Understanding Intentions of Corporate Sustainability Approaches

A CONTRIBUTION TO THE UNDERSTANDING OF THE INTENTIONS OF SUSTAINABLE PROCUREMENT TOWARDS CORPORATE SUSTAINABILITY INTEGRATION

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Abstract

Corporate sustainability is the transposed idea of sustainable development to business systems. Many approaches towards integrating corporate sustainability have been developed. However there are still companies who struggle with the integration of corporate sustainability. Misalignment between the organizational culture and the corporate sustainability strategies and activities is identified as one of the barriers towards full integration. To allow alignment between organizational culture and corporate sustainability it should be known how corporate sustainability approaches are intended to be used or i.e.: what is the desired behaviour in the use of a specific approach. Sustainable procurement intentions have not been studied before and there is general need for more research towards it. This research aims to contribute to the understanding of the intentions of sustainable procurement as an integration approach of corporate sustainability. Research will be done by conducting a literature study and a complementary single qualitative case-study. The Mapping of Corporate Sustainability Approaches framework developed by Witjes et al. (2015) is used as a categorization instrument and it provides visualization of the results found. Overall it was found that sustainable procurement involves having cooperative long-term relationships based on mutual trust and shared cultural values with all actors in the value chain of a company and that the environmental, social, and economical dimensions of sustainability should all be valued equally.

Introduction

Companies are a part of a larger social system which interacts through investment, exploitation and pollution with the ecological system. Together these systems form the biosphere (Jennings & Zandbergen, 1995). Companies are a small part of the whole biosphere, and can thus not become sustainable on their own, only the system as a whole can become sustainable if all of its components behave in a sustainable manner. It is important that companies recognize they are part of the biosphere and need to act in a manner that preserves it (Marrewijk, 2003). The Brundtlandt report stated that development of sustainability should be integrated into the industrial planning and decision-making processes (WCED, 1987). “Development is sustainable when it meets the needs of the present without compromising the ability of future generations to meet their own needs” (WCED, 1987). Companies grow aware of the need for sustainable development and act upon this pressure (Azapagic & Perdan, 2000). Corporate Sustainability (CS) is the idea of sustainable development transposed to business level (Dyllick & Hockerts, 2002).

There have been multiple attempts to structure the vast landscape of sustainability approaches to help guide companies in the integration of Corporate Sustainability (CS). Each of these attempts focussed on specific dimensions of sustainability within the business environment. Examples of the different dimensions researchers focussed on are: management levels (Baumgartner, 2014), organizational systems (Lozano, 2012), a holistic approach involving relations between environmental, economic, and social dimensions; system levels, time, and context (Hahn, Pinkse, Preuss, & Figge, 2015), how approaches relate to the principles of sustainability (Robèrt et al., 2002), or the relationship between effectiveness and efficiency between the environmental, economic, and social dimensions (Dyllick & Hockerts, 2002). Despite providing valuable insights, companies still have trouble integrating CS in their business system (Epstein & Roy, 2001; Meehan & Bryde, 2011; Siebenhüner & Arnold, 2007). Some scholars believe that companies struggle with the integration of CS because certain frameworks, are too generic and need to be adjusted to a specific business context (Marrewijk, 2003; Woerd & Brink, 2015). While others state that to integrate CS effectively, sustainability strategies and activities must conform with the organizational culture (Azapagic, 2003; Baumgartner, 2009; Wilson, 2001), research towards more subjective behavioural patterns in the integration of CS is needed to reach a better understanding of it (Goyal, Rahman, & Kazmi, 2013).

The knowledge of intentions and experiences of using different sustainability approaches to integrate CS could give companies a better idea of which sustainability approach to use in a specific situation (Witjes, et al., 2015). To provide insights in the intentions of sustainability approaches, Witjes et al. (2015) developed the Mapping of Corporate Sustainability Approaches (MCSA) framework. The MCSA framework has thus far been used to analyse sustainability reporting, environmental management systems, and life-cycle assessment (LCA) (Witjes et al., 2015). More research needs to be done so a more complete understanding of the intentions of different sustainability approaches towards CS integration is reached. An approach towards CS

integration that is prominent (See table 2 in appendix) and could receive more attention from researchers is Sustainable Procurement (SP).

There is a general need for more theory building and testing in SP. The influences of individual values and other factors should be better understood in how and to what extent these affect a company's use of SP (Walker, et al., 2012). This research will focus on the intentions of using the SP approach for CS integration. Lessons can be learnt from studying relatively successful industry sectors that embed sustainability in their organization (Meehan & Bryde, 2011). A single case-study with a relatively successful company (Udea) in using SP and a study of literature on the use of SP will be done. These two sources of data will be mapped in the MCSA-framework. A comparison of the maps will be made to show if there are discrepancies in how SP is used as an approach towards CS integration in practice and how it is described in the current body of knowledge. The goal of this study is: *creating a greater understanding of the intentions of corporate sustainability when using the sustainable procurement approach.*

The first section discusses relevant theory of CS, CS integration, and SP. The second section will deal with the methods of the research which includes: the research design, research methods, data collection and the description of the MCSA framework. The third section will present the findings and lastly the discussion and conclusion are given.

Theory

Corporate Sustainability

Companies, that acknowledge the importance of sustainable development and their part in it, shaped their own definitions of sustainability specified to themselves (Cowan et al., 2010). Large companies found that the environmental, economic, and social dimensions of sustainability were useful in developing business strategies (Elkington, 1994, 1997; Etsy & Winston, 2006). With inclusion of the sustainability dimensions and the inseparable time criterion of sustainability (Dyllick & Hockerts, 2002; Lozano, 2008) one can say that Corporate Sustainability (CS) is a broad concept that guides in the development of business and investment strategies, with the aim to find the best business practices to meet and balance the needs of current and future stakeholders and society (Azapagic, 2003; Baumgartner, 2014; WCED, 1987).

Business models will fundamentally have to change if companies want to be in line with the current societal and environmental circumstances (Marrewijk, 2003; Stubbs & Cocklin, 2008; WBCSD, 2010). When integrating CS climate change, scarcity of resources, and environmental problems will be seen not as constraints on the business, but as new opportunities (Stubbs & Cocklin, 2008; WBCSD, 2010). Also, growth and progress will be based on a balanced use of renewable resources and recycling those which are not renewable (WBCSD, 2010; Witjes, et al., 2015), thus decoupling environmental degradation and economic growth (Stubbs & Cocklin, 2008).

CS Integration

Integrating CS into the business is a complex task; companies need to provide competitive outcomes in the short-term while seeking to protect, maintain and augment the human and natural resources required in the future or i.e. companies need to continuous improve their Triple Bottom Line (TBL) –social, environmental, and economic– performance (Artiach, Lee, Nelson, & Walker, 2010; Azapagic, 2003; Elkington, 1997). Integrating CS requires a change in the organizational culture (Azapagic, 2003; Baumgartner, 2009; Stubbs & Cocklin, 2008). Companies need to organize their organization towards continuous change and transformative learning ((Bebbington et al., 2007; Howie and Bagnall, 2015; Kitchenham, 2008) as cited in (Witjes et al., 2015)). Continuous change requires that the organizational culture has to stimulate pro-active and forward thinking behaviour (Azapagic, 2003; Baumgartner, 2009; Stubss & Cocklin, 2008).

It is of importance for companies, that want to integrate CS effectively, to have an awareness of their organizational culture and to reach a fit between the culture and the sustainability activities (Baumgartner, 2009; Wilson, 2001). The organizational culture within a company and of external companies can be a barrier, having an understanding of the differences in cultures is

needed to successfully use SP towards the integration of CS (Hoejmose & Adrien-Kirby, 2012). When the sustainability strategies and activities conform to the organizational culture, the risk of hijacked environmentalism or sustainability becoming merely a façade is minimized (Baumgartner, 2009; Wilson, 2001). Organizational culture is defined as followed: "A pattern of shared basic assumptions that a group has learned as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems." (Schein, 1991, p. 12).

Organizational culture can be divided into two levels (Wilson, 2001). First, the visible level includes behaviour patterns, the physical and social environment, and the spoken and written language used in an organization (Wilson, 2001). Secondly, the deeper less-visible level encompass the shared values held in an organization which shapes the behaviour that an organization sees a desirable (Schein, 1997; Wilson, 2001). The values that are part of an organizational culture can be physical and require conscious thought; e.g. stated strategies, goals, philosophies (Schein, 1997; Wilson, 2001). These conscious values may not always be in line what will actually be done (Argyris and Schön, 1978). Employees also hold values they're not consciously aware of; these values are the basic assumptions which are the ultimate source of action and conscious values (Schein, 1997). Intentions for pursuing certain behaviour are found to be induced by the attitudes people hold towards the behaviour, or what is seen as desirable behaviour by their environment (Netemeyer, Ryn, & Ajzen, 1991); i.e. intentions are reflections of the values people hold. Knowing what the intentions are, of using a specific approach when integrating CS, can provide valuable insights for other companies to reach a fit between the culture and sustainability activities.

CS Integration Approaches

There are many different approaches (tools, initiatives, principles, sub-systems, etc.) to support companies in the integration of CS (e.g. Glavič & Lukman, 2007; Lozano, 2012; Robèrt et al., 2002). Each approach is unique and interacts with other actors in the system of sustainability in which it is being implemented (Glavič & Lukman, 2007; Robèrt et al., 2002). Already many companies have taken up approaches towards CS such as sustainability reporting (e.g. GRI, 2015) or are listed in sustainability indices (e.g. ROBECOSAM, 2015; FTSE4Good, 2015). However relying on only, or even mainly, in one initiative can result in a limited and narrow contribution to sustainability, with limited coverage of the company's system (Lozano, 2012). A theory on the relationships of CS approaches to each other and the system in which they are used will be given as an illustration to why the use of multiple CS approaches are needed for a company that aims to fully integrate CS.

Lozano (2012) has shown in what part of corporate system and to what sustainability dimension specific approaches contribute to, of which a selection can be seen in table 1. As can be seen approaches are limited in their contribution to the sustainability dimensions and the corporate system. For example eco-efficiency contributes to the economic and environmental dimension

in the operation and production system. When combining Eco-efficiency with Ecolabelling a greater part of the corporate system contributes to a greater extent to sustainability dimensions.

Corporate initiative	Corporate system					Sustainability			
	O&P	M&S	OS	P&M	A&C	Econ.	Env.	Social	Time
CP	√					√	√		Limited
CC		√						√	
CSR		√			Limited		Limited	√	
DfE	√						√		
Eco-efficiency	√					√	√		
Ecolabelling				√	√		√	Limited	
EMS		√	Variable		√		√		
ESA		√			√	√	√	√	

Table 1: Analysis of the contributions of voluntary corporate initiatives to sustainability.
(CP=Cleaner production, CC=Corporate Citizenship, CSR=Corporate Social Responsibility, DfE=Design for the Environment, EMS=Environmental Management System, ESA=Environmental and Social Accounting, O&P=Operation & Production, M&S=Management & Strategy, Organizational Systems, P&M=Procurement & Marketing, A&C=Assessment & Communication)

One approach that companies can use to fully integrate CS is sustainable procurement (SP), although this is not a wide-spread approach (Meehan & Bryde, 2011). "…a company is no more sustainable than its supply chain…"(Krause, et al., 2009). The SP approach can aid in the reduction of negative environmental, economic, and social impacts of the company by managing the supply chain (Carter, 2004; Green et al., 1996, 1998; Hoejmose & Adrien-Kirby, 2012; Krause et al., 2009; Roberts, 2013; Seuring, 2004), it is an approach closely related to Sustainable Supply Chain Management (Carter & Rogers, 2008). With the previous statement one must conclude that SP provides a powerful tool to contribute to the development and managing of sustainability not only within the company, but also in whole supply chains (Carter & Jennings, 2002; Cramer, 2008; Giunipero, et al., 2012; Green et al., 1996, 1998; Pedersen & Andersen, 2006). When using approaches where inputs of a product are considered to reduce its impact, like Life Cycle Assessment, SP can be an approach to shape that input of a product (Carter, et al., 2000; Glavič & Lukman, 2007). Furthermore SP can contribute to the decoupling of economic growth and environmental degradation through involvement in the design of products for disassembly, recycling, or reuse (Carter et al., 2000).

SP as an approach towards the integration of CS can be defined as follows: "Sustainable Procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment." (Defra, 2006). While conventional procurement considers the price and quality of a good or service as criteria, SP also considers the environmental and social impacts, or other benefits of a good or product (Brammer & Walker, 2011; Carter & Rogers, 2008; Carter, 2004). Considering other criteria beside economic criteria in procurement has a positive effect on the performance of a firm; costs are reduced and income is increased (Carter et al., 2000).

Methods

Research Design

Due to the unicity of an approach and its interactions with other actors in the system of sustainability in which it is being applied (Glavič & Lukman, 2007; Robèrt et al., 2002), the need for deep insights of the organizational culture, and the lack of time to conduct more studies a single qualitative case-study will be conducted. Qualitative methods provide deep insights in the research subject, in this case a company (Bryman, 2012).

The aim of this research is to create an understanding of the intentions of using the SP approach towards the integration of corporate sustainability. The first step is a desk research in which scientific literature regarding the use of SP as an approach towards the integration of CS will be analysed. The second step is a single qualitative case-study of a company. The case-study results will be compared to the literature study results to check for any discrepancies in the data.

The case-study company

Most research regarding SP as an approach towards CS is done on highly visible companies like multinationals, taking a smaller sized company might provide previously unknown knowledge (Carter & Jennings, 2002; Green et al., 1996, 1998; Schneider & Wallenburg, 2012). Studying already relatively successful cases of integrated sustainability in companies may provide valuable knowledge (Meehan & Bryde, 2011). The chosen company is Udea, it is a smaller sized company that is relatively successful in its integration of CS and the use of SP.

Udea is a medium-sized organic wholesale company (250 employees) and a franchisor of the organic supermarket Ekoplaza. It has been a family business since the 1990's when an organic grocery store, a butcher, and a fresh goods company fused together. Udea mainly operates within boundaries of The Netherlands and occasionally in Europe, all of its products outside the boundaries are procured through wholesale companies that focus more on international trade. Nowadays their range of products consists for almost 100% out of organic products and have thus proven to be quite successful in procuring these products. They aim towards continuous reduction of their environmental and social impact by their activities and of their provided products.

Data Collection

In the first step a literature search will be done using the following search terms on Google Scholar: *Sustainable Procurement, Sustainable Purchasing, Green Purchasing, Ethical Sourcing, Sustainable Supply Chain Management, and Purchasing Management.* Either in combination or not in combination with: *Corporate Social Responsibility and Corporate Sustainability.* Backward and forward snowballing will be used to include relevant data that is not covered by the search terms. Only Google Scholar was used because other search engines did not result in relevant literature that was not found on Google Scholar, table 4 in the appendix supports this finding.

The second step is the case-study. Data will be collected from annual reports and policy documents of Udea, some of which are publicly available from their website, while others are confidential and were acquired on request for this research. Journals, news items, and other professional literature regarding Udea will be consulted via a web search on Google with the terms *Udea* and *Ekoplaza*. This data is on the visible level of the organizational culture and is complemented by a data-source that's focused on the deeper less-visible level of the organizational culture.

A semi-structured interview with the head of procurement will provide a more in-depth knowledge of the intentions of the use of SP as a CS integration approach (Bryman, 2012). The head of procurement is responsible for the procurement policy of Udea and will thus be the greatest source of knowledge regarding the use of SP. A semi-structured interview gives the opportunity for the interviewee to share what he or she finds important in explaining and understanding events, patterns, and forms of behavior in the company, while also retaining the structure needed to address all areas of interest (Bryman, 2012).

The interview questions will be based on the MSCA-framework developed by Witjes et al. (2015). The MSCA-framework is a systematic framework to enable qualitative mapping of different CS integration approaches. Allowing the gain of detailed information about the intentions of the approaches. Witjes et al. (2015) have defined six different elements to understand the intentions for the use of an approach towards CS (see table 2 in the appendix). Each of these elements are divided in three bi-polar sub-elements on which the interview questions are based. The following table is an example of the interview questions based on the (sub-) elements. A full table of the elements, sub-elements and corresponding questions can be found in table 3 in the appendix.

Elements	**Sub-Elements**	**Question**
Vision	1. All-inclusive focus: People, Planet, Prosperity versus limited focus on either: People, Planet, Prosperity	1. Does the procurement policy take environmental, economical, and social aspects of products into consideration? 2. To what degree are each of these elements taken into consideration, and why?

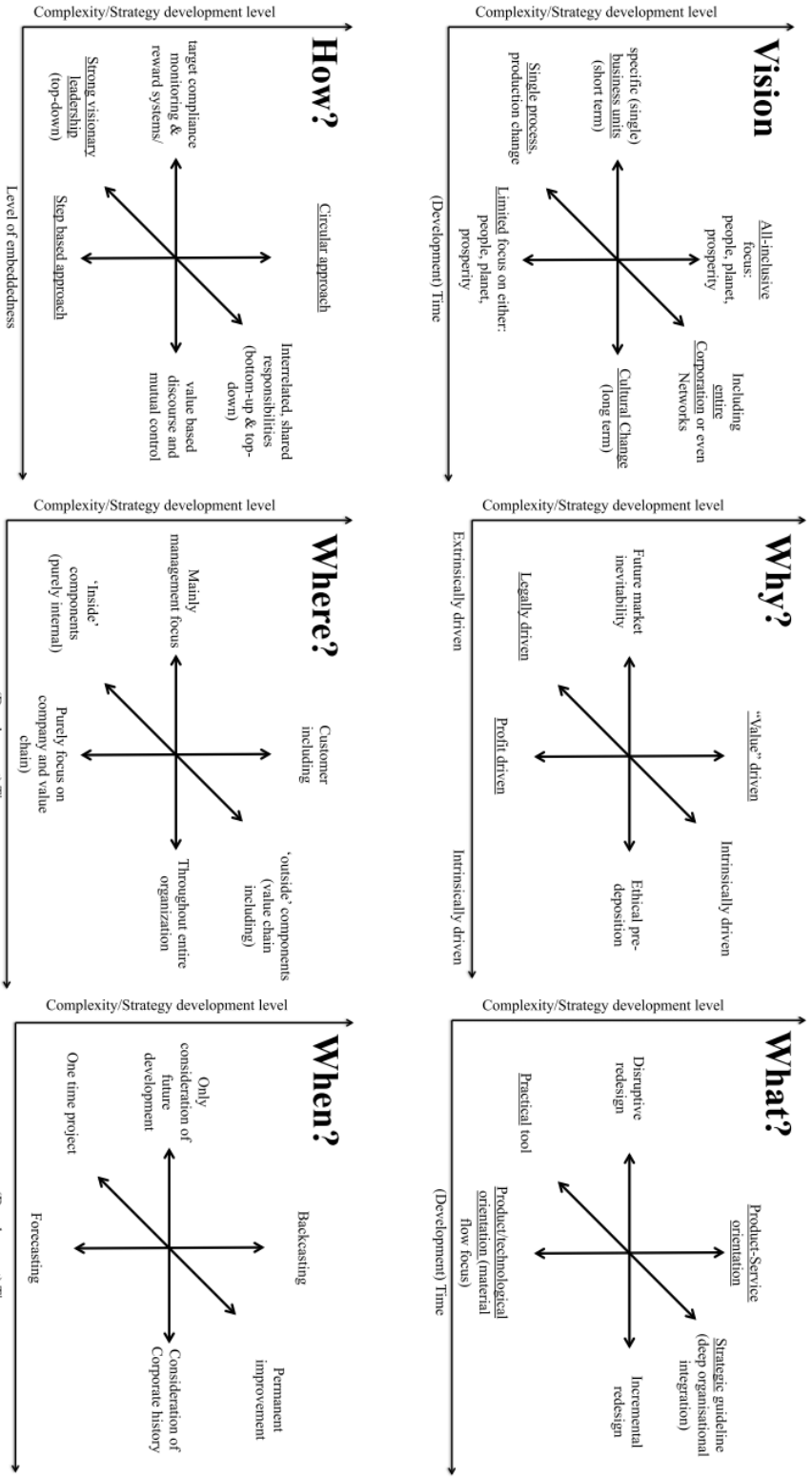
Sample of Table 3: MCSA Vision elements, one of its sub-elements (Witjes et al., 2015) and its corresponding interview questions.

Data Analysis

The three bi-polar sub-elements of the MCSA-framework will be used as the categories in the indexing process of the data. As the interview questions are based on the sub-elements the data will already be indexed to a large extent. When the answers to the interview questions or data from the literature do not fit directly into the categories, the categorization will be based on the interpretation by the author. The author can be considered to have reached an understanding of the underlying philosophies and mind-sets of an approach allowing the categorization (Bryman, 2012; Elliott & Timulak, 2005).

The categorized data will be visualized in graphs to provide insights into the differences between the literature data and the case-study data. In figure 1 it can be seen that for each MCSA element there is a 3-axes system which reflect the bi-polar nature of the sub-elements. These 3-axes constitute a two dimensional space with an x- and a y-axis. The x-axis represents the development of the CS integration in time for the elements: *Vision, What, Where, When*. The x-axis of the *Why* element represents whether the CS integration is intrinsically or extrinsically driven. For the *How* element the x-axis represents the level of embeddedness of the CS integration. The y-axis for all elements represents the level of complexity of the CS integration strategy of the company.

Figure 1: The MCSA framework (Witjes et al., 2015)



Findings

All results are given in text and are visualized in figure 2 that is at the end of this section.

Literature Study

Vision

Social criteria are most present in ethical sourcing codes of companies, less on environmental issues and economic issues are only mentioned in a few cases (Preuss, 2009). The lack of economic criteria in ethical sourcing codes is probably best explained by the fact that economic issues are usually not seen as a problem for ethics. Economic criteria are inherently part of procurement activities, while the environmental and social dimensions of sustainability need to prove their often intangible values for money (Carter & Rogers, 2008; Hoejmose & Adrien-Kirby, 2012; Meehan & Bryde, 2011). Thus the sub-element of inclusion of People, Planet, and Profit is placed in the middle.

SP leads to more direct contact between suppliers and buyers, these relationships are more based on mutual trust and buyers tend to be more loyal to their supplier (Carter & Jennings, 2002; Cramer, 2008). Organizational culture can be a barrier towards full engagement to SP. (Giunipero et al., 2012; Hoejmose & Adrien-Kirby, 2012). SP may require a cultural change and is thus placed further on the right of the x-axis. Supply chains can be shaped through procurement activities and can ultimately lead to change in an entire industry (Green, et al., 1996; Green et al., 1998). SP includes corporations and networks and is thus placed in the upper right corner.

Why

Profit is needed for companies to continue its activities and is thus an important factor in procurement, but SP is seen to involve a trade-off of costs, time or quality (Meehan & Bryde, 2011). A focus on costs by managers might negatively influence the use of SP (Cooper et al., 2015). Companies may engage in SP activities when it's perceived as a strategic benefit to do so and others might have more ethical reasons to aid in the sustainable development of an industry (Cramer, 2008; Green et al., 1998). The main drivers of SP are government regulation or when it provides a strong business case (Giunipero, et al., 2012; Worthington, et al., 2013), more studies confirm that companies are mainly driven by these external factors (e.g. in Hoejmose & Adrien-Kirby, 2012). Overall this leads to the placement of SP in the lower left corner.

What

SP reduces the impact of the company by making the input of the company less environmentally harmful or choosing input that aids in social progress (Cramer, 2008; Green et al., 1996, 1998, 2000; Seuring, 2004). This can be done by more service-product oriented products or through reducing the material flows of the product. This, of course, depends on the nature of the product or service that is supplied and how a supplier will innovate its product or service. Thus

leaving the positioning in the middle. Procurement is considered to be of strategic importance (Carr & Pearson, 2002) and CS sustainable strategies need to be aligned with different departments (Schneider & Wallenburg, 2012). SP requires deep organizational integration and is thus placed in upper right corner of the specific strategic guideline vs. broad framework sub-element.

How

In the case of 'full cost accounting' procurement can be considered as a circular activity (Green et al., 1996). However most companies lack the resources to do 'full cost accounting' (which involves auditing, monitoring, and reviewing standards) and do not have enough power to pressure or resources to support suppliers (Cramer, 2008). Codes of conduct are the most common way of implementing, ensuring and extending CS practices in the buyer-supplier relationship (Hoejmose & Adrien-Kirby, 2012; Pedersen & Andersen, 2006). Monitoring is needed because of potential agency problems and thus a costly endeavour. Trust and alignment of interests through joint projects are less costly ways to ensure compliance with codes of conduct or prevent other agency-problems (Pedersen & Andersen, 2006). Suppliers that are not in line with the values and culture that their buyers find desirable must change their values and culture to decrease barriers in SP activities (Hoejmose & Adrien-Kirby, 2012). These insights lead to the overall placement of SP just above the middle towards the right.

Where

SP encompasses multiple activities within a company, thus departments need to communicate, cooperate, and align purchasing, sales, and marketing (Schneider & Wallenburg, 2012). Sustainable sourcing profiles are based on customer needs and are influenced by some extent by NGO's (Schneider & Wallenburg, 2012). SP is a part of supply chain management and is thus focused on the 'outside' components of the value chain (Carter, 2004; Green et al., 1996, 1998; Krause et al., 2009; Roberts, 2013; Seuring, 2004). The SP approach is positioned in the upper right corner because it involves consideration by multiple departments of its outside components in the value chain and the customers.

When

SP is a way to reach goals set out by the company in their strategy (Schneider & Wallenburg, 2012; Thomson & Jackson, 2007). It is thus neutral in the backcasting or forecasting and one time or permanent project sub-elements, leaving the placement of these elements for the SP approach in the middle. Companies tend to be more loyal to their suppliers when using SP (Carter & Jennings, 2002; Cramer, 2008) and thus corporate history is considered as is illustrated in the slight placement to the right on the x-axis concerning this sub-element.

Case-study

Vision

Providing organic food is seen as a way to improve the living conditions and health of people. Udea has an all-encompassing approach towards corporate sustainability however because of the nature of their market, organic products, their main focus is on the environmental dimension of sustainability. Their product line is almost 100% organic and they are working together with IFOAM-Organics International to include more social issues in its guidelines. Close relationships with suppliers and the franchisees are seen as important. At least once a year Udea meets in an informal way to evaluate the relationships. Sustainability is already part of their 'DNA'; to paraphrase the head of procurement during the interview: to do your job correctly you need to internalize the ideals you strive towards in your job and live by those ideals. The positioning of SP in the vision element of Udea is thus in the upper-right corner.

Why

Udea believes strongly in sustainable businesses as the best way to do business; it is their niche market. Their belief in sustainability is for example seen in their choice for organic food in the canteen, the electric car chargers in the car park and their proud presentation of the screen in the lobby which shows the amount of their solar energy produced and the prevented CO2 emission. As already stated in the vision element sustainability is normal business for Udea, thus SP is placed in the upper right corner.

What

SP focusses on the material flows of the company. Udea reduces its impact of internal business activities by procuring for example more efficient trucks, LED-lighting, 'green-electricity', and bio-degradable packaging. In their own brand of jam they changed the recipe, in cooperation with the supplier, towards a product with less processed sugar and more fruit because this would lead to a healthier product for their customers. Udea is a wholesale business that aims towards only buying products that are in line with the EKO-certificate, bio-certificate, Demeter, and the BRC-certificate. When these certificates are updated, occasionally Udea and its suppliers are included in the creation of the update. All of the changes in internal business activities, products, and certificates however are more incremental by nature than that they are disruptive. Small steps are constantly taken to reduce the impact on the environment and society while the company keeps growing. There is not a specific strategic target that Udea strives towards ever since their product line is almost 100% organic. Sustainability seems to be a broad concept that guides the decisions; considering environmental, economical, and social aspects is seen as normal behaviour. The placement of SP in this element is thus on the middle right side.

How

Udea has purchasing managers who are responsible for the procurement activities and assure that the products are in line with the vision of the company. Together with the organized group

of franchisees, BeyondBio, the range of products are determined and what changes are to be made. SP can be considered an interrelationship of a bottom-up and top-down approach in the case of Udea. Furthermore the purchasing managers and suppliers hold close relationships (some of which are held more than ten years) and are based on trust, shared values, mutual respect, and strive towards continuity. Udea has no formal monitoring or reward system in place besides an occasional visit if the supplier is close-by (Netherlands, and some parts of Europe). If suppliers are far away Udea uses the works of Questionmark to check suppliers on their environmental and societal performance. Suppliers need to have the certificates Udea demands and are monitored by third parties. Udea integrates SP based on values and interrelated responsibilities while continual assessment takes place, thus SP is placed in the upper right corner.

Where

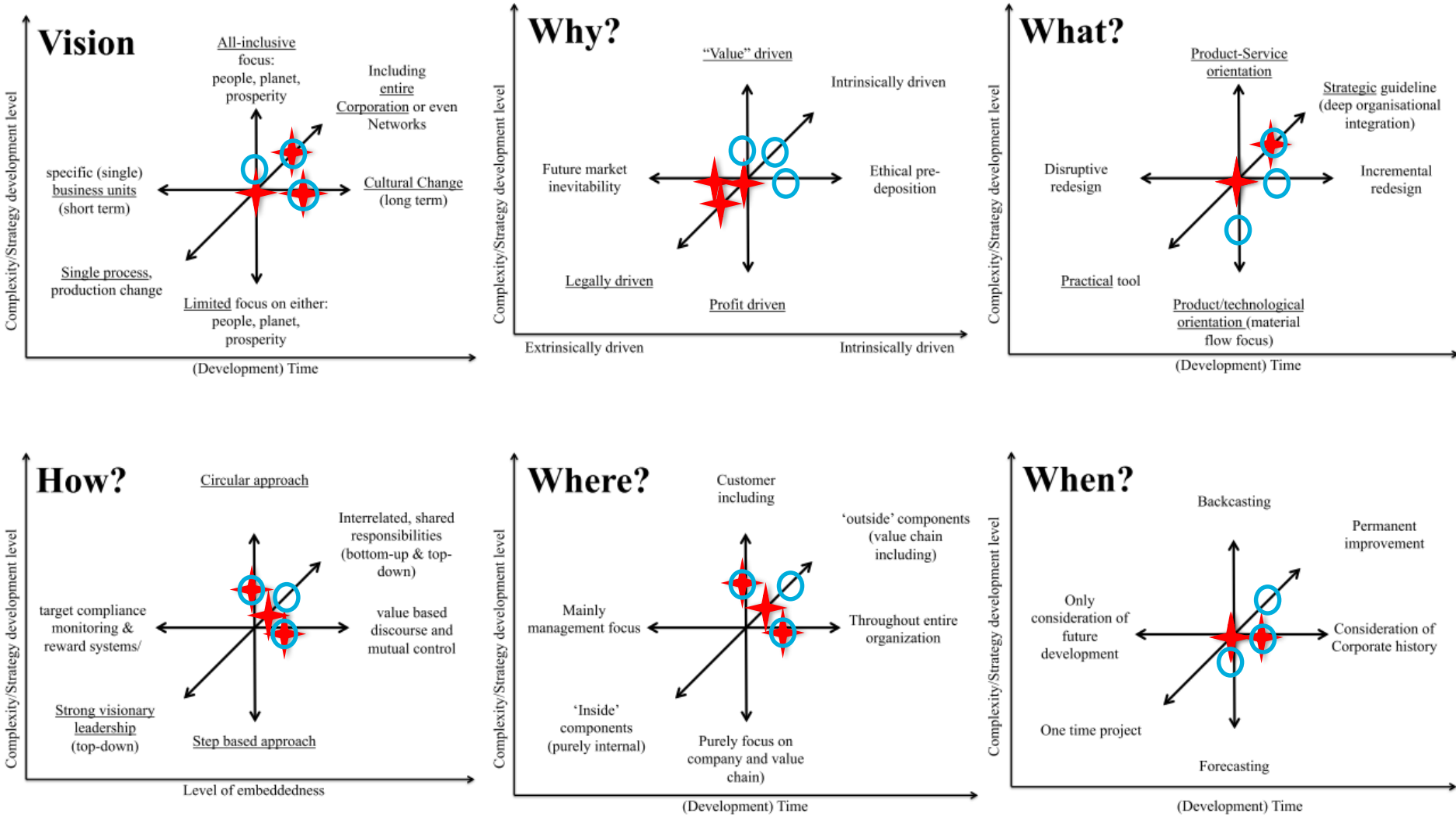
Udea's business model –wholesale– relies heavily on the coordination of and cooperation with its suppliers. Although procurement is done by a separate department it does cooperate and influences the activities of the marketing and logistics department. External stakeholders are also considered in the SP activities, e.g. the discount on an insurance customers can get or the collaboration with and supporting of the Plastic Soup Foundation to reduce plastic waste in the environment. The desire to be 100% organic and preferably fair-trade products leads to an inclusion of certification companies and third-party assessors. Where direct contact is possible with suppliers, Udea choses to have personal relationships. Overall this results in the positioning of SP in the upper right corner.

When

Targets are not quantified in the strategy, Udea strives towards continuous improvement of its activities. Potentials for improvement are, when identified, assessed on their feasibility. New products or product criteria are preferably realized with the suppliers Udea is currently engaged with. Only when improvements are unprofitable and no compensation can be found a relationship is discontinued. Furthermore the head of procurement does not see any changes in the way business is done, they have always done it their way and will continue doing so. SP is positioned on the middle right side of the When element.

Figure 2: The MCSA-framework for SP

=Literature study =Case-study



Discussion

The goal of the research is to create a greater understanding of the intentions of corporate sustainability when using the sustainable procurement approach. Through a literature study and a case-study a greater understanding was reached. The results will be discussed in the following section.

The literature and the case-study found that when using the SP approach to integrate CS in a company, a high involvement with suppliers and other stakeholders like customers and NGO's is required (Carter, 2004; Green et al., 1996, 1998; Krause et al., 2009; Roberts, 2013; Schneider & Wallenburg, 2012; Seuring, 2004). Both datasets reveal that using SP as an approach towards integration of CS involves great loyalty towards suppliers when cultures and values are aligned and that relationships are based on mutual trust and shared responsibilities thus reducing the costs of solving agency-problems (Carter & Jennings, 2002; Cramer, 2008; Hoejmose & Adrien-Kirby, 2012; Pedersen & Andersen, 2006).

Internally the use of SP as an approach to integrate CS requires a firm to align the sales and marketing department activities with those of the procurement activity (Schneider & Wallenburg, 2012). The organizational culture should be forward thinking, aimed towards continuous change, and should conform to the sustainability strategy set out by the company (Baumgartner, 2014; Giunipero et al., 2012; Hoejmose & Adrien-Kirby, 2012; Wilson, 2001). SP seems to value the economic dimension over the environmental and social dimension of sustainability (Cooper et al., 2015; Preuss, 2009). Although for the effective use of SP to integrate CS companies should value the intangible costs and benefits of the environmental and social dimensions as much as the costs and benefits related to the economic dimension (Carter & Rogers, 2008; Giunipero et al., 2012; Hoejmose & Adrien-Kirby, 2012; Meehan & Bryde, 2011). It must be noted however that this is not self-evident for all managers. Most companies use SP because they see it as a future market inevitability, or are more driven by regulations or profits (Preuss, 2009; Giunipero et al., 2012). In contrast with Udea, which is aware of the benefits of taking environmental and social dimensions into consideration in the activities of SP. Their customers are willing to pay the extra costs that are usually involved in the organic products, and thus extra economic costs do not create a barrier to implement SP.

The largest difference is identified in why companies use SP; Udea is intrinsically driven by the ethical values it upholds. This can be explained by the fact that Udea is a small family owned company where almost everyone is employed for a longer time. Family businesses tend to a greater integration of ethical dispositions due to the more personal features (Cambra-fierro et al., 2013). This insight might also explain the difference in the *How* element of the MCSA-framework. The employees know each other very well and share the same vision, thus leading to more shared responsibilities and openness towards each other. The typical profile of their suppliers is much like theirs: small family owned businesses with a passion for taking care of the environment. Relationships with suppliers are personal, for the long-term, and largely based on

trust and shared cultural values. This also explains the upper right placement in the *Where* element of the MCSA-framework.

In the literature there was a lack of data to be found for the *What* and *When* elements. It is likely that the *What* element differ per industry sector. Not every product can be replaced by a more product-service oriented product or requires a radical change. The *When* element's backcasting or forecasting and one time or permanent project dichotomies depend on the strategy of a company and are thus firm specific.

Conclusion

When using SP as an approach towards CS integration, companies should intend to create long-term relationships built upon trust and mutual cultural values which are more cooperative by nature than coercive with all actors in their value chain. A company should also value the environmental and social dimensions as much as the economical dimension of sustainability. SP can be used as an approach in a backcasting or forecasting strategy. Also, SP does not seem to have a specific intention for product-service or just a product orientation, or towards incremental or radical design for new products or services. This might be explained when it is assumed that these sub-elements are sector or even company specific. Not all products can be replaced by some product-service that meets the same need or vice-versa. The case-study company uses SP with a focus on incremental redesign of the physical properties of its products. More research should be done towards these missing elements to find if there is a preference for intentions in specific sectors or companies.

It should be noted that the results from the case-study are not generalizable and do not uncover deep-insights in the whole company. Available policy documents and reports were used and one interview was conducted with the head of procurement. As the data revealed, the use of SP doesn't only affect the procurement department but also the sales and marketing departments. In following research more interviews should be conducted with more employees from different departments. In the literature study different search methods could provide more relevant literature and create an even greater understanding. It must be noted that the nature of the compared data differed highly from each other. The data-collection method from the case-study was specified towards the MCSA-framework while all the data from the desk research was deduced from journal articles with different research goals. Further research should be done to a greater diversity of companies to find 'best-practice' methods for using the SP approach towards the integration of CS. However companies should realize that multiple approaches are needed towards full integration of CS as was illustrated by Lozano (2012). The author speculates that using approaches with similar intentions will provide the best set of approaches towards integration of CS. Similar intentions will limit the need for organizational culture diversity within a company. Small discrepancies were found in this study between the current body of knowledge and the research subject, though more research should be done to provide more generalizable results.

Appendix

Table 2: Understanding the intentions for the use of CS approaches (Witjes et al., 2015)

Elements	Questions
Scope/Vision	Which scope does an approach have and how visionary does it get? Meant to assess the depth and level of development of the vision on CS integration.
Why?	Assessing the reasons why the approach opts for CS.
What?	Gives insights into which actions were carried out to apply the approach.
How?	How is the CS approach applied on an organisational level?
Where?	Where was the CS approach applied: inside, outside the organisation, what part of the supply chain, life cycle of the product, etc.
When?	Referring the time dimension considered during application of the approach. When was the approach applied? But also the role of past and future activities in the application of the approach.

Table 3: MCSA elements, the sub-elements (Witjes et al., 2015) and the interview questions.

Elements	Sub-Elements	Questions
Vision	1. All-inclusive focus: People, Planet, Prosperity versus limited focus on either: People, Planet, Prosperity	1. Does the procurement policy take environmental, economical, and social aspects of products into consideration? 2. To what degree are each of these elements taken into consideration?
	2. Focus on short term improvements versus focus on long term, cultural change	1. Is there a focus on the long-term in the procurement activities? 2. Does procurement require a cultural change? If so, what is this change?
	3. Single process/business unit change versus including entire corporation or even networks	1. Does the procurement policy require other business units to change? 2. Does the procurement policy include other organizations in its vision?
Why?	1. Shared value and culture driven versus profit driven	1. What are the motivations of using sustainable procurement?

		2. Do you, and other employees, consider sustainability as an aspiration?
	2. Future market inevitability versus ethical pre-deposition (good for society)	1. What are the motivations of the company to pursue integration of Corporate Sustainability? 2. What is the role of sustainable procurement in the goal of the company to integrate Corporate Sustainability?
	3. Legally driven versus intrinsically driven	1. Is the policy for sustainable procurement driven by a need to comply with regulations?
What?	1. Product-Service orientation versus product/technological orientation (material flow focus)	1. What products or services are considered in the procurement policy? 2. Are solutions for environmental, social or economic issues sought in technological solutions or in more service oriented solutions?
	2. Incremental redesign versus radical redesign	1. Are solutions for environmental, social or economic issues sought in the incremental or radical redesign of products? 2. Can you give examples?
	3. Specific strategic guideline versus broad (customized) framework	1. Are there 'hard' targets in the procurement policy that companies need to comply with? 2. Does the company's strategy articulate objectives for the procurement policy to comply with? 3. How are potentials for improvements identified?
How?	1. Circular/evolutionary approach versus linear approach	1. Is sustainable procurement considered to be a step based approach or is there a continuous feedback to improve the procurement policy?

	2. Target compliance monitoring & reward systems versus value based discourse and mutual control	1. How are suppliers monitored if they meet the requirements set in the procurement policy? 2. Are suppliers rewarded if they comply with the requirements set in the procurement policy? 3. Are the same values as Udea's expected from the suppliers? 4. How would you describe the relationships with suppliers?
	3. Strong visionary leadership (top-down) versus interrelated, shared responsibilities (bottom-up & top-down)	1. Who is responsible for the procurement policy? 2. Can you describe who is involved in the creation process of the procurement policy? 3. Who is responsible for the execution of the procurement activities?
Where?	1. Customer/Community including (i.e. stakeholder) versus purely focus on company (i.e. shareholder)	1. Are customers or communities included as a goal in the procurement policy? 2. If so, can you give an example on how customers or communities are taken into consideration?
	2. Selective group versus throughout entire organisation	1. Are other departments beside the procurement department involved in the procurement activities? 2. If so, who and how do they contribute to the use of sustainable procurement?
	3. 'Inside' components (purely internal) versus 'Outside' components (full value chain including – post consumer	1. Is sustainable procurement seen as an activity only affecting internal components or is it seen as an activity that includes supply chains? 2. How are internal or external components part of the sustainable procurement activities? 3. Is the supply chain included in the procurement policy?

When?	1. Back-casting versus forecasting	1. Is back-casting or forecasting used when creating the procurement policy?
	2. Only consideration of future development versus consideration of corporate history	1. How has the procurement policy changed over time? 2. Does the corporate history influence the procurement policy? If so, how? 3. Are long-term relationships with suppliers considered valuable?
	3. One time project versus permanent improvement	1. Is sustainable procurement seen as a one-time project or as an approach towards continuous improvement?

Table 4: Appearance of CS integration approaches in scientific literature (3 April 2015)

CS approach	Web of Science	Scopus	Google Scholar	Google web search	Overall ranking
Sustainability reporting	53	97	6470	136000	1
Environmental management system	6	14	2320	43000	2
Life cycle assessment	8	13	2130	24700	3
Cleaner production	5	7	3970	18500	4
Green marketing	2	2	938	14400	5
Eco innovation	3	3	575	6210	6
Ecodesign	0	1	416	29200	7
The natural step	0	2	575	5520	8
Cradle to cradle	0	0	822	12600	8
Sustainable procurement	2	1	375	10900	9

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