



MONASH University

Case studies of sustainability and corporate social responsibility policies and practices in two businesses in their global and Singapore contexts

CHIN LUI YIN

MBA (Macquarie University)

Bachelor of Business (Double Majors in Management and Marketing) (Monash University)

A thesis submitted for the degree of Doctor of Philosophy at

Monash University in 2018

Faculty of Education

Copyright notice

© The author, Chin Lui Yin (2018).

I certify that I have made all reasonable efforts to secure copyright permissions for third-party content included in this thesis and have not knowingly added copyright content to my work without the owner's permission.

Abstract

This study explored the sustainability and corporate social responsibility (CSR) policies and practices of two businesses, IKEA and Ernst and Young (EY) global, and their Singapore branches, in order to develop a deep understanding of their work in this field. I investigated how they have developed and implemented their practices in recent decades, and how their leaders reflect elements of organisational learning processes in their business, including cultural-historical activity theory, expansive learning at work and activity theory.

The study utilised qualitative methodological approaches in the development of case studies of the two businesses. This included analyses of documentary data in the public domain and empirical research, including surveys and semi-structured interviews with senior leaders in the Singapore branches. The study involved exploratory and inductive case study research approaches guided by constructivism and interpretivist frameworks. The case studies were analysed through the lens of aspects organisational learning theory and practice drawing on Cebrián, Grace and Humphris (2013) framework. The results of the study demonstrated the complexity of factors involved over time in the evolving emphasis on sustainability and CSR at IKEA and EY.

The findings showed that the development of this focus required leaders who provided opportunities to develop values and missions emphasising sustainability and CSR, who were responsive to challenges as they emerged, and to global policies in this sphere. Both businesses have developed a culture that stresses the importance of sustainability and CSR and links with key stakeholders in this field. Their multi-level activities with a focus on their own internal structures as well as national policies, such as those promoted by the Singapore government and international organisations, including the United Nations, added impetus to the expansive learning that IKEA and EY have developed. Evidence captured demonstrated the strong commitment and shared vision towards achieving sustainability and CSR through the embedding of daily practices encompassing social, economic and environmental dimensions of this work in their businesses, including across all internal and external stakeholders in their broader communities. The study concluded that it is through sustained and multi-layered emphases on this work that IKEA and EY have provided global leadership in this field in their efforts to work to ensure a more sustainable future.

Declaration

This thesis contains no material which has been accepted for the award of any other degree or diploma at any university or equivalent institution and that, to the best of my knowledge and belief, this thesis contains no material previously published or written by another person, except where due reference is made in the text of the thesis.

Signature:

A solid black rectangular box used to redact the signature.

Print Name: Chin Lui Yin

Date: 7 March 2018

Acknowledgements

I would like to sincerely thank my doctoral thesis supervisor, Associate Professor Elizabeth Tudball, for her unconditional support and patience. I am very grateful for her strong encouragement and in-depth discussions which have contributed immeasurably to the development of my study. I was pleased to have her as my supervisor and appreciated her expertise and trust in my work. She has constantly challenged me on relevant topics and has helped me to develop my full potential in the research world.

To Associate Professor Seah Wee Tiong, University of Melbourne, I extend my sincere gratitude for his valuable advice and motivation in my research journey.

Further sincere thanks and deep gratitude go to the participants from IKEA and Ernst & Young (EY), who were committed to this research and provided valuable time and enthusiasm in sharing their knowledge, thinking, perceptions and ideas in this study. This research would not have been possible without their involvement and participation.

Special thanks as well to my colleagues and friends close to me who have been encouraging and supported me throughout this long journey.

And, finally, I could not have gone through this journey without the emotional support and patience of my family. No amount of words could describe my outmost thanks to them especially to Dr Gan, my parents, sister and my little Ethan, inspiration of my life. I am forever grateful to them for their love and support.

TABLE OF CONTENTS

ABSTRACT.....	3
DECLARATION.....	4
ACKNOWLEDGEMENTS	5
TABLE OF CONTENTS	6
LIST OF FIGURES	10
CHAPTER 1 INTRODUCTION.....	13
1.1 Introduction and aims of the study	13
1.2 Significance of the study	18
1.3 The context of sustainability and CSR in Singapore	20
1.4 Scope and limitations	28
1.5 Chapter outline and structure	28
CHAPTER 2 LITERATURE REVIEW	30
2.1 Introduction	30
2.2 Clarifying sustainability concepts	30
2.3 Sustainable development	31
2.4 Education for sustainable development (ESD)	34
2.5 Education for sustainability (EfS)	38
2.6 Definition of the triple bottom line (TBL).....	39
2.7 Corporate social responsibility (CSR).....	41
2.7.1 The concept of CSR and links to sustainability.....	42
2.7.2 The concept of CSR and links to the triple bottom line (TBL).....	44
2.8 The importance of businesses achieving corporate sustainability.....	45
2.9 Stakeholders in sustainability practices	50
2.10 Organisational learning towards sustainability	51
2.11 Effective leadership.....	53
2.12 The impact of cultural factors and values on sustainability practices	57
2.13 Cultural-historical activity theory (CHAT) and expansive learning	60

2.14 Individual transformation	63
2.15 Becoming a learning organisation	65
2.16 Chapter conclusion	66
CHAPTER 3 METHODOLOGY.....	68
3.1 Introduction	68
3.2 Qualitative research approach	69
3.3 Selection of case study	70
3.4 Theoretical frameworks: constructivism and interpretivism.....	71
3.5 Theoretical framework for analysing sustainability learning organisations	72
3.6 Selection of participants.....	74
3.7 Methods of data collection	74
3.7.1 Survey of Singapore branches	75
3.7.2 Semi structured interviews with IKEA and EY personnel: Singapore branches ..	76
3.8 Methods of data analysis.....	76
3.9 Validity and limitations of the study	77
3.10 Chapter conclusion	79
CHAPTER 4 IKEA - GLOBAL.....	80
4.1 Introduction	80
4.2 Vision and values	82
4.3 Attitudes and commitment to sustainability policy and practices at IKEA.....	86
4.4 Activity systems at IKEA.....	88
4.5 Cultural and historical factors that influence sustainability practices	90
4.5.1 IKEA’s environmental collaboration and practices	93
4.5.2 IKEA’s social and humanitarian collaboration practices	95
4.5.3 IKEA’s international business practices and collaborations	95
4.6 Cultural and historical factors that influence CSR initiatives	97
4.7 Learning organisation and leadership initiatives towards sustainability and CSR	108
4.8 IKEA’s global sustainability practices	112
4.9 Chapter conclusion	117

CHAPTER 5 IKEA SINGAPORE – VISION, VALUES AND LEADERSHIP OF SUSTAINABILITY	118
5.1 Introduction	118
5.2 IKEA Singapore focus on sustainability and CSR.....	121
5.3 Cultural and historical factors impacting on IKEA Singapore.....	126
5.4 Perceptions and attitudes of IKEA leaders towards sustainability and CSR	128
5.5 Organisational management and leadership	134
5.6 Chapter conclusion	140
CHAPTER 6 IKEA SINGAPORE - IMPLEMENTATION OF PRACTICES AND APPROACHES TO SUSTAINABILITY.....	141
6.1 Introduction	141
6.2 Implementing sustainability practices and CSR.....	141
6.3 Approaches and practices of CSR	144
6.4 Organisational Learning – Education Programs and Practices.....	149
6.5 Sustainability policy and practices	153
6.6 IKEA collaboration with other sustainability organisations.....	165
6.7 Communication informing sustainability practices.....	167
6.8 Chapter conclusion	175
CHAPTER 7 EY - GLOBAL	176
7.1 Introduction	176
7.2 Vision and commitment to implementing sustainability policy and practices at EY	177
7.3 Activity systems at EY	181
7.4 Cultural and historical factors influencing sustainability at EY.....	183
7.5 Embedding Diversity and Inclusiveness (D&I) at EY for social sustainability	188
7.6 Cultural and historical factors that influence CSR initiatives	191
7.7 EY’s global leadership and organisational initiatives towards sustainability and CSR.....	197
7.8 Business practices and systems leading change in sustainability and CSR	200
7.9 Influence of United Nations Global Compact (UNGC) Principles on practices ...	205
7.10 Sustainability practices globally	209
7.11 Chapter conclusion	214

CHAPTER 8 EY SINGAPORE – VISION, VALUES AND LEADERSHIP OF SUSTAINABILITY	216
8.1 Introduction	216
8.2 EY Singapore focus on sustainability and CSR	218
8.3 Perceptions and attitudes of EY leaders to sustainability and CSR	220
8.4 Organisational management and leadership	222
8.5 Chapter conclusion	226
CHAPTER 9 EY SINGAPORE – IMPLEMENTATION OF PRACTICES AND APPROACHES TO SUSTAINABILITY	227
9.1 Introduction	227
9.2 Implementing sustainability practices	227
9.3 Approaches and practices of CSR	228
9.4 Organisational learning – education programs and practices	233
9.5 Sustainability policy and practices	233
9.6 EY Singapore collaboration with other sustainability organisations	235
9.7 Communication informing sustainability practices	236
9.8 Chapter conclusion	238
CHAPTER 10 FINDINGS AND CONCLUSION	239
10.1 Introduction	239
10.2 A model for developing integrated organisational learning, policies and practices for sustainability and CSR in businesses	242
10.3 Social, environmental and economic dimensions of business activities	244
10.4 Vision and values of organisations for sustainability and CSR	244
10.5 Cultural and historical factors	245
10.6 Effective leadership	247
10.7 Becoming a learning organisation	248
10.8 Concluding comments	249

LIST OF FIGURES

Figure 2.1 – Sustainable Development	32
Figure 2.2 – Organisation learning towards sustainability.....	53
Figure 2.3 – Leadership capability framework.....	55
Figure 2.4 – Leadership learning system.....	56
Figure 2.5 – How Culture Contributes to Development	59
Figure 2.6 – Matrix for the analysis of expansive learning.....	61
Figure 2.7 – Activity system	63
Figure 4.1 – IKEA's Groups of Companies	82
Figure 4.2 – IKEA's People & Planet Positive Strategy	83
Figure 4.3 – IKEA's activity system	89
Figure 4.4 – Matrix analysis of IKEA's 'expansive learning'	91
Figure 4.5 – IKEA's poster in all stores demonstrating commitment to environmental concern	94
Figure 4.6 – External stakeholders' influence on the development of IKEA's CSR policies 1981-1994 (first code of conduct).....	98
Figure 4.7 – External stakeholders' influence on the development of IKEA's CSR policies....	99
Figure 4.8 – External stakeholders' influence on the development of IKEA's CSR policies..	100
Figure 4.9 – The IKEA WAY (IWAY)	102
Figure 4.10 – Adapted from the IKEA WAY (IWAY)	103
Figure 4.11 – External stakeholders' influence on the development of IKEA's CSR policies from 2001 to 2005	104
Figure 4.12 – Posters at IKEA retail store demonstrating their commitment to CSR	107
Figure 4.13 – Harnessing the “Snowball Effect” of Cost Savings and Reinvestment	109
Figure 4.14 – IKEA's poster demonstrating commitment to environmental concerns	110
Figure 4.15 – Harnessing the Reinforcing “Snowball Effect” for Sustainable Growth.....	111
Figure 4.16a – IKEA's Energy-efficient Products from FY13 to FY15	114
Figure 4.16b – IKEA's Energy-efficient Products from FY14 to FY16	112
Figure 5.1 – IKEA's sustainability poster	120
Figure 5.2 – IKEA's sustainability office poster	121
Figure 5.3 – IKEA's poster on energy saving LED bulb	123

Figure 5.4 – IKEA’s lifetime guarantee bag demonstrating commitment to environmental concerns.....	124
Figure 5.5 – IKEA’s collaboration with National Environment Agency (NEA) (2014).....	125
Figure 6.1 – CSR commitment with United Nations Children’s Emergency Fund (UNICEF) and Save the Children, the United Nations Development Programme	146
Figure 6.2 – IKEA’s Local Charity Outreach with Singapore’s Association for Persons with Special Needs (APSN)	147
Figure 6.3 – Entrepreneurial and charity cause activities by IKEA	148
Figure 6.4 – IKEA’s Clean & Green SG50 Mass Tree Planting	148
Figure 6.5 – IKEA’s International Costal Clean up Singapore.....	149
Figure 6.6 – Balanced diet using sustainable source by IKEA	157
Figure 6.7 – Solar panel on IKEA’s building	157
Figure 6.8 – IKEA’s recycling solution	158
Figure 6.9 – Green Life@Home - affordable and sustainable living by IKEA	159
Figure 6.10 – LED Lights at IKEA.....	160
Figure 6.11 – Switching the entire lighting range to LED by IKEA	160
Figure 6.12 – IKEA’s poster on disposal of light bulbs in all stores.....	161
Figure 6.13 – IKEA’s recycling areas for the disposal of light bulbs in all stores	161
Figure 6.14 – Charging point for electric vehicles at IKEA	162
Figure 6.15 – IKEA's Notice Boards	169
Figure 6.16 – IKEA's Democratic Design.....	171
Figure 6.17 – Sustainability in the Democratic Design by IKEA	172
Figure 6.18 – IKEA’s Roadshow engaging customer on the sustainability initiative – Democratic Design.....	172
Figure 6.19 – Roadshow in a IKEA store outlet on the sustainability initiative – Democratic Design.....	173
Figure 6.20 – IKEA’s self-service wrapping kiosk.....	174
Figure 7.1 – EY’s purpose in building a better working world	178
Figure 7.2 – EY’s activity system	182
Figure 7.3 – Matrix analysis of EY’s ‘expansive learning’	186
Figure 7.4 – EY’s Sustainability Journey – D&I Culture Change Continuum: our roadmap for success.....	190

Figure 7.5 – Examples of EY’s Driving Inclusive Growth.....	193
Figure 7.6 – EY practices to uphold United Nations Global Compact (UNGC) Ten Principles	205
Figure 7.7 – Ernst & Young’s (EY) Global Carbon Footprint Data.....	210
Figure 9.1a – EY’s Share-a-Gift project.....	229
Figure 9.1b – EY employees’ participation in the Share-a-Gift project	227
Figure 9.2a – EY’s Walk for Rice charity initiative.....	231
Figure 9.2b – EY’s alumni participating in the Walk for Rice charity initiative	228
Figure 9.3 – EY’s ASEAN Art Outreach program	232
Figure 9.4 – Speech by Max Loh, EY Asean and Singapore Managing Partner, Ernst & Young LLP, at Singapore Management University (SMU) (2015)	236
Figure 10.1 – Integrated organisational learning for developing sustainability and CSR in businesses (Chin, 2018)	243

CHAPTER 1 INTRODUCTION

To defend and improve the human environment for present and future generations has become an imperative goal for mankind. (UNEP, 1972, 1)

Sustainability has become,

A mantra for the 21st century... it embodies the promise of societal evolution towards a more equitable and wealthy world in which the natural environment and our cultural achievements are preserved for generations to come (Dyllick & Hockerts, 2002, p.130)

1.1 Introduction and aims of the study

Around the world, governments, businesses and members of the general public are becoming increasingly focused on developing sustainable practices, strategies and approaches to address issues of global social concern, including acting for a more sustainable future (Drexhage & Murphy, 2010). The Intergovernmental Panel on Climate Change (IPCC, 2014) found that the continuing effect of further global warming and ‘long-lasting changes in all components of the climate system are increasing the likelihood of severe, pervasive and irreversible impacts for people and ecosystems’ (p.8). These factors, as well as other global concerns about finite resources, an overemphasis on consumerism, global inequity and social, environmental and economic sustainability, contribute to the urgent need for research that investigates how businesses are developing policies, practices and learning to ensure a more sustainable future.

While it can be argued that the impact of businesses and industrial production all contribute to environmental and ecological degradation globally, there is now substantial evidence that businesses across the world are taking their responsibility to act to ensure a sustainable future seriously (UN, 1992). My research has focused on developing understanding of how businesses in the global and Singapore contexts are developing as learning organisations, with values, missions, policies and practices that go beyond profit making, to incorporate activities focused on sustainability and corporate social sustainability (CSR). My motivation for conducting this study has been fuelled by my own work and involvement in the corporate world in Singapore; a nation

state where government policies focused on sustainability and liveability have increased in the past decade in accordance to the Inter-Ministerial Committee on Sustainable Development (IMCSD) (2009). This thesis has therefore focused on the development of case studies involving deep analysis of the complex factors influencing the development of sustainability and CSR practices in two global businesses, namely, Ingvar Kamprad Elmtaryd Agunnaryd (IKEA) and Ernst and Young (EY), and their Singapore branches. In an initial review of these companies, I found that they have well documented sustainability practices and CSR in publically available documents, and substantial evidence of activity in this field globally, and in their Singapore operations. I was interested in the fact that IKEA produces goods for the international consumer market and EY has a critical role in human resources and management leadership globally. These two businesses therefore had the potential to provide varied insights into the important work that businesses can undertake in the sustainability and CSR fields.

In developing my methodology, I searched the literature to find theoretical frames that would help me to capture and investigate sustainability and corporate social responsibility in businesses. After a review of multiple lenses through which I could investigate IKEA and EY, I decided to focus on developing case studies of their vision, values, policies and practices, as well as their business activity systems and organisational¹ learning practices. This decision was based on my reading of Cebrián et al. (2013), whose theoretical framework for analysing organisational learning for sustainability in higher education, focuses on varied dimensions of this work that could be applied to the business context.

Former United Nations (UN) Secretary-General Ban Ki-Moon emphasised that,

Businesses have a “vital role to play” in improving our environmental future. Businesses can lead by example within industries and networks. Industry leaders can actively align their business needs while creating a sustainable future. (Zevallos, 2015)

In 2014, the IPCC argued that effective decision making at the corporate level on sustainable development plays a crucial role in ‘recognizing the importance of governance, ethical dimensions, equity, value judgments, economic assessments and diverse perceptions and responses to risk and

¹ Note that the word ‘Organisational’ is used throughout the thesis and only the word ‘Organization’ is used in accordance to authors.

uncertainty' (p.92). The IPCC (2014) stated that corporations taking a longer-term perspective in the context of sustainable development can increase the likelihood of individuals making appropriate changes in lifestyles or behaviours through iterative learning. In my study, I aimed to understand the extent to which sustainability and corporate social responsibility (CSR) is organised, practised and led by corporations through gaining deep insights into the processes involved in IKEA's and EY's efforts to engage in this work. The IPCC argued that corporations need to continue to enhance adaptation and promote sustainable development in ways that focus on their national circumstances and priorities. My study captures and analyses both the global initiatives of IKEA and EY and their approaches in the national context of Singapore.

According to the Subcommission on Quaternary Stratigraphy (SQS), which is part of the International Union of Geological Sciences (IUGS), the earth has been altered significantly through human activity in this present day of the Anthropocene. As Steffen, Grinevald, Crutzen and McNeill (2011) stated,

The human imprint on the global environment has now become so large and active that it rivals some of the great forces of Nature in its impact on the functioning of the Earth system. (p.842)

Hamilton (2016) agrees that we are now in the Anthropocene period where human activity has been the dominant influence on climate and the environment. The impact of 'changes include global warming, habitat loss, changes in the chemical composition of the atmosphere, oceans and soil, and animal extinctions' (Myers, 2016).

The report of the IPCC (2014) also reinforced the importance of the development of global strategies to reduce and manage the risks of climate change through adaptation and mitigation across the world. The IPCC (2014) report presents convincing data that before 2050, it is essential that climate risks be reduced substantially through emissions reductions, effective adaptation, and reducing 'the costs and challenges of mitigation in the longer term and contribute to climate-resilient pathways for sustainable development' (IPCC, 2014, p.170). In this work, global businesses have a significant role to play. Edenhofer et al. (2014) argue that,

Despite a growing number of mitigation policies, greenhouse gas emission growth has accelerated over the last decade. (This) suggests that stabilizing temperature increase within the 21st century requires a fundamental departure from business-as-usual. At the same time, it shows that a variety of emission pathways exists where the temperature increase can be limited to below 2 °C relative to pre-industrial level. But this goal is associated with considerable technological, economic and institutional challenges. (p.vii)

Since the IPCC (2014) report, concerns about global warming have become more critical. Watson (2016), former head of the IPCC said that,

Climate change is happening now, and much faster than anticipated... Without additional efforts by all major emitters (of greenhouse gases), the two degree C target could be reached even sooner... If governments are serious about trying to achieve even the two degree C goal, they will have to double and re-double their efforts now. (p.A35)

While Watson (2016) commented on the critical role for governments, it is clear that global businesses and producers must play a role in addressing the causes of climate change and other sustainability concerns. Bérengère Quincy, the French Presidency's goodwill ambassador at the Paris United Nations Climate Change Conference (COP-21, 2015), said that,

We want to build together a Paris climate alliance, a shared vision, enabling us to limit the planets average temperature rise to less than 2 degrees or 1.5 degrees Celsius. An alliance that can give a clear signal to citizens around the world, local authorities and businesses that we are making a resolute transition towards lower carbon and more climate resilient economies, while guaranteeing everyone fair access to sustainable development. (EY, 2015f, p.2)

My study investigates how and to what extent sustainability and CSR is being emphasized as a social, environmental and economic responsibility that is a key element of the two global businesses. Blauert & Zadek (1998) and Shaw (2012) noted that sustainability and CSR require an inter-play between the social, economic and environmental domains, rather than the environment being only seen as a capital good and service for the benefit of the corporate world. The European Commission (2011) agrees that CSR should be an important part of businesses so they see,

The responsibility of enterprises for their impacts on society... Enterprises should have in place a process to integrate social, environmental, ethical human rights and consumer concerns into their business operations and core strategies in close collaboration with their stakeholders, with the aim of:

- Maximising the creation of shared value for their owners/shareholders and for their other stakeholders and society at large;*
- Identifying, preventing and mitigating their possible adverse impacts. (p.6)*

There is global recognition that many aspects of today's economic development and business practices are not sustainable in the long term, and that awareness, education and training are important to prompt the public at large and businesses to revise their practices and actions in relation to sustainability and CSR. But there are also many debates about the meaning of sustainability and CSR and how it can be achieved, which are discussed in my study. I explore how learning organisation practices, together with strong effective leadership, work to achieve change in IKEA and EY. The United Nations (UN, 1992) recognises that,

Positive perceptions about sustainability practices and the development of responses and practices in this field is critical for businesses now and for the future and this has resulted in growing participation and awareness of incorporating sustainability issues into organizational policies, programs and practices. (p.287)

Dr Matthew Bell, Oceania Climate Change, Sustainability Leader and a Partner in EY Australia, who has more than 10 years' experience advising on climate change and sustainability said,

A lot has changed in the past decade in the sustainability arena – organisations that once viewed it as a “nice to have” now recognise the importance and value from embedding it [sustainability] into their strategy. (EY, 2017i)

A decade ago, McKeown, Hopkins, Rizzi and Chrystalbrid (2006) found that, from the business perspective, sustainability practices were lacking and not well documented, but there is now greater emphasis on this field. My study will make an important contribution to creating new knowledge about how global businesses can be learning organisations focused on the development of sustainability. By using a qualitative research approach, I have developed an exploratory and

inductive case study of the structures, policies and practices in sustainability and CSR of IKEA and EY and their unique characteristics as learning organisations.

The research questions are:

1. What policies and practices are two global businesses developing and implementing on sustainability and corporate social responsibility (CSR)?
2. How do their sustainability and CSR business practices reflect elements of organisational learning theory and practice?
3. How are the practices of the two case study businesses leading change in sustainability and CSR?

1.2 Significance of the study

This research is significant because it will add new knowledge and understanding of how effective and responsible sustainability and CSR is being developed through business policies and practices. While the study includes a focus on IKEA and EY in the global context, empirical research was conducted in these companies' Singapore branches in order to capture and analyse practices in a nation state where there is a strong emphasis on the sustainability agenda. The study therefore contributes to understanding of global businesses' practices and deep insights into the Singapore context, thus an introduction is provided to the unique factors influencing businesses in Singapore in this chapter.

The Singapore government aims to become one of the world's most liveable and sustainable cities, and is promoting policies to develop a better future for its citizens. Lim Boon Heng, Chairman of Temasek Holdings, a national wealth fund owned by the government of Singapore, said,

Preparing for tomorrow really needs to start today... [He noted] the urgency of achieving sustainable development [as] the impact of global warming could cause sea levels to rise by up to 30cm by 2065 ... 93 percent of millennials and 73 percent of women agree that environmental and social impact is important in their investment decisions... [Therefore]

the business case is strong, with both investors and consumers pushing for more sustainable practices. (Wong, 2017a, p.C1)

I selected IKEA and EY for my study because of the evidence in the public domain that they are working to frame the complex social-environmental issues involved in the ‘wicked problem’ of sustainability, but there is a need for further research which captures how companies can achieve these goals. A wicked problem is,

...a complex issue that defies complete definition, for which there can be no final solution, since any resolution generates further issues, and where solutions are not true or false or good or bad, but the best that can be done at the time. (Brown, et al., 2010, p.4)

I aimed to discover how companies, who are still clearly concerned about their bottom-line need to be profitable and make commercially sensible decisions, can and incorporate sustainability practices. I wanted to find out how business leaders’ values and the visions they develop build capacity to engage and educate employees to implement sustainability and corporate social responsibility practices. Kofi Annan, former United Nations secretary-general (1997 to 2006) ‘called upon businesses to look beyond short-term economic growth and shareholder interest, and adopt sustainable practices... [He argued that] Private businesses should share best practices in sustainable development with one another’ (Koh, 2015, p.C6). Further, Stordalen (2013) argued that the big challenge of our time is to educate people to engage them in ‘doing things differently – to be environmentally and socially responsible and still earn money’ (p.30).

In a global study conducted by the University of Pennsylvania, Elkington (2012) found that most CEOs claim they care about sustainability in the global setting and making a difference by taking steps to achieve their sustainability goals. However, he argued that ‘a systemic transformation’ (p.20) of problems on a wider scale and analysing them more deeply is the way to set ambitious targets for the long haul rather than small incremental change focused on sustainability. Through my case studies of businesses in the global context and in Singapore, I aimed to develop knowledge that could make a contribution to future practices in sustainability and CSR. The findings and recommendations from the case studies have the potential to impact on the practices of other businesses in Singapore and beyond.

1.3 The context of sustainability and CSR in Singapore

Research by Boyd & Ngo (2006), Brodsgaard & Young (2000) and Drysdale (2000) showed that for any company to achieve sustainability, it is important to understand government perceptions of, and commitment to sustainable development. In responding to global climate change issues, the Singapore government formed an Inter-Ministerial Committee on Sustainable Development (IMCSD) (2009) and produced a blueprint - *A Lively and Liveable Singapore – Strategies for Sustainable Growth* to highlight Singapore's sustainable development, with the objective of ensuring that Singapore was in line with global efforts to address climate change and reduce greenhouse emissions. Among the strategies were attempts to 'engage the community and encourage them to play their part by adopting more responsible practices, habits and lifestyles' with the blueprint marking 'the beginning of a closer 3P (People sector, Private sector and Public sector) partnership for sustainable development' (IMCSD, 2009, p.6-7).

Spykerman (2011) noted that the goal set in Singapore in 2009 was to,

...reduce the nation's energy intensity output by 35% from 2005 levels by 2030. This means a 35% cut in energy consumption per dollar of gross domestic product... the targets are to minimize energy wastage, cut costs for companies and consumers, reduce the reliance on fossil fuels, and contribute to overall economic competitiveness. (p.B7)

However, the IMCSD (2009) recognised that, in order to succeed in building Singapore into one of the most liveable cities in Asia that is clean, green, safe and efficient for Singaporeans now and in the future, business and community leaders and the public need to share a common vision, and work together to bring about changes needed in the households, the communities and the businesses.

In order to achieve the objectives, the National Climate Change Secretariat (NCCS) (2012a) emphasised that,

Singapore has overcome many environmental challenges in its short history. Our vision is to be a climate resilient global city that is well positioned for green growth. As a small city-state, Singapore's success and prosperity depends on being able to overcome the challenges of climate change and to grasp the opportunities it presents. We must nurture a vibrant and

innovative economy, and achieve economic growth in a low carbon and sustainable manner through the development and deployment of clean energy and energy efficient technologies. This will enable us to develop a high quality environment and sustainable growth for the sake of our current and future generations.

Research conducted by the Singapore NCCS together with relevant agencies showed that,

The feedback from public forums and consultations has been positive and encouraging. In a national survey held in late 2011, 86% of participants felt responsible for helping to address climate change and 74% indicated concern over climate change. These responses reflect strong support for climate change action. (NCCS, 2012a)

Yip & Ng (2001) found that in Singapore, increasingly, business perceptions about,

...sustainability concerns are being addressed by companies in their day-to-day operational and investment decisions. In turn, companies are realizing that it makes commercial sense to adopt responsible sustainability practices, apart from the public image boost. (p.2)

In 2010, in order to sustain Singapore's development and to ensure its continuing growth, the government Economic Strategies Committee recommended that action needed to be taken in Singapore businesses,

To make skills innovation and productivity the basis for our economic growth and for a broad-based increase in the incomes of our people. They also aim to make Singapore a distinctive global city and an endearing home. (Economic Strategies Committee, 2010, p.7)

Teo Chee Hean, Deputy Prime Minister of Singapore, Co-ordinating Minister for National Security and Minister in Charge of the Public Service (2017) said,

Singapore's push for sustainable development fires on four fronts covering the economy, living environment, its people and international collaboration... Singapore's lack of natural resources means the country has to be resourceful, finding ways to create economic value, producing goods and services that others need while making careful use of its resources... this has required integrated and long-term planning to optimise resources... more recently, carbon emissions, to ensure sustainable growth. (Wong, 2017b, p.C1)

The Singapore government has introduced various schemes and recognition of Singapore companies for their sustainability practices, with examples including sustainability awards for Singaporean companies such as DHL, National Environment Agency, and the City Developments Limited being commended for their sustainable practices. However, the World Wildlife Fund's (WWF) Living Planet Report (WWF, 2014) shows that Singapore has become the nation with the seventh-largest ecological footprint in the world. Cheam (2014) said that,

The Ministry of the Environment and Water Resources has taken issue with the report... it is even more important that Singapore, as Asia's hub for many industries, should be a steward when it comes to setting sustainability standards for companies. (p.12)

Given this contradiction between the carefully developed policy focus on sustainability practices, and the evidence of the ecological footprint in the city state of Singapore, my study is significant in documenting what businesses are doing and achieving in this sphere.

In 2012, the government produced the Singapore Green Plan 2012 (Ministry of the Environment and Water Resources, 2002), a blueprint towards environmental sustainability for the next decade that built on the earlier National Preparatory Process (NPP) where Singaporeans from the 'people, private and public (3P) sectors' (Green Future Solutions, 2015) contributed many ideas and suggestions. The 3P strategy was planned to ensure collaborative work to develop environmental initiatives and promote environmental ownership (Green Future Solutions, 2015) with active government involvement, together with the people and private sectors, in the development of policies, regulations and incentives to promote sustainability living in Singapore, using a whole-of-government approach in this important journey. The Singapore government is committed to pursuing a "green and clean" environment to appeal to foreign investment and has encouraged the private and non-governmental sectors to promote environmentally friendly innovations. Given this multiple evidence of strong government commitment to sustainability, it was interesting for me to investigate to what extent IKEA and EY have demonstrated clear evidence of how they contribute to the sustainability initiatives in Singapore.

Although Singapore has achieved the ranking as being the most liveable city in Asia (Ministry of Foreign Affairs, 2012) and the world (Harjani, 2015), there are still considerable environmental challenges faced by the republic. Singapore is an island with a population of about 5.61 million (as

at September 2017) according to the Singapore Department of Statistics (DOS) (2017), and has a total land area of only some 710 square kilometres (Hugh et al., 2009). One issue, for example, is the limitation of landfill space to cater to about 200,000 tonnes of solid waste produced each year. The Ministry of the Environment & Water Resources (2017b), admits that it will be unsustainable to keep building incinerator plants and the existing landfill is expected to be full around year 2035. Therefore, companies like IKEA have introduced food waste sorting and use of renewable energy. As Webb (2012) states, Singapore has ‘limited resources so it has no choice but to go green if it wants to survive economically’ (p.2).

Simon (2006) also highlighted that Singapore continues to face key environmental challenges from the trans-boundary haze pollution generated from uncontrollable forest fires in Indonesia and Malaysia which affect Singapore air quality. Since Simon, Pasqual and Gavin’s (2006) study, fires and haze have been recurring issues with substantial environmental, economic and public health costs. As a result, the Singapore government continues to focus on efforts in trans-boundary haze prevention in Southeast Asia. In addition, Singapore is approaching the renewable energy industry from an economic strategy standpoint, such as exploring the development of climate-change-friendly technologies, with the aim of also subsequently exporting these technologies overseas. Newman (2011) highlighted that Singapore continues to focus on engaging its stakeholders, including neighbouring countries, to discuss and participate in environmental policies related to global transport and land-use debates in Asia, haze control in Indonesia, recycling sewage back into portable water and minimising industrial waste. Singapore has also taken positive steps to develop a fully reticulated water supply system and provide electricity for all buildings.

As part of the city's plan to develop sustainability and liveability to improve the quality of life, environmental sustainability and competitive economics, the Sustainable Singapore Blueprint 2015 report by Ministry of Environment and Water Resources (MEWR) and Ministry of National Development (MND) (2014) aimed to ‘reduce carbon emissions by 7% to 11% by 2020’ (p.48), and attain a ‘recycling rate of 70% by 2030’ (p.109). In my study, I investigated how IKEA and EY adopt government initiatives to drive internal change of their policies and to customise their needs to meet the sustainability goals.

While Singapore aims to achieve green urbanism, there is still a lot of work that needs to be done. As Kwok (2016) said,

Many small island developing states (SID)... feel a lack of capacity and an inability to cope when they face extreme weather events and slow-onset climate impacts... For Singapore, ... our agencies are actively monitoring this to ensure we are on track...the ultimate signal is the need to alter global patterns and consumption that goes beyond the finite regulatory measures that governments and other stakeholders can introduce. (p.27)

The IPCC findings showed that ‘both adaptation and mitigation are complementary strategies for reducing and managing the risks of climate change’ (Kwok, 2016, p.27). Therefore going forward, it is important for research to document how companies develop policies and practices for sustainability practices that encompass economic, environmental and social elements, including CSR, to provide deep understanding of programs that can inform the work of others.

In a KPMG Survey of Corporate Responsibility Reporting (2017) that studied annual financial reports and CSR in the 100 largest companies by revenue in 49 countries, the findings indicated that ‘84 percent of the largest companies in Singapore are now undertaking CSR reporting, faring better than the global average of 72 percent’ (Rachel, 2017). The report indicated that the increase is attributed to the involvement of company boards in focusing on sustainability issues, such as including environmental and social factors in the companies’ strategic planning and visions. This is in line with Hong’s (2016) views that boards need to consider and ensure that the ‘company’s sustainability vision and strategy should align with its business vision and strategy...it is well accepted that sustainability good practice includes fully embedding sustainability into the company’s business [to achieve long-term value]’ (p.25). In my study, it was important for me to locate my deeper case studies of Singapore within EY and IKEA’s global vision and strategy.

Wong (2016) found that Singapore companies were still lagging behind other countries with respect to sustainability reporting on environmental, social, and governmental issues. But in December 2017, the Singapore government introduced regulations that require companies to comply on sustainability reporting after 2017. Cheam (2014) argued that sustainability reporting can be an important element in relation to sustainability and CSR since it,

...requires a company to measure and report on the environmental and social impact of its business on top of its financial and governance performance, which is already part of the regulatory disclosure practiced today... Companies that disclose these metrics will be spurred to do better as transparency drives improvement. Benefits include better reputation, better employee retention, and improved access to capital, increased efficiency and waste reduction, leading to cost-savings. (Cheam, 2014, p.10)

In my study, I reviewed documents related to sustainability reporting for EY and IKEA in their global and Singapore contexts. Rachel (2017) has the view that sustainability reporting can have varied and significant benefits, stating that,

Indeed, industry experts have weighed in that sustainability reporting brings about considerable benefits including cost savings, improved brand equity, and better employee retention among others. (p.20)

Likewise, from a study by EY and the Boston College Center for Corporate Citizenship, LeBlanc & DeRose (2016) confirmed that,

Sustainability reporting has emerged as a common practice of 21st-century business. Where once sustainability disclosure was the province of a few unusually green or community-oriented companies, today it is a best practice employed by companies worldwide... Sustainability disclosure can serve as a differentiator in competitive industries and foster investor confidence, trust and employee loyalty. (p.2)

Given the connection between the Global Reporting Initiative (GRI) and government directions (Yip & Ng, 2011), in Singapore, I realised that it was important for me to investigate business leaders' perceptions of sustainability practices the actions they take in leading these practices in Singapore companies and in their global contexts. However, in studying government expectations for business practices in Singapore, it became clear that businesses have strong incentives to comply, since as Esther An, Chief Sustainability Officer at City Developments Limited (CDL) said,

In Singapore, businesses that do not adopt sustainable practices may face reputational or operational risks that will impact their license to operate, and be exposed to higher operating costs, with the water price increases and upcoming carbon tax. (Navaratnarajah, 2017)

Singapore government taxes create incentives for companies to cut their emissions and increase their initiatives in the clean energy sector. But the government has also recently developed many other initiatives to support development of sustainability. An example is the opening of Singapore's first sustainability academy in June 2017, which was jointly developed by CDL and the Sustainability Energy Association of Singapore as 'a major training and networking facility focused on promoting sustainability' (Lin, 2017, p. A1). It 'features photovoltaic panels, and aims to promote a low-carbon economy, resource efficiency, and sustainable practices among businesses and the community' (Navaratnarajah, 2017). This aligns with the Singapore government initiatives to reduce the environmental footprint by tapping 'on renewable energy sources, particularly solar and nuclear power' (Wong, 2017b, p.C1).

Another example is the nation-wide go-green plan by Singapore's public sector, which includes '16 ministries, 64 statutory boards and about 145,000 officers' (Lin, 2017, p.A1). Announced by Teo Chee Hean, Deputy Prime Minister, Co-ordinating Minister for National Security and Minister in charge of the Public Service, the go-green initiatives cover reducing the consumption of electricity and water, such as using 15 percent less electricity and 5 percent less water as compared with 2013 levels, purchasing more green electronics and paper products for offices, recycling food waste in public sector premises, investing in green technologies and finding innovative ways to adopt renewable energy. He said,

This will help to transform the way the public sector operates and set an example for the wider community to adopt sustainability as our way of life... To achieve our objectives, we will require concerted effort – from government, from businesses and from everyone in Singapore. (Lin, 2017, p.A1)

In the Singapore case studies of EY and IKEA, I was interested in exploring how these companies focus on activities related to reducing consumption of electricity and water, purchasing more green products for offices and other activities being expected in the public domain in Singapore.

Clearly, as Wheeler & Bijur (2000) argue, sustainability practices must be focused on the environment, but also on social, equity, and economic dimensions, so consideration of all these factors as a whole is required in order to promote all three as critical values for all communities to

focus on for the future. This requires promotion of efforts to rethink educational programmes, policies and practices, to ensure a more sustainable future globally. The focus on sustainability practices matters for the younger generation, as well as adults, in order to promote environmental integrity, economic viability, and social sustainability. But further emphasis is required in the business community in order to achieve a sustainable and just society for present and future generations. Therefore, it is important that corporations involve their employees and the broader community by embedding sustainability into the organisational learning process as a structural transformation towards sustainability (Tilbury, 2011a). In the framework for organisational learning that I have used in my study, Cebrián et al. (2013) argue that,

This involves a continuous process of learning to rethink existing practices and worldviews, from individuals within the organisation, that lead to community learning, that in turn lead to organisational learning. (p.286)

While environmental and ecological considerations are significant, it is also important that wider issues related to social sustainability and education for sustainability (EfS) are investigated in relation to the business world. The United Nations Educational, Scientific and Cultural Organization (UNESCO) (2002) highlighted that,

Education is critical for achieving environmental and ethical awareness, values and attitudes, skills and behaviour consistent with sustainable development and for effective public participation in decision-making. Both formal and non-formal education is indispensable to changing people's attitudes so that they have the capacity to assess and address their sustainable development concerns. (p.4)

Ms Stephanie Gan, Head of Corporate Communications at Greenpac Singapore said that ‘Everyone is talking about going green but some are still stuck at the thinking stage. They need to act on it’ (Lim, 2017, p.A9). Gitsham (2011) recognised that, in line with these sustainability trends and strengthening organisational capabilities, CEOs are now thinking in more sophisticated ways about sustainability, with change management at the corporate level seen as necessary to address sustainability concerns through educating employees, developing clear policies and embedding practices to achieve change. My study provides evidence of business practices in this field.

The United Nations (UN) (2012) recognized that education for sustainable development ‘goals should address and be focused on priority areas for the achievement of sustainable development... governments should drive implementation with the active involvement of all relevant stakeholders, as appropriate’ (p.47). However, Jan-Peter Balkenende, EY Partner in the Dutch practice and Former Prime Minister of the Netherlands, said that ‘If we want to survive on this planet, it is not only a matter for government responsibility, it’s for the private sector too’ (EY, 2015b, p.4). My study provides a deep investigation of EY and IKEA global and Singapore in this critical field.

1.4 Scope and limitations

It is important to acknowledge the limitations of this study. The decision to focus on two companies was made to ensure that the research remained manageable and that the focus would be on depth rather than breadth. The rationale for the choice of companies and inclusion of Singapore branches empirical study is fully discussed in the methodology chapter.

1.5 Chapter outline and structure

Chapter One introduces the research study, outlining its aims and purpose. The context and significance of the study as well as the research questions are presented. Since the study includes detailed case studies of EY and IKEA in Singapore, the context of sustainability policies in this nation state are introduced. An overview is provided on the structure of each chapter. The scope and limitations of the study are also discussed.

Chapter Two explores the context for the study in relation to sustainability and provides definitions of sustainability, sustainable development, education of sustainable development and the triple bottom line. It provides a comprehensive review of literature discussing the roles of business and their business activity systems in attempting to achieve the goals of sustainability practices and CSR. This chapter discusses literature on leaders’ perspectives on sustainability globally as well as how they can lead and motivate sustainability practices and CSR in organisations.

Chapter Three explains the methodology including the theoretical framework and the rationale for selecting interpretive description and qualitative approaches for the study. It explains the research design, data collection approaches and methods of data analysis. The validity of the research is also discussed.

Chapter Four provides a case study of IKEA on their global context.

Chapter Five provides a case study of IKEA Singapore: Vision, Values and Leadership of Sustainability.

Chapter Six provides a case study of IKEA Singapore: Implementation of Practices and Approaches to Sustainability.

Chapter Seven provides a case study of EY on their global context.

Chapter Eight provides a case study of EY Singapore: Vision, Values and Leadership of Sustainability.

Chapter Nine provides a case study of EY Singapore: Implementation of Practices and Approaches to Sustainability.

Chapter Ten provides the findings and conclusion from the research study. The chapter begins with a summary of the findings from the case studies and explores on the significance of the research in the development of theory, pedagogy and practices. A section of conclusion and implication to further research completes this chapter.

CHAPTER 2 LITERATURE REVIEW

2.1 Introduction

Since my research questions focus on developing deep understanding of sustainability policies, practices and Corporate Social Responsibility (CSR) programs in businesses, this literature review focuses on research in these fields. It begins with a discussion of the various dimensions of sustainability and CSR and how these areas are being defined and theorized. This is followed by a review of sustainability in businesses, linking of CSR to sustainability and the Triple Bottom Line (TBL). In further sections, I focus on the importance of businesses achieving ‘corporate sustainability’ as stated by Institute for Family Business (IFB) & the Family Business Network (FBN) (2012) and leadership in the areas of sustainability. Finally, I discuss literature on organisational learning as a theoretical framework to inform my case study analysis, including the concept of leadership and its importance in developing sustainability policies and practices through the lens of Cultural Historical Activity Theory (CHAT) (Engeström, 1987).

2.2 Clarifying sustainability concepts

The definition of sustainability from the Brundtland Commission’s Report (United Nations, 1987), ‘Our Common Future’ is to ‘meet the needs of the present without compromising the ability of future generations to meet their own needs’ (World Commission on Environment and Development (WCED), 1987, p.16). It is clear that for more than 30 years since this Report, there has been recognition of the need for businesses to be a part of global efforts for a more sustainable future. Wheeler & Bijur (2000) define the concept of sustainability as one in which the environment, and social concerns including equity and economics be considered as a whole, and they value promoting all three areas. The aim is to contribute ‘to the quality and continuation of life of every being and entity, now and in the future’ (Marrewijk & Werre, 2003, p.112).

Sterling (2001), argues that achieving sustainability requires an education focus encompassing ‘a critically important “learning about learning” process ...which will directly affect the chances of a more sustainable future for all’ (p.2). Research by Cebrián et al. (2013) support the argument that sustainability requires,

... a learning process that encourages transformative learning, the capacity to challenge existing patterns and worldviews, to construct new knowledge collectively, to rethink current practice, and to critique and examine sustainability issues. (p.3)

Since my case studies of business sustainability practices explore how policies and practices are being transformed, Cebrián et al’s. (2013) framework outlining the complex factors involved in organisational learning for sustainability are discussed later in this chapter.

2.3 Sustainable development

The terms ‘sustainability’ and ‘sustainable development’ are often used interchangeably but are fundamentally different. Lozano (2008) argues that ‘the difference lies in sustainable development being the journey, path or process to achieve sustainability’ (p.1840). Martin (2005) refers to sustainability as ‘the capacity for continuance into the long-term future’ (p. 167) or the ideal state. The World Commission on Environment and Development (WCED) (1987) states that,

In essence, sustainable development is a process of change in which the exploitation of resources, the direction of investments, the orientation of technological development; and institutional change are all in harmony and enhance both current and future potential to meet human needs and aspirations. (p.3)

In its report, the Inter-Ministerial Committee on Sustainable Development (IMCSD) (2009) recommended sustainable development as a means of,

...achieving the twin goals of growing the economy and protecting the environment, in a balanced way ... [We need to] safeguard our living and natural environment, because we do not want our material well-being to come at the expense of our public health or overall quality of life. (p.8)

The goal of the *United Nations Decade of Education for Sustainable Development* (United Nations Educational, Scientific and Cultural Organization (UNESCO), 2005b), for which UNESCO was the lead agency, was to integrate the principles, values, and practices of sustainable development into all aspects of education and learning. This educational effort aims to encourage changes in behaviour to create a more sustainable future in terms of environmental integrity, economic viability, and a just society for present and future generations. There is a clear view that these efforts will need to be continued, including through business communities and their practices internationally.

UNESCO (2005b) defines sustainable development as,

...a constantly evolving concept, with the will to improve everyone's quality of life, including that of future generations, by reconciling economic growth, social development and environmental protection. [United Nations Educational, Scientific and Cultural Organization, p.3]

Figure 2.1 below shows Kurry's (2011) depiction of sustainable development as requiring an environmental focus, social equity and attention to economic dimensions that an organisation needs to address for their long-term decision making in order to achieve sustainability.



Figure 2.1 – Sustainable Development (Kurry, 2011)

Kurrry's (2011) finding is useful for my study, since it makes it clear that in order to achieve sustainability, corporations need to find a balance and make the links between economic, social and environmental factors. Environmental sustainability requires living within the means of our natural resources and consuming natural resources at a sustainable rate. Economic sustainability requires corporations to use their resources efficiently and responsibly so they can operate in a sustainable manner to consistently produce profit in an environmentally friendly way in the longer term. Social sustainability for businesses has been described as 'the ability of society, or any social system, to persistently achieve good social well-being of a corporation that can be maintained in the long term' (Circular Ecology, 2017).

Christie & Warburton (2001) identified that the concept of sustainable development must be built into market mechanisms as well as the process of democratic accountability and corporate responsibility. They argue that leaders need to drive environmental and social concerns to be globally responsible, while also encouraging the nation to adopt the practices locally. Once again, this literature provides a useful frame for my study that includes a focus on both sustainability and CSR.

Other leading organisations have published policies leading initiatives that are relevant to my study including, the World Bank's *Inclusive Green Growth* (2012) report, which provides an analytical framework and priority steps for designing public policies to encourage the investments needed to strengthen sustainable development and improve standards of living in rapidly developing countries. The World Bank (2012) states that,

Greening growth is essential to achieving sustainable development and its objectives of social, economic, and environmental sustainability. Economic growth and social achievements are widely recognized as complementary, but growth and environmental sustainability are often perceived as antithetical. Greening growth would reconcile the need for environmental sustainability with that for economic growth and social improvement.
(p.30)

The literature does therefore make it clear that businesses have an important role to play in this field and reinforces the importance of my investigation into the perceptions and attitudes of business leaders and the policies and practices of major international companies that drive and motivate employees and stakeholders to engage in sustainability and CSR. With the balancing of economic, social and environmental sustainability can corporations then achieve sustainability and responsible practices and actions.

2.4 Education for sustainable development (ESD)

The United Nations Educational, Scientific and Cultural Organization (UNESCO) (2005a) argues that ESD is,

... education that allows learners to acquire the skills, capacities, values and knowledge required to ensure sustainable development; education dispensed at all levels and in all social contexts (family, school, workplace, community); education that fosters responsible citizens and promotes democracy by allowing individuals and communities to enjoy their rights and fulfil their responsibilities; education based on the principle of life-long learning; education that fosters the individual's balanced development. To develop sustainable skills, inspired by creative and critical thinking, in order to encourage the solving and managing of problems that stand in the way of sustainable development, initiatives launched during the Decade will use formal, non-formal and informal modes of teaching and the power of information and communication technologies (ICTs) to reach all audiences, including the poor, women and marginalized people. (p.9)

In 2014, UNESCO shaped the meaning of ESD as allowing,

... every human being to acquire the knowledge, skills, attitudes and values necessary to shape a sustainable future. Education for Sustainable Development means including key sustainable development issues into teaching and learning; for example, climate change, disaster risk reduction, biodiversity, poverty reduction, and sustainable consumption. It also requires participatory teaching and learning methods that motivate and empower learners to change their behaviour and take action for sustainable development. Education for Sustainable Development consequently promotes competencies like critical thinking,

imagining future scenarios and making decisions in a collaborative way. Education for Sustainable Development requires far-reaching changes in the way education is often practised today. (UNESCO, 2014)

In my study, it was important to explore how EY and IKEA educate their employees and stakeholders in order to advance sustainability and CSR in holistic and varied ways.

In 2005, UNESCO's then Director-General Koïchiro Matsuura stressed that,

Education – in all its forms and at all levels – is not only an end in itself but is also one of the most powerful instruments we have for bringing about the changes required to achieve sustainable development. (UNESCO, 2005b, p.3)

According to Mayor (1998), the proceedings from a large international conference held in Thessaloniki and hosted by UNESCO and the Government of Greece focused on 'Environment and Society: education and public awareness for sustainability' highlighted 'the critical the role of education and public awareness in achieving sustainability' (p. 7). The UN Agenda 21 commitments (Ch.36) also 'addresses program areas such as reorienting education toward sustainable development, public awareness, and training opportunities' (Knapp, 2000, p.33). Jickling (2001) emphasised that 'education is seen as a primary tool' (p.167) and Hopkins (1998) agreed that education is a 'critical endeavour of attaining a sustainable future' (p.169) [and education] '...should be able to cope with determining and implanting these broad guiding principles [of sustainability] at the heart of education for sustainable development' (p. 172).

There have been many debates around the language of sustainability 'between adherents of an ecocentric worldview and those who adhere to an anthropocentric worldview' (Jickling, 1992, p.8). However, Jickling (2001) argues that the concept for education for sustainability is important not just for schools, but for businesses and communities more broadly who need to,

Best serve our technical and economic needs, to know what is required to keep things going continuously ...[so there is] a vibrant and creative discourse in environmental education and in society [on] how we ought to live. (p.169)

The term environmental education began to be used during the late 1960s and early 1970s with various meanings attached to the concept and the processes to make people think, believe or behave in a particular way to strive for a better future (Jickling & Spork, 1998). In Australia, according to Gough (1997) and Fien (1993), environmental education should primarily be 'for' the environment. It was suggested by Gough (1991), that environmental education in Australia was often associated with the conservation for sustainable development due to the concern on the land protection. Fien's (1993) conception of 'education for the environment' and the idea of 'education for sustainable development' are similar in two important ways (Jickling & Spork, 1998) such as the construction of the two phrases where the,

...use of the preposition 'for' suggests that the aim of education is something external to education itself; education can, and must, be for something [and] both conceptions provide particular agendas, or programmes, that should be the focus of educational intent. (p.318)

The United Nations Educational, Scientific, and Cultural Organization (UNESCO) has viewed environmental education as a form of promoting 'training, at various levels, of the personnel needed for the rational management of the environment in the view of achieving sustainable development' (UNESCO, 1988, p. 6). They argued that, 'It is clear that the roots of education for sustainable development are firmly planted in environmental education' (UNESCO, 1997, p. 27). UNESCO states that, 'education is held to be central to sustainability. Indeed, education and sustainability are inextricably linked' (UNESCO, 2005c, p.27). The World Commission on Environment and Development (1987) stated in the policy, Our Common Future that sustainable development must be connected with education arguing that,

Sustainable development has been described here in general terms. How are individuals in the real world to be persuaded or made to act in the common interest? The answer lies partly in education, institutional development, and law enforcement. (p. 46)

This literature shows the importance of capturing education practices within the business case studies and the 'view of ESD as a product and a carrier of globalising forces' (Jickling & Wals, 2008, p.18).

As the basic vision of the Decade of Education for Sustainable Development (DESD) was to achieve 'a world where everyone has the opportunity to benefit from education and learn the

values, behaviour and lifestyles required for a sustainable future and for positive societal transformation' (UNESCO, 2005c, p.6), the United Nations has focused on promoting and improving quality education, reorienting educational programmes, building public understanding and awareness and providing practical training. The United Nations (2012) also emphasizes promotion of,

...education for sustainable development at all levels, integrating economic, social and environmental aspects and recognizing their interlinkages, so as to achieve sustainable development in all its dimensions. (p.2)

Sterling (2001) notes that UNESCO points out,

Just as we have learnt to live unsustainably, we now need to learn how to live sustainably. Such learning for responsibility requires educational systems, institutions and educators to develop response-ability – that is, the ability to meet the challenge and opportunity that sustainability presents. This is the context for any meaningful discussion about the role of education in the 21st century. (p.2)

Cebrián et al. (2013) draw on the work of many researchers in this field to conclude that,

ESD can foster a sustainable social transformation, through the clarification and Re-assessment of values; it should be creative, innovative and constructive, culturally appropriate and action-orientated. (p.287)

In my study, I aimed to capture what policies and practices organisational leaders develop for sustainability as well as what structures and processes they put in place to encourage employees to reassess values and achieve their goals in action oriented ways.

Tilbury, Stevenson, Fien and Schreuder (2002) argue that,

We use two terms synonymously – education for sustainable development (ESD) and education for sustainability (EfS). We use the phrase education for sustainable development (ESD) because it is the terminology used most often at the international level and within UN documents. Another important distinction is the difference between education about sustainable development and education for sustainable development. The first focuses on an awareness and different interpretations. The second is the use of education as a means to

encourage sustainability. Locally or nationally the effort may be described or named in many ways. (p.25)

The United Nations Global Compact (UNGC) highlights that there is growing understanding among business leaders and investors on the challenges the world faces to achieve sustainability (UNGC, 2017c). Therefore, the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development was adopted by world leaders in September 2015. These goals aimed to ‘mobilize efforts to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind’ (UN, 2016).

2.5 Education for sustainability (EfS)

Education for sustainability (EfS) is another concept frequently used in this field that is similar to ESD. In the past decade, EfS has been increasingly regarded as an urgent education priority by national and international government and civil society bodies, businesses and education authorities, given the state of global ecological, social and economic systems and concerns about future wellbeing in the world (Sterling, 2014). The Sustainable Development Solutions Network (Australia/Pacific Region) identified EfS as key to the Sustainable Development Goals post-2015, updating the Rio Earth Summit (1992) Agenda 21 commitments (Ch.36) and more recently, the United Nations Millennium Development Goals in this area.

Research by Tilbury (2004) highlights that there has been a shift to strengthen EfS approaches by educating employees to think more critically and engage them more in views about change for sustainability. Besides evaluating the contradictions on sustaining ecosystems, sustaining lifestyles and economies, it is important to weight choices, and making value judgments (Jickling, 2001). The intent is not to be entrenched with the principles of sustainability, but rather to mediate and look into what should be sustained based on the two different concepts. Hence, the consideration will be the effect to frame education in terms of service in the EfS and ‘we now have massive efforts to promote education for sustainability’ (Jickling, 2001, p. 176).

But, as Cebrián et al. (2013) argue, the achievement of sustainability requires,

Learning processes that encourage transformative learning, the capacity to challenge existing patterns and worldviews, to construct new knowledge collectively, to rethink current practice, and to critique and examine sustainability issues. (p.287)

Clearly, this is a similar goal to that espoused by the notion of ESD, so as explained earlier, there are links in these concepts that are sometimes used interchangeably. Sterling (2001) and Tilbury (2004) argue that organizations need to try to engage stakeholders and make decisions on options that are critical to sustainable development. But there is a need for further research in this field focused on how business leaders build their companies' capacity to instigate and manage change to achieve the Triple Bottom Line which is explained in Chapter 2.6.

2.6 Definition of the triple bottom line (TBL)

As Parkin, Sommer and Uren (2003) highlight, 'the most common way of conceptualising sustainable development as having three dimensions: environmental, economic and social, has been characterised by business in particular as the "triple bottom line" (p.19). Flint (2013) states that,

Sustainable development ...will encourage us to proceed in an integrative, systemic way. It represents the ability to coexist in a way that maintains the natural environment, economic well-being, and an equal opportunity for all people on earth to benefit from a better quality of life now and in the future. The three are interdependent and together promote the TBL. (p.28)

The concept of the TBL was first coined by Elkington (1994) (The Economist, 2009), whose argument was that companies should prepare three distinctly different bottom lines that he named the three Ps: profit, people and planet aimed to measure the financial, social and environmental performance of the corporation over time. Hindle (2008) agrees with Elkington's view that,

Companies should be preparing three different (and quite separate) bottom lines. One is the traditional measure of corporate profit – the 'bottom line' of the profit and loss account. The second is the bottom line of a company's 'people account' – a measure in some shape or form of how socially responsible an organisation has been throughout its operations. The

third is the bottom line of the company's 'planet' account – a measure of how environmentally responsible it has been. (p.193)

Elkington (1994) argued that only corporations who produce a TBL are taking into account the full cost of doing business, and only when corporations measure their social and environmental impact, will we possess socially and environmentally responsible organizations. Hindle (2008) commented that,

One problem with the triple bottom line is that the three separate accounts cannot easily be added up. It is difficult to measure the planet and people accounts in the same terms as profits – that is, in terms of cash. The full cost of an oil-tanker spillage, for example, is probably immeasurable in monetary terms, as is the cost of displacing whole communities to clear forests, or the cost of depriving children of their freedom to learn in order to make them work at a young age. (p.194)

However, from the sustainability perspective, leaders often use the concept of the 'Triple Bottom Line' (TBL) to focus the direction and functions of the organization on sustainability (Quinn & Dalton, 2009, p.29). These features are similar to those identified in a study by Davis, Edminster, Sullivan and West (2003) where a definition of sustainability is based on three dimensions, namely, economic, ecological and social. Research by Dyllick & Hockerts (2002) has found that companies have tended to overstate short term profits by focusing on quarterly results as opposed to creating a foundation for success in the long run. This focus on short term gains flies against the purpose of sustainability, since companies should focus not only on the present, but also on the future. For long-term sustainability, they argue, 'businesses will have to manage not only economic capital, but also their natural capital and their social capital' (p.132). In the past, human capital has been considered as an important investment for any companies to achieve long-term economic growth, but in order for businesses to achieve sustainability, companies need to consider the importance of balancing economic capital, natural capital and social capital on a long-term basis (Šlaus & Jacobs, 2011).

From an educational perspective, Vanclay's (2004) definition of Triple Bottom Line (TBL) is,

... used as a framework for measuring and reporting corporate performance against economic, social and environmental parameters... to capture the whole set of values, issues

and processes that companies must address in order to minimise any harm resulting from their activities and to create economic, social and environmental value. This involves being clear about the company's purpose and taking into consideration the needs of all the company's stakeholders — shareholders, customers, employees, business partners, governments, local communities and the public. (p.28)

For my study, Vanclay's (2004) view is important as it signals the importance of businesses having a vision that is inclusive of all dimensions of sustainability and all stakeholders. Slaper & Hall (2011) agree that,

The TBL captures the essence of sustainability by measuring the impact of an organization's activities on the world ... including both its profitability and shareholder values and its social, human and environmental capital. (p.4)

Saha & Darnton (2005) highlight the view that a global issue such as climate change would require organizations to comply with regulations, as it is an important issue given that environmental impact has an effect on climate change. Thus, it is a journey for corporations to incorporate all of the TBL factors into their long-term corporate plan in order to achieve the sustainability goals.

As shareholders are generally concerned about the company's profitability and its return on investment, companies do need to balance the interest of shareholders as well as develop responsible approaches to concerns such as sustainability and CSR. It is my aim to capture the vision, policies and practices in the two international companies with Singapore branches in their attempts to embed sustainability in their businesses to increase knowledge and understanding of this work.

2.7 Corporate social responsibility (CSR)

Since my study includes a focus on Corporate Social Responsibility (CSR), my literature review includes discussion of how businesses connect CSR to sustainability.

Kanjia & Choprab (2010) argue that,

CSR (also known as corporate social performance, sustainable business, sustainable responsible business, corporate responsibility, corporate citizenship, and responsible business) is an integrated component of the operations of a company, whereby it voluntarily contributes to society in terms of economic, environmental, ethical and social investment.
(p.120)

Podnar & Golob (2007) surveyed about 350 global middle management and administrative workers and found that CSR should be part of the corporate culture reflected in the corporate reputation and corporate brand to improve the long-term performance of an organization. Companies will usually form CSR committees comprising key business personnel to facilitate embedding and integration into business practices. In my study, it is important to include a focus on CSR practices and their connections to sustainability.

2.7.1 The concept of CSR and links to sustainability

Strandberg (2002) recognised that companies need to step up on their CSR practices to be connected to sustainability, to incorporate good business policy and practices that will impact positively on the environment. Simon et al. (2006) agree that,

In recent years, the notion of CSR as a strategic policy tool has begun to be integrated in national and business environment policies and processes of many countries to urge better corporate behaviour, and promote business and social transformation in order to achieve sustainable development. In Asia, while there have been positive developments around CSR as a whole, policy processes, particularly in the areas of environmental management, have tended to lag behind. (p.14)

It is interesting therefore, in my study of IKEA and EY global and Singapore, to explore the extent of their focus on both CSR and sustainability.

Podnar & Golob's (2007) survey investigated the link between individuals' expectations of CSR practices and their readiness to support the socially responsible behaviour of companies in light of forging an expected relationship a company has with its stakeholders. The results from 354

respondents, including middle management and administrative workers from chosen middle-sized Slovenian companies, showed that the corporate perception of ethical CSR is more important than economic CSR, as good CSR involves a company maximizing its positive impact on society, while maximizing its own returns, meaning contributing positively to social and environmental issues. Research on 51 global CEOs by Spitzeck (2009) on CSR shows that ‘CEO leadership on corporate responsibility initiatives grew from 39% in 2002 to 59% in 2007’ (p.498). These research projects showed the importance of shifting views about responsibility for sustainability and CSR; views that I also capture and discuss in my study.

The literature frequently shows that CSR in a global economy requires the alignment of social, economic and environmental expectations of the stakeholders with the company’s activities. The key findings of a survey conducted by Gitsham (2011) of CEOs and Senior Executives globally on the role and importance of educating the employees in helping their organization respond to a changing socially responsible context indicated that,

76% of the respondents thought it was important that senior leaders in the organizations had the mindsets, skills and capabilities to lead the business given the changing trends in areas such as climate change, resource scarcity. (p.503)

As Gitsham (2011) argues, there is a need ‘to be aware of and respond to the evolving realities of organizational practices, and... business leaders are a key stakeholder group for management education’ (p.502). Knox & Maklan (2004) also argue the importance of linking corporate policy, processes and systems with CSR in order to achieve sustainable development goals. They propose that,

CSR leaders and other management need to build a consensus behind a CSR vision of what and to whom they wish to be responsible and how they wish to measure and report on their performance against the vision. That process will force senior management to consider their company’s unique competencies and determine how they can be leveraged to differing social and financial ends. (p. 8-9)

While companies can make a significant difference in sustainability with CSR in place, it is still highly dependent on the support of internal and external stakeholders. An example is that sustainable consumption is highly dependent on customer support, as the products and services

need to be eco-friendly and yet be able to meet the customer requirements. Without the support of customers, companies will not be able to sustain their business and conduct CSR programs. Therefore, companies need to involve the customers in what the company is doing to promote it. Research by Smith, Ansett and Erez (2011) highlights that change has been incremental in companies, including Nike, IKEA, and Walmart, who have overhauled their supply chains to build in principles of sustainability. Smith et al. (2011) comment that,

A number of issues including water scarcity, climate change, the increase in biofuel production and fair trade products are driving the need for more transparency in product supply chains and the ability to trace products in a credible manner to their source. Stakeholders including consumers, investors, civil society and governments expect consumer product companies to ensure good social and environmental practices throughout the supply chain. (p.33)

Cruz & Pedrozo (2009) argue that when introducing CSR strategies into practices, companies should define objectives while incorporating social and environmental concerns and implement consistent and proactive projects where they should be coherent with the company's philosophy. This is to ensure that the CSR strategy is in line with stakeholder expectations and will improve the organization's values, processes and systems. Clearly, it is important in my study to investigate how business practices link CSR to sustainability.

2.7.2 The concept of CSR and links to the triple bottom line (TBL)

Quinn & Baltes (2007) suggest that while a company may be perceived as having the qualities of being a good corporate citizen, it still needs to develop positive stakeholder relationships to engage the community and address community issues around environmental impact. Findings of a study by Podnar & Golob (2007) suggest that ethical and philanthropic responsibilities can enhance a company's competitive advantage if they achieve desired customer satisfaction. Annie Koh, Singapore Management University's (SMU) vice-president of the Office of Business Development and a Finance Professor (Practice), and Academic Director for two university level institutes - the Business Families Institute and International Trading Institute, highlighted that CSR being defined

as integrating social and environmental factors into business decisions has come a long way for companies. She said,

... having strong value systems to build communities, to contribute back to society and to build 'business for good' [where] people, planet and profit – the triple bottom line concept – forms an ecosystem, it makes sense to do things right and in a sustainable manner. (Vivien, 2017, p.5)

Studies by Quinn & Baltes (2007), Wheeler & Bijur (2000) and Davis et al. (2003) have shown that business leaders believe that the top three advantages in adopting a TBL that includes society (employees), the economy, and the environment in sustainability practices, is to increase revenue and market share, increase employee retention and increase community support. As Esther An, Chief Sustainability Officer at City Developments Limited (CDL), a Singapore listed real estate company said 'today, integrating sustainability into a company's business is indeed a must-have and not just a good-to-have' (Navaratnarajah, 2017).

For business leaders to value a wider view of sustainability in business, it will require a concerted effort at educating employees and customers on social, economic and environmental concerns in order to provide better customer satisfaction. In doing so, companies can aim to achieve a Triple Bottom Line in sustainability practices. These are significant findings about the importance of CSR and signalled to me the need to capture these practices in my case studies.

2.8 The importance of businesses achieving corporate sustainability

In my study, it was important to explore activities that companies are involved in to understand and manage issues related to sustainability, as they try to achieve long-term benefits by integrating activities associated with sustainability into their strategies (Dočekalová & Kocmanová, 2016). Hence, it is important to see how companies integrate sustainability into their business practices as 'corporate sustainability'. The Institute for Family Business (IFB) & the Family Business Network (FBN) (2012) defines 'corporate sustainability' as 'a business approach that creates long-term shareholder value by embracing the opportunities and managing the risks associated with economic, environmental and social developments' (p.10).

Banerjee (2011) goes on to argue that perhaps the greatest recognition of the importance of corporate sustainability is the Dow Jones 'Sustainability Index' (2000), which defines a sustainable corporation as one 'that aims at increasing long-term shareholder value by integrating economic, environmental and social growth opportunities into its corporate and business strategies' (p.66).

Davis et al. (2003) argue that institutionalizing the concept of sustainability into mission statements, goals, objectives, policies and corporate sustainability concepts into work responsibilities results in a stronger focus, renewed commitment, and clearer understanding of the purpose in an organization. In the research by the University of Pennsylvania (2012), Adam Werbach, former Chief Sustainability Officer of Saatchi & Saatchi, recommends that organisations should encourage goals that are,

...optimistic, aspirational, and achievable in 5-15 years, actionable by every employee in the organization, connected to the company's strengths, connected to the core of the company's business, and infused with a purpose greater than just sustainability. (p.21)

Guth & Steger (2008) see the perceived role of the company in pursuing environmental goals as very important and they define corporate sustainability as,

...companies' actions to integrate environmental goals into corporate objectives, to comply with government regulations and to minimize the environmental impact resulting from production, products and services in order to protect natural resources. (p.17)

Dyllick & Hockerts (2002) agree that,

Today, most managers have accepted corporate sustainability as a precondition for doing business... numerous firms appoint corporate sustainability officers, publish sustainability reports and incorporate sustainability into their corporate communication strategies. (p.131)

In my study, I investigate and evaluate how the case study businesses build policies and practices for corporate sustainability. Gitsham's (2011) global research on CEO's perspectives on the opinions of management on the importance of sustainability practices across both developed and emerging markets identified that,

93% of surveyed CEOs – 766 respondents from nearly 100 countries, across more than 25 industry sectors including automotive, energy, communications, consumer goods and services, financial services, metals and mining, and utilities, believed sustainability issues were linked to the future success of their business ... 88% of the 50 CEOs, Chairpersons and Presidents of UN Global Compact member companies across 27 countries perceive that sustainability is embedded within the core business strategies and educational systems such as training and development activities... management education is one of the most important elements in effecting the organizational change to address business related trends on sustainability development. (p.501 - 503)

These views of business leaders suggest that the achievement of corporate sustainability rests on a particular mind-set among future leaders to address sustainability with appropriate processes, practices and structures put in place. If firms innovate, the questions to ask include; ‘does it pay to be green,’ ‘does it pay to innovate’, and ‘what about the mindset of its stakeholders?’ The literature therefore shows that there is a business case for corporate sustainability in many companies, but it is dependent on the business leaders’ views, values and wants to improve their company. As Lardarel (2009) argues,

The most important reason why the role of business is so important for sustainable development is because business is much a part of the solution as a part of the problem. Sometimes, the role of business may even be the determining factor. (p.3)

As business is recognised widely as the primary engine for economic development and growth, it needs to constantly be focused on sustainable development challenges for the future. As the United Nations Environment Programme (UNEP) (2014) indicates, the levels of ozone-depleting substances will rise and the adaption cost will cost five times higher by 2050 as compared to today, if business continues to increase production, consumption and release ozone-depleting substances. The 1992 Rio Declaration on Environment and Development stated that the business community’s role in achieving the goals of sustainable development strategies is critical. The World Commission on Environment and Development (WCED) (1987) argues that respect for ecology goes beyond an ethical utilisation of natural resources since it demands intra-generational and inter-generational equity (UN, 1992).

In a study by Ng (2010) on intra and inter-generational equity, long-term economic prosperity centres not only on corporate sectors' profit-maximization pursuits, but also on their assumption of environmental and social responsibilities. Hence, there is a need to build the concepts of sustainable development into market mechanisms and the processes of democratic accountability and corporate governance (Christie & Warburton, 2001). Therefore, the role of business is crucial for sustainable development in view of 'greater dependency upon the private sector as a generator of wealth and greater market integration globally' (Larderel, 2009, p.3).

Cheam (2014) highlighted in a *Climate & Change Report* launched by the international non-profit CDP (formerly the Carbon Disclosure Project) worldwide (CDP, 2017) in September 2014, that, *[Standard & Poor's] (S&P) 500 companies that build sustainability into their core strategies secure an 18 per cent higher return on investment than companies that are not — and 67 per cent higher than companies that refuse to disclose their emissions.* (Cheam, 2014)

It is also in businesses' interest to focus on sustainable development, not just for profitability itself, since as Larderel (2009) argues,

How companies respond to these questions of corporate responsibility will greatly affect their 'social license to operate' – the social trust and flexibility needed to operate and adapt to change and, consequently, their profits and survivability. (p.5)

A study conducted by Spitzack (2009) found that 'there is a clear trend to incorporate corporate responsibility issues at the board level' (p. 498) and motivation from leaders to pursue sustainability. Another example of the motivation level by leaders in large European Companies can be seen in the findings of Sullivan (2009) that,

93% of the respondents from 125 large European companies published details of their management structures for dealing with climate change ... 76% having a high level environmental or climate change strategy group involving board and senior management personnel and 70% having a named board member with responsibility for the issue ... 92% had a published environmental policy, with many also having a policy specifically on climate change. (p. 304)

Establishing the extent of commitment amongst the business leaders in my case studies is a further focus in my research. Heikkurinen (2010) argued that where companies have the ability to differentiate themselves as having an environmentally friendly image, it will benefit the company as being a preferred employer, enhancing employee motivation and cost savings, gaining external benefits through having a better reputation, with more preferred partners and suppliers, and greater customer loyalty. It will also help to enhance its strategic position using both internal and external differentiators, based on the perception of the key stakeholders (both in internal and external).

Based on Fullan & Scott (2009), successful leaders,

... bring about change not by implementing given visions from their powerbase but by reconciling factors and divisions to achieve reform that motivates people from different groups to unify their change efforts. Nothing is more crucial for the future of civilization than resolving differences among people in a manner that leads to sustaining and enhancing the social, political and physical environment. (p.xi)

Quinn & Dalton (2009) argue that leaders need to support the vision and mission of sustainability by creating processes with a focus on the types of policies, structures or operations in order to institutionalize the goal of sustainability. They highlight that the creation of alignment will require putting internal business practices into place with stakeholder engagement, such as educating the employees and customers, and then also incorporating them into the physical building, products and services.

Lieb & Lieb (2010) argue that some organizations practice balancing sustainability efforts with customer expectations, identifying appropriate environmental benchmarks/targets, establishing sustainability priorities within the company, generating accurate company information related to current sustainability practices, and developing organizational sensitivity to sustainability issues. This is seen as important sustainability challenges faced by organizations from a survey conducted with 39 CEOs in North America, Europe, and the Asia-Pacific. There are also other important practices based on research conducted by Quinn & Dalton (2009) such as,

...setting up the appropriate structure, effective and frequent communication, educating and informing, engaging stakeholders and organizations to walk their talk by implementing

sustainability into their product offerings as well as the physical building of their offices and operations were introduced in the organization. (p.23)

Banerjee & Bonnefous (2011) further argue that the strategic approach in achieving growth opportunities is to focus on sustainable development that can generate and maintain competitive advantage by reallocating corporate resources and building capabilities required to integrate the social and environmental concerns into the corporate strategy. Therefore, my study includes exploration of how corporations engage employees in sustainability practices and CSR.

2.9 Stakeholders in sustainability practices

In a study by EY and the Boston College Center for Corporate Citizenship, LeBlanc & DeRose (2016) said that,

A focus on sustainability helps organizations manage their social and environmental impacts and improve operating efficiency and natural resource stewardship, and it remains a vital component of shareholder, employee, and stakeholder relations. (p.4)

Therefore, as an important component of sustainability, Quinn & Dalton (2009) suggest that there are four types of stakeholders engaged in introducing sustainability to the organization: (i) CEOs or leaders of the organization, (ii) middle management as the initiator of sustainability activities, (iii) implementers whose role it is to build buy-in for sustainability throughout the organization, and (iv) external advisors who will teach the organizational members about the principles of sustainability and how to incorporate them into operations. In EY's 4th Annual Global Sustainability Summit report (EY, 2015f), Bérengère Quincy said that,

If we want to succeed in combating climate change, we need the involvement of the whole society of stakeholders. Business, local authorities, NGOs, academic and research centers, international organizations, citizens. (p.3)

As customers are becoming more educated and aware of global environmental concerns, it is important, according to Quinn & Dalton (2009), that these groups of engaged people are aligned with corporate perceptions on sustainability to achieve customer satisfaction. This is crucial for the

bottom line and is reinforced by adopting good corporate social responsibility and compliance with regulations. However, while their research has shown that engaging these 4 types of stakeholders is important, it can also be argued that there is another type of stakeholder – the employees, who are equally important for the engagement in sustainability. Corporate sustainability goals will not be achievable if the employees are left out of the sustainability practices.

The literature review provided me with important considerations about businesses and sustainability pertinent to my study. As Tilbury (2011b) argues, there is a need to ‘appreciate that sustainability is more a journey than a checklist, as worldviews pervading thinking and practice need to be questioned’ (p.2) and include the views of all stakeholders.

2.10 Organisational learning towards sustainability

Senge (2009) creates a powerful argument for the importance of a focus in business on organisational learning towards sustainability, arguing that since,

Business is the most powerful institution in modern society, it is naive to think that it will not be key in our ability to create a regenerative economy, an economy that works like living systems that create no waste, operate based on the earth’s ‘energy income’ rather than its energy capital, and continually create conditions for renewal. But these changes will require new approaches and attitudes to doing business. And it will require leaders to make the new paths and to help guide us down them. (p.25)

Senge (1990) argued that as the world becomes more interconnected in the new millennium, business becomes more complex and dynamic. Therefore, learning organizations matter, *...organizations where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to learn together. (p.8)*

In my reading of the literature, I found that key concepts from Cebrián et al’s. (2013) framework for organisational learning, including Senge’s (1990) work, would be useful for framing my study and in providing concepts useful in my data analysis (see Figure 2.2). While this framework was

developed for higher education, many of its concepts can be applied in the business context where leaders are working towards change. It includes factors that can enable or prevent organisational change and learning towards embedding sustainability by rethinking structures and cultures in a learning organisation such as existing individual and organisational routines (Moore, 2005) and activity systems (Engeström, 2001) .

In the following sections, I discuss some of the concepts Cebrián et al. (2013) feature in the areas of leadership, cultural and historical contradictions, and becoming a learning organisation in relation to sustainability. Cebrián et al. (2013) see that ‘education and learning can stimulate the critical reflection necessary to challenge existing worldviews and current unsustainable practices’ (p.3).

Senge (2009) agrees that,

All real change is grounded in new ways of thinking and perceiving. Institutions matter, but the way they operate is a result of how we operate—how people think and interact. (p.25)

As part of organisational learning for sustainability practices, Cruz & Pedrozo (2009) suggest that employees should also be informed and made aware of the importance of CSR practices. Since social responsibility is a critical element of sustainable futures, they argue that there is a need to continue to stimulate CSR through awareness, activities and actions. Therefore, this literature reminded me that it is important for my research to explore the leadership, perceptions and attitudes of business leaders toward sustainability practices and CSR as well as how companies engage their stakeholders in the learning process.

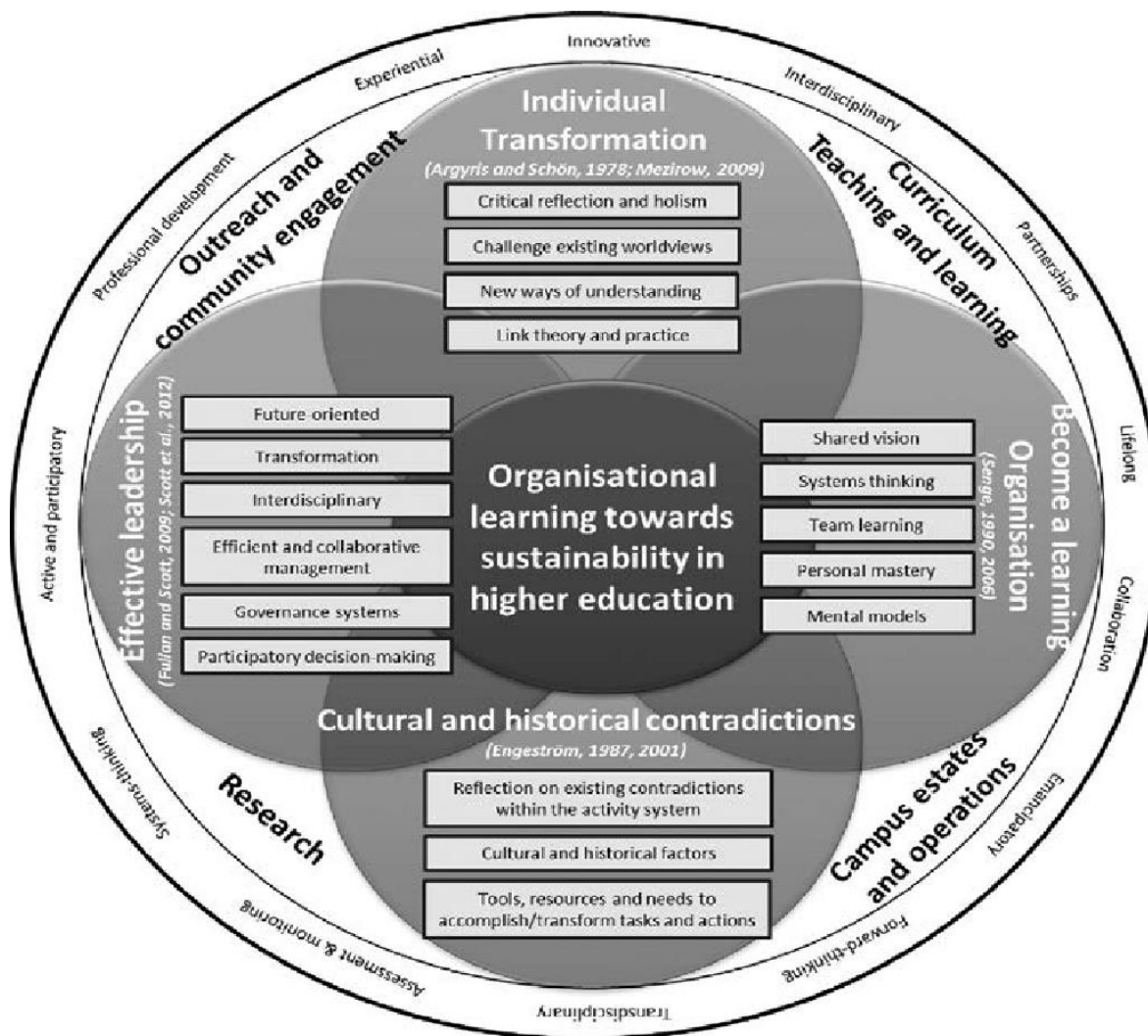


Figure 2.2 – Organisation learning towards sustainability (Cebrián et al., 2013, p. 299)

The key concepts and ideas that I draw on for my study from the Cebrián et al. (2013) framework are effective leadership, activity systems, cultural and historical activity theory (CHAT), organisational learning and individual transformation towards sustainability practices, since each of these concepts could be connected to IKEA and EY’s work policies.

2.11 Effective leadership

Cebrián et al. (2013) state that, ‘leadership in the area of sustainability is an emergent area of research and practice for its importance in bringing about organisational learning and change’ (p.291). Lozano-García, Huisinigh and Delgado-Fabián (2009) highlight that leaders need to

constantly motivate their employees to achieve organisational change, as it is crucial to embed sustainability into business. They argue that, by having commitment, leadership and support from leaders, corporations will be able to put in new structures, incentives and funding. In my study, I aimed to capture, document and analyse leadership in IKEA and EY utilising aspects of Cebrián et al's. (2013) framework (see Figure 2.2), since 'they envisioned it as an integrative theoretical framework that can help understand organisational learning processes towards sustainability' (p.298).

In Cebrián et al's. (2013) model, they draw on leadership theories such as Fullan & Scott's (2009) work on leading change. As my research questions focused on the policies and practices of the global businesses, including the perceptions of senior management in leading development of sustainability practices and CSR, it was important to investigate elements of effective leadership. The context of change and how organisations evolve and change were explored. Fullan & Scott (2009) argue that this 'requires new ways of thinking organizationally about knowledge and learning – how to grow it, link it, and share it' (p.x).

Fullan & Scott (2009) say that for effective change management to occur, resilient organisations must be able to move from,

[. . .] a propensity to engage in ready, ready, ready (have a subcommittee conduct a review, etc.) to ready, fire, aim – a process in which ready is a need to act, fire is to try out a potentially viable response under controlled conditions, and aim is to articulate what works best and scale this up once it has been tested and refined. (p.85)

Fullan & Scott's (2009) ideas are relevant to my research as it recognises the need to build knowledge about sustainability and CSR and to focus on capturing and analysing how senior leaders engage their employees effectively in achieving sustainability practices and CSR. In my study, I investigate how the business leaders create a readiness for change and what factors create success or failure in this area.

As Cebrián et al. (2013) also argue that leadership and organisational learning are pivotal in bringing about change towards sustainability and to develop capabilities in their organisations through education and training programmes. They reiterate that 'leadership capabilities for

sustainability can foster the organisational learning and change necessary for the transformation...towards sustainability' (p.293).

In my study, I discuss how business leaders understand and lead change to meet the expectations of sustainability by stakeholders in the organisation. Fullan & Scott (2009) contend that effective organizations utilise 'six secrets of change',

... (1) love your employees as well as your customers; (2) use purposeful peer interaction to change cultures; (3) emphasize capability building over judgmentalism; (4) know that learning is the work; (5) embrace transparency of both practice and results; and, (6) invest in system learning through collaboration. (p.153)

Fullan & Scott (2009) also argue that leaders will keep practising and honing their change leadership capabilities. Figure 2.3 shows various aspects of capabilities defined by Fullan & Scott (2009) that I utilised in my case study analysis.

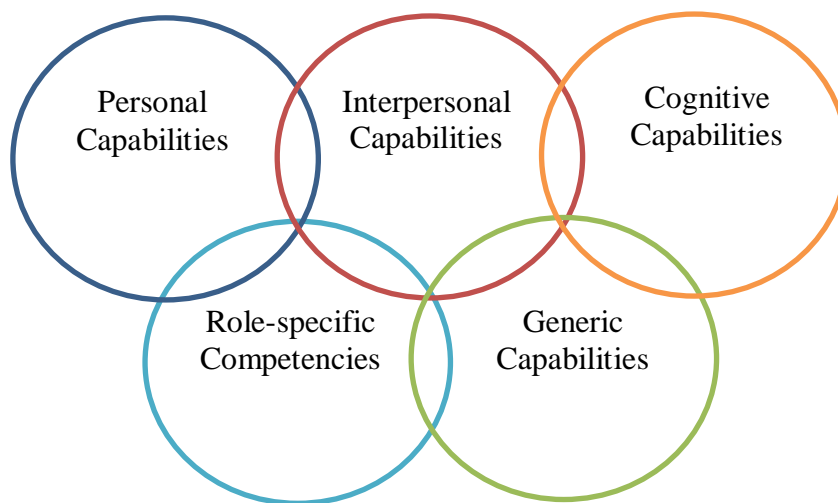


Figure 2.3 – Leadership capability framework (Fullan & Scott, 2009, p.115)

Fullan & Scott (2009) argue that personal capability components include,

... Decisiveness – the ability to make a hard decision and being tolerant of ambiguity and uncertainty as well as true to one's personal values and ethics and; Commitment – the ability to harness energy, passion and enthusiasm for learning and teaching so as to

achieve the best outcome possible... [The interpersonal capability components are] Influencing – the ability to influence people’s behaviour and decisions in effective ways and motivating others to achieve positive outcomes, Empathizing – the ability to empathize and work productively with staff from all levels, listen to different viewpoints before making a decision and being transparent and honest in dealing with others. (p.116 – 117)

Fullan & Scott (2009) highlight that leading change is about,

...constantly figuring out how best to balance stability and change; top-down and bottom-up approaches; listening and leading; and looking inside and outside for change ideas and solutions. Effective change leaders have high moral purpose... proactively engage in learning processes that end up reconciling divisions and motivating joint action. (p.153)

Their research also focuses on specific learning methods such as Formal Leadership Development, Practice-based Learning or Self-managed and informal learning. In my study, I decided to utilise the Practice-based learning model from the Academic leadership learning system (see Figure 2.4) in my analysis of data related to sustainability and CSR.

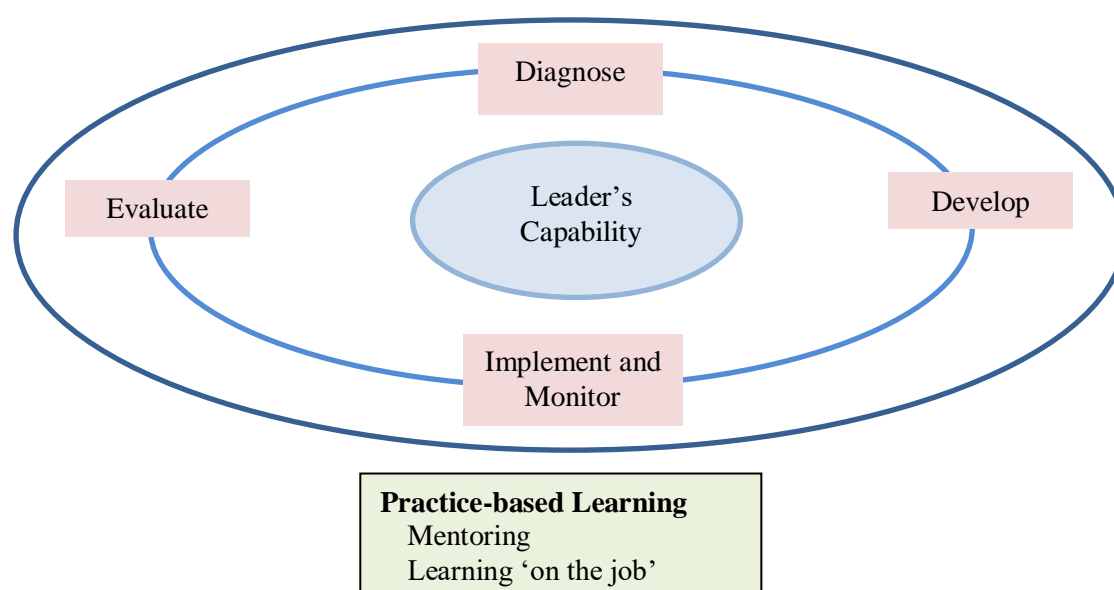


Figure 2.4 – Leadership learning system (Fullan & Scott, 2009, p.144)

2.12 The impact of cultural factors and values on sustainability practices

In my study, I draw on Cebrián et al's. (2013) model and other literature with a focus on the importance of cultural and factors as well as the vision and values of leaders. As Jeroen van der Veer, CEO of Royal Dutch Shell, points out,

The successful companies of the future will be those that integrate business and employees' personal values. The best people want to do work that contributes to society with a company whose values they share, where their actions count and their views matter.

(Senge, 2009, p.25-26)

Shared values link the organization together and all employees live the values. Barrett (2010) argues that ensuring employee's understanding of organization's values and behaviour is important as it drives culture for high-performance organization. Further, Barrett (2006) sees the need to 'measure the alignment of employees' personal values with the values in the current culture of the organization and... the desired culture values' (p.21). He argues that the result shows,

There is a relatively close alignment, in terms of levels of consciousness, between the distribution of the top personal values and the top desired culture values suggesting that they have the capacity to create the culture they want to see (p.42). ...There is a strong alignment between personal values, current culture values, and desired cultural values.

(p.77)

In my study, I was interested in capturing and analysing the culture and values relevant to organisational change towards sustainability and CSR. The United Nations development agenda report (UNESCO, 2012) sees the focus on culture as being a driver and an enabler for sustainable development, with community-wide social, economic and environmental impacts, arguing that,

Culture has a transformative power on existing development approaches, helping to broaden the terms of the current development debate and to make development much more relevant to the needs of people. (p.5)

Research by Hamel, Dufour and Fortin (1993) states that culture reflects on the common patterns of behaviour, beliefs, and rituals marking the life of a society in its various manifestations, while Vygotsky (1978) argues that 'culture becomes a part of each person's nature' (p.6). The United

Nations Educational, Scientific and Cultural Organization (UNESCO, 2012) states that culture can ‘foster sustainable development: as a driver and as an enabler’ (p. 4) and,

Culture-led development also includes a range of non-monetized benefits, such as greater social inclusiveness and rootedness, resilience, innovation, creativity and entrepreneurship for individuals and communities, and the use of local resources, skills, and knowledge...

Cultural factors also influence lifestyles, individual behaviour, consumption patterns, values related to environmental stewardship, and our interaction with the natural environment.

(p.4)

Clearly it is important in my research to capture how the businesses in my study create a culture that is centred in valuing sustainability, such as the depiction in Figure 2.5 below.

Research by the University of Pennsylvania (2012) shows that ‘cultural values and norms are important because they affect people’s preferences, relationships, and behaviour toward the environment’ (p.2), hence, social and cultural factors present a challenge to sustainability, as they can impact on the values and lifestyle choices for individuals and groups. This is supported in UNESCO (2012) work which noted that,

The UN Inter-agency projects...carried out in recent years, demonstrated concretely the power of culture to respond to environment concerns, to challenges in the areas of education and livelihoods... and to foster community-based economic growth, and contribute to empowering individuals. (p.5)

Re-defining the culture for sustainability is important because of the,

...role of the corporation in society, the role of government, the role of grassroots movements, and the role of consumer... there are four dimensions to sustainability, namely, social, economic, environmental, and cultural... these dimensions are necessarily interconnected. (University of Pennsylvania, 2012, p.3)

Figure 2.5 shows how the United Nations Educational, Scientific and Cultural Organization (UNESCO) (2012) makes the link between culture and its contribution to sustainable development.

How Culture Contributes to Development

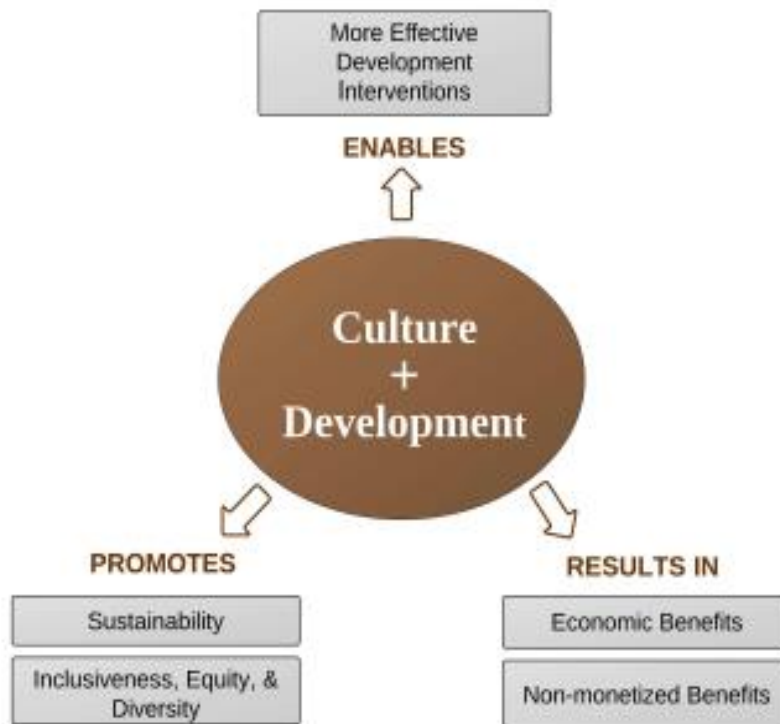


Figure 2.5 – How Culture Contributes to Development (UNESCO, 2012, p.8)

In my study, I aimed to document and analyse how IKEA and Ernst & Young develop innovative ways to integrate culture in their sustainability practices from conceptualization, formulation, and development, and in their organizational governance processes, to advance sustainability and CSR. Based on the UNESCO (2012) policies, it is clear that culture needs to be integrated into sustainable development strategies and policies as well as processes that advance a human-centred and inclusive approach to development that will also serve as a powerful socio-economic resource in the society.

2.13 Cultural-historical activity theory (CHAT) and expansive learning

From Cebrián et al's. (2013) model, I also decided to draw on cultural and historical theories, including Engeström's (2001) work on expansive learning at work model and Engeström's (1987) activity system theories to discuss my research question on how sustainability and CSR business practices reflect elements of organisational learning theory and practice. While Vygotsky (1978) initiated ideas for cultural-historical activity theory (CHAT), it is the activity system developed by Engeström (1987) and the expansive learning at work model by Engeström (2001) that I utilised in my study.

Activity systems and the concept of expansive learning are examined with the help of four questions:

(1) Who are the subjects of learning, how are they defined and located? (2) Why do they learn, what makes them make the effort? (3) What do they learn, what are the contents and outcomes of learning? (4) How do they learn, what are the key actions or processes of learning? (Engeström, 2001, p.133)

Engeström (1987) defines expansive learning as,

A historically new type of learning which emerges as practitioners' struggle through developmental transformations in their activity systems, moving across collective zones of proximal development. (p.7)

Figure 2.6 summarises Engeström's (2001) five principles related to CHAT and expansive learning. He says that, 'The first principle is that a collective, artifact-mediated and object-oriented activity system, seen in its network relations to other activity systems, is taken as the prime unit of analysis' (p.136). He argues that, 'The second principle is the multi-voicedness of activity systems that is always a community of multiple points of view, traditions and interests' (p.136). He also says that the division of labour in initiative creates different positions for the employees who will bring their own diverse histories and experiences engraved in its artifacts, rules and agreements in learning and performing sustainability practices and CSR.

Engeström's (2001) third principle is 'historicity', where 'Activity systems take shape and get transformed over lengthy periods of time. Their problems and potential can only be understood against their own history' (p.136). This literature signalled to me the need to study sustainability and CSR in relation to the historical factors and activities of the companies.

Engeström's (2001) fourth principle reminds researchers of the central role of 'contradictions as sources of change and development' (p.137), and in relation to my study, the complex journeys that companies might go through as they respond to issues related to sustainability. Finally, the fifth principle signals the 'possibility of expansive transformations in activity systems. Activity systems move through relatively long cycles of qualitative transformations' (p.137). These ideas are explored in my data analysis chapters.

	Activity system as unit of analysis	Multi- voicedness	Historicity	Contradictions	Expansive cycles
Who are learning?					
Why do they learn?					
What do they learn?					
How do they learn?					

Figure 2.6 – Matrix for the analysis of expansive learning (Engeström, 2001, p.138)

Engeström (2001) also highlights that,

Vygotsky's idea of cultural mediation of actions is commonly expressed as the triad of subject, object, and mediating artefact... Objects became cultural entities and the object-orientedness of action became the key to understanding human psyche. (p.134)

Engeström's (1987) activity system model 'looks at artifacts and people as embedded in dynamic activity systems' (Engeström, 2006, p.3). Davydov (1999) and Rogoff (1995) argue that the transformation of the subject, the object, and the relationship between the two and their context emerges in an activity through a reciprocal process. So, Engeström & Miettinen (1999) highlighted that cultural transformation is thus formed with its own structures through the activity itself. Research by Cole & Engeström (1993) added that the activity will become robust tool within the culture once it is institutionalised.

In my reading of the literature I found that Engeström's (1987) activity system model and CHAT framework provide a way to analyse and make sense of how companies develop sustainability. The activity system focuses on 1) the subject as the organisation who is involved, 2) the object as the organisational goals where there is personal sense and cultural meaning in achieving sustainability outcomes, 3) the mediating artifacts as the tools and signs which are the resources available and required to achieve sustainability initiatives 4) the community as the group of individuals such as stakeholders in meeting the sustainability goals, 5) division of labor as the distribution of work, responsibilities and rewards for the members within the communities together with 6) formal and informal rules such as uses of resources, codes of conduct in implementing their sustainability and CSR initiatives. (See Figure 2.7).

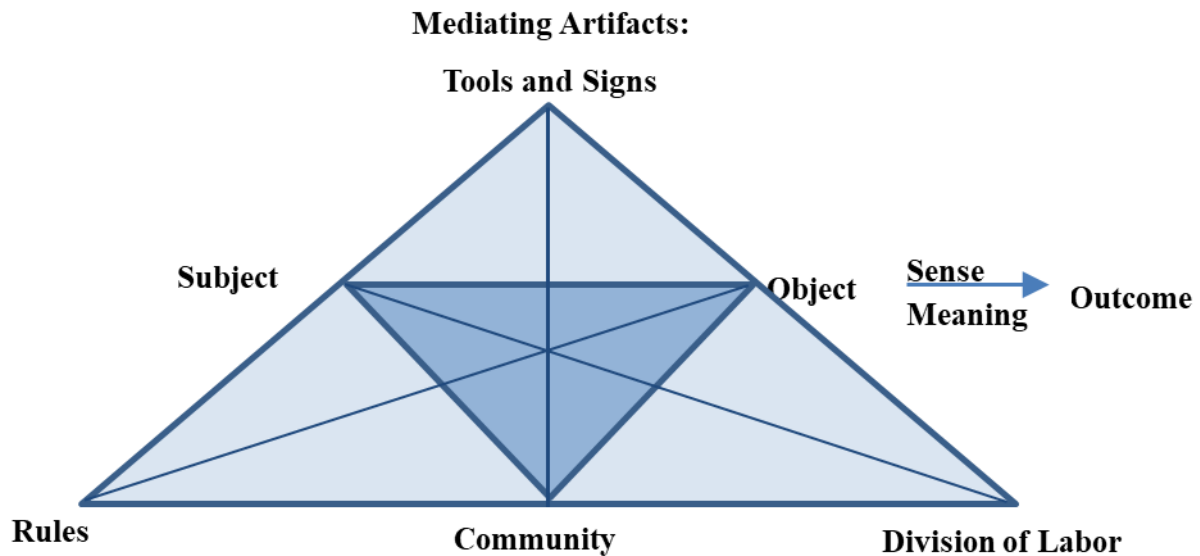


Figure 2.7 – Activity system (Engeström, 1987, p.78)

Engeström (1993) also emphasised that all components are interconnected in the activity system and can mediate change.

2.14 Individual transformation

In Cebrián et al's. (2013) model, they also draw on other learning theories such as critical reflection and holism (Argyris & Schön, 1978). This literature is relevant to my study since it is important to see how employees reflect on and transform their learning about sustainability practices and CSR into action. The tension between desired states and experiences reflects what Argyris & Schön (1974) called 'espoused theories', as distinct from 'theories-in-use' manifested in acts or interactions.

Argyris & Schön (1974) argue that,

All human beings – not only professional practitioners – need to become competent in taking action and simultaneously reflecting on this action to learn from it (p.4) ... the 'theory of action is a theory of deliberate human behaviour... serves to explain or predict his behaviour. (p.6)

Hence, when an individual employee asks how he or she would behave under certain environmental circumstances such as ‘replacing disposable cups with ceramic mugs’ (EY, 2011, p.12) for drinking rather than using plastic, the answer he or she usually gives is his or her espoused theory of action for that situation which is to use a plastic cup as it is more convenient for usage and easy to dispose. This is the theory of action to which he or she gives commitment and which, upon request, he or she communicates to others in the same way. However, the theory that should govern his or her actions if they are thinking about sustainability is theory-in-use, knowing that using a plastic cup will pose harm to the environment in a longer term, which may or may not be compatible with his or her espoused theory.

Argyris & Schön (1978) argue that organizations also have theories of action which ‘inform their actions using espoused theories and theories-in-use which may be inferred from their directly observable behaviour’ (p. 11). An example is the ‘strategy of measuring divisional performance by monthly profit-and-loss statements, will be likely to involve much of the rest of the organization’s theory of actions, including its norms’ (p. 25). Learning is a continuous journey and organisational action is conceptually connected to individual action. Argyris & Schön (1978) also argue that organisational theories of action can be tested and restructured for organisational learning that impact on sustainability practices and CSR and can be used to examine the capacity for this kind of learning for employees.

Organisational learning involves the detection and correction of errors. This occurs when members of the organisation act as the learning agents for the organisation to respond to the changes of their internal and external environments. As Argyris & Schön (1978) highlight, the way for the organization to do this in their organizational theory-in-use is to embed the results of their inquiry in private images, patterns and behaviour, as well as shared maps of organization for better conceptualisation and understanding of the learning. Organisational learning acts as a,

...process mediated by the collaborative inquiry of individual members. In their capacity as agents of organizational learning, individuals restructure the continually changing artefact called organizational theory-in-use. Their work as learning agents is unfinished until the results of their inquiry – their discoveries, inventions and evaluations – are recorded in the media of organizational memory, the images and maps which encode organizational theory-in-use. (Argyris & Schön, 1978, p.20)

In my review of the literature, I also found that Yanow (2014) argues that corporations seek to understand the daily behaviour of their employees through ‘texts, conversations, visual images, physical objects, speeches, legislative acts (and their transcriptions) and nonverbal communication to interpret and conceptualise their meaning’ (p. 15). In my study, I aimed to capture these kinds of artefacts as data to explore corporate sustainability and CSR policies and practices, including ‘organizational learning of a particular sort, as collectively learned and carried out’ (Yanow, 2014, p.14).

Argyris & Schön (1978) also argue that organizational learning involves learning through the experiences and actions of individuals. Over a period of time, individuals will then transform their thinking and actions to achieve sustainability practices and CSR. Therefore, it is important to investigate how businesses develop as learning organisations who promote and enact sustainability and CSR, and their journey in managing and leading change for individual and corporate transformation for all stakeholders.

2.15 Becoming a learning organisation

As Senge (2009) highlights, a shared vision is what an individual and co-workers or any other stakeholders require if they want to create or accomplish change as part of the organisation. A shared vision is developed by members of the organisation, if they create common interests and sharing of a sense shared purpose. Senge (2006) said that having a shared vision can ‘create a sense of commonality that permeates the organisation and give coherence to diverse activities’ (p.192). It is not imposed by one or a few people as an organisational mandate, otherwise, it will end up as one of the reasons why many firms that have jumped on the sustainability ‘vision bandwagon’ without systems thinking have encountered difficulty in achieving their goals. But he also argues that,

Systems thinking needs the disciplines of building shared vision, mental models, team learning, and personal mastery to realize its potential. Building shared vision fosters a commitment to the long term. Mental models focus on the openness needed to unearth shortcomings in our present ways of seeing the world. Team learning develops the skills of groups of people to look for the larger picture beyond individual perspectives. And personal mastery fosters the personal motivation to continually learn how our actions affect our world. (p.12)

Senge (2006) also stresses the importance of shared vision which,

Is vital for the learning organisation because it provides the focus and energy for learning... In fact, the whole idea of generative learning – expanding your ability to create – will seem abstract and meaningless until people become excited about a vision they truly want to accomplish. (p.192)

In an organisation, a shared vision allows stronger collaboration among people with a sense of purpose and operating values which establish a commonality across all levels. Senge (2006) further argues that,

A shared vision changes people's relationship with the company. It is no longer "their company"; it becomes "our company"... It creates a common identity (p.194)
... You cannot have a learning organisation without shared vision. (p.195)

Senge's view on building shared vision with systems thinking by the senior management is pertinent to my study. In my research, I investigated the learning organisation and the shifting mindsets, policies and practices of senior management and employees in each case study. I explored the extent to which the businesses strive to become learning organisations, and develop shared vision with their employees, and how they work collaboratively to meet their sustainability goals.

2.16 Chapter conclusion

My main focus in this chapter was exploring literature related to the fields of sustainability and CSR in relation to businesses. Research by Selby (2006) stated that 'in the world of education, ESD opened up the possibility of a broad coalition of environmental, development, human rights, peace and social justice educators' (p.354). Hence, it was hoped that ESD would be the leverage to bring together the ethical, political, social and economic lenses on the study of the environment.

This analysis enabled me to refine the focus for my research study, which focused on the policies, programs, practices, learning and organisational leadership to achieve sustainability and CSR goals. It became evident, through reviewing the literature, that there is a sustained and intense interest in

improving sustainability practices and CSR and a range of lenses through which to explore businesses' activities in this sphere.

Through a review of the literature in relation to sustainability and CSR, I found that there has been an increased interest in corporations focusing on sustainability practices. This is in particular on the leadership of senior management in driving programs and practices as well as their motivation to encourage employees and stakeholders to participate and have a common mindset in achieving sustainability goals. There is also a strong link to planning, developing and implementing sustainability and CSR initiatives as part of the corporate culture, so that it reflects clearly on the corporate reputation and their capacity to meet all aspects of the triple bottom line.

CHAPTER 3 METHODOLOGY

3.1 Introduction

In this chapter, I discuss the qualitative method approaches chosen and utilised in my study in order to answer the research questions posed. I comment further on the theoretical frameworks for the research that were introduced in the literature review. I justify the use of case study as a research method and explain the methods of data collection. I also discuss the ways the data was analysed and how the validity of the data was ensured through triangulation. The chapter concludes with discussion of the limitations of the research and the ethical issues raised by my study.

This study aimed to capture and analyse the vision, values, policies and practices of international businesses and their Singapore branches in their development of approaches and organisational learning to develop sustainability and corporate social responsibility. The study investigated their complex real-world learning environments and their varied human activities as learning organisations, through the lens of various theories connected to Cebrián et al's. (2013) framework. My study has added new knowledge and understanding of how these businesses are working to develop a more socially just and sustainable world through 2 case studies in the Singapore context with a focus on these research questions:

1. What policies and practices are two global businesses developing and implementing on sustainability and corporate social responsibility (CSR)?
2. How do their sustainability and CSR business practices reflect elements of organisational learning theory and practice?
3. How are the practices of the two case study businesses leading change in sustainability and CSR?

3.2 Qualitative research approach

Qualitative research is primarily exploratory research focused on gaining deep understanding and insights into the focus of the study. Denzin (1989, 1997); Denzin & Lincoln (2011); Erickson (1986); Eisner (1991); Lincoln & Guba (1985); Stake (1978, 2000, 2005) and Yanow & Schwartz-Shea (2014) all argue in various ways that qualitative research provides deep understanding and knowledge that cannot be acquired through quantitative methods.

Qualitative research methods prominently feature ‘three data collection techniques: observation, interview, and the review and analysis of site-generated or related documents (Mabry, 2008, p.218). Mack, et al., (2005) highlighted that,

The strength of qualitative research is its ability to provide complex textual descriptions of how people experience a given research issue. It provides information about the “human” side of an issue – that is, the often contradictory behaviors, beliefs, opinions, emotions, and relationships of individuals. (p.1)

Using qualitative research methods in my study gave me the flexibility to utilise multiple data sources to build my understanding of the two case studies in their global and Singapore contexts including written, published documentary material in the public domain, including, for example, websites and annual reports. In addition, I conducted surveys and semi-structured interviews with personnel in the Singapore branches of the companies to gain insights into the opinions, visions and values of leaders and employee, and the policies and practices in the two businesses; IKEA and EY. Qualitative researchers place emphasis on understanding situations by investigating people’s words and actions, along with other documentary evidence, in order to construct meaning from those views and to discover relationships, causes and effects in the natural setting (Merriam, 1988).

3.3 Selection of case study

Case study is defined by Merriam (1988) as, ‘intensive, holistic description and analysis of a single entity, phenomenon, or social unit. Case studies are particularistic, descriptive and heuristic, and rely heavily on inductive reasoning in handling multiple data sources’ (p.14). Case study methodology was selected for my research project as it offered appropriate ways of approaching the investigation of the two global companies and their approaches to sustainability and CSR. Case study methods allowed me to develop close understandings of the structures and policies in each company and their unique characteristics as organisations. My research on IKEA and EY was constructed as an exploratory and inductive case study so that I could access data in various forms to understand many aspects of their activities and processes as well as leaders’ and employees actions.

Qualitative case study ‘addresses a need for specific understanding through documentation of concrete details’ (Erickson, 1986, p. 124). As Hamel et al. (1993) state, ‘case study is an inductive approach’ (p. 41) and the ‘goals are to reconstruct and analyze a case from a sociological perspective’ (p.1). Detailed data can ‘reveal the invisibility of everyday life’ (Erickson, 1986, p.121) and ‘layers of lived experience, and their implications’ (Mabry, 2008, p.218). In my research, learning from the participants’ experience was important. Yin (2006) highlights that the strength of the case study method is its ability to,

...examine, in-depth, a ‘case’ within its ‘real-life’ context. The case study method is ‘best applied when research addresses descriptive or explanatory questions and aims to produce a first-hand understanding of people and events. (p.111 - 112)

A typical case study may be useful in identifying and documenting patterns of ordinary events, the social and political structures that sustain them, and the underlying perceptions and values of participants (Stake, Bresler, Mabry and Ellis, 1991). Case study method is pertinent where the ‘research addresses either a descriptive question or explanatory question’ (Shavelson & Towne, 2002, p.99-106). It helps the researcher to make ‘direct observations and collect data in natural settings, compared to relying on ‘derived’ data (i.e. questionnaire)’ (Yin, 2006, p.112).

Case studies foster deep understanding not only by presenting analytic details referred to by Geertz (1973) as ‘thick description’, but also by offering experiential reports (Mabry, 2008, p.219). In my study, I chose to focus on two case studies to investigate my research questions, as Borman, Clarke, Cotner and Lee (2006) highlight that ‘... an interpretation based on evidence from several cases can be more compelling to a reader than results from a single case’ (p.123).

Yin (2014) states that, by comparing two case studies, the researcher can deepen the explanation and at the same time pin down the conditions under which findings occur. The case can ‘provide insight into an issue or to redraw a generalization (Stake, 2000, p.437). Generalizability refers to the ‘capacity of the case to be informative about a general phenomenon, to be broadly applicable beyond the specific site, population, time and circumstances studied’ (Mabry, 2008, p.222). However, I avoided generalizing my two case studies other than discussing, through comparing different factors influencing sustainability practices and CSR.

My case studies drew on interpretivist methodology to explore ‘patterns of activities and the variety of meanings participants ascribe to their experiences’ (Mabry, 2008, p.217). With my research questions being interpretive, case study allowed generation of multiple perspectives using different data collection methods and the creation of multiple accounts (Lewis, 2003) to explore sustainability practices and CSR in the corporate world.

3.4 Theoretical frameworks: constructivism and interpretivism

In the following section, I discuss the dominant theoretical position of constructivism and interpretivism I adopted. Constructivism is a way of understanding how people learn as they react to experiences in the world based on how they view the world, which is particularly pertinent to a study focused on international businesses sustainability practices and CSR. As Teater (2010) highlights, ‘individuals construct their own reality based on their experiences, but these experiences take place within a historical and social context, which influence the interpretation of their experiences’ (p.73).

In my study, I also utilized culturally derived interpretivism (Crotty, 1998) as a theoretical frame, as the epistemological stance of constructivism can be linked to the interpretivist paradigm. In my study, a crucial aim was to develop understanding of policies and practices in the global businesses through capturing real life experiences as well as the cultural and historical factors that influence the business activity systems and organisational learning practices through the shared vision and values of the leaders.

In my study, the research questions concern the reality status (ontology) of sustainability and CSR practices and their “knowability” (epistemology). They emphasize the meaning-focused and person-centered concerns in relation to sustainability, so required me to choose exploration and engagement of interpretive epistemologies and interpretive-inflected methods (Yanow & Schwartz-Shea, 2014). They also highlight that a set of ontological and epistemological presuppositions that undergirded the initial shaping of my research questions. I aimed to ‘generate’, ‘construct’, ‘find’ and ‘discover’ – new knowledge about developing sustainability and CSR in the businesses as learning organisations. Yanow (2014) also argues that sense making is a historically and socially contextualized process and the subject of study is itself historically and socially situated. This aligns with aspects of Cebrián et al’s. (2013) framework for which has been discussed in Chapter 2.10 and is elaborated in Chapter 3.5.

3.5 Theoretical framework for analysing sustainability learning organisations

My thesis drew on aspects of Cebrián et al’s. (2013) theoretical framework which includes a range of literature to better understand leadership, organisational change and processes in developing sustainability practices and CSR (see Figure 2.2, p.51). While Cebrián et al’s. (2013) focus was on the development of sustainability practices in higher education, their model and conceptual framing offers useful insights that I have applied to my study of IKEA and EY. They argue that utilising a combination of different theoretical approaches that impact on organisations is required to develop deep understanding of change and learning organisation processes for sustainability. These include capturing and analysing how individual transformation occurs (Argyris & Schön, 1978), a focus on becoming a learning organization (Senge, 1990), effective leadership (Fullan & Scott, 2009), and

understanding of the cultural and historical contradictions and activity systems (Engeström, 1987) that impact on an organisation.

Cebrián et al's. (2013) framework recognizes the complexities involved and the range of factors that can influence and impact on organisations' initiatives and efforts in achieving sustainability, and the barriers and processes involved in learning organisations. Underlying these key theories is the additional recognition that learning needs to be lifelong, experiential, collaborative, and forward thinking (Cebrián et al., 2013).

Senge (1990) defines a learning organization as one,

... that is continually expanding its capacity to create its future... 'Survival learning' or what is more often termed 'adaptive learning' is important—indeed it is necessary. But for a learning organization, 'adaptive learning' must be joined by 'generative learning', learning that enhances our capacity to create. (p.14)

In my study, I focused first on developing deep insights into the global companies' histories, cultures, leadership and practices, so Senge's (1990) recognition of the importance of adaptation and change provided useful theoretical framing.

Cebrián, et al's (2013) model also includes a focus on how,

...Individuals can transform their mental models in order to improve and change current practices of their organisations, and lead to a shared vision, organisational learning capable of embedding sustainability holistically. (p.298)

This view was particularly important in developing understanding of leadership and vision in the Singapore businesses that are part of my case studies, since this part of my study included surveys and face to face interviews with leaders from IKEA and EY's Singapore branches.

Sterling (2004) argues that organisational learning that leads to the development of sustainable practices should involve the whole organisation. He says that the learning and practices should enhance the ability of all members to critically reflect on and challenge existing worldviews, values and beliefs so they can learn and develop new insights and ways of understanding and conducting

business in socially responsible ways. In line with Cebrián et al.'s. (2013) model, my study of sustainability practices includes the social, cultural, economic and environmental dimensions of sustainability; and the complexities of each learning organisations. Cebrián et al. (2013) suggests that there must be interactions amongst subsystems in order to achieve the desired outcomes. They found that cultural and social aspects of learning are not fully explored, therefore socio-cultural ideas that influence learning should be more fully investigated. Hence, my study aimed to investigate the extent to which the learning processes did lead managers and employees to 'rethink existing practices and worldviews, from individuals within the organisation, that lead to community learning, that in turn lead to organisational learning' (Cebrián et al., 2013, p.286).

3.6 Selection of participants

As discussed briefly in chapter one, I selected the two global companies, IKEA and Ernst & Young for my case studies, since I found them to have well documented sustainability practices and CSR in the public domain internationally and in their Singapore branches. This provided me with an opportunity to first conduct an investigation of their global vision, policies and practices in phase one of my study. Then in phase two, I conducted research in their Singapore branches to investigate their organisational initiatives and learning practices.

3.7 Methods of data collection

My data collection was conducted in two phases:

Phase one: Global context study of IKEA and EY

This involved collecting data through internet sites, magazines, newspapers, articles, annual reports and books focused on the global context for IKEA and EY in their sustainability and CSR journey, policies and practices.

Phase two: Singapore branches data collection

This involved conducting an e-survey and semi-structured interviews with the senior management and employees in the Singapore branches as explained in the sections below.

3.7.1 Survey of Singapore branches

I conducted an e-survey of IKEA and EY to investigate managements' perspectives on the development of sustainability practices and CSR and their corporate initiatives focusing on these issues. For the e-survey, the participants were senior management who were invited to participate based on evidence of their companies' current practices of sustainability initiatives and CSR in Singapore.

I contacted IKEA and EY to access the email addresses of their senior management and then sent an explanatory statement to formally invite them and their selected employees to participate in the e-survey and face-to-face interviews. In the initial e-invitation, I assured the participants of their individual anonymity in any published accounts of the research. Those interested in participating contacted me via email and sent the signed consent form to me via email. I then made contact with the participants to confirm their participation in the e-survey.

I designed two types of e-surveys for different target participant groups; the senior management and employees for IKEA and EY. Upon completion of the first e-survey, the Chief Executive Officer (CEO)/Managing Partner was asked to recommend and provide email details of their respective employees who were involved in the development and implementation of sustainability practices and CSR in the business, to be invited to participate in the survey. I subsequently liaised with the employees on the e-survey participation through email communication, and provided them with consent forms.

3.7.2 Semi structured interviews with IKEA and EY personnel: Singapore branches

Following the e-survey analysis, I arranged and conducted five semi-structured interviews with the senior management team and employees including the CEO/Managing Partner and employees from each business. I used semi-structured interview methods to deepen my understanding of the policies, practices and learning organisation approaches in the Singapore branches of each of these companies.

The semi-structured interviews were conducted face-to-face with the individuals at times and in locations that suited each person. All interviews were tape-recorded and transcribed.

3.8 Methods of data analysis

Phase one: Global companies IKEA and EY

My data analysis drew on aspects of Cebrián, et al's (2013) framework for organisational learning towards sustainability. To understand sustainability practices in IKEA and EY, I selected aspects of the model that were pertinent to my study.

- a. Effective leadership
- b. Cultural-historical activity theory and expansive learning
- c. Individual transformation
- d. Becoming a learning organisation

Phase two: IKEA and EY Singapore branches data analysis

Following the e-survey and face-to-face semi-structured interviews with the participants, I conducted the data analysis using interpretive description and thematic analysis 'to articulate a coherent and meaningful account of the experiential knowledge' (Thorne, Kirkham and O'Flynn-Magee, 2004, p.3) captured from the two case studies of companies in Singapore. I also analysed secondary data sourced from the companies' homepages and other documents in the public domain that provided relevant information. I reviewed and analysed each company's policies, key

performance indicators, annual reports and information available in websites and in written publications in relation to the research questions and key themes identified from the literature.

This second stage of my thesis focused on Singapore branches of the businesses. It extended my knowledge of IKEA's and EY's sustainability practices and CSR and it enriched the data and analysis in my study beyond data available in documents in the public domain.

3.9 Validity and limitations of the study

In qualitative studies, the question of validity is a major concern among researchers (Morse et al., 2002; Yin, 2009). Within the qualitative paradigm, validity is sometimes referred to other terms such as 'trustworthiness', 'relevant', 'plausible', 'confirmable', 'credible' or 'representative' (Denzin & Lincoln, 1998; Guba & Lincoln, 1989; Hammersley, 1987; Mishler, 1990). However, Merriam (1988) argued that validity is about "To what extent can the researcher trust the findings of a qualitative case study?" (p.164).

Hammersley (1987) claimed that,

... the 'validity' of the research resides with the representation of the actors, the purposes of the research and appropriateness of the process involved... There are differences between quantitative and qualitative research in what they attempt to research. Quantitative research limits itself to what can be measured or quantified and qualitative research attempts to 'pick up the pieces' of the unquantifiable, personal, in depth, descriptive and social aspects of the world. Many of the allegations of invalidity from both sides can be attributed to a failure to recognise the purposes to which each methodology is suited. External validity is often of no importance to qualitative research and the attempt to achieve it can seriously hinder its overall validity. However, qualitative findings are best generalised to the development of theories and not wider populations. (p.2)

Using various data sources is important to provide the case study evidence and to enhance the rigor of the case study research through triangulations (Yin, 2009). Yin (2009) argues that;

The most important advantage presented by using multiple source of evidence is the development of converging lines of inquiry, a process of triangulation and corroboration... Thus, any case study finding or conclusion is likely to be more convincing and accurate if it is based on several sources of information. (p. 115-116)

In my study, I followed Borman et al's. (2006) views that the researcher must be careful in constructing the research design and approach, conducting the research ethically and honestly, analysing findings carefully, and providing a presentation of results informed by rich descriptions arising from the interviews and all documents in relation to the key questions and focus. This, 'in turn leads to appropriate extrapolations from the data concerned to maintain rigor and emphasis on trustworthiness' (Borman et al., 2006, p.130). I approached my study with constant attempts at ensuring that the data and interpretations did not have researcher bias by continually checking that my data was well referenced and checked.

Lincoln & Guba (1985) suggest that, instead of applying reliability and validity to qualitative research, dependability and consistency of the results obtained from data analyses should be considered instead. In my study, I was aware that focusing on two global businesses and a limited number of participants in the Singapore e-surveys and interviews would certainly not provide statistical generalizations about sustainability. However, I was more interested in what Hammersley (1987) referred to as an opportunity to develop or enhance theories from studies. This is consistent with Stake (1995) who argued that it is important to generate "particularization" rather than "generalization" (p. 8) in order to develop deep understanding of the processes and factors involved in developing sustainability and CSR in businesses.

3.10 Chapter conclusion

This chapter began with a focus on explaining the rationale for the selection of research methods and the theoretical and conceptual frameworks that were adopted for this study. I discussed the choice of interpretive description as the research methodology to understand sustainability practices and CSR in the two global businesses and their Singapore branches. Next, the choice of qualitative methods using a case study approach was explained.

The conceptual framework using Cebrián et al. (2013) was discussed as well as key stages in the research were described, including explanation of the two different case studies. The approaches I used for data collection including diverse documents in the public domain and empirical data collections via e-surveys and face-to-face semi-structured interviews in Singapore were outlined, along with an elaboration of the methods used for data analysis. The chapter explained the conceptual starting points I drew upon when first approaching the study and the methods of data analysis in relation to the perception of business leaders and the corporate sustainability practices and CSR. Finally, discussion of the validity and limitations of the study is provided.

CHAPTER 4 IKEA - GLOBAL

4.1 Introduction

Since my research focuses on an analysis of sustainability and CSR policies, practices and organisational learning in two Singapore branches of global companies, the case studies of IKEA and EY are first introduced in the global context. In this chapter, I discuss the global leadership, sustainability and corporate social responsibility (CSR) practices of IKEA; a leading global home furnishing company with 403 stores (as of end August 2017) across the world, including an increase of 14 new stores in 2017 and additional 101 shops that comprise pick up and order points, and distribution centres. IKEA has more than 194,000 employees across the world in 49 countries with more than 48 percent female Managers. IKEA achieved EUR 38.3 billion total sales which resulted in a EUR 4.1 billion net profit in the Financial Year 2017 (IKEA, 2017e). In this chapter, IKEA's global practices are discussed and analysed drawing on company policies, key performance indicators, annual reports, analysis of information available on websites, and through other publications. This provides contextual understanding of the company and information that informs the empirical research conducted with a focus on the company's Singapore branch, whose values, vision and policies are influenced by the global company.

I selected IKEA for my study because of the company's stated goal to have a positive impact on people and the environment,

We support the UN's 2030 Development agenda, "Transforming our world", and the 17 Sustainable Development Goals published in September 2015. (IKEA, 2015, p.87)

IKEA was first founded by Ingvar Kamprad in 1943, when at the age of 17, he used money that his father gave him to start his own business. Kamprad formed the company's name from his own initials (I.K) and the first letters of the family farm, Elmtaryd, and the parish of Agunnaryd where it is located. From operating a makeshift mail-order furniture business, Kamprad turned the company into a global furniture empire (IKEA, 2017f).

Over many decades, Kamprad, as then President and CEO of IKEA, established the unique vision recorded in company documents of focusing on ‘combining traditional business goals like profit and growth with the progressive interests of social responsibility and environmental stewardship’ (Dahlvig, 2012, p.vi), and led a long tradition of a focus on sustainability and CSR.

To ensure a long-term approach towards sustainability, the IKEA Group of companies developed an ownership structure led by a Foundation located in Europe in 2016, as shown in Figure 4.1. The Stichting Ingka Foundation now operates as a charity and its funds can be reinvested in the IKEA Group or donated for charitable purposes through the Foundation. Ingka Holding is the parent company of the IKEA Group, led by Peter Agnefjäll, President and CEO of IKEA Group, together with the Group Management team (IKEA, 2017g). The IKEA Group now oversees all aspects of the global company and its strategies including Singapore operations, including product development to production, distribution and retail in hundreds of stores, as well as their manufacturing units, purchasing operations offices, customer distribution and shopping centres. As the founder of IKEA, Kamprad was until recent years, senior advisor to the Supervisory Board. Ingvar Kamprad died in January, 2018.

The IKEA group now consists of franchise operated stores which operate under agreements with Inter IKEA Systems; the owner of the IKEA Concept. The Inter IKEA Group and IKEA Group are two separate groups of companies with different management and owners, but their strategies and distribution of products to customers are aligned. Not all IKEA franchisees belong to the IKEA Group. They have to pay a 3 percent franchise fee to Inter IKEA Systems B.V to have the right to operate stores under the IKEA Concept and brand. This provides them access to IKEA systems, methods and proven solutions, including employees training, manuals and updates of the IKEA concept such as store layouts, fittings and display concepts. Figure 4.1 provides a graphic view of the group of companies.

STICHTING INGKA FOUNDATION (Owner of the IKEA Group)			Charity		
			Management of financial assets		
THE IKEA GROUP (Ingka Holding B.V. and its controlled entities)					
CENTRES	RETAIL	CUSTOMER FULFILMENT	GROUP FUNCTIONS		
			Commercial	IKEA Business	Business Navigation & Finance
			Corporate	Solutions	Corporate Finance, Tax &
			Communications	Customer	Treasury
			HR	Experience	Legal & Governance
			Marketing and	Expansion	Property
			Comin	Strategy, Process,	Risk Management &
			Sustainability	Organisation & IT	Compliance
			SERVICE FUNCTIONS		
			FINANCIAL ASSET MANAGEMENT		

Figure 4.1 – IKEA's Groups of Companies (IKEA, 2016a, p.83)

4.2 Vision and values

In my analysis of company documents, I found that one of IKEA's strengths lies in its strong vision and sense of duty to become a better corporate citizen. Göran Carstedt, former president of IKEA North America said this involves having a vision of CSR in creating a better life for the majority of the people every day and 'creating an environment where people can grow starts with having a purpose worthy of people's commitment' (IKEA, 2016a). Its vision, at the centre of the sustainability strategy - People & Planet Positive, has been to develop acceptance by all levels of staff of their corporate social responsibilities. One of the strategic foundations in the sustainability journey is the policy, 'Growing IKEA Together 2020+' (IKEA, 2016a) (see Figure 4.2). This is consistent with Cebrián et al's. (2013) argument that organisational leadership and vision are required with an explicit focus on sustainability and CSR, for companies to succeed in this work.

IKEA integrates social and environmental considerations into its daily operations so the products have minimum impact on the environment and [...] they manufacture them in a socially responsible way. (IKEA, 2006, p. 2)

This vision articulated by IKEA leaders in 2006 reflects Warhurst's (2001) view that companies who have the vision to become better corporate citizens usually arises from the realisation that business customers want to purchase products and raw materials from suppliers who are acting in environmentally responsible and ethical ways. Company reports note that customers in IKEA stores ask how their products have been produced, who produced them and where (Andersen & Skjoett-Larsen, 2009).

The People & Planet Positive Strategy aims to,

- 1) *Inspire and enable millions of customers to live a more sustainable and healthier life at home,*
- 2) *Strive for resource and energy independence and*
- 3) *Take a lead in creating a better life for the people and communities impacted by our business.* (IKEA, 2016a, p.9)

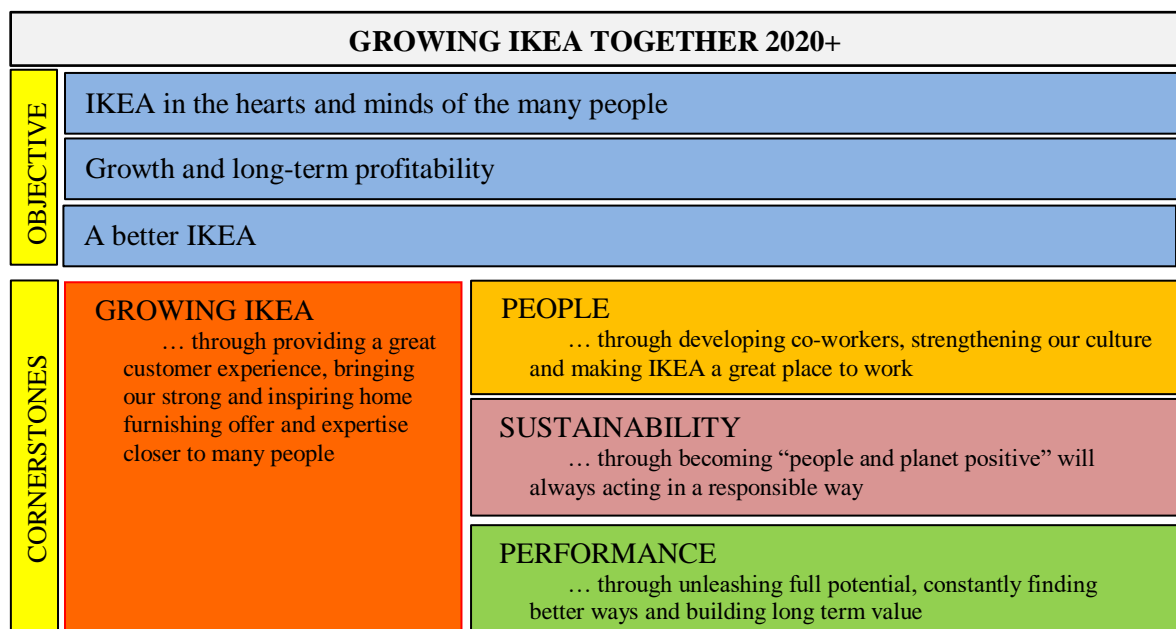


Figure 4.2 – IKEA's People & Planet Positive Strategy (IKEA, 2016a, p.9)

Research by Lozano-García et al. (2009) highlights that leaders need to constantly motivate their employees to achieve organisational change as it is crucial to embed sustainability into business. This can be demonstrated by the four pillars of action and practice in IKEA that have been operating for more than seventeen years, illustrating their global sustainable journey towards a larger view of CSR that goes beyond profit (Jeffries, 2009). The first pillar is 'the vision that

entails a social ambition that is combined with a strong value base' (Dahlvig, 2012, p.1). Strong commitment from the employees enables IKEA to take the lead in setting a challenging environmental agenda and sustainability goals in every financial year; as stated in their annual reports. The vision is promoted from the top down and is instrumental in gaining acceptance amongst all levels of IKEA employees. Cebrián et al. (2013) argue that, 'leadership in the area of sustainability is an emergent area of research and practice for its importance in bringing about organisational learning and change' (p.291). Dahlvig (2012) found that IKEA has a strong commitment in their business model and globalization goals to being more than merely a profitable company, to becoming one with a vision to contribute to a better society.

The second pillar is related to questions of economic sustainability, so that the company is conscious of affordability for their consumers. The business model uses a price and product range to differentiate itself against the competitors. Overall, the IKEA vision and business focus is to offer a wide range of well-designed, inspiring functional products at prices so low, that as many people as possible will be able to afford them. Evidence of interviews with Kamprad, the founder of IKEA, shows the commitment from IKEA leaders to being price conscious (Kamprad & Torekull, 1999). One leader notes that that,

... early on... we travelled around unannounced and checked the quality at the factories, always looking for small savings that made a great difference to the ultimate price (p.53).

...One revolution, for instance, was a way of treating the surface of the wood. They also mastered the ability to recognise cost savings that could trim the price. (p.62)

By adopting low cost strategies and focusing on constant innovation in their business, IKEA has been able to penetrate the market extensively and drive employees to think innovatively to produce quality products at affordable prices for all customers, while concurrently having a focus on economic, social and environmental sustainability; the triple bottom line (TBL). Slaper & Hall (2011) agree that,

The TBL captures the essence of sustainability by measuring the impact of an organization's activities on the world ... including both its profitability and shareholder values and its social, human and environmental capital. (p. 4)

An example of an innovative idea IKEA adopted is the self-service model they implemented as part of their value chain in March 1971 involving ‘... self-service, numerous and efficient checkouts in the exit area, and a decrease in order sales [which] provided a formidable boost to profitability and turnover’ (Kamprad & Torekull, 1999, p.76). By getting customers to be involved in their value chain process from product development, production, supply and sales through its retail stores, the customers can decide what they want and how they would like to transport and assemble the products themselves. Therefore, IKEA has been able to keep its cost low, reduce its prices even more and also keep an eye on sustainability in relation to packaging.

The third pillar is to achieve market leadership and prepare for future growth. The company aims to establish a healthy mix of mature customers in European countries and in future growth markets, for example, in South East Asia where customers are new to the IKEA model by opening more retail stores (Lam, 2015).

The findings of a study by Podnar & Golob (2007) suggest that ethical and philanthropic responsibilities can enhance a company’s competitive advantage if they achieve desired customer satisfaction. IKEA leaders knew that they needed to deliver true value to all stakeholders in the company, namely, shareholders, customers, employees, suppliers, and the community at large, and to build on their Corporate Social Responsibility (CSR) initiatives, which continue to be a core and valued part of their business.

The last pillar is to have committed owners who have a stake in IKEA, including senior management and employees, to ensure success in the long term, actions that will establish IKEA’s purpose and values towards achieving their vision for the development of their business, environmental and corporate social responsibility agendas. With commitment as the starting point, IKEA sets global sustainability key performance indicators with example on renewable energy.

We are going all-in and have committed to own and operate 327 wind turbines and installed 730,000 solar panels on our building. (IKEA, 2016a, p.6)

4.3 Attitudes and commitment to sustainability policy and practices at IKEA

Global leaders at IKEA believe in transformative change, ‘to build an organization that effectively supports the entire value chain from raw materials, product development, production, supply and sales through [IKEA’s] retail stores’ (Dahlvig, 2012, p.3). Peter Agnefjäll, President and CEO of IKEA Group argued that, ‘we are determined to grow our business by becoming people and planet positive, and always acting in a responsible way’ (IKEA, 2014a, p. 6). In 2015, he added that,

Moving to a low-carbon economy is critical for the planet and communities, and it can bring exciting opportunities for innovation and growth for us and our partners. (IKEA, 2015, p.5)

More recently, Agnefjäll said,

We have achieved a lot over the past year, but still we are just at the beginning and we have so much more to do. The IKEA vision, to create a better everyday life for the many people, gives us the opportunity – as well as responsibility – to act and to meet the needs of future generations. (IKEA, 2016a, p.6)

Urgent action is needed to tackle climate change – communities across the world and the success of business depend on it. That’s why IKEA Group is going all-in to be part of the solution. We see action on climate change as a driver of innovation, investment and renewal. (IKEA, 2016a, p.11)

As ‘responsibility’ is a core aim for IKEA, the company is committed to creating an impact on sustainability globally; so, a key aspect of their planning is to focus on sustainable solutions. Senge (2009) argues that,

All real change is grounded in new ways of thinking and perceiving. Institutions do matter, but the way they operate is a direct result of how we operate—how people think and interact. (p.25)

A review of the global company’s Annual Reports from FY2009 demonstrates their serious commitment to sustainability practices, to leadership driving change initiatives and organisational development with this focus. Agnefjäll argues that IKEA has a core responsibility and opportunity to make a positive difference to people and to continue to invest in the company’s commitment to

create a better life for people and the planet. Hence, IKEA has been aiming to transform their business and have their voice heard on critical issues such as climate change and sustainability (IKEA, 2015).

In the following section, I discuss the policies and practices of IKEA global and explore the extent to which the company is a leader in sustainability practices and CSR, and in embedding these strategies in their workforce planning and investing in processes, products and services needed for a sustainable future.

The IKEA Group Sustainability Report FY2016 (IKEA, 2016a) states that IKEA aims to be the leader in renewable energy by 2020. It has made long-term investments and new commitments to invest EUR 2.1 billion in renewable energy, including building on the EUR 1.5 billion invested in wind and solar since 2009. A further EUR 400 million from the Foundation has been invested to support communities most impacted by climate change. The company has established more sustainable sources for their materials such as cotton and wood. For example, 61 percent of their wood came from more sustainable sources in the Financial Year 2016, and they are aiming for 100 percent by 2020.

IKEA has a very important role to play in driving sustainability and CSR. One of its key drivers is innovation, which forms an integral part of their business strategy. This is guided by the innovation principle of ‘democratic design’, which incorporates well designed, functional, good quality and affordable products that improve people’s everyday lives. Lardere (2009) argues,

The most important reason why the role of business is so important for sustainable development is because business is much a part of the solution as a part of the problem. Sometimes, the role of business may even be the determining factor. (p.3)

4.4 Activity systems at IKEA

Engeström's (1987) Cultural Historical Activity Theory (CHAT) framework (see Figure 2.7, p. 62) provides a way to analyse and make sense of how companies develop sustainability and is utilised in this section to discuss IKEA's activity systems. As I explain in this chapter, IKEA, as the 'subject', has been transformed through its connection to the 'object' of developing effective sustainability practices and CSR (Engeström, 1987) to achieve the outcome of growing IKEA's emphasis on their sustainability strategy, "People & Planet Positive" (IKEA, 2016a, p.9). IKEA's involvement in the sustainability journey was driven by the founder's own personal visions and valuing of sustainability. Later, the first formal environmental policy was implemented in 1991 in view of the environmental impact of IKEA's activities. Since then, IKEA focuses on collaboration with external stakeholders to develop their environment and CSR policies. In 2004, IKEA ensured their alignment with the United Nations (UN)'s Sustainable Development Goals. IKEA also joined the United Nations Global Compact (UNGC) in 2004 (IKEA, 2004), the 21st annual Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) in 2015 and contributes to Global Reporting Initiative (GRI), which had become an enduring 'tool' (Engeström, 1987) within the culture of IKEA.

Besides the United Nations Sustainable Development goals, IKEA develops their own 'rules' such as the IKEA way (IWAY) which provides guidance on the procedures and the right things to do as well as establishing collaboration with various NGOs like World Wide Fund For Nature (WWF), The United Nations Children's Emergency Fund (UNICEF), Save the Children (an international non-governmental organization) and becoming a member of various business networks, including Business for Social Responsibility, Respect Table Network (RTN) and Forest Stewardship Council® (FSC®), to take meaningful steps toward sustainability and CSR journey. IKEA identifies that internal and external stakeholders such as customers, senior management, employees, suppliers, NGOs, business networks, government bodies and etc across their value chain are important as they contribute significantly to the sustainability practices and CSR.

As Gitsham (2011) argues, there is a need 'to be aware of and respond to the evolving realities of organizational practices, and... business leaders are a key stakeholder group for management education' (p.502). Hence, with the right attitudes and commitment from IKEA's senior management, the global and local 'community' are able to obtain benefits from the initiatives

through donations or efforts to make the community a better environment for living. These could only be achieved through a ‘division of labor’ where efforts are put into the tasks which are shared within IKEA.

All components related to Engeström’s (1987) activity system are interconnected. As Figure 4.3 below demonstrates, IKEA’s policies and practices meet all dimensions of this model.

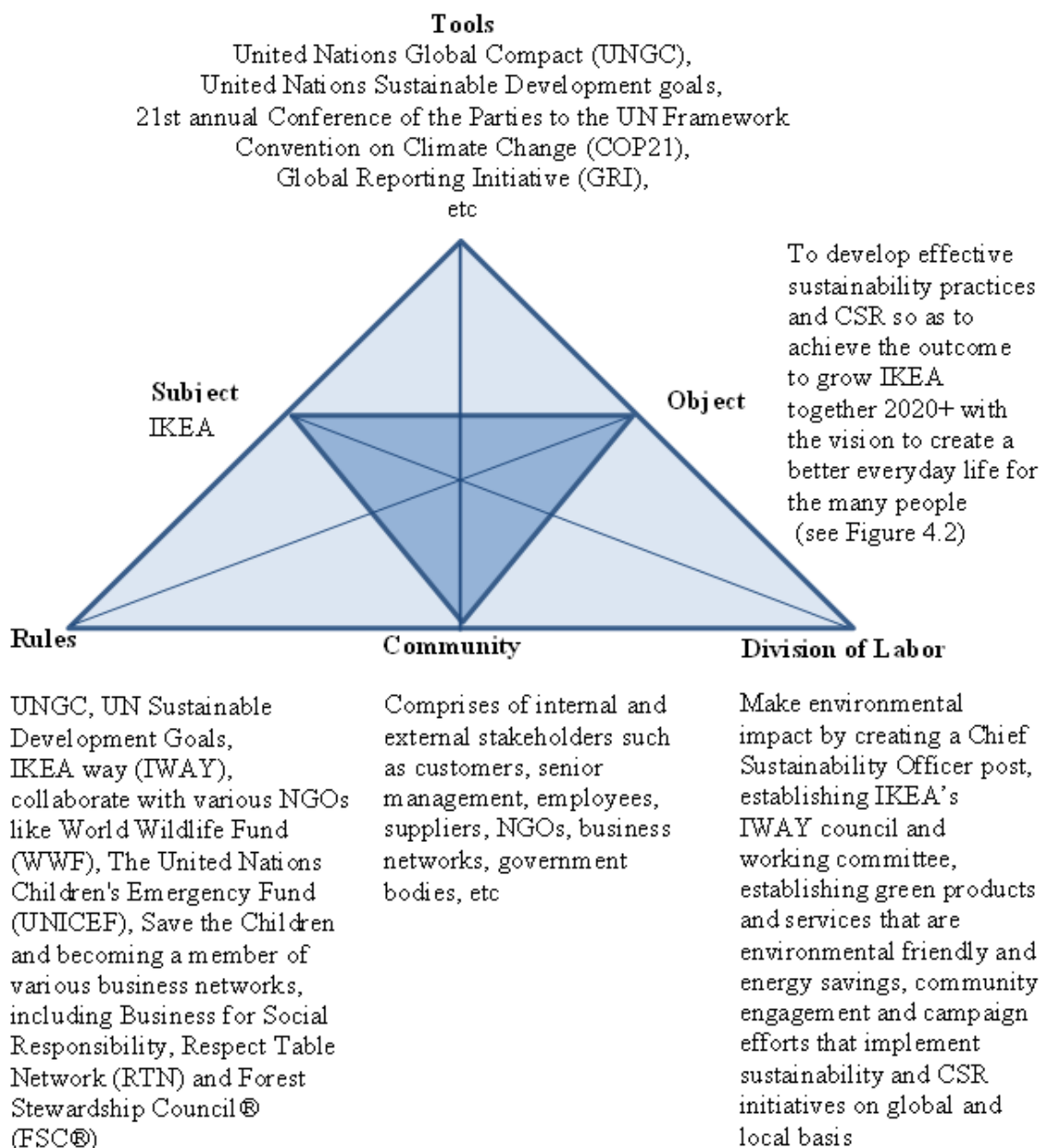


Figure 4.3 – IKEA's activity system (adapted from Engeström, 1987, p.78)

4.5 Cultural and historical factors that influence sustainability practices

In this section, I discuss the cultural and historical context of the company, since as Cebrián et al. (2013) and Engeström (2001) suggest, these factors can be pivotal in the successful development of organisational learning for sustainability. The post-2015 United Nations development agenda report also identifies ‘culture’ as being a driver and an enabler for sustainable development, with community-wide social, economic and environmental impacts (UNESCO, 2012).

Hamel et al. (1993) agree that culture can be ‘understood through the attentive observation of the behaviour of the actors in the society under study, and the rituals they share’ (p.3); a focus that is clearly important to IKEA globally. This is supported in the United Nations Educational, Scientific and Cultural Organization (UNESCO) (2012) publication that argues,

Cultural factors also influence lifestyles, individual behaviour, consumption patterns, values related to environmental stewardship, and our interaction with the natural environment.
(p.4)

The Chief Sustainability Officer of IKEA Group, Steve Howard said,

We are making good progress against the commitments in our People, Planet Positive strategy, but we have a lot more to do. We must build on our successes and continue to develop a culture that inspires us to hit every target. (IKEA, 2016a, p.7)

I draw on cultural-historical activity theory initiated by Vygotsky (1978) and on the expansive learning at work model by Engeström (2001) (discussed in Chapter 2.13 see p.59-62) to discuss ‘the challenges and possibilities of inter-organizational learning’ (p.133). Engeström (2001) highlighted that ‘expansive learning activity produces culturally new patterns of activity. Expansive learning at work produces new forms of work activity’ (p.139). The summary of factors that Engeström (2001) emphasises shown in Figure 4.4 (see p.90) are based on five principles connected to my research. The expansive learning is based on the explanation in Figure 2.6 (see page 60). This relates to my research questions on the policies and practices IKEA is developing and implementing on sustainability and CSR, and how sustainability and CSR business practices reflect elements of organisational learning theory and practice.

	1.Activity system as the unit of analysis	2.Multi-voicedness	3.Historicity	4.Contradictions	5.Expansive cycles
Who are learning?	Interconnected activity on supply chain, Senior managers, co-workers, customers, etc	Voices of stakeholders ie. Internal within IKEA, External, eg government and NGOs			
Why do they learn? (about sustainability)			Historically increasing pressures from stakeholders' demands and commitment of the company	Concern whether the investment on environmental sustainability will result in profit (Triple bottom line)	
What do they learn?	Proactively seeks to anticipate stakeholders' demands on the environmental sustainability and Corporate Social Responsibility		Historically merging the co-existence of old and new thinking; continuously assess and challenge the social and environmental measures implemented by IKEA	Arising from the concern above, IKEA seeks new collaboration with various external stakeholders	Expansion in transforming sustainability policy into an efficient plan of action with concrete business practices (ie. large-scale testing of products & new requirements for suppliers, Democratic Design)
How do they learn?	Established relationships with various NGOs (example – World Wildlife Fund – WWF) to gain knowledge about the developments in the CSR field and facilitate its CSR commitment	Dialogue between IKEA and stakeholders (ie. media, NGOs)	Integrates CSR objectives in making products that will have minimum impact on the environment and manufacture them in a socially responsible way (Maon, et al. (2011) into its management philosophy and business operations systematically	Contradictions converted from previous resistance due to cost effectiveness to brand IKEA as completely sustainable in environmental and social responsibility Maon (2007)	Learning actions from questioning, analysis, testing, implementing and action reviews (ie. The IKEA Way – IWAY)

Figure 4.4 – Matrix analysis of IKEA's 'expansive learning' (Engeström, 2001)

Since being founded in 1943, IKEA has worked actively to improve sustainability practices in line with Engeström's (2001) 'expansive way'. Given increasing pressures from various stakeholders including internal, external and NGOs, to redress the negative impacts it had at times in the past on social and environment aspects, such as child labour and forestry, the company realised there was a need to respond to stakeholders' demands. One outcome has been the development of new ways of establishing a supply chain with external parties' involvement. This led to the creation of the IWAY. This helped to transform their environmental policy into an efficient plan of action with concrete business practices. IKEA continues to establish new relationships and conduct dialogue with stakeholders so that partnerships with suppliers and business are integrated as the core of IKEA's sustainability and CSR goals. This is supported by Kiefer (2013) who said that,

The sense of corporate social responsibility is in accordance with its corporate culture, and it does not stop at the supply chain, factory door, social issues and environmental protection; [IKEA] is very much involved in community development and keeps an active dialogue with various stakeholders. (p.1)

However, Maon, Swaen and Lindgreen (2007) reported that,

... at the beginning of the 1980s, a high proportion of poisonous substances were found in [IKEA products, so the] management established large-scale testing of its products and introduced new requirements for its suppliers. (p.13)

This problem, as well as other negative publicity and pressures about environmental and social situations that could have damaged the IKEA brand, meant that the company reacted quickly to avoid their image and reputation being challenged. In the 1990s, they also put plans in place to 'step up on their CSR practices to be connected to sustainability' (Maon et al., 2007, p.10). Their first environmental policy began in 1991. New thinking was introduced to integrate CSR objectives more systematically into management philosophy and business operations and IKEA began to react to social demands from public regulators, media, unions and NGOs that their products should be sustainable and socially responsible.

At the beginning of the 1990s, IKEA continuously anticipated stakeholders' demands by transforming their environmental policy into an efficient plan of action for their business practices through organisational learning. This reflects Sterling's (2001) view that a focus on sustainability must include 'a critically important "learning about learning" process and one which will directly affect the chances of a more sustainable future for all' (p.2). IKEA developed partnerships and collaborations with external stakeholders including the United Nations Children's Emergency Fund (UNICEF) in 1998, the World Wide Fund for Nature (WWF) in 2002, and Save the Children in 2003 - 2004. IKEA also became a member of various business networks, including Business for Social Responsibility and the Global Compact, to take meaningful steps toward sustainability.

4.5.1 IKEA's environmental collaboration and practices

At the beginning of 2000, IKEA made a donation of more than US\$2.5 million to help launch Global Forest Watch, a project of the World Resource Institute, with the objective of mapping intact natural forests. [Greenpeace]. In the 1990s, collaborations on the elaboration of a chlorine-free paper catalogue, reducing PVC in products, and an agreement obtained regarding responsible forestry represented several significant steps in developing the dialogue between both organizations. (Maon et al., 2007, p.14)

IKEA management continuously source for sustainable resources, such as sustainable wood to create wooden tables. The focus is to avoid destroying forestry and reduce harm to the environment. Therefore, IKEA constantly thinks about the right way to do it, from the raw materials to the delivery of the wooden table to the customers (see Figure 4.5). All these efforts required the transformation of employees' behaviour and commitment to sustainable actions and the generation of a culture focused on sustainability in the company.



Figure 4.5 – IKEA’s poster in all stores demonstrating commitment to environmental concern (Hartman Group, 2017)

IKEA now sets clear standards for all wood used in their products which include a ban on illegal logged wood. They partner with World Wide Fund (WWF) and the Forest Stewardship Council® (FSC®) so that more timber comes from well-managed forests to meet customers’ demands. IKEA targets ensured that higher percentages of their wood were supplied by FSC® or recycled sources by 2017. This is further evidence of Engeström’s (2001) notions of the importance of organisations building new activity systems, solving contradictions and building ‘expansive learning’ through the concept of four questions,

... (1) Who are the subjects of learning, how are they defined and located? (2) Why do they learn, what makes them make the effort? (3) What do they learn, what are the contents and outcomes of learning? And, (4) How do they learn, what are the key actions or processes of learning? (Engeström, 2001, p. 133)

4.5.2 IKEA's social and humanitarian collaboration practices

IKEA's social and humanitarian collaboration practices provide a further example of how leaders have ensured the development of expansive learning consistent with Engeström's (2001) model. Engeström (2001) argues that contradictions can block learning and activity. In 1998, IKEA was engaged in a partnership with United Nations Children's Emergency Fund (UNICEF) to prevent child labour and support families in their fight against poverty. The work involved 650 villages in Uttar Pradesh in northern India.

It reflects on the expansive learning by Engeström (2001) where employees learn about the sustainability policies that translate into concrete business practices. Research by Maon et al. (2007) demonstrated examples of how IKEA developed cause-related marketing that involved all IKEA stores to finance child-related programmes in Africa, allowed learning more about child labour practices and its implications through Save the Children as well as signing an agreement with the International Federation of Building and Wood Workers (IFBWW) in 1998 on working conditions and rights of the workers which applies and effects on IKEA's code of conduct.

4.5.3 IKEA's international business practices and collaborations

In this section, I provide discussion of how IKEA continues to further develop expansive learning consistent with Engeström's (2001) model by collaborating closely with Respect Table Network (RTN) and the United Nations Global Compact in 2001 as the external stakeholders to resolve sustainability issues.

IKEA collaborates with RTN, which is an international program for industry leaders who actively encourages their collaborators and suppliers to reduce their waste emissions and energy consumption. It is a discussion platform on social and environmental themes that is defined as,

... a forum for corporate leaders who actively seek to create a new role for business governance in addressing common challenges and finding common solutions by linking the power of markets with universal principles for a more just and sustainable world. (Maon et al., 2007, p.13)

The United Nations Global Compact (UNGC) officially brings companies together to advance universal environmental and social principles. They work with United Nations agencies, labour, civil society, and governments with the aim to foster a more sustainable and inclusive world economy. Besides the UNGC, IKEA also collaborates with Business for Social Responsibility (BSR), a global organisation to help member companies achieve success on initiatives that respect ethical values, people, communities, and the environment.

Global Compact corporate partners include Shell, BP, Nike, Novartis, Aventis, Bayer, BASF, and DaimlerChrysler ... BSR provides information, tools, training, and advisory services to make CSR an integral part of business operations and strategies. It includes participants such as Coca-Cola, BP, Chiquita, H&M, Wal-Mart, and McDonald's. (Maon et al., 2007, p.14)

Given the pressure from both internal and external stakeholders including customers, employees, unions, shareholders, governments, NGOs, business partners and media, IKEA realised that they needed to demonstrate increasing concern for environmental and corporate social responsibility and committing to improving people's lives. Research by Andersen & Skjoett-Larsen (2009) found that many multinational companies define, develop and implement systems and procedures for their suppliers to comply with social and environmental standards, as a response to meeting their respective stakeholders' pressure and expectations.

4.6 Cultural and historical factors that influence CSR initiatives

CSR is led by the philanthropic arm of the IKEA Foundation. Kamprad, the founder of IKEA, set up this foundation in 1982 (IKEA, 2017h) with a strong focus on CSR initiatives that aligns with their vision for improving environmental and social conditions globally. In view of the contradictions shared in Figure 4.4 on IKEA's expansive learning by Engeström (2001), IKEA has been conscious of the Triple Bottom Line and changing activity to constantly think about how to improve peoples' daily lives. Although IKEA historically operated based on cost effectiveness, the organisation progressively added the elements of a focus on humanity and philanthropy to its operations, so that its guiding philosophy is to,

Create a better everyday life for the many people [...] and to continue to invest in our commitment to making a positive difference to people and the planet. [IKEA stated their ambition is to] become completely sustainable by transforming [their] business and raising [their] voice on critical issues such as climate change. (IKEA, 2015, p.5)

In summary, IKEA has responded to pressure from various external stakeholders who have played a key part in developing IKEA's CSR policies. As Quinn & Dalton (2009) suggest, external advisors often teach organizations about the principles of sustainability and how to incorporate them into operations, and in the IKEA case, they consulted and discussed with external stakeholders on how to find a sustainable way to resolve the issues. Historically, since the end of the 1980s, when policies were criticised by Non-Government Organisations (NGOs), IKEA responded. For example, IKEA came under scrutiny and intense criticism over environmentally related issues like packaging waste, use of child labour in the Asia region, working conditions in Eastern Europe and Asia, and wood procurement issues in Indonesia and Russia. IKEA then established relationships with various NGOs to gain knowledge about the developments in the CSR field and facilitate its CSR commitments internally and external through IKEA WAY (IWAY).

IKEA's policies and practices now demonstrate that it is no longer enough for companies to be solely concerned about increasing profits. The impact of the various stakeholders on the development of IKEA's CSR policies from 1981 onwards is shown in Figure 4.6 – 4.8.

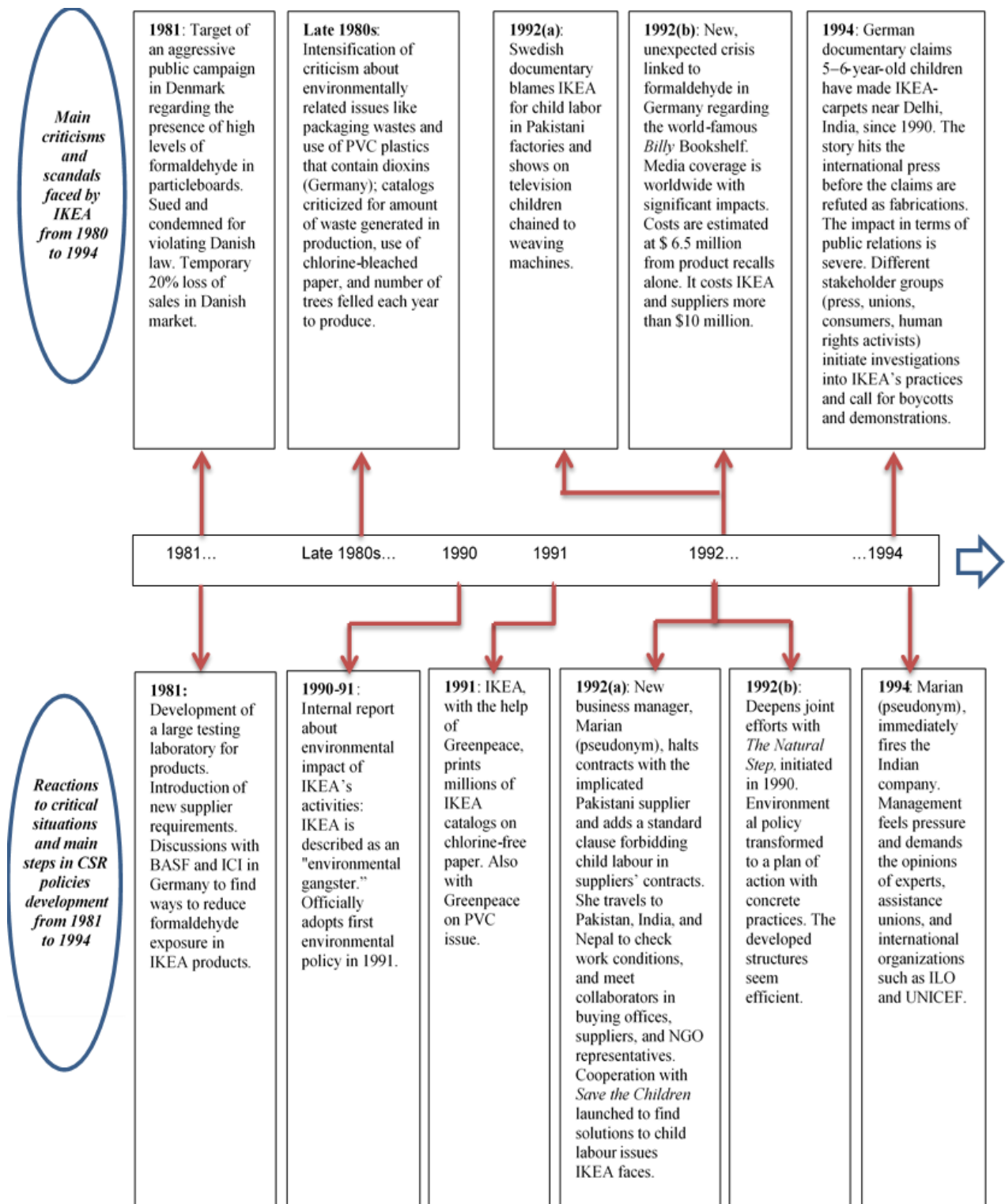


Figure 4.6 – External stakeholders' influence on the development of IKEA's CSR policies 1981-1994 (first code of conduct) (Maon et al., 2007, p.10)

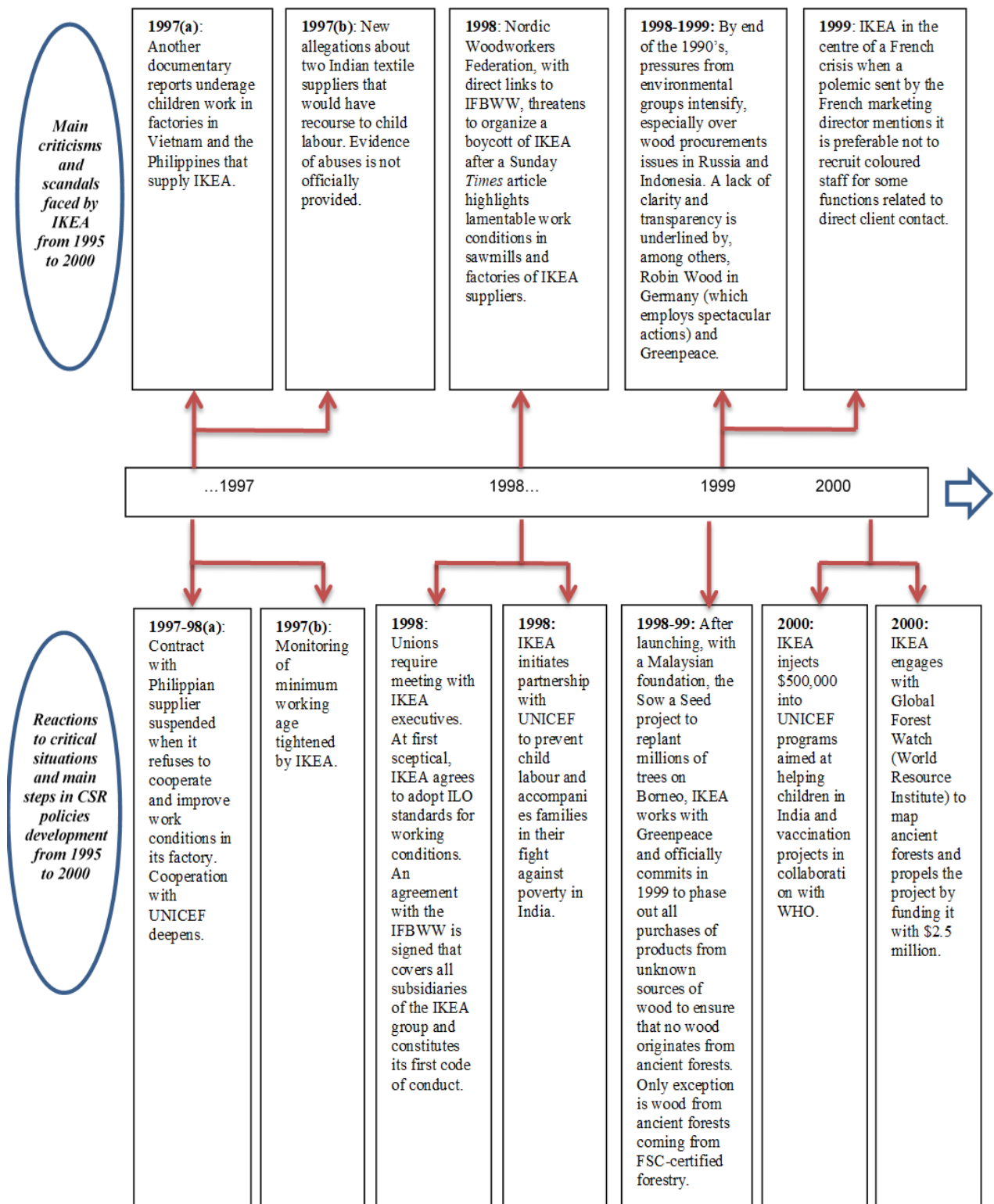


Figure 4.7 – External stakeholders' influence on the development of IKEA's CSR policies from 1995 to 2000 (Maon et al., 2007, p.11)

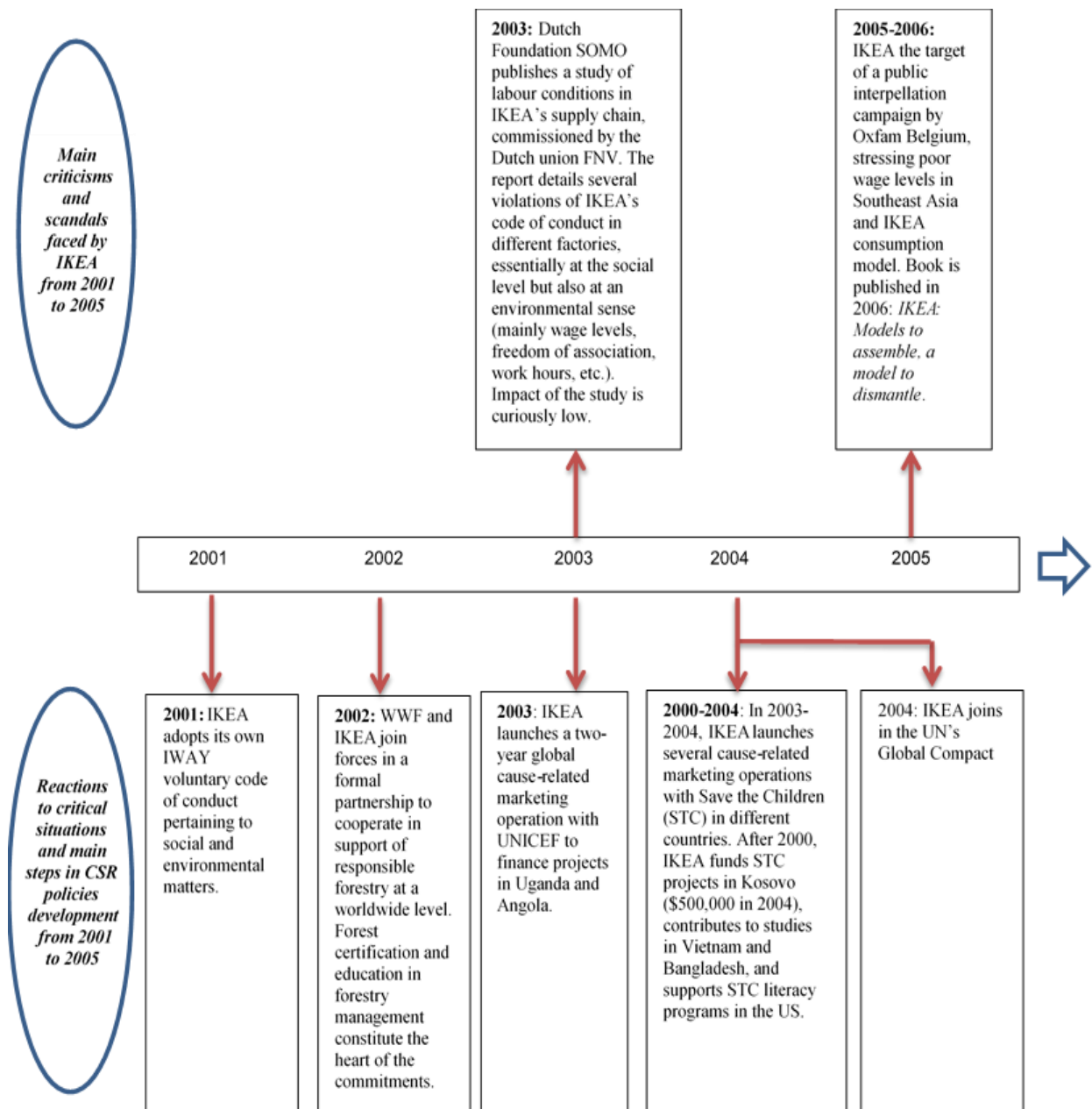


Figure 4.8 – External stakeholders' influence on the development of IKEA's CSR policies from 2001 to 2005 (Maon et al., 2007, p.11)

As Figure 4.8 shows, IKEA's policies, practices and activities have been changed substantially through engagement with external organisations. In 2000, for example, IKEA engaged with Global Forest Watch, a program of the World Resource Institute, to map ancient forests and supported the project by funding it with \$2.5 million. IKEA has also contributed substantial funds into United Nations Children's Emergency Fund (UNICEF) programs aimed at helping children in India and vaccination projects in collaboration with World Health Organization (WHO). Typically, companies will choose their own approach to systematise their CSR efforts through the employment of a corporate code of conduct. IKEA implements their CSR agreements and codes of conduct on purchasing products, materials and services in line with the IKEA Way – IWAY (see Figure 4.9 and 4.10). The IKEA WAY (IWAY) is a voluntary code of conduct pertaining to social and environmental matters that was developed in 2001. IKEA's local purchasing departments monitor the implementation of their CSR agreements and codes of conduct to determine whether the suppliers adhere to their requirements. Internal compliance and monitoring groups follow up with the developments on a global basis. This monitoring is verified by independent auditing companies, while IKEA continues to look for opportunities to support further economic, environmental and social developments in their supply chain (IKEA, 2015, p.61-62).

The code of conduct at IKEA includes a contract between IKEA and its suppliers involving,

Principles derived from local legislation and international conventions, standards, and principles, such as United Nation's Global Compact, the Global Sullivan Principles, Social Accountability 8000, ISO 14001, Global Reporting Initiative, and the ILO Declaration on Fundamental Principles and Rights at Work. (Andersen & Skjoett-Larsen, 2009, p.78)

Hence, for IWAY, it is a pre-condition for doing business with IKEA to comply with the minimum requirements on environment, social and working conditions. This helps to ensure that the suppliers share the same values as IKEA to create positive changes by understanding each other and working together. Both parties collaborate to maintain compliance on their agreement and seek greater opportunities on further economic, environmental and social development areas. The areas cover labour issues, business ethics, environmental, safety and health issues. IKEA established the IWAY council, which is a small group of people headed by the Group President and CEO. It tries to ensure that all suppliers will have a positive attitude towards environmental

IWAY COUNCIL
Includes IKEA Group President and CEO, Chief Sustainability Officer, Corporate Communications Manager, Range & Supply Manager. Responsible for all principal decisions regarding the IWAY Standard, related documents and goals.

IWAY COUNCIL WORKING COMMITTEE
Appointed by and supports the IWAY Council in operational questions related to the implementation and interpretation of IWAY. Role includes developing IWAY Standard and supporting material, providing clarity on interpreting the IWAY Standard and resolving disagreements on audit results, reviewing audit results, overseeing auditor training and approving IWAY Working Methods and documentation.

COMPLIANCE AND MONITORING GROUP
Independent from IKEA auditors and business units. Performs calibration audits*, supports training and development of IKEA auditors, ensures IKEA co-workers follow IWAY and sustainability standards, and reports sustainability compliance results to IWAY Council.

THIRD-PARTY AUDITORS
Drawn from external audit companies that are independent of IKEA. Verify IKEA audit results, conduct unannounced and calibration audit*, report results to Compliance and Monitoring Group.

IWEA SUPPLIERS
Implement and maintain the IWAY requirements at all units producing for IKEA and work to secure IWAY Musts at critical sub-suppliers

IWEA SUSTAINABILITY DEVELOPERS
Support implementation and understanding of IWAY at suppliers, carry out initial IWAY assessments and schedule future IWAY audits, support and monitor corrective actions, compile key performance indicators, train contract owners and purchasers.

REGIONAL / COUNTRY IWEA BUSINESS UNITS
Accountable for ensuring IWAY is fully implemented at suppliers under their responsibility, have regular contact and visits with suppliers to support understanding and meeting requirements.

SUSTAINABILITY COMPLIANCE AUDITORS
Conduct announced and unannounced IWAY audits of suppliers, review and follow-up action plans in the case of non-compliance, support suppliers in IWAY implementation.

Arrows signify the main lines of contact between the different

*Audits undertaken by the Compliance and Monitoring Group and the third-party companies to verify and assess the work done by IWAY auditors and business teams, ensuring a common implementation and judgement level.

Page | 102

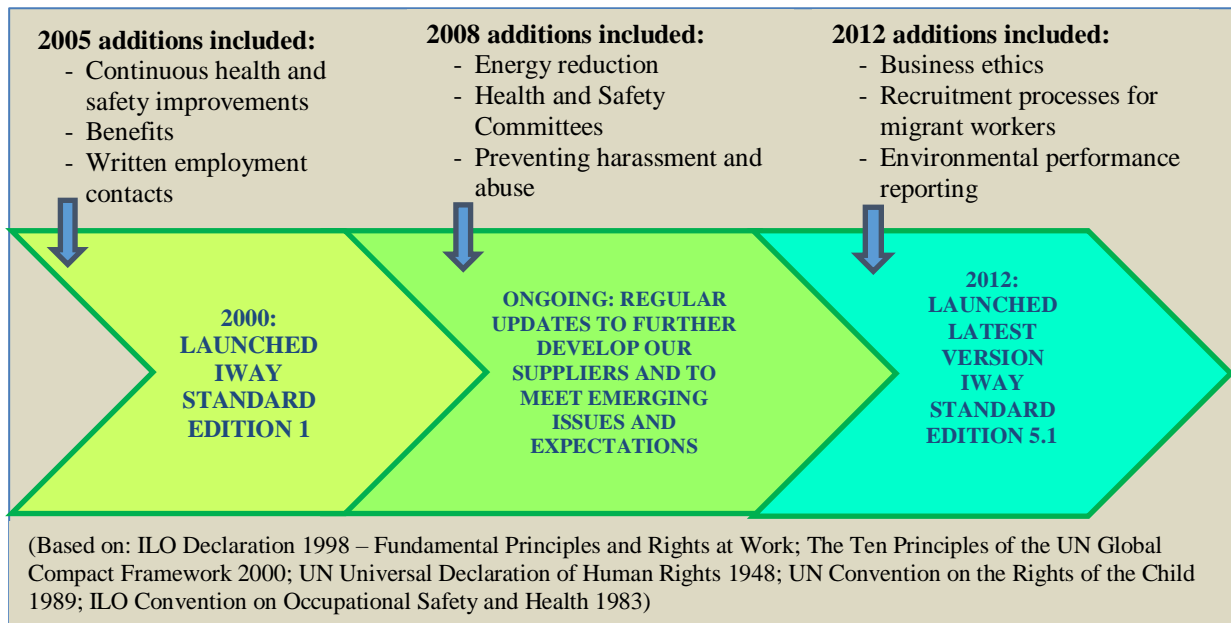


Figure 4.10 – Adapted from the IKEA WAY (IWAY) (IKEA, 2015, p.61)

In 2004, IKEA joined in the United Nations Global Compact. Since then, IKEA has been actively involved in many global CSR initiatives. Maon et al. (2007) shows that external stakeholders' perceptions and attitude toward IKEA's CSR policies were positive because of their CSR commitments and pro-activeness as a responsible corporate citizen. Extracts of the perceptions and attitudes are shown in Figure 4.11.

Stakeholder	Perception of IKEA's CSR Commitments	Perception of IKEA's CSR Communication	Attitude to IKEA
NGOs with formalized partnerships or collaboration with IKEA	Positive IKEA considered proactive BUT Too slow in implementation	- Positive - High perceived credibility BUT Too sporadic communication with the general public	- Supportive - IKEA considered a stellar organization BUT Still critical
Other NGOs that only sometimes have partnerships with IKEA	Relatively positive BUT - Too slow in implementation - Not enough involvement of stakeholders in the process	Lack of transparency BUT Too sporadic communication with the general public	Supportive BUT - Still critical - Sometimes skeptical

Figure 4.11 – External stakeholders' influence on the development of IKEA's CSR policies from 2001 to 2005 (Maon et al., 2007, p.18)

Since 2005, IKEA has been consistently finding ways to ensure that materials like wood, cotton, are produced in ways that are good for the environment and society. They go beyond their business needs and collaborate closely with suppliers and partners in their value chain to transform markets and protect resources for future generations to establish a product sustainability scorecard and put the scorecard into practice, investing in renewable energy and reducing their carbon footprint to tackle climate change such as the IWAY. As a result, CSR was recognised as a duty for the employees, through a top down approach to work towards realising the vision, so that,

Every co-worker is responsible for contributing towards our sustainability objectives and achieving our ambition of becoming people and planet positive (IKEA, 2016a, p.84)...
[have] social and environmental objectives as part of their formal job description. (IKEA, 2015, p.84)

According to Dahlvig (2012), IKEA has demonstrated a genuine conviction that all levels in the company 'believe the leaders when they say they are committed to improving society and the environment' (p.13). Commitment and beliefs play an important part in IKEA in defining their social and environmental work as a company and demonstrates a deep and long-lasting relationship with its customers, employees, stakeholder and suppliers. IKEA's CSR strategy thus involves carefully managing its CSR commitments in a strategic manner. Maon et al. (2007) found that,

[IKEA] uses appealing elements, such as family, cultural, and ethical values, to portray its CSR commitments... and demonstrate the importance of involving external stakeholders in the monitoring process, which indicates the organization is willing to change its CSR policies and signal its credibility to the outside world. (p.26 - 27)

With the company's CSR commitment, they have paid considerable attention to its relationships with World Wide Fund for Nature (WWF) and United Nations Children's Emergency Fund (UNICEF) which has resulted in successful partnerships and implementation of its CSR policies. This has influenced IKEA's direction, strategies and decisions on their sustainability practices, as well as their cultures and values. It is also a motivating force for the employees and for gaining respect from the society at large, and in contributing to a better society. For example, in Thailand, they worked closely with the Gates Foundation to benefit local women and children over the past few years. IKEA was able to showcase their effort and strengths in developing good sustainability model in the local community.

Since 2000, IKEA has developed long-term partnerships with child rights organisations to prevent and eliminate child labour in rural communities. The intent of these programmes is to create awareness and mobilize local communities around school enrolment as well as to improve quality education for both boys and girls to complete their schooling. They have also developed self-help groups for rural women, which enable them to enhance their economic, social and legal status by improving access to credit and reducing the debt burden.

IKEA launched global campaigns to support The United Nations Children's Emergency Fund (UNICEF) in 2005 and is a major donor for UNICEF. The company also partners with Save the Children, the United Nations Development Programme and others (see Figure 4.12). In the FY2014, the IKEA Foundation donated,

€104 million to projects that work to protect children from child labour, provide a better life for refugee children, and empower girls and women. 100 million children will benefit from current [IKEA] Foundation-funded programmes by FY15. (IKEA, 2014a, p.5)





Figure 4.12 – Posters at IKEA retail store demonstrating their commitment to CSR

IKEA Group developed a charity programme for employees called IWitness in 2012. The IKEA Group Sustainability Report FY2016 said that, *IWitness is a partnership programme between IKEA Foundation and IKEA Group. It provides an opportunity for IKEA Group co-workers to visit IKEA Foundation projects around the world* (IKEA, 2016a, p.76). It has involved 373 co-workers from 34 countries travelling on 59 trips across the globe to participate in the IWitness programme to visit schools and communities. IKEA aims to involve more than 500 co-workers from around the world in this program by 2020. The intent is to reach out to co-workers and influence them to have a positive impact for the communities. The aim is to create a long-term change through partnership with local organisations, customers and co-workers to improve the lives of the communities.

In 2015, IKEA,

Donated funds to 45 organizations globally, had supported 178 million children since 2009, celebrated 15 years of working in India, and added a new focus on climate change with a commitment of EUR 400 million through to 2020 to support communities most affected. The IKEA Group made a commitment of EUR 600 million for investments in renewable energy, combining to a total commitment of EUR 1 billion for action on climate change. (IKEA, 2015, p.78)

IKEA also focuses on strengthening the global partnership for sustainable development towards a lifelong learning opportunity for all employees by ensuring an inclusive and equitable quality education. IKEA expands its Child Protection Programme with Save the Children to ensure that children get a quality education, access to water and sanitation, and affordable, reliable, sustainable and modern energy. IKEA Foundation donated EUR 12.4 million to UNHCR as a result of the Brighter Lives for Refugees campaign and EUR 11.1 million for The Soft Toys for Education Campaign (IKEA, 2016a). The objective is to enhance the lives of refugees by providing solar lighting and education and to improve children's lives in some of the poorest countries.

In conclusion, I have demonstrated in this section that, through IKEA's shared vision and commitment towards CSR, senior management constantly find ways to work together with their stakeholders in implementing their CSR initiatives for the good of the environment and society. By identifying key gaps, the stakeholders are being influenced on the development of IKEA's CSR policies and practices.

4.7 Learning organisation and leadership initiatives towards sustainability and CSR

Cebrián et al. (2013) argue that for any learning organisation to succeed in advancing their sustainability agendas, effective leadership in the development of values and vision, policies and practices with this focus is essential. In this section, I discuss how IKEA global senior management has lead the integration of sustainability thinking and corporate social responsibility processes into their role-specific and generic skill and knowledge development in their company; consistent with Fullan & Scott's (2009) views on the importance of leadership in achieving change.

My review of company reports and documents provided evidence of leaders supporting sustainability initiatives in structured and varied ways. The Chief Sustainability Officer of the IKEA Group, Steve Howard said,

You need support from everyone across the business to make and achieve these kinds of big, bold commitments. And the results are exciting – we are making a positive difference and sustainability is becoming a natural part of our everyday work. (IKEA, 2015, p.6)

It's fantastic to see my fellow co-workers staying focused on keeping our sustainability promises while we transform the way we organise and run our business. (IKEA, 2016a, p.7)

Effective leadership has resulted in successful building of customer recycling centres globally and a strong commitment to increase the rate of renewable energy source use. Leaders also ensure that employees manage their own professional learning and development as they work towards reducing energy and water usage with clearly defined targets.

Senge, Smith, Kruschwitz, Laur and Schley (2008) argues that there are critical factors involved in achieving change in organisational initiatives. One approach to this is summarised in Figure 4.13 which depicts successful shifts by organisations in creating positive change snowballs through the collective self-reinforcement of change by each individual. This can influence the rest of the employees within business units, by demonstrating to them what is possible. An example of this is using more cotton and wood from sustainable sources (IKEA, 2016b).

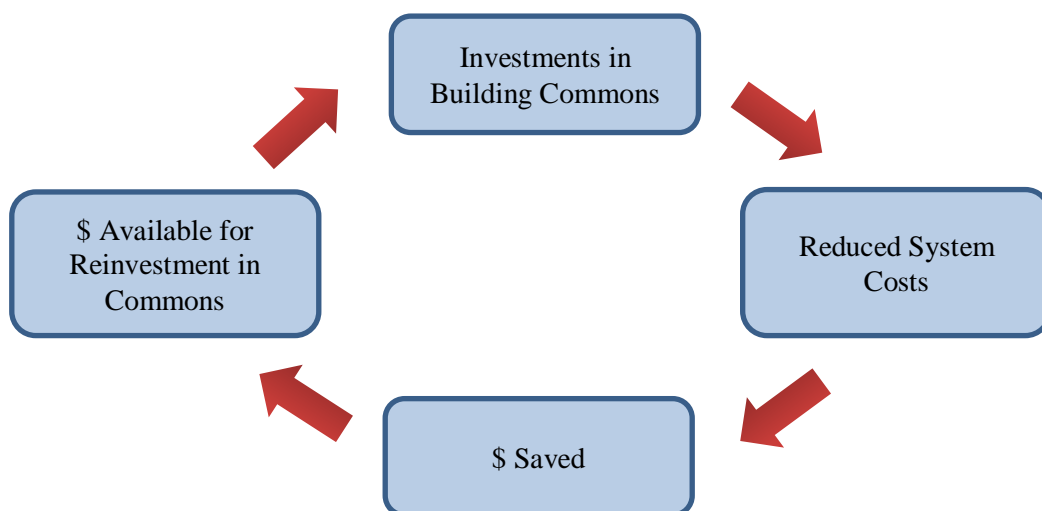


Figure 4.13 – Harnessing the “Snowball Effect” of Cost Savings and Reinvestment (Senge et al., 2008, p.203)

IKEA creates positive snowball effects through their choice to innovate and produce more sustainable products, processes and services, which, in turn, demonstrate thinking differently. The effects can multiply to the rest of the business units and eventually the entire IKEA. Commenting on positive change snowballs, President and CEO of IKEA Group, Howard said,

In FY15 we achieved our target to source all of our cotton from more sustainable sources. [See Figure 4.14] This means that the farmers supplying cotton use less water, chemical fertilizers and pesticides, while increasing their profits. And we have converted our entire lighting range to energy saving LED - a product that uses up to 85% less energy, offers better functionality, and saves customers money. (IKEA, 2015, p.5)



Figure 4.14 – IKEA’s poster demonstrating commitment to environmental concerns

This has resulted in a positive effect on the change and benefited the stakeholders. Senge et al. (2008) argue that,

Companies often begin by developing an ‘internal commons’ across the organisation, using it to reduce their environmental footprint, realise cost savings, or develop new products (p.201) ... by reinvesting the benefits from successful initiatives to better manage commons, a virtuous cycle of improvement can ensue: Cost savings become investment capital for further building the commons, reducing system costs still further. (p.203)

IKEA develops the ‘commons’ through what they call, ‘The IKEA Way’ (IWAY) as an investment in building environmental sustainability to achieve the triple bottom line. They establish a strong commitment from their employees to focus on sustainability targets and re-invest a majority of profits in the existing and new IKEA stores, as well as in sustainable solutions, product development and by continuously lowering prices for the customers. This creates the ‘snowball effect’ for sustainable growth as shown in Figure 4.15 below.

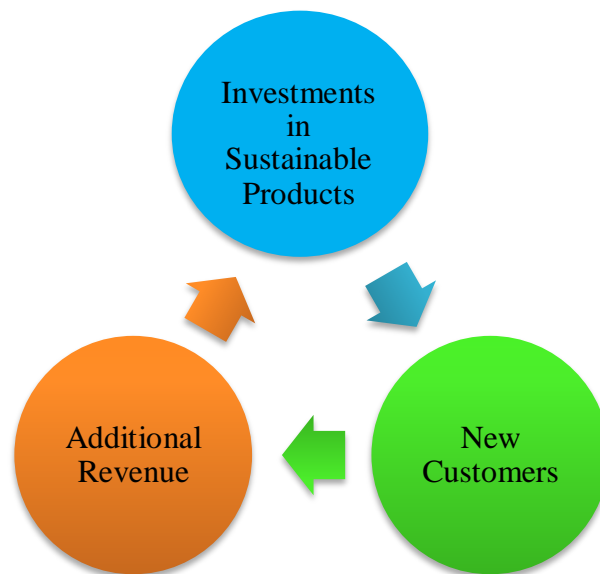


Figure 4.15 – Harnessing the Reinforcing “Snowball Effect” for Sustainable Growth (Senge et al., 2008, p.203)

Through IKEA’s leadership, the organisation continues to learn from their stakeholders and proactively engage with their customers, suppliers, NGOs and other business to gain feedback on their sustainability direction and performance. Examples such as an extensive stakeholder mapping exercise in FY15 to identify the most critical people and organisations to engage with at a local level. And in FY16, IKEA conducted a stakeholder engagement forum in Sweden with more than 80 leaders from policy and NGOs and held a stakeholder roundtable event to discuss, obtain feedback and receive valuable insights from the participants. These are good learning platforms to further improve and develop their sustainability initiatives.

4.8 IKEA's global sustainability practices

As documented in annual reports over the past few years, IKEA now provides demonstrated evidence of its commitment to align and integrate its own practices, operations and corporate direction with sustainability agendas. At the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) summit in Paris in December 2015, IKEA spoke about moving towards a low-carbon economy which is critical for the planet and communities. Based on the Group Sustainability Report FY2016 (IKEA, 2016a), they set 17 sustainable development goals in 2015 to tackle climate change by 2030. Examples include reducing waste, increasing the amount of recycling and encouraging customers to recycle through awareness raising, products and solutions. The objective is also to produce more renewable energy and improve energy efficiency by creating more sustainable products and solutions to enable our customers to live a more sustainable life at home. Peter Agnefjäll, President and CEO of IKEA Group said

We helped establish We Mean Business, a coalition of organisations calling for action on climate change, and RE100 [Renewable Energy 100], a group of businesses committed to using renewable energy. (IKEA, 2016a, p.13)

In 2014, IKEA won a UK the Sustainability Green Award, the Guardian Sustainable Business Award in 2015 (The Guardian, 2015) and 2016 (The Guardian, 2016) and the BusinessGreen Leaders Awards' Company of the Year in 2017 (BusinessGreen, 2017) that showcases businesses that shine and achieve for people, planet and profit. The company website claims that,

For a long time, we have been making more from less; it's part of our heritage. We're also busy turning waste into resources, sourcing food and materials in a responsible way and protecting natural resources. And because we want to become energy independent, we're making the switch to renewable energy.

Many improvements in IKEA's global achievements in their sustainability practices have been made, including, for example, developing energy saving products such as LED (light emitting diodes) lighting. Customer purchases of these sustainability products show that this has been successful. By making the products more efficient and sustainable, IKEA provides customers with better options to understand and manage their energy use. The analysts in the consulting company,

Frost and Sullivan state that ‘LEDs are a greener alternative but the key challenge lies in providing quality assurance at a reasonable price’ (Ng, 2011, p.9).

However, research has shown that LEDs are much more expensive than traditional bulbs that ‘costs around £25 for an equivalent 100w compared to around £1 for an incandescent bulb’ (Krazycos, 2017) although the returns of consuming LED deemed to be a better investment in the long-run due to the consumption of little energy. The Chief Sustainability Officer of the IKEA Group, Steve Howard said,

[Shoppers experienced] *price tag shock* [with LEDs, but now their quality and cost had reached a tipping point, and the time was right for the switch]. *If it’s right for the customer, it’ll be right for Ikea. If you can produce a product that can last 25-30 times longer and save you 85% of the energy and have fantastic light quality, then that’s the right thing for the customer.* (Vaughan, 2015)

Another important criticism is about the concerns of prolonged, continuous exposure to LED light that may damage a person’s retinas (Krazycos, 2017). According to Schiller (2015), conventional LEDs have been criticized for being harmful to eye health as it produces a lot of blue light that could disrupt sleep patterns, as compared to organic LEDs that produce a warmer, less aggressive light. Hence, one of the global sustainability practices that IKEA may consider will be to replace the conventional LED with organic LED which is being considered a more sustainable option. Organic LED is,

...made with a layer of organic material sandwiched between two electrodes supplying an electric current. They can be very thin and flexible, making them more adaptable than a conventional bulb... [that] can be incorporated into everyday objects. (Schiller, 2015)

IKEA educates customers through magazines, store visits, their websites and constant communications with the customers. This encourages them to realise the potential environmental impact in reducing carbon emissions and monthly bills, which aligns to the vision of IKEA in providing a better everyday life. Below are some other key achievements extracted from the IKEA Group Sustainability Reports from Financial Year 2013 to 2016.

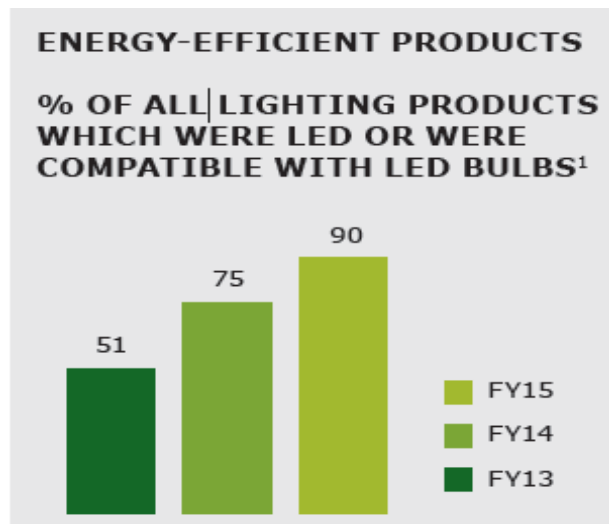
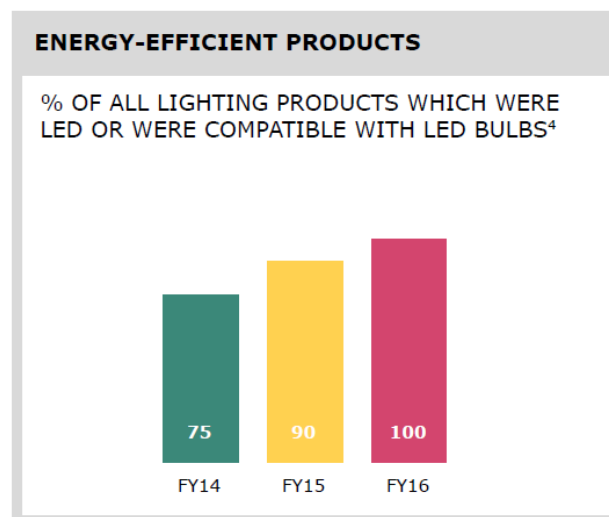


Figure 4.16a – IKEA’s Energy-efficient Products from FY13 to FY15 (IKEA, 2015, p.16)



⁴ By September 2015 our entire lighting range was LED or compatible with LED bulbs.

Figure 4.16b – IKEA’s Energy-efficient Products from FY14 to FY16 (IKEA, 2015, p.16)

Figure 4.16a and 4.16b show that 100 percent of all lighting products sold were LED or LED compatible in FY15 (see Figure 4.16b) as compared to 51 percent of all lighting products sold were LED or LED compatible in FY13 (see Figure 4.16a). These products use 85 percent less energy and last 20 times longer than traditional (incandescent) bulbs. By using less energy, greenhouse gas emissions are reduced. Hence, IKEA focuses on reducing costs (the company halved the price of one of the most popular LED bulbs, the 40W equivalent) so that more people can afford energy-efficient products and also saves the customers money on their energy bills.

Another example is 100 percent of cotton was obtained from more sustainable sources in FY16. IKEA recognises that more sustainable cotton production uses less water, chemical fertilisers and pesticides, and it increases profit margins for the farmers.

IKEA is continuing their journey to become a leader in creating a low-carbon society through an emphasis on the triple bottom line of social, environmental and economic sustainability. The company posted strong financial results over the financial years 2013-2016 that showed an increase in total sales to EUR 34.2 billion in FY2016, an increase of 19.2 percent from EUR 28.7 billion in the FY 2014, and a 5.9 percent increase from FY 2013 (IKEA, 2014a) in comparison with FY14. In accordance to the FY2015 Annual Report, IKEA aimed to,

Improve water efficiency by 20% in FY2017, and 30% in FY2020. Facility managers collect and share this data with country Sustainability managers, [who will transfer the data] to Group level through the Energy and Water Performance Year (p.44) ... The annual performance reports will showcase the progress at Group and country levels, as well as setting targets for the following year. By doing so, it enables greater learning and collaboration across the Group. (p.38)

Learning practices help employees to understand how the IWAY works through risk management and auditing to help employees learn how to deliver necessary changes successfully. Evaluation findings led to the IKEA Ethical Trade team from IKEA's Purchasing Office of South Asia and South-east Asia spending three days in 2015 with suppliers to discuss their problems, and develop possible solutions to improve practices, such as environmental and social performance across the supply chain.

Loeb (2012) states that while most designs of IKEA products are made in Sweden, manufacturing has been outsourced to China and other Asian countries. There was an incident of recalling its Malm line drawers in 2017 where IKEA China was accused of applying double standards in the United States and Canada but not China (Shine, 2017). However, IKEA countered this criticism by saying that,

Its furniture sold in China meets the country's quality standard [and there was] a notice advising buyers to secure the furniture to a wall to ensure safety... Ikea China said it had

been issuing wall anchoring kits in its dresser products for over a decade and included the need to secure the dressers in its product assembly instructions. (Shine, 2017)

Criticism was made by an IKEA customer that ‘safety is the priority and IKEA should apply the same practice any place to ensure safety’ (Shine, 2017).

Although 22% of the IKEA range is produced in China, IKEA works closely with the suppliers to ensure product quality through a product risk assessment made during the development of products. In addition, there are tests and follow-ups according to IKEA’s requirements and international standards/legislation to ensure that products are always safe to use and sustainable. IKEA believe that, it is possible to produce safe high quality products with low prices in China (IKEA, 2018). Instead of focusing manufacturing in China, there are imports from countries in South East Asia like Malaysia, Vietnam, Indonesia and Myanmar instead from China (Rivoira, Chan, Martin and Röschter, 2016). Bill Martin, who worked in IKEA (2003-2015) shared that, *The only items manufactured there are things like rattan furniture and bamboo products. IKEA will soon be doing a lot of manufacturing in the United States to eliminate supply chain issues and reduce the environmental impact of transporting products around the world.* (Rivoira et al., 2016)

Based on the need to continuously achieve economic sustainability in their business as well as their broader agenda for sustainability, IKEA continues to optimise their entire value chain and implementation of broader vision and values from the accessing and use of raw materials, to production, retailing and after-sales service. This is consistent with Senge’s (1990) argument regarding the importance of businesses having systems in place and Cebrián et al’s. (2013) view that for sustainability to be achieved, a whole model of organisation needs to be in place. IKEA continues to set their sights on transforming their business and having a positive impact on people and the planet by combating climate change, conserving natural resources and focusing on both sustainability practices and CSR.

4.9 Chapter conclusion

Through this discussion of IKEA in the global context and the cultural, historical, leadership and other factors that have been influential, it is clear that the company has come a long way in the development of their focus on sustainability and CSR. In response to their internal and external stakeholders' expectations and requirements, IKEA has changed their business practices to ensure a multi-layered focus on sustainability. The senior management have demonstrated that they are focused on sustainability being at the heart of the business and a shared vision for IKEA. They have created policies and activity systems that are linked to global sustainability initiatives in multiple ways. With the clear, explicit, and widely shared practices they have developed, the company has a clear understanding of what constitutes progress, for example, through their “Snowball Effect” of Cost Savings and Reinvestment (Senge et al., 2008).

Arising from external stakeholders' feedback, IKEA has developed competencies where they are quick to anticipate demands and to respond through close collaboration with many organisations, including, for instance, joining the United Nations Global Compact to improve on their progress in sustainability and CSR. Thus, the IKEA strategy involves carefully managing its sustainability and CSR commitments in a strategic manner. They have demonstrated how to move from being reactive to proactive in developing sustainability and CSR, and they clearly reflect policies and practices in line with Cebrien et al's. (2013) framework for being a learning organisation with a focus on sustainability.

CHAPTER 5 IKEA SINGAPORE – VISION, VALUES AND LEADERSHIP OF SUSTAINABILITY

5.1 Introduction

We [are] supposed to be a leader when we come to home furnishing. We [are] supposed to be the market leader when we come to business volume. We [are] supposed to be leader when it comes to brand. We should be a leader when it comes to sustainability. It is part of our responsibility. Therefore, we need an organisation to support it, so we started by creating a sustainability role. (Jason (pseudonym), Sustainability and Communication Director for IKEA Southeast Asia, 2012)

In chapter 4, I discussed the policies, attitudes and commitment of senior IKEA management in the global context, as well as the company's vision and values, cultural and historical factors leading to CSR and sustainability practices. I drew on different theoretical frameworks to better understand how organisational change and leadership processes can improve sustainability in businesses. In this chapter, I continue to draw on the work of Cebrián et al. (2013) for my case study of IKEA in Singapore as a framework for analysis of senior leaders' attitudes and practices in relation to organisational learning for embedding sustainability within businesses. Sterling (2004) agrees that this involves the whole organisation, the ability of its members to critically reflect and challenge existing worldviews, as well as values and beliefs to learn and develop new insights and ways of understanding and doing business. In line with Cebrián et al's. (2013) views, my study of embedding sustainability in businesses includes discussion of the senior leaders' views on the social, cultural, economic and environmental dimensions of sustainability practices in the company, and the activities of the business and its operations.

My interviews and data collection investigated the extent to which learning did lead managers and employees to 'rethink existing practices and worldviews, from individuals within the organisation, that lead to community learning, that in turn lead to organisational learning' (Cebrián et al., 2013, p.286) and most importantly, then impact on the practices that the company has introduced to further implement their sustainability and CSR goals.

The development challenge [Singapore] faces today is to meet the demands of a growing and increasingly urbanised population, while developing resiliency and sustainability, and reducing dependency on fossil fuels... For Singapore, it would seem that, through its governance and efforts from both the public and private sectors, it is already pulling out all the stops to prepare for a brave, new, resilient and sustainable future. (Tan, 2017, p.A40)

IKEA Singapore was selected for my case study as there was evidence of a strong focus on the elements of sustainability and CSR in the public domain in the global and local context. IKEA started their operations in Singapore when its first store opened in 1978. For more than 38 years, IKEA has grown its operations to include two stores located in Alexandra and Tampines. IKEA stores in Singapore, Thailand and Malaysia are owned by IKEA Retail Asia and they are the only franchisees owned by the family of the IKEA founder. Their business focus is to provide a wide range of well-designed, functional home furnishing products at a low price so that many people are able to afford them. Although IKEA Singapore is a franchisee business, my study has found that it adopts a similar vision, values and culture as the global IKEA Group in optimising the entire value chain by building long-term supplier relationships, and investing in highly automated production to achieve quality at affordable prices for their customers. Their vision that goes beyond home furnishing to create a better life for all people is discussed through analysis of data in this chapter.

In IKEA Singapore, senior leaders Ethan (pseudonym), the Chief Executive Officer (CEO), Jason (pseudonym), Sustainability and Communication Director for IKEA Southeast Asia and Samantha (pseudonym), the Head of Sustainability, all agreed to participate in the e-Survey and subsequently to be interviewed for my study.

My interview with Ethan demonstrated his very positive attitude to discussing IKEA's sustainability journey and a commitment to leading the company in these endeavours. Ethan is a European man who works for IKEA for more than 16 years, including 12 years in the headquarters in Europe. Throughout the interview, it was evident that he is a strategic thinker, but is also humble about the company's achievements. He continues to strive for improvement in achieving sustainability and CSR in the company's policies and practices. He said,

There is still way for us to go in order really to be proud of our selves on [sustainability] matter. We have started the journey now in a very structured way and I am expecting that we in only a few years can say that we are really proud of where we are.

The Sustainability and Communication Director for IKEA Southeast Asia (including Singapore), Jason (pseudonym) is also European and has been working at IKEA for more than 7 years in leading sustainability across South East Asia. His role is to champion sustainability initiatives, strategies, plan and drive sustainability practices as well as develop training materials to ensure that IKEA achieves its sustainability goals, including ‘100% sustainability training with all our co-workers in the region for all business units’.

The Head of Sustainability, Samantha is a Singaporean who works in IKEA for about 4 years. Her main role is to ‘integrate sustainability practices, principles into everyday business [from infancy stage to] roll out sustainable strategies and initiatives for company’. She said,

The earlier part of my work within the company was to anchor sustainability and explain to people what it is that is important to a successful sustainability department as well as establishing good working relationship with the departments to implement sustainability initiatives.

The entrance to the IKEA offices immediately highlights a focus on sustainability with posters on the wall in the office foyer demonstrating the importance of sustainability practices (see Figure 5.1). In addition, environmentally friendly facilities provided to the public include electric charging for motorcycles and areas where the public can dispose light bulbs for recycling.



Figure 5.1 – IKEA’s sustainability poster

Inside the meeting room, other posters show how employees can participate in achieving sustainability goals such as switching off the lights when leaving the rooms, as well as being conscious of reducing paper wastage (see Figure 5.2).



Figure 5.2 – IKEA’s sustainability office poster

5.2 IKEA Singapore focus on sustainability and CSR

IKEA practices are developed in the context of a range of Singapore government initiatives. As part of the city's plan to develop sustainability and liveability to improve the quality of life and environmental sustainability, there are plans in the Sustainable Singapore Blueprint 2015 report by Ministry of Environment and Water Resources (MEWR) and Ministry of National Development (MND) (2014) to ‘reduce carbon emissions by 7% to 11% by 2020’ (p.48), and attain a ‘recycling rate of 70% by 2030’ (p.109). Jason shared that, while it is important for IKEA to drive internal change to meet the sustainability goals, they also look at the context of their policy and customise their needs by adopting initiatives led by the Singapore government.

IKEA management supports Singapore's Climate Action Plan [National Climate Change Secretariat (NCCS), 2016] as the key to the future in order to stay competitive and to implement corporate responsibility. Hence, IKEA needs to engage with the authority, institution and other companies in order to drive change towards achieving the sustainability goals. In order to do so, they feel that the responsibility lies with external parties as well as internal stakeholders. Their approach is consistent with Quinn & Dalton's (2009) research on businesses that argues,

Setting up the appropriate structure, effective and frequent communication, educating and informing, engaging stakeholders and organizations to walk their talk by implementing sustainability into their product offerings as well as the physical building of their offices and operations were introduced in the organization. (p.23)

As IKEA is an international brand, their policies focus on collaboration with governments, institutions or private-sector companies for their implementation of sustainability practices. While it is important for an organisation to drive internal change to meet sustainability goals, the organisation should also look into the context for their policies and respond to local government initiatives that suit their needs and shared vision. As Jason said,

If we want to drive real change and opinions, we should look at how we should influence consumers' everyday life and give them more sustainable solutions and also how we develop business... because we are international brand, people want to work with us whether it is government, institutions or private-sector companies as well.

An example of a positive force to drive change at IKEA is their action in creating awareness of energy saving LED bulbs in Singapore. IKEA informs people who buy or switch from using florescent bulbs to energy saving LED bulbs that this will consume less energy and be more environmental friendly. In order to create more awareness and instil change in consumer behaviours, IKEA already works with institutions and non-government organisations (NGOs) to communicate to customers the benefits of reducing energy. As customers become more aware, they will choose the best option in saving energy and lessening the impact to the environment. IKEA is educating its customers to replace traditional incandescent bulbs (see Figure 5.3). It shares information such as yearly average costs on the different types of low energy bulbs which will result in savings for the customers as well as reduce the environmental impact.

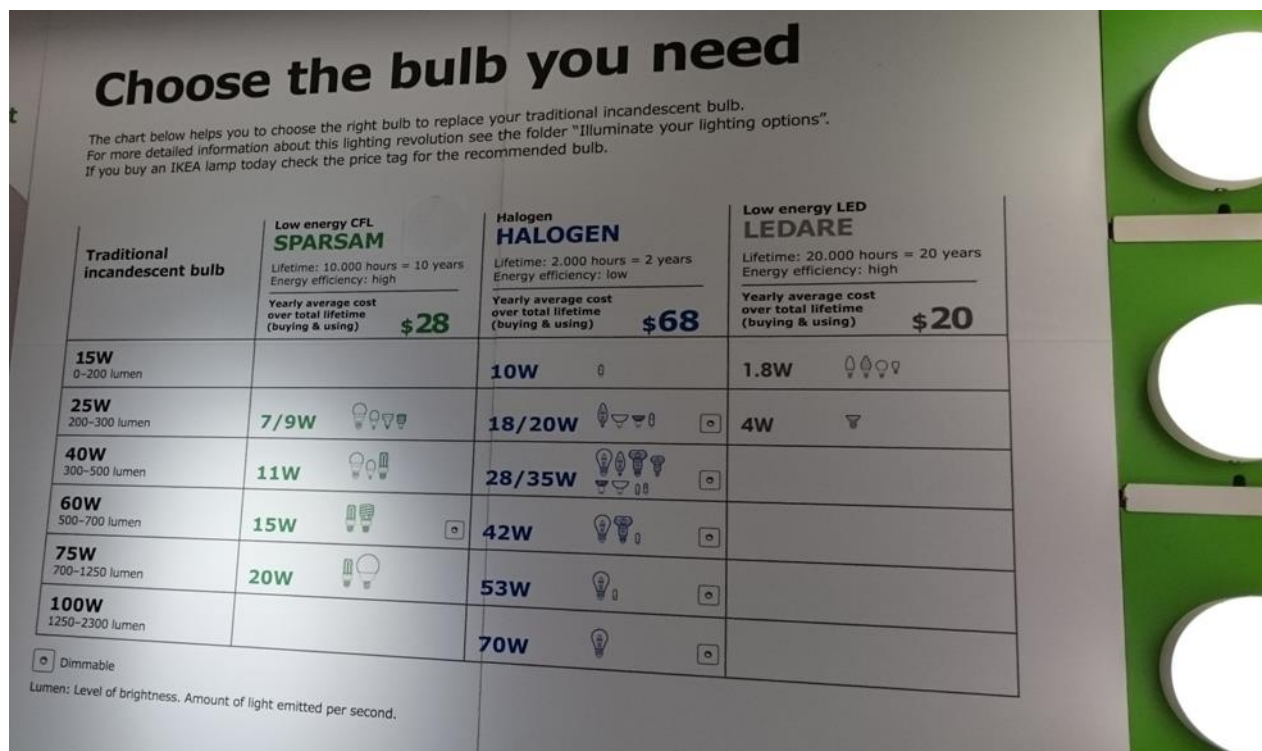


Figure 5.3 – IKEA’s poster on energy saving LED bulb

Ethan and Jason both agree that Singapore is a good example of improving sustainability through taking care of its waste management compared to Malaysia and Thailand. It is noted that there is no recycling hub in either Malaysia or Thailand whereas in Singapore, the National Environment Agency (NEA) and the Ministry of Environment and Water Resources (MEWR) make policies to incinerate waste. Support from the government is applauded to make it possible for the IKEA management to change their thinking and influences.

From the interview with Jason, it was clear that IKEA has strong interests in driving real change by looking at how they can influence their customers’ daily lives and offer more sustainable solutions to them. By doing so, there are also opportunities to develop their business. They look into the current capabilities of their resources and review how they can close the gaps in order to meet their goals (see Figure 5.4).



Figure 5.4 – IKEA’s lifetime guarantee bag demonstrating commitment to environmental concerns

As a leader in the retail furniture business, IKEA needs to align to global sustainability goals as well as doing as much as they can in the host country, for example, Singapore. In the interviews, IKEA leaders explained that the company needs to be aware of local government initiatives and practices; for example, IKEA met with the National Environment Agency (NEA) Singapore to share their objectives and implementation plan on eradicating plastic bags and being ‘the first retailer in Singapore to do so’ (Green Future Solutions, 2011). IKEA continues to push this to the public and also worked with the World Wide Fund (WWF) and Singapore Environmental Council (SEC) to create awareness and to obtain their support in Singapore.

With the support from the World Wide Fund for Nature (WWF) and SEC, they issued an independent statement supporting IKEA’s effort in their sustainability policy and practices. This allowed IKEA to gain local and global support. An example was the Earth Hour (see Figure 5.5) where IKEA challenged the community to show their support by switching off an hour of electricity. This initiative has become an annual global event where the local government and most of the companies eventually support it. IKEA collaborated with the Singapore Statutory Board, National Environment Agency (NEA) and various institutions to challenge the community to show their support by switching to LED bulbs and also to switch off an hour of electricity. The result of the initiative has been successful as it is well-supported in Singapore.



Figure 5.5 – IKEA’s collaboration with National Environment Agency (NEA) (2014)

Relationships with Singapore government bodies have continued to improve and IKEA was able to launch their customer recycling centre, with approval from NEA during Green Week in November, 2014. By having a better relationship, they were able to foster stronger collaboration with each other. Hence, Jason, IKEA’s Director of Sustainability, was invited by the Southwest Community Development Council (CDC) to join their green committee as a counsellor. The Southwest CDC is one of five CDCs set up in Singapore to aid in local administration of governmental policies and schemes. As such, IKEA is able to drive many green initiatives with the commitment from the CDC. An example is promoting the use of energy saving LED bulbs.

5.3 Cultural and historical factors impacting on IKEA Singapore

More than a decade ago, IKEA global shared their vision and values and stated that the company *...integrates social and environmental considerations into its daily operations so the products have minimum impact on the environment and [...] they manufacture them in a socially responsible way.* (IKEA, 2006, p. 2)

Cebrián et al. (2013) argue that cultural and historical factors are an important influence on an organisation's capacity to focus on sustainability. It is clear that the culture of IKEA Singapore is strongly influenced by its parent company. In all IKEA stores, employees are expected to continue pressing forward in educating customers on sustainability initiatives. The senior management acknowledge that it is difficult to change the culture for people to adopt green thinking and practices, but they recognise that they need to continue their efforts to convince customers and employees to focus on sustainability approaches through practical applications.

As Jason said,

... people are at different stages and there are mistakes made along the way. And work with sustainability is very much risk management. You need to take into account the legislative point of view, consumer point of view, and co-workers' point of view. If you are not dealing with this issue, it will come back to you sooner or later in full legislation... or if one of the products that you bring in has caused problems. So being transparent and building creditability also allows you to be looking in to proposals and preventing things like that happening.

While employees are encouraged to adopt green practices, the management understands that there will be different stages of engagement with sustainability. They understand there will be risks involved as employees will make mistakes on the journey towards sustainability in IKEA. Therefore, it is important for the senior management to establish an effective culture and practices to avoid mistakes.

As ethical green consumerism grows in Singapore, it will increasingly make good business sense for companies to act sustainably. (Lin, 2017, p.A1)

For the last 10 years, IKEA has continuously engaged customers in their sustainability initiatives. While there is a significant amount of cost involved, managers perceive that product prices should not be increased, but remain low for their customers, so they will buy energy saving / sustainable products that are of benefit to them as well as to the environment.

IKEA values customers' perspectives and voices so that products and services are aligned to their sustainability goals. However, there have been challenges in the past to convince customers to purchase their sustainable products as compared to their competitors in terms of price, quality and convenient location. Jason said,

For the last 10 years is to engage the customers as we can't ask them to pay for it [sustainable products] but to engage them to buy this product [IKEA] and not the other products [from competitors].

But IKEA managers feel confident they can win over customers by continuously educating them on their sustainability goals. Samantha said,

We say to live a sustainable life. A good example will be our product – can we sell LED? such as converting from selling LED from non-LED to selling only LED. What we are essentially doing is telling our customers [to] start our journey in LED together with us. It saves money and friendly to the environment and it lasts longer. Whether you are selling LED or not selling LED lightbulbs, you are still selling with us. It means us trying to bring in better products so that we can also inspire and enable, our customers to live a more sustainable life.

Ethan shared that the historical factor that leads to the current situation by IKEA is because,

It is good business to do so, because our staff would like to and because we as a company believe that this is a very important thing for all companies to work with.

5.4 Perceptions and attitudes of IKEA leaders towards sustainability and CSR

Mabry (2008) argues that case study research,

...concentrates on instances of greater complexity, such as a community's approach to addressing a prevailing societal issue, a program's effectiveness... to document human perception and experiences. (p.214 - 215)

In my interviews with Ethan, Jason and Samantha, I discussed and documented their perceptions and experiences to sustainability and CSR. Ethan said that senior management need to have positive thinking about sustainability when they align their actions to the IKEA vision to be environmentally and socially responsible which is now an essential part of their business. He said,

All functions and activities must align to a corporate top level strategy [and] then needs to drill down to the individual function of the country or store.

Ethan and Jason commented that IKEA sets up corporate strategies, then business functions such as marketing, and logistics that lead to the implementation of these strategies. Clearly, these are also often aligned with IKEA global strategies. Leaders also drill down to the individual function of the country or store by setting smart targets. The individual store ensures that their initiatives are aligned to the implementing strategy. The 'function managers' are the middle level managers in IKEA Singapore who are responsible for sustainability goals and also to ensure that employees contribute to the initiatives and implementation. All the function managers are expected to operationalise the strategy, change their thinking to focus on sustainability practices, be innovative and perform hands-on roles from marketing to logistics functions. The function managers need to roll out their initiatives through business plans with smart targets and necessary follow-up. This can also be accomplished with IKEA's shared vision (Senge, 2006).

Ethan explained that corporate planning practices involve IKEA developing a business plan first, which includes vision and mission, objectives, and setting strategies on a short to long-term basis, and finally developing the 4 Marketing mix - product, price, place and promotion to achieve sustainability goals. The attitudes set by the senior management are important to drive their business plan to incorporate sustainability initiatives and to achieve their sustainability and CSR goals.

Analogous to Jason's views and attitudes towards sustainability and CSR, Sullivan (2009) argued that companies focused on sustainability will tend to achieve better on employee satisfaction as they will be motivated to achieve a better future. By having the appropriate thinking from the senior management, sustainability goals translate to employees' actions and this can result in increased profit and more environmentally friendly branding. Jason reflects Heikkurinen's (2010) view that where companies have the ability to differentiate themselves as having an environmentally friendly image, it will benefit the company as a preferred employer, enhancing employee motivation and cost savings, gaining external benefits through having a better reputation, with more preferred partners and suppliers, and greater customer loyalty. The thinking from IKEA's senior management about environmental awareness and sustainable practices is that Singapore is a developed country and there is opportunity to drive change quite fundamentally to achieve sustainability. Jason said,

We can actually drive change because... there are many people out there who know there is issue with the [environment].

Cebrián et al. (2013) state that, 'leadership in the area of sustainability is an emergent area of research and practice for its importance in bringing about organisational learning and change' (p.291). But clearly, at IKEA, the senior management see the importance of organisational learning, to create a shift in the mind set of employees so that they are aware of the vital importance of sustainability and CSR as well as constantly seeking ways to improve or change practices.

As Ethan and Jason highlighted, there are still challenges.

Wherever we are, we act with respect to exert a positive impact on people and on the limited resources of our planet to ensure long-term profitability (Ethan, CEO).

People in generally especially the younger generations are aware what can be done or what ought to be done. If they are asked to choose between this or that product, that are more environmental friendly and also quality, if the environment product costs more money, people will choose the non-environment product in general (Jason, Director of Sustainability).

In the interview with Samantha, she highlighted that,

Different organizations do sustainability because of different motivations. Everyone goes on the same journey because of certain leaders. By and large, the business leaders need to have the personal conviction and compassion that this is the right things to do... Most importantly, we believe sustainable business is in big demand. If you do the right thing, business will grow. So, business leaders need to have that personal conviction...Our leaders are very committed to sustainable globally.

In the interview with Ethan, he shared insights and elaborated on his thoughts from the e-Survey saying that, ‘Sustainability – is an integrated part of our business - Engaging more people co-workers, suppliers, customers to reduce climate impact and take social responsibility’. He strongly believes that sustainability should be ‘part of the DNA of IKEA’ and it is important to engage all stakeholders. As part of the company culture, he explained that hierarchical rank should be minimised so that everyone works as a team. He sees himself as part of the team to work closely with stakeholders to raise awareness on environmental concerns and how IKEA can do its part to ensure sustainability in Singapore and to have a stronger focus on CSR. He stated that it is a continuous journey for IKEA to meet its sustainability goals, but he is humble about their past achievements, although IKEA is seen as one of the world leaders in leading sustainability practices.

Samantha said that a lot of co-workers use their own food utensils, water bottles and blue bags and IKEA has a high percentage of co-workers who live, breathe and walk the talk of sustainability. In FY16, 88.7 percent of waste was recycled across our global operations and IKEA aims to achieve 90 percent in FY20 (IKEA, 2016a). An example, co-workers are given sustainable products and there will be a recycling corner during events. They will know exactly what they need to do in disposing the products. She said,

My own experience and my own perception of what I have learnt is people are generally not against it. It is either that they are not aware of it, they get the wrong information or they just feel that they have not been engaged. I don't think anyone is against recycling. But of course, people will not recycle if it is not convenient and it is not communicated. So, when you start to have a good infrastructure, a good system, it facilitates people to do recycling and no one will say no.

Ethan's strong belief in achieving sustainability as part of long-term business goals for IKEA requires him to be highly involved and committed as a CEO. With his strong focus on strategic planning that aligns with the IKEA Group's overall sustainability goals, and educating employees, he requires each function of IKEA to develop their own business plan. This must include sustainability goals and targets. This is consistent with Gitsham's (2011) global research on CEO's perspectives on the importance of sustainability practices across both developed and emerging markets that identified '88% of the 766 respondents also believed that sustainability has to be embedded within their company's core business strategies' (p.503). Ethan agrees that all employees of IKEA have a role, 'as we all have explicit sustainability deliverables to achieve'.

Jason demonstrates passion for sustainability and how his work is aligned to the IKEA vision and sustainability goals, commenting that sustainability 'is one of our four strategies. So, it is one pillar of four for our future.' In my interview with Jason, he said,

The sustainability goal is part of the work of the Store Manager... the business plan document is cascaded throughout the organisation. Then we measure and we communicate on a regular basis [using] noticeboards, social initiatives... We do [the initiatives] and we have sustainability committed [by everyone] in the store.

While IKEA Singapore rolls out their plan for sustainability, the management makes it a point that their plan for each business unit is aligned to the overall IKEA global business plan, such as sourcing wood from a sustainable source. The business units submit their plan and includes sustainability goals to ensure that the management reviews their plan and provides inputs on sustainability initiatives. In doing so, all functions and activities must align to the corporate top level strategy.

Jason commented that sustainability has always been an integrated part of the business and DNA of who they are. He said that his strong commitment to sustainability practices has resulted in various positive outcomes, such as integration of sustainability in all their business processes and their product range being designed in a sustainable manner, as well as all suppliers complying with IWAY. He encourages the business units to continue engaging the local community on their CSR initiatives so that the engagement can be self-sustainable over time. Examples in the local community include working with the Singapore Association for Persons with Special Needs (APSN), National Parks Board's Garden City Fund – a registered charity that seeks to raise

awareness and appreciation of the environment. This has demonstrated a new way of working by breaking away from the old thinking in relation to Engeström (1987).

Jason agreed that, as companies frequently talk about the Triple Bottom Line (environmental, economic and social), it is equally important for the company to educate their stakeholders and align their thinking and action towards achieving Triple Bottom Line. But he argued that IKEA needs to think about how to streamline supply chain operations without raising cost, and be more focused and break the old way of thinking without losing good employees. His views aligned with Elkington's (1994) argument that only corporations that produce a Triple Bottom Line (TBL) are taking into account the full cost of doing business, and only when corporations measure their social and environmental impact will we possess socially and environmentally responsible organizations.

Samantha added that sustainability branding is also important to IKEA as part of their sustainability initiatives. Her views on the Triple Bottom Line is really about efficiency, so IKEA can run its operations with less resources and improve efficiency and cost savings. In alignment to Senge et al. (2008) on harnessing the "Snowball Effect" of cost savings and reinvestment on Figure 4.15 (see p.110), Samantha said,

Yes [IKEA re-invested the savings to harness the 'snowball effect']. Every year we have pressures on the bottom line... we have sustainability KPIs on how we explore energy and [reduce] waste. Recycling is the big part on how we divert waste from our landfill... How do we recycle more and divert waste away from the final destination? ... So, we say if we put sustainability investment as just pure investment... is still investment [with the result of changing mindset and sustainability efforts].

Jason said, 'you need a couple of passionate people, who want to do things, then snowball internally and externally'. Jason is sure that attitudes to sustainability from the management depends on the passion of individuals as well as awareness and support from their senior and middle management. An example is to have a corporate sustainability statement, so that people are able to relate to and implement sustainability efforts in a passionate manner with the support of their supervisor.

As Jason said,

If you can have your resources and statements that we all know, then it can be a much more integrated part of the business process... and managers can walk the talk and be role models for the individual employee to follow.

My interviews with IKEA management showed that their actions match their perceptions and positive attitudes. They are serious about leading and motivating their employees towards achieving their sustainability goals, since this is core to the company's vision and culture. As the senior leaders and managers have the right thinking about aligning actions to their vision, they ensure that customers have access to lower prices as well as products that are sustainable and environmentally friendly.

Ethan said,

Benefits go to customers... roll over benefits to customer by lowering prices, help them save money and give benefits to customer. But do the right thing and follow [IKEA's shared] vision.

In order to align their actions, each business function group has their role defined in the implementation of sustainability initiatives; for example, the marketing team promotes sustainability as well as marketing products. Originally, the management believed in giving employees incentives to boost their productivity level, based on costs. However, the employees at the IKEA Singapore retail store informed that there is no incentive as it is their job to support sustainability.

The senior management believe that some sustainability decisions cannot be based on returns within one year, since the returns of the investment may or may not be realized in the next 5 to 10 years. Therefore, IKEA stopped cost reward incentives in 2013 and are now aligned more with the Singapore government's concept and plan for sustainability rather than financial concerns. Ethan discussed an incident where a Facility manager shut off all the chillers, except for one, with the thinking and expectation that it would save energy and be environmental friendly. After a period of time, the utilisation of the chiller went up to 98 percent and saved lots of energy. However, unfortunately, the chiller collapsed as it supposed to maximise utilisation at 80 percent. As a result, IKEA had to throw away the chiller, so it caused damage to the environment rather than

saving energy in the long term. Hence, Ethan felt that the employee made a short-term decision with a good result at that point, but miscalculated the long-term costs on the risk involved and impact to the environment. Therefore, the senior management concluded that they cannot expect the employees to have the long-term view without first understanding sustainability practices and CSR.

The Board, employees, customers, stakeholders as well as suppliers and even interest groups are engaged with IKEA's vision for sustainability and CSR. The senior management argue that all employees need to incorporate social and environmental goals and be responsible for their actions. It is important for IKEA to drive and practice new initiatives as well as to review the results and make improvements. They expect the employees to be confident in implementing the initiatives and do what they can to create public awareness.

5.5 Organisational management and leadership

Cebrián, et al. (2013) argue that 'leadership capabilities on sustainability can foster the organisational learning and change necessary for the transformation...towards sustainability' (p.293). Interviews with Ethan and Jason and analysis of IKEA Singapore company documents demonstrate that senior management understand that organisational learning involves a change process. They are in alignment with Fullan & Scott's (2009) view that 'the environment has to be change-capable, focused and aligned' (p.102). They believe in being leaders who model good practice and in helping people to learn from each other.

Fullan & Scott's (2009) capability framework (see Figure 2.3, p.54) comprises some elements in line with Ethan, Jason and Samantha's demonstrated capabilities. In the interviews, they provided evidence of valuing some of the 'six secrets of change'.

... (1) love your employees as well as your customers; (2) use purposeful peer interaction to change cultures; (3) emphasize capability building over judgmentalism; (4) know that learning is the work; (5) embrace transparency of both practice and results; (6) invest in system learning through collaboration. (p.153)

In relation to,

(1) Love your employees as well as your customers –

Ethan said,

Grow all employees as well as co-workers and store customers so they are interested and are confident about being actively involved in sustainability.

Jason said,

[It] is very important thing that we can keep cost downs to reduce the price for customers.

(2) use purposeful peer interaction to change cultures –

Ethan said,

It is important to do away completely on plastic bags, but this must involve compulsory on boarding and sustainability training for all employees so they can work together

(3) know that learning is the work –

Samantha said,

It is learning by doing and developing that we will achieve sustainability

Jason said,

We have generated a culture of learning about sustainability. Our employees are aware what can be done or what ought to be done.

(4) embrace transparency of both practice and results –

Ethan said,

All functions and activities must align to corporate top level strategy ... our practices must be drilled down to the individual function of the country or store, the implementation has to fit the strategy inside, ... engage co-workers and customers in reducing consumption, [for] some of the big strategies – all the function managers will have to get their hands [on deck on] what they are going to do in marketing and logistics and that's how they roll out through their business plan, put in smart targets and follow-up.

Fullan & Scott (2009) argue that leadership capability ‘requires new ways of thinking organizationally about knowledge and learning – how to grow it, link it, and share it’ (p. x). Ethan believes that he should manage his own learning and change towards sustainability and also others in the whole organisation. He knows that the ‘Chief Financial Officer (CFO) focuses on the bottom line, and this has to come through productivity’, but Ethan said he also works on ‘how to get more focused and break old ways of thinking to become more sustainable’.

Cebrián et al’s. (2013) model includes Fullan & Scott’s (2009) leadership capability framework that includes ‘Personal capability’ and ‘Interpersonal capability’ as ‘important for senior management to manage their own emotional reactions to uncertainty and discomfort’ (p.116) for turnaround leadership. They see ‘Personal capability’ in leadership as involving (p.116). Ethan demonstrated this capability in his leadership in IKEA as he is very much involved in its sustainability initiatives and the decision to reflect on old ways of conserving energy and seeking alternate ways through new thinking. By being decisive, he influenced the employees to commit their actions towards sustainability. He said that,

...putting solar panels on the roof must have pay back in the business and economic sense... But we need to think of life cycles and costings over years of payback to reach further down into the future for good value ... We need to educate staff so that when the expansion guys build new stores, they make the right decisions from the start about the environmental benefits of building structures... to change society and also give ourselves pressure to do it. Hence, change thinking and try things out.

Fullan & Scott (2009) also describe leadership ‘commitment as having energy, passion, and enthusiasm ... wanting to achieve the best outcomes possible’ (p.116-117). In the interview with Jason, he showed how much energy he puts into achieving sustainability goals at IKEA, commenting that,

...we need to engage with the authority, institution and other companies in order to drive opinions and also try to achieve change in infrastructure if needed to. So, that’s part of the responsibility [on sustainability].

The study conducted by Spitzeck (2009) found that ‘there is a clear trend to incorporate corporate responsibility issues at the board level’ (p. 498) and motivation from leaders to pursue sustainability. The above evidence shows the full commitment and capability by IKEA’s senior management in engaging internal and external stakeholders to learn and change the way they do things, in order to achieve their sustainability goals.

Fullan & Scott (2009) argue that ‘Interpersonal capability’ involves ‘Influencing people’s behaviour and decisions in effective ways; motivating others to achieve positive outcomes, developing and using networks of colleagues to solve key workplace problems’ (p.117). This is something that Ethan agrees with in his view that,

If we want to drive real change and opinions, we should look at how we should influence the consumers’ everyday life and give them more sustainable solutions and also how we develop business...

Besides influencing the customers, Samantha supported Ethan’s view and said that,

We have a Sustainability Manager at every IKEA store in Singapore who sits on the management committee. And their job is to influence the other managers to take up and incorporate sustainability in their daily job. They act as the facilitator to lead a sustainability committee and the sustainability committee will then be interested with people who come up with ideas...and implement any big initiatives.

Fullan & Scott (2009) also describe ‘empathizing as listening to different points of view before coming to a decision; developing and contributing positively to team-based programs, and being transparent and honest in dealing with others’ (p.117). Jason supported this by mentioning that,

It is about by being transparent and by building that creditability also allows you to be looking in to the proposal on sustainability.

This is an honest view on the need to obtain different viewpoints, be empathetic, honest and transparent in their dealings as there are consequences if IKEA does not treat sustainability seriously, for example, ignoring irresponsible forestry and sources of timber products. Jason also said that it is IKEA’s responsibility to educate and secure the right suppliers who have similar beliefs on sustainability, such as environmental waste management practices, as IKEA depends on the ecosystem to achieve their goals.

Fullan & Scott (2009) argue that, for effective change management to occur, resilient organisations must be able to move from

... a propensity to engage in ready, ready, ready (have a subcommittee conduct a review, etc.) to ready, fire, aim – a process in which ready is a need to act, fire is to try out a potentially viable response under controlled conditions, and aim is to articulate what works best and scale this up once it has been tested and refined. (p. 85)

Ethan, Jason and Samantha agree with Fullan & Scott's (2009) view that practice-based learning through mentoring and learning 'on-the-job' (see Figure 2.4, p.55) are important. Samantha highlighted the need to focus on 'learning by doing and developing. I think we also have a lot of communication internally'. For example, IKEA implemented a Rent-a-Bike program which allows co-workers to rent a bicycle whenever they need it to cut down on the wasteful use of cars. IKEA also recycles cooking oil in the restaurants and converts it into biodegradable oil. The aim of this conversion is to make their home delivery company use it so that it will be environmental friendly.

This connects with Ethan's view that IKEA senior management should recognize the need to change how they do business and whether they are able to meet the 25 percent of their business plans to achieve their sustainability goals. He said that it is,

Very difficult in changing the way [everyone] works... needs to change how it executes and if 25% of the business plan can do sustainability. [Hence, it] will be good to inspire and engage anybody on the sustainability [journey].

Many years ago, prior to IKEA's learning journey on sustainability practices, Jason said that the management and employees were not aware that their mental model had been thinking about how to reduce costs in order to improve the efficiency in transportation, in saving on materials, recycling materials and energy savings. Their business plan has always been to reach out to the customers, who are more cost conscious in their furniture purchases and careful with their resources. They believe that customers will like to spend wisely and hence they have to build a case, a business proposition and marketing mix on their sustainable products. This translates into the sustainability practices which are discussed in the next section.

As Jason said,

We need an organisation to support [the sustainability initiatives], so we start to create a sustainability role... That will be tremendous changes, awareness and understanding then quality of the company.

With an ever-increasing focus on sustainability and CSR, there has been a need to change the way everyone works and break old ways of thinking (Engeström, 1987). Ethan said that mentoring and learning ‘on-the-job’ to understand sustainability is crucial to affect the change and he argues,

All must learn and have a job description. The co-workers must learn... as people may leave, re-train and start thinking differently... IKEA has to find their way, look and learn when doing.

Both Ethan and Jason agree that every employee needs to have a job description that includes achieving sustainability initiatives set out in the business plan, so that the employees will need to unlearn and re-learn on the job. They see this is an enormous task as employees may either leave IKEA, or re-train and start to think differently. Therefore, human resources departments have been tasked to work closely with the management and employees to implement change management.

The IKEA vision – to create a better everyday life for many people, together with its values and leadership of the senior management, gives the employees the opportunity and responsibility to act together and to meet the needs of the next generations. Therefore, IKEA’s management style has evolved by increasing internal pressure on the employees to factor in sustainability initiatives in their business plan which leads to a shift in thinking and change in employees’ mind sets to create a new paradigm in IKEA. Their ultimate goal is to change the society’s perceptions and behaviour on sustainability practices based on their initiatives. Hence, they use smart and ambitious goals by changing the way of thinking by the employees and trying out new things. With the confidence that the management has, IKEA needs to find alternative energy sources such as solar panels to be implemented in Singapore.

5.6 Chapter conclusion

The findings from my study of the IKEA franchisee business/branch in Singapore discussed in this chapter show that there has been a strong focus on embedding sustainability and CSR policies, practices and activities within the business.

Survey and interview data from three senior leaders from IKEA Singapore and my critical review of company documents available in the public domain highlighted strong consensus in their perception of the importance of sustainability and CSR. Their successful outcomes in this work have evolved through the many initiatives discussed in this chapter that IKEA Singapore has developed. These include practical activities such as the use of energy saving LED light bulbs, eradicating the use of plastic bags, taking care of waste management, and a focus on being involved in Earth Hour; all which have resulted in greater awareness of sustainability practices. These activities have been made possible by strong leadership and planning for organisational change, and commitment from a cross section IKEA Singapore staff, as well as their customers, and the broader community. I also found that IKEA's response to Singapore government policies and programs helped to promote and drive many sustainability initiatives across their company practices.

Within IKEA Singapore itself, documents I analysed showed that the development of corporate strategies and business functions leading to the implementation of sustainability initiatives has meant that a high percentage of staff now live, breathe and walk the talk of sustainability and CSR. The senior leaders are cognizant of the fact that achieving organisational change involves their continual leadership of the change process, consistent with many of the principles advocated by Fullan & Scott (2009) that have been discussed in this chapter. As a result, IKEA Singapore's management style has evolved and lead to a shift in thinking, activity systems and change in employees' mind sets to create new practices sustainability and CSR practices.

CHAPTER 6 IKEA SINGAPORE - IMPLEMENTATION OF PRACTICES AND APPROACHES TO SUSTAINABILITY

6.1 Introduction

In Chapter 5, I discussed IKEA Singapore's focus on sustainability and CSR and how the cultural and historical factors impact on the perception and attitudes of the senior management as well as the leadership in influencing the need to inculcate sustainability and CSR into the mindset of their stakeholders. In this chapter, I continue to draw on the work of Cebrián et al's. (2013) framework (see Figure 2.2, p.51) in my case study of IKEA Singapore in capturing and analysing the organisational initiatives and learning practices on IKEA's sustainability practices and CSR as well as the ways in which the employers and stakeholders are engaged and educated about sustainability and CSR within the business. This chapter focuses on the research question on how IKEA practices leading change in sustainability and CSR.

6.2 Implementing sustainability practices and CSR

From an educational perspective, Vanclay's (2004) definition of Triple Bottom Line (TBL) is,

Used as a framework for measuring and reporting corporate performance against economic, social and environmental parameters... to capture the whole set of values, issues and processes that companies must address in order to minimise any harm resulting from their activities and to create economic, social and environmental value. (p. 28)

As IKEA wants to meet the Triple Bottom Line, they need to set key performance indicators in order to reach their goals. IKEA feels that the most difficult part is to engage suppliers in sustainability, since IKEA buys from a range of franchisees, so they are sometimes unable to impact or influence as much as they would like to and can only provide feedback to them. IKEA engages 12,000 resellers and suppliers for products ranging from vegetables to plants, to the security providers, cleaners and others. Ethan said that when IKEA chooses suppliers, they have the ability to influence them, and can play a role in deciding how many hours to clean, what type of cleaning materials and many others ways that IKEA can impact the environment.

Based on the finding from the Singapore Environmental Council, there is a 'growing number of discerning consumers who are choosing which product to buy and which company to support [are] based on their ethical and environmental cultures' (Lin, 2017). Since the customers are considered a very big part of the environmental impact, Jason stated that IKEA can actually measure the impact for their consumers through their key performance indicators. IKEA needs to measure energy savings. If IKEA wants to reduce the energy they use, that will mean they need to be more efficient in order to meet the business goals by 20 percent. More energy will be used to cool the temperature if there is more human traffic to the store. Hence, IKEA does not measure the total volume of customers but measures the amount of energy efficiency increases. Therefore, they need to be sustainable as a growing company and to exercise more influence to their stakeholders.

Ethan explained that middle managers need to be involved in engaging,

Co-workers and customers in reducing consumption... all the function managers will need to be hands-on to include sustainability message and CSR in their marketing efforts and logistics planning... and that's how they roll out through their business plan, putting in 'smart' targets and to follow-up.

The senior management view sustainability as an important pillar and hence it has to be planned first before the start of the business plan. They execute the sustainability plan for each business function so they are forced to align to the overall business plan.

The management thinks that by being aware and conscious about sustainability efforts in IKEA, they try to change things from the early part of the process such as from the type of raw materials and how it is being sold to customer as well as after sales. As Ethan said,

There will be not enough wood for everyone in 50 years for the whole world, so people need to be prepared to buy a table which has less wood in it.

IKEA needs to change its mindset and be innovative to develop products that rely less on wood and price it reasonably. By doing so, more people will be able to buy a wooden table although it may not be a 100 percent made of wood. It should be able to meet the demand of the customers. Hence, IKEA is feeling the way to do what is right and to review their investment over the next 10 years by trying out new ideas such as to source for alternative energy source to see what works for them.

From the interviews, it was clear that IKEA senior management believe that the company should consume less energy on their daily operations and reduce transportation needs. By doing so, the products should cost less. As Ethan said,

There may be a situation to pay more for green products. The firm believes that this is a right way, e.g. Use less energy, reduce transportation that product should cost less. But there will be things that will cost more, hence the need to explain to customers that it may cost more for this product as compared to the rest and educating the customers is getting super important now.

IKEA feels that education is very important as it can help customers make the right decision to support sustainable products, think differently and adopt the purchase of sustainable products, which will in turn deliver better returns in a longer term. So, this enforces the thinking that the goals will be to make sustainability into an integrated part of the business. By having a robust IWAY, they ensure that the concept of low price and sustainable products are constantly enforced in all direct integration with their stakeholders such as suppliers.

To achieve the implementation of practices, the business plan at IKEA is translated into actionable items as key performance indicators for each employee, and relates to the human resources aspect to ensure that the right employee has the right skillset to perform the implementation in order to achieve IKEA's sustainability goals. IKEA Singapore has implemented key performance indicators such as increasing the proportion of renewable energy used by IKEA retail Asia and increasing the percentage of waste being sorted and recycled in all business units and finding sustainable ways of dealing with hazardous waste, introduce food waste sorting and management.

The senior management are aware they need to constantly challenge the strategic thinking of the IKEA employees to question themselves about how IKEA can innovate, invent ideas and translate it into low prices, how they are able to reach out to more people and improve their bottom line. Therefore, Jason said that sustainability should be natural and whenever the individual talks about low prices for customers, the decision made has already factored in sustainability efforts.

6.3 Approaches and practices of CSR

Quinn & Baltes (2007) suggest that while a company may be perceived as having the qualities of being a good corporate citizen, it needs to develop positive stakeholder relationships to engage the community and address community issues around environmental impact. Podnar & Golob (2007) agree that CSR should be part of the corporate culture, and reflect it clearly in the corporate reputation and brand to improve the long-term performance of an organisation. Companies will usually form CSR committees comprising key business personnel to facilitate embedding and integration into business practices.

Wang, Tong, Takeuchi and George (2016) note that,

Managers in charge of coordinating social activities often also are key decision makers within the organizational structure... While customers have been traditionally considered the key driver of companies' social initiatives, employees have become at least as important as, if not more important than, customers in driving company sustainability initiatives. (p.535)

In commenting on CSR at IKEA, Samantha said that,

We always say that we want to have a better life in the planet. The first one is aspiring and enabling a more sustainable life at home... The second part is reducing climate impact for our planet. The third is [providing] better life for people in the community. ...there are a few ways that we do it internally and externally.

The interview with Samantha revealed that IKEA has a code of business conduct that governs how they run their business, including labour conditions, environment conditions and community involvement that they need to fulfil as well as governance on how they do business. For external involvement, IKEA has the IWAY business code of conduct for suppliers. IKEA also implements a day off for employees called the Volunteer Day. It is a social day held regularly each month where IKEA Singapore's employees pack foods; celebrate birthday parties for needy children and tree planting. They also participate in community involvement through social investments, such as initiating a program with an eco-school and work with World Wide Fund For Nature (WWF) on environmental outreach and environmental education to engage more people.

Kanjia & Choprab (2010) who argue that,

CSR (also known as corporate social performance, sustainable business, sustainable responsible business, corporate responsibility, corporate citizenship, and responsible business) is an integrated component of the operations of a company, whereby it voluntarily contributes to society in terms of Economic, environmental, ethical and social investment. (p.120)

The IKEA Foundation has developed a Charity policy on a global basis which is of social investment. This has been implemented in IKEA Singapore. Their policy is to allocate EUR 50,000 per year for every business unit. The individual business unit can then decide what they want to do such as sourcing and then partnering with a local community or organisation that will benefit people and improve their everyday lives. Examples such as to provide some form of education and facilities to the target audiences or even work with a NGO to start a restaurant to generate business in a self-sustainable manner to help and support the needy. The business unit will take full ownership to run the programmes or initiatives with the local community or organisation but it has to be aligned with the sustainability policy and be self-sustainable for a long term. Samantha said,

We also have a charity policy that allow us to donate a sum of money to a program that has a long-term effect. So, how we do community investment or social investment is to look at the impact... We are confident that whatever we spend or going to get is [as per IKEA's expectation].

In Singapore, an example of a charity initiative is a training fund to work with SG Enable, an agency dedicated to enabling persons with disabilities, and one of the aims is to enhance employability and employment options for persons with disabilities. IWitness is social programmes where co-worker will manage a charity project from IKEA Foundation. Every year they will run a competition for the co-workers to justify why they are suitable for the IWitness programme. The intent is to engage the co-worker for the good cause campaign so that they realise that their hard work benefited the needy.

Simon et al. (2006) who states that,

... In Asia, while there have been positive developments around CSR as a whole, policy processes, particularly in the areas of environmental management, have tended to lag behind. (p.14)

However, IKEA management and employees have demonstrated a strong ownership of sustainability practices and take responsibility to perform scenario planning and necessary preparation to answer customers' queries, educate customers, train their stakeholders as well as to brainstorm on the best way in contributing back to the society based on the profit received from the sales of plastic bags and reusable bags. One of the CSR campaigns launched in Singapore is a partnership with United Nations Children's Fund (UNICEF) and Save the Children to donate EUR 1 for every soft toy (see Figure 6.1) or children's book sold so that more children can get the education they deserve and have a head start in life. At IKEA Singapore, they believe that all children deserve a quality education and it represents an opportunity for better wellbeing.



Figure 6.1 – CSR commitment with United Nations Children's Emergency Fund (UNICEF) and Save the Children, the United Nations Development Programme

IKEA initiated corporate social responsibility events in Singapore with partners hoping to bring about changes to the employees' mindset towards CSR. From the interviews with IKEA managers, it became clear how important the role of managers is in developing sustainability and CSR. As Ethan said, [IKEA] 'Singapore has to find out how to do it... do more CSR for poor people'.

Examples of IKEA CSR in Singapore include working closely and giving back to the community through the ‘Local Charity Outreach - Singapore’s Association for Persons with Special Needs (APSN)’. With IKEA’s new charity policy, they assembled donated furniture and worked alongside students to refurbish a school’s laundry area and student lounge (IKEA, 2017a) (See Figure 6.2). They also give back to the low-income and problem families with children, for example, through - Donations to Child @Street 11. In line with IKEA beliefs, they have collaborated with Child @ Street 11 to show their support by donating furniture as well as spending time to interact with the children. There are also entrepreneurial and charity cause activities using pushcarts for local communities by partnering with Weworkz (Women Enterprise Workz) which sells fashion recycled materials into innovative items and North East Community Development Council (CDC) Flea Market where low-income residents set up shop on weekends to supplement their income (IKEA, 2017b) (See Figure 6.3) as well as Clean & Green SG50 – Mass tree planting, in collaboration with National Parks Board, a government statutory board where all IKEA’s employees participated in the CSR activity (IKEA, 2017c) (see Figure 6.4).



Figure 6.2 – IKEA’s Local Charity Outreach with Singapore’s Association for Persons with Special Needs (APSN) (IKEA, 2017a)



Figure 6.3 – Entrepreneurial and charity cause activities by IKEA (IKEA, 2017b)



Figure 6.4 – IKEA's Clean & Green SG50 Mass Tree Planting (IKEA, 2017c)

IKEA also takes great care to reduce the impact of disposable packaging on the environment and the proceeds from corn ware takeaway boxes have been donated towards the environmental causes: World Wide Fund For Nature (WWF) (2011-2012) and International Coastal Cleanup Singapore (2013) (IKEA, 2017d) (See Figure 6.5). The International Coastal Clean up Singapore is an annual environmental exercise conducted since 1992 by over 3,000 volunteers by more than 50 organisations and schools which IKEA Singapore participated in 2013. IKEA donated the proceeds of the take-away box sales to the National Parks Board's Garden City Fund – a registered charity that seeks to raise awareness and appreciation of the environment.



Figure 6.5 – IKEA's International Coastal Clean up Singapore (IKEA, 2017d)

6.4 Organisational Learning – Education Programs and Practices

Organisational learning is not just focused on individual learning, since employees share with each other views on their experiences and actions. Over a period of time, individuals will then transform their thinking and actions collectively on achieving sustainability practices and CSR. Argyris & Schön (1978) state that 'organizational learning is not the same thing as individual learning, even when the individuals who learn are members of the organization' (p.4).

Argyris & Schön (1978) highlight organizational learning acts as a,

Process mediated by the collaborative inquiry of individual members. In their capacity as agents of organizational learning, individuals restructure the continually changing artefact called organizational theory-in-use. Their work as learning agents is unfinished until the results of their inquiry – their discoveries, inventions and evaluations – are recorded in the media of organizational memory, the images and maps which encode organizational theory-in-use. (p.20)

The organisation learning in IKEA involves the detection and correction of errors and this occurs when members of the organization act as the learning agents for the organisation to respond to the changes of their internal and external environments.

In educating customers on sustainability, IKEA stores continue to press forward so that Singapore is able to change their policy and adapt their waste management strategies. IKEA will continue to drive the change and impact towards achieving sustainability goals through internal and external awareness and learning. IKEA conducts sustainability classes for their employees such as recycling waste with an example being collecting back the Christmas trees from customers and recycling them instead of throwing them away as a waste. They need to cultivate the learning mindset for all employees.

Samantha said that there will be intakes of sustainability classes for new employee as well as training on new sustainable initiatives to educate the employees on the importance and how they can communicate and create awareness of their sustainability products and practices to customers. In order to make it work as part of the integrated business process, Jason shared that the senior management and employees will need to commit long term on sustainability.

In alignment with the research by Sterling (2004) and Cebrián et al's. (2013) model on organization learning, individuals can transform their mental models to improve and change current practices of their organizations and lead to a shared vision. With the shared vision by Senge (2006) as the 'capacity to hold a shared picture of the future we seek to create' (p.9), IKEA creates a common interest and shares the sense of purpose to all co-workers in the areas of sustainability by implementing a compulsory training as part of their learning journey. Samantha said,

We have a compulsory onboarding sustainability training that every co-worker who comes onboard [in IKEA. It] doesn't really matter you know sustainability or not. We do the onboarding [training] for you.

The sustainability department will conduct compulsory sustainability training for all co-workers that covers everything IKEA does for sustainability such as how can IKEA's products help customers to create a more sustainable life, what are IKEA doing operationally to achieve their sustainability goals and how the co-workers can do their part. An example is to collect the cardboard for recycle at the end of the recurring period. Samantha said,

We have quite a good recycling [rate at] about 76% of the whole operations. We want to be better. And we also tell them the opportunity to volunteer and contribute [to] the [IWitness] programme.

Samantha noted that the very first part of organisational learning is to educate the employees on sustainability during onboarding training and use the number of people who attend the onboarding training as a measurement. This form of education demonstrates as one way for change management. Hence, the second part is to communicate with the co-workers so that it will be a bi-directional communication. The intent is to make sure that they understand about the learning of sustainability in IKEA. An example will be to communicate IWitness as an internal engagement. As such, the measurement of this second part will be through employee survey to hear from the co-workers. The third part is for the co-workers to be engaged once they understand the sustainability in IKEA. An example of the measurement indication is to volunteer for social day (volunteer day). IKEA wants the co-workers to really translate their learning and interest on sustainability into action via the social day or respective steering committees or leadership provision. Samantha said,

If they make decision, they promote sustainability. Our food manager would say that I want to manage my food waste better. I should not be the one saying it. The food manager should be the one saying it.

The last part of the organisational learning is sustainability leadership. In accordance to Fullan & Scott (2009) on effective leadership, it was argued that this 'requires new ways of thinking organizationally about knowledge and learning – how to grow it, link it, and share it' (p. x).

Hence, in IKEA, it will no longer be about engagement only, but in the leadership perspective in educating the co-workers. Samantha said,

It is [the] leadership, people and leadership position [by] setting a good tone, influencing other people, coming up with [sustainability] initiatives, changing how they manage their department and that will be the form of leadership in your department.

In order for the co-workers to deeply understand and be educated on sustainability in IKEA, the co-workers will need to attend 4 – 12 modules of formal learning in a classroom setting. After that, it will be communication and engagement learning. Samantha indicated that,

[It is] informal learning and practice-based learning... [Finally, the education] will end with a formal leadership development training on all leaders. We believe at the end of the day, we want the leaders in IKEA to understand sustainability principles as that is what the brand requires. And regardless of who [you are] whether you are a Retail Manager or Operations Manager, Sustainability has to be part of your value.

In order to see the effectiveness of the education programs and practices, IKEA conducts an annual employee survey with sustainability questions and the ongoing results have been encouraging and Samantha said,

When I first joined [IKEA], [the overall result from the employee survey] was 73% and now we are at 85% over the last 3 years. My [sustainability] team and the entire management team in various different units [helped to achieve the results].

Examples such as recycling rate increasing gradually, more solar panels [in Singapore], and more people taking up social day [an internal volunteer day].

Cebrián et al. (2013) agree that ‘education and learning can stimulate the critical reflection necessary to challenge existing worldviews and current unsustainable practices’ (p.3). As Senge (2009) argues,

All real change is grounded in new ways of thinking and perceiving. Institutions do matter, but the way they operate is a direct result of how we operate—how people think and interact. (p.25)

To inspire and engage the stakeholders to become more educated and conscious on their sustainability effort, IKEA feels that they need to make the stakeholders feel that they are doing the right thing. Jason said that IKEA will educate their employees in the respective business units, including shopping centres to have a locally relevant sustainability training that creates engagement and awareness, which aligned with the sustainability statement. IKEA feels that there is a lot of work to be done in educating internal and external stakeholders. It is continuous work to drive opinion and change the mind-set of all stakeholders.

6.5 Sustainability policy and practices

The accountability of employees is high to ensure that the same sustainability policy is implemented across the countries. The management feel that it is important to build on the capabilities of employees to align to the global values for sustainability.

In Jason's opinion, IKEA is the leader in sustainability practices in the furniture industry. Samantha said,

How do we improve people's life? [IKEA] talks about the better everyday life for the many people. As far as we think any of the work that we have in sustainability is about the better life for many people. Whether it is about having nice design furniture, more sustainable live at home or better life for the community, it is all about better everyday life.

As one of IKEA's long-term company goals for employees is to be cost conscious and save on resources, they also engage their stakeholders such as suppliers and customers in their solutions. Jason said that their sustainability practices are 'happening on a daily basis'. In one extract from his responses in the e-Survey, he said,

We offer solutions for people to live a more sustainable everyday life at home. We changed our whole lighting range to be only LED by 2016. We are driving change in the societies we operate, by i.e. taking a leading role when it comes to eradicating disposable plastic bags. We train all our co-workers in the practice. We set aside \$50,000 EUR a year for each business units for local community social initiatives that are self-sustainable over time. We are developing customer recycling centres in all our business units. We participate in the global campaigns when it comes to supporting UNICEF.

Employees are encouraged to talk to the management team on how they can better address the sustainability initiatives. The approach has been depending on the passion of individual employee so far, basically driven from the bottom-up. It can be initiatives which the management will not expect the business units to work on themselves and relate it in their own context for policy making and practices. Hence, the practice to develop the sustainability policy is to engage the employees and obtain their ownership as well as to align themselves to the overall sustainability direction. The management and employees feel that by having bi-directional approaches, they will collaborate better in policy making to secure investment from the stakeholders to implement the sustainability initiatives. Although they are aware that the success of the sustainability initiatives depends on the drive from individual employee and business units today, the intent on the policy making focuses on the heart and interest of each employee instead of meeting the expectation from the management. Jason said,

If it is the food waste, [the responsibility is] with the restaurant manager... Once the ownership is there, it will be taken care of the integrated part of the business. That's how in making the goals for everyone the stakeholders for real.

IKEA feels that it is important to educate the stakeholders within and outside of the organisation to obtain their consistent support. Their learning exposure lies within the organisation structure such as the restaurant manager will be in-charge of the food waste. Hence, the Sustainability manager works with the restaurant manager to source for solutions to achieve their sustainability goals, for example like participation in meetings with the stakeholders to influence their decision. Once there is ownership from the stakeholders, it is taken care of as part of the integrated business process. That is how IKEA creates learning to educate the stakeholders. In order to make it work as part of the integrated business process, the senior management and employees have a long-term vision to do this as a long-term commitment on education for sustainability.

IKEA is trying to live up to its sustainability statement about having a positive impact on the environment. In order to have the sustainability impact on the people, IKEA has to depend on the supply chain as a platform such as IWAY. As an international brand, it needs to be practical in developing different sustainability initiatives and practices to influence and drive opinions in the country. Ethan believes there are initiatives that they can work with government, institutions and VWOs to create change in everyday lives among the people.

In relation to the leadership learning system by Fullan & Scott (2009), Jason supports senior management thinking on mentoring and learning 'on the job' as employees should be given the ownership to learn and change effectively. One of the key performance indicators is to appoint a program ambassador like a mentor in each respective business unit so that all units practice World Wide Fund for Nature (WWF) Green Office Principles and all co-workers are aware, understand and participate. World Wide Fund for Nature (WWF) Green Office is an environmental management system for workplaces to reduce their ecological footprint and greenhouse gas emissions as well as save money. The objectives of the World Wide Fund for Nature (WWF) Green Office are to,

Reduce the consumption of natural resources in offices, focus on climate change mitigation and facilitate activities that promote sustainable lifestyles... the basic principle is to promote continuous improvements towards reducing the environmental impacts of office work. Green Office aims for concrete results to improve the environmental performance of the involved organizations. Every change helps: from using double-sided copies, adjusting computers' power saving settings, turning off the lights, to reducing waste and choosing sustainable forms of transportation, and etc. (Peterson, 2014, p.6)

Jason said that,

It is good to have an ambassador to distribute the ownership of the organization and support it... It is important to have ownership somewhere in the organisation that can drive [the sustainability initiatives]. Samantha added that, the formal ambassador will be the Sustainability Manager.

Samantha supported this view by saying that,

We have a team of 7 Sustainability Managers now and I only have 1 direct reporting and the rest is on indirect reporting. They stay in the business units [the stores].

Ethan and Jason shared that the senior management are able to evaluate and monitor the individual performance on an annual basis. The business units translate the business plan into actionable items as key performance indicators for each employee of the store in Singapore. The individual stores need to ensure that their initiatives are aligned to the implementing strategy. The business units update their progress to the senior management 3 times a year, taking into consideration the full operating cost and profit including measurement of their social and environmental impact.

Their achievement led to the department goals and overall IKEA's performance on their sustainability goals. Ethan argues that 'talk is cheap', and emphasises that there must be,

Concrete deliverables across the business on sustainability, otherwise it will never really improve. That is the approach we are taking.... I am working closely with all my direct staff (that covers all functions in our business) to make sure they set relatively ambitious but also 'SMART' goals for the sustainability cornerstone in their business plans. I follow up at least 3 times per year with all in formalised meetings on this.

The concrete deliverables are educating people about LED bulbs, energy efficient home appliances, more sustainable food through encouraging a more balanced diet (see Figure 6.6), installing solar panels on IKEA's building rooftop that can generate sufficient electricity to power 283 four-room Housing Development Board (HDB) government flats (see Figure 6.7), providing recycling solution to customers (see Figure 6.8) and re-thinking the nature of future homes and communities to focus on affordable and sustainable living – Green Life@Home (see Figure 6.9). Samantha shared that IKEA carried out a big co-worker engagement programme called the Green Life@Home. It allows co-workers to try the sustainable products at home for three months at no cost up to a certain amount such as to try out the LED bulbs, water saving devices and recycling base products. However, the co-workers need to communicate and share with the rest of the co-workers on the features, how they feel and how much they are willingly to pay for it. The intent is for IKEA to obtain information internally first before the products are launched in the market.



Figure 6.6 – Balanced diet using sustainable source by IKEA



Figure 6.7 – Solar panel on IKEA's building



Figure 6.8 – IKEA’s recycling solution



Figure 6.9 – Green Life@Home - affordable and sustainable living by IKEA

In terms of reducing the carbon footprint as a form of sustainability and CSR, IKEA believes that waste, when properly managed, can be their greatest resource. Other examples include recycling waste oil to bio-diesel, where all the waste oil from restaurants in both IKEA stores are sent to Alpha Biofuels to be recycled into bio-diesel, that can be recycled and reused or blended with diesel. It is then available locally for vehicles in Singapore.

IKEA Singapore is the first major retailer in Singapore to provide light bulb recycling services in their lighting department. All collected light bulbs (Incandescent, Halogen and LED) are recycled by their Global Lamps Recycling program, and the entire lighting range has been switched to LED which are also offered at a low price (see Figure 6.10 and 6.11).

IKEA employs a private waste management company to handle the disposal of florescent tubes and light bulbs. If the waste is unable to be recycled, the company can take care of the florescent tubes and crush them without water vapour coming out. IKEA works with the waste management company to be as environmentally friendly as possible. Then, the waste goes to a separate disposal plant located in Senoko, Singapore. The plant also takes care of the waste water. This effort is led by the employees (see Figure 6.12 and 6.13).



Figure 6.12 – IKEA’s poster on disposal of light bulbs in all stores



Figure 6.13 – IKEA’s recycling areas for the disposal of light bulbs in all stores

For parking lots for electric motorcycles to promote emission-free and affordable transportation in Singapore, parking lots for parking and charging electronic motorcycles are now available in the car park of the IKEA store (see Figure 6.14).

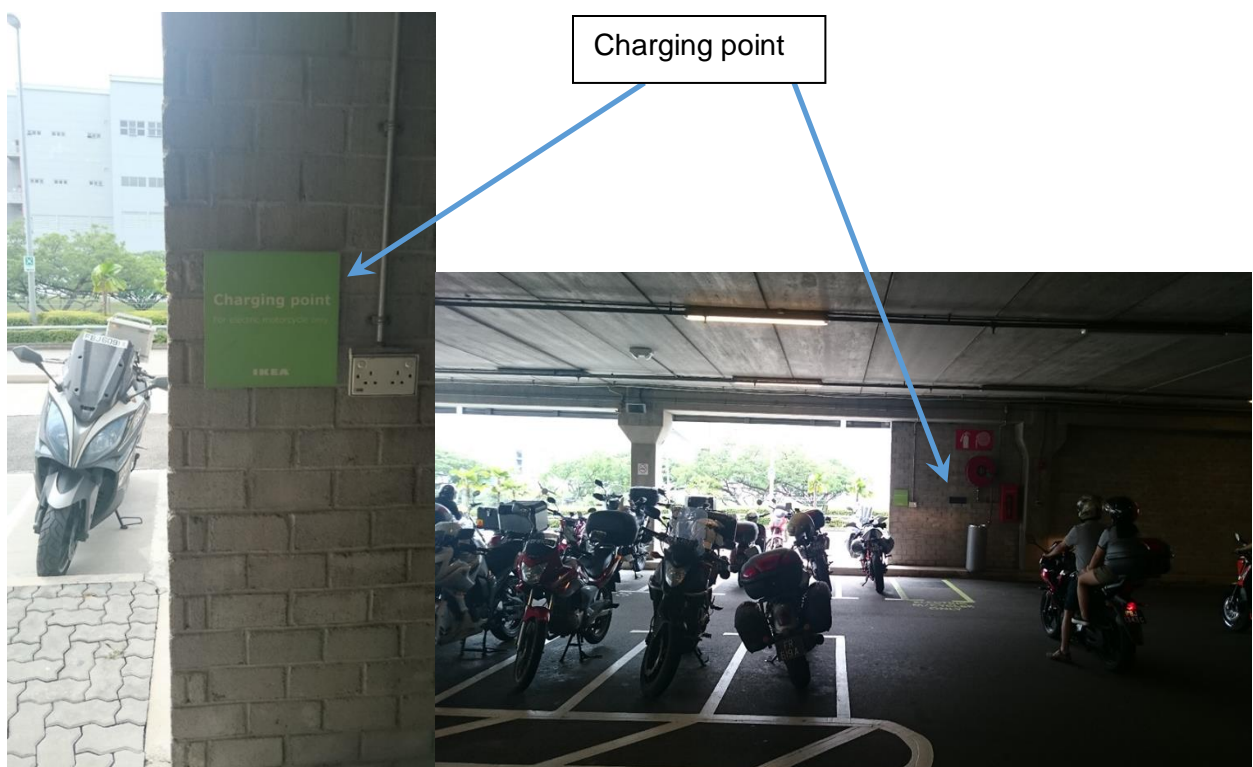


Figure 6.14 – Charging point for electric vehicles at IKEA

This is part of IKEA's sustainability initiative to reduce debris in waterways and enhance aquatic environments as well as to cease the sales of plastic bags. The programme aims to provide information that educates the public on marine debris issues and to encourage positive change through submissions to governmental and international organisations.

Another example was the plastic bag campaign. In 2013, IKEA ceased the sale of plastic bags in all Singapore stores. The cost savings from eliminating the disposable plastic bags were used to pledge a further \$200,000 to World Wide Fund for Nature (WWF) Singapore to fund its Eco School Programme between 2013- 2015. Based on their sustainability efforts, IKEA continues to encourage customers to purchase a reusable bag at a low price with a lifetime guarantee. They instil sustainability thinking in consumers' minds that they need to remember to bring along their reusable bag or paper boxes for their purchases, as the customers cannot expect to have disposable bag anymore. IKEA aims to reduce the number of disposable bags and increase the purchase of reusable bags by customers, which may result in a reduction of about 16 million disposable bags a year. As Jason said,

If we reduce them the number of disposable bag, say 20 to 25 million a year, a crazy amount. And if you can get anyone to come to [IKEA] and manage to buy a reusable nag and then maybe once every month reduce to 12 bags per person that [result in] 16 million bags less. It concurs to all the environmental impact on an agency. This is a good example to show that it is possible and to show that people are ready and mature that you don't have to be afraid to make a decision as long as you are transparent and honest about what you do and you also don't try to hide fact like saving money on it and pass the money on them or reduce them.

In order to reduce the number of plastic bags, IKEA implemented a practice to charge customers S\$0.05 for a small bag and S\$0.10 for a large bag. During that time, the percentage of reusable bags sold went up to 3000 percent, but the number of complaints shot up to about 1,000 in a day. By making changes to the policy and taking action to tell customers that they are serious about sustainability practices, IKEA have succeeded in creating a fundamental shift in customers' perspectives and change in employees' mind-set as well. They have seen the number of plastic bags reduced and IKEA is using the revenue generated through the purchase of plastic bags to donate to charity or reduce the products' prices to provide more benefits to the customers.

Since 2011, IKEA Singapore has also switched to corn ware for their takeaway boxes which biodegrade in 90 days instead of years. These takeaway boxes are a better alternative for the environment even if littered carelessly in the natural habitat. IKEA also achieved 100 percent Marine Stewardship Council (MSC) certified and Aquaculture Stewardship Council (ASC) certification in their restaurant by providing responsibly sourced salmon and sustainable seafood to their customers. IKEA works with global environmental experts to develop responsible salmon farming standards, support sustainable fishing and protect the seafood supplies on sustainable standards.

IKEA also practices recycle packaging where customers are educated to go to the packaging counter to perform their own packing using leftover old newspapers or other types of waste papers. For people who care, IKEA provides opportunities for them to come forward to dispose of waste such as florescent tubes. IKEA takes care of the waste and continues to educate the customers on its sustainability values so that everyone can benefit from recycling. By having support from the government, IKEA is able to develop integrated waste processes with their stakeholders.

These are good examples to show that at IKEA sustainability practices have been made possible and new activities developed by educating employees and customers, so all are ready to think about the environment.

Another example of sustainability practices is the effort to eliminate waste from IKEA's own operations. This means that employees needed to change their mindset to create less waste and to think of waste as resources.

By FY20, 90% of our waste will be recycled or sent for energy recovery, of which 80% of the waste from stores and distribution centres and 90% from [IKEA] Industry Group will be material recycled. (IKEA, 2015, p.45)

In 2014, IKEA launched Recovery Direction, which is a strategy for preventing unnecessary costs due to damaged packaging and products, increasing revenue and reducing waste by giving products a second chance. Therefore, IKEA tries different ways to identify and address the root causes for damages and returns, uses spare parts to repair items upon damage or returned to store by customers, repackages their products with damaged boxes and offers discounted prices for

products that cannot be repackaged or repaired. Since launching, IKEA has ‘installed repackaging machines in 214 stores – more than two thirds of all stores globally’ (IKEA, 2015, p.46).

The management view damaged products as a waste and cost to the company as well as damage to the environment. IKEA uses the incident and shares it internally so that the employees can learn from one another as well as transforming their thinking towards sustainability.

6.6 IKEA collaboration with other sustainability organisations

Peter Agnefjäll, President and CEO of IKEA Group said,

We can do a lot ourselves, but we can only tackle the big challenges facing the world today by working together with others. (IKEA, 2016a, p.6)

Increasingly, IKEA is doing more work with the Singapore Alliance for Sustainable Palm Oil as one of the founding members and through their participation in the committee. Their primary goal is,

To get more manufacturers and retailers to use sustainably produced palm oil, and give consumers here environmentally-friendly options for the many products which contain palm oil. WWF Singapore is leading and supporting the alliance. (Melissa, 2016, p.1)

Another engagement IKEA is involved in being part of the Singapore Packaging Agreement (SPA) Council, a joint initiative by the government National Environmental Agency (NEA), industry and NGOs to reduce packaging waste. In Singapore, Masagos Zulkifli, the Minister for the Environment and Water Resources, launched the reduced packaging label in 2017 to help companies to cut their packaging waste through disclosure of their packaging data such as ‘the type and amount of packaging they use, as well as their plans to reduce it’ (Lim, 2017, p.A9). In support of the government initiative, he said that ‘Every one of us has a part to play in reducing packaging waste’ (Lim, 2017, p.A9). In addition, the Singapore Environmental Council announced the launch of an ‘eco-label that help consumers identify products with reduced packaging’ (Lin, 2017, p.A1).

IKEA Singapore achieved a merit award on 3R (reducing, reusing and recycling) Packaging in 2016 for their efforts and achievements in reducing packaging waste. For example, IKEA 'estimated that about 4.5 tonnes of packaging waste could be avoided in a year, with associated material cost savings of \$19,550 per annum' (Singapore Packaging Agreement Council, 2016, p.9) if the disposable containers are not in use. IKEA continues to explore the flexibility to adopt cost-effective solutions to reduce waste.

Jason said,

... companies are always focusing on its bottom line [and] there are also other considerations to increase profit such as to reduce the energy by increasing the temperature inside the stores by 1 or 2 degrees. It will save on the electricity bill or operational cost and raise the profit margin.

There are also companies who perform green efforts for the sake of their branding. Jason said,

Sustainability today is hot core business today... Company that focuses on sustainability as compares to others who doesn't, [fares] better on the employee's satisfaction, profitability and branding.

Although the starting point may be for the purpose of branding or saving cost, IKEA, in collaboration with other organisations, had a much broader agenda in the development of their sustainability practices. The practices were integrated into their sustainability values and mission, but IKEA was focused on both their environmental impact and economic sustainability,

Besides focusing on the bottom line and productivity, IKEA continues to think about how to streamline operations without raising cost, how to continue to be more focused on collaborating with other sustainability organisations. The practices keep evolving and it is challenging to change the way it works. Ethan said that IKEA's senior management recognise the need to change how they conduct their business to be able to achieve their sustainability goals.

6.7 Communication informing sustainability practices

I have drawn on the expansive learning at work model by Engeström (2001) (discussed in Chapter 2.13, see p.60 - 63 and Figure 4.4, see p.90), to discuss communication on inter-organizational learning. IKEA business strategies focus on providing low cost but quality products to customers, but it is always a challenge to meet the customers' expectations while developing a sustainable environment. Jason said that there will be situations where customers will need to pay more for green products. Therefore, the management recognise the importance of educating customers now. As communication becomes increasingly important to educate customers on their sustainability products, IKEA has developed communication processes to align to their vision and sustainability strategies. By aligning to their shared vision in creating a better everyday life for people, they incorporate processes to include how they develop their business, and design affordable furniture. IKEA also ensures they take care of employees and suppliers as well as the environment. Therefore, in their shared vision, they have made a statement that they are also accountable to create a better living for everyone. They have cultivated the thought of sustainability in all communication efforts.

Ethan said that while the process starts with their business ideas, they also have to look into the operations aspect such as integrating sustainability goals into the objectives for the business units to ensure that the communication is done at all levels. Similarly, Jason said that it has always been challenging for IKEA to keep communicating about sustainability and environmental friendly ideas and actions, but IKEA believes that saving resources allows them to either generate higher profit margin or lower prices for many customers. Samantha said,

So, we have low price products with certain quality for thinner wallets. We still want people with thinner wallets to be able to afford well designed furniture. As they grow, as they become more established, then they will have the ability to buy higher grade, higher price furniture. That is exactly what we want.

Research by University of Pennsylvania (2012) highlights that Adam Werbach, former Chief Sustainability Officer of Saatchi & Saatchi, recommends,

Organisations should encourage goals that are, optimistic, aspirational, and achievable in 5-15 years, actionable by every employee in the organization, connected to the company's strengths, connected to the core of the company's business, and infused with a purpose greater than just sustainability. (p.21)

Communication of IKEA's sustainability goals is part of the goals for the managerial level such as the Store Manager and Business Unit Manager. As Samantha said,

When you are making decisions, when you are planning, you think about sustainability principles relevant to the department. So, for example, Communication and marketing would involve communicating what [IKEA] has done. [Therefore] part of our communication should include sustainability communication. When we do events, [we] should then incorporate sustainability principles into customer engagement event.

The Manager will measure the key performance indicators (KPIs) achievements whether it has met the sustainability goals and translate it into a rewards system that will have impact to the individual's compensations and benefits. Therefore, communication will start from the top management and translate down to the lowest level of the organisation structure. IKEA's Green Future Solutions (2015) document states that,

There is an emphasis on sustainability education and awareness for co-workers, and they go through a sustainability e-learning programme. There is a handbook on sustainability and waste sorting processes in place for the co-workers to ensure that their backend practices are sustainable and all waste are discarded responsibly. The notice boards in the office also constantly update the co-workers on environmental and sustainability programs, news and generate awareness [see Figure 6.15]. (Green Future Solutions, 2015)



Figure 6.15 – IKEA's Notice Boards (Tay, 2011)

IKEA sends a strong signal on the importance of sustainability practices. They encourage explicit and open communication, so the employees know that they will get the support they need in generating ideas and creating solutions to meet their sustainability goals. The communication aspect is to ensure that the employees are aware that they are being observed and know they are being measured through appraisals. Hence, the management plays an active role in walking the talk to encourage employees to spend time involved in sustainability practices.

Samantha said,

We need to maintain or efforts at communicating for sustainability.

While it is important to build up internal communication processes, IKEA also focuses on communicating effectively with the external stakeholders. This process in engaging external stakeholders starts with the Management team first. They discuss current issues in relation to sustainability initiatives. As Jason said,

It is about being transparent and building credibility that allows you then to look into proposals and make things happen.

IKEA also looks to find partners with credibility in sustainability that can help them build on their corporate identity. The customers will know what they need to do and be wise about the selection of products, especially from organisations that behave ethically and focus on corporate social responsibility. Therefore, partnering with non-government organisations (NGO) is part of their communication strategies. IKEA assures that all partners have a mutual understanding to create a better living for everyone.

Jason said,

We know we have to be transparent in what we do. Our business plans and goals are communicated to all stakeholders.

Lieb & Lieb (2010) noted that the development of new sustainability initiatives in processes and systems in businesses will impact on customer needs and the community. Hence, there is a need to establish formal procedures to anticipate sustainability actions, expand partnerships and develop green training programs. IKEA educates its customers consciously, and they are always priorities in each employee's minds. Sustainability has now also become part and parcel of employees' daily work routine, so they achieve their key performance indicators. Documentation related to sustainability is posted on their corporate websites or other social media platforms to communicate to customers. They encourage more participation and discussion with customers to seek feedback on their initiatives such as recycling, saving energy using LED bulb and others through their website. IKEA is adopting an open communication strategy by constantly posting more and more information to share ideas.

One example was the launching of the sustainability initiative in 2016 called *Democratic Design*. It is positioned as a design for everyone and covers all five dimensions such as form, function, quality, low cost and sustainability. They also launched a communication campaign by having a roadshow in their store outlets to communicate and educate the customers on sustainability (see Figure 6.16 – 6.19). Samantha said,

[IKEA's] products [are] designed with sustainability in mind. If you look at it, it is democratic design, and democratic principles, where sustainability is part of it. So, when [these are] incorporated, then as a retailer, it is really important to make sure that we tell our customers. We tell a story of the sustainability behind the product, so that customer will realize it and reduce our environmental impact.



Figure 6.16 – IKEA's Democratic Design

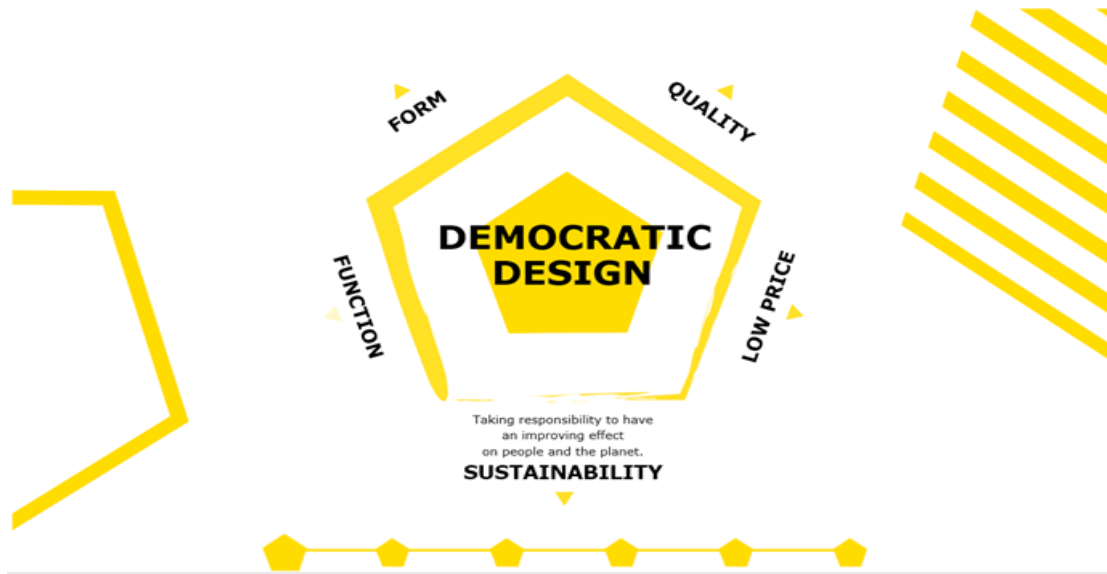


Figure 6.17 – Sustainability in the Democratic Design by IKEA



Figure 6.18 – IKEA's Roadshow engaging customer on the sustainability initiative – Democratic Design



Figure 6.19 – Roadshow in a IKEA store outlet on the sustainability initiative – Democratic Design

Besides using the e-platform to document their messages, IKEA also taps into other communication modes such as posters in the store outlets, train stations, newspapers, magazines and radio. Another example is where the conservation of water is communicated through posters in washrooms at IKEA stores. Although these communication platforms has proven to be positive in reaching out to customers, senior management continue to be concerned about communication outcomes. Jason said,

If we communicate all the way to the public... people come to the store and everywhere you see no plastic bags. But for some, by the time they are ready to check out, it's too late if they haven't bought their own bags, so they realise they need to buy a reusable bag at cost. But they are unbeatable prices with a lifetime guarantee that in 10-15 years from now, if it breaks, you can come back and we will give you a new one.

IKEA has to think cleverly about communication processes and strategies, but by communicating their approaches in step-by-step guides, IKEA has succeeded in getting customers to think that it is easy to act on supporting their sustainability practices. Jason said,

You can facilitate and make a, environmentally responsible decision easier for the customers. And by doing this, even though they might think it is difficult, they already taking a step and show to themselves that it is possible. So, that's how with 7 million visitors every year in Singapore, you can have an impact. So, the next step now is to do away completely with plastic bags because we can do that too.

In March 2016, IKEA launched another whole range of sustainability practices including using recycled newspaper for customers to wrap their purchases including glass, china, cutlery, and fragile items at the self-service kiosk and also using reusable food container to pack takeaway food (see Figure 6.20).



Figure 6.20 – IKEA's self-service wrapping kiosk

Measuring the success of these kinds of sustainability key performance indicators is documented in the business plan that is communicated to all levels in the organisation. IKEA continues to measure their effectiveness and communicate their successes on a regular basis to the internal stakeholders using noticeboards, intranet and other social initiatives. In doing so, they obtain the commitment and ownership of the employees to perform their roles in each store to meet sustainability goals and to continue to embed their vision and values to achieve a more sustainable future.

6.8 Chapter conclusion

The evidence and discussion provided in this chapter clearly demonstrate that IKEA's policies and practices in relation to sustainability and CSR are constantly being developed by senior management and employees. They have a continued focus on implementing more sustainable and creative practices such as using limited resources wisely to reduce their environmental impact.

In order for IKEA to be a leader in sustainability in the retail furnishing industry, they are developing new activity systems and innovative approaches in their business. An example of IKEA's future initiatives is to customise their products according to the country's weather, local resources and demographics. For instance, they know that if they offer an alternative to timber furniture, and use more recycled materials, this can save tons of trees and reduce the environmental impact. They also want to ensure that products are manufactured in a way that will withstand high humidity levels in tropical regions. This means that IKEA global will be continuing to look into product specifications and retesting them based on customer experiences so they will know if the products are suitable for different environments. In addition, IKEA is constantly re-designing and thinking about every aspects of the company's policies and processes including leadership, design, communication and transportation routes, to ensure maximum efficiency and sustainability.

For IKEA's mid-to-long term sustainability plans, they are identifying their priorities to work towards fully integrated sustainable processes in all their businesses, including having strong collaboration with their stakeholders such as customers and suppliers. Reports analysed for this chapter showed that IKEA is focused on building more sustainable stores, and ensuring that there is more thought leadership about sustainability. The company wants to be a leaders in championing sustainability efforts and piloting logistics to reduce wastage when customers dispose of IKEA's products, that are still reusable and in working condition. They are also creating more engagement platforms with their employees, as the senior management perceive that the employees' duties and responsibilities are extremely important in meeting IKEA's sustainability and CSR goals. They are also taking the next step to drive change by working closely with government bodies and international organisations.

CHAPTER 7 EY - GLOBAL

7.1 Introduction

The boundaries between sustainability considerations and mainstream business decisions are eroding. Increasingly, there is recognition that value creation is driven not just by a focus on financial capital, but by a more holistic approach to the very idea of what constitutes value. Organizations need to actively manage and balance a range of resources, from people and natural capital to brand value, and research and development, if they are going to thrive and grow. (EY, 2015f)

In this chapter, I discuss various aspects of the global leadership, sustainability and corporate social responsibility (CSR) practices of Ernst and Young (EY); a leading global consulting company that provides assurance, tax; transaction and advisory services with more than 700 offices and 250,000 employees (EY, 2017b) across the world in 150 countries. EY was founded in 1989 through the merger of Ernst & Whinney and Arthur Young & Co. with the oldest component dating back to 1849. The company has a history of more than 150 years (EY, 2017a). It achieved strong combined global revenue of US\$31.4b in the Financial Year ending 30 June 2017 (FY17) which is an increase of growth from US\$28.7b in FY15 (EY, 2016b) and demonstrated the 7th consecutive year of growth (EY, 2017b).

I selected EY for my study because of the company's stated goal to contribute to a positive impact on the environment by supporting their customers and the marketplace to minimise the negative impact of climate change to achieve a low carbon economy. EY is also committed to managing and reducing their environmental footprint and becoming more socially responsible and focused on sustainability.

In this chapter, I analyse EY's global practices through drawing on documents in the public domain including company policies, key performance indicators, annual reports, analysis of information available on websites and other publications, in order to provide contextual understanding of the company in relation to my research questions. Structurally, the company is led by the Executive; EY's highest management body that focuses on strategy, execution and operations to ensure that the business continues to be sustainable and profitable. The Executive

includes global leadership and governance bodies in the Americas; Asia-Pacific; Europe, Middle East, India and Africa (EMEIA) and Japan. EY organises their legal entities, people and revenues into 28 similarly sized business units called Regions, to ensure faster responses than their competitors through access to the right people and high-performing teams that deliver exceptional client service worldwide in a unified approach (EY, 2017d). The focus is on ‘one strong global leadership team that sets one single global strategy and agenda’ (EY, 2017c) towards sustainability.

EY recognises that the role of business is changing so there is a stronger focus on driving social and environmental change as well as on being profitable. EY is led by Mark A. Weinberger, the Global Chairman and CEO, who emphasises that,

We believe that everything we do - every audit, every tax return, every advisory opportunity, every interaction with a client or colleague - should build trust and confidence and make the working world better than it was before (EY, 2014a, p.5).

Since ‘joining the United Nations Global Compact (UNGC) in 2009’ (EY, 2011, p.3), there is an expectation from stakeholders that the business needs to address social and environmental issues through its operations, products and services and unique capabilities. Hence, EY’s response has been to transform their organisation to keep up with the changing needs of their clients and people towards sustainability.

7.2 Vision and commitment to implementing sustainability policy and practices at EY

In my study, I have drawn on various theories related to becoming a learning organisation for sustainability from the Cebrián et al’s. (2013) framework. One key theme suggested in Cebrián et al’s. (2013) work is the need for shared vision and commitment in organisations. In responding to increasing globalisation and transforming lives in the developing world, EY responded by creating Vision 2020 in ‘building a better working world’ (EY, 2013b, p.1) (see Figure 7.1). It became clear to EY that,

When we looked at the work we do for clients and what motivates all of us each day, we could see that everything we do contributes to building a better working world... helps our clients fulfil their purposes and contribute to building a better working world. (EY, 2017j)

EY believes in long-term stimulation of more aspirational conversations about the future and finding bigger and more ambitious conclusions in sustaining their businesses. EY believes that in a better working world, businesses grow sustainably.

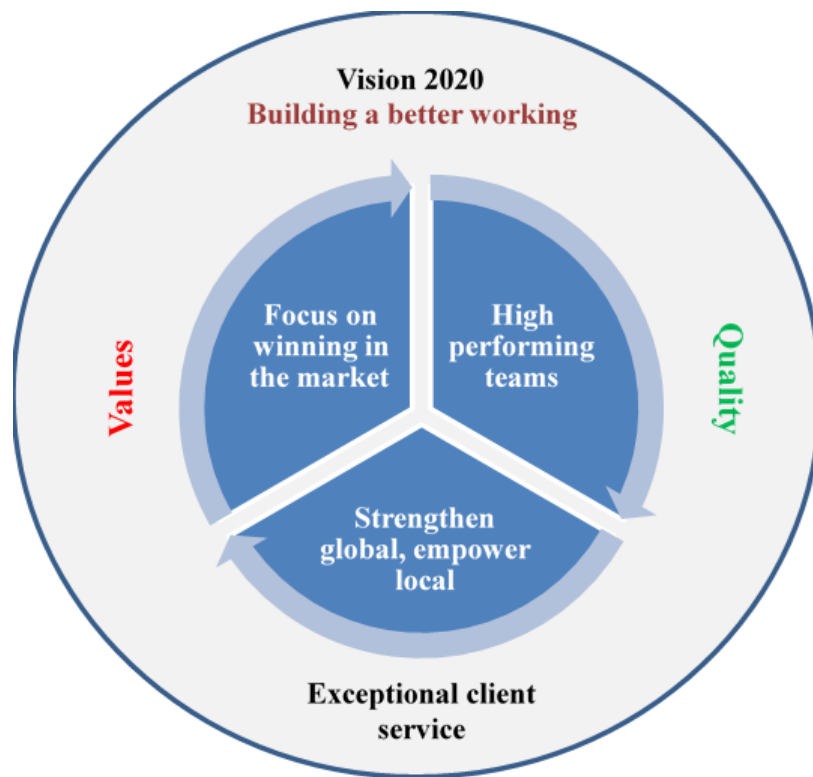


Figure 7.1 – EY’s purpose in building a better working world (EY, 2013b, p.7)

At EY, conversations and actions related to sustainability and in particular finding solutions to climate change as an important aspect of the role of business have increased in recent years. EY’s senior management feel that this has led to a growing number of businesses now actively setting up sustainability policies and practices through investment in ‘low-carbon initiatives and technologies’ (EY, 2017h) and the implementation of policies and practices to develop sustainability and corporate social responsibility. As much of the world’s attention is centred on global sustainability and environmental issues as the result of the convention at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change by the governments, NGOs and business leaders (United Nations, 2015), EY agrees there is a greater sense of urgency for the potential growth of a carbon market. In order for the carbon pricing to be relevant on a global context, the attitude of EY is they should get involved in engaging their

internal and external stakeholders (ie. customers, suppliers and employees across regions, countries and businesses to develop carbon pricing through their global consulting and advisory business (EY, 2017h).

As part of a larger commitment to discussions surrounding 21st Conference of the Parties (COP21) in Paris in December 2015, EY commissioned a study through Climate Change and Sustainability Services (CCaSS) practice to determine the prevailing views of business toward carbon pricing. CCaSS, was established in 1992, and has a network of more than 700 professionals. It has been active in helping customers to identify how sustainability can drive competitive advantage, increase operational efficiency and lower risk in their sustainability journey through examples like identifying carbon footprints, developing sustainability reporting advisors, greenhouse gas assurance, environment, health and safety processes (EY, 2016f).

Juan Costa Climent, Global Leader of Climate Change and Sustainability Services, EY said,

Companies that intend to lead are already incorporating future expected carbon prices required for innovative and expensive technology into their decision-making. Businesses, generally, need to understand these market-driven solutions. (EY, 2017h)

With the attitude and commitment of EY's senior management, they have better understood the real drivers for business in relation to sustainability. With their participation in the World Bank's Carbon Pricing Leadership Coalition they undertook to research the issue and practice of carbon pricing to better develop their sustainability policies and practices. EY also conducted a survey to gather new business support for sustainability from the United Nations (Business Leadership Criteria), the World Bank and the World Business Council for Sustainable Development (WBCSD) in 2015 (EY, 2015c). The intent of the survey was to provide evidence that the overall performance of the companies could actually improve if they were open to implementing independent carbon pricing action as a way to reduce environmental concerns (EY, 2017h). EY saw this as a way to help its customers achieve its environmental goals through its consulting and advisory roles.

EY also completed a global report in December 2015 on shifting the carbon pricing debate to focusing on the emerging business attitudes for global climate action. This was conducted through its survey of more than 100 executives of organisations in the US and Europe all with annual revenues exceeding US\$500m. The survey result in accordance shows that,

54% of the respondents [survey companies] believe that carbon pricing is the most effective way to cut carbon emissions. Nearly half (48%) say their company is in favour of carbon pricing (p.4) ... Eighty-one percent say that it would have a positive impact on investment in green growth opportunities within their business (p.6) ... Sixty percent of respondents are making a renewable energy commitment. (EY, 2015c, p.8)

Based on this evidence, EY has built company strategies in the area of carbon pricing and provides this advice to their customers through their consulting and advisory business. EY notes that ‘changing attitudes from businesses globally, and in particular in emerging markets... providing new impetus to policy discussions on the setting up of carbon pricing’ (EY, 2015c, p.5).

In addition, Dr Matthew Bell, EY’s Oceania Climate Change, Sustainability Leader and a Partner of EY Australia said,

[The changes to the] Corporate Governance Principles introduced for FY15 reporting which specifies disclosures on environmental, social and sustainability risks reflect the changing attitudes... The real leaders in this space understand there is capacity to create value from this in the long-term. (EY, 2017i).

There has been steady growth of EY’s Climate Change and Sustainability practice in the past eight years in Australia (EY, 2017i), demonstrating the company’s vision to adopt sustainability policies and practices in the long-term.

This reflects Engeström’s (1987) view that tools can be vital to the functioning of an activity system. With the tool of the COP21 (2015), EY facilitated carbon pricing discussion in the run-up to the United Nations Framework Convention on Climate Change in December 2015. The results clearly show the commitment by the management and their global, multidisciplinary team. With core expertise in consulting and advisory services including climate change and sustainability skillsets as well as deep industry knowledge, EY continues to engage their stakeholders on how

their businesses and their customers' businesses will be disrupted or will need to change in the future, especially carbon intensive organisations or those reliant on carbon intensive sectors.

7.3 Activity systems at EY

In this section, I utilise the activity system by Engeström (1987) (see Figure 2.7, p.62) to discuss the activity system that relates to EY's global focus on sustainability. EY as the 'subject' (Engeström, 1987), has been transformed through its connection to the 'object' or aim to develop effective sustainability practices and CSR, to achieve the outcome of a more sustainable world. There have been new cultural formations and processes within EY since their involvement in the United Nations Global Compact (UNGC, 2017b) in 2009. The UNGC as well as others 'tools' (Engeström, 1987), such as World Bank, World Business Council for Sustainable Development (WBCSD), 21st annual Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) in 2015 and Global Sustainability Summit have become an enduring 'tools' that have influenced the culture of EY.

Besides the United Nations Sustainable Development Goals (United Nations, 2016), EY has adopted the UNGC Ten Principles (UNGC, 2017b) as their sustainability goals. They also develop workplace cultural change towards Diversity and Inclusiveness (D&I) (EY, 2017) to ensure personal sustainability. These have become the 'rules' that provides guidance on the procedures and the right things to do in EY's sustainability and CSR journey. EY argues that internal and external stakeholders such as customers, senior management, employees and its member firms are important as they contribute significantly to the sustainability practices and CSR. As Gitsham (2011) argues, there is a need 'to be aware of and respond to the evolving realities of organizational practices, and... business leaders are a key stakeholder group for management education' (p.502).

Together with the right attitudes and commitment from EY's senior management, the global and local 'community' are able to obtain benefits from the initiatives. These could only be achieved through the 'division of labor' (Engeström, 1987), where efforts are put into tasks which are shared within EY and its member firms. My analysis of documents in the public domain found that all components of Engeström's (1987) Activity system model are interconnected as Figure 7.2

shows. These aspects relate to the research questions on the policies and practices that EY is developing and implementing on sustainability and CSR, and how sustainability and CSR business practices reflect elements of organisational learning theory and practice?

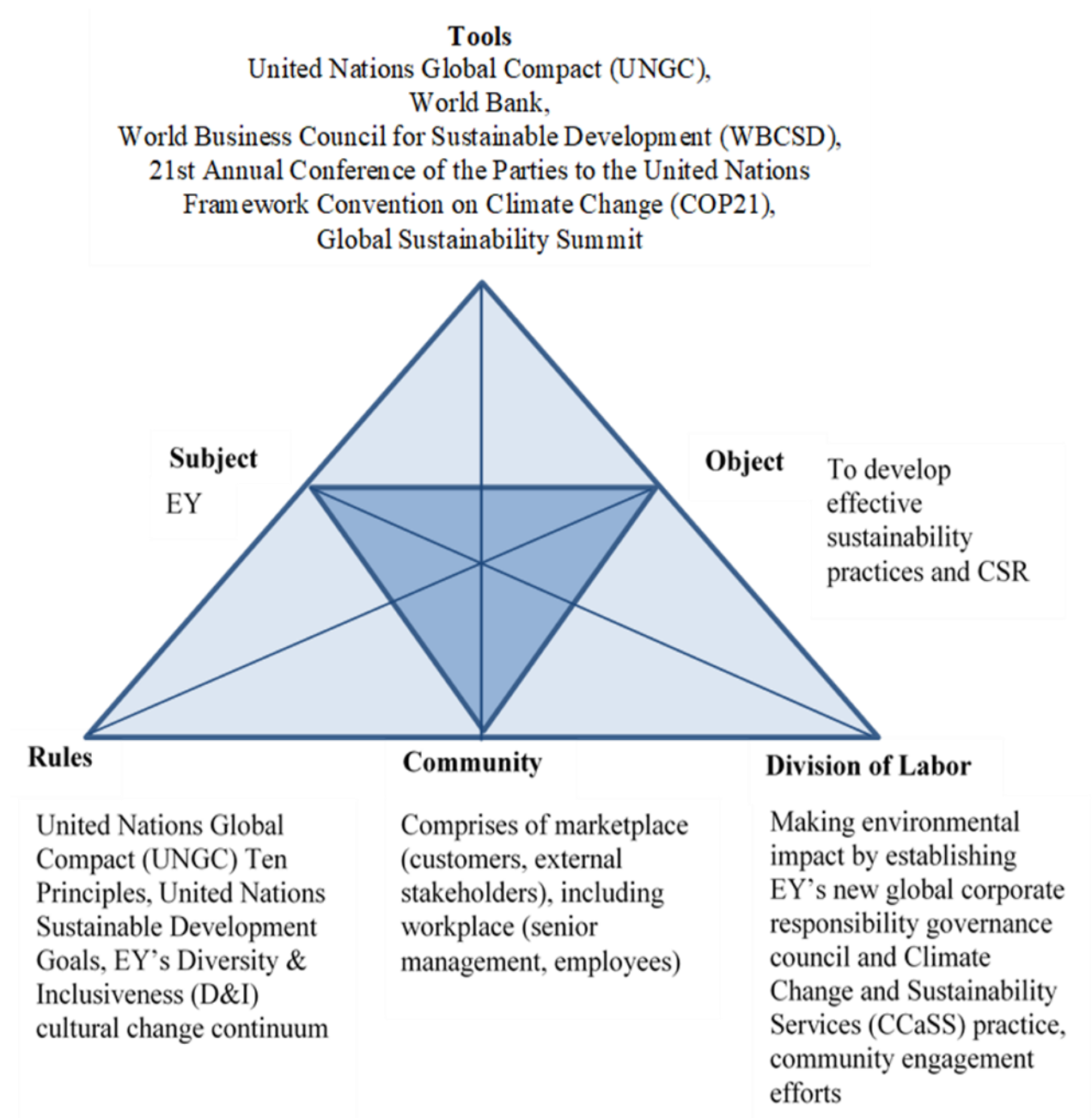


Figure 7.2 – EY's activity system (adapted from Engeström, 1987, p.78)

7.4 Cultural and historical factors influencing sustainability at EY

In the following section, I discuss the cultural and historical factors that lead to the development of organisation learning and practices for sustainability in EY based on the framework developed by Cebrián et al. (2013) and Engeström (2001).

The United Nations Educational, Scientific and Cultural Organization (UNESCO) (2012) states that culture can ‘foster sustainable development as a driver and as an enabler’ (p.4) and,

Culture-led development also includes a range of non-monetized benefits, such as greater social inclusiveness and rootedness, resilience, innovation, creativity and entrepreneurship for individuals and communities, and the use of local resources, skills, and knowledge... Cultural factors also influence lifestyles, individual behaviour, consumption patterns, values related to environmental stewardship, and our interaction with the natural environment. (p.4)

My review of the United Nations framework of how culture contributes to development, demonstrates that EY creates a culture centred on valuing sustainability, such as promoting sustainability practices and CSR across all levels of the company and various stakeholders globally. The Diversity and Inclusiveness (D&I) culture change continuum has supported EY’s roadmap for success in their sustainability journey. (See the depiction in Figure 2.2, p.51, and further discussion in the following sections).

Based on the United Nations post-2015 development agenda (UNESCO, 2012), it is clear that culture needs to be integrated into sustainable development strategies and policies as well as processes that advance a human-centred and inclusive approach to development. This can also serve as a powerful socio-economic resource in society.

I draw on the activity system by Engeström (1987) (see Figure 7.1, p.175) and expansive learning at work model by Engeström (2001) (discussed in Chapter 2.13), to explore ‘the challenges and possibilities of inter-organizational learning’ (p.133).

Engeström (2001) highlighted that expansive learning activity is where ‘learners are engaged... and produce new forms of work activity’ (p.139) which is relevant to EY’s sustainability and CSR

journey. This relates to my research focus on the policies and practices EY is developing and implementing on sustainability and corporate social responsibility (CSR), and how these reflect elements of organisational learning theory and practice.

Expansive learning (shown in Figure 2.6, p. 60) ‘contributes to the understanding of the influences of the social and cultural contexts [towards] organisational learning’ (Cebrián, et al., 2013, p.295). The summary of factors that Engeström (2001) emphasises shown in Figure 7.3 are based on five principles connected to my research: activity systems as the unit of analysis, multi-voicedness, historicity, and expansive cycles. These principles and their impact on businesses were also discussed in my analysis of IKEA’s approach to expansive learning.

	1. Activity system as the unit of analysis	2. Multi-voicedness	3. Historicity	4. Contradictions	5. Expansive cycles
Who are learning?	EY partners with United Nations Global Compact (UNGC) as ongoing commitment. 'We're proud to renew our global organization's ongoing commitment to the UNGC and to share our efforts to uphold inclusiveness, responsibility and sustainability in all we do' (EY, 2017, p.3)	Voices of stakeholders ie. Internal within EY, External, eg customers, communities			
Why do they learn? (about sustainability)	To be able to provide consulting and advisory services to customers (value creation)	To 'create an inclusive workforce, where all difference matter, allows us to identify the risks and opportunities [on sustainability and CSR] we might not otherwise see' (EY, 2017c)	Historically increasing customer demands in making sustainability goals as local business	Concern whether the investment on environmental sustainability will result in profit (Triple bottom line)	

	1. Activity system as the unit of analysis	2. Multi-voicedness	3. Historicity	4. Contradictions	5. Expansive cycles
What do they learn?	EY proactively seeks to conduct Global Sustainability dialogues (ie Summit) to seek stakeholders' inputs on the environmental sustainability and Corporate Social Responsibility	To ensure that 'all our people's voices are heard and valued not only helps attract and retain the best people, but it also helps us deliver better approaches for our clients and for our own organization' (EY, 2017c)	Historically merging the co-existence of old and new thinking; continuously assess and challenge the social and environmental measures implemented by EY	Arising from the concern above, EY aligns their goals with United Nations Global Compact (UNGC)	Expansion in transforming sustainability policy into an efficient plan of action with concrete business practices (ie. new way of creating a responsible & sustainable business, value of sustainability reporting)
How do they learn?	Established relationships with United Nations Global Compact (UNGC), customers and suppliers (example – adopt the Ten Principles of United Nations Global Compact (UNGC) and United Nations Sustainable Development Goals to align their purpose of building a better working world	Dialogue between EY, United Nations Global Compact (UNGC) and stakeholders (ie. customers, suppliers)	Develops the Diversity and Inclusiveness (D&I) roadmap, 'a shared and common framework relevant to all of EY, is helping us drive change at both organisational and individual levels [towards sustainability (EY, 2017c)	Contradictions converted from previous resistance due to cultural change and commitment to doing even more on building a better working world through the culture of global teaming and an environment for the employees to build their careers (EY, 2017d)	Learning actions from questioning, analysis, seeking opinions, perspectives, cultural references and action reviews (ie. setup a division called Climate Change and Sustainability Services (CCaSS) practice to help EY's clients to operate more sustainably and lower their cost (ie. carbon footprint) in the process such as supply chain

Figure 7.3 – Matrix analysis of EY's 'expansive learning' (Engeström, 2001)

With reference to expansive learning for EY, Mark, Global Chairman and CEO of EY said that, ‘Today there is a growing appreciation that business is not a zero-sum game and that shareholder returns cannot be an organization’s only goal’ (EY, 2017, p.3). Indeed his views recognise that his organisation needs to look beyond shareholder returns and create a positive impact on the society through their core business and encourage contributions to help communities to thrive. With the increasing demands from customers, it has become a natural step for EY to understand their collective responsibility and together with their stakeholders, do business responsibly and collectively to address challenges faced in society and communities.

As James S. Turley, ex-Chairman and CEO of EY said, ‘Maintaining a responsible and sustainable business is fundamental to all that we do at Ernst & Young’ (EY, 2013a, p.4). Since then, EY has encouraged individual effort and contributions to the communities through formal programmes and setting the right culture such as positively influencing change through sustainability dialogue through their Global Sustainability Summit, sharing knowledge with customers and business community, setting up CCaSS to influence leading practices and collaborate with local governments and organisations to adapt to climate threat as well as addressing the challenges faced (EY, 2017t). EY believes that in order to minimise the environmental impact of their business activities, they need to be involved in,

Engaging our people on environmental issues through consultation, training and an extensive communications and awareness programme supporting behavioural change at work and at home, providing a range of financial and non-financial incentives to influence employee behaviour, operational controls, including mandatory internal policies and procedures, to regulate employee practices [and] investing in building infrastructure to reduce energy consumption and travel alternative technologies such as video conferencing and web-based meetings. (EY, 2017ii)

Through their collaboration with governments, customers, and the UNGC, the CCaSS teams are able to provide active involvement with the World Business Council for Sustainable Development (WBCSD) and the Global Reporting Initiative (GRI). The teams also engage in climate change debate and provide strategic support that lead to the ‘launch of the Natural Capital Protocol [that] marks a huge step forward in the ability of businesses to measure and value their relationship with natural capital’ (EY, 2016e, p.2). The CCaSS teams have also become involved in innovative

areas such as renewable energy, water accounting, alternative waste treatment, sustainable supply chains, and sustainability reporting.

Research by Dyllick & Hockerts (2002) has found that for long-term sustainability, ‘businesses will have to manage not only economic capital, but also their natural capital and their social capital’ (p.132). My analysis of EY Financial reports and other documents revealed their deep recognition of the need to understand and act on the links between corporations, industry and eco-systems. EY has promoted the view that for businesses to achieve sustainability, organizations must consider and act on the importance of balancing economic capital, natural capital and social capital on a long-term basis.

As part of their social sustainability approach, EY is committed to providing the best working environment for their employees as people are their greatest asset. Through the aims of creating professional values and high-performing teams inclusively, EY develops a strong people culture in the world towards sustainability. In doing so, they encourage diversity by,

Getting the right mix within our workforce including differences in gender, ethnicity, national cultures, subcultures within countries, sexual orientation, disability and generation, among others [and Inclusiveness] is about the way we make that mix work. It’s about creating an environment where our people feel valued, are part of the community and are able to perform at their best. For us, this isn’t a program. It is a way of thinking and operating that underpins everything we do, and it is one of our top business imperatives. (EY, 2012, p. 8)

7.5 Embedding Diversity and Inclusiveness (D&I) at EY for social sustainability

In my review of documents in the public domain related to enhancing the importance of sustainability and promoting it to internal and external stakeholders, I found that EY’s journey includes the embedding key elements of their culture; respecting and enhancing Diversity and Inclusiveness (D&I) as part of their development and engagement policies. This work aligns with United Nations Educational, Scientific and Cultural Organization (UNESCO) (2012) views on the importance of creating links between culture and its contribution to sustainability development

(see Figure 2.5, p.58). Being inclusive includes recruiting people from broad backgrounds and retaining the people with the right skill sets to support their customers.

Development involves a strong focus internally on putting in place appropriate structures, learning and coaching of employees so they advance their skills in embedding a sustainability focus and an emphasis on CSR (EY, 2017q). EY is engaged in leading major change in this work and implemented a global award program, *Better begins with you*, that,

Recognizes and celebrates individuals and teams within our organization who consistently live our values and bring our purpose of building a better working world to life through their everyday behavior, which in turn makes an impact on our clients, people and communities. (EY, 2017v)

This demonstrates new ways of thinking and values in managing sustainability as one of EY's top business and policy goals that are promoted by EY leaders world-wide. In order to develop the skills and mindset of senior management to lead inclusively towards sustainability, EY continues to work hard in changing for the better and embedding Diversity and Inclusiveness (D&I) into all processes across all levels of the business that include enhancing each individual's capability to deliver better sustainability approaches for their customers and themselves (see Figure 7.4).

The D&I roadmap is also developed as a shared, common framework for all with the objectives to identify and drive change at both the organisational and individual levels with the focus on establishing awareness and valuing differences. This is strongly connected to the social components of the sustainability agenda and involves identifying changes towards building a better working world. EY's notion of 'Diversity' is about valuing and respecting individual differences including culture, religion, ethnicity, sexual orientation, generation representation, socio-economic background and thinking styles. EY's Inclusiveness policies are also strongly focused on accelerating the achievement of gender parity across the world in terms of opportunity and equity. The senior management recognises that the ability to leverage and learn from different perspectives is a key component for growth and part of EY's critical leadership role in shaping community views on sustainability.

We continue to work hard at embedding D&I into all our processes, and at enhancing each individual's capability for inclusiveness — developing the skills and mindset [towards sustainability growth] necessary for us all to team and lead inclusively, and leverage our differences to the fullest. (EY, 2017u)

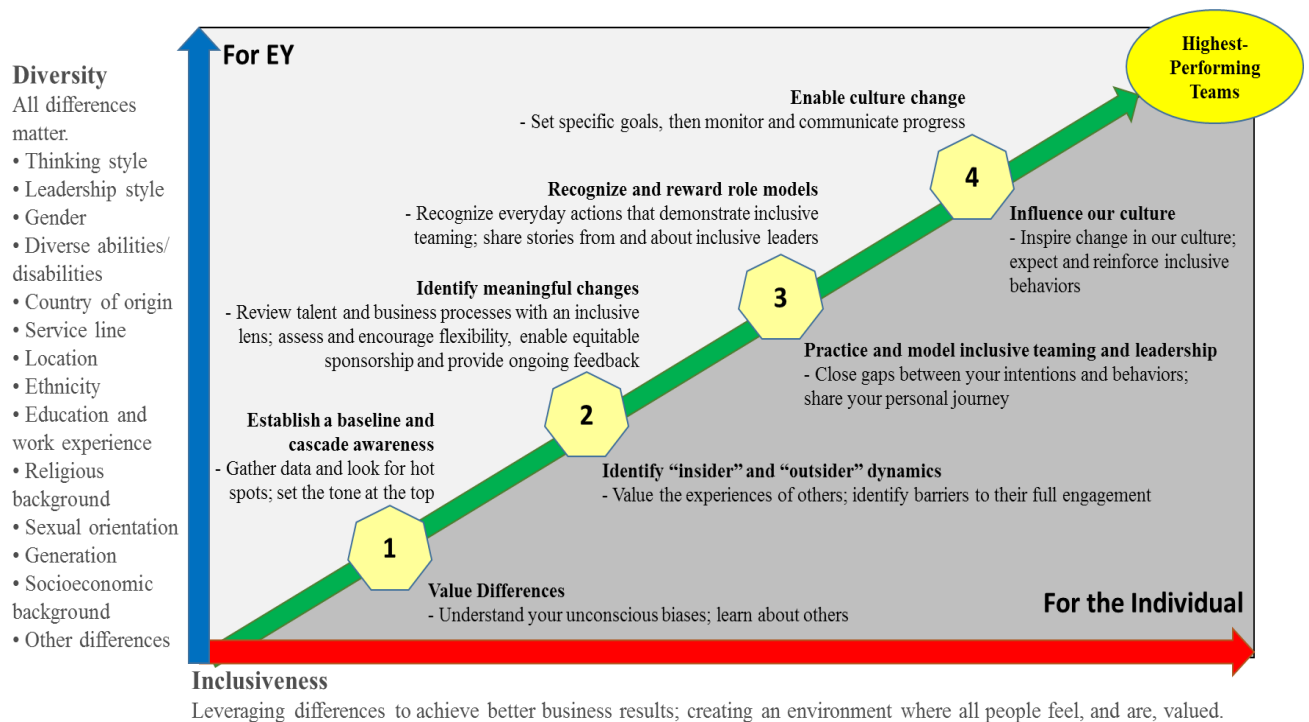


Figure 7.4 – EY's Sustainability Journey – D&I Culture Change Continuum: our roadmap for success (EY, 2017w)

As Karyn Twaronite, EY Global Diversity and Inclusiveness Officer said,

Differences make all the difference. If we can create a work environment where people feel they can be accepted for who they are, we know it will ultimately lead to better results for our clients and better experiences for our people. (EY, 2017x)

As EY continues to move up the continuum towards having the highest-performing teams, it is evident that D&I drives performance through creating an environment where people feel and are valued.

7.6 Cultural and historical factors that influence CSR initiatives

A review of EY documents and policies lead to the conclusion that being a socially responsible, ethical and sustainable business is at the heart of EY's culture that has developed over time. Based on EY's purpose to build a better working world, the business also focuses on Corporate Social Responsibility (CSR) initiatives that align with their values related to offering multiple opportunities in this work in developing countries as well as in the developed world. Although EY is also conscious of the Triple Bottom Line, the company continues to develop diverse CSR initiatives. As Mark, Global Chairman and CEO of EY said,

The desire to build a better working world extends far beyond our day jobs, though. When we look around today, we see broad societal challenges everywhere; issues such as deepening inequality, jobless growth, lack of opportunity for young people and low trust in institutions.

At EY, we feel a responsibility to help address these issues and demonstrate that business is an important part of the solution. So, we ask ourselves important questions, such as what can we do to make the global economy more equitable, sustainable and inclusive? What can we do today that will change people's lives for the better tomorrow? (EY, 2017s)

Mark also argues that,

Business has a pivotal role in solving society's issues. Through these areas, and our commitment to support and advance sustainable business principles in everything we do, EY will continue to play its part. (EY, 2017s)

Through the insights and services delivered as an organisation, EY focuses on three aspects of CSR initiatives; driving inclusive growth, supporting the next generation and involving employees through community engagement efforts. The first aspect of driving inclusive growth includes supporting entrepreneurs and strengthening the workforce to make a big positive impact to the society.

With many years of experiences, EY has become,

Well-known in the marketplace as a friend to entrepreneurs... The Ernst & Young Entrepreneur of The Year® Award, which celebrates successful entrepreneurs in 50 countries, is the most prestigious award of its kind. Google, IKEA and Starbucks are all former Entrepreneur of The Year winners. (EY, 2011, p.7)

By supporting entrepreneurship in emerging markets as part of CSR initiatives, EY believes that they play their part in creating sustainable economic growth around the world. They see their responsibility is to encourage new ideas and fresh thinking as a key aspect of making a difference to the lives of the people and to achieve future growth in equity and social sustainability. Practices involved in this area at EY include leadership that supports the development of the workforce through education programs that are constantly responding to change and the creation of new skillsets. This also benefits the markets, customers and EY's businesses. There are many examples of CSR initiatives to increase access to education for supporting the entrepreneurship.

Figure 7.5 shows examples of EY's involvement in CSR including annual investment of INR85m from the EY Foundation in India on the CSR program that supports women entrepreneurs and touches the lives close to 130,000 families across nearly 2,000 villages in nine states. Another pictures illustrates collaboration with The DO School, an international educational platform where EY managers mentor entrepreneurs from around the world to turn their ideas into successful social enterprises in their home countries. Another example shows the implementation of the EY - Earthwatch Ambassadors Program, where a team of 10 EY volunteers in Mexico provide guidance on basic business skills to help a small agricultural cooperative to reinvigorate the use of traditional, sustainable farming methods to benefit wider community via educating and strengthening the cooperative's internal capacity and capabilities. EY are also aiming to provide a million people with permanent access to safe water by 2020 in East Africa. This involves restructuring SolarNow's reward management and development of clear career paths that attract high-calibre salespeople to join them to spread clean, affordable, off-grid energy in East Africa targeting 700 million people across sub-Saharan Africa by 2030 (EY, 2017s). These examples demonstrate the critical importance of leadership, the commitment of large numbers of personnel and multiple, highly structured connections with community based organisations, that learning organisations must have in place if they are to achieve change.



1) Empowering women entrepreneurs in India



2) Exporting social entrepreneurship from Germany



3) Making sustainable agriculture profitable



4) Extending access to safe water in East Africa



5) Spreading affordable solar energy in Uganda

Figure 7.5 – Examples of EY's Driving Inclusive Growth (EY, 2017s)

A further aspect of EY's CSR initiatives is supporting the next generation to have access to quality education and work experience to encourage entrepreneurial skills.

We focus on using our insights to help equip young people for success in the modern working world. We aim to transform their prospects for long-term success, not only by improving equity of access to quality education and work experience, but also by nurturing the skills and behaviors they need to adapt and thrive in an age of disruption. (EY, 2017, p.10)

EY personnel have volunteered their time to develop a new Entrepreneurial Mindset Index in support with the Network for Teaching Entrepreneurship (NFTE) (EY, 2017y). They partnered with the Earthwatch Institute who have a commitment to reduce environmental impact. EY helps local entrepreneurs to educate, promote and contribute to scientific research on the effects of climate change to achieve a more environmentally sustainable world (EY, 2013c). They support a program that inspires young, high-impact entrepreneurs in South Africa to take the next step to grow their sustainability business to be the leading independent power supplier in Africa (EY, 2013c, p.2).

Another aspect of EY's CSR initiatives is involving employees across the world. EY is constantly working to further embed sustainability inside EY through integrating its principles of inclusiveness, responsibility and sustainability as the way the business is conducted. This includes strengthening the diverse and inclusive culture, ensuring the employees live by the highest standards of professional conduct, improving their ability to measure and manage environmental impacts, encouraging high standards in EY's supply chain and finally aligning the goals with action in their robust global coordination.

EY also supports community engagement through providing services such as employees being mentors or tutors for youth in need of support. Employees are also encouraged to join not for profit boards and organisations as a way of expanding and deepening peoples' professional networks to help professionals become more inclusive leaders (EY, 2017s). For example, EY reported that,

Our community engagement efforts include hours of mentoring, intensive, one-day interventions and long-term projects, giving EY people a wide range of opportunities to make a difference. (EY, 2017, p.10)

EY senior management continues to embed CSR in their events and meetings as a continuous part of their working lives. Regardless of their job positions, new staff are inducted into EY's commitment to CSR and are involved in experiences that help them to understand the organization's values and strategy towards sustainability and CSR. EY makes personnel and the general public, very clear, through their websites of their multi-layered approaches to sustainability and CSR that incorporate community engagement as part of their programs. One example of this is the EY Connect Day which is a day of global community connections where EY employees volunteer their time to clean up parks and beaches, and mentor the next generation of entrepreneurs across the US, Canada, Israel, Mexico, Central America and South America. They have contributed more than 60,000 hours annually through EY Connect Day (EY, 2013d), which helps to strengthen existing community relationships and form new ones.

To incorporate CSR as an integral part of the EY's businesses, there are Community Engagement Champions and Community Engagement Leaders in each region across the Americas, who lead volunteer activities and building strong community relationships. It is their responsibility to drive EY's CSR strategy in a local context respectively (EY, 2017s). This demonstrates the strong advocating by EY senior management teams in their sustainability and CSR journey that are consistent with activity systems work (Engeström, 2001) that are discussed in my study.

In order to further achieve positive impact, through engaging communities, EY encourages the next generation of leaders to make a real difference through organising the 'Your World, Your Vision' competition, with a reward of US\$10,000 to implement the programme. Examples from across the world include educating university students in Japan about EY's environmental sustainability practices, and in Australia, EY developed a maths and technology program for disadvantaged students which has been adopted by corporations and community groups connected to EY (EY, 2011, p.7).

With their focus on changing millions of lives for the better through EY's community engagement efforts, they have achieved a contribution of,

More than 700,000 hours of time to a variety of initiatives and value-in-kind projects and the organization invested approximately US\$90m directly in community projects. Many of these projects embrace the latest innovations and EY skills to address pressing issues across the local communities in which EY people live and work. (EY, 2017b)

EY embraces CSR and thinks carefully about how their programs and practices in this field can thrive on a long-term basis within varied business contexts. Hence, they focus on the 3Es namely Entrepreneurship, Environmental sustainability and Education as the foundation to build a better working world that truly reflects the strength of the EY organisation and its people. EY continues to use their consulting and advisory know-how in tackling business to help build the capacity and capability of high-impact social innovators to create jobs that will potentially change millions of lives.

As Lardere (2009) argues,

How companies respond to these questions of corporate responsibility will greatly affect their 'social license to operate' – the social trust and flexibility needed to operate and adapt to change and, consequently, their profits and survivability. (p.5)

EY believes that it is a corporate responsibility to address societal challenges faced in order to demonstrate that business is an important part of the solution through knowledge and experience sharing in order to help others live for the better. Based on the EY's support for the United Nations Global Compact report, the global Corporate Responsibility Governance Council that includes nine members of the Global Executive was formed 'to drive even greater alignment and impact as we increase our focus on using EY's distinctive knowledge and experience to help solve society's toughest challenges' (EY, 2017, p.10).

EY also uses their business to change lives around the world through social enterprises, ranging from developing programs to ensure greater access to clean water, energy, transportation and childcare. EY has developed new and innovative ways to provide people with programs that help them to improve the quality of their own lives through affordable means. By valuing the commitment from employees, EY staff are more likely to contribute. So this increases the reach and impact of their business-based and structured approaches and activities so that they can benefit more people especially in communities that have not previously had access to social enterprises.

7.7 EY's global leadership and organisational initiatives towards sustainability and CSR

Fullan and Scott (2009) highlight that successful leaders

... bring about change not by implementing given visions from their powerbase but by reconciling factors and divisions to achieve reform that motivates people from different groups to unify their change efforts. Nothing is more crucial for the future of civilization than resolving differences among people in a manner that leads to sustaining and enhancing the social, political and physical environment. (p.xi)

Consistent with Fullan and Scott's (2009) views on the importance of leadership in achieving change, (EY's commitment and principles towards sustainability encourages all employees to deliver insights and quality services to help build trust and confidence in the capital markets and economy, together with the stakeholders. This is aligned with Lozano-García et al's. (2009) view that 'Commitment, leadership and support of those higher-up is crucial to progress and embed sustainability' (Cebrián et al., 2013, p.291). The senior management of EY are convinced that the prosperity of their business and society lies in aligning their business goals with a commitment to social progress (EY, 2017k). Therefore, individually and collectively it is expected that everyone at EY has a stake in ensuring the world works better for all.

Mark commented that,

Many organizations – including our own – understand our collective responsibility to create more inclusive economic growth that serves the long-term interests of all stakeholders. That not only means doing business responsibly... we see this as more than just the right thing to do... We're proud to renew our global organization's ongoing commitment to the UNGC and to share our efforts to uphold inclusiveness, responsibility and sustainability in all we do. (EY, 2017n)

Stephen Howe, Jr, EY's US Chairman and Managing Partner, said,

It is at the heart of our ability to serve the public interest and grow the global EY network successfully and responsibly, while achieving our purpose of building a better working world. (EY, 2016d, p.3-4)

Senge et al. (2008) argues that there are critical factors involved in achieving change in organisational initiatives. One approach to this is summarised in Figure 4.13 (see p.108) which depicts successful shifts by organizations in creating positive change snowballs through the collective self-reinforcement of change by each individual. This can influence the rest of the employees within business units, by demonstrating to them what is possible. An example of this is to serve as a role model to transit EY's operations to a low-carbon economy by systematically measuring the environmental impact and taking demonstrable steps to reduce it. One of the ways is to measure their global carbon footprint annually and reports the environmental impact via the UNGC.

Effective leadership has resulted in successful building of customer recycling centres globally and a strong commitment to increase the rate of renewable energy source use. Leaders also ensure that employees manage their own professional learning and development as they work towards reducing energy and water usage with clearly defined targets.

Harnessing an inclusive culture at EY supports the 'snowball effect' of cost savings and reinvestment through office energy consumption and business air travel. The senior management of EY continue to drive better decision-making, stimulate innovation and increase organizational agility in the face of a rapidly changing world on sustainability. EY also continues to increase the energy efficiency of their offices through their green-building strategy. By implementing their Workplace of the Future model that uses technology as enablers, they are able to make their office space more efficient. By reducing the cost of air travel which is critical to their business, EY invests in travel alternatives, like telepresence videoconferencing and enhanced desktop and mobile options (EY, 2017k).

EY's key investment is their people and the ability to support their customers in their sustainability journey through quality and commitment of their people and how they team together. Hence their investment creates the highest-performing teams, attracting, developing and inspiring great people, and promoting a culture that supports EY which is central to their Vision 2020 strategy and purpose of building a better working world. To support these teams in delivering exceptional client service, EY is committed to continually providing training that develops their skills, challenging client opportunities, and a diverse workplace that allows flexibility and choices, as well as a framework that guide their career development (EY, 2017k).

EY creates positive snowball effects through their choice to innovate and produce more sustainable processes and services, which, is fundamental in building a better working world as their commitment to promote increased trust and confidence in sustainable business. In turn, it demonstrates different thinking, forming greater collaboration so as to achieve sustainable growth within and beyond EY and making the world a better place.

Commenting on positive change snowballs, Dr Matthew Bell, Oceania Climate Change, Sustainability Leader and a Partner in EY Australia, said,

There is sometimes a perception that it is just the banks and resource companies, who worry about sustainability issues, but it is mainstream now; it's across all industries. There is definitely a renewed drive from investors to understand and value non-financial risks, but increasingly customers and business partners are expecting it too. (EY, 2017i)

This has resulted in a positive effect on the change and benefited the stakeholders. Senge et al. (2008) argue that,

Companies often begin by developing an 'internal commons' across the organisation, using it to reduce their environmental footprint, realise cost savings, or develop new products (p.201) ... by reinvesting the benefits from successful initiatives to better manage commons, a virtuous cycle of improvement can ensue: Cost savings become investment capital for further building the commons, reducing system costs still further. (p.203)

EY's senior management commitment to building relationships with customers by doing the right thing extends to a broader community. They bring together thought leaders on sustainability issues that are important to EY and their stakeholders through their sustainability conference, identifying trends and driving dialogue and collaboration. They establish a strong commitment from their employees to focus on sustainability targets and re-invest the profits on sustainable solutions, developing future generations of talent, investing in the entrepreneurs of tomorrow and raising awareness of gender parity by championing diversity and inclusiveness in the workforce on their sustainability journey. They have created EY's global code of conduct and 100 percent of client-serving professionals endorsed it (EY, 2017k). Hence, this creates the 'snowball effect' for sustainable growth as shown in Figure 4.15 (see page 110).

Through EY's Global Investor Survey, the senior management and their Climate Change and Sustainability Services (CCaSS) practice recognises the potential of tapping into new sources of business values, while continuously demonstrating better sustainability practices across the global organisation. In line with their consulting business, they also expect more companies to begin formalizing efforts around measurable, objective and relevant reporting on sustainability by defining criteria and measurement requirements for their non-financial indicators. They believe that the sustainable journey will require changes in integrated reporting practices, and recognizing the shared value that EY creates for its stakeholders, as well as society and environment, such as reporting on natural capital where resources cannot be replaced such as water, fossil fuels, and crops), that are essential to the environment. Therefore, there is a need to determine the sustainability risks and opportunities on the environmental, social and economic factors that are most critical to their business (EY, 2017o).

7.8 Business practices and systems leading change in sustainability and CSR

In relation to my study, I continue to draw on Engeström's (1987) activity system theory as well as Senge's (2006) discussion of learning organisations. EY focuses on shifting the mindset of its stakeholders towards sustainability. As Senge (2006) highlighted, 'a learning organisation is a place where people are continually discovering how they create their reality' (p.12). In the following section I discuss various aspects that EY focus on in building their business practices and leading change in sustainability and CSR from documents in the public domain including from financial year reports. They provide evidence that the company views their work in this field as being critically important as the following quote shows,

Our marketplace

The most significant impact we can have on society is by supporting global and local economic stability and growth, which in turn provides opportunities to address some of the major issues that the world is facing. (EY, 2017e)

EY's business involves deepening relationships and fostering greater understanding and connections across developed and emerging economies. They create opportunities and interdependency between business and society with the focus on sustainability and commit to providing the business world to financial transparency through sustainability reporting, sound governance and advising their customers on sustainability practices so as to contribute to a better working world.

Our workplace

While our core business is all about delivering exceptional service to our clients, we know that if we attract and retain the best people – and invest in them – we will deliver the best results for our clients. We pride ourselves on having the highest performing teams and want to be a highly inclusive organization that creates an engaging environment where our people can develop to their full potential. (EY, 2017e)

In order for EY to deliver the best results for their customers in their sustainability journey, they focus on cultural change towards Diversity and Inclusiveness (D&I) at organisational and individual levels. This relates to Senge's (2006) view that team learning 'is vital because teams, not individuals, are the fundamental learning unit in modern organisations' (p.10). To further develop staff competencies and capabilities to be the highest performing teams, EY invested more than US\$500m in training and increased to 3 million hours in FY16, as compared with previous FY. This resulted in nearly 12 million hours of training for their employees. The effort in driving cultural change in EY has led to the company being recognised as,

A great place to work [by achieving] the world's most attractive professional services employers [and] EY member firms were also named the number one professional services employer Australia, Canada, China, France and the US. (EY, 2017, p.8)

EY aims to focus on the social aspects of sustainability and CSR journey as indicated in their website that states, 'Organisations recognise that focusing on their people, customers, and communities is fundamental to them attracting and retaining the right capital' (EY, 2017i). They state that,

Supporting our communities

We invest in our communities, both close to home and in emerging markets, through skills-based volunteering. We invest in education to ensure that future generations have the skills required for societies to thrive. We know, too, that entrepreneurs can transform economies, drive innovation and change communities. We invest, therefore, in small- to medium-size businesses, social enterprises and entrepreneurs, particularly women and youth. (EY, 2017f)

Building on the global commitment to building a better working world through EY's work with their customers and markets, they also focus on CSR by investing in local and developing communities to drive sustainable entrepreneurship. As Senge (2006) highlights, when teams are truly learning, they produce extraordinary results and the individual member grows in their capabilities. This is to promote diversity in appreciating the values of differences especially the role of women. Through the contribution of employees' time and skills, EY invests in educating tomorrow's workforce to ensure that the skills and characteristics required to enable businesses and societies to thrive are available such as increase in the access to quality education and work experience in the needy communities (EY, 2016a). This reflects the personal mastery emphasised by Senge (2006) since EY emphasises being 'committed to and having a capacity for learning' (p.7) and continuous focus on clarifying and learning things that really matter to EY.

In the last financial year report, EY also focused on working towards a low carbon economy, to manage their environmental impact, stating that,

The biggest impact we can have on contributing to minimizing the negative effects of climate change is by supporting our clients and the market move towards a low carbon economy... Because we believe that any commitment to a more environmentally sustainable world has to start at home, we're also challenging ourselves to work in an environmentally responsible manner and to find new ways to reduce our carbon footprint (EY, 2017g).

Fullan & Scott (2009) argue that successful leaders

... bring about change not by implementing given visions from their powerbase but by reconciling factors and divisions to achieve reform that motivates people from different groups to unify their change efforts. Nothing is more crucial for the future of civilization

than resolving differences among people in a manner that leads to sustaining and enhancing the social, political and physical environment. (p.xi)

EY demonstrates that they have a suite of policies that are in line with this view and ongoing commitment to accelerate growth to bring about positive influence and impact to the environment and society. ‘With the establishment of EY’s new global Corporate Responsibility Governance Council and Climate Change and Sustainability Services (CCaSS) practice, the company is aligning its sustainability and CSR actions through its global co-ordination by bringing leaders together and setting the environmental priorities with an overall business strategy (EY, 2017). An example is reducing their carbon footprint which is further discussed in Chapter 7.6 and 7.7.

As Cebrián et al. (2013) said, it is important to ‘provide sustainability leadership skills to the future leaders of businesses and organisations’ (p.292). This supports EY’s senior management views that high-performing teams are inclusive and diverse in their values to deliver exceptional service in sustainability. As Barrett (2010) argues, employee’s understanding of organization’s values and behaviour is equally important, as it drives culture for a high-performance organization. Hence, EY promotes a culture that supports them in working together. This is central to EY’s Vision 2020 strategy and purpose (EY, 2017k).

The company is also focused on ensuring that ‘Our shared values guide our people to do the right thing’ (EY, 2016d, p.4). Doing the right thing means understanding ‘our obligation to look beyond our self-interest and engage with our stakeholders – investors, clients, regulators and other governmental bodies, and not-for profit organizations... to create positive change’ (EY, 2014a, p.5). EY’s values are defined as ‘People who demonstrate integrity, respect, and teaming. People with energy, enthusiasm, and the courage to lead. People who build relationships based on doing the right thing’ (EY) 2017l). Based on these values, the Global Chairman and CEO, stated that ‘we know that building a better working world is an ambitious objective, and we know that we can’t do it on our own’ (EY, 2014a, p.5). Hence, the values serve as a guide and influence on their daily actions and behaviour in doing the right thing such as serving their customers and engaging with the communities in a sustainable manner.

As EY continues its journey toward Vision 2020, they have demonstrated commitment to shared values by developing a global award program called *Better begins with you*, that recognizes and celebrates individuals and teams in EY. This award is for employees who consistently demonstrate contribute towards sustainability and CSR initiatives by living up to EY's values (EY, 2017viii). More importantly, there must be an impact on internal and external stakeholders to demonstrate strong commitment to the EY values by individual employees and also the building of a shared culture to effect positive change to align with the Ten Principles of UNGC (UNGC, 2017b). EY argues that,

As a proud member of the United Nations Global Compact (UNGC), we believe the 10 principles outlined by the UNGC align closely with our own purpose and values. We share a desire to build a sustainable and inclusive global economy that delivers lasting benefits to people, communities and markets. This will happen by delivering on our commitments and by fostering sustainable growth in ways that we feel can have the biggest impact. (EY, 2015, p.3)

The United Nations Global Compact (UNGC) is the world's largest corporate sustainability initiative that companies align their strategies and operations with their universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals. The aim for UNGC is to 'mobilize a global movement of sustainable companies and stakeholders to create the world we want (UNGC, 2017a). The UNGC supports companies to:

Do business responsibly by aligning their strategies and operations with Ten Principles on human rights, labour, environment and anti-corruption; and take strategic actions to advance broader societal goals, such as the UN Sustainable Development Goals, with an emphasis on collaboration and innovation. (UNGC, 2017a)

As Mark argued,

The connection between EY's purpose and the Ten Principles of the United Nations Global Compact is clear. It's why EY remains a proud signatory and will continue to support and advance them. It's also why we see our annual Communication on Progress as a welcome opportunity to underline our commitment to responsible and sustainable business in everything we do. (EY, 2017r)

7.9 Influence of United Nations Global Compact (UNGC) Principles on practices

Many more companies are aligning with the United Nations Sustainable Development Goals to both tackle societal challenges and leverage them as opportunities to enhance business growth and long-term competitiveness. Lorena Paglia, Director of Advisory Risk Transformation at EY (Paglia, 2017, p.39)].

Given the increasing pressures from various stakeholders including internal, external and UNGC, EY seeks to focus on their culture to build their global values and beliefs. To align with the UNGC's Ten Principles, they play an important role in building a better world and EY's focus on sustainability and CSR (see Figure 7.6).



Figure 7.6 – EY practices to uphold United Nations Global Compact (UNGC) Ten Principles (EY, 2013a, p.5)

In relation to Engeström's (1987) activity system, the United Nations Global Compact (UNGC) is the 'tool' and the UNGC Ten Principles are the 'rules' or formal regulations that provide guidance on the correct procedures and interactions with its stakeholders. The UNGC works to ensure that business activity adds value not only to the bottom-line, but also to people, communities and the planet. The sustainability initiatives include a range of activities in critical areas such as water, climate, and women's empowerment at both international and local levels. As EY commits to sustainability, their business can take shared responsibility for achieving a better world and meet their commitments to operate responsibly and support society. EY collaborates with the UNGC to raise awareness and develop best practices in facilitating partnerships. This aligns to EY's purpose and values through the Ten Principles of the UNGC derived from:

The Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. (UNGC, 2017b)

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses. (UNGC, 2017b)

EY sets the values which are the fundamental beliefs in their global setting and these values are to be demonstrated by the employees. They also establish a global code of conduct that guides how employees should behave and the expectation of the others as well as setting a high operating standard - Supplier Code of Conduct in the Global Procurement Policy. With the Global Procurement Policy implementation, EY set up the Ethics Hotline for anonymous callers to report any activity that may be of unethical conduct (EY, 2014a).

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation. (UNGC, 2017b)

An example of the Labour Principles, especially Principle 6, is that EY works toward gender equality by increasing the number of females recruited at all ranks, implements Women's Forum and the Forbes Women Summit to support and eliminate gender discrimination. EY also appointed its first Global Diversity and Inclusiveness (D&I) Officer in 2014 to reflect how D&I is critical to their business (EY, 2014). The company strives to create an equal opportunity environment where their employees will feel that they are valued and to contribute their personal best to the global businesses and communities. It is reported that 'for FY16 class of newly promoted EY member firm partners are among the most diverse ever, with 35% from emerging markets and 29% women' (EY, 2017, p.7).

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges [example such as risk management relates to standards of environment, health and safety]

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies. (UNGC, 2017b)

By being an environmental advocate, EY helps customers to identify their entire carbon footprint in order to prepare for and respond to climate changes like sea-level changes and adverse weather patterns, develops best practices to help customers to manage the risk due to sustainability impact in resource constraint companies as well as advises customers in meeting their energy targets, reducing the carbon emissions. In order to do so, EY also organised and hosted the 4th Global Sustainability Summit in 2015 and sponsors the Global Reporting Initiative Global Conference in 2016 where the business, government and academia gather to positively influence change.

As the nature of EY's business is in consulting and advisory, they focus on sustainability accounting and also,

Contribute to the technical sustainability working groups aimed at standardizing definitions and approaches, such as the International Integrated Reporting Commission (IIRC), Global Reporting Initiative (GRI) ... (EY, 2017m)

EY continues to build their greenhouse gas measurement and reporting and establishes a global methodology in calculating their environmental impact by working with internal in-house Climate Change and Sustainability Services (CCaSS) colleagues. In addition, they continue to refine their ways and methods in leading practices towards a credible global footprint by working with stakeholders to set meaningful goals globally including energy efficiency in offices. This involves working on reducing emissions from office energy consumption, and from company owned vehicles, investing in travel alternatives such as Telepresence and videoconferencing.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. [United Nations Global Compact (UNGC), 2017b]

To work against corruption, EY helps their customers to comply with the regulations of International Ethics Standards Board for Accountants (IESBA), individual country's regulators and the US Securities and Exchange Commission (SEC) where necessary. EY has also developed a global sustainability report template to promote better transparency and consistency in their own reporting as well as monitor their risk management execution through a formal Enterprise Risk Management Program.

As the previous section shows, through the application and alignment of the Ten Principles of United Nations Global Compact (UNGC) in 2009, EY's journey towards sustainability encompasses their value system and a principled approach in doing business. This means operating in ways that at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Lou Pagnutti, EY Global Managing Partner – Business Enablement, said,

Our purpose is to help build a better working world. Our commitment to corporate responsibility, including how we reflect the UNGC Principles, is an important element on how we deliver on our purpose across the world. (EY, 2014a, p.45)

By incorporating the Global Compact principles into strategies, policies and procedures, and establishing a culture of integrity, EY is not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term sustainability.

7.10 Sustainability practices globally

Everybody knows sustainability is key, everybody knows about climate change, everybody knows we must act. (EY, 2015b, p.4)

EY, being one of the many organisations to support sustainable development, has undertaken steps to review their own environment impact such as setting goals to reduce their carbon emission and energy consumption as well as incorporating climate risk into their decision-making process. Internally, besides addressing the environmental impacts of EY's office energy usage and business travel, the priority is to accelerate the adoption of a global framework on leading sustainability practices across the whole organisation and to 'implement policies to reduce environmental impact, up to and including becoming carbon and water neutral by 2020 (EY, 2017, p.17). Consistent with Argyris & Schön's (1978) views on the importance of critical reflection and holism, Nicky Major, EY Global Corporate Responsibility Leader said,

Sustainable growth depends on living within boundaries set by nature. The journey toward this begins with every business – including ours – taking significant steps to manage its environmental impacts. (EY, 2017s)

This is also consistent with Senge's (1990) argument regarding the importance of businesses having systems in place and Cebrián et al. (2013) view that for sustainability to be achieved, a whole model needs to be in place in a learning organisation. Since 2010, EY's Operations Executive Committee (OEC) has put in place five global environmental initiatives which are still being assessed and monitored. The global sustainability practices are: 1) Measuring our own carbon footprint by collecting and analysing data on business travel and energy consumption in EY's offices, 2) Setting operational goals and key performance indicators that measurably reduce our environmental footprint and promote sustainable business practices, 3) Putting in place an environmentally responsible travel policy, 4) Establishing guidelines for waste management and lastly 5) Making our meetings more environmentally friendly (EY, 2011, p.12). In the following section I provide evidence and examples that demonstrate how leaders have ensures that these practices are implemented.

1. Measuring own carbon footprint by collecting and analysing data on business travel and energy consumption in EY's offices

Nearly all of our carbon output comes from two sources: office energy consumption and business travel. We're implementing measurable actions to increase energy efficiency in our offices, be smarter and greener about business travel, we also seek to reduce waste and work in our communities to promote responsible treatment of the environment.

An example of this action is the Global Carbon Footprint data for FY14 – FY17 (see Figure 7.7). In alignment with the United Nations Global Compact (UNGC) Ten Principles on environment, in-house CCaSS teams established a global methodology to calculate the carbon footprint based on the 'Greenhouse Gas (GHG) Protocol, developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) (EY, 2017z). From the graph, it shows the total emissions per Full-Time Employee (FTE) has reduced significantly from 5.15tCO₂e per FTE on FY14 – FY15 to 4.54 tCO₂e per FTE in FY16 (EY, 2017z). However, the data shows that the carbon footprint has increased by 5 percent and the emission from office energy consumption and EY - owned vehicles has also increased by 2 per cent as well as another 5 percent increase in emission on business travel in FY16 (EY, 2016g).

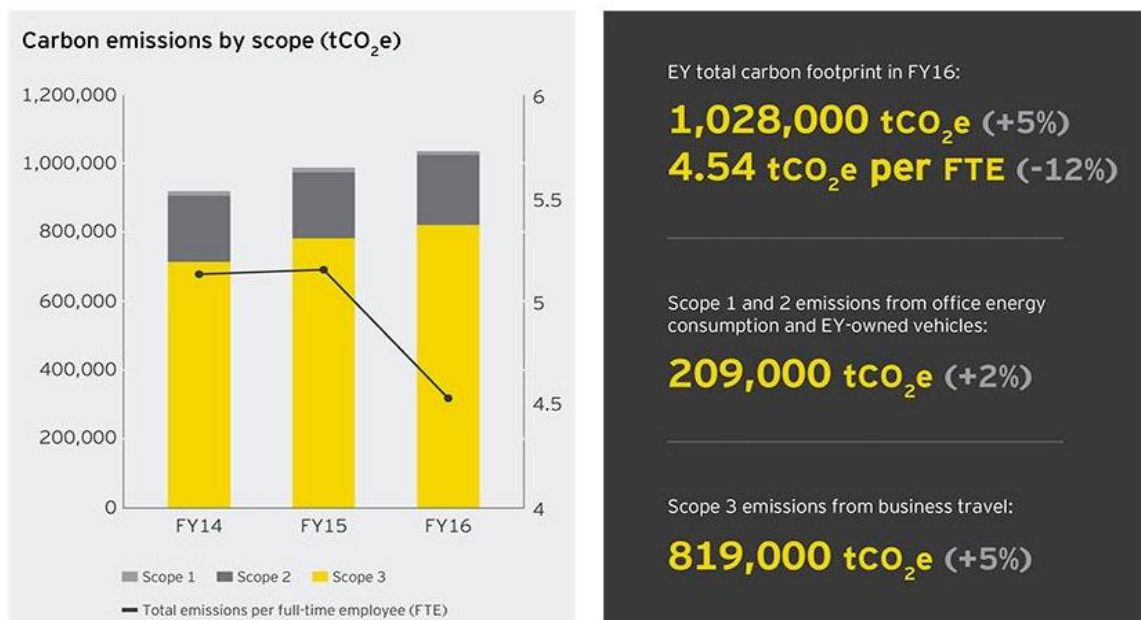


Figure 7.7 – Ernst & Young's (EY) Global Carbon Footprint Data (EY, 2017z)

The increase of the carbon footprint, emissions from office energy consumption and EY - owned vehicles and business travel was due to an increase of headcount from ‘under 145,000 people in 2010 to more than 230,000 in 2016 [which resulted in] an increase in our global carbon footprint in absolute terms’ (EY, 2017s). There were also high waste volumes generated from continuous clearance archives and a significant number of employees moving offices, as well as influences such as the organisation growth rate in delivering services to customers. However, EY continues to be mindful in reducing their carbon footprint globally.

2. Setting operational goals and key performance indicators that measurably reduce our environmental footprint and promote sustainable business practices

EY sends their employees “into the field” in partnership with Earthwatch for a week-long expedition to conduct scientific research and provide skill-based volunteer services to a local entrepreneur/organization. They establish volunteers as EY “environment champions” in the UK office to educate their peers about leading practices relating to travel, energy use and reducing waste and supporting more environmentally friendly behaviour such as the EcoCare team. In the Toronto office, leaders launched a zero-waste pilot project and introduced single-stream recycling at all desks and kitchens as well as organics composting resulted in diverting 70% of waste from landfill (EY, 2013a, p.13).

3. Putting in place an environmentally responsible travel policy

EY continues to minimise the environmental impact of their business activities as far as possible. In order to address the efforts from the senior management, they aim to further reduce emissions through the commitment to,

1) Engage employees on environmental issues through consultation, training and an extensive communications and awareness programme supporting behavioural change at work and at home, 2) provide a range of financial and non-financial incentives to influence employee behaviour, 3) operational controls, including mandatory internal policies and procedures, to regulate employee practices, 4) investing in building infrastructure to reduce energy consumption and travel alternative technologies such as video conferencing and web-based meetings. (EY, 2017iii)

EY has invested significantly in technologies such as implementing telepresence and pull printing to avoid non-essential travel and waste. This helps to avoid more than 150 million pages of waste which is equivalent of more than 18,000 trees since 2013 (EY, 2017s). In the UK office, they develop policies that embrace a strong culture which allows flexible working for employees to work remotely. They provide extensive video conferencing facilities that allow online meeting conveniently. EY also install a 'Bikes for Work' scheme which provides tax efficient access to a new bicycle and accessories as well as a high-quality tax-efficient carbon offsetting scheme. To be more environmentally responsible, EY supports mileage allowance for employees who cycle on business travel and increases mileage allowance for employees who car share on business travel, (EY, 2017iii). With all of these policies and incentives in place, employee behaviour towards sustainability practices can be improved and developed in varied ways through these activities.

4. Establishing guidelines for waste management

The first priority is to use products, processes and services that eliminate waste and to relook at ways to minimise the waste being generated, recycled and reused wherever possible. Examples include turning used cooking oil from London restaurants into biofuel, adopting bin-less offices and introducing a best practice waste segregation scheme in consultation with industry experts. EY is looking at using waste disposal methods that have the lowest environmental impact to reduce wastage by reviewing internal processes, and partnering closely with the waste contractors and other suppliers to ensure proper management in EY's environmental impact as well as seeking more sustainable solutions.

Other examples to eliminate and minimise waste include offering a loyalty scheme in EY's coffee bars for employees using their own mugs, providing free 'bags for life' to all employees, working with the contractors to minimise waste from refurbishment projects and maximise reuse and recycling from office fit-outs, conducting employees' engagement events in offices and engaging them to raise awareness of the importance of recycling at work and home, new recycling stations (EY, 2017iv).

5. Making meetings and offices more environmentally friendly

Managers of EY offices around the world continue to implement policies and practices involving investment in energy reduction technologies and operational process improvements in buildings, to monitor energy supplies, and where possible use electricity from renewable sources when appropriate renewable energy tariffs are available. EY implements energy efficient IT monitors that switch to standby after a short period of non-use, they use energy efficient lighting and building cooling systems, and install thermostatic control of office temperature systems. They conduct regular environmentally-focused educational events to increase staff awareness of climate change and encourage behavioural change at work, and at home to reduce personal energy consumption (EY, 2017vi).

Besides focusing on internal processes as discussed above, EY also focuses on more collaboration with external stakeholders. Based on EY's United Nations Global Compact — Communication on Progress report (EY, 2012), EY's Climate Change and Sustainability Services (CCaSS) practice also helps customers to operate in a more sustainable level by addressing the environmental, social and economic impact of climate change such as providing cleantech services, renewable energy, alternative waste treatment, and publishing of thought leadership on sustainability issues regularly. Through their sustainability initiatives, EY encourages employees to make small changes to create awareness. One example is board representation on a number of Environmental organisations in EY Australia like Greening Australia (Vic) Ltd which is an environmental organization working to protect and restore the natural landscape to reduce environmental impact. Another is EY's involvement in the Centre for Sustainability Leadership that develops leadership via an annual fellowship educational series. EY is also involved in the Australian Conservation Foundation which is a non-profit organisation that advocates for the environment.

Through constant learning and contributing as the leading providers of sustainability services, EY setup the Beacon Institute which serves 'as a catalytic force to advance a transformation of the working world for the benefit of both business and society' (EY, 2017vii) and continues to share knowledge with customers and influence their leading practices via sustainability dialogue. Their activities include being in partnership with UNGC to,

Study and share insights into what companies are doing to embed sustainability in their supply chains and continuing to provide strategic support leading up to the launch of Natural Capital Protocol [that is viable to the decision-making process by customers].
(EY, 2017, p.17)

EY has been an active participant in the Natural Capital Coalition since 2011. The senior management believe that the launch of the Protocol will play an important role in one of the aspects of ‘the societal and environmental outcomes when businesses create through their operations and activities [for a better outcome towards sustainable business and business of sustainability]’ (EY, 2016e, p.1). Likewise, EY through CCaSS practices support the objectives of the United Nations 2030 Agenda and Sustainable Development Goals (SDGs) in the area of understanding how companies manage their supply chain.

In driving the responsibility in EY’s supply chain, they developed their Supplier Code of Conduct for all their suppliers and they assess their performance as an integral part of the EY’s Value Chain. The objective is for all suppliers to meet its high expectations in the areas of environmental, ethical, legal and employment related standards. In so doing, through EY’s D&I Procurement initiatives, they encourage and support the suppliers to achieve their sustainability goals. In addition, they engage their customers to take a comprehensive approach towards sustainability such as operating responsibly in alignment to universal principles. Importantly, EY creates an enabling environment for responsible businesses and to bring the voices of business to major United Nations Summits (EY, 2017s).

7.11 Chapter conclusion

In this chapter, I have demonstrated the complexity of the organisational policies, practices and activities that EY is involved in to develop and implement their sustainability and CSR agendas. EY joined the United Nations Global Compact (UNGC) in 2009, and since then has aligned its sustainability goals with the Ten Principles. To continue inspiring their stakeholders in their sustainability and CSR journey, EY focuses on developing three core learning capabilities (Senge, 2006) namely fostering aspiration, developing reflective conversation and deep understanding of

this work, something that is evident in Engeström's (1987) view that activity systems are multi-faceted and complex.

EY fosters aspiration amongst its stakeholders by communicating its shared vision and deepening individual levels of mastery to focus their energies in achieving their sustainability and CSR goals. With the strong commitment by EY to shifting the mindset of their employees and stakeholders, EY leaders recognise that this involves systems thinking. As Senge (2006) argues, 'systems thinking is a discipline for seeing wholes' (p. 68). EY sees the interrelationships of policies and practices and has put in place a range of global strategies that have been discussed in this chapter.

EY focuses on building organisational capabilities that mean their leaders and employees are able to be involved in continual adaptation to changing realities and new ways of thinking and openness. This requires reflective conversations to understand changing mental models and as Senge (2006) argues, 'the ability to carry on "learningful" conversations that balance inquiry and advocacy, where people expose their own thinking effectively and make that thinking open to the influence of others' (p. 8-9). EY's reports also provide evidence of the way that they are operating as a learning organisation engaged in critical reflection and holism (Argyris & Schön, 1978). This influences how their stakeholders understand the world and how they can take action to build and implement sustainability practices and CSR, including for example, Global Sustainability dialogues and summits.

EY recognises that employees are their most important asset, hence they continuously invest considerable resources and effort in capability development and learning to help individuals grow and to achieve the best performing teams with diverse skill sets and backgrounds. Based on effective leadership (Fullan & Scott, 2009), EY continues to promote diversity and inclusiveness across the global organisation and also sets out to educate and promote sustainability initiatives to address environmental and CSR concerns.

CHAPTER 8 EY SINGAPORE – VISION, VALUES AND LEADERSHIP OF SUSTAINABILITY

8.1 Introduction

What we are focused on is helping businesses, entrepreneurs and governments around the world to solve their most pressing challenges and take advantage of emerging opportunities. (Max Loh, EY Asean and Singapore Managing Partner, Ernst & Young LLP, in Lilian, 2017)

In chapter 7, I discussed the policies, attitudes and commitment of senior EY management in the global context, as well as the company's vision and values, cultural and historical factors leading to sustainability practices and CSR. I drew on different theoretical frameworks to better understand how organisational change and leadership processes can improve sustainability in businesses. In this chapter, I continue to draw on the work of Cebrián et al. (2013) in my case study of EY Singapore as a framework for analysis of senior leaders' attitudes and practices in relation to organisational learning for embedding sustainability practices and CSR within businesses. Sterling (2004) argues that this involves the whole organisation, the ability of its members to critically reflect and challenge existing worldviews, as well as values and beliefs to learn and develop new insights and ways of understanding and doing business. In line with Cebrián et al's. (2013) framework, my study includes discussion of the senior leaders' views on the sustainability policies and practices in the company, the activities of the business and its operations.

EY Singapore was selected for my case study as there was evidence of a strong focus on their commitment to sustainability and CSR in the public domain in the local context. EY started their operations in Singapore in 1889 as Derrick & Co. In 2008, EY Singapore converted to a limited liability partnership. Currently, EY Singapore 'is a partnership and member firm of Ernst & Young Global Limited, a UK company limited by guarantee (EYG)' (EY, 2016c, p.5). EY Singapore is the member of the Ernst & Young Asia-Pacific Limited, and part of the ASEAN region that comprises member firms in 22 countries. According to the EY Singapore Transparency Report 2016, their business focus covers assurance, tax, transaction and advisory services and its

principal governing body is the Singapore Market-Segment Leadership Team, which has the authority and accountability on its strategy execution.

My study has found that EY Singapore adopts a similar vision, values and culture as global EY. I found evidence that EY Singapore promotes the implementation of sustainability practices and their sustainability journey also emphasises diversity and inclusive cultural change. Similar to the parent company, EY Singapore invests heavily in their talent pool to achieve the best performing team for their customers. The way in which their vision focuses on both sustainability and CSR practices in order to build a better working world is discussed through analysis of empirical evidence and documentary data discussed in this chapter.

In EY Singapore, senior leaders Eric (pseudonym), the Managing Director, EY ASEAN Climate Change and Sustainability Services (CCaSS) and James (pseudonym), Partner, EY People Advisory Services, all agreed to participate in the e-Survey and subsequently to be interviewed for my study.

My interview with Eric highlighted his positive attitude to discussing EY's commitment to their sustainability journey and in leading the company in these endeavours. Eric has been working for EY for over 10 years and has more than 25 years of experience in advising clients on their business, sustainability and related practices. Throughout the interview, it was evident that he has great interest in sustainability initiatives, as he leads the CCaSS. He continues to strive for improvement in achieving sustainability consulting for customers. He said,

I am in-charge of the external business operations which involves providing climate change and sustainability services. I build awareness among potential clients.

James (pseudonym) has been working at EY Singapore for more than 14 years. He accepted the position to lead sustainability practices in Singapore about 5 years ago. His role is to champion sustainability initiatives, strategies, and drive sustainability practices to align with EY's global sustainability goals.

8.2 EY Singapore focus on sustainability and CSR

In my interviews with EY's senior management in Singapore, they commented that a lot has changed in the past decade in the sustainability arena, since organisations that once viewed sustainability as 'nice to have' now recognise the importance and value in embedding it into the corporate strategy. Lorena Paglia, Director of Advisory Risk Transformation at EY Singapore said,

Clearly, sustainability is no longer a "nice-to-have", but a collective moral and economic imperative. Being sustainable is not just about being "green". It is also about adaptability — the ability to respond with agility within the parameters of a long-term investment, move quickly to meet the needs of markets and be competitive. (Paglia, 2017, p.39)

Eric said that EY views their initiatives as a potential opportunity area for business. He said,

... in line with evolving correct business practices, EY sees the importance of applying sustainability concepts in the conduct of its own business activities.

EY engages with their partners and internal teams to educate and drive change towards building internal awareness and achieving the sustainability goals so as Eric said,

A separate internal team is tasked with educating and building internal awareness.

However, the senior EY leaders all expressed a common view that the responsibility for sustainability and CSR lies with both internal and external stakeholders. As Eric said,

Incorporating sustainability in as many aspects of an organisation's activities as possible, is now no longer a luxury; it is an imperative that will actually benefit the company in sustaining its own business and survival and for the wellbeing of all.

Their approach is consistent with Quinn & Dalton's (2009) research on businesses and their argument that,

Setting up the appropriate structures, effective and frequent communication, educating and informing, engaging stakeholders and organizations to walk their talk by implementing sustainability into their product offerings as well as the physical building of their offices and operations need to be developed in the organization. (p. 23)

As EY is a well-recognised international brand, their policies focus on collaboration with institutions and private-sector companies in their implementation of sustainability practices as well as alignment to their needs and shared vision. As James said,

We recognise the need to do our work in a way that reduces the negative impact that we make on the environment as much as possible. Singapore in particular is a small country with the possibility of severe impact on due to the high population density. We need to use resources wisely.

An example of a positive force to drive change at EY as shared by James, is their action in creating awareness by further reducing paper and power usage through for example, the installation of motion sensors or automatic switch-off functions for lights at certain times. From the interview with Eric, it was clear that EY has strong interest in driving real change by looking at how they can influence customers to incorporate sustainability in their businesses and offer more sustainable solutions through consulting services to them. In doing so, there are also opportunities to develop EY's business. As Max Loh, EY ASEAN and Singapore Managing Partner, Ernst & Young said,

As a professional services organisation, EY is navigating this complex environment through its purpose, ambition and strategy. EY's purpose is building a better working world, which underpins everything it does... in our daily interaction with clients, many have shared with us their business concerns in areas beyond assurance and tax – the traditional business functions that EY has been associated with. (Lilian, 2017, p.2)

Hence, it is evident that EY customers are seeking sustainability practices that go beyond usual accounting, tax and transactional services. While EY recognises that their customers are exploring opportunities to increase their businesses, the senior management also feel that there is a need to move into new areas, such as sustainability practices, because of the vital importance of this work. As Max Loh said,

... we recognise that we too need to invest and diversify beyond our core competencies, by branching into new areas. (Lilian, 2017, p.2)

As explained earlier in the chapter, EY Singapore has a local branch of the Climate Change and Sustainability Services (CCaSS) practice aligned with its global setup for this purpose.

8.3 Perceptions and attitudes of EY leaders to sustainability and CSR

In my interviews with Eric and James, I discussed and documented their perceptions and attitudes to sustainability and CSR. Eric shared his views on why achieving sustainability for EY and its customers are important to the business. He said,

I firmly believe that businesses that respond or take action to promote sustainability are doing for this for the common good. I firmly think that the company needs to take necessary actions in their own interest and for broader global interests.

I found that the senior management think and act positively about sustainability and they align their actions to the EY global vision to build a better working world which emphasises being more environmentally and socially responsible as an essential part of their business.

From the interviews, it was clear that the thinking from EY's senior management about environmental awareness and sustainable practices is that sustainability is gaining momentum in Singapore, but it may take some time to fully adopt CSR in their organisation. A 2015 EY report (EY, 2015e) noted that 'the road to true quality sustainability reporting for Singapore companies may be long but the journey is pressing' (p.10). According to a study conducted by the National University of Singapore (NUS) Business School Centre for Governance, Institutions and Organisations (CGIO) and the ASEAN CSR Network, it was reported that only '186 out of 502 firms listed on the mainboard of the Singapore Exchange (SGX) communicate their sustainability practices' (Williams, 2016) and 'only 24 organizations from Singapore produced GRI framework-based sustainability reports' (Loh, 2017, p.41). The Inter-Ministerial Committee on Sustainable Development (IMCSD) claim that Singapore is well regulated by the government to achieve the blueprint of being *A Lively and Liveable Singapore*, but 'the whole eco-system will require much effort from the 3P (People sector, Private sector and Public sector) partnership for sustainable development' (IMCSD, 2009, p.6-7).

Since EY is in the consulting and advisory business, they are in a position to encourage and motivate customers to be focused on sustainability and CSR. Eric explained that this aligns to EY's shared vision and mission in their global culture in order to achieve sustainability goals. The attitudes set by the senior management in Singapore are important in driving their plan to incorporate sustainability initiatives and to CSR goals in the local context.

However, in commenting on the importance of this agenda, James said,

I think we can do a lot better in Singapore ... If we don't use recycling bins, then no one else will.

Cebrián et al. (2013) state that, 'leadership in the area of sustainability is an emergent area of research and practice for its importance in bringing about organisational learning and change' (p.291). Clearly, at EY, the senior management see the importance of organisational learning, as EY continues to seek ways to improve and change practices. They are also constantly mindful of the diversity and values among the employees that are of vital importance to EY's sustainability and CSR.

As Eric and James highlighted, there are still challenges internally and externally in the nature of business as they continue to advocate for sustainability and CSR. On the challenges they face internally, James said that,

We need to get to the point of our choice [in making changes towards sustainability practices] and get people out of their complacency. We need to continue to look at how we can further embed our policies and practices.

James believes strongly in achieving sustainability as part of long-term business goals for EY. He said,

We have clear definable goals globally and we are aware of the importance of this area of work.

He did say however, that the strong commitment to sustainability practices in EY has resulted in various positive outcomes such as introducing changes in their business processes and internal welfare of employees in a sustainable manner. He also commented that, in Singapore, the strong emphasis on sustainability practices by the government means that they are also focusing on ensuring that suppliers comply with EY's global procurement initiatives and their stakeholders are being encouraged to focus more strongly on sustainability as well.

Eric acknowledges that the Triple Bottom Line (environmental, economic and social) is an important aspect of EY's business. Eric's views align with Elkington's (1994) argument that only corporations that produce a Triple Bottom Line (TBL) are taking into account the full cost of

doing business, and only when corporations measure their social and environmental impact will we possess socially and environmentally responsible organizations.

Eric also expressed views in alignment with Senge et al's. (2008) argument about the importance of harnessing the "Snowball Effect" of cost savings and reinvestment on Figure 4.13 (see page 108). Eric said that,

One aspect that clearly has an impact on the bottom line is environmental initiatives... including a company's energy and efficiency initiatives. Energy efficiency means usage reduction on the amount of energy required for achieving the same amount of output and becoming more efficient about usage. [This] means you are improving your profit.

In my interview with Eric, he said that EY Singapore wants customers *to see the value* [in sustainability and CSR].

In order to align their actions, EY has an internal team with their role defined in the implementation of sustainability initiatives; for example, forming a committee that includes marketing representative and local Climate Change and Sustainability Services (CCaSS) practice team to promote sustainability as well as marketing their products.

The internal and external stakeholders of EY Singapore are engaged with EY's vision for sustainability and CSR. The senior management believe that building a better working world will mean capitalising on opportunities to solve big and complex issues for customers so that their business can grow and deliver the outcomes towards their sustainability journey.

8.4 Organisational management and leadership

Cebrián et al. (2013) argue that 'leadership capabilities for sustainability can foster the organisational learning and change necessary for the transformation...towards sustainability' (p.293). Interviews with Eric and James and analysis of EY Singapore company documents demonstrate that senior management understand that organisational learning involves a change process. My findings show that they are also in alignment with Fullan & Scott's (2009) view that

‘the environment has to be change-capable, focused and aligned’ (p.102). They believe in being leaders who model good practice and in helping people to learn from each other.

Fullan and Scott’s (2009) capability framework (see Figure 2.3, p.54) comprises some elements in line with Eric’s and James’s demonstrated capabilities. In the interviews, they provided evidence of valuing some of the ‘six secrets of change’ including,

... (1) love your employees as well as your customers; (2) use purposeful peer interaction to change cultures; (3) emphasize capability building over judgmentalism; (4) know that learning is the work; (5) embrace transparency of both practice and results; (6) invest in system learning through collaboration. (p.153)

They said for example that it is important to,

(1) love your employees as well as your customers –

Eric said,

Employees will be willing to come on the sustainability journey with us if we provide them with appropriate encouragement, and consumers may be willing to pay a little extra price, so long we educate him or her on the benefits of these activities.

James said,

It got to be all about staff encouraging people to do the right thing in positive ways.

(2) use purposeful peer interaction to change cultures – EY Singapore is doing away with plastic throw away cups completely and replacing them with ceramic cups. They encourage all employees to reduce energy consumption by switching off laptops after work, and reducing their carbon footprint by replacing much traveling with video conferencing.

(3) emphasize capability building over judgmentalism –

Eric said,

Do we have competent staff? ... We make sure that we train them and we also succeed in retaining them because training is expensive... and training in sustainability practices so they have these capabilities is important.

(4) *know that learning is the work* –

Eric said,

Education and awareness building is vital. We have to find champions within the company to spread the word [on sustainability practices].

James said,

We need to educate our employees in engaging ways to help them understand why sustainability is important.

(5) *embrace transparency of both practice and results* – In my data collection, I found evidence of the development of Performance Indicators and Transparency reports related to sustainability initiatives in EY Singapore programs and documents.

Cebrián et al's. (2013) model includes Fullan and Scott's (2009) leadership capability framework that includes 'Personal capability' and 'Interpersonal capability' as 'important for senior management to manage their own emotional reactions to uncertainty and discomfort' (p.116) for turnaround leadership. James demonstrated this capability in his leadership in EY as he is very much involved in the sustainability initiatives. He is the champion in leading change and in advocating and reflecting on the changes being made. By being decisive and committed, he encourages employees to commit their actions towards sustainability. He said,

We actually look at the change that we make... and there are many times when we want to review the impact on the environment rather than save money.

Fullan and Scott (2009) also describe leadership 'commitment as having energy, passion, and enthusiasm ... wanting to achieve the best outcomes possible' (p.116-117). In the interview with James, he commented that,

I have done what it takes to make changes. But this is a journey and we will not make rapid, drastic change as we have more than 100 partners in EY Singapore. And this means we are in partnership co-operation. I need to recognise that there are different opinions but I need to make sure that they are on board [on sustainability and CSR].

A study conducted by Spitzeck (2009) focussed on the development of governance structures for corporate responsibility, found that ‘there is a clear trend to build corporate responsibility issues at the board level’ (p. 498) and motivation from leaders globally to pursue sustainability. Evidence in the interviews in Singapore showed full commitment and capability by EY’s senior management in engaging internal and external stakeholders to learn and change the way they do things, in order to achieve both their sustainability and CSR goals.

Fullan and Scott (2009) argue that for leaders to succeed in this work, they need ‘Interpersonal capability’ that involves, ‘Influencing people’s behaviour and decisions in effective ways; motivating others to achieve positive outcomes, developing and using networks of colleagues to solve key workplace problems’ (p.117). It was evident that James has these capabilities as he takes steps to encourage EY partner organisations to develop sustainability practices and build on their initiatives.

Fullan and Scott (2009) also say that leading change is about,

...constantly figuring out how best to balance stability and change; top-down and bottom-up approaches; listening and leading; and looking inside and outside for change ideas and solutions. (p.153)

Eric supported this in interview responses where he commented that he listens to colleagues and actively encourages staff suggestions for ideas related to sustainability and CSR practices, as they live locally and understand what’s possible in the Singapore context. Max Loh, EY ASEAN and Singapore Managing Partner, Ernst & Young LLP, also demonstrated the importance of listening to employees in the EY Transparency report (2016) saying that,

The feedback from our employees through the Global People Survey is an important measure of how well we are doing, including how we engage with our people.
(EY, 2016c, p.3)

Both Eric and James agree with Fullan and Scott’s (2009) view that practice-based learning through mentoring and learning ‘on-the-job’ (see Figure 2.4, p.55) is important. Eric highlighted the need to focus on ‘change behaviour [through] persuasion, conviction and education’. According to EY’s Transparency report (EY, 2016), there is a great deal of professional development that provides coaching to embed sustainability practices, and sharing of experiences.

8.5 Chapter conclusion

The findings from this second empirical case study, of EY Singapore, showed that the company had developed and implemented sustainability and CSR policies and practices in varied ways, including through building social diversity and inclusive cultural change. Their policies show evidence of explicit recognition of the importance and value of embedding sustainability and CSR into their corporate strategies

I also found that EY customers are seeking advice on how to develop sustainability practices beyond the traditional accounting, tax and transactional services. This has allowed EY Singapore to lead the development of sustainability practices that are aligned to EY's global vision for being more environmentally and socially responsible as an essential part of their business. It became clear that the Singapore government's strong emphasis on sustainability practices, has trickled down to EY's global procurement initiatives in the form of supplier compliance as well as encouraging stakeholders to focus more on sustainability, aligning with Elkington's (1994) argument that corporations should be able to produce a TBL.

I found that EY has both top-down and bottom-up approaches, ensuring that leaders share views with their employees in an honest and transparent way. In their dealings with change management they encourage positive responses from their internal and external stakeholders. In this chapter, I have also shown that EY continues to seek new ways and develop varied activities to improve their engagement with stakeholders, and change their approaches to sustainability and CSR.

CHAPTER 9 EY SINGAPORE – IMPLEMENTATION OF PRACTICES AND APPROACHES TO SUSTAINABILITY

9.1 Introduction

In Chapter 8, I discussed the vision, values and leadership of EY's senior management in Singapore and how leaders' perceptions and attitudes and organisational change can improve sustainability and CSR. In this chapter, I continue to draw on the work of Cebrián et al's. (2013) framework (see Figure 2.2, p.51) in my case study of EY Singapore in capturing and analysing the organisational initiatives and learning practices on EY's sustainability practices and CSR as well as how EY practices are leading change in sustainability and CSR. This chapter focuses on the research question on how EY practices leading change in sustainability and CSR.

9.2 Implementing sustainability practices

Eric emphasised the importance of employing staff with the right mindset and talents and commitment to implementing sustainability. He argued that increasing gender diversity by providing an equal opportunity to employ female employees is important for EY to be a leading player in the consulting and advisory service industry. But he was firm in his view that a critical factor is that senior management view sustainability as an important pillar to their business. He said that 'the organisation should draw a clear map and set of activities that involve all levels within the organisation'. It was clear that EY senior management believe that there is a greater call for EY to create long-term sustainability programs and for the company to provide leadership and a focus on reducing their impact on the environment through practical strategies such as consuming less energy in their daily operations, reducing their carbon footprint on air travel through video conferencing and advocating the use of solar energy in Singapore.

9.3 Approaches and practices of CSR

An EY (2012) report on sustainability highlighted the changing trends in CSR over the years and a clear commitment to CSR as part of the vision and values of the company, which clearly connects to Cebrián et al's. (2013) view that this commitment is important for a learning organisation. There is an increasing trend towards clear reporting lines at EY into senior executive teams as CSR has evolved to become a dedicated organisational function. Companies will usually form CSR committees comprising key business personnel to facilitate embedding and integrating into business practices. There is also a significant increase in the involvement of employee engagement in CSR activities. As Max Loh, said, in Singapore,

Companies increasingly recognise that corporate giving can drive returns on reputation, relationship and revenue; yet their efforts can be unfocused and piecemeal. Companies should fundamentally first define their purpose, which serves to underpin their decisions on business strategy and giving. Viewing through a "purpose lens" will steer the needed integration. Apart from monies, an organisation's most valuable assets are its time, people and network. When the spirit of giving is embedded into and leveraged through these assets, there is then a natural, sustainable nexus between doing business and giving.
(The Business Times, 2016)

In Singapore, over the past five years, there has been constant evidence of varied approaches and practices in CSR at EY, where they have demonstrated their commitment in using their personnel, know-how and experience to improve the lives and livelihoods of people in communities as well as to help their customers to value this work. The following section provides discussion of evidence of CSR activities conducted by EY Singapore that are publicised and available in the public domain. As Max Loh asked,

... How do we, through institutionalised policies and systems, empower our people to use their time and skills in the communities? How do we, in the course of business, use our reach and influence to convene dialogues and actions on giving? (The Business Times, 2016)

In the list of 100 global examples of EY CSR, it is highlighted that EY Singapore worked in many successful programs. One example is where they collaborated with an organisation that serves the needs of children with chronic illnesses called Club Rainbow Singapore (EY, 2013c). In 2014, they helped to run a camp for about 200 people to help the participants to grow and learn. EY also worked with the Boy's Brigade on the Share-a-Gift project in 2014 that was a national annual community service project supported by the National Council of Social Service (NCSS) and Ministry of Social and Family Development (MSF). It was one of many notable CSR initiatives that EY undertakes with participation from the senior management and a total of 170 partners and employees. Since 2014, EY Singapore employees have worked together to raise about S\$325,000, fulfilling close to 4,400 wishes of children, elderly and family beneficiaries in the nine years that it has been participating in the charity program (see Figure 9.1a and 9.1b).



Figure 9.1a – EY's Share-a-Gift project (EY, 2014b)



Figure 9.1b – EY employees’ participation in the Share-a-Gift project (EY, 2014b)

EY Singapore involves partners and employees in CSR activities, and extends their engagement to external stakeholders such as customers, alumni, families, friends and artists in their CSR charity initiatives. Another example of the CSR initiatives is the Walk for Rice program that was held in November 2016. This CSR activity involved 1,300 people who came together in a pledge to donate rice to needy Singapore families and do their part for the community in building a better working world (see Figure 9.2a and 9.2b). Another CSR initiative was the EY ASEAN Outreach program which has been operating since 2007. The program served as a platform where people with artistic talents in the ASEAN region were able to display their works in EY’s office gallery. EY’s encouragement and support for these young talent artists serves as an opportunity for their customers, employees and the public to appreciate the vibrant art scene. Part of the sales proceeds benefit charity organisations (see Figure 9.3). As Max Loh said, CSR matters, so,

Through our established position in the business community and our efforts in this outreach program, we hope to bring art closer to our network of clients and friends, as well as connect us to business and government leaders in our communities. (EY, 2016h, p.3)



Figure 9.2a – EY’s Walk for Rice charity initiative (EY, 2016i)



Figure 9.2b – EY’s alumni participating in the Walk for Rice charity initiative (EY, 2016i)

Figures 9.2a and 9.2b demonstrate the high levels of participation by both current employees and EY alumni involved in these CSR activities that continue to receive funding from EY management and EY partner organisations.



Figure 9.3 – EY’s ASEAN Art Outreach program (EY, 2016h)

My investigation of EY Singapore CSR practices found that there are multiple activities that the business is involved in showing that they embrace CSR as part of their business strategy. Their reports show that they are implementing CSR initiatives through organisation wide encouragement of participation and action. With the passion and energy of EY senior management and employees, they have demonstrated a strong ownership of CSR activities and do their best to contribute back to the society in an active and collective manner to contribute to the wellbeing of people in local communities.

9.4 Organisational learning – education programs and practices

Organisation learning in EY involves developing participation of employees so they can respond to changes in their internal and external environments. According to the EY Singapore Transparency Report (2016), EY employees are required to participate in annual professional learning which is ‘promoted through a number of events and materials, including the new-hire program, milestone programs and core service line curricula’ (EY, 2016c, p.18). EY develops and implements various learning programmes related to recent changes to policy, or themes and topics of importance to the employees. EY monitors learning development closely to ensure that employees complete the learning in a timely manner. Understanding the importance of sustainability is a key part of this learning so EY builds an explicit shared vision and sense of purpose with all employees in the area of sustainability. Continual learning is achieved through experiences gained on-the-job and coaching to help employees ‘transform knowledge and experience into practice’ (EY, 2016c, p. 19).

One example of employees being supported to deeply understand sustainability in EY is the Sustainable Finance and Environmental, Social and Governance (ESG) practice training that covers ESG factors, sustainability trends at global and local levels as well as sustainability reporting principles and sustainable finance (EY, 2017xii).

9.5 Sustainability policy and practices

Employees in Singapore are encouraged to reduce their environment impact in the office environment. Eric expressed his concern that,

No doubt, we consume a lot of energy so the environment [will be] impacted. We are a major consumer of a great amount of paper. Similarly, in the interest of our client and in the interest of our business, we do a lot of travelling [and] emit a major carbon footprint. So, there are areas that even though we are not a manufacturing enterprise we do have a significant environmental impact because... we have thousands of people [consuming] paper, air conditioning, lighting and water. It may be small per individual but if you multiple by thousands of individuals, it becomes a large [environmental] impact.

Even though they are aware that the whole organisation needs to be involved in order to achieve success in the sustainability initiatives, the intent of the policy making focuses on the self-realisation and participation of each employee rather than just meeting expectations of the management. However, there are limitations on how much they can do as EY does not own a building in Singapore, thus they are unable to control the temperature due to the centralised air-conditioning building or build solar energy to power their electricity consumption.

EY is, however, committed to educating stakeholders within and outside the organisation to change their mindset and to consistently work towards sustainability. EY believes that their purpose of ‘building a better working world’ (EY, 2013b, p.1) covers all work from customer engagement to people development to participation in the society and communities on sustainability practices. As James said, in recent years EY’s focus in this area,

...has become more intense and more focused...We have a system of going through the thinking questions. People really then are forced to question if it is necessary to travel and seeks alternative solutions by holding teleconferences or video conference calls.

EY has taken concrete steps to live up to their sustainability goals to have a positive impact on the environment and provide benefits back to its customers. While the senior management aims to change the mindset and behaviour of the employees, they are practical in influencing, encouraging and implementing sustainability policy and practices. In terms of reducing the carbon footprint and energy consumption, EY has set up a dedicated ‘live’ video conference room that has cut down traveling and recycling bins in office. They reduce paper wastage by not printing unnecessary documents or to print double-sided as well as recycling paper. There are occasions where employees forget to collect their printouts, so EY brought new printers that require employee’s cards to access printing. They try to use natural light during daytime to save energy, switch off laptops after work, switch off main lights during lunchtime and just turn on the desk lights if individuals are still working after dark. Another sustainability initiative is replacing the paper carrier bag carried by the accountants whenever they visit their customers with a more environmental friendly bag. Although the cost for each bag is more expensive than the paper carrier bag, it is more effective and durable. The senior management believe that it is more important to reduce the environmental impact than to save cost. James noted and commented that,

This is all about encouraging people’s behaviour rather than mandating it.

9.6 EY Singapore collaboration with other sustainability organisations

Through global collaboration with other sustainability organisations (discussed in chapter 7), EY raises awareness to implement Earth Hour and collaborates with Earthwatch. In 2013, offices in Australia, New Zealand, China, Singapore, UK, US, Canada, Italy and Spain participated in Earth Hour by ensuring the minimum use of lighting. EY also partners with the Singapore Institute of Directors (SID) and Singapore Exchange (SGX) to be the Awards Partner for the Singapore Sustainability Reporting Awards (SSRA). The SSRA, organised by SID and supported by SGX ‘seeks to encourage and recognise excellence in sustainability reporting among Singapore listed companies’ (Singapore Institute of Directors, 2017) and ‘to recognize leading practices in sustainability reporting with inaugural accolade’ (EY, 2017xi, p.7). The SID

...is the national association of company directors and promotes the professional development of directors and corporate leaders. The institute works closely with authorities, regulators and a network of members and professionals, such as accountants and lawyers, to identify ways to uphold and enhance the highest standards of corporate governance and ethical conduct in Singapore. (Singapore Institute of Directors, 2017)

In addition, in 2015, there was an outreach by EY in partnership with the Singapore Management University (SMU) to advocate the sustainability business (see Figure 9.4). As Max Loh said in his keynote speech on megatrends that are shaping the world to the pre-tertiary students,

EY is delighted to partner SMU in this accounting immersion programme. To help build a better working world drives our daily actions, and we believe that we have an important contribution to make to the development of young people, and the broadening of the future talent pool for the profession. (Singapore Management University, 2015).



Figure 9.4 – Speech by Max Loh, EY Asean and Singapore Managing Partner, Ernst & Young LLP, at Singapore Management University (SMU) (2015)

Increasingly as companies become more aware of the challenges in implementing sustainability practices, they have realised that there is an urgent need to collaborate with other sustainability organisations to tackle the environmental issues together. While the local evidence of collaboration is limited in the public domain for EY at this stage, EY has created a business model to achieve sustainable growth and performance in their sustainability journey and this work has become a core part of EY's corporate culture, encouraged and driven by the senior management.

9.7 Communication informing sustainability practices

I draw on the expansive learning at work model by Engeström (2001) (discussed in Chapter 2) and Figure 7.3, see p.182-183), to discuss communication in organisation learning in Singapore. According to Banerjee & Bonnefous (2011), EY works globally to resolve complex issues relating to organisational transformation in their consulting and advisory business. James claimed that, in Singapore there are diverse and talented leaders and employees who recognise the importance of

developing communication processes that lead to alignment of their vision and sustainability strategies. They have setup a sustainability committee, led by James through their Partner and People Advisory Services. This comprises various team members from departments, including marketing, administration and IT, who look into social behaviour and areas of improvement they can make to encourage behavioural change and to cultivate thinking about sustainability in all communication efforts internally and externally.

James said that there are also, ‘co-ordinators at the [global] level and we are able to do similar things that they are [doing]’. Although communication is mainly through email, Eric emphasized that ‘this has to come through awareness and practices’. The committee develops communication plans that cover monthly emails on environmental topics for all employees in the Asia Pacific region such as comparison on electricity consumption in each country. The committee has also started environmental campaigns. All members brainstorm, share and agree on sustainability initiatives that they want to carry out as well as any challenges that the committee may face. Hence, the support from the senior management is essential to the team in communicating with all employees.

James argued that,

We are not just encouraging the Singapore unit but the whole area in Asia Pacific. So, the communications [via] lot of emails are encouraging to people... [There are] lots of low hanging fruits [in] educating good practices. And when we are making the changes, we will encourage our people ... and we do pretty well... with lots of positive feedback. People have started to use that as part of their business.

EY develops a process that provides comprehensive content and sharing of best practices and initiatives related to sustainability. James said,

We involve people in the initiatives we have, the expectations, and their roles in reducing the environmental impact. Then, this sends message across to more people.

While EY builds up its internal communication processes, they also focus on communicating effectively with external stakeholders through educating its customers consciously via their company website, corporate materials, face-to-face contacts and CSR events as the communication platforms. In so doing, they gain the commitment and ownership of the employees to perform their roles to meet the sustainability goals.

9.8 Chapter conclusion

The chapter has shown that EY Singapore has built up their capabilities and organisational learning to achieve a stronger and more successful focus on building sustainability practices and CSR. In this chapter, I have discussed varied ways in which the company has developed a vision, values, policies and practices for this work that is consistent with many aspects of EY global, but also responds to the local context, and draws on the expertise of global and local leaders and personnel. I have shown that multi-layered and complex approaches are required to initiate, build and maintain these efforts in collaboration with all employees and stakeholders. EY's global vision and focus on building a better working world means that the senior leaders in Singapore are proud of their initiatives, but recognised that further effort is required in this work.

CHAPTER 10 FINDINGS AND CONCLUSION

10.1 Introduction

This study developed case studies of sustainability and CSR in the global businesses of IKEA, Ernst and Young (EY) and their Singapore based companies. I aimed to develop new knowledge and understanding of how these businesses develop, implement and lead sustainability and corporate social responsibility policy and practices. My literature review revealed an urgent need to deepen global insights into business practices, given the dearth of studies in this field, and recognition of the growing importance of developing strategies that encompass sustainability and CSR. I decided to conduct case studies of IKEA and EY, since in the initial phases of my review of many businesses, I found these companies to have well documented, but very different forms and levels of sustainability and CSR practices. They had sufficient information available for my phase one study of their policies, reports, and documents in the public domain internationally to provide discussion of their global policies, practices and work. It was then my intention to pursue deeper empirical studies of IKEA and EY's policies and practices in their Singapore branches, in the nation of Singapore, where there are strong government policy expectations for businesses in this field of work. I was fortunate that senior leaders from these companies agreed to participate in the study and to share their views, insights and company documents, to provide further understanding of their policies and practices. (Pseudonyms were used to name leaders for ethical reasons. This was stated on the ethics explanatory and consent forms).

It also became clear in the literature review, and in my consideration of methodological approaches for the study, that there are many ways that case studies of sustainability and CSR in businesses could be conducted. Early in the framing of the study it emerged that using one lens, such as leadership, or another such as business activity, could compromise my ability to capture the complexity of this work. I decided therefore to use multiple theoretical lenses connected to Cebrián et al's. (2013) model of organisational learning towards sustainability. As the study evolved, I aimed to build my understanding and analysis through the use of various conceptual frames drawn from that model. In summary, these included lenses on the businesses' vision, mission and goals, their cultural and historical contradictions and activity systems (Engeström, 1987), expansive learning (Engeström, 2001), individual transformation (Argyris & Schön, 1978), effective leadership (Fullan & Scott, 2009) and a focus on systems thinking and becoming a

learning organisation (Senge, 1990). The methodological approaches involved exploratory and inductive case study research approaches guided by constructivism and interpretivist frameworks.

The research questions explored:

1. What policies and practices are two global businesses developing and implementing on sustainability and corporate social responsibility (CSR)?
2. How do their sustainability and CSR business practices reflect elements of organisational learning theory and practice?
3. How are the practices of the two case study businesses leading change in sustainability and CSR?

As the discussion of the findings in each chapter has revealed, the results from the study demonstrated the complexity of factors involved over time in the evolving emphasis on sustainability and CSR at IKEA and EY. The findings showed that the development of this focus requires leaders who provide opportunities to develop shared vision, values and missions emphasising sustainability and CSR, who are responsive to challenges as they emerge, and to internal, local, national, regional and global policies that have been growing in number in this sphere. Both businesses have developed a culture that stress the importance of sustainability and CSR and links with key stakeholders in this field.

I found through my research that the activities and operations of IKEA and EY are focused across many levels. These include the development of internal policies, and operational processes and structures to ensure that workforce members understand their sustainability and CSR policies and can be involved in individual transformation (Argyris & Schön, 1978) and implementation of these practices. But the national level is also important. For example, in my empirical studies of both companies in Singapore, I observed that they are responsive to expectations promoted by the Singapore government, and these have a marked impact on activity systems developed (Engeström, 1987). In addition it became clear that IKEA and EY's development of activity systems have been informed by and connected to regional organisations, such as the *Association of Southeast Asian Nations* (ASEAN), which has as one its core aims, to 'be a platform for Asian integration and cooperation, working with other Asian nations to promote unity, prosperity,

development and sustainability [of the region]' (ASEAN Trade Union Council, 2017). Global levels of influence are also pivotal, since each company is a global entity, with branches all over the world that are closely linked to international organisations and their policies and programs. As Gray & Milne (2014) argue,

Sustainability means little unless it refers to the planetary level: there seems no question that mankind's ways of organising are very clearly not sustainable. We are not leaving future generations with the equivalent possibilities that we inherited... sustainability is a systems-level concept and exceptionally difficult to apply at a single organisational level.

A significant finding, for example in my study, is that both IKEA and EY are closely involved with implementing the *Ten Principles of the UN Global Compact*. The UN explanation of the importance of this global collaboration is that,

Corporate sustainability starts with a company's value system and a principled approach to doing business. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Responsible businesses enact the same values and principles wherever they have a presence, and know that good practices in one area do not offset harm in another. By incorporating the Ten Principles of the UN Global Compact into strategies, policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success. (UNGC, 2017b)

The embedding of these principles adds impetus to the expansive learning and activity systems that IKEA and EY have developed. Evidence captured demonstrates their strong commitment and shared vision towards achieving sustainability and CSR through the embedding of daily practices encompassing social, economic and environmental dimensions of this work in their businesses, including across internal and external stakeholders in their broader communities. This is in line with Engeström's (1987) view that, expansive learning happens when individuals involved in a collective activity transform an activity system through redefining the object and the motive of activity, thus opening up radically wider horizons of possibilities than in the previous activity.

In my study I concluded that it is through sustained and multi-layered emphases in this work, that IKEA and EY have provided global leadership in this field in their efforts to work to ensure a more sustainable future. In the following section, I draw further conclusions through explanation of elements of the model that emerged from the study of key factors involved in leading change in sustainability and CSR.

10.2 A model for developing integrated organisational learning, policies and practices for sustainability and CSR in businesses

Based on the literature reviews, the investigation shows how the theories ‘reflect’ current practices of IKEA and EY in the earlier discussions. Through the synthesis of the analysis and examination of data, the development of the case study and findings contribute new knowledge as shown in Figure 10.1.

Figure 10.1 provides a model depicting key elements found through this study to be pivotal in the development of integrated organisational learning, policies and practices in businesses for the implementation of sustainability and CSR. It illustrates the concepts, theories and factors that I have found to be crucial in my study of IKEA and EY. While some of these theories were initially drawn from Cebrián et al’s. (2013) model of organisational learning towards sustainability, the framework goes beyond their work, to show the conclusions I have reached about what is particularly pertinent in the business context. The framework focuses on the key concepts and ideas on effective leadership, activity systems, cultural and historical activity theory (CHAT), organisational learning and individual transformation towards sustainability practices. However, not all theories under the Cebrián et al’s. (2013) model apply in both case studies, as only the concepts that could be connected to the work policies and practices in businesses are reflected in Figure 10.1. This aligns to the business aspect of the Triple Bottom Line (Elkington, 1994) that the framework serves as an integrated organisational learning for developing sustainability and CSR in business. An explanation and discussion is provided below of each element of the framework.



Figure 10.1 – Integrated organisational learning for developing sustainability and CSR in businesses (Chin, 2018)

10.3 Social, environmental and economic dimensions of business activities

The influential business thinker, Elkington (1994), referred to the social, environmental and economic dimensions of business activities as the ‘Triple Bottom Line’. In his work, he argued that it is easy to measure economic success through financial profits, but stressed the importance of not only capturing the financial bottom line (profit or loss), but also the social and environmental impacts of their activities as well (Gray & Milne, 2014). Since Elkington’s (1994) work was published, as my study shows, there has been global recognition of the importance of businesses being engaged in both sustainability and CSR across all these dimensions. Gray & Milne (2014) argued, for instance, that companies should produce annual reports,

... containing three broadly equal sections [with] mandated standards, [and] each would discharge the appropriate social, environmental and financial accountability of the organisation... This is an outstanding, democratic ideal and one which is both practicable and in keeping with business claims to be responsible, transparent and accountable.

In my study, I found substantial evidence of both IKEA and EY documentation of ‘triple bottom line’ outcomes in their publicly available financial year and other reports. The inclusion of this concept in my model is to intentionally conclude that businesses should be involved in this level of accountability and focus in their sustainability and CSR work.

10.4 Vision and values of organisations for sustainability and CSR

According to Senge (2006), vision is ‘a force in people’s hearts, a force of impressive power’ (p.192) that can help in the development of shared mission and goals for an organisation and its members. A powerful vision can motivate, energize and inspire people in a certain direction when they are endeavouring to focus on concerns such as sustainability and CSR. It is clear that developing vision and values at IKEA and EY in a shared and collaborative way helped the businesses to frame their activities and promote the implementation of policies and practices throughout the organisation. Argyris & Schön (1978) argue that individual transformation is more likely to be achieved when the shared mental model that the vision embodies enables the members of the organisation to better communicate and cooperate in order to more effectively implement and carry out their plans. It is for these theoretical reasons that I included the notion of the

development of a vision and values in organisations for sustainability and CSR at the centre of the model; signifying the importance of this work.

10.5 Cultural and historical factors

There is a whole field of literature and many varied ways of approaching and discussing the impact of cultural and historical factors, or ‘Cultural and historical contradictions’ (Engeström, 1987) that can impact and influence the development of sustainability and CSR in businesses. In my study, I found that IKEA and EY had different journeys in relation to these factors.

Historically, both IKEA and EY have had different ways of incorporating sustainability practices and CSR in their organisation. There have been new cultural formations within IKEA since their involvement in the sustainability journey with the first environmental policy implemented in 1991. It eventually lead to the company joining the United Nations Global Compact (UNGC) in 2004 and their alignment with the United Nation’s Sustainable Development Goals (UNSDGs) with ‘IKEA’s commitment began in 2005 as part of its overall environmental efforts and as a founding member of the Better Cotton Initiative (BCI)’ (UNDP, 2013). EY started to transform their culture after 2009 by incorporating sustainability and CSR through their core learning capabilities and also focused on the United Nations Global Compact (UNGC) Ten Principles into their strategies, policies and systems. EY is also aligned with the UNSDGs.

IKEA had to dramatically review practices over time that were unsustainable environmentally and socially, in relation for example to the sourcing of sustainable materials and ensuring fair labour practices when? However, based on my analysis of IKEA’s records and annual reports, I found they have confronted and redressed their problems with high levels of transparency and continued to build their policies and practices to emphasise sustainability and CSR. Now the company sets global sustainability key performance indicators, for example commitment to the use of renewable energy in all their operations. In 2016, IKEA stated,

We are going all-in and have committed to own and operate 327 wind turbines and installed 730,000 solar panels on our buildings. (IKEA, 2016a, p.6)

The post-2015 United Nations Development Agenda report identifies ‘culture’ as being a driver and an enabler for sustainable development, with community-wide social, economic and environmental impacts (UNESCO, 2012) and IKEA has committed to this agenda.

In a review of the United Nations Educational, Scientific and Cultural Organization (UNESCO)’s framework of how culture contributes to development, it is clear that EY creates a culture centred on valuing sustainability, such as promoting sustainability practices and CSR across all levels in EY and various stakeholders globally, and in creating the Diversity and Inclusiveness (D&I) culture change continuum (EY, 2017w). This reinforces the findings from my study that EY is continuing to develop their focus in this field.

A further lens that I included in my model that is connected to cultural and historical factors is the expansive learning at work theory which Engeström (2001) argues can be used to discuss ‘the challenges and possibilities of organisational learning’ (p.133). Figure 4.3 (p.88) depicts the IKEA ‘activity system’ (Engeström,1987) that shows IKEA as the ‘subject’, whose ‘object’ is to develop effective sustainability practices and CSR, to achieve the ‘outcome’ of growing IKEA together 2020+ to achieve better lives for people in the world. Figure 4.3 (p.88) shows the findings from my study that demonstrate an extensive range of ‘tools’ for these activities, ‘rules’ developed through partnerships with a range of organisations, community involvement and ‘division of labour’ through meaningful engagements. The summary of factors that Engeström (2001) emphasises are shown in Figure 4.4 (see p.90) in relation to how cultural and historical factors influence IKEA’s business practices that lead change in sustainability and CSR. All of these findings led to my conclusion that using the theoretical lenses of ‘activity systems’ and expansive learning at work theory can generate deep understanding of the work of businesses in this field. Besides the activity ‘rules’ in for example, the United Nations Sustainable Development Goals, IKEA developed their own ‘rules’ such as IWAY that provides guidance on the procedures and the right things to do as well as establishing collaboration with various NGOs shown in Figure 4.3 (see p.88).

As in the case of IKEA, EY has also introduced new cultural formations and processes since their involvement in the United Nations Global Compact (UNGC, 2017b) in 2009. The UNGC as well as other ‘tools’ (Engeström, 1987), such as World Bank, World Business Council for Sustainable Development (WBCSD), 21st Annual Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) in 2015 and Global Sustainability Summit have become enduring ‘tools’ that have influenced the development of sustainability at EY.

EY is also adopting the United Nations Sustainable Development Goals (UN, 2016) as a framework for their own sustainability goals. They also develop workplace cultural change towards Diversity and Inclusiveness (D&I) to ensure personal sustainability (EY, 2017w) which have become the ‘rules’ that provide guidance on the procedures and the right things to do in EY’s sustainability and CSR journey. As noted above, Engeström (2001) highlighted that expansive learning activity is where ‘learners are engaged... and produce new forms of work activity’ (p.139) which I found to be true in both IKEA and EY’s sustainability and CSR journey over time.

10.6 Effective leadership

In the publication *Sustainable leadership: Talent requirements for sustainable enterprises*, Haan, Jansen and Ligthart (2015) argue that,

Leadership is about envisioning and shaping the future. There is an urgent need in business today for a new type of leadership—one that makes the long-term sustainability of our world a top priority. Business leaders have an important part to play in making the right strategic choices in order to create this sustainable future. (p.1)

Further, Haan et al. (2015) say that this ‘requires a change in mindset on the part of boards of directors’ (p.3) and

Sustainable leaders look beyond immediate, short-term gains to see the role their organization plays in a larger context. They set strategies and ensure the delivery of results that meet the triple bottom line of social, environmental and financial performance. (p.5)

They stress the need for leaders to put in place strategies that ensure the delivery of results that meet the triple bottom line of social, environmental and economic performance. Haan et al's. (2015) views were the formed after an extensive review of academic literature that came to many of the same conclusions as the findings in my study. They quote D'Amato & Roome's (2009) findings that distinctive qualities exhibited by sustainable leaders include these behaviours key to sustainable corporate development: promoting the company's vision; operationalizing corporate social responsibility (CSR); obtaining top management support; engaging diverse stakeholders; empowering and developing stakeholders; and communicating with stakeholders. Each of the factors were found in both IKEA and EY's global leadership and in the empirical data gathered in their Singapore branch contexts. Haan et al's. (2015) conclusions triangulate my findings and reinforce the importance of leadership as a central aspect of my model.

10.7 Becoming a learning organisation

Senge (2006) highlighted that 'a learning organisation is a place where people are continually discovering how they create their reality' (p.12). In my model I situate this aspect of business practice as being of crucial importance. A key concept that is integral to learning organisations explored as part of my study is 'systems thinking' which is,

... a conceptual framework, a body of knowledge and tools (p.7) ...where business and other human endeavours are also systems (p.6)... the discipline of team learning starts with 'dialogue' ... and key players enter into genuine 'thinking together'. (Senge, 2006, p.10)

One system approach that IKEA used is in line with Senge et al's. (2008) 'Snowball Effect' (see Figure 4.13, p.108) which depicts successful shifts by organisations who create positive change snowballs. An example that IKEA implemented was replacing old unsustainable supplies with resources such as cotton and wood being accessed from sustainable sources. As in the case of IKEA, I found that EY harnesses an inclusive culture to support the 'snowball effect' (see Figure 4.15, p.110). One example is that cost savings and reinvestment is generated through reductions in office energy consumption and reducing business air travel by investing in travel alternatives, such as telepresence videoconferencing and enhanced desktop and mobile options (EY, 2017k). The

senior management of EY continue to drive better decision-making, stimulate innovation and increase organizational agility through a focus on their systems and organisational learning.

Both IKEA and EY's efforts to build positive change in their sustainability and CSR policies and practices have been through the development of their shared vision and systems thinking which snowballs through reinforcement of change by individuals and subsequently collective efforts in the learning organisation that benefits all stakeholders. Part of this is the development and capabilities, and the implementation of skillsets and practices that truly do create change.

Throughout my study, I have provided photographic and textual evidence of the multiple ways that IKEA and EY provide experiences for their workforce that build their skills and acceptance of new practices. This factor is an integral part of the model, and is closely connected to community engagement and outreach programs which provide real life, authentic and purposeful opportunities which put the values and vision into action and help to create change.

10.8 Concluding comments

My study has achieved the aim of understanding the extent to which sustainability and corporate social responsibility is organised, practised and led by corporations. I found that IKEA and EY, in their global and Singapore settings, have developed, led and implemented sustainability and CSR policies and practices through the inclusion of many dimensions of organisational change (Cebrián et al., 2013). The findings showed they are continuing to build their strategies for long-term sustainable values and actions involving all stakeholders, as well as the broader global community, through their involvement in local, national, regional and international organisations and programs.

In view of the pertinent need for businesses to transform and focus on sustainability, I found that it is critically important for them to focus on developing values and visions that are strongly focused on this work in all aspects of their businesses, and on what needs to be learned and changed, how and why. In my study I found that IKEA and EY developed a vision for sustainability and are continuing to build the capacity of personnel across all levels of their workforces to be engaged in sustainability and CSR programs, so that the ground work is laid for the successful development of programs in this field. But my research has also found that there needs to be attention to a

sustained focused on continuous and expansive learning, and the generation of new activity systems. This is an important dimension that will enable the culture, values and practices of businesses to grow and change, in order to benefit the triple bottom line for organisations and society as a whole, in this critical work of building a more sustainable future.

REFERENCES

(The reference list was developed based on APA 6th edition and protocol based on Monash University - APA 6th Citing and Referencing style)

Andersen, M., & Skjoett-Larsen, T. (2009). Corporate social responsibility in global supply chains. *Supply Chain Management: An International Journal*, 14(2), 75-86.
doi:10.1108/13598540910941948

Argyris, C., & Schön, D. A. (1978). *Organizational Learning: A Theory of Action Perspective*. United States of America: Addison-Wesley Publishing Company.

Argyris, C., & Schön, D. A. (1974). *Theory in Practice*. San Francisco: Jossey-Bass.

ASEAN Trade Union Council. (2017). *How is Asean Integration coming along?* Retrieved from <http://aseantuc.org/2017/11/how-is-asean-integration-coming-along/>

Ayres, R. U. (1996). Statistical Measures of Unsustainability. *Ecological Economics*, 16(3), 239-255. doi:10.1016/0921-8009(95)00091-7

Banerjee, S. B. (2011). Corporate Social Responsibility: The Good, the Bad and the Ugly. *Critical Sociology*, 34(1), 51-79. doi:10.1177/0896920507084623

Banerjee, S. B., & Bonnefous, A. M. (2011). Stakeholder Management and Sustainability Strategies in the French Nuclear Industry. *Business Strategy and the Environment*, 20(2), 124-140. doi:10.1002/bse.681

Barrett, R. (2010). *The Importance of Values in Building a High Performance Culture*, Retrieved from <https://www.valuescentre.com/sites/default/files/uploads/2010-07-06/The%20Importance%20of%20Values.pdf>

Barrett, R. (2006). *Building a Values-Driven Organization: A Whole-System Approach to Cultural Transformation*. New York: Butterworth-Heinemann.

Blauert, J., & Zadek, S. (1998). *Introduction, the art of mediation: growing policy from the grassroots - Mediating Sustainability*. Harcourt: Kumarian Press.

Borman, K. M., Clarke, C., Cotner, B., and Lee, R. (2006). Cross-Case Analysis. In J. L. Green, G. Camilli, & P. B. Elmore (Eds.), *Handbook of Complementary Methods in Education Research* (pp. 123-139). New York: Routledge.

Boyd, R., & Ngo, T. W. (2006). *State Making in Asia*. London: Routledge.

Brodsgaard, K. E., & Young, S. (2000). *State Capacity in East Asia: Japan, Taiwan, China and Vietnam*. Oxford: Oxford University Press.

Brown, V. A., Deane, P. M., Harris, J. A., and Russell, J. Y. (2010). Towards a just and sustainable future. In V. A. Brown, J. A. Harris, and J. Y. Russell (Eds.), *Tackling wicked problems through the transdisciplinary imagination* (pp. 1-15). London, UK; Washington, DC: Earthscan.

Brundtland Commission. (1987). *Our Common Future*, 300. Retrieved from <http://www.un-documents.net/our-common-future.pdf>

BusinessGreen. (2017). *BusinessGreen Leaders Awards 2017*. Retrieved from <https://www.businessgreen.com/bg/news/3012836/businessgreen-leaders-awards-2017-and-the-winner-is>

CDP. (2017). About Us. Retrieved from <https://www.cdp.net/en/info/about-us>

Cebrián, G., Grace, M., and Humphris, D. (2013). Organisational learning towards sustainability in higher education. *Sustainability Accounting, Management and Policy Journal*, 4(3), 285-306. doi:10.1108/SAMPJ-12-2012-0043

Cheam, J. (2014). *SGX move to mandate sustainability report long overdue*. Retrieved from <http://www.todayonline.com/business/sgx-move-mandate-sustainability-report-long-overdue>

Christie, I., & Warburton, D. (2001). From here to sustainability: politics in the real world. *Environmental Management and Health*, 12(4), 444-445. doi:10.1108/emh.2001.12.4.444.3

Circular Ecology. (2017). *Sustainability and sustainable development - What is sustainability and what is sustainable development?* Retrieved from http://www.circularecology.com/sustainability-and-sustainable-development.html#.WY_BhlGg9PY

Cole, M., & Engeström, Y. (1993). A cultural-historical approach to distributed cognition. In G. Salomon (Ed.), *Distributed cognitions* (pp. 1 - 46). New York: Cambridge University Press.

Crotty, M. (1998). *The Foundation of Social Research: Meaning and Perspectives in the Research Process*. London: SAGE Publications Ltd.

Cruz, L. B., & Pedrozo, E. A. (2009). Corporate social responsibility and green management. *Management Decision*, 47(7), 1174-1199. doi:10.1108/00251740910978368

Dahlvig, A. (2012). *The IKEA Edge - Building Global Growth and Social Good at the World's Most Iconic Home Store*. New York: McGraw-Hill.

Davis, S. A., Edmister, J. H., Sullivan, K., and West, C. K. (2003). Educating sustainable societies for the twenty-first century. *International journal of Sustainability*, 4(2), 169-179. doi:10.1108/14676370310467177

Davydov, V. V. (1999). What is Real Learning Activity? In M. Hedegaard & J. Lompscher (Eds.), *Learning Activity and Development* (pp. 123 - 138). Aarhus, Denmark: Aarhus University Press.

Denzin, N. K., & Lincoln, Y. S. (2011). *The Sage Handbook of Qualitative Research* (4th ed.). Thousand Oaks, California: Sage Publications, Inc.

Denzin, N. K. (1997). *Interpretive Ethnography: Ethnographic practices for the 21st Century*. Thousand Oaks, California: Sage Publications, Inc.

Denzin, N. K. (1989). *The Research Act: A theoretical Introduction to Sociological Methods* (3rd ed.). Englewood Cliffs, NJ: Prentice Hall.

Dočekalová, M. P., & Kocmanová, A. (2016). Composite indicator for measuring corporate sustainability. *Ecological Indicators*, 61, 612–623. doi:10.1016/j.ecolind.2015.10.012

Doyle, A. (2015). *IKEA pledges 1 billion euros to help slow climate change*, 2. Retrieved from <http://in.reuters.com/article/ikea-climatechange-idINL5N0YQ1AB20150604>

Drexhage, J., & Murphy, D. (2010). *Sustainable Development: From Brundtland to Rio 2012*, 26. Retrieved from http://www.surdurulebilirkalkinma.gov.tr/wp-content/uploads/2016/06/Background_on_Sustainable_Development.pdf

Drysdale, P. (2000). *Reform and Recovery in East Asia: the Role of the State and Economic Enterprise*. London: Routledge.

Dyllick, T., & Hockerts, K. (2002). Beyond the Business Case for Corporate Sustainability. *Business Strategy and the Environment*, 11, 130-141. doi:10.1002/bse.323

Economic Strategies Committee. (2010). Report of the Economic Strategies Committee, 143. Retrieved from <http://www.mof.gov.sg/Portals/0/MOF%20For/Businesses/ESC%20Recommendations/ESC%20Full%20Report.pdf>

Edenhofer, O., Pichs-Madruga, R., Sokona, Y., Minx, J. C., Farahani, E., Kadner, S., Zwickel, T. (2014). *IPCC, Climate Change 2014: Mitigation of Climate Change. Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change*. Retrieved from Cambridge, United Kingdom and New York, NY, USA: https://www.ipcc.ch/pdf/assessment-report/ar5/wg3/ipcc_wg3_ar5_frontmatter.pdf

Eisner, E. W. (1991). *The Enlightened Eye: Qualitative Inquiry and the enhancement of Educational Practice*. New York: Macmillan.

Elkington, J. (1994). Towards the Sustainable Corporation: Win-Win-Win Business Strategies for Sustainable Development. *California Management Review*, 36(2), 90-100. doi:10.2307/41165746

Engeström, Y. (2006). Activity theory and expansive design. In S. Bagnara & G. C. Smith (Eds.), *Theories and Practice in Interaction Design* (pp. 3-23). Hillsdale: Lawrence Erlbaum Associates.

Engeström, Y. (2001). Expansive Learning at Work: Toward an activity theoretical reconceptualization. *Journal of Education and Work*, 14(1), 133-156.
doi:10.1080/13639080020028747

Engeström, Y., & Miettinen, R. (1999). Activity theory: A well-kept secret. In Y. Engeström, R. Miettinen, & R. L. Punamäki-Gitai (Eds.), *Perspectives on Activity Theory* (pp. 1 - 15). Cambridge, UK: Cambridge University Press.

Engeström, Y. (1987). *Learning by Expanding - An activity-theoretical approach to developmental research*. Helsinki: Orienta-Konsultit.

Erickson, F. (1986). Qualitative methods in research on teaching. In M. C. Wittrock (Ed.), *Handbook of research on teaching* (pp. 119-161). New York: Macmillan.

European Commission. (2011). A renewed EU strategy 2011-14 for Corporate Social Responsibility, 15. Retrieved from http://ec.europa.eu/enterprise/policies/sustainable-business/corporate-social-responsibility/index_en.htm

EY. (2017). United Nations Global Compact - Communication on Progress 2016: EY's support for the United Nations Global Compact, 18. Retrieved from [http://www.ey.com/Publication/vwLUAssets/United_Nations_Global_Compact_2016/\\$FILE/EY_UNGC_Communication_on_Progress_2016.pdf](http://www.ey.com/Publication/vwLUAssets/United_Nations_Global_Compact_2016/$FILE/EY_UNGC_Communication_on_Progress_2016.pdf)

EY. (2017a). Our history - Two people. One vision. Retrieved from <http://www.ey.com/sg/en/about-us/our-people-and-culture/our-history>

EY. (2017b). EY reports strong global revenue growth in 2017. Retrieved from <http://www.ey.com/gl/en/newsroom/news-releases/news-ey-reports-strong-global-revenue-growth-in-2017>

EY. (2017c). Our leaders - Our global organisation. Retrieved from <http://www.ey.com/sg/en/about-us/our-global-approach/our-leaders>

EY. (2017d). Newsroom facts and figures - EY at a glance. Retrieved from <http://www.ey.com/au/en/newsroom/facts-and-figures/>

EY. (2017e). Our commitment to Corporate Responsibility. Retrieved from <http://www.ey.com/uk/en/about-us/corporate-responsibility>

EY. (2017f). Corporate Responsibility - Creating a responsible and sustainable business. Retrieved from <http://www.ey.com/us/en/about-us/corporate-responsibility/corporate-responsibility---sustainability-in-a-changing-world>

EY. (2017g). Creating a responsible and sustainable business - Our environmental impact. Retrieved from <http://www.ey.com/us/en/about-us/corporate-responsibility/corporate-responsibility---our-environmental-impact>

EY. (2017h). Shifting the carbon pricing debate - Business attitudes revealed in context of COP21. Retrieved from <http://www.ey.com/gl/en/services/specialty-services/climate-change-and-sustainability-services/ey-shifting-the-carbon-pricing-debate>

EY. (2017i). EY announces new Oceania Climate Change and Sustainability Leader. Retrieved from <http://www.ey.com/au/en/newsroom/news-releases/news-ey-announces-new-oceania-climate-change-and-sustainability-leader>

EY. (2017j). Vision 2020 - our purpose and ambition. Retrieved from <http://eyirelandcareers.ey.com/experienced/blogs/vision-2020-building-a-better-working-world/>

EY. (2017k). Good citizenship is good business - US Sustainability Report 2015. Retrieved from <http://www.ey.com/us/en/about-us/corporate-responsibility/ey-us-sustainability-report-2015-how-do-we-all-benefit-from-good-citizenship>

EY. (2017l). Our values. Retrieved from <http://www.ey.com/em/en/about-us/our-values>

EY. (2017m). Climate change and sustainability services - How EY can help. Retrieved from <http://www.ey.com/em/en/services/assurance/climate-change-and-sustainability-services/ey-climate-change-and-sustainability-services-your-audit-plan>

EY. (2017n). A statement from our Chairman and CEO. Retrieved from <http://www.ey.com/gl/en/issues/business-environment/ungc-home>

EY. (2017o). Advances in credible reporting and value creation driving new dialogue with the market. Retrieved from <http://www.ey.com/gl/en/services/specialty-services/climate-change-and-sustainability-services/ey-the-road-to-reliable-nonfinancial-reporting>

EY. (2017p). Our people and culture - diversity and inclusiveness. Retrieved from <http://www.ey.com/sg/en/about-us/our-people-and-culture/diversity-and-inclusiveness>

EY. (2017q). Our people – a diverse 21st-century workforce. Retrieved from <http://www.ey.com/sg/en/about-us/our-people-and-culture>

EY. (2017r). Continuing our commitment to the UNGC. Retrieved from <http://www.ey.com/gl/en/about-us/corporate-responsibility/ey-corporate-responsibility-continuing-our-commitment-to-the-ungc>

EY. (2017s). Corporate Responsibility. Retrieved from <http://www.ey.com/gl/en/about-us/corporate-responsibility/corporate-responsibility>

EY. (2017t). Global leaders from business, academia and politics meet at Global Sustainability Summit. Retrieved from <http://www.ey.com/gl/en/newsroom/news-releases/news-ey-global-leaders-from-business-academia-politics-meet-at-global-sustainability-summit>

EY. (2017u). Supporting our people and communities. Retrieved from <http://www.ey.com/gl/en/issues/business-environment/ungc-people>

EY. (2017v). EY Values. Retrieved from <http://www.ey.com/sg/en/about-us/our-values>

EY. (2017w). D&I means growth. Retrieved from <http://cdn.ey.com/echannel/gl/en/about-us/our-people-and-culture/diversity-and-inclusiveness/EY-d-and-i-roadmap-brochure.pdf>

EY. (2017x). Leaders' perspectives on D&I. Retrieved from <http://cdn.ey.com/echannel/gl/en/about-us/our-people-and-culture/diversity-and-inclusiveness/index.html#leaders-perspective-on-D-and-I>

EY. (2017y). Corporate responsibility - NFTE: Developing the entrepreneurial mindset. Retrieved from <http://www.ey.com/gl/en/about-us/corporate-responsibility/ey-empowering-our-people-strengthening-our-communities-nfte>

EY. (2017z). Supporting environmental sustainability. Retrieved from <http://www.ey.com/gl/en/issues/business-environment/ungc-planet>

EY. (2017ii). Our commitment to Corporate Responsibility - environment. Retrieved from <http://www.ey.com/uk/en/about-us/corporate-responsibility/about-ey---cmt-to-corp-resp---environment---ghg-emissions>

EY. (2017iii). Our approach to mitigating business travel emissions. Retrieved from <http://www.ey.com/uk/en/about-us/corporate-responsibility/about-ey---cmt-to-corp-resp---environment---travel>

EY. (2017iv). Our approach to waste management. Retrieved from <http://www.ey.com/uk/en/about-us/corporate-responsibility/about-ey---cmt-to-corp-resp---environment---waste>

EY. (2017vi). Our approach to energy management. Retrieved from <http://www.ey.com/uk/en/about-us/corporate-responsibility/about-ey---cmt-to-corp-resp---environment---energy>

EY. (2017vii). EY Beacon Institute. Retrieved from <http://www.ey.com/gl/en/issues/ey-beacon-institute>

EY. (2017viii). Better begins with you. Retrieved from <http://www.ey.com/gl/en/about-us/ey-better-begins-with-you>

EY. (2017ix). Spotlight on Business - Perspectives that matter (2), 54. Retrieved from [http://www.ey.com/Publication/vwLUAssets/ey-spotlight-on-business-issue-2-2017/\\$FILE/ey-spotlight-on-business-issue-2-2017.pdf](http://www.ey.com/Publication/vwLUAssets/ey-spotlight-on-business-issue-2-2017/$FILE/ey-spotlight-on-business-issue-2-2017.pdf)

EY. (2017xi). Spotlight on Business - Perspectives that matter (1), 56. Retrieved from [http://www.ey.com/Publication/vwLUAssets/EY-spotlight-on-business-issue-3-2017/\\$FILE/EY-spotlight-on-business-issue-1-2017.pdf](http://www.ey.com/Publication/vwLUAssets/EY-spotlight-on-business-issue-3-2017/$FILE/EY-spotlight-on-business-issue-1-2017.pdf)

EY. (2017xii). EY - 2017 Climate Change and Sustainability Service (CCaSS) Training - Sustainable finance and ESG. Retrieved from <http://www.ey.com/sg/en/services/specialty-services/climate-change-and-sustainability-services/ey-ccass-training-sustainable-finance-and-esg>

EY. (2016a). United Nations Global Compact - Communication on Progress 2015, 12. Retrieved from [http://www.ey.com/Publication/vwLUAssets/United_Nations_Global_Compact_2015/\\$FILE/UN_GC_Communication_on_Progress_2015.pdf](http://www.ey.com/Publication/vwLUAssets/United_Nations_Global_Compact_2015/$FILE/UN_GC_Communication_on_Progress_2015.pdf)

EY. (2016b). EY Global review 2015, 90. Retrieved from [http://www.ey.com/Publication/vwLUAssets/EY_Global_review_2015/\\$FILE/EY_Global_review_2015.pdf](http://www.ey.com/Publication/vwLUAssets/EY_Global_review_2015/$FILE/EY_Global_review_2015.pdf)

EY. (2016c). Transparency Report 2016 - EY Singapore, 23. Retrieved from [http://www.ey.com/Publication/vwLUAssets/EY-singapore-transparency-report-2016/\\$FILE/EY-singapore-transparency-report-2016.pdf](http://www.ey.com/Publication/vwLUAssets/EY-singapore-transparency-report-2016/$FILE/EY-singapore-transparency-report-2016.pdf)

EY. (2016d). Transparency Report 2016 - EY US, 23. Retrieved from [http://www.ey.com/Publication/vwLUAssets/ey-2016-transparency-report-us/\\$FILE/ey-2016-transparency-report-us.pdf](http://www.ey.com/Publication/vwLUAssets/ey-2016-transparency-report-us/$FILE/ey-2016-transparency-report-us.pdf)

EY. (2016e). The launch of the Natural Capital Protocol marks a huge step forward in making nature visible in decision making, 4. Retrieved from http://naturalcapitalcoalition.org/wp-content/uploads/2016/07/EY_Making-Nature-Visible-in-Decision-Making_July-2016.pdf

EY. (2016f). A better business world - How EY can help you get there, 36. Retrieved from [http://www.ey.com/Publication/vwLUAssets/a-better-business-world-how-EY-can-help/\\$FILE/a-better-business-world-how-EY-can-help.pdf](http://www.ey.com/Publication/vwLUAssets/a-better-business-world-how-EY-can-help/$FILE/a-better-business-world-how-EY-can-help.pdf)

EY. (2016g). EY global carbon footprint data, 1. Retrieved from <http://cdn.ey.com/echannel/gl/en/issues/business-environment/UNGC/img/UNGC-Global-carbon-footprint-data2.jpg>

EY. (2016h). EY Asean Art Outreach, 34. Retrieved from [http://www.ey.com/Publication/vwLUAssets/EY-asean-art-outreach-innocent-mood/\\$FILE/EY-asean-art-outreach-innocent-mood.pdf](http://www.ey.com/Publication/vwLUAssets/EY-asean-art-outreach-innocent-mood/$FILE/EY-asean-art-outreach-innocent-mood.pdf)

EY. (2016i). Walk for Rice 2016. Retrieved from <http://www.ey.com/sg/en/alumni/ey-walk-for-rice-2016-10-november-2016>

EY. (2016j). *The road to reliable nonfinancial reporting*. Retrieved from UK: [http://www.ey.com/Publication/vwLUAssets/EY-ccass-road-to-reliable-nonfinancial-reporting/\\$FILE/EY-ccass-road-to-reliable-nonfinancial-reporting.pdf](http://www.ey.com/Publication/vwLUAssets/EY-ccass-road-to-reliable-nonfinancial-reporting/$FILE/EY-ccass-road-to-reliable-nonfinancial-reporting.pdf)

EY. (2015a). United Nations Global Compact 2014 - Our Vision, Values and Impact, 52.

Retrieved from

https://www.unglobalcompact.org/system/attachments/cop_2015/141051/original/UN_Global_Compact_Report_2014_FINAL.pdf?1424265779

EY. (2015b). UN Framework Convention on Climate Change: from Lima to Paris - progress and challenges, 7. Retrieved from [http://www.ey.com/Publication/vwLUAssets/EY-global-sustainability-summit-day-1-summary/\\$FILE/EY-global-sustainability-summit-day-1-summary.pdf](http://www.ey.com/Publication/vwLUAssets/EY-global-sustainability-summit-day-1-summary/$FILE/EY-global-sustainability-summit-day-1-summary.pdf)

EY. (2015c). Shifting the carbon pricing debate - Emerging business attitudes fuel momentum for global climate action, 20. Retrieved from [http://www.ey.com/Publication/vwLUAssets/ey-shifting-the-carbon-pricing-debate-new/\\$FILE/ey-shifting-the-carbon-pricing-debate-new.pdf.PDF](http://www.ey.com/Publication/vwLUAssets/ey-shifting-the-carbon-pricing-debate-new/$FILE/ey-shifting-the-carbon-pricing-debate-new.pdf.PDF)

EY. (2015d). Materiality and sustainability disclosure - Key insights from the Singapore Exchange top 50, 20. Retrieved from [http://www.ey.com/Publication/vwLUAssets/EY-materiality-and-sustainability-disclosure/\\$FILE/EY-materiality-and-sustainability-disclosure.pdf](http://www.ey.com/Publication/vwLUAssets/EY-materiality-and-sustainability-disclosure/$FILE/EY-materiality-and-sustainability-disclosure.pdf)

EY. (2015e). Sustainability and materiality reporting: are we there yet? In EY (Ed.), Spotlight on Business - Perspectives that matter (Vol. 3, pp. 10-13). Singapore: EY. Retrieved from <http://www.ey.com/sg/en/issues/ey-spotlight-on-business-issue-3-2015-sustainability-and-materiality-reporting-are-we-there-yet>

EY. (2015f). 4th Annual Global Sustainability Summit - 2015. Retrieved from [http://www.ey.com/Publication/vwLUAssets/ey-4th-annual-global-sustainability-summit-invitation/\\$FILE/ey-global-sustainability-summit-invite.pdf](http://www.ey.com/Publication/vwLUAssets/ey-4th-annual-global-sustainability-summit-invitation/$FILE/ey-global-sustainability-summit-invite.pdf)

EY. (2014a). United Nations Global Compact 2013 - Our Vision, Values and Impact, 46.

Retrieved from

[http://www.ey.com/Publication/vwLUAssets/Our_vision,_values_and_impact:_UN_Global_Compact_2013/\\$FILE/Our%20vision,%20values%20and%20impact%20-%20UN%20Global%20Compact%202013.pdf](http://www.ey.com/Publication/vwLUAssets/Our_vision,_values_and_impact:_UN_Global_Compact_2013/$FILE/Our%20vision,%20values%20and%20impact%20-%20UN%20Global%20Compact%202013.pdf)

EY. (2014b). EY warms hundreds of hearts this Christmas. Retrieved from <http://www.ey.com/sg/en/newsroom/news-releases/news-ey-warms-hundreds-of-hearts-this-christmas>

EY. (2013a). United Nations Global Compact - Communication on Progress 2012, 28. Retrieved from https://www.unglobalcompact.org/system/attachments/29861/original/Ernst_and_Young_UNGC_COP_2012.pdf?1377203277

EY. (2013b). Building a better working world, 17. Retrieved from [http://www.ey.com/Publication/vwLUAssets/Building_a_better_working_world/\\$FILE/EY-Building-a-better-working-world.pdf](http://www.ey.com/Publication/vwLUAssets/Building_a_better_working_world/$FILE/EY-Building-a-better-working-world.pdf)

EY. (2013c). Empowering our people, strengthening our communities - 100 examples from around the world, 30. Retrieved from [http://www.ey.com/Publication/vwLUAssets/Empowering-our-people-strengthening-our-communities/\\$FILE/EY_100_Community_Facts_160413.pdf](http://www.ey.com/Publication/vwLUAssets/Empowering-our-people-strengthening-our-communities/$FILE/EY_100_Community_Facts_160413.pdf)

EY. (2013d). Bringing momentum to EY Connect Day, 2. Retrieved from [http://www.ey.com/Publication/vwLUAssets/Volunteer_Wall_of_Fame_Beth_Bradley/\\$FILE/1302-1027240_Beth%20Bradley%20slipsheet.pdf](http://www.ey.com/Publication/vwLUAssets/Volunteer_Wall_of_Fame_Beth_Bradley/$FILE/1302-1027240_Beth%20Bradley%20slipsheet.pdf)

EY. (2012). United Nations Global Compact - Communication on Progress 2011. Retrieved from <http://www.ey.com/gl/en/issues/business-environment/ungc-home>

EY. (2011). United Nations Global Compact - Communication on Progress 2010 - 2011, 16. Retrieved from https://www.unglobalcompact.org/system/attachments/9391/original/Ernst_Young_UNGC_COP_2010-11.pdf?1298571750

Fien, J., & Deakin University. School of Mathematics, Science and Environmental Education. Open Campus Program & Deakin-Griffith Environmental Education Project. (1993). Education for the environment: critical curriculum theorising and environmental education. Geelong: Deakin University Press.

Flint, R. W. (2013). *Practice of Sustainable Community Development - A Participatory Framework for Change*. New York: Springer.

Fullan, M., & Scott, G. (2009). *Turnaround Leadership for Higher Education*. San Francisco: Jossey-Bass.

Geertz, C. (1973). *The Interpretation of Cultures - Selected Essays*. United States of America: Basic Books, Inc.

Gitsham, M. (2011). CEO perspectives: management education in a changing context. *Corporate Governance*, 11(4), 501-512. doi:10.1108/14720701111159316

Gray, R., & Milne, M. J. (2014). Explainer: what is the triple bottom line? Retrieved from <https://theconversation.com/explainer-what-is-the-triple-bottom-line-22798>

Green Future Solutions. (2015). 2015 Guide to Singapore Government Funding and Incentives for the Environment. Retrieved from <http://www.greenfuture.sg/2015/02/16/2015-guide-to-singapore-government-funding-and-incentives-for-the-environment/>

Green Future Solutions. (2011). How IKEA Embraces Sustainability Globally and in Singapore. Retrieved from <http://www.greenfuture.sg/2011/05/24/how-ikea-embraces-sustainability-globally-and-in-singapore/>

Gough, A. (1997). *Education and the Environment: Policy, Trends and the Problems of Marginalisation*. Australia: Australian Council for Educational Research.

Gough, N. (1991). Narrative and Nature: Unsustainable Fictions in Environmental Education. *Australian Journal of Environmental Education*, 7, 31-42. doi:10.1017/S0814062600001841

Guth, J., & Steger, U. (2008). Corporate Sustainability in ASEAN - A look at how managers in Singapore, Malaysia and Thailand respond to it *PhD*(IMD 2008-01), 26. Retrieved from https://www.imd.org/research/publications/upload/WP_2008_01_Steger_Guth_Level_1.pdf

Haan, T. d., Jansen, P., and Ligthart, P. (2015). Sustainable leadership: Talent requirements for sustainable enterprises, 19. Retrieved from http://www.russellreynolds.com/en/Insights/thought-leadership/Documents/russell_reynolds_sustainable_leadership.pdf

Hamel, J., Dufour, S., and Fortin, D. (1993). *Case Study Methods* (Vol. 32). California, United States of America: SAGE Publications, Inc.

Hamilton, C. (2016). Define the Anthropocene in terms of the whole Earth. *Nature News*, 536, 251. doi:10.1038/536251a

Hammersley, M. (1987). Some notes on the terms ‘validity’ and ‘reliability’. *British Educational Research Journal*, 13 (1), 73-81.

Harjani, A. (2015). Singapore tops global livability ranking, HK slides, 1. Retrieved from <http://www.cnn.com/id/102357797#>

Hartman Group. (2017). IKEA’s Bold Vision: Rearranging Furniture to Make Room for Food. Retrieved from <https://www.hartman-group.com/hartbeat/707/ikea-s-bold-vision-rearranging-furniture-to-make-room-for-food>

Heikkurinen, P. (2010). Image Differentiation with Corporate Environmental Responsibility. *Corporate Social Responsibility and Environmental Management*, 17, 142–152. doi:10.1002/csr.225

Hindle, T. (2008). *Guide to Management Ideas and Gurus*. London: The Economist.

Hong, I. (2016, July 5). Starting early on meeting new sustainability reporting standards. *The Business Times*, p. 25.

Hopkins, C. (1998). The content of education for sustainable development. In M. J. Scoullon (Ed.), *Environment and society: education and public awareness for sustainability; proceedings of the Thessaloniki International Conference, 8 - 12 December 1997* (pp. 862). Paris: UNESCO and the Government of Greece.

Hopkins, C., Damlamian, J., & Ospina, G. L. (1996). Evolving towards education for sustainable development: an international perspective. *Nature and resources*, 32(3), 2-11.

Huckle, J. (2014). Education for Sustainability: Assessing Pathways to the Future. *Australian Journal of Environmental Education*, 7(1), 43-62. doi:10.1017/aee.2014.21

Hugh, T. T. W., Ming, C. L., Darren, Y. C. J., and Peter, N. K. L. (2009). *The Natural Heritage of Singapore* (3rd Eds ed.). Singapore: Pearson Education.

IKEA. (2018). IKEA Store. Retrieved from <https://www.ikea.com/jp/en/customerservices/faq>

IKEA. (2017a). Local efforts - Giving back to the community. Retrieved from http://www.ikea.com/ms/en_SG/this-is-ikea/people-and-planet/local-efforts/index.html

IKEA. (2017b). Local efforts - Entrepreneurship from the ground up. Retrieved from http://www.ikea.com/ms/en_SG/this-is-ikea/people-and-planet/local-efforts/index.html

IKEA. (2017c). Local efforts - Tree Planting with IKEA Co-workers. Retrieved from http://www.ikea.com/ms/en_SG/this-is-ikea/people-and-planet/local-efforts/index.html

IKEA. (2017d). Local efforts - Keeping our beaches clean. Retrieved from http://www.ikea.com/ms/en_SG/this-is-ikea/people-and-planet/local-efforts/index.html

IKEA. (2017e). IKEA 2017 by numbers - IKEA Financial Year Sep 2016 - Aug 2017. Retrieved from <https://highlights.ikea.com/2017/facts-and-figures/>

IKEA. (2017f). IKEA history - how it all began. Retrieved from http://www.ikea.com/ms/en_AU/about_ikea/the_ikea_way/history/

IKEA. (2017g). About the IKEA Group. Retrieved from http://www.ikea.com/ms/fr_MA/about_ikea/facts_and_figures/about_ikea_group/index.html

IKEA. (2017h). IKEA Foundation - History. Retrieved from <https://www.ikeafoundation.org/about-us-ikea-foundation/history/>

IKEA. (2016a). IKEA Group Sustainability Report FY16, 97. Retrieved from http://www.ikea.com/ms/en_US/img/ad_content/IKEA_Group_Sustainability_Report_FY16.pdf

IKEA. (2016b). Energy & resources - We're creating positive changes: Waste. Retrieved from http://www.ikea.com/ms/en_US/this-is-ikea/people-and-planet/energy-and-resources/

IKEA. (2015). IKEA Group Sustainability Report FY15, 94. Retrieved from http://www.ikea.com/ms/en_US/img/ad_content/2015_IKEA_sustainability_report.pdf

IKEA. (2014a). IKEA Group Sustainability Report FY14, 110. Retrieved from http://www.ikea.com/ms/en_US/pdf/sustainability_report/sustainability_report_2014.pdf

IKEA. (2014b). IKEA Reports Sales Development Financial Year 2014: Sales Up and Consumer Spending Continues to Increase. Retrieved from http://www.ikea.com/us/en/about_ikea/newsitem/090914-IKEA-sales-report-fy14

IKEA. (2013). IKEA Group Sustainability Report FY13, 84. Retrieved from http://www.ikea.com/ms/en_US/pdf/sustainability_report/sustainability_report_2013.pdf

IKEA. (2006). Social and Environmental Responsibility Brochure. Retrieved from <http://www.ikea-group.ikea.com/corporate/PDF/Brochure.pdf>

IKEA. (2004). IKEA Group - United Nations Global Compact (UNGC). Retrieved from <https://www.unglobalcompact.org/what-is-gc/participants/5081>

Institute for Family Business (IFB) & the Family Business Network (FBN). (2012). Sustainable Value Creation, 40. Retrieved from <http://www.m-institute.org/Documents/Sustainable-value-creation-report-from-M-Institute.pdf>

Intergovernmental Panel on Climate Change (IPCC). (2014). Climate Change 2014: Synthesis Report. Contribution of Working Groups I, II and III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change, 168. Retrieved from http://epic.awi.de/37530/1/IPCC_AR5_SYR_Final.pdf

Inter-Ministerial Committee on Sustainable Development (IMCSD). (2009). Sustainable Singapore Blueprint 2009, 132. Retrieved from https://www.nccs.gov.sg/sites/nccs/files/Sustainable_Singapore_Blueprint.pdf

Jeffries, A. (2009). Is It Green? IKEA Retrieved from <http://inhabitat.com/is-it-green-ikea/>

Jickling, B., & Wals, A. E. J. (2008). Globalization and environmental education: looking beyond sustainable development. *Journal of Curriculum Studies*, 40(1), 1-21.
doi:10.1080/00220270701684667

Jickling, B., & Spork, H. (1998). Education for the Environment: a critique. *Environmental Education Research*, 4(3), 309-327. doi:10.1080/1350462980040306

Jickling, B. (2001). Environmental Thought, the Language of Sustainability, and Digital Watches. *Environmental Education Research*, 7(2), 167-180. doi:10.1080/13504620120043171

Jickling, B. (1992). Why I Don't Want My Children to Be Educated for Sustainable Development. *Journal of Environmental Educational*, 23(4), 5-8. doi:10.1080/00958964.1992.9942801

Kamprad, I., & Torekull, B. (1999). *Leading by Design - The Ikea Story*. New York, United States: HarperCollins Publishers.

Kanjia, G. K., & Choprab, P. K. (2010). Corporate social responsibility in a global economy. *Total Quality Management*, 21(2), 119-143. doi:10.1080/14783360903549808

Keating, M. (1993). *The Earth Summit's agenda for change*. Geneva, Switzerland: Centre for Our Common Future.

Kiefer, A. (2013). From compliance to CSR as business strategy – the case of IKEA, 5. Retrieved from http://www.swedenabroad.com/ImageVaultFiles/id_16046/cf_347/20131204_Ikea_article_Eng_FI_NAL.PDF

Knapp, D. (2000). The Thessaloniki Declaration: A Wake-Up Call for Environmental Education? *The Journal of Environmental Education*, 31(3), 32-39. doi:10.1080/00958960009598643

Knox, S., & Maklan, S. (2004). Corporate Social Responsibility: Moving Beyond Investment Towards Measuring Outcomes. *European Management Journal*, 22(5), 508-516.

Koh, J. (2015). Kofi Annan urges companies to be more sustainable. *The Straits Times*, C6. Retrieved from <http://www.straitstimes.com/business/companies-markets/kofi-annan-urges-companies-to-be-more-sustainable>

Kotwani, M. (2014). Educating public, planning infrastructure to sustain Singapore environment. Retrieved from <http://www.greenbusiness.sg/2014/07/27/educating-public-planning-infrastructure-to-sustain-spore-environment-news/#sthash.pQsDjHNN.dpuf>

Krazycos. (2017). Do ‘environmentally friendly’ led lights cause blindness? Retrieved from <https://gunnar.com/do-environmentally-friendly-led-lights-cause-blindness/>

Kwok, F. S. (2016). Enabling Climate Technology - Practical Pathways Emerging from Paris. *Envision - Exploring Humanity's Environment*, (10), 26-29. Retrieved from http://www.e2singapore.gov.sg/DATA/0/Docs/NewsFiles/ENVISION%20Issue%2010%20Pg26-29_Enable%20Climate%20Tech.pdf

Kurry, A. (2011). Sustainable Development. Retrieved from <http://macaulay.cuny.edu/eportfolios/akurry/2011/12/21/sustainable-development/>

Lam, T. (2015). Ikea to ramp up SEA expansion. Retrieved from <https://insideretail.asia/2015/12/02/ikea-to-ramp-up-sea-expansion/>

Lardner, J. A. d. (2009). *Sustainable Development: The Role of Business* (Vol. II). London: UNESCO.

LeBlanc, B., & DeRose, J. (2016). Value of Sustainability Reporting - A study by EY and Boston College Center for Corporate Citizenship, 32. Retrieved from <http://www.ey.com/US/en/Services/Specialty-Services/Climate-Change-and-Sustainability-Services/Value-of-sustainability-reporting>

Lewis, J. (2003). Design Issues. In J. Ritchie & J. Lewis (Eds.), *Qualitative Research Practice* (pp. 47 - 76). London: SAGE.

Liang, C. Z. (2017, February 21). Carbon tax on greenhouse gas emissions from 2019. *The Straits Times*, p. A6.

Lieb, K. J., & Lieb, R. C. (2010). Environmental sustainability in the third-party logistics (3PL) industry. *International Journal of Physical Distribution & Logistics Management*, 40(7), 524-533. doi:10.1108/09600031011071984

Lilian, A. (2017, July 19). Professional service with a purpose. *The Business Times*, p. 2.

Lim, S. (2017, June 6). Firms must report packaging data by 2021 in bid to cut waste. *The Straits Times*, p. A9.

Lin, M. (2017, June 6). Public sector to lead green push by cutting electricity, water use. *The Straits Times*, p. A1.

Lincoln, Y. S., & Guba, E. G. (1985). *Naturalistic inquiry*. Beverly Hills, CA: Sage.

Loeb, W. (2012). IKEA Is A World-Wide Wonder. Retrieved from <https://www.forbes.com/sites/walterloeb/2012/12/05/ikea-is-a-world-wide-wonder/#2bacf82227b9>

Loh, M. (2017). Sustainability reporting: from good to great. In EY (Ed.), *Spotlight on Business - Perspectives that matter* (Vol. 2, pp. 40-42). Singapore: EY. Retrieved from [http://www.ey.com/Publication/vwLUAssets/ey-spotlight-on-business-issue-2-2017/\\$FILE/ey-spotlight-on-business-issue-2-2017.pdf](http://www.ey.com/Publication/vwLUAssets/ey-spotlight-on-business-issue-2-2017/$FILE/ey-spotlight-on-business-issue-2-2017.pdf).

Lozano-García, F. J., Huisingh, D., and Delgado-Fabián, M. (2009). An interconnected approach to incorporate sustainable development at Tecnológico de Monterrey. *International Journal of Sustainability in Higher Education*, 10(4), 318 – 333. doi:10.1108/14676370910990675

Lozano, R. (2008). Envisioning sustainability three-dimensionally. *Journal of Cleaner Production*, 16(17), 1838–1846. doi:10.1016/j.jclepro.2008.02.008

Mabry, L. (2008). Case Study in Social Research. In P. Alasuutari, L. Bickman, & J. Brannen (Eds.), *The SAGE Handbook of Social Research Methods* (pp. 214 - 227). London: SAGE Publications Ltd.

Mack, N., Woodsong, C., Macqueen, K. M., Guest, G., and Namey, E. (2005). *Qualitative Research Methods: A Data Collector's Field Guide*. USA: Family Health International.

Maon, F., Swaen, V., and Lindgreen, A. (2007). Corporate Social Responsibility at IKEA: commitment and communication, 39. Retrieved from https://www.researchgate.net/publication/242642271_Corporate_Social_Responsibility_at_IKEA_commitment_and_communication

Marrewijk, M. V., & Werre, M. (2003). Multiple Levels of Corporate Sustainability. *Journal of Business Ethics*, 44(2-3), 107-119. doi:10.1023/A:1023383229086

Martin, S., Martin, M., Jucker, R., and Roberts, C. (2008). Education and sustainable development – learning to last? In J. E. Larkley & V. B. Maynard (Eds.), (pp. 51-92). Hauppauge, New York: Innovation in Education, Nova Science Publishers, Inc.

Martin, S. (2005). Sustainability, systems thinking and professional practice. *Systemic Practice And Action Research*, 18(2), 163–171. doi:10.1007/s11213-005-4156-7

Mayor, F. (1998). Preface by the Director-General of UNESCO to the proceedings of the Thessaloniki Conference. In M. J. Scoullou (Ed.), *Environment and society: education and public awareness for sustainability; proceedings of the Thessaloniki International Conference*, 8 - 12 December 1997 (pp. 862). Paris: UNESCO and the Government of Greece.

McKeown, R., Hopkins, C. A., Rizzi, R., and Chrystalbrid, M. (2006). Education for sustainable development toolkit 130. Retrieved from unesdoc.unesco.org/images/0015/001524/152453eo.pdf

Melissa, L. (2016). 5 firms form alliance to promote sustainably produced palm oil to fight haze. Retrieved from <http://www.straitstimes.com/singapore/environment/five-firms-form-alliance-to-promote-sustainably-produced-palm-oil-to-fight>

Merriam, S. B. (1988). *Case study research in education: a qualitative approach*. University of Michigan: Jossey-Bass

Ministry of the Environment and Water Resources. (2017a). Public Sector Sustainability Plan 2017-2020, 13. Retrieved from https://www.mewr.gov.sg/docs/default-source/default-document-library/grab-our-research/Public_Sector_Sustainability_Plan_2017-2020.pdf

Ministry of the Environment and Water Resources. (2017b). Managing Our Waste - Landfill. Retrieved from <https://www.mewr.gov.sg/topic/landfill>

Ministry of the Environment and Water Resources and Ministry of National Development. (2016). Sustainable Singapore Blueprint 2016, 15. Retrieved from http://www.mewr.gov.sg/ssb/files/ssb2015-2016_ver.pdf

Ministry of the Environment and Water Resources and Ministry of National Development. (2014). Sustainable Singapore Blueprint 2015, 116. Retrieved from <http://www.mewr.gov.sg/ssb/files/ssb2015.pdf>

Ministry of the Environment and Water Resources. (2002). The Singapore Green Plan 2012, 68. Retrieved from <https://www.mewr.gov.sg/docs/default-source/default-document-library/grab-our-research/sgp2012.pdf>

Ministry of Foreign Affairs. (2012). Singapore rated 'most liveable city in Asia'. Retrieved from http://www.mfa.gov.sg/content/mfa/media_centre/singapore_headlines/2012/201210/news_20121011.html

Moore, J. (2005). Barriers and pathways to creating sustainability education programs: po, rhetoric and reality. *Environmental Education Research*, 11(5), 537-555.
doi:10.1080/13504620500169692

Morse, J. M., Barret, M., Maria, M., Olson, K., and Spiers, J. (2002). Verification strategies for establishing reliability and validity in qualitative research. *International Journal of Qualitative Methods*, 1(2), 13-22.

Murdoch, G. (2008). Trash and burn: Singapore's waste problem. Retrieved from <http://www.reuters.com/article/2008/05/22/us-waste-singapore-idUSSP9046620080522>

Myers, J. (2016). What is the Anthropocene? And why does it matter? Retrieved from <https://www.weforum.org/agenda/2016/08/what-is-the-anthropocene-and-why-does-it-matter/>

National Climate Change Secretariat (NCCS). (2016). Climate Action Plan: Take Action Today, for a Sustainable Future, 56. Retrieved from https://www.nccs.gov.sg/sites/nccs/files/NCCS_Mitigation_FA_webview%2027-06-16.pdf

National Climate Change Secretariat (NCCS). (2012a). Singapore as a Climate Resilient Global City. Retrieved from <https://www.nccs.gov.sg/nccs-2012/singapore-as-a-climate-resilient-global-city.html>

National Climate Change Secretariat (NCCS). (2012b). The Climate Change Imperative. Retrieved from <https://www.nccs.gov.sg/nccs-2012/foreword.html>

National Population and Talent Division. (2013). A Sustainable Population for a Dynamic Singapore, 76. Retrieved from <https://www.strategygroup.gov.sg/docs/default-source/Population/population-white-paper.pdf>

Navaratnarajah, R. (2017). Building a green city. Retrieved from http://www.propertyguru.com.sg/property-management-news/2017/6/154904/building-a-green-city?utm_source=pgsg-newsletter&utm_medium=edm&utm_campaign=consumernewsletter-pgnv114&utm_contentrobtn

Newman, P. (2011). Green urbanism and its application to Singapore. *ARI Working Paper Series No. 151*, 27. Retrieved from www.ari.nus.edu.sg/pub/wps.htm

Ng, M. K. (2007a). Sustainable development and governance in East Asian World Cities. *Journal of Comparative Policy Analysis: Research and Practice*, 9(4), 321-335.
doi:10.1080/13876980701674092

Ng, M. K. (2007b). Governance for sustainability in East Asian Global Cities: An exploratory study. *Journal of Comparative Policy Analysis: Research and Practice*, 9(4), 351-381.
doi:10.1080/13876980701674159

Ng, M. K. (2010). Sustainable Urban Development Issues in Chinese Transitional Cities: Hong Kong and Shenzhen. *International Planning Studies*, 7(1), 7-36. doi:10.1080/13563470220112580

Ng, S. (2011, June). Bright prospects for LED lighting. *Green Purchasing Asia*, 8-9.

Paglia, L. (2017). Beyond “green” a sustainability agenda for treasury. In EY (Ed.), *Spotlight on Business - Perspectives that matter* (Vol. 1, pp. 38-40). Singapore: EY. Retrieved from [http://www.ey.com/Publication/vwLUAssets/EY-spotlight-on-business-issue-3-2017/\\$FILE/EY-spotlight-on-business-issue-1-2017.pdf](http://www.ey.com/Publication/vwLUAssets/EY-spotlight-on-business-issue-3-2017/$FILE/EY-spotlight-on-business-issue-1-2017.pdf).

Parkin, S., Sommer, F., and Uren, S. (2003). Sustainable development: understanding the concept and practical challenge. *Proceedings of the Institution of Civil Engineers - Engineering Sustainability*, 156(1), 19-26. doi:10.1680/ensu.156.1.19.37055

Peterson, C. (2014). WWF Green Office for Sustainable Organisations, 24. Retrieved from <https://wwf.fi/mediabank/6087.pdf>

Podnar, K., & Golob, U. (2007). CSR expectation: the focus of corporate marketing. *Corporate Communications*, 12(4), 326-340. doi:10.1108/13563280710832498

Quinn, L., & Dalton, M. (2009). Leading for sustainability: implementing the tasks of leadership. *Corporate Governance*, 9(1), 21-38. doi:10.1108/14720700910936038

Quinn, L., & Baltes, J. (2007). Leadership and the Triple Bottom Line - Bringing Sustainability and Corporate Social Responsibility to Life, 13. Retrieved from <http://iaap-aggregates.org/sustainability/tripleBottomLine.pdf>

Rachel, M. (2017). Singapore firms fare better than global peers in sustainability reporting. Retrieved from <http://www.businesstimes.com.sg/companies-markets/singapore-firms-fare-better-than-global-peers-in-sustainability-reporting>

Rivoira, F., Chan, W., Martin, B., and Röschter, M. (2016). Is IKEA furniture all made in China? Retrieved from <https://www.quora.com/Is-ikea-furniture-all-made-in-China>

Rogoff, B. (1995). Observing sociocultural activity on three planes: Participatory appropriation, guided participation, and apprenticeship. In J. V. Wertsch, P. D. Rio, & A. Alvarez (Eds.), *Sociocultural studies of mind* (pp. 139-164). Cambridge, UK: Cambridge University Press.

Saha, M., & Darnton, G. (2005). Green Companies or Green Con-panies: Are Companies Really Green, or Are They Pretending To Be? *Business and Society Review*, 110(2), 117-157. doi:10.1111/j.0045-3609.2005.00007.x

Schiller, B. (2015). This Elegant, Organic LED Lamp May Be Pricey, But It's The Future Of Lighting. Retrieved from <https://www.fastcompany.com/3045180/this-elegant-organic-led-lamp-may-be-pricey-but-its-the-future-of-lighting>

Schulz, N. B. (2010). Delving into the carbon footprints of Singapore - comparing direct and indirect greenhouse gas emissions of a small and open economic system. *Energy Policy*, 38(9), 4848–4855. doi:10.1016/j.enpol.2009.08.066

Selby, D. (2006). The Firm and Shaky Ground of Education for Sustainable Development. *Journal of Geography in Higher Education*, 30(2), 351-365. doi:10.1080/03098260600717471

Senge, P. (2009). The necessary revolution. *Leader To Leader*, 2009(51), 24-28.
doi:10.1002/ltl.314

Senge, P. M., Smith, B., Kruschwitz, N., Laur, J., and Schley, S. (2008). *The necessary revolution - How individuals and organisations are working together to create a sustainable world*. New York: Doubleday.

Senge, P. M. (2006). *The Fifth Discipline: The Art & Practice of The Learning Organisation*. London: Random House UK Limited.

Senge, P. M. (1990). *The Fifth Discipline: The Art and Practice of The Learning Organization*. New York: Doubleday Currency.

Shaw, L. C. (2012). *SAGE Brief Guide to Corporate Social Responsibility*. United States of America: SAGE Publications, Inc.

Shavelson, R. J., & Towne, L. (2002). Scientific Research in Education. In N. R. Council (Ed.), *Committee on Scientific Principles for Education Research*. Washington, DC: National Academy Press.

Shine. (2017). Ikea China accused of applying double standards. Retrieved from http://www.china.org.cn/business/2017-11/29/content_50075816.htm

Simon, T. S. C., Pasqual, L., and Gavin, C. H. Y. (2007). Key environmental challenges facing Singapore and the region - Climate change, energy security and corporate social responsibility for the environment. *SHELL-SIIA SPECIAL REPORT*, 20. Retrieved from <http://www.siiainline.org/reports/>

Singapore Department of Statistics (DOS). (2017). Population Trends, 2017, 158. Retrieved from http://www.singstat.gov.sg/docs/default-source/default-document-library/publications/publications_and_papers/population_and_population_structure/population2017.pdf

Singapore Exchange (SGX). (2010). Policy Statement on Sustainability Reporting Retrieved from <http://www.sgx.com/wps/wcm/connect/38b2a38043bbbcc09052b78792afe0f7/Policy+Statement+on+Sustainability+Reporting.pdf?MOD=AJPERES>

Singapore Institute of Directors. (2017). Singapore sustainability reporting awards. Retrieved from <https://www.sid.org.sg/Web/Events/SSRA.aspx>

Singapore Management University. (2015). Fun with Figures. Retrieved from <https://www.smu.edu.sg/news/2015/07/13/fun-figures>

Singapore Packaging Agreement Council. (2016). 3R Packaging Awards 2016, 17. Retrieved from <http://www.nea.gov.sg/docs/default-source/energy-waste/recycling/spa/3r-packaging-awards-2016-booklet.pdf>

Slaper, T. F., & Hall, T. J. (2011). The Triple Bottom Line: What Is It and How Does It Work?, 5. Retrieved from <http://www.ibrc.indiana.edu/ibr/2011/spring/article2.html>

Šlaus, I., & Jacobs, G. (2011). Human Capital and Sustainability *Sustainability*, 3(1), 97-154. doi:10.3390/su3010097

Smith, N. C., Ansett, S., and Erez, L. (2011). What's at Stake? Stakeholder Engagement Strategy as the Key to Sustainable Growth, 37. Retrieved from www.insead.edu/facultyresearch/research/doc.cfm?did=47212

Spitzeck, H. (2009). The development of governance structures for corporate responsibility. *Journal of Corporate Governance*, 9(4), 495-505. doi:10.1108/14720700910985034

Spykerman, K. (2011, May 25). Singapore on track to be more energy efficient. *The Straits Times*, p. B7.

Stake, R. E. (2005). Qualitative Case Studies. In N. K. Denzin & Y. S. Lincoln (Eds.), *The Sage Handbook of Qualitative Research* (3rd Eds ed., pp. 443-466). Thousand Oaks, California: Sage

Stake, R. E. (2000). Case Studies. In N. K. Denzin & Y. S. Lincoln (Eds.), *Handbook of Qualitative Research* (pp. 236-247). Thousand Oaks, California: Sage

Stake, R. E., Bresler, L., Mabry, L., and Ellis, N. (1991). *Custom and cherishing: the arts in elementary schools*. Urbana, Illinois: Council for Research in Music Education, University of Illinois.

Stake, R. E. (1978). The Case Study Method in Social Inquiry. *Educational Researcher*, 7(2), 5-8.

Steffen, W., Grinevald, J., Crutzen, P., and McNeill, J. (2011). The Anthropocene: conceptual and historical perspectives. *Philosophical Transactions of the Royal Society A: Mathematical, Physical and Engineering Sciences*, 369(1938), 842-867. doi:10.1098/rsta.2010.0327

Sterling, S. (2014). The importance of education for sustainable development. Retrieved from <http://www.universityworldnews.com/article.php?story=20141126162856455>

Sterling, S. (2004). Higher education, sustainability, and the role of systemic learning. In P. B. Corcoran & A. E. J. Wals (Eds.), *Higher Education and the Challenge of Sustainability: Problematics, Promise and Practice* (pp. 49-70). Boston: Kluwer Academic Publishers.

Sterling, S. (2001). *Sustainable education: Re-visioning learning and change*. Devon, UK: Green Books.

Stordalen, P. A. (2013, October 21). Stordalen returns to scene of his biggest failure. *The Business Times*, p. 30.

Strandberg, C. (2002). The Future of Corporate Social Responsibility. Retrieved from http://www.corostrandberg.com/pdfs/Future_of_CSR.pdf

Subcommission on Quaternary Stratigraphy. (2018). What Is The ‘Anthropocene’? – Current Definition And Status. Retrieved from <http://quaternary.stratigraphy.org/working-groups/anthropocene/>

Sullivan, R. (2009). The Management of Greenhouse Gas Emissions in Large European Companies. *Corporate Social Responsibility and Environmental Management*, 16, 301-309. doi:10.1002/csr.187

Tan, S. H. (2017, August 5). Imagining a sustainable Singapore for the future. *The Straits Times*, p. A40.

Tay, S. C. (2017). Homing in on a green start. Retrieved from www.businesstimes.com.sg/lifestyle/design/homing-in-on-a-green-start

Tay, E. (2011). How IKEA Embraces Sustainability Globally and in Singapore. Retrieved from <http://www.greenbusinesstimes.com/2011/05/24/how-ikea-embraces-sustainability-globally-and-in-singapore/#more-2585>

Teater, B. (2010). *An Introduction to applying Social Work Theories and Methods*. New York: McGraw-Hill

Teng, A. (2016, July 11). Singapore unveils action plan in climate change fight. *The Straits Times*, p. 1.

The Business Times. (2016). Do good when doing well. Retrieved from <http://www.businesstimes.com.sg/views-from-the-top/company-of-good/do-good-when-doing-well>

The Economist. (2009). Triple bottom line. Retrieved from <http://www.economist.com/node/14301663>

The Guardian. (2016). Winners of the Guardian Sustainable Business Awards 2016. Retrieved from <https://www.theguardian.com/sustainable-business/2016/may/27/winners-guardian-sustainable-business-awards-2016>

The Guardian. (2015). Guardian Sustainable Business Awards 2015: the winners. Retrieved from <https://www.theguardian.com/sustainable-business/2015/apr/30/guardian-sustainable-business-awards-2015-the-winners>

Thorne, S., Kirkham, S. R., and O'Flynn-Magee, K. (2004). The Analytic Challenge in Interpretive Description. *International Journal of Qualitative Methods*, 3(1), 1-11. Retrieved from https://sites.ualberta.ca/~iiqm/backissues/3_1/pdf/thorneetal.pdf

Tilbury, D. (2011a). Education for Sustainable Development: An Expert Review of Processes and Learning, 132. Retrieved from <http://unesdoc.unesco.org/images/0019/001914/191442e.pdf>

Tilbury, D. (2011b). Higher education for sustainability: a global overview of commitment and progress. in *GUNI (Ed.), Higher Education in the World 4. Higher Education's Commitment to Sustainability: From Understanding to Action, GUNI*, 18-28. Retrieved from http://www.guninetwork.org/files/8_i.2_he_for_sustainability_-_tilbury.pdf

Tilbury, D. (2004). Rising to the Challenge: Education for Sustainability in Australia. *Australian Journal of Environmental Education*, 20(2), 103-114. doi:10.1017/S081406260000224X

Tilbury, D., Stevenson, R. B., Fien, J., and Schreuder, D. (2002). *Education and Sustainability: Responding to the Global Challenge* (pp. 204). Retrieved from <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.378.4237&rep=rep1&type=pdf>

The World Bank. (2012). Inclusive Green Growth - The Pathway to Sustainable Development, 192. Retrieved from <http://www.worldbank.org/en/news/feature/2012/05/09/inclusive-green-growth-policies-real-world-challenges>

United Nations (UN). (2016). Sustainable Development Goals (SDGs) - 17 goals to transform our world : The Sustainable Development Agenda. Retrieved from <http://www.un.org/sustainabledevelopment/development-agenda/>

United Nations (UN). (2015). UN Climate Change Conference Paris 2015. Retrieved from <http://www.un.org/sustainabledevelopment/cop21/>

United Nations (UN). (2013). *Agenda 21: Earth Summit: The United Nations Programme of Action from Rio*. New York: Createspace Independent Publishing Platform.

United Nations (UN). (2012). The Future We Want, 53. Retrieved from http://www.un.org/en/development/desa/population/migration/generalassembly/docs/globalcompact/A_RES_66_288.pdf

United Nations (UN). (1992). Agenda 21, Rio Declaration, United Nations Conference on Environment and Development (UNCED), 351. Retrieved from <https://sustainabledevelopment.un.org/content/documents/Agenda21.pdf>

United Nations Development Programme (UNDP). (2013). Making sustainability affordable for all: IKEA creates a demand for better cotton, lasting change. Retrieved from <http://www.undp.org/content/undp/en/home/presscenter/pressreleases/2013/03/15/making-sustainability-affordable-for-all-ikea-creates-a-demand-for-better-cotton-lasting-change.html>

United Nations Environment Programme (UNEP). (2014). Adaptation Gap Report, 88. Retrieved from http://web.unep.org/adaptationgapreport/sites/unep.org.adaptationgapreport/files/documents/agr_full_report.pdf

United Nations Environment Programme (UNEP). (1972). Declaration of the United Nations Conference on the Human Environment, 5. Retrieved from https://www.soas.ac.uk/cedep-demos/000_P514_IEL_K3736-Demo/treaties/media/1972%20Stockholm%201972%20-%20Declaration%20of%20the%20United%20Nations%20Conference%20on%20the%20Human%20Environment%20-%20UNEP.pdf

United Nations Educational, Scientific and Cultural Organization (UNESCO). (2014). World Conference on Education for Sustainable Development (ESD) - What is ESD? Retrieved from <http://www.unesco.org/new/en/unesco-world-conference-on-esd-2014/resources/what-is-esd/>

United Nations Educational, Scientific and Cultural Organization (UNESCO). (2012). UN System Task Team on the Post-2015 UN Development Agenda - Culture: a driver and an enabler of sustainable development, 10. Retrieved from http://www.un.org/millenniumgoals/pdf/Think%20Pieces/2_culture.pdf

United Nations Educational, Scientific and Cultural Organization (UNESCO). (2005a). UNESCO and Sustainable Development, 44. Retrieved from <http://unesdoc.unesco.org/images/0013/001393/139369e.pdf>

United Nations Educational, Scientific and Cultural Organization (UNESCO). (2005b). UN Decade of Education for Sustainable Development (2005 – 2014): The DESD at a glance, 10. Retrieved from <http://unesdoc.unesco.org/images/0014/001416/141629e.pdf>

United Nations Educational, Scientific and Cultural Organization (UNESCO). (2005c). UN Decade of Education for Sustainable Development (2005 - 2014): International Implementation Scheme. Retrieved from www.unesco.org/education/desd

United Nations Educational, Scientific and Cultural Organization (UNESCO). (2002). Education for Sustainability – From Rio to Johannesburg: Lessons learnt from a decade of commitment, 46. Retrieved from <http://unesdoc.unesco.org/images/0012/001271/127100e.pdf>

United Nations Educational, Scientific and Cultural Organization UNESCO. (1997). Educating for a sustainable future. EPD-97/CONF.401/CLD.1. Retrieved from http://www.unesco.org/education/tlsf/mods/theme_a/popups/mod01t05s01.html

United Nations Educational, Scientific and Cultural Organization (UNESCO) - United Nations Environment Programme (UNEP). (1998). International strategy for action in the field of environmental education and training for the 1990s. Retrieved from Paris and Nairobi <http://unesdoc.unesco.org/images/0008/000805/080583eo.pdf>

United Nations Global Compact (UNGC). (2017a). Our Mission. Retrieved from <https://www.unglobalcompact.org/what-is-gc/mission>

United Nations Global Compact (UNGC). (2017b). The Ten Principles of the UN Global Compact. Retrieved from <https://www.unglobalcompact.org/what-is-gc/mission/principles>

United Nations Global Compact (UNGC). (2017c). Advancing Sustainable Development. Retrieved from <https://www.unglobalcompact.org/what-is-gc/our-work/sustainable-development>

University of Pennsylvania. (2012). Sustainability: New Perspectives and Opportunities. *Globalization TrendLab 2012*, 28. Retrieved from www.hbr.org

Vanclay, F. (2004). Impact Assessment and the Triple Bottom Line: Competing Pathways to Sustainability? *Sustainability and Social Science*, 27-39. Retrieved from http://www.minerals.csiro.au/sd/pubs/Vanclay_Final.pdf

Vaughan, A. (2015). Ikea to sell only energy-saving LED lightbulbs. Retrieved from <https://www.theguardian.com/environment/2015/aug/10/ikea-ditches-conventional-lightbulbs-for-energy-saving-led-lighting>

Vivien, S. (2017, July 5). The Different Ways of Doing Good. *The SME Magazine*, 24.

Vygotsky, L. S. (1978). *Mind in Society: The Development of Higher Psychological Processes* (M. Cole Ed.). United States of America: Harvard University Press.

- Wang, H., Tong, L., Takeuchi, R., and George, G. (2016). Corporate Social Responsibility: An Overview and New Research Directions. *Academy of Management Journal*, 59(2), 534–544. doi:10.5465/amj.2016.5001
- Warhurst, A. (2001). Corporate citizenship and corporate social investment: drivers of tri-sector partnerships. *Journal of Corporate Citizenship*, 1(1), 57-73. doi:10.9774/GLEAF.4700.2001.sp.00008
- Watson, R. (2016, October 1). Global warming 'set to pass 2 deg C threshold by 2050'. *The Straits Times*, p. A35.
- Webb, F. (2012). Sustainable cities: innovative urban planning in Singapore, 3. Retrieved from <http://www.theguardian.com/sustainable-business/sustainable-cities-innovative-urban-planning-singapore?newsfeed=true>
- Wheeler, K. A., & Bijur, A. P. (2000). *Education for a sustainable future: a paradigm of hope for the 21st century*. New York: Kluwer Academic/Plenum.
- Williams, A. (2016). Over 60% of Singapore-listed companies still not issuing sustainability reports. Retrieved from <http://www.straitstimes.com/business/companies-markets/over-60-of-singapore-listed-companies-still-not-issuing-sustainability>
- Wong, S. Y. (2017a, June 6). Sustainability a profitable watchword for Asian firms. *The Straits Times*, p. C1.
- Wong, S. Y. (2017b, June 6). Singapore green push focuses on 4 fronts. *The Straits Times*, p. C1.
- Wong, W. H. (2016). Singapore firms 'lag behind in sustainability reporting'. *Business*. Retrieved from <http://www.straitstimes.com/business/spore-firms-lag-behind-in-sustainability-reporting>
- World Commission on Environment and Development (WCED). (1987). Our Common Future, 300. Retrieved from <http://www.un-documents.net/our-common-future.pdf>

World Wide Fund For Nature (WWF). (2014). Living Planet Report 2014: species and spaces, people and places, 180. Retrieved from

https://www.wwf.or.jp/activities/data/WWF_LPR_2014.pdf

Yanow, D. (2014). Thinking Interpretively: Philosophical Presuppositions and the Human Sciences. In D. Yanow & P. Schwartz-Shea (Eds.), *Intpretation and Method: Empirical Research Method and the Interpretive Turn* (2nd ed., pp. 22). New York: M.E. Sharpe, Inc.

Yanow, D., & Schwartz-Shea, P. (2014). *Intpretation and Method: Empirical Research Method and the Interpretive Turn* (2nd ed.). New York: M.E. Sharpe, Inc.

Yin, R. K. (2014). *Case Study Research: Design and Methods* (5th revised ed.). California: SAGE Publications, Inc.

Yin, R. K. (2006). Case Study Methods. In J. L. Green, G. Camilli, & P. B. Elmore (Eds.), *Handbook of Complementary Methods in Education Research* (pp. 111-122). New York: Routledge.

Yin, R. K. (1989). *Case Study Research: design and methods* (revised ed.). California: SAGE Publications, Inc.

Yip, A., & Ng, R. (2011). Cultivating Singapore's green landscape. Retrieved from http://app.nccs.gov.sg/news_details.aspx?nid=238&pageid=98

Zevallos, Z. (2015). Social Science Quote: Ban Ki-moon on Business Sustainability. Retrieved from <http://socialscienceinsights.com/2015/05/01/social-science-quote-ban-ki-moon-business-sustainability/>

APPENDICES

APPENDIX 1 Permission Letter for Senior Management

<insert date>

<Name>

**Faculty of Education
MONASH UNIVERSITY**

Dear <Name>

RE: “Case studies of sustainability and corporate social responsibility policies and practices in two businesses in their global and Singapore contexts”

Thank you for your request to recruit participants from <insert Company> for the above-named research.

I have read and understood the Explanatory Statement regarding the research “Case studies of sustainability and corporate social responsibility policies and practices in two businesses in their global and Singapore contexts” and hereby give permission for this research to be conducted through survey and interview.

I will recommend the following employee(s) who is involved or has some form of involvement in the development and implementation of sustainability in the business to be invited to participate in the survey. You can contact him/her based on the information provided below.

Name	Division / Department	E-mail address	Contact number
...			

Yours Sincerely,

<insert signature of CEO>

<Name of CEO>

Chief Executive Officer

APPENDIX 2 Explanatory Statement

<insert date>

Title: Case studies of sustainability and corporate social responsibility policies and practices in two businesses in their global and Singapore contexts

My name is XXX and I am conducting a research project with XXX, in the Faculty of Education, towards a PhD at Monash University. This means that I will be writing a thesis which is the equivalent of a 300 page book.

You are invited to volunteer to take part in this study because your company is involved in sustainability practices. Please read this Explanatory Statement in full before making a decision.

The aim/purpose of the research

The aim of this study is to explore business leaders' perceptions and practices in developing sustainability and sustainable business practices within Global and Singapore companies. The investigation will capture the organizational initiatives in companies who express commitment to sustainability, and the ways in which they engage and educate their staff in sustainability within the business. The focus of this study will be on local companies who practice sustainability, their reasons for doing so, and will explore the factors and aspects that drive their initiatives.

I am conducting this research to investigate sustainable business practices in Singapore.

Possible benefits

This study will make a contribution to this field and has the potential to impact not just on business, but also on social and cultural practices related to sustainability in Singapore and Asia Pacific region.

What does the research involve?

The study involves a survey and a follow up semi-structured interview with audio recording. The semi-structured interview will be completed in a face-to-face approach on an individual basis.

The survey and semi-structured interview will involve senior management and employee(s) in the development and implementation of sustainability in the business as well as the individual working level.

Senior Management will recommend and provide email details of employees who are involved in the development and implementation of sustainability in the business to be invited to participate in the survey.

How much time will the research take?

The survey will require approximately 15 minutes for each participant to complete and the interview up to 60 mins. This will be conducted preferably in the participants' office premises, or another location convenient for the participant.

Inconvenience / discomfort

I do not anticipate that this study will cause any discomfort.

Withdraw from the research

Participation in this study is completely voluntary and you are under no obligation to consent to participation. However, if you do consent to participate, you may withdraw from further participation at any stage or avoid answering questions.

Confidentiality

Pseudonyms will be used for the participants and the companies included in the study. No materials will be published or reported without the consent of the participants.

Storage of data

Data collected will be stored in accordance with Monash University regulations, kept on University premises, in a locked filing cabinet for 5 years. A report of the study may be submitted for publication, but individual participants will not be identifiable in such a report.

Use of data for other purposes

This data will not be used for other purposes, other than this research study.

Results

If you would like to be informed of the aggregate research finding, please contact xx as per contact details listed below.

If you would like to contact the researchers about any aspect of this study, please contact the Chief Investigator:	If you have a complaint concerning the manner in which this research on Case studies of sustainability and corporate social responsibility policies and practices in two businesses in their global and Singapore contexts is being conducted, please contact:
Name: Faculty of Education Monash University Email: Tel: <u>Student Researcher</u> Name: Tel: Email:	Executive Officer Monash University Human Research Ethics Committee (MUHREC) Monash Research Office Tel: Email:

Thank you.

Yours Sincerely,
<Name>

APPENDIX 3 Consent Form to participate in survey and semi-structured interview)

Title: Case studies of sustainability and corporate social responsibility policies and practices in two businesses in their global and Singapore contexts

NOTE: This consent form will remain with the Monash University researcher for their records.

I agree to take part in the Monash University research project specified above. I have had the project explained to me, and I have read the Explanatory Statement, which I will keep for my records. I understand that agreeing to take part means that:

For Survey

I agree to complete the survey asking me about the perceptions, practices, structures and systems about sustainability and sustainable business practices within my company. ☐ Yes ☐ No

For Semi-structured Interview

I agree to be interviewed by the researcher ☐ Yes ☐ No

I agree to allow the interview to be audio-taped ☐ Yes ☐ No

I agree to make myself available for a further interview if required ☐ Yes ☐ No

I understand that my participation is voluntary, that I can choose not to participate in part or all of the project, and that I can withdraw at any stage of the project without being penalised or disadvantaged in any way.

I understand that any data that the researcher extracts from the interview / survey for use in reports or published findings will not, under any circumstances, contain names or identifying characteristics.

I understand that any information I provide is confidential, and that no information that could lead to the identification of any individual will be disclosed in any reports on the project, or to any other party.

I understand that data from the survey and interview will be kept in a secure storage and accessible to the research team. I also understand that the data will be destroyed after a 5 year period unless I consent to it being used in future research.

Participant's name:

Signature: _____

Date: _____