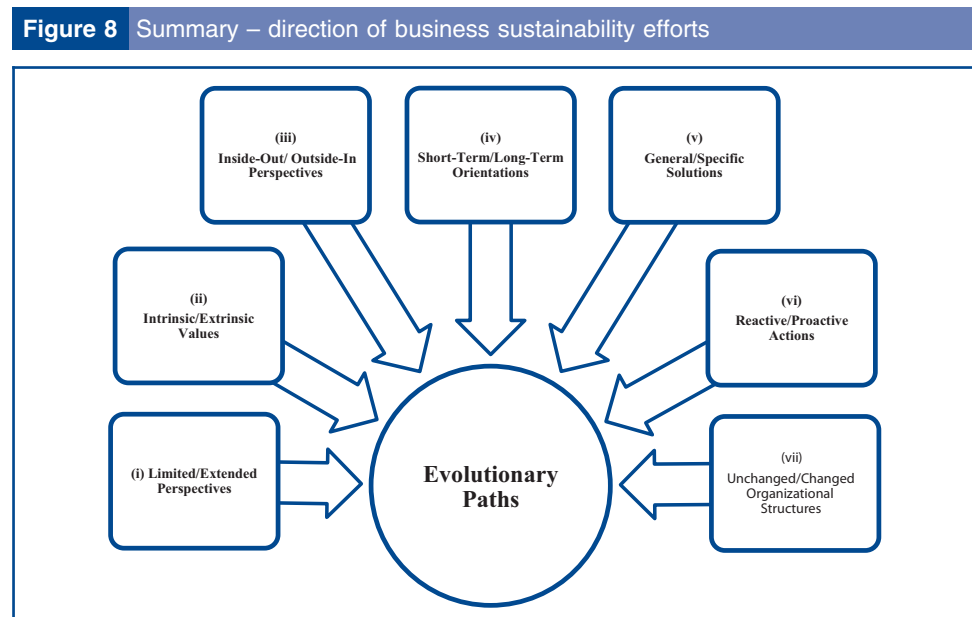
We conclude that the interconnected directions identified in connection with business sustainability efforts provide a valuable framework for understanding what has changed and been done.

Efforts at business sustainability appear to have been initiated with limited perspectives that progressively developed to become more extensive. In the same way, the initial intrinsic values have developed to become more extrinsic, as well as developing from an inside approach to an outside one. Furthermore, it also appears that the short-term orientations, general solutions and reactive actions have developed to become long-term, specific and proactive, as well as entailing changed organisational structures.

We believe that the interconnected directions displayed in Figure 8 are relevant and useful to both scholars and practitioners. However, there are most likely other relevant and important directions that we have not been able to identify in this study (e.g. technology). However, this is a limitation which also offers opportunities for further research into the directions of corporate efforts in connection with business sustainability.

We believe that these alternatives offer fruitful insight for both research and practice in this field of endeavour. Nevertheless, the current study's shortcomings may be explored in further studies.

A specific suggestion for further research is to further explore the existence of other directions in connection with the development of business sustainability efforts. In particular, it would be valuable to both existing literature and contemporary practice to explore what is done and how it is done, when companies develop along the directions of business sustainability efforts. There are currently case studies and industry insights available, but they do not generally address the development and directions of business sustainability efforts. Precisely this opens up meaningful avenues for future work.

Other possible directions for further research include exploring how the directions in connection with the development of business sustainability efforts relate to evolutionary criteria in the market and society, and also how this relates to corporate performance.

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