The impact of relational dynamics and ethical values in sustainable supply chain management

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Companies are paying increasingly more attention to sustainability issues in their operations. Global phenomena such as the climate change or globalization or even big corporate scandals influence the entire society, companies included. In addition, raising awareness about the state of things has made the company stakeholders interested in pushing the sustainable agenda forward. Sustainability issues also concern supply chain management which to date has been mostly research from the environmental point of view, leaving the social issues and especially ethics in the supply chains to lesser attention by scholars. Ethical values mediated by top management is believed to be another important driver in the pursuit for sustainability.

The very nature of supply chain management is relational as it connects interdependent and independent organizations, people, and resources together and therefore sustainability is even a bigger challenge for supply chains as it requires holistic thinking on integrating principles, strategies, and operational activities throughout the entire chain. Sustainable supply chain management has become increasingly more about the ability of being able to see the underlying positive (and negative) relationships between different actors, factors, activities, and outcomes which are united as relational dynamics.

Therefore, this study aims at providing insights on the implementation of socially responsible practices to sustainable supply chain management (SSCM) through relational dynamics. Furthermore, this thesis aims to examine the contribution of ethical values in socially responsible supply chains. The empirical study examines supplier-retailer/customer dyad relationships in which power imbalance is an important definer. The empirical data is collected from companies involved in two different cases of suppliers facing value contradictions with their retailers or customers.

The results of this thesis show that relational dynamics play an important role for company’s operations but are not necessarily used for pushing the sustainable agenda forward. However, since these platforms or practices exist, companies can use these tools for sustainability purposes as well. These practices, such as communication or trust building, can also be used to balance the power configurations in supplier-retailer/customer dyads. The empirical data shows that communication and trust in partner relationships were seen crucial for a company’s operations. In addition, managers are key players in setting the ethical principles for a company and serve as an example for the entire company and the rest of the supply chain partners.

Keywords: Sustainable supply chain management, relational dynamics, social responsibility, ethical values
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1 INTRODUCTION

In the light of recent world events, it has become crucially important for businesses to clearly state what they stand for and, perhaps more importantly, to act accordingly. Climate change, globalization, and the exposed corporate scandals, to give a few examples, all pose important challenges to today’s modern leaders and put pressure on companies to do better, more responsible and sustainable, business than their predecessors. These are major challenges especially for sustainable supply chain management (SSCM) that connects interdependent and independent organizations, people, and resources together while taking into consideration sustainable practices and leadership in the company operations. SSCM has become increasingly more about the ability of being able to see the underlying positive (and negative) relationships between different actors, factors, activities, and outcomes which are united as relational dynamics. Relational dynamics within sustainable supply chain management considers the dynamic and interconnected knowledge-sharing practices, interorganizational, and interpersonal networks that ultimately lead to improved sustainable performance (Chen and Kitsis, 2017). Relational thinking is an important component of leadership for sustainability that has been proposed as a viable solution for companies tackling with the ethical side of social, economic, and environmental issues, however, it has not been studied widely by scholars to date (Nicholson and Kurucz, 2017). Relational leadership takes a more philosophical stance on leading a business in a sustainable manner and it is understood as an ongoing process of integrating environmental, social, and economic aspects through reflective value-based decision-making (Nicholson and Kurucz, 2017).

Indeed, leaders who have a strong stance on ethics and responsibility are key figures in pushing the sustainable agenda forward which is now perhaps a more burning issue than ever. Ethically sound supply chain member companies adopt SSCM practices due to intrinsic values and a genuine appreciation for sustainability (Paulraj et al., 2017). By and large these are very topical themes in the business world of today, as the Executive Chairman of the World Economic Forum, Klaus Schwab, brought forward in the Forum of 2017 when he called for responsive and responsible leadership and urged global leaders to commit themselves to proactively working together for a common goal of improving the state of the world through values and sincere efforts and actions (World Economic Forum, 2017). There is strong evidence that companies, who comply with their core values, enhance their performance and get the best out of their employees through
commitment (Grant, 2016). If values are integrated in all the aspects of the organizational culture, they are translated into, for example, behavior of the organization (Schein, 1985 cited in Snyder et al., 2017). Therefore, one could argue that if responsibility, ethical behavior, and sustainability are true core values for a company, it is shown in real actions and thus the company can operate in a transparent manner.

In the supply chain management sphere, failing to be responsible both socially and environmentally can tarnish the company’s reputation (Hoejmose, 2014). The consequences can also be more widespread as irresponsible actions by a chain member can influence the reputation of the other members in the chain (Petersen and Lemke, 2015). Therefore, responsibility is by no means an insignificant factor in supply chain management (SCM). Wayne Visser (2011: 4) describes ‘responsibility’ to be simply “our ability to respond [...] and to be proactive in the world, to be sensitive to the interconnections, and to be willing to do something constructive, as a way of giving back”. The notion of reciprocity seems to be strongly present in that description. Although economic success is fundamental in supply chain management and in business operations in general, it does not exclude the ability of working together for a common goal and for the common good. However, in the supply chain management domain, one relevant question is if it is even possible to control the entire supply chain in terms of sustainability. Managing a sustainable supply chain network can appear to be relatively challenging, and the relational mindset to sustainable supply chain management is a good example of the scale of the challenges companies face today. Perhaps therefore Mark Pagell and Zaohui Wu (2009) claim that truly sustainable supply chains have not yet existed given that a truly sustainable supply chain makes profit while not doing any net harm to environmental or social factors, but it is a matter of being more sustainable than other supply chains. Therefore, should companies then at least aim at being more sustainable, more responsible, and more ethical? These are some of the dilemmas that this study strives to answer.

1.1 Purpose and research aim

This thesis aims at providing insights on the implementation of socially responsible practices to sustainable supply chain management (SSCM) through relational dynamics. Furthermore, this thesis aims to examine the contribution of ethical values in socially responsible supply chains. The empirical study focuses on supplier-retailer/customer dyad relationships and presents two different cases in which supplier companies faced value-related contradictions with their retailer or business-to-business (B2B) customer.
These are particularly special cases as they divert from the traditional understanding of retailers or customers possessing more power over their suppliers. Therefore, the research contribution of the empirical study is that it presents two practical illustrations of power structures favorable to the suppliers who held on to their ethical values and questioned their partnerships with their retailers/customers.

The first case presents the incident that involved several Finnish companies who ended their collaboration with the department store Kärkkäinen due to the owner Juha Kärkkäinen's connections to neo-Nazi activities (Helsingin sanomat, 2018). Furthermore, other companies have been questioning the activities of the owner, however, the collaboration with the company has continued for the time being (Helsingin sanomat, 2018). The second case concerns a software company Flo Apps who discontinued their cooperation with a regional section of the political party Finns Party (Mtv, 2017). The party had recently appointed their new chairman, Jussi Halla-Aho, who is known for his far-right and anti-immigration politics. When the news of these two incidents broke the companies entered the public debate concerning their ethical values, a topic which usually is not commonly discussed in public in the business world. The two cases will be carefully explained in Chapter 4.

To this date, the management of social issues and the role of ethics in supply chains remains rather understudied and thus more information is needed especially when examined under the same study (Yawar and Seuring, 2017 and Quarshie et al., 2016). SCM in general as an academic field is in a constant development due to its wide scientific scope and the application of concepts and theories from other fields has become a true nature of SCM (Halldórsson et al., 2015). Therefore, a multidisciplinary approach to the topic of this thesis is well justified. One can state that SCM is relational by its nature due to the various actors that depend on each other in the often-complex network of supply chain member companies. In recent research, the relational approach to SCM has been touched upon in the domain of sustainable supply chain management (SSCM), for example, by Injazz Chen and Aleksandr Kitsis (2017) who developed a research framework of SSCM with relational capabilities perspective. This framework will be used as a conceptual roadmap in this thesis which guides through the empirical study. Finally, at the end of this study, a refined version of the framework will be provided. Another example of combining relational view in SSCM is the study by Anne Touboulic and Helen Walker (2016) who examined the potential of adopting action research in SSCM yet further reflections on the topic is needed.
Concepts connecting ethics and business, for example, ethical leadership and decision-making, have been the topic of management research in myriad of different connections. In most recent research, ethical questions have been touched upon in the context of leading organizations by example (Nygaard et al., 2017), new research framework for ethical leadership and decision-making have been developed by Alan Lawton and Iliana Páez (2015) and Ferrell et al. (2013), and Mark Schwartz (2017) focused on ethical decision-making in his newly published book. Paulraj et al. (2017) studied instrumental, relational, and moral motives affecting the sustainability performance of SSCM, however, ethical questions in the context of SCM have so far received lesser attention by scholars (Saini, 2010 and Ferrell et al., 2013).

As a summary, this study lays its foundation on the theoretical frame of concepts concerning relational dynamics, responsible leadership and ethics as well as socially responsible practices in sustainable supply chain management. To further support the aim, practical examples are provided by presenting illustrative cases from the business world. These two following research questions have guided the study:

*How can relational dynamics contribute to implementing socially responsible practices to supply chain management?*

*How do ethical values manifest themselves in socially responsible supply chain management?*

### 1.2 Limitations of the study

As described above, this study will examine relational dynamics in socially responsible aspects of SSCM and the influence of ethical values in the field. The triple bottom line approach by John Elkington (1998) is often referred to in the context of SSCM research in which the economic, social, and environmental aspects are taken into consideration. Therefore, due to the broad scope of the field, this study is limited to focus only on the social responsibility aspects of sustainability. The empirical data will be collected from practical examples of supplier–retailer/customer relationships that have been traditionally portrayed through unbalanced power structure often in favor of the retailer or customer. It is important to note that the term *customer* in this thesis refers to business-to-business customers and not individual consumers. Retailers or customers hold a great deal of power due to, for instance, possessing unique information about their consumers’ purchasing patterns and overall product movement in their retailing outlets (Hingley, 2005 cited in Maglaras et al., 2015). In SCM, all the members in the chain are
crucial partners to each other, a feature that characteristically increases the members’
dependence on the chain which in turn shapes the power structure in the chain (Crook
and Combs, 2007). However, this study aspires at showing how this power imbalance
can be managed as well as providing practical examples of power structures favorable to
the suppliers owing to leadership and decision-making founded on ethical values.

1.3 Key definitions

In this section some key terms and concepts related to the study are defined. The
concepts will be discussed more closely in the literature review section in Chapter 2.

Sustainable supply chain management

According to a general definition by Stefan Seuring and Martin Müller (2008: 1700)
sustainable supply chain management consists of "the management of material,
information and capital flows as well as cooperation among companies along the supply
chain while taking goals from all three dimensions of sustainable development, i.e.,
economic, environmental and social, into account which are derived from customer and
stakeholder requirements”. Craig Carter and Dale Rogers (2008) highlight the relational
character of SSCM in which sustainability and, in particular, the economic, social, and
environmental aspects of the triple bottom line created by Elkington (1998) are in strong
relation.

Relational leadership

The concept of relational leadership is fairly new. According to the most recent
developments in the field of relational leadership research, leadership and organization
are constructed through human social relationships stemming from the rich and
interconnected networks of organizations and its members (Uhl-Bien, 2006). Leadership is thus understood as a “collective capacity” (Day, 2000 and Drath, 2001
cited in Kurucz, et al., 2017: 190) in which moral and ethical questions are intrinsically

Values

From an organizational perspective, Steen Thomsen (2004: 29) refines the definition of
values by Rokeach (1973) and describe values as ”beliefs that help companies make
choices among available means and ends [...] [and] the weight which corporate decision
makers attach to alternative goals when making their decisions”.


**Ethics**

The terms morality and ethics are often used interchangeably. The Oxford English Dictionary defines *morality* as “principles concerning the distinction between right and wrong or good and bad behavior” and *ethics* as “moral principles that govern a person's behaviour or the conducting of an activity” (Oxford dictionaries, 2017). Thus, *ethical values* are defined in this study as principles, which are based on what the company considers right and wrong, that guide the company operations at every level.

**Stakeholder**

According to a narrow definition of a stakeholder by Heasun Park-Poaps and Kathleen Rees (2010: 310) consists of "the parties that directly affect a firm’s activities with implicit and explicit contract such as customers, stockholders, competitors, and regulators". Edward Freeman (1984: 46) extends the definition to include "any group or individual who can affect or is affected by the achievement of the organization’s objectives". Park-Poaps and Rees (2010) make an important observation from the article by Arnold and Hartman (2003) that one of the novel consequences of globalization is that companies are increasingly obliged to respond to a new set of stakeholders, such as their suppliers’ workers families who traditionally would not have been included into the company’s stakeholder groups.

1.4 **Method and empirical study**

The theoretical base of this thesis will be illustrated with examples of case companies from the business world. The empirical data will be collected through qualitative semi-structured interviews with the representatives of the companies involved in the two cases, in order to get an in-depth view of the opinions and reflections that led the companies to resort to strategic decision-making based on ethics and company values. Secondary data will be collected from media sources and company websites. Moreover, as the general aim of the study is to increase understanding of how relational mindset can facilitate companies to achieve more socially responsible practices, the empirical case study strives to reconcile the existing theories with the emerged observations from the collected data. The empirical study follows the research framework created by Injazz Chen and Aleksandr Kitsis (2017) that will be used as a conceptual roadmap in this thesis to guide through the empirical study and finally an improved version of the framework will be provided. Therefore, this study applies the abductive research process which circulates between empirical and theoretical findings by reflecting empirical data to the
existing theory ultimately resulting in theory building and final conclusions (Kovács and Spens, 2005).

The data collection is an important part of the empirical study and therefore it needs to be planned thoroughly. The interviews will be recorded to capture what was actually said during the interview (Patton, 2002). Field notes will be collected to complement the interview data (Patton, 2002) and sources of secondary data will be documented along the research process. Data will be analyzed through coding and categorization with the aim of discovering emerging patterns and common themes from the raw data (Patton, 2015). The entire research process will be documented carefully in order to improve the credibility of the study. The quality and credibility of the study will be evaluated with the help of quality assessment guide created by Michael Patton (2015).

1.5 The structure of the thesis

This thesis is structured as follows. The introduction section presented an overview of the purpose of this study and discussed the scope and limitations. The next section first presents the conceptual framework of the study and the review of the relevant literature in respect to the scope of this thesis. Following the literature review, the research methods and design for the empirical study are presented. Next the results and analysis of the empirical data are presented. Finally, the thesis is concluded with discussions and reflections regarding the results, research contribution, limitations of the study, and suggestions for future research. The thesis ends with a summary in Swedish.
2 LITERATURE REVIEW

This chapter presents the relevant theories and concepts related to this thesis and it aims at making sense of the complex themes this thesis deals with. As an introduction to the following chapter, the conceptual framework of this study is illustrated in Figure 1.

Figure 1 Conceptual framework of the thesis

The focus of this thesis is on social responsibility of SSCM. Social responsibility in turn requires responsible leadership and attention to the growing number and diversity of the stakeholders with different values, interests, and demands. These components are bundled up around relational dynamics due to the underlying relationships between the different actors, factors, activities, and outcomes that influence SSCM. Finally, a key concept in this framework is the ethical dimension which similarly to relational dynamics affect all the other components in the framework. Combining all these themes is perhaps more challenging in the context of SSCM due to the complex nature of intertwining networks in the supply chains.

2.1 Sustainable supply chain management and social responsibility

The definition by Seuring and Müller (2008: 1700) depicts SSCM as the management of "material, information and capital flows as well as cooperation among companies along the supply chain while taking goals from all three dimensions of sustainable development, i.e., economic, environmental and social, into account which are derived from customer and stakeholder requirements". Another definition by Chen and Kitsis (2017: 1456) develops the understanding of SSCM a little further: SSCM is “the management of all activities within interdependent supply networks through the
strategic development of relational capabilities, driven by extrinsic and intrinsic drivers, with the goal of continuously improving the performance of all members of the networks in all three dimensions of sustainability over an extended period of time”. These definitions are good examples of how complex the concept of sustainability in SCM can actually be, however, as previously discussed, the important global trends and phenomena leave companies no choice but to improve their effectiveness ideally on sustainable terms.

In general terms, social aspects in sustainability can be described with related concepts namely social sustainability or corporate social responsibility (CSR) but scholars are yet to provide established definitions (Hutchins and Sutherland, 2008). In the supply chain domain, Spence and Bourlakis (2009: 291) derive a new concept from social responsibility and describe supply chain responsibility as “the chain-wide consideration of, and response to, issues beyond the narrow economic, technical and legal requirements of the supply chain to accomplish social (and environmental) benefits along with the traditional economic gains which every member in that supply chain seeks”. Awaysheh and Klassen (2010: 1248) define social practices and performance in supply chain operations as activities that “encompass all management practices that affect how a firm contributes to the development of human potential or protects people from harm, thereby capturing both positive and negative aspects, respectively”. Whereas the management of social issues is embedded in decision-making that prevents a company from involving themselves into unethical or socially questionable activities (Yawar and Seuring, 2017). A more elaborated definition is given by Sancha et al. (2016: 1935) who follow the observations by McKenzie (2004): “Social sustainability is met when firms support the preservation and creation of skills and capabilities of current and future generations, and promote health, support and equal and democratic treatment within and outside its borders”.

Awaysheh and Klassen (2010: 1248) argue that socially responsible supply chain management (SR-SCM) concerns issues that lie within the “control of operations and supply chain managers”, referring to social issues such as workforce policies for safety or diversity. Whereas Klassen and Vereecke (2012) point out that social issues consist of questions on human safety and welfare, community development, and protection from harm, but acknowledge the ambiguous nature of the definition, meaning that on one hand its’ broadness can include all of management, or on the other hand, it can be interpreted so narrowly that it overlooks operational risks and opportunities. Combining
the earlier definitions, this study broadens the scope of social responsibility to include both internal and external social aspects following the distinction by Pullman et al. (2009). In other words, companies are required to cater for their employees and local community surrounding it (Sancha, et al., 2009). This observation is supported by Park-Poaps and Rees (2010) who claim that globalization has been one of the driving forces for companies to recognize new sets of stakeholders to the complex network of interrelationships of a firm.

Traditionally, SCM has been viewed as purely operational but the perspective has recently expanded as the companies have awakened to realize that in order to enhance competitive advantages they need to make their supply chains more efficient (Closs et al., 2011). Companies involved in supply chains that are aiming for sustainability must understand that the process requires trade-offs, whether it be social, environmental, or economic, which have to be effectively managed through trans-disciplinary and cross-process operations (Closs et al., 2011). Managing a sustainable supply chain network can appear to be somewhat challenging. Mark Pagell and Zaohui Wu (2009) claim that truly sustainable supply chains have not yet existed given because a truly sustainable supply chain makes profit while not doing any net harm to environmental or social factors, but it is a matter of being more sustainable than other supply chains.

More sustainability in business indeed seems to be a rising trend. Economic, environmental, and social aspects have received increasingly more focus in recent years in business in general due to the fast pace and extensive global impact of industrial developments, economic crisis, and climate change (Paulraj et al., 2017). The disadvantages of these global phenomena and examples of the inability to follow the sustainability principles are shown in big corporate scandals, such as garment factory fires in Bangladesh or Volkswagen cheating on pollution emission tests (Touboulic and Walker, 2016). As a global reaction to these phenomena, external pressure from different stakeholders force the companies to reconsider their business practices in terms of societal and environmental impacts (Rajeev et al., 2017). In addition, other instrumental and relational motives, such as media reports or environmental or social policy regulations, play an important role in companies’ interest in complying to sustainable supply chain practices (Paulraj et al., 2017 and Haldorssón et al. 2009). As a result, companies, policy-makers, and scholars alike need to address to a mix of new issues, policies and approaches (Haldorssón et al. 2009). Seuring and Müller (2008) claim that social and environmental requirements need to be met by all the members in the supply
chain in order the partnership can have a continuum. However, Haldorssón et al. (2009) believe that the issue here is not that black-and-white as there are more ways how sustainability can be embedded in SCM. Based on their studies, they suggested three possible strategies to incorporate sustainability into SCM (Haldorssón et al. 2009):

- In an *integrated strategy* sustainability is taken into consideration in all the aspects of the supply chain, from partners and processes to products and it includes social and environmental objectives as well as performance criteria. The incorporation of the sustainability agenda is the responsibility of all the members in the chain.

- The *alignment strategy* places an equal emphasis on the economic, social, and environmental dimensions which are considered as complementary in relation to each other.

- A *replacement strategy* requires a new mindset and urges companies to think profoundly on the ‘how’ and ‘where’ their products are produced and if some parts of the supply chain could be replaced with a more sustainable approach.

Gaining competitive advantage and healthy economic prospects can also motivate companies to pursue more sustainable solutions. Researchers believe that the intersection of these social and environmental aspects with economic dimension can increase the company’s long-term economic benefits and competitive advantage in which competitiveness is sustained through fulfilling customer demands and needs as well as the required economic criteria (Carter and Rogers, 2008; Seuring and Müller, 2008). Sustainable practices can also reduce costs in the long run, for example, reducing the amount of packing material, and create more value to the products (Haldorssón et al. 2009). Carter and Rogers (2008) discovered in their study that supply chains can gain competitive advantage and economic stability through incorporating social and environmental approaches as they may be difficult to imitate by other supply chains. Paulraj et al. (2017) argue that managers in fact are not aware that SSCM practices can be profitable for a business. This unawareness is due to the novelty and lack of information of the effectiveness of SSCM practices (Paulraj et al., 2017). On the other hand, the global economic uncertainty can sustain companies from focusing on long-term sustainable competitive advantage where reputation, image, and risk management are crucial characteristics that might lead companies resorting to low-cost strategies for firm survival (Hoejmos, Brammer and Millington, 2013). Corporate reputation can be
improved through responsible practices in the supply chain management and attract new investors and more innovative suppliers which ultimately also enhances competitive advantage, for example winning new contracts (Hoejmosoe, Roehrich, and Grosvold, 2014).

Managers are key players guiding a company towards more sustainable actions. If the internal and external pressure from stakeholder groups is encouraging companies to adopt more sustainable practices, a natural development to this observation is that the leaders themselves need to change their mindset (Hind et al., 2009). As it has been discussed earlier, sustainability has been regarded as one of the biggest challenges of our time that requires "new learning, innovation, and different forms of behavior" (Eweje and Bathurst, 2017). This observation implies that there is also a demand for a new way of leadership thinking. Eweje and Bathurst (2017) argue that applying the traditional styles of leadership might lead companies to inefficient business practices with the risk of repeating past mistakes and not being able to contribute new ideas. Goslin et al. (2017) studied supply chain leadership in the context of sustainability learning. The authors discovered that a proactive SSCM strategy requires tight collaboration between the members of the supply chain in order to produce "innovating sustainable products, processes or business modes" (Goslin et al., 2014: 1465). In addition, companies are advised to incorporate double-loop learning in their operations which involves adapting new core values and methods for problem solving in order to question, challenge and change the existing course of action (Goslin et al., 2014).

2.1.1 Responsible leadership

All these new challenges that leaders face related to the new way of thinking sustainably require leaders to embrace the idea of responsibility. Richard Bolden (2011) argue that leading towards sustainability is about the constant readiness to reconsider and adapt and about engaging into a dialogue about values, what truly matters to the focal company and therefore, leaders should act responsibly. Reconsideration and adaptation were discussed in relation to the three different strategies how companies can incorporate sustainability into SCM as suggested by Haldorsson et al. (2009). Whereas values have not been touched upon thus far. Steen Thomsen (2004: 29) described organizational values “the weight which corporate decision makers attach to alternative goals when making their decisions”. His argument suggests that values are in some way a separate component of the core business of the company, yet they affect decision-making. Take for instance sustainability: presumably it is not the main purpose of existence to most of
the companies but rather a means how to execute the purpose. Values also manifest themselves in diverse forms. According to Maak and Pless (2006b) responsible leaders have to balance between societal values, such as social justice or equality, organizational values, such as diversity or transparency, interpersonal values, such as tolerance or recognition, and finally, individual values, such as integrity or humility. The most challenging for a leader is to know how to align organizational values with the other types of values since it requires balancing sometimes conflicting values through creative and ethically sound solutions (Maak and Pless, 2006b). Responsibility together with ethics form an increasingly important part of leadership owing to these new global challenges and the balancing act between the right and wrong way of doing things (Ciulla, 2014; Bolden, 2011). Indeed, values are often related to the concept of what is wrong and what is right which are some of the issues responsible leaders have to tackle.

In their newly published book, Gabriel Eweje and Ralph Bathurst (2017) call responsible leaders as the architects of change who take intentional decisions and actions "in the interest of the stakeholders of the company, and the promotion of positive social change for society as a whole (Stahl and de Luque, 2014 and Voegtlin et al., 2012 cited in Eweje and Bathurst, 2017: 32). Furthermore, previous research highlights the comprehensive and inclusive aspects of responsible leadership that expands the traditional boundaries of the organization (see Wicks et al., 1994 cited in Maak and Pless, 2006a; Eweje and Bathurst, 2017). Leaders and subordinates are the main actors inside the traditional boundaries of the organization (Maak and Pless, 2006a). However, any business organization depends on other stakeholders than merely the ones working directly for the company. A narrow definition of a stakeholder describes them as the different actors affecting directly the company’s operations, such as customers, shareholders, and competitors (Park-Poaps and Rees, 2010). A broader view regards the interdependent relationships as a stakeholder society in which "companies are expected to be accountable not only to shareholders for financial performance, but to stakeholders for their wider economic, environmental and societal impacts" (Wade, 2006; Maak and Pless, 2006a). This is yet another signal of the changing business environment in which companies increasingly need to consolidate economic demands to engaging people in order to reach a common goal that is good for the people and the natural environment (Hind et al., 2009).

Maak and Pless (2006a) stress that the hierarchical view on leadership where the leader is on top of the pyramid with subordinates doing as the leader wishes is no longer valid
and instead the leadership-follower relationship is based on equality and thus responsible leaders need to earn followers’ permission to take charge of the company. Along the same lines as Maak and Pless (2006a), Hind et al. (2009) studied how organizations can develop competent leaders to meet the needs of sustainable business activities and based on their study, they compiled seven key attributes of responsible leadership:

Table 1 Attributes of responsible leadership

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td><strong>Integrity</strong></td>
<td>A high level of ethical awareness/moral reasoning.</td>
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<tr>
<td></td>
<td>Will not let unethical behaviour go unchallenged.</td>
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<td></td>
<td>Honest and trustworthy.</td>
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<td></td>
<td>Willing to explore ethical dilemmas.</td>
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<td></td>
<td>A willingness to take ethical action without a clear picture of the final outcome.</td>
</tr>
<tr>
<td><strong>Open-minded</strong></td>
<td>Willing to act on criticism from inside or outside the organisation.</td>
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<td></td>
<td>Will not be complacent and assume things cannot be improved.</td>
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<tr>
<td></td>
<td>Questioning business as usual by being open to new ideas,</td>
</tr>
<tr>
<td></td>
<td>challenging others to adopt new ways of thinking.</td>
</tr>
<tr>
<td><strong>Taking a long-term perspective</strong></td>
<td>A belief that bottom line success can be achieved in an ethical way.</td>
</tr>
<tr>
<td></td>
<td>Does not focus exclusively on cost and budgets.</td>
</tr>
<tr>
<td></td>
<td>Recognising that business does have responsibilities to the broader society.</td>
</tr>
<tr>
<td></td>
<td>Understanding the role of each player in society – government,</td>
</tr>
<tr>
<td></td>
<td>business, trade unions, NGOs and civil society.</td>
</tr>
<tr>
<td></td>
<td>Taking a strategic view of the business environment.</td>
</tr>
<tr>
<td><strong>Demonstrating ethical behaviour</strong></td>
<td>Ethical behaviour embedded in personal actions and day to day behaviour.</td>
</tr>
<tr>
<td></td>
<td>Willing to take the organisation beyond minimum legal standards.</td>
</tr>
<tr>
<td></td>
<td>Willing to be a public role model for ethical behaviour.</td>
</tr>
<tr>
<td></td>
<td>Able to change beliefs of followers consistent with own high values.</td>
</tr>
<tr>
<td><strong>Care for people</strong></td>
<td>Commitment to the growth and development of employees.</td>
</tr>
<tr>
<td></td>
<td>Respect for employees at all levels.</td>
</tr>
<tr>
<td></td>
<td>Respect for diversity and equal opportunities for all.</td>
</tr>
<tr>
<td></td>
<td>Will not make unrealistic demands on self and others, e.g. not working all hours.</td>
</tr>
<tr>
<td></td>
<td>A management style of empowerment rather than control.</td>
</tr>
<tr>
<td><strong>Communications</strong></td>
<td>Listen to others with respect for diverse views.</td>
</tr>
<tr>
<td></td>
<td>A broad model of communications – a two-way dialogue with staff.</td>
</tr>
<tr>
<td></td>
<td>Being honest and open with staff in the organisation.</td>
</tr>
<tr>
<td></td>
<td>A belief in the principles of accountability, e.g. measuring and publicly reporting on company progress with regard to social and environmental issues.</td>
</tr>
<tr>
<td><strong>Managing responsibly outside the organization</strong></td>
<td>Treating suppliers fairly.</td>
</tr>
<tr>
<td></td>
<td>An interest in the impact of the business on surrounding local communities.</td>
</tr>
<tr>
<td></td>
<td>Building relations with external stakeholders, engaging in consultation and balancing demands.</td>
</tr>
<tr>
<td></td>
<td>Building capacity and external partnerships and creating strategic networks and alliances.</td>
</tr>
</tbody>
</table>

Source: Modified from Hind et al., 2009: 11-12

As Table 1 shows, integrity, open-minded attitude, long-term perspective, ethical behavior, care for people, communications, and managing external resource responsibly emerged as key responsible leadership traits. The survey respondents valued integrity, caring for people, and demonstrating ethical behavior the most (Hind et al., 2009).
However, in this ever-changing business environment, updating competencies and changing personal traits might come across as rather challenging for leaders (Hind et al., 2009). Therefore, Hind et al. (2009) propose five reflexive abilities based on their research data that summarize the management skills and qualities that are needed from responsible leaders:

**Systemic thinking:** The ability to think strategically in a complex business environment and understand the interdependencies between business and society and within.

**Embracing diversity and managing risk:** Decision-making processes need to be built on relationships based on information and knowledge sharing and learning taking into consideration both internal and external stakeholders.

**Balancing global and local perspectives:** Responsible leaders need to comprehend the global impact of a local decision. The challenge is to set boundaries of the operational environment for responsibility and in which cases the company is accountable without direct responsibility as an individual business entity.

**Meaningful dialogue and developing a new language:** The ability to engage in a meaningful dialogue which can be used as a tool to explore assumptions, ideas, and beliefs, as well as to communicate with stakeholders regarding individual and organizational actions.

**Emotional awareness:** To adapt empathy, perception, curiosity to the decision-making processes. It is important to note, that not all the business decisions are made on economic terms. Leaders need to deal with uncertainty, complex issues, and varying demands from stakeholder groups hence adopting unorthodox approaches can sometimes be the best solution.

### 2.1.2 The stakeholder approach

The importance of stakeholders in SSCM has become clear in the previous sections of this chapter. Stakeholder pressure is one of key motivators for companies to pursue more sustainable supply chain practices (e.g. Seuring and Müller, 2008; Chen and Kitsis, 2017) thus responsible leaders take decisions in the interest of their stakeholders (Eweje and Bathurst, 2017). The expanded understanding of who are considered to be company’s stakeholders is aptly depicted in the concept of “stakeholder society” in which companies are expected to be accountable not only to shareholders for financial
performance, but to stakeholders for their wider economic, environmental and societal impacts” (Wade, 2006; Maak and Pless, 2006a). Edward Freeman (1984: 53) was one of the pioneers in introducing the stakeholder approach to strategic management and he defined stakeholders as:

“any group or individual who can affect or is affected by the achievement of an organization’s purpose.”

Given the stakeholder-oriented nature of SSCM, the stakeholder theory can be used as a tool to reach a meaningful view on the complex issues this thesis is dealing with. The stakeholder theory is especially fitting for this research as Wijnberg (2000) states, it studies issues dealing with “broader’ responsibilities of businesses” and it is often used as a framework in measuring corporate social performance. A lot of the themes and concepts explained in this study can be viewed as true values of a firm, and in fact, stakeholder theory is based on the notion that values are a fundamental component in business (Freeman, 1994; Freeman et al., 2004). The stakeholder theory was first introduced by Edward Freeman (1984) and since then several scholars have taken advantage of the theory in management literature. Freeman explains (1984) that the stakeholder theory can help companies to configure themselves as well as act and align themselves accordingly within the external environment where they are operating.

Donaldson and Lee (1995) studied the theory from the descriptive, instrumental, and normative perspectives. According to the researchers, descriptive stakeholder perspective describes specific organizational characteristics and behaviors, instrumental stakeholder view is used to identify connections, or the lack of them between stakeholder management and company goals, normative perspective interprets the company activities including moral or philosophical guidelines. In addition, researchers claim that the stakeholder theory is also managerial as it focuses on the practical side of management, or in other words, managers oversee the selection of activities and resources for the benefit of the company stakeholders (Donaldson and Lee, 1995; Freeman et al., 2004). Maak and Pless (2006a: 102) apply the normative stakeholder theory in the concept of responsible leadership due to its moral and value-based nature and note that it raises some relevant questions as regards to leadership: “What is the purpose of leadership in a stakeholder society? What responsibilities do leaders have with respect to the firm, to the people/constituents they lead, to society and nature and to themselves? Who are the actors in the leader– follower relationship? What makes a responsible leader? What are the ethical underpinnings of this relationship? What are the qualities needed? What are the implications for the leader’s roles?”. As a response to
these questions, the researchers created a framework depicting the different roles models and the different stakeholder groups influencing the leadership (Maak and Pless, 2006a: 107, see Figure 2). Maak and Pless (2006a: 107) describe the versatile nature of the different roles of a responsible leader as:

“--a steward and as such a custodian of values and resources; a good citizen and thus an active and caring member of communities; a servant to others; as well as a visionary by providing inspiration and perspective with respect to a desirable future -- the architect of inclusive systems, processes and a moral infrastructure; change agent and transforming leader; coach by supporting followers; and storyteller and meaning enabler, that is the creator and communicator of moral experience and enabler of shared systems of meaning.”

Figure 2 The roles model of responsible leadership and the network of stakeholders
Source: Maak and Pless, 2006a: 107

Maak and Pless (2006a) continue that these roles are important for aiming towards a shared vision through collaboration and mobilizing and aligning the needs of the stakeholders, who come from various different backgrounds, have different values, and even conflicting interests. Therefore, “leadership is a social-relational and ethical phenomenon that occurs in interaction between a leader and a broader group of followers, inside and outside the organization” (Maak and Pless, 2006a: 112).

The ethical perspective to the stakeholder theory brings forward interesting aspects in research. Phillips (2003) argues that the stakeholder theory is based on the philosophy
of stakeholder fairness thus making it a suitable moral framework in organizational studies. Wijnberg (2000: 332) in his article concerning normative stakeholder theory in the context of ethics and politics describes corporations by being “entities who are more than the sum of the people involved in them, raise problems with respect to the distinction between the legal and moral responsibilities of the corporation and those of natural persons acting on behalf of the corporation”. Furthermore, Wijnberg (2000) makes a bold claim that the more the company allows outside stakeholders to participate in organizational politics, the more the society can benefit from the actions of the company. After all, stakeholder theory lays its foundation focusing on the interests and well-being of the individuals or groups who can influence positively or negatively the goals of the organization (Phillips, 2003).

2.2 Relational dynamics

As it has been previously illustrated, a supply chain is a complex network that is composed of dependent and interdependent, intertwining organizations and stakeholder relationships. Issues in a traditional supply chain can cause, for instance, disruptions in the material flow, whereas in sustainable supply chains, sustainability-related issues are more complex since companies need to manage the reactions of a wider stakeholder group (Chen and Kitsis, 2017). Interestingly, supply chains working towards more sustainable practices are particularly stakeholder-oriented organisms since both internal and external forces affect the components throughout the supply chain. Scholars widely accept that stakeholder pressure is one of the key driving forces for supply chain members to reconsider their business practices in terms of sustainability (Rajeev et al., 2017; Sancha et al., 2015; Awaysheh and Klassen, 2010). This reaffirms the social and relational nature of supply chain management. According to Hofer et al. (2014: 228) relational view consists of “collaborative inter-firm routines and processes lead to the exchange and combination of knowledge, assets, and capabilities, thus resulting in synergies unlikely to be accrued in isolation.”

Extending this observation, relational dynamics are embedded in sustainability issues in supply chains since it weaves together organizations, locations, and human beings within and outside company boarders (Wickert and Schaefer, 2015 cited in Touboulic and Walker, 2016). Hofer et al. (2014) claim that relational view helps the organizations to understand the underlying factors affecting the partner relationships, such as relationship-specific investments and institutional environment that support that relationship. Chen and Kitsis (2017) propose that an integrated approach is fundamental
in order to manage supply chain processes which incorporate the operational activities of the supply chain to the stakeholder and moral requirements, sustainability issues, and performance outcomes, and understanding the underlying relational capabilities of the entire chain and its members. The researchers believe that relational view on SSCM can at its best enhance supply chain success (Chen and Kitsis, 2017). Based on their research, Chen and Kitsis (2017) created a framework of the interconnected relationships starting from antecedents, following practices, and finally performance outcome. The framework is presented in Figure 3.

![Figure 3](A research framework of SSCM antecedents, practices, performance)

Chen and Kitsis (2017; Seuring and Müller, 2008) claim that stakeholders when perceived as opportunities influence management decision-making positively throughout SSCM and they are the most important driver of the SSCM practices in the framework. Donaldson and Lee (1995) state that managers have a moral requirement to understand the diverse stakeholder interests and should try to respond to them and believe that careful stakeholder management ultimately leads to improved company performance. According to Chen and Kitsis (2017), seven most important stakeholder groups in their framework emerged from their extensive literature review: customers, government, NGO’s, media, investors, rivals, and employees. Technological developments and the fast pace information has brought a new dimension to the game which is making it easier for stakeholders to gain more information about the activities in the supply chains (Awaysheh and Klassen, 2010). Companies, and especially brand-focused companies, are constantly under the pressure of government regulations, NGO’s, and customers alike to implement more responsible supply chain practices (Camilleri, 2017; Awaysheh and Klassen, 2010). Camilleri (2017) believes that especially big companies are conscious of attracting negative attention from media and stakeholder reactions if they are not complying to responsible supply chain practices. A good example of this is the Greenpeace’s campaign to pressure Lego to end their collaboration with
Shell Oil (Guardian, 2014). The campaign received a great deal of coverage in the media, particularly in social media, attracting the attention of a wide array of customers and other stakeholders creating a nexus of pressure groups making it more difficult for Lego to ignore than if it was merely one stakeholder group demanding change. Socially responsible practices can send the right signal to the company’s internal and external stakeholders thus, for example, allowing the companies to attract more opportunities of collaboration and investments (Hoejmose et al., 2014), or sometimes, as in the case of Lego, sending the wrong signal can also decrease them. Wolf (2014), however, argues that SSCM can be more than just a tool to reduce stakeholder pressure and in fact, SSCM can be beneficial to the company in other ways, for example, it can enhance company’s perception as a “good citizen” and increase organizational legitimacy. This observation is supported by the findings made by Hoejmose et al. (2014) who claim that incorporating socially responsible supply chain practices are shown as improved trustworthiness as these practices can “polish” the company brand and reputation. Arguably, known brands are valued among industry peers and they can inspire companies to engage themselves in socially responsible practices (Awaysheh and Klassen, 2010). The study by Park-Poaps and Rees (2010) also shows that industry peer pressure has a significant impact on external and internal motivations towards socially responsible supply chains. As supply chain management is founded on a network of various external and independent organizations, controlling and managing inter-organizational relationships is fundamental especially when dealing with social responsibility components in supply chains (Pedersen and Andersen, 2006).

Moral motives, however, are believed to be another critically important driver towards sustainability which is relatively underrepresented in SCM research (see Figure 1) (Chen and Kitsis, 2017). Chen and Kitsis (2017: 1457) state that moral motives are mediated by top management and they serve for top management to profoundly commit themselves to implementing relational capabilities to the company strategy. According to the findings of their study, moral motives play a key role in facilitating and strengthening top management commitment which in turn can help them to manage stakeholder pressure (Chen and Kitsis, 2017). In the context of SSCM, ethical questions are essentially important as they are in business in general, yet we have little knowledge of the role of ethics in SSCM (Quarshie et al., 2016). Relevant ethical questions in SSCM are related to how ethics is represented in and balanced between the economic, social, and environmental aspects of sustainable business activities which can generate challenges as all values might not be shared within the wide array of stakeholders
(Elkington, 1997 cited in Quarshie et al., 2016). Maak and Pless (2006a) claim that leaders in the stakeholder society that we live in, have the moral responsibility to construct stakeholder relationships that are based on ethically sound grounds. Therefore, oftentimes it is the leader who balances with the sometimes problematic ethical issues. According to the study by Hind et al. (2009, see chapter 2.1.), one of the key attributes of a responsible leader is ethical behavior. In addition to a firm stance on ethics, integrity and caring are also strongly presented in their results.

According to the findings by Chen and Kitsis (2017: 1469) “moral motives facilitate and strengthen top management commitment, which can help channel stakeholder pressures to the proactive development of relational capabilities” leading towards an improved SSCM performance. The different SSCM challenges are managed through practices, as suggested by the researchers: risk management, communication, collaboration, information sharing, and trust building.

**Risk management**

Due to the wide array of stakeholders, such as regulators, customers, employees, sustainability-related risks can signify unprecedently broad consequences (Chen and Kitsis, 2017). In SSCM, the variety of possible risks range from disruptions of material flow to disruptions caused by varying interests of the stakeholder groups (Chen and Kitsis, 2017). The optimal setting for SSCM would be to avoid risks entirely (Seuring and Müller, 2008). According to Roehrich et al. (2014) companies need to consider reputational risk exposure when implementing SSCM practices. Reputational risk exposure can be divided into short-term consequences, causing temporary changes in consumer behavior or to long-term consequences, causing fluctuations in market shares or customer retention (Roehrich et al., 2014).

**Communication**

Communication functions among the supply chain members and other stakeholders to share information and knowledge and proactively control and mitigate sustainability risks (Chen and Paulraj, 2004 and Sarkis et al., 2011 cited in Chen and Kitsis, 2017). Consequently, effective inter-organizational communication is by nature frequent, genuine, and personal (Chen and Paulraj, 2004). Firms need to have communication strategies, combining both inside and outside of the supply chain, which address
stakeholder concerns regularly, for example in the form of corporate reports (Yawar and Seuring, 2017).

**Collaboration**

By collaboration Chen and Kitsis (2017) refer to healthy stakeholder relations. Collaboration consists of practical requirements such as, understanding each other, information sharing, co-creating and fostering shared values, joint problem-solving, and new reasoning (van Hoof and Thiell, 2014). Pagell and Wu (2009) highlight the importance of collaborating with the most important stakeholders for a company, for example NGO’s or competitors, as they can become ‘knowledge suppliers’ who can help each other towards more sustainable goals through mutual information sharing (Chen and Kitsis, 2017).

**Information sharing**

Information sharing grants all partners access to operational data, related to product, processes, and technology, serves as a tool for implementing common sustainability activities and enforcing supply chain risk management regarding sustainability issues (Chen and Kitsis, 2017). Information sharing is built on mutual trust owing to the sensitive nature of strategic information (Fawcett et al., 2015).

**Trust building**

Trust is one of the most significant resources in supply chains (Fawcett et al., 2015) as it takes time to develop and it is built upon the supply chain relationship making it difficult to replicate in other context by competitors (Chen and Kitsis, 2017). According to Spekman et al. (2002), trust is based on a perception that the partner will act predictably, will keep promises, and behaves respectfully. Without trust, people are less susceptible to change the status quo (Fawcett et al., 2015).

All these relational capabilities combined would ideally lead to improved performance in terms of sustainability measures. In other words, improved performance can be understood as the accomplished goals which suppliers and buyers have aimed for (Yawar and Seuring, 2017). The difficulty in proving improved social responsibility in supply chain performance is in the lack of adequate indicators to measure performance as typical financial indicators are not suitable for measuring social performance (Yawat and Seuring, 2017). Yet Chen and Kitsis (2017) argue that the integrated approach of
relational capabilities a responsive environment to diffuse socially responsible practices along the supply chain and helps to detect and correct potential problems. Yawar and Seuring (2017) discovered that companies tend to emphasize more focus to social issues that have an immediate impact on their performance and long-term societal affects are thus overlooked. It is noteworthy to mention, that previous research has shown that there is a strong correlation between the economic and social performance of a company (Chen and Kitsis 2017; Yawar and Seuring (2017).

2.2.1 Relational leadership for sustainability

Relational dynamics contribute to relational leadership research focusing on sustainability issues. As Maak and Pless (2006b: 39) aptly describe that “relationships are at the centre of leadership” referring to the new emerging stakeholder groups with different interests and values that companies need to address to and manage these interpersonal relationships in an ethically competent manner. Relational mindset often embodies in leadership traits as leaders have an advantageous view on the operations of the company and the society surrounding it thus they can assimilate the role of a catalyst who can impact on the systemic change of sustainable business models (Crosby and Bryson, 2005; Kurucz et al., 2017). In addition, leadership is argued to be “social-relational and ethical phenomenon that occurs in interaction between a leader and a broader group of followers, inside and outside the organization” (Maak and Pless, 2006a: 112). In this definition, the term ‘followers’ refer to the company’s stakeholders (Maak and Pless, 2006a) which consists of a growing number of different actors as discussed earlier in this study. The interaction between the leader and stakeholders is not considered to be purely hierarchical based on authority but rather as dynamic interaction of mutual influence (Nicholson and Kurucz, 2017). The social aspect of leadership is emphasized also in the definition of relational leadership. Relational leadership is viewed “as a social influence process through which emergent coordination (i.e., evolving social order) and change (e.g., new values, attitudes, approaches, behaviors, and ideologies) are constructed and produced” (Uhl-Bien, 2006: 655). Relational leadership theory reckons that leadership is created through the interactions and negotiation in social constructs within the organization (Uhl-Bien, 2006). Extending this definition, Nicholson and Kurucz (2017) argue that relational leadership view is especially valuable in research on sustainability since integration is one of the key challenges of modern leaders that requires holistic thinking on integrating principles, strategies, and operational activities. In addition, it is viewed as an ongoing process that strives to understand the relational tensions that emerge from the challenge of integration and how leaders might address

Nicholson and Kurucz (2017) studied the moral theory of 'ethics of care' to gain a more profound understanding on the ethical and moral dimensions for relational leadership for sustainability. The researchers apply the conceptual frame created by Ann Cunliffe (2009) concerning relational understanding on good leadership practices. The simple yet powerful framework by Cunliffe (2009) builds on the notion of cause and effect: a good leader knows what to do when they understand what kind of person they are. Along the same lines, Nygaard et al. (2016) believe integrity guides leaders who lead the company by their own example and serve as role models.

### 2.3 Ethical values in supply chain management

The previous sections of this chapter have shown that the moral and ethical dimension is fundamental in relational aspects of sustainable supply chain management, responsible leadership, and sustainability in general (Chen and Kitsis, 2017; Nicholson and Kurucz, 2017; Hind et al. 2009). The terms morality and ethics are often used interchangeably but for the sake of clarification, Oxford English Dictionary defines *morality* as “principles concerning the distinction between right and wrong or good and bad behavior” and *ethics* as “moral principles that govern a person's behaviour or the conducting of an activity” (Oxford dictionaries, 2017). Ethical decision-making is at the very core of business activities where decisions are made based on what is right or wrong and ethical and unethical (Ferrell et al., 2013). The findings of the 2016 study by Quarshie et al. (2016) show that scholars have addressed relatively little business ethics in SCM research although these two disciplines have many overlapping themes and the combination provides unique insights to sustainability and CSR issues expanding the boundaries of the company in question. What is more, globalization and other global trends have made ethical management of supply chains even more complicated (Ferrell et al., 2013).

In practice, ethical questions are inherently present of any company in the supply chains. Dale Neef (2004) states, however, ethical supply chain activities lack central coordination and strategic focus as ethical activities are often dispersed across the company departments, levels, and locations, for instance, supplier selection being entirely in the hands of the procurement department. Byoung-Chun Ha and Hyunjeong
Nam (2016: 59) describe how ethical aspects are shown in the role of a supply chain manager: “As supply chain managers are boundary-spanners working at the point of contact with business partners, their judgments, morality and intentions reflect, and also determine their organizations’, ethical or unethical behaviors”. Consequently, personal traits of the top management influence also the behavior of the organization. The results of a recent study by Nygaard et al. (2016) prove that leadership in the form of role models is a crucial driver in creating ethical values, organizational commitment, and performance. Treviño et al. (2000) share the findings of Nygaard et al. (2016) regarding the manager being an ethical role model but continue, leaders are both moral persons encompassed with personal traits such as honesty and integrity, and moral manager, who encourages employees to ethical behavior and thinking and creates a strong organizational message based on ethics.

Ethical conduct can be learned through the process of social learning (Brown et al., 2005). In social learning followers learn ethical conduct through modeling the behavior of the leader and thus understand what kind of behavior is expected of them, rewarded, and punished (Brown et al., 2005). Leaders should demonstrate ongoing engagement in ethical conduct by showing, for example, honesty and consideration of others (Brown et al., 2005) rather than using coercive power, such as command and control, to ensure ethical behavior as these methods are more likely to have a negative effect on ethical values (Nygaard et al, 2016). Leaders who lead by example and serve as role models to their employees can through integrity spread values, such as ethical behaviour, to the entire organization, facilitate the integration of values to new employees and thus condemn unethical conduct (Nygaard et al, 2016). The social learning approach to ethics can also enhance employee commitment. Hansen et al. (2013) studied the impact of social exchange relationships (sense of reciprocity) in ethical leadership and they found a positive correlation between ethical leadership and employee commitment. Nygaard et al. (2016) have found similar correlations between ethical values and organizational commitment. Commitment creates a solid foundation for service quality in the organization and nurtures the sense of togetherness by everybody working in the interest of the organization (Nygaard et al., 2016).

Nonetheless, ethical questions need to be highly valued in an organization which often requires organizational changes (Neef, 2004). Neef (2004) suggests, for example, cross-functional teams such as ethical supply chain teams or specialist groups who ensure better compliance in ethical questions across all the different operations in an
organization. Critics also claim that ethics cannot be outsourced to external actors, such as consultants, as leading by example is still considered the most efficient form of truly ethical leadership (Nygaard et al., 2016). Observations by Gallear et al., (2015) show that internal awareness, monitoring, and sharing best practices together with a high priority in business ethics can enhance management’s appreciation of risk management concerning supply chain partnerships. Another aspect related to business ethics in SCM is the notion of trust. Ha and Nam (2016) argue that it is imperative for companies in their supply chain decision-making to demonstrate their high priority in ethics if and when they desire to effectively engage in business partnerships based on trust. In addition, trust is fundamental within an organization since it is challenging to transfer knowledge without trust (Nygaard et al., 2016). Trust can also influence negatively on ethical behavior. For instance, in purchasing context, trust can be a driver for supply chain partners trying out ethically questionable practices as they are more likely to do something risky or unethical with partners that are able to trust (Saini, 2010).

The concept of the organization’s ethical culture is a topic of interest in the business ethics research. Schwartz (2017) describes ethical corporate culture influencing organization ethical decision-making processes through awareness, judgment, intention, and finally behavior. Ferrell et al. (2013: 271) elaborate that “normative guidelines, including principles, values, and norms, help establish an ethical culture defining what the organization should do when facing an ethical issue or dilemma”. Schwartz (2017: 43f) believes that socialization (“employees feel they are expected to behave accordingly”) and internalization (“employees adopt the ethical norms as their own”) can facilitate companies to reach desired ethical behavior and therefore, enhance ethical corporate culture. Ethical culture can also support managers and their abilities to ethical judgment when facing an ethical dilemma (Ha and Nam, 2016). As discussed earlier, managers are yet again the key force in implementing ethical culture to an organization. By and large, stakeholders and the society in general are affected by the ethical decisions that organizations make affect and thus organizations are evaluated based on those effects (Ferrell et al., 2013). In SCM, it is fundamental to prioritize communication and coordination about ethical decisions throughout the supply chain and develop programs that discusses possible common ethical risks and solutions to these issues (Ferrell et al., 2013).

Gallear et al. (2015) studied corporate responsibility and ethical and environmental behavior in their study and their observations show that companies who invest in these
practices and systems can develop more robust, long-term relationships with their supply chain partners. Long-term partnerships in turn permit companies to embed environmental and ethical practices to supply chains better and gain a more permanent effect (Gallear et al., 2015). Investing in these practices eventually pays off, however, according to Gallear et al. (2015) it does not necessarily have to be costly as companies can with a relatively little investment create a values statement or an ethical framework that can be incorporated to existing business practices. In fact, ethical values can also encourage top management in adopting SSCM approaches (Sajjad et al., 2015). The findings by Pagell and Wu (2009) support this observation and show that companies can enhance their sustainability actions with the help of a touchstone value or a guardrail that defines sustainability for the company and all decisions had to be made with this guardrail in mind. However, it is noteworthy that these guardrail values must be shared across all employees and operations (Pagell and Wu, 2009).

2.4 The phenomenon: supplier-retailer/customer dyads

As discussed earlier in this study, supplier-retailer/customer dyads have been identified as the key focus of the empirical research in this study and this section will provide insights on the special characteristics that these relationships are founded on. The reasoning behind the sampling method will be explained in the chapter 3. A dyad is the relationship of two partners and the link connecting them, such as supplier-retailer/customer relationship in this case (Choi and Wu, 2009). The relationships between suppliers and retailers/customers are of a particular interest since the collaborative relationship “enables partners to access critical resources, to combine them and thus to create value” (Lunnan and Hauglund, 2008 cited in Rungsithong et al., 2017). Hofer et al. (2014) argue that the more a supplier invests in relationship-specific resources (e.g. dedicated personnel especially only for a certain relationship), the better are the opportunities for it to lead to greater supplier-retailer collaboration. According to Cao and Zhang (2011), effective supply chain collaboration combines information sharing, goal congruence, decision synchronization, incentive alignment, resource sharing, collaborative communication, and joint knowledge creation. Cuevas et al. (2015) have studied dyadic relationships in relation to trust and goal congruence, and they discovered that goal congruence, referring to compatible objectives (Jap and Andersen, 2003), can enforce the sense of collective purpose and can serve as a mediator between power and trust in dyadic relationships dominated by power asymmetry. Supplier-retailer/customer relationships indeed are often described in relation to power imbalance. Power imbalance refers to the relationship wherein “one party is less
dependent and more powerful or, from the opposite perspective, that one actor is less able to ‘resist’ and therefore ‘suffers’ under its perception of the other actor’s power” (Molm, 1990 cited in Lacoste and Johnsen, 2015: 230). The member companies of the supply chain are dependent on the chain and the exchange of resources ultimately shapes the power each member possess (Crook and Comb, 2007) and power sets the boundaries of exchange in a relationship (Narasimhan et al., 2009). Meehan and Wright (2012) believe that in supply chain dyads power can also be viewed as a property of individual company agents and that personal traits and goals of these agents influence the power position. Supply chain partner companies who unsuccessfully align organizational and individual goals can potentially have only limited possibilities to develop inter-organizational collaboration (Meehan and Wright, 2012).

Supplier-retailer/buyer dyads are not without their ethical issues as every supply chain relationship is endowed with unique expectations, norms, power structures, and outcomes (Saini, 2010). As previous research has indicated, trust is also an important component in supply chain relationships (e.g. Chen and Kitsis 2017; Fawcett et al., 2015; Ha and Nam, 2016). Unethical activities can jeopardize long-term relationships where mutual trust has been developed over time and through business transactions (Hill et al., 2009). It is noteworthy that legal documentation might not be able to anticipate the new forms of collaboration and intense flexibility which reflects the very nature of SCM (Hill et al., 2009). Hill et al. (2009) studied unethical behavior in buyer-supplier relationships and the mediating role of psychological contracts. Psychological contracts are “beliefs about reciprocal obligations between the two parties” (Rousseau, 1989; Schein, 1965 cited in Robinson and Morrison, 2000: 525). The researchers discovered that psychological contract violation has an important mediating role in the relationship between unethical action and trust (Hill et al., 2009). A further discovery of their research was that “participants in a buyer–supplier relationship must be cognizant not only of the actions of the firm’s representatives, but also of the perceptions maintained by the partner firm” (Hill et al., 2009). Saini (2010: 444-450) discovered in his study three main components which explain the ethics in supplier-buyer/retailer relationships:

**Inter-organizational power issues** consist of different power sources that dictate the influence over the other partner and idiosyncratic investments, for instance, adopting manufacturing to accommodate the special needs of a partner which can imbalance the power structure between the partners.
Inter-organizational relational issues include long-term orientation which defines the future expectations of the business relationship. While long-term relationships can arguably have many positive sides, they can also create ethically questionable actions aiming to ensure the continuity of the relationship. Economic or non-economic satisfaction can also impact ethical or unethical decisions in dyadic supply chain relationships. In business, economic satisfaction is often non-negotiable and therefore it is not possible to compensate the lack of economic satisfaction by engaging in ethically questionable practices. Whereas non-economic satisfaction refers to the smooth flow and quality of the business relationship. Situations in which ethically questionable practices could come into being, for instance, asking for special favors to justify the dissatisfaction in the interaction between the partners.

Interpersonal relational issues relate to interpersonal ties such as social ties and personal friendships which can blur the limits between business and private lives. Good interpersonal relationship can have a meaningful influence on the partnership, however, it can also lead to situations where ethically questionable practices can be overlooked. In addition, trust between the partners can influence the ethics in a dyad relationships trust engenders a sense of confidence in the exchange partner that allows one to take risks in a relationship. On one hand, trust can increase confidence to try out ethically questionable practices or on the other hand, distrust can also imply lack of shared understanding about goals and thus reduces confidence between the two partners.

2.5 Summary

This chapter has presented a broad view on social responsibility aspects on sustainable supply chain management. Sustainable supply chain management is built on relational aspects that create a bundle of interconnected persons, organizations, resources, and practices embracing sustainability. In general, supply chain networks are relational by nature due to the dependencies between the different actors in the chain and the different forms of collaboration which are fundamental to the partner relationships. Since the entire supply chain structure involves a great number of stages and actors, this thesis is limited to focus on the downstream of the chain namely on the dyad relationships between suppliers and retailers or business-to-business customers. The last section of this chapter has presented the unique elements of this partner relationship that is often described in literature with respect to power imbalance between the two partners. These two partners have a big impact on each other, however, their operations are also influenced by a great variety of other stakeholders. These stakeholders can be internal,
such as the company employees, or external, other companies in the industry or media, for example. Since this thesis is limited to study only the social aspects of sustainability, the stakeholder view can be expanded to the society as a whole. This observation further highlights the relational nature of sustainable supply chain management as presented in this thesis.

In addition, the study has so far examined relational dynamics in the contexts of relational capabilities and relational leadership which at its best can lead to an improved sustainable performance. The examination of the relevant literature in the above areas has shown that those concepts are related to responsible leadership and ethical values that steer the company operations. All these themes combined lay a solid foundation to the following section of this study. In the next chapter, the method and research design of the empirical study are presented. The collection of the empirical data is supported by the existing theories presented in the literature review. The research framework created by Chen and Kitsis (2017) together with other theories will be used as a roadmap to guide through the empirical data collection. Ultimately, the findings of the empirical study will be used to reflect on the existing theories which, ideally, will increase our understanding on the matters in question.
3 METHODOLOGY

This section will present the research methods and the research process of the empirical study. The objective of this chapter is to enhance transparency of the research by describing the research process in a detailed manner. This chapter thus outlines the chosen research method, sampling process, data collection, data analysis process, and finally, evaluation of the quality and validity of the entire research process.

3.1 Research method

The aim of this study is to provide insights on the implementation of socially responsible practices to sustainable supply chain management (SSCM) through relational dynamics, and it examines ethical values in socially responsible supply chains. This study will comply with the qualitative case study approach which aims at understanding the mechanisms occurring in a certain setting (Eisenhardt, 1989). Furthermore, case studies are independent, detailed, and rich stories of the focus of the study (unit of analysis) which can be, for instance, a person, an organization, or an event (Patton, 2015). In this study, the selected cases are build up around two separate events with a similar setting that involved several Finnish companies. The companies involved in these incidents are thus considered as the unit of analysis in this case study. It is noteworthy that the objective of this empirical study is not to compare these companies but rather to gather views on firms dealing with similar issues concerning ethical values in the supply chain. The selected cases are thoroughly presented in the Chapter 4.1. As a conclusion, these are particularly special cases as they divert from the traditional understanding of retailers or customers possessing more power over their suppliers as it was shown in the section 2.4. Therefore, the research contribution of this empirical study is that it aspires at providing two practical illustrations of power structures favorable to the suppliers owing to ethical values in leadership and decision-making that led the companies to question their partnerships with their retailers/customers.

3.2 Research process

As discussed in the introduction section of this thesis, the research process follows the abductive research process framework as presented by Kovács and Spens in their 2005 study (see Figure 4). The abductive research process circulates between empirical and theoretical findings by reflecting empirical data to the existing theory ultimately resulting in theory building and final conclusions (Kovács and Spens, 2005). Figure 5 then presents the abductive research process as applied to this study. The data gathered
from the interviews and secondary data will be reflected to the existing theories presented in the literature review of this thesis, especially to the research framework by Chen and Kitsis (2017) that is one of the key theories used in this study. The process continues after these stages to theory building and finally to final conclusions and providing a further developed framework.

![The abductive research process](image)

**Figure 4**   **The abductive research process**
Source: Kovács and Spens (2005: 139)

![The application of the abductive research process in this study](image)

**Figure 5**   **The application of the abductive research process in this study**
Source: A modification from framework by Kovács and Spens (2005: 139)

### 3.3 Sampling

According to Patton (2015), the sampling strategy and sample size must be appropriate for the purpose of the study. It is equally important to have the available resources, a clear notion of the key focus of the study, and be aware of its limits (Patton, 2015). More
emphasis should be put on the information-richness of the selected cases and the credibility of the researcher than on the sample size (Patton, 2015). Silverman (2006: 20) shares Patton’s argument and adds that the authenticity of the research is more important than the sample size as qualitative research often seeks to “gather ‘authentic’ understanding of people’s experiences”. Purposeful sampling is typically used in qualitative research as the central idea is to obtain an in-depth understanding of a certain phenomenon rather than drawing generalizations (Patton, 2015).

The chosen companies in this study have been sampled since they represent an interesting phenomenon of the manifestation of ethical issues between supplier-retailer/customer relationships. It is important to add that this kind of issues occur without a doubt commonly in companies, however, most of them are discussed behind closed doors and the general public will never find out about them. To further highlight the exceptional nature of the cases, these types of supplier-retailer/customer relationships are traditionally portrayed through an unbalanced power structure often in favor of the retailer/customer. In SCM, all the members in the chain are crucial partners to each other, a feature that characteristically increases the members’ dependence on the chain which in turn shapes the power structure in the chain (Crook and Combs, 2007). This is one of the reasons why retailers and customers possess more power in relation to suppliers, as they have the power to choose from which supplier they buy services or products.

The reason why two separate cases were selected instead of focusing in only one was to gain more insights of companies dealing with similar issues. In addition, the cases depict the growing complexity of modern day business. Not only do companies have to deal with issues concerning their core business but they also must attend to other issues, such as social responsibility of their business and societal issues at large. Furthermore, both cases represent an unusual phenomenon that received a great deal of media coverage and are presumably the first of its kind in Finland to the knowledge of the researcher.

As a result, the request to participate in the study was sent to 10 companies in total of which seven accepted. One company did not answer to the invitation and one declined. Table 2 presents an overview of the selected companies. The companies represent different sizes and industries and their years of foundation range from 1820 to 2008. In addition, most of the companies are well-established brand companies known by the Finnish consumers.
### Table 2 General information of the sample

<table>
<thead>
<tr>
<th>Company</th>
<th>Founded</th>
<th>Industry</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flo Apps</td>
<td>2008</td>
<td>Web and data visualization</td>
<td>5</td>
</tr>
<tr>
<td>Finlayson</td>
<td>1820</td>
<td>Home textiles</td>
<td>~181</td>
</tr>
<tr>
<td>Helkama Emotor/Velox</td>
<td>1905</td>
<td>Bicycle manufacturing, import, marketing and retail and manufacturing and sales of marine and industrial cables</td>
<td>309</td>
</tr>
<tr>
<td>Fazer Group</td>
<td>1891</td>
<td>Food production and services</td>
<td>~15,000</td>
</tr>
<tr>
<td>Joutsen Finland Oy</td>
<td>1936</td>
<td>Down products</td>
<td>~110</td>
</tr>
<tr>
<td>Tammi Publishers</td>
<td>1943</td>
<td>Publishing</td>
<td>n/a</td>
</tr>
<tr>
<td>Sanoma Media Finland</td>
<td>1889</td>
<td>Multi-channel media company</td>
<td>1,744</td>
</tr>
</tbody>
</table>

Source: Company websites and interviews with the respondents

**Flo Apps** is a software company that specializes in creating websites and data visualizations. The company was founded in 2008 and employs 5 persons and has so far worked with a great variety of clients ranging from associations to companies. (Flo Apps, 2018 and interview on 8 February 2018)

**Finlayson** is a home textile company that was founded in 1820 and currently employs 181 people. The company products are sold to consumers, companies, and retailers (Finlayson, 2018 and Asiakastieto, 2018)

**Helkama Emotor** is a group of companies that was founded in 1905 and currently employs 309 persons. The group specializes in bicycle manufacturing, import, marketing and retail and manufacturing and sales of marine and industrial cables. **Helkama Velox** is a subsidiary of the group and they design, import, and manufacture bicycles. (Helkama Emotor, 2018 and Helkama Velox, 2018)

**Fazer Group** is an international company that provides food products and services. The company was founded in 1891 and currently employs roughly 15,000 people. (Fazer Group, 2018a and Fazer Group, 2018b)

**Joutsen Finland Oy** was founded in 1936 and is the most northern producer of down products. The company employs approximately 110 people (Joutsen Finland Oy, 2018 and interview on 23 February 2018)

**Tammi Publishers** is a publishing house founded in 1943 that is part of the global Bonnier Books Group. (Tammi, 2018)
Sanoma Media Finland Oy is a multi-channel media company that offers newspapers, magazines, TV and radio channels, online, and mobile media. The company is part of the Sanoma Group, which was founded in 1889, and employs approximately 1,744 persons. (Sanoma Media Finland, 2018 and Sanoma Group, 2018)

3.4 Data collection

The primary empirical data was collected through qualitative interviews with the representatives of the case companies, in order to get an in-depth view of the opinions and reflections of the companies related to the aforementioned cases. Moreover, as the general aim of the study is to increase understanding of how relational dynamics can facilitate companies to achieve more socially responsible practices, the empirical case study strives to reconcile the existing theories with the emerged observations from the interview data. Interviews are useful, especially when investigating a subject that cannot be observed or formulated in a survey, such as attitudes and values (Byrne, 2004: 182, cited in Silverman, 2006: 114). Attitudes and values are often personal and to truly understand them, one needs to see them from the other person’s perspective (Patton, 2015).

Qualitative interviews were constructed in a semi-structured format with open-ended questions which allow the informants to reply to the questions in their own words (Patton, 2002). The semi-structured interview approach is somewhere in between of conversational open interview and a pre-coded interview in which the interviewer follows a detailed script and does not deviate from it (Fisher, 2007). The interview questions were compiled in an interview guide (see Appendix 1) to ensure that all the interviews follow a similar pattern hence supporting the analysis stage (Patton, 2015). Since all the persons interviewed were native Finnish it was deemed more natural that the interviews were conducted in Finnish as well. During the interviews, the questions were worded rather freely in order to maintain a conversational style but not forgetting to follow the predetermined structure of the interview guide (Patton, 2015). The interview guide was slightly modified in a few questions based on the experience of the first interview. This meant that two spelling mistakes were corrected and two questions that needed a more precise elaboration for clarity were modified. All in all, these modifications did not affect the structure of the interview but were seen to improve the clarity of the questions in following interviews.
One interview was done by email in which the respondent answered the interview questions in writing and one was conducted via Skype. The rest of the interviews were conducted face to face at the respondent’s facilities or at a selected interview location. All interviews were recorded and then transcribed to facilitate the analysis stage. The respondents from the companies were three chief executive officers (CEO’s), two corporate responsibility managers/directors, and two communications directors, therefore it can be stated that the respondents were able to provide rich content of the topic at hand. Table 3 presents the details of the interviews in a chronological order. Prior to the interviews, four example questions of the interview guide were sent to the respondents by email in order to give them a grasp of the course of the interview. The researcher did not wish that the respondents would provide too prepared answers, and therefore did not choose to send all the questions before the interviews. In addition, at the beginning of each interview, the respondents were given a brief introduction to the topic of the thesis and the interview procedure. The respondents requested partial anonymity thus it is not possible to identify the respondents from interview results.

Table 3 Data collection of primary data

<table>
<thead>
<tr>
<th>Company</th>
<th>Respondent/position</th>
<th>Method</th>
<th>Date and duration of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flo Apps</td>
<td>Tapio Nurminen / CEO</td>
<td>Interview</td>
<td>8 February 2018 / 44 mins 45 sec</td>
</tr>
<tr>
<td>Finlayson</td>
<td>Elli Ojala / Corporate Responsibility Manager</td>
<td>Interview</td>
<td>16 February 2018 / 36 mins 3 sec</td>
</tr>
<tr>
<td>Helkama Emotor/Velox</td>
<td>Satu Helkama / CEO, Helkama Emotor Group</td>
<td>Interview</td>
<td>22 February 2018 / 50 mins 32 sec</td>
</tr>
<tr>
<td>Fazer Group</td>
<td>Nina Eloimaa / Corporate Responsibility Director</td>
<td>Skype interview</td>
<td>22 February 2018 / 45 mins 3 sec</td>
</tr>
<tr>
<td>Joutsen Finland Oy</td>
<td>Matias Kotkasari / CEO</td>
<td>Interview</td>
<td>23 February 2018 / 32 mins 28 sec</td>
</tr>
<tr>
<td>Sanoma Media Finland</td>
<td>Hanna Johde / Communications Director</td>
<td>Interview</td>
<td>23 February 2018 / 26 mins 6 sec</td>
</tr>
<tr>
<td>Tammi Publishers</td>
<td>Reetta Miettinen / Marketing and Communications Director</td>
<td>Email interview</td>
<td>n/a</td>
</tr>
</tbody>
</table>

### 3.4.1 Secondary data

Field notes were collected during the interviews which helped to formulate new questions or probes, or as a back-up for checking something later on (Patton, 2002). Field notes are also useful to detect faults or issues with the questions that need clarifications. Furthermore, the actual interview situation initiates the preliminary data analysis process and in this sense field notes are crucial for noting down any raw ideas that might be useful for later data analysis stage. Other forms of secondary data used in this study are the websites of the selected companies and media coverage of the two incidents that further support the analysis of the data. These two incidents received a great deal of media attention in Finland and stirred a lot of public debate concerning
topics related to values and ethics in business, topics which for most of the companies are not generally discussed to this extent in public.

3.5 Data analysis

The simple, yet fundamental function of qualitative data analysis is to transform the raw data into research findings (Patton, 2015). As stated earlier, the preliminary analysis of the empirical data began already at a very early stage during the interviews as the researcher’s knowledge on the topic increased while the data collection process proceeded, and certain common themes and observations started to emerge from the interview prior to the actual data analysis stage. According to Patton (2015) the biggest challenge in qualitative data analysis is to make sense out of a big data set. In addition, there are general guidelines for how to proceed with the analysis but no ready-made patterns to follow (Patton, 2015).

The interview data was analyzed through coding and was categorized to the main themes and concepts of the interview guide as well as to new themes emerging from the interview data. This sort of abductive procedure combines inductive and deductive analysis approaches, the first one generating new concepts, explanations from the data among other things, and the latter one taking advantage of, for example, the existing concepts and explanations (Patton, 2015; Kovács and Spens, 2005). Fisher (2007) emphasizes that codes need to be open to modifications as knowledge and understanding increases along the analysis stage which might indicate that further development of the framework is needed.

In practice, this meant that the interview transcripts were first carefully read. At the same time, insignificant raw data was discarded that was not seen as core content for this study. The remaining raw data was then coded into categories following the same thematic structure that the interview guide was based on. These categories were derived from themes and concepts from the literature review. The categories were as follows: social responsibility, stakeholders, and values and ethical aspects. The remaining categories were derived from the relational capabilities framework by Chen and Kitsis (2017): risk management, communication/information sharing, collaboration, and trust building. However, as the analysis proceeded, further categories were identified as similar patterns emerged from the interview data as Fisher (2007) predicted and some categories were divided into two different sub-categories for clarity. Finally, some categories were combined as they were seen to fit better under another category and thus
all the categories were saturated to full-extent. The main part of the analysis was conducted manually in an Excel spreadsheet in order to get an overview of the categorized data. After the raw data was organized in appropriate categories, the analysis continued with summarizing and interpreting each category into a coherent result. During the analysis stage descriptive quotes were picked from the respondents’ answers to be included in the presentation of the results. All the questions in the interview guide were marked with the relevant research question to ensure that the interviews in fact provided with answers to the research questions. The conclusion section draws all the findings from the interviews into conclusions.

**3.6 Research quality and credibility**

A very important part of a research process is the evaluation of the quality and credibility of the study. On the one hand, the research is evaluated by the reader (Silverman, 2006), but on the other hand, the researcher needs to provide the necessary information for the evaluation and thus needs to be capable of evaluating her or his own creation and to be critical towards the entire research process. Pedrosa et al. (2012) studied the assessment of case studies in logistics research and compiled in their research the main indicators for the quality criteria of truth-value, transferability, and traceability. *Truth-value* evaluates the validity of the data analysis process. *Transferability* evaluates if the study findings are applicable in other contexts, and thus evaluates, for instance, the theoretical aim of the study and case selection. *Traceability* in turn assesses the documentation of the research process. However, a more generic guide to assess research quality is provided by Patton (2015: 680). Table 4 shows the assessment of the quality of this study based on Patton’s criteria.
Table 4 Quality criteria and the evaluation of the quality of the thesis

<table>
<thead>
<tr>
<th>Quality criteria</th>
<th>Evaluation of this study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objectivity of the inquirer</td>
<td>The researcher aimed at being as neutral as possible while conducting research. Researcher bias is also minimized as the researcher does not work for any of the companies involved in this study.</td>
</tr>
<tr>
<td>Hypothesis generation and testing</td>
<td>This study does not have preformulated hypothesis.</td>
</tr>
<tr>
<td>Validity of the data</td>
<td>First, this thesis is laid on solid theoretical foundation, and secondly, the theory was reflected to the empirical data derived from qualitative interviews. The analysis stage followed the abductive research process in which the analysis rotates between theory and empirical data.</td>
</tr>
<tr>
<td>Reliability of codings and pattern analyses</td>
<td>All coding was done manually and therefore all the entries had to be read carefully. The coding strategy followed the same structure as the interview guide and literature review. Patterns began to emerge while the analysis progressed and were noted down for consistency.</td>
</tr>
<tr>
<td>Conclusions about the correspondence of findings to reality</td>
<td>The data has been collected by using primary sources in the forms of interviews and secondary data that included company websites and online news pieces. Therefore, it can be stated that the collected data is rather complete. The findings are derived from empirical data gathered solely for this thesis, therefore it can be stated that the researcher has a extensive understanding of the topic.</td>
</tr>
<tr>
<td>Generalizability (external validity)</td>
<td>Since the sample is rather small, no generalizations can be made. Therefore, this study aims to provide an in-depth understanding of a certain phenomena.</td>
</tr>
<tr>
<td>Contributions to theory</td>
<td>The analysis stage proceed by following the abductive research process which rotates between the theory and empirical data. To conclude this process, the results and conclusions were presented reflecting on previous research and new, developed version of a research framework was provided.</td>
</tr>
<tr>
<td>Independence of conclusions and judgments</td>
<td>Conclusions were based on previous research and findings made in the empirical data especially gathered for this thesis.</td>
</tr>
<tr>
<td>Credibility to knowledgeable disciplinary researchers (peer review)</td>
<td>This thesis will be peer reviewed in two different occasions and thus it is amended based on the feedback received from the reviews. The thesis will also be evaluated by the thesis supervisor.</td>
</tr>
</tbody>
</table>

Source: Modified from Patton, 2015: 680
4 RESULTS AND ANALYSIS

Building a case study is about storytelling and discovering the narrative in the unique nature of the selected cases (Patton, 2015). Apart from the undeniable importance of justification of the research topic and methods, solid theoretical groundings, and methodological clarity, Fawcett et al. (2014) claim that a qualitative research is about telling a story, capturing the reader’s attention, creating an understanding, and persuading the reader to care about the topic of the study. These observations support the aim of this section which is to compile the results of the empirical study into a holistic and context sensitive case study (Patton, 2015). Holistic perspective concerns the understanding of a phenomenon as a whole, as in this thesis the two cases selected as illustrative examples of the topic of this study (Patton, 2015). Context sensitivity, as Patton (2015: 377) describes it, “envelopes and completes the whole” and it consists of understanding the surrounding setting in relation to the phenomenon. Therefore, this chapter first presents the selected cases and thus creates a context to the empirical results, following a detailed analysis of the collected empirical data and its findings.

4.1 Selected cases

These two cases occurred in Finland between 2015 and 2018. The first case concerns the contradictions between the Finnish department store Kärkkäinen and several Finnish brand companies. The department store Kärkkäinen is part of the family-owned J. Kärkkäinen Ltd Group that also publishes the free paper KauppaSuomi, is the owner of the wholesale organization Suomi- Trading, and runs the online shop karkkainen.com (Kärkkäinen, 2018a). The company has five department stores in Finland and employs approximately 600 people (Kärkkäinen, 2018a). The biggest department store with approximately 32,000 sqm is located in Lahti (Kärkkäinen, 2018b). The case began when the owner of J. Kärkkäinen Ltd Juha Kärkkäinen as the editor-in-chief of a free paper called Magnettimedia that published, among other things, anti-Semitic content, was condemned by a Finnish district court in 2013 for 90 day-fines on the grounds for ethnic agitation due to the anti-Semitic writings in the paper (Yle, 2014). The then publisher of the paper was his company J. Kärkkäinen Ltd and they in turn were sentenced for a fine imposed on a corporation of 45,000 euros (Yle, 2014). In addition, the court also ruled on the paper to remove all the anti-Semitic writings that were deemed unlawful (Yle, 2014). The sentences were not changed later in court of appeal in 2014 (Yle, 2014).

Following the court’s ruling, Finlayson was the first company to end the partnership with the department store in 2015 (Helsingin sanomat, 2015). The CEO of Finlayson, Jukka
Kurttila, announced that the company ended their contract with Kärkkäinen due to the owner’s racists opinions and the publication Magneettimedia that spreads disgusting and narrow-minded propaganda (Kauppalehti, 2015). The publication rights of the paper Magneettimedia was changed to Pohjoinen Perinne ry in 2013 but the Finlayson CEO claimed of not having sufficient proof that all ties between Kärkkäinen ja Magneettimedia has been cut (Helsingin sanomat, 2015). Consequently, the owner Juha Kärkkäinen denied the accusations and claimed that he is no longer the editor-in-chief of the paper and Magneettimedia has got nothing to do with the department store Kärkkäinen (Kauppalehti, 2015). The case, however, continued in 2017 when the newspaper Helsingin sanomat (2017) published an extensive article about Juha Kärkkäinen and his world view and political activity. The paper KauppaSuomi (2017a; 2017b) in turn published two articles as Juha Kärkkäinen’s defense on the claims directed at him. While the media attention concerning the case continued, seven Finnish companies decided to end their retailing partnership with Kärkkäinen, as per media sources (Helsingin sanomat, 2018). Furthermore, other companies have been questioning the activities of the owner, however, the collaboration with the company has continued for the time being (Helsingin sanomat, 2018).

The second case concerns the software company Flo Apps who discontinued their cooperation with a regional section of the political party Finns Party (Mtv, 2017). The party had appointed in June 2017 their new chairman, Jussi Halla-Aho, who is known for his far-right and anti-immigration politics as a member of the Helsinki city council and a member of the Finnish and European Parliaments. In 2012, Halla-Aho was convicted by the supreme court to 50 day-fines for ethnic agitation and disturbing religious peace for his blog posts concerning Islam and Somalis (Supreme court, 2012). The CEO of Flo Apps Tapio Nurminen commented their decision to end the partnership in an interview by the Finnish Broadcasting Company, Yle, by saying that the appointment changed the profile of the party towards values that the company cannot share and therefore they no longer took any orders from the party and also terminated their existing contracts by the end of the year 2017 (Yle, 2017). The case was first brought up to the public eye by the online newspaper Suomen uutiset (2017).

4.2 Relational dynamics and ethical values

Relational dynamics are in the center of this thesis and therefore also fundamental for the empirical analysis. Relational aspects emerged from the empirical data in a number of different contexts and in some cases, it was not suitable to analyze them separately or
remove a certain excerpt out of context. Therefore, relational dynamics are intertwined to all the sections in this chapter supporting the narrative of the case study. The final Chapter 5 focus in particular on the view on relational dynamics. The remaining sections in this chapter are divided in the main analysis categories: social responsibility and sustainability; stakeholders, retailers, and customers; values and ethics, and finally, the cases and their consequences.

**4.2.1 Social responsibility and sustainability**

Globalization has been one of the driving forces for companies to recognize new sets of stakeholders to the complex network of interrelationships of a firm (Park-Poaps and Rees, 2010). In other words, companies are required to cater for their employees and local community surrounding it (Sancha, et al., 2009). As previously presented in section 2.1, this study understands social responsibility as to consist of both internal and external social aspects following the distinction by Pullman et al. (2009). In SR-SCM, the scope can be as wide as concerning workforce policies for safety or diversity (Awaysheh and Klassen, 2010: 1248) and to include questions on topics as broad as human safety and welfare, community development, and protection from harm (Klassen and Vereecke, 2012). Therefore, it was important to first ask the respondents’ opinions about social responsibility and sustainability and what does it mean for them and their company in practice.

The interview data shows that the answers were as wide as the definition outlined in this study. The respondents mentioned that topics related to social responsibility and sustainability, such as employee well-being, work safety, diversity of the work community, training, human rights, ethical matters, values, and freedom of speech are important for the companies. Two respondents also mentioned that social and sustainability issues in general also concern the supply chains. Consumers are increasingly interested in where and what kind of conditions their products are made which is why it has a clear emphasis on their operations. All the same questions related to these topics concern also supply chains. Awaysheh and Klassen (2010: 1248) argue that socially responsible supply chain management (SR-SCM) concerns issues that lie within the “control of operations and supply chain managers” but the wide variety of these answers show that the control does not limit entirely to operations and supply chain management but to the company management at large.
Companies as corporate citizens are members of the society the same way as all the individual human beings are, and therefore the respondents were also enquired about their company’s societal responsibility and contribution at large. The two cases presented in this study are cases in point and prove that the company’s responsibilities are not always limited inside the traditional boundaries of the organization (see Wicks et al., 1994 cited in Maak and Pless, 2006a; Eweje and Bathurst, 2017) or even within the limits of the supply chain. In addition, literature has shown that events or big trends, such as the fast pace and extensive global impact of the industrial development, big corporate scandals, economic crisis, and climate change has made the companies pay more attention to economic, environmental, and social aspects of their operations (Paulraj et al., 2017; Touboulic and Walker, 2016). These incidents and phenomena do not affect only the company’s immediate stakeholders but also the society at large and the natural environment surrounding it. One can argue that this observation also applies to this case study as the value contradictions between the partner companies concerned a third party or a group of people that was the subject of some insulting opinions, that to the naked eye do not have anything to do with the business partnership. One respondent claimed that “-- companies are part of the society and should not have any special rights to exploit or work unethically, so the same rules apply to us”. According to respondents, part of being a member of the society is also about being an active contributor, for instance, it was deemed important that they regularly reflect on their role as a societal contributor, answer to the stakeholder expectations about commenting on some societal issues, or get their voices heard through their campaigns in order to promote important issues for them.

Looking at the more economic side of business operations, some respondents referred to their role as a tax payer, for instance, that they pay all the necessary taxes or do not engage in questionable tax planning. Part of a company’s societal contribution is that they provide work for many people, also indirectly through collaboration with their suppliers, and offer services and products to a large number of people which in turn contribute to the general economic well-being. Indirect impact on society can also be formed through the services the company offer which then in turn contribute to the civic society, as per one respondent. One respondent commented that their approach is to operate openly and with integrity and fulfill all the obligations that public authorities

1 "Meidän mielestä yritykset on [...] osa yhteiskuntaa ihan siinä missä kaikki muutkin ja ei yrityksille pitäisi olla mitään erityisohjeuksia riistää tai [...] toimia epäeettisesti, et [...] ihan samat pelisäännöt koskee meitäkin." [own translation]
impose on them. These comments are in accordance with the observation by Spence and Bourlakis (2009: 291) who describe supply chain responsibility as “the chain-wide consideration of, and response to, issues beyond the narrow economic, technical and legal requirements of the supply chain to accomplish social (and environmental) benefits along with the traditional economic gains which every member in that supply chain seeks.” Therefore, perhaps it is not relevant whether these are means to an end or conscious sustainable thinking but only the outcome itself is important.

4.2.2 Stakeholders

The stakeholder perspective is at the very core of this thesis. Previous literature shows that stakeholders are the key drivers for companies in their pursuit of sustainable performance practices (e.g. Seuring and Müller, 2008; Chen and Kitsis, 2017). From a theoretical perspective, one could argue that in these two cases, the society at large and its members are part of the stakeholder society in which the companies operate in. Both Juha Kärkkäinen and the Finns Party were seen to have an anti-immigrant world view and even have insulted human dignity (Fazer Group, 2017), immigrants as well as all the other members of the society, in fact, are the companies’ potential employees, suppliers, or customers, among other things. Therefore, the respondents were enquired about their view on who are their stakeholders and what is their impact on the company operations. According to the results, not all the companies had contemplated the key actors of the company as stakeholders or performed a stakeholder analysis. This is, however, a question of corporate culture and how they are used to run their business and it is by no means obligation to think from the stakeholder perspective. Nevertheless, stakeholders came up in several contexts of the interviews which confirms the importance of them for the companies. The respondents identified several different stakeholders, such as, customers (consumers as well as B2B customers), employees, retailers, suppliers, board of directors, owners, banks, insurance companies, universities, non-governmental organizations, media, regulators and public authorities, other actors in the same industry, and trade associations. All the respondents agreed that stakeholders affect their operations to some extent and especially customers (consumers or B2B customers) were seen as the main force by many of the respondents. As one respondent commented, it is not possible to operate without taking stakeholders into consideration.

According to the results, customers are indeed an important stakeholder group. Listening to customer needs is important since they are the ones who pay the company’s salaries, as one respondent formulated it. Two respondents referred to regulations or
public authorities saying that they have a significant impact on the company, for instance, changes in laws and regulations can affect the operations of the customers and through that also have an impact on the company or engaging into dialogue with regulators or authorities about what kind of collaboration possibilities there are and how things could be improved. Collaboration possibilities occur also with industry stakeholders, for example, trade associations or companies working in the same industry through information sharing or initiatives from the trade associations. On the other hand, two respondents argued that they are quite free from external pressures. One respondent claimed that their stakeholders do not force them to fit into a certain mold and another respondent argued that no one demands them anything, referring to sustainability efforts, and continued that they aim for sustainability because they themselves see that important. Other retailer/customer collaboration forms identified by the respondents were retailer training organized by the company, co-creation meetings, and joint campaigns or projects. Similar kind of collaboration forms were also recognized in the study by van Hoof and Thiell (2014). This implies that there the collaboration platforms do exist, and they could possibly be used for discussion on topics such as values or social responsibility.

Collaboration as well as other business operations require communication. The respondents were also asked about information sharing and communication related to the themes of social responsibility and values. In general, communication was seen to have a significant role in connection to these issues. Two respondents commented that communication’s mission is to put actions into words and making these issues visible. Other respondents also mentioned that communication about values is also manifested in the form of non-verbal communication or as something that can be read between the lines. Values appear in ordinary interaction situations, for example, in the way that the company representatives act or talk. Communication or information sharing about values and social responsibility as a more strategic or systematic tool was identified by two respondents. They, for example, regularly engage in a dialogue with their stakeholders as regards to these issues and, in addition to topics related to the core business, they are also always on the agenda when regular meetings are organized. One respondent summarized that transparency is very important for them and “we really cannot be transparent if we don’t communicate about it. It is not transparency, if we are
the only ones who know”. In the end, communication is about being genuine and personal in order to really be effective (Chen and Paulraj, 2004).

4.2.2.1 Retailers and customers

Retailers and customers are deemed key figures in this study as they are the other half of the relationship dyads that these cases present. A common understanding is that most supply chain risks lie upstream of the chain, or more specifically, in the manufacturing and production stages. However, as these two cases point out, rare as it may be, sustainability issues can occur also at the very end of the stream. Yet the empirical results show that retailer/customer relationships are mostly about the seller-buyer interaction and most of the sustainability, ethical, or value related components are considered to be complied by default. When enquired if the companies have any special criteria related to social responsibility or ethics that their retailers/customers must fulfill, only one respondent commented that they require their retailers or customers to sign their code of conduct. While these types of agreements are certainly valuable, it is also good to note that even legal documentation might not be able to anticipate the new forms of collaboration and intense flexibility which reflects the very nature of SCM (Hill et al., 2009). According to one respondent, the same ethical principles apply to all the retailers/customers but at the same time the respondent acknowledged that was not sure whether there had been some challenges previously. Results show that values or ethical principles, for instance, are discussed with the retailers/customers in negotiations or in personal encounters. Personalized encounters do play a significant role, as Hofer et al. (2014) also argue that the more a supplier invests in relationship-specific resources (e.g. dedicated personnel especially only for a certain relationship), the better are the opportunities for it to lead to greater supplier-retailer collaboration.

Long relationships were seen important by the respondents. One respondent defined their customers as smart companies who in most cases have been working in the industry for quite some time. Whereas another respondent commented that naturally the company has to evaluate the life-cycle of the partnership and profitability, to which also the client’s values are linked. According to some respondents, their products or services are sold to the interested parties as they cannot really choose their clients the same way as their suppliers. Perhaps this is one explanation why the supplier-retailer/customer relationships are based on trust. As in most cases you cannot choose your clients, the

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2 ”–ja eihän me voida olla läpinäkyviä, jos ei me kerrota ulospäin sitä. Ei se oo läpinäkyvyyttä, että me ite tiedetään.” [own translation]
suppliers just have to trust that they do their job well. One respondent said that trust and freedom of speech, for example, are important but “they are not demands as such, but we consider them as defaults for responsible collaboration”. Prior literature has also shown that trust is a key component in supplier-buyer/retailer relationships (e.g. Cuevas et al., 2015; Chen and Kitsis 2017; Fawcett et al., 2015; Ha and Nam, 2016). One respondent pointed out that trust is something you lose significantly faster than the time you have invested to build it. Previous research confirms this observation as in long-term business relationships mutual trust develops over time and through business transactions, but unethical activities can put this relationship under a serious jeopardy (Hill et al., 2009). Chen and Kitsis (2017) highlighted the significance of trust as it takes time to develop and, especially in supply chain relationships, it is built upon the relationship making it difficult to replicate in other context by competitors. This in turn can be transformed into a competitive advantage for a company. One respondent said that in long business partnerships trust with your clients is something that you have to earn over and over again. Another respondent had reached a similar conclusion and pointed out that “even old partners have to be re-evaluated constantly”. One may argue that companies cannot lull into believing that if things were fine one day, it will be so always.

4.2.3 Ethical values

Values were described by the respondents, for example, as being something that you feel intuitively that is the right thing to do, they are at the very core of their work to which all the decisions are reflected, and values serve as guidance in strategic or operational levels. Thomsen (2004) described organizational values as being a sort of an alternative goal for the company, one that guides the decision-making. Richard Bolden (2011) claimed that values are something that truly matters for the company and they must engage into a dialogue about values if sustainability is something that the company wishes to pursue. Engagement into dialogue about values might be important, however, the results show that the integration of company values varied between the companies. One respondent claimed that all their employees know their values by heart and another respondent suspected that not many of their employees can name the company values even though they have been identified. Also processes to identify the company values varied from a co-creation process engaging the entire personnel to values defined by the top

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3 "Emme niinkään vaadi näitä, vaan ovat vastuullisen yhteistyön oletusarvoja.” [own translation]
4 "Vanhojakin yhteistyökumppaneita täytyy jatkuvasti arvioida.” [own translation]
management only. Respondents also described that their values are present in their everyday operations.

Whether it is important to share the same values with their stakeholders, the respondents gave mixed answers. Most of the respondents agreed that it is important to share values at least to a certain extent. One respondent answered that when they get a new customer, they will not start by enquiring their values but having a similar viewpoint on things indeed facilitates the collaboration. Another respondent was along the same lines but added that in case the two companies are on completely opposite sides, then it is difficult to work together. Other respondents said that they believe that their partners have a good idea of the company’s way of doing things referring to what they tolerate and what not and that also end consumers want to do purchases based on values and support companies that are along the same lines as they are.

The companies involved in these two cases were seen as making decisions based on ethical values. The companies entered a discussion of what do these companies feel that is the right thing to do and where do the limits of the company’s responsible way of doing things are set. These cases are particularly interesting in the sense that, in reality, the questionable activities of their retailer/customer did not directly affect their operations the same way, for instance, if child labor were used in the supply chain, yet the issue was handled as such. One respondent also reminded that Finnish companies should not forget how human resource issues are handled here in Finland and, for example, questions about human rights concern us on the Finnish soil the same way as child labor that happens in a far distance country.

Regarding the notion of the leader being a role model, one respondent described ethics in relation to leadership as “if top management behaves unethically, then what else can you expect from that company than unethical behavior is possible”. This comment is in accordance with the results of the study by Nygaard et al. (2016) who discovered that leadership in the form of role models is a crucial driver in creating ethical values, organizational commitment, and performance. Leaders were mentioned as role models in ethical questions in two answers and in general, all the respondents agree with that leaders play an important role in matters related to ethics and values and that it is imperative that ethical thinking is present in all their activities. According to one

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5 "jos johto käyttäytyy epäeettisesti, niin mitä muuta sä voit odottaa sit siltä yritykseltä kuin että se epäeettinen käyttäytyminen on mahdollista" [own translation]
respondent, leaders are also crucial in engaging the rest of the personnel in ethical way of doing business. Brown et al. (2005) studied social learning and how employees learn ethical conduct through modeling the behavior of the leader and thus understand what kind of behavior is expected of them, rewarded, and punished and leaders should also demonstrate ongoing engagement in ethical conduct by showing, for example, honesty and consideration of others. One respondent remarked that top management’s commitment is also crucial and that they have to be truly interested in doing things well. In addition, ethics appeared in answers in connection to decision-making, good administration practices, such as bookkeeping and operating according to all the laws and regulations, in setting up what kind of behavior are expected from the company personnel including top management, and in protection of the trademark and the damage how unethical activities might affect it.

4.2.4 The cases and their consequences

Now that the respondents’ view on social responsibility, stakeholders, values, and ethics have been presented, it is time to investigate what kind of consequences (if any) the case incidents had on company operations and what were their stakeholders’ reactions. The respondents were also enquired on what they learned from the case as for some of the companies this was first of its kind. Some of the respondents commented that there was a lot of internal conversation regarding the case meaning that the decision was not by any means easy, and others said that it was rather clear since the beginning and no long discussions were held inside the company. Either way, this highlights the fact that companies aiming for sustainability have to deal with trade-offs, whether it be social, environmental, or economic, which have to be effectively managed through trans-disciplinary and cross-process operations (Closs et al., 2011). In relational leadership view for sustainability leadership includes value-based decision-making about trade-offs within the sustainability context (Nicholson and Kurucz, 2017). Based on the empirical data, the trade-offs in these cases have been where the company sets its limits, what kind of alternative solutions the company has, and what are the possible consequences and how to deal with those.

Consequently, three respondents said that the incident did not have any major impacts on their business and that it was only one case and one respondent considered it as old news already. Some respondents referred to the economic impact of the case. One can argue, that if the supplier company ended the partnership, it must have had some financial impact to a more or lesser extent but supposedly no big damage was made as it
was not a question of exclusive partnerships, and as one respondent said that then they have to compensate the sales somewhere else. This seems to be the case also for the retailers as Juha Kärkkäinen commented on the media that after Finlayson left the company, the home textile sales in his department store rose with 25 per cent as Finlayson products were replaced with others (Kauppalehti, 2017).

The companies received comments regarding the cases from their stakeholders that were for and against. Three respondents said that their stakeholders had commented that their decision to end the partnership was good and upright and that it was the right thing to do but also two respondents said that some comments were against saying the company does not have the right to judge. A lot of the feedback was given publicly through online channels. The media exposure of the cases and the discussions held in social media were also commented by the respondents. The age of social media with its many communication and interaction channels plays an important role in spreading information and awareness almost in real time to new company stakeholders and interested actors. The news spread fast whether it be positive or negative. Social media is a powerful tool through which whoever can bring forward their own agenda and comment on issues which might require company intervention and response. One respondent commented that in the public discussion the case might appear quite straightforward of whether to continue the partnership or not but then at the company level it might be more complicated. The respondent said that they had to deal with practical issues, such as legal questions related to partnership contracts. In response to the public attention, most of the companies involved in these cases somehow commented the incidents to media outlets and at least two companies, Fiskars and Fazer Group published press releases related to the case with Kärkkäinen (Fiskars Group, 2017; Fazer Group, 2017).

Two respondents believed that the case had positive effects on the company meaning that through acting according to their own values or ethical principles which proved that they truly practice what they preach. One commented on their decision to end the partnership, “it was probably the most apparent example of how you demonstrate in practice that we are committed to our own instructions and values, so from this perspective it was a textbook example of how this kind of matter can have an impact in a
company”. The other respondent brought up hypocrisy and greenwashing that is sometimes related to sustainability issues meaning that it is easy to make sustainability promises, for example on company websites, but then in reality these promises are not kept. Socially responsible practices can send the right signal to the company’s internal and external stakeholders thus, for example, allowing the companies to attract more opportunities of collaboration and investments (Hoejmose et al., 2014).

Two companies said that the case did not really teach them anything new. However, the uniqueness of the case was pointed out by one respondent who said that these types of incidents are evaluated on a case-by-case basis and acted accordingly which in turn means that they do not have any extensive monitoring about these kinds of issues. Another respondent agreed with that observation and said that the risks for something like this to happen are so scarce that there is no point in creating a ready risk management plan as a large proportion of everyday work and decision-making has to be made with gut-feeling of that moment. Other risk management methods on how to treat issues related to social responsibility as identified by the respondents were, for instance, training of the managers, open corporate culture and knowing the stakeholders well, and crisis communication. One respondent pointed out that a company cannot really separate risks related to social responsibility as by the end of the day they are in any case business risks. According to Roehrich et al. (2014) companies also need to consider reputational risk exposure when implementing SSCM practices. The respondents indeed referred to the image, reputation, or brand in their answers meaning that these matters are important for them. Reputational risk exposure does not have to always mean something negative, as according to one respondent who believed that the case had a positive impact on their company image.

It is possible that the companies who decided to discontinue the partnership were evaluating the future of the business relationship. According to one respondent they saw no other option but to make that decision as they were unsure of how the incident would evolve and what kind of repercussions it would have. Companies have to think far ahead especially as many business decisions have an impact on many other factors and actors besides the core company. It goes without saying that there exists always a possibility that in the future these companies can reassess the situation and based on that

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6 *"Se oli ehkä sellan näkyvin esimerkki siitä mitenkä käytännössä osoitetaan, että me ollaan niihin meidän omaan ohjeistukseemme ja ommi arvoihin sitoutuneita, ja siinä mielessä se oli ihan koulukirjaesimerkki siitä [...] miten tämä asia voi vaikuttaa yrityksessä." [own translation]
information can consider whether to resume the partnership or not. The same applies to the companies who continued with the partnership despite the stir. It is up to their retailers or customers whether they prove to be worth of the supplier’s trust or not.
5 CONCLUSIONS

The aim of this thesis was to provide insights on the implementation of socially responsible practices to sustainable supply chain management (SSCM) through relational dynamics. Furthermore, this thesis also aimed to examine the contribution of ethical values in socially responsible supply chains. Supplier-retailer/customer dyads were identified as the key focus of the empirical research in this study which was illustrated by the two case examples. This last chapter summarizes the results and findings and thus provides answers to the research questions as defined previously in Chapter 1. The remaining part of this chapter discusses the limitations of the study and suggestions for future research.

5.1 Discussion on the results

The literature review examined topics in the field of SSCM and especially topics concerning social responsibility, and related concepts such as responsible leadership, stakeholders, relational dynamics, and ethical values. The central topics of this thesis were portrayed in a conceptual framework as presented in Figure 1. The conceptual framework in turn was phrased into two research questions that were used to guide the research from the beginning till the end. Those research questions are discussed next.

*RQ1: How can relational dynamics contribute to implementing socially responsible practices to supply chain management?*

From a theoretical perspective, this thesis has presented relational dynamics in the form of relational capabilities and relational leadership. These concepts are especially fitting for supply chain management due to the relational nature of the supply chain network that connects people within and between different organizations and locations. Mary Uhl-Bien (2006: 655) defined relational leadership “as a social influence process through which emergent coordination (i.e., evolving social order) and change (e.g., new values, attitudes, approaches, behaviors, and ideologies) are constructed and produced”. These two cases were for most of the interviewed supplier companies the first time that they had encountered these kinds of issues with their retailer or customer, thus the definition of relational leadership by Uhl-Bien (2006) holds true in the sense that it was most likely the first time when emergent coordination and change, namely what steps to follow, was constructed and produced in an unprecedented situation. Social influence can be seen in the form of the different stakeholders identified in the empirical study, such as, employees, customers, or media. Influence can also be in the form of personal or
organizational values or ethical principles that drives the change. Nicholson and Kurucz (2017) argue that the relational leadership view is especially valuable in research on sustainability since integration is one of the key challenges of modern leaders that requires holistic thinking on integrating principles, strategies, and operational activities. As the empirical results show, the companies involved in the cases also were balancing with these three levels of integration. Firstly, they have their values and ethical principles that they need to incorporate into their operations and turn into action. Secondly, this incorporation might require taking them into account also on the strategic level. Lastly, as the cases can be considered as first of their kind, these types of incidents may indicate that important changes are needed in the company structure and functions.

Whereas relational capabilities as studied by Chen and Kitsis (2017) were examined in this thesis through SSCM practices that have been showed by previous research to improve a company’s sustainable performance. These practices included risk management, collaboration, information sharing, communication, and trust building. The empirical research show that these are all important practices for the companies, however, their connection to sustainability was not always entirely clear. Perhaps these practices were considered as more technical functions that are without a doubt fundamental for the company’s existence which in turn can also be used for promoting the sustainable agenda. In addition, sometimes these practices overlap making it difficult to differentiate what is communication and what is information sharing. Another practical example derived from the empirical results was that information sharing concerning topics related to social responsibility as a systematic practice to share sustainability related matters was not very common. Whereas the connection between the sustainable and value-based agenda, and communication and collaboration were seen more clearly. The empirical results imply that a great number of collaboration and communication platforms exist, and they can be and in fact are used for discussion on topics such as values or social responsibility, and that possibilities for further exploitation are even greater.

An interesting finding related to communication was that some respondents referred to the non-verbal forms of communication concerning values or ethical behavior. Some decisions related to social responsibility were made by following the “gut-feeling” or that the company values manifest themselves in between lines referring to real actions or the image that the company wants to portray to the public. Consequently, it can be stated that the saying of actions speaking louder than words applies in these observations. As
the cases show, these actions were widely brought forward by the media. The age of social media plays an important role in spreading information and awareness in real time to new stakeholders and interested actors. The news spread fast whether it be in a positive or negative light which makes social media a powerful tool for both individuals as well as companies and other members of the society. Through social media whoever can bring forward their own agenda and comment on issues which then in turn might require company intervention and response. One comment also referred to how easy it is for companies to present themselves in a positive light regarding sustainability themes, but in the end of the day, sustainable actions are what truly matter. This holds true for top management also, as they are the ones who set the standards for a company. As one respondent said, “if top management behaves unethically, then what else can you expect from that company than unethical behavior is possible”.

Often companies cannot choose their clients in the same way as they can choose their suppliers. Perhaps this is one explanation why the supplier-retailer/customer relationships are based on trust. Indeed, trust and long business relationships were deemed important for the respondents. Trust building takes time and effort but in the best case it pays off for both partners. Trust together with compatible objectives between the two partners in a dyadic business relationship can enforce the sense of collective purpose and serve as a mediator between power and trust in dyadic relationships dominated by power asymmetry (Cuevas et al., 2015). In worst case, power asymmetry can be harmful for a company who suffers from the pressure of the more powerful company. Whereas compatible objectives imply that companies that share the same values can thrive together without unhealthy power structures.

As a sum, both in business relationships as in other human encounters, one should be able to trust one another by default. As one respondent commented, their starting point is that they trust their employees to do their job well and act with high moral and the same applies to their retailer/customer as well. Then again, one interesting comment referred to the fact that companies cannot pretend that if a company is once deemed trustworthy, it will always be so. “Even old partners have to be re-evaluated constantly” as one respondent said, and this holds true especially when companies go through big changes, such as changes in top management.
RQ2: How do ethical values manifest themselves in socially responsible supply chain management?

Decision-making and leadership related to ethical values are components concerning mainly top management. Top management’s role on company was deemed significant among the respondents, and more precisely, in relation to what kind of values and ethical boundaries the company sets its foundation. It was clear since the beginning, that although the companies involved in these two cases were faced with similar ethical issues in their everyday operations, the collected empirical data showed that there are several ways to reinforce a company’s socially responsible stance. Different industries also have different requirements on social issues of sustainability and different corporate cultures also have an impact on these matters. Usually companies do not have to deal with these types of issues downstream as sustainability often focuses on issues in the upstream functions, such as manufacturing or logistics. This does not mean that problems could not exist downstream, as these two cases demonstrate, but indeed it is less common. As one respondent said, the focus of this thesis is quite interesting as they have strict criteria for manufacturing which means that perhaps those criteria could apply towards the downstream of the chain as well. This case study truly demonstrates how complex the modern business environment really is in which sustainability-related issues are even more complex since companies need to manage the reactions of a wider stakeholder group (Chen and Kitsis, 2017).

Furthermore, this study highlights the fact that companies aiming for sustainability have to deal with trade-offs, whether it be social, environmental, or economic, which have to be effectively managed through trans-disciplinary and cross-process operations (Closs et al., 2011) and often these trade-offs include an ethical component. In relational leadership view for sustainability leadership includes value-based decision-making about trade-offs within the context of environmental, social, and economic integration (Nicholson and Kurucz, 2017). Based on the empirical data, the trade-offs in these cases have been where the company sets its limits, what kind of alternative solutions the company has, and what are the possible consequences and how to deal with those. Two respondents believed that the case had positive effects on the company meaning that through acting according to their own values or ethical principles which proved that they truly practice what they preach. This can be interpreted as a positive manifestation of a trade-off. For them, it was perhaps worth taking the risk although it would indicate that some of their stakeholders would not find the decision agreeable. This is in accordance
with Hoejmose et al. (2014) observation that socially responsible practices can send the right signal to the company’s internal and external stakeholders thus, for example, allowing the companies to attract more opportunities of collaboration and investments.

5.2 Research contribution

The research framework by Chen and Kitsis (2017) was used as a theoretical roadmap in this study. The researchers propose an integrated approach that is fundamental to manage supply chain processes which incorporate the operational activities of the supply chain to the stakeholder and moral requirements, sustainability issues, and performance outcomes, and strives to understand the underlying relational capabilities of the entire chain and its members. The research contribution of this thesis is to develop the framework further based on the results from the theoretical and empirical parts of the study as seen in Figure 6.

![Figure 6](image)

**Figure 6** Research framework for relational dynamics and ethical values in sustainable supply chain management

Source: modified from Chen and Kitsis, 2017: 1475

The framework was altered in two points. *Firstly*, ethical values which were categorized in the Chen and Kitsis (2017) model as moral motives were placed under management commitment. This highlights the significance of the management’s mediator role on the ethical stance of the company. Managers are expected to be role models and to truly care about the well-being of the company. If a manager behaves unethically then what kind of behavior can be expected from the company. Based on the empirical research, these ethical values have to be shared, at least to some extent, with the company stakeholders or antecedents as in the model. The empirical research did not show that these ethical values are considered as a prerequisite but, for example in supply chain dyad relationships, it facilitates the collaboration. In addition, as previous research has shown (e.g. Seuring and Müller, 2008; Chen and Kitsis, 2017), this study confirms the importance of the company stakeholders who also push companies to contemplate the sustainability of their business operations. For instance, one of the cases in this study
shows that media played an important role in detecting unethical behavior of the owner of the department store Kärkkäinen which in turn, directly or indirectly, made some companies to consider the future of their collaboration.

**Secondly**, the framework was modified by connecting ‘company power status’ to management commitment. Scholars believe that power asymmetry is an important definer of supply chains (Crook and Comb, 2007; Narasimhan et al., 2009; Meehan and Wright, 2012). This case study showed that suppliers cannot often choose to whom they sell their services or products making the retailer/customer in that sense more powerful. However, the two cases presented in this thesis proved that in certain setting, the suppliers can also possess more power. The empirical data shows that suppliers do not have to succumb to accepting the usual power configuration and they can for instance, question their retailer’s or customer's unethical behavior. The existence of power asymmetry in favor to retailer/customer, does not imply that the suppliers cannot hold to their ethical values. The suppliers can indeed hold to their ethical values and at the same time balance this power asymmetry through SSCM practices, such as personalized encounters with their partners, by communicating their values and sharing information on what truly matters to the company, through collaboration and common projects, or invest in trust building with their partners. Previous research has shown that power imbalance can be managed through compatible objectives between the two partners ( Cuevas et al., 2015) emphasizing the significance of having shared values. These compatible objectives serve as a mediator between power and trust. The empirical data also confirms that trust is an important catalyst in dyadic relationships.

**5.3 Limitations and suggestions for future research**

Given this case study examined two very special incidents, it can be stated that the sample was rather small and therefore it is not possible to make generalizations that could be applied to other cases in similar contexts. However, a lot can be learned from small samples, as they can, for example, open new opportunities for future research (Patton, 2002). Since this study examined particular incidents, the number of possible companies to interview is naturally limited. The sample would have benefitted also from a more detailed investigation of companies ending the partnership with their customer or at least reflecting on the case internally but who were not exposed by the media. This, however, would have required a lot more time that was originally planned to complete this study.
Often, as Patton describes (2015), studying this sort of an example of a phenomenon of interest include longitudinal studies of the selected phenomenon. Longitudinal studies would provide the opportunity to study the phenomenon from various angles and to see how the case develops during the course of time. While the cases presented in this thesis are rather recent, the extent of the research is limited to a very short time-span. Longitudinal study of this type of phenomenon is thus suggested as a topic of further research. Furthermore, it would be interesting to include more companies to the study and to understand why some companies decided to continue with the partnership. One respondent pointed out that when the incident happened, they had to make a decision very quickly and therefore were not able to grant their retailer/customer much time to react to their decision. It would have been more appropriate to follow established business practices and give a notice in advance, especially in cases like this. Therefore, interviewing the retailers/customers who were at the center of these issues would provide useful information to the case and would deepen the knowledge of the case by examining the case from different angles.

Relational mindset in SSCM is rather new even though the concept is especially suitable for the supply chain context and thus can be suggested as a topic for future research. In addition, this study has indicated a research gap at the intersection of ethics and SCM (Saini, 2010; Ferrell et al., 2013; Quarshie et al., 2016) and answering to this need can be seen as a parallel aim for this thesis. However, the context of this study was rather limited, and the empirical part studied a very uncommon manifestation of a phenomenon. Therefore, it is safe to say that further research is needed. The combination of these two fields can provide a myriad of different research opportunities and provide a practical contribution to companies around the world who want to thrive in the ever-changing business environment of today while doing better, more responsible and sustainable business than their predecessors.
6 SVENSK SAMMANFATTNING

Introduktion och syfte


Syftet med denna avhandling är att presentera insikter i realisering av det sociala ansvaret inom hållbar styrning av försörjningskedjor genom relationella faktorer. Ett

7 “our ability to respond [...] and to be proactive in the world, to be sensitive to the interconnections, and to be willing to do something constructive, as a way of giving back.” [egen oversättning]
ytterligare syfte är att studera hur etiska värden uttrycks i försörjningskedjor som strävar efter socialt ansvar. För att uppnå syftet fokuserar den empiriska delen på att studera utmaningarna med etiska värden i partnerskapet mellan leverantör, återförsäljare och företagskunder. Ganska få forskningar har behandlat teman som kopplar det sociala ansvaret till de etiska frågorna inom forskning om försörjningskedjor och därför är det nödvändigt med ytterligare forskning inom detta område (Yawar och Seuring, 2017; Quarshie et al., 2016). Denna avhandling utnyttjar den teoretiska referensramen av Injazz Chen och Aleksandr Kitsis (2017) som kopplar den hållbara styrningen av försörjningskedjor till relationella förmågor (eng. relational capabilities). En ny version av denna referensram utvecklas till slutet av denna avhandling.

Följande forskningsfrågor styr forskningen:

- **Hur kan relationella faktorer medverka till realisering av det sociala ansvaret inom styrning av försörjningskedjor?**
- **Hur manifesterar sig etiska värden inom logistik och styrning av försörjningskedjor som strävar efter socialt ansvar?**

**Tidigare forskning**


Seuring och Müller (2008: 1700) beskriver hållbar styrning av försörjningskedjor som styrning av "material, information och kapital samt samarbete mellan företag inom försörjningskedjan så länge hänsyn tas till alla tre dimensioner av hållbarhet (ekonomisk, social och miljösynvinkel) som härleds från kundernas och intressenternas


Etiska frågor är i och för sig också närvarande i alla företag inom försörjningskedjan. Dale Neef (2004) påstår att etiska aktiviteter inom en försörjningskedja saknar en central samordning och att det strategiska fokuset på de etiska aktiviteterna ofta sprids i företagens olika enheter, nivåer och lägen, till exempel urvalet av leverantörer som hör

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8 “material, information and capital flows as well as cooperation among companies along the supply chain while taking goals from all three dimensions of sustainable development, i.e., economic, environmental and social, into account which are derived from customer and stakeholder requirements” [egen översättning]
till enheten för upphandling. Ledaren har en viktig roll i företagets etiska frågor och kan ses som en förebild som uppmuntrar arbetstagaren att bete sig på ett etiskt sätt samt skapa ett starkt meddelande som är byggt på etik (Treviño et al., 2000; Nygaard et al., 2016)

**Metodval**


Resultat och analys

Fast de företag som var inblandade i de två fallen hade likadana motsättningar med de etiska värdena, var det klart redan från början att det finns många olika sätt att förstärka det sociala ansvaret i ett företag. Olika industrier har också olika krav gällande hållbarhet, och olika företagskulturer påverkar också sättet att hantera det sociala ansvaret eller hållbarhet i allmänhet. Förmodligen för många av de inblandade företagen dessa två fallen gjorde att för den första gången de var tvungna att reflektera över när och vilka steg man måste ta i den här typen av situation. Detta är i överensstämmelse med beskrivningen av relationellt ledarskap som är en process av social inverkan som skapar samordning, till exempel utveckling av social ordning, och förändring, till exempel nya värderingar eller attityder (Uhl-Bien, 2006). Enligt Uhl-Bien (2006) skapas relationellt ledarskap genom växelverkan och förhandling i de sociala konstruktionerna i en organisation.


Förtroende var ett tema som uppstod i olika kontexter i alla intervjuer. Både i kompanjonsskap och andra relationer borde man kunna lita på andra människor för att det är nästan som ett standardvärde. Företag kan inte invagga sig i tanken att en partner som har gjort sitt jobb väl hittills, alltid kommer att göra ett bra jobb. En intervjuperson sade att man måste omvärdera även gamla partner. Förtroende tillsammans med förenliga målsättningar mellan leverantörer och återförsäljare/företagskunder kan förstärka sammanhållningen och fungerar som en mellanhand mellan makt och förtroende i ett kompanjonsskap som domineras av obalans i makt (Cuevas et al., 2015). I värsta fall kan obalans i makten vara skadlig för det företag som pressas av det andra företaget med mera makt. De förenliga målsättningarna betyder att företag delar samma värden och kan blomstra tillsammans utan ohälsosamma maktkonstruktioner.

Denna avhandling undersökte två unika fall vilket betyder att stickprovet var rätt litet. Därför är det inte möjligt att generalisera resultatet eller tillämpa det på andra fall i liknande kontexter. Man kan dock lära sig mycket av små stickprov för de kan öppna nya möjligheter för forskning (Patton, 2002). Till exempel finns det många möjligheter att forska flera leverantörer som har haft liknande etiska konflikter med sina återförsäljare eller företagskunder. Det kan vara intressant att fortsätta den här forskningen och göra en långtidsundersökning som, enligt Patton (2015), möjliggör att man kan undersöka ett fenomen av olika synvinklar och se hur fallen utvecklas under tiden. Som i fråga om etiska frågor har socialt ansvar och försörjningskedjor inte undersöks i hög grad, varför ytterligare forskning är nödvändig (Yawar och Seuring, 2017; Quarshie et al., 2016).
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<table>
<thead>
<tr>
<th>Theme</th>
<th>English</th>
<th>Finnish</th>
<th>Research question</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Background information</strong></td>
<td>Briefly describe your role in the organization? (title)</td>
<td>Kuvale lyhyesti rooliasi organisatsiossa. (titeli)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>How long have you been working in this position?</td>
<td>Miten kauan olet työskennellyt kyseessä roolissa.</td>
<td></td>
</tr>
<tr>
<td><strong>Social responsibility</strong></td>
<td>In general, what does social responsibility mean for your company in practice?</td>
<td>Mitä sosiaalinen vastuu/vastuu lisuu tarkoittavat yrityksellenne käytännössä?</td>
<td>R1</td>
</tr>
<tr>
<td></td>
<td>How does the company perceive its contribution to the society at large?</td>
<td>Milloin mielestäneen yrityksen yhteiskunnallinen vaikutus?</td>
<td>R1</td>
</tr>
<tr>
<td><strong>Stakeholders</strong></td>
<td>What are the key stakeholder groups of the company? (internal and external)</td>
<td>Mitkä ovat yrityksen tärkeimmät sidosryhmät? (sisäiset ja ulkoiset)</td>
<td>R1</td>
</tr>
<tr>
<td></td>
<td>In general, how do these stakeholders influence your operations?</td>
<td>Miten paljon sidosryhmät yleisesti ottaen vaikuttavat yrityksen toimintaan?</td>
<td>R1</td>
</tr>
<tr>
<td><strong>Values and ethical aspects</strong></td>
<td>Describe what are your company values and how are they shown in company operations?</td>
<td>Kuvaile yrityksesi arvoja ja miten ne näkyvät yrityksen toiminnassa.</td>
<td>R2</td>
</tr>
<tr>
<td></td>
<td>How important it is for you that your stakeholders share the same values with your company?</td>
<td>Miten tärkeää tälle on, että sidosryhmänne jakavat yrityksen arvomailman?</td>
<td>R2</td>
</tr>
<tr>
<td></td>
<td>Please describe what kind of criteria your retailers/customers need to fulfill in terms of social responsibility and ethics, if any?</td>
<td>Onko teillä jotain sosiaaliseen vastuuseen ja eettisyteen liittyviä kriteerejä, joita jälleenmyyjänne/yhteisöasiakkaat täyttävät täyttää?</td>
<td>R2</td>
</tr>
<tr>
<td></td>
<td>Your company has had some value contradictions with your retailers/customers. Did this incident have any impact to your company operations? If yes, what kind?</td>
<td>Yrityksenne on kohdannut arvoristiriitoja jälleenmyyjänne/yhteisöasiakkaiden kanssa. Oliko tapauksella jotain vaiatuksia tai seurauksia yritystoimintaan? Joskyllä, niin milloisia?</td>
<td>R2</td>
</tr>
<tr>
<td></td>
<td>What kind of reactions this incident arouse among your stakeholders?</td>
<td>Milloisia reaktiota tämä tapaus herätti sidosryhmääsiinne?</td>
<td>R1</td>
</tr>
<tr>
<td></td>
<td>What is the most important thing that you learned from this case?</td>
<td>Mikä olisi tärkeintä, mitä piti ottaa tässä tapauksesta?</td>
<td>R2</td>
</tr>
<tr>
<td></td>
<td>How do ethics influence your company operations?</td>
<td>Miten eettisyys vaikuttaa yrityksen toimintaan?</td>
<td>R1+R2</td>
</tr>
<tr>
<td></td>
<td>What is role of top management in issues related to ethics and values in your company?</td>
<td>Mikä on yrityksen johdon rooli eettisyteen ja arvoihin liittyvisä kysymyksissä? Voisiko mainita esimerkkejä arkityöstä?</td>
<td>R1+R2</td>
</tr>
<tr>
<td><strong>Risk management</strong></td>
<td>How does your company manages risks related to social responsibility?</td>
<td>Miten yrityksenne hallinnoi sosiaaliseen vastuuseen liittyviä riskejä?</td>
<td>R1</td>
</tr>
<tr>
<td><strong>Communication/Information sharing</strong></td>
<td>What is the role of communication in social responsibility and values of your company?</td>
<td>Mikä on vestinnän rooli yrityksenne sosiaaliseen vastuuseen ja arvoihin liittyvisissä asioissa?</td>
<td>R1+R2</td>
</tr>
<tr>
<td></td>
<td>How do you share information related to social responsibility or values with your retailers/customers?</td>
<td>Mikä tavoin jaatte sosiaaliseen vastuuseen ja asioihin liittyvä tietoa jälleenmyyjänne/yhteisöasiakkaiden kanssa?</td>
<td>R1+R2</td>
</tr>
<tr>
<td><strong>Collaboration</strong></td>
<td>What forms of collaboration related to social responsibility do you practice with your retailers/customers?</td>
<td>Milloista yhteistyötä liittyen sosiaaliseen vastuuseen/vastuu lisäyteen teillä on jälleenmyyjien/yhteisöasiakkaiden kanssa?</td>
<td>R1</td>
</tr>
<tr>
<td><strong>Trust building</strong></td>
<td>What is the role of trust in your retailer/customer relationship?</td>
<td>Miten luottamus näkyy yhteistyösuihuisuudessa jälleenmyyjien/yhteisöasiakkaiden kanssa?</td>
<td>R1</td>
</tr>
<tr>
<td><strong>Ending</strong></td>
<td>This is all I had, what should I have asked you that I did not ask?</td>
<td>Siinä oli kaikki mitä halusin kysyä, tukeko sinulle vielä jotain mieleen, mikä jai sanomatta?</td>
<td>n/a</td>
</tr>
</tbody>
</table>