

# VALIDATING THE INFLUENCE OF STAKEHOLDERS AND SOURCES WHEN IMPLEMENTING BUSINESS SUSTAINABILITY PRACTICES

## Abstract

The objective of this paper is to validate or disprove the critical role of stakeholders and sources present in organisations, the relevant marketplace, business networks and society at large, in situations where organisations implement sustainable business practices. The empirical findings indicate major similarities and minor differences between organisations in Spain and Norway across two studies. In extension, the empirical findings appear to be valid and reliable through time and across contexts. Suggestion for further research is provided.

**Keywords:** sources, stakeholder, upstream, market, societal, business sustainability, networks, supply chain.

## 1 Introduction

Although environmental and social aspects relating to business sustainability are now being considered by some organisations, the primary driving motive for most organisations continues to be profitability. Despite this, many more organisations are taking a broader and more holistic approach that encapsulates proactive environmental and social practices.

In this regard, it has become critical for organisations engaging in sustainable practices to focus on the role of and engagement with stakeholders (Gupta, 1995; Post and Mikkola, 2012). Stakeholders are defined by Evans and Sawyer (2010) as those entities who support the organisation in creating wealth. Freeman (1984) defines stakeholders furthermore as any group or individual who is able to affect or is affected by the achievement of organisational objectives. Stakeholders influence the efficiency and effectiveness of corporate activities by inducing proactive sustainable practices and value-creating activities. It is important, therefore for organisations, to foster appropriate relationships with all stakeholders in order to guarantee organisations' long-term success (Boesso and Kumar, 2009).

In addition, stakeholders have a significant influence on management decisions and organisations need to take stakeholder interests into account. This ethical perspective implies that organisations act as custodians of the physical environment within which they operate, and that they are able to contribute to the welfare of society at large, over the long-term for the benefit of persons not yet born (Zsolnai, 2006). Organisations are often closely scrutinised by stakeholders with respect to business sustainability practices and as a consequence, these organisations adopt strategies that address particular stakeholder concerns. This state of affairs emphasises the need to strategically manage internal and external stakeholder relationships in order to interact with broader networks of upstream suppliers, downstream customers and end users so as to achieve improved sustainable business practices. In order to illustrate this notion, early supplier involvement may reduce new product development time, increase time to market or may lead to new processes. Similarly, organisations in a commanding position in the supply chain can improve the upstream development capabilities of suppliers (Walker and Phillips, 2009; Datta et al, 2012; Whitelock, 2012; Routroy and Pradhan; 2012).

Høgevold et al. (2015) assess the role of stakeholders and sources in organisations, the relevant marketplace, business networks and society at large, in situations where organisations implement sustainable business practices. This study is primarily based upon their work but in

a different country. Svensson (2013) argues that validating and disproving empirical findings in previous research is crucial in building valid and reliable theory over time and across contexts. If researchers do not engage in such activities, theory becomes fragmented and the credibility of research is undermined. The present study therefore contributes to assessing the validity and reliability of previous empirical findings across contexts, an activity that is rarely undertaken by researchers.

The objective of this study is therefore to validate or disprove the role of stakeholders and sources, present in organisations, the relevant marketplace, business networks and society at large, in situations where organisations implement sustainable business practices. For the purpose of the study, business sustainability is defined as an organisation's efforts to go beyond focusing only on profitability, but to also manage its environmental, social and broader economic impact on the marketplace and society as a whole.

## **2 A perspective of business sustainability practices**

In efforts to advance sustainable business practices, it is widely recognised that collaborative customer and supplier relationships facilitate the reduction of environmental impacts and also improve social welfare (Aich and Tripathy, 2014). However, the 2014 IPCC report states that organisations need to extend their involvement beyond such dyads to also include the wider supply chain and networks. This is quite a difficult endeavour considering the complexity of contemporary global supply chains that are often fragmented and that result in uncertainty and vulnerability, as organisations struggle to control multiple actors and complex relationship dynamics in supply chains and networks. This situation is furthermore compounded when organisations introduce sustainability objectives relating to environmental issues and social responsibility that require involvement and commitment of supply chain and network members in order to be effective (Pilbeam et al 2012).

Inter-firm collaboration between stakeholders often serve as a very effective approach for improving sustainable practices (Rasi et al 2014). According to Green et al (2012), collaborative activities involving suppliers or customers can affect management decisions relating to sustainable practices. Internal stakeholders include employees and senior managers who play an active role as their commitment forms the basis for the successful implementation of ISO 14001 (Rasi et al, 2014).

Sustainability conscious actors in the network may influence upstream and downstream stakeholders to adopt appropriate practices (Basheka and Serugo, 2011; Dubey et al, 2013; Carter and Jennings, 2004). These collaborations typically focuses on joint planning and problem solving and improved organisational responses to sustainability-conscious stakeholders. These responses are evident in considering ways to reduce the environmental impact of transportation (vehicle routing, scheduling and modal selection), procurement (supplier selection, packing choices), and production activities as well as the implementation improvements in internal processes, such as changing material flows and limiting resource use and waste, including reducing energy consumption, raw material usage and waste recycling. Such a proactive approach depends on the degree to which internal and external stakeholders are committed to adopting sustainable practices (Kirchoff et al 2011).

### *3.1 Stakeholder defined*

As stated earlier a stakeholder is considered by Freeman (1984) as any individual, organisation or institution associated with an organisation that is either affected by the organisation in some way, or affects the organisation's actions or goals. Organizational needs may take precedence over stakeholders such as suppliers and regulatory bodies (Kirchoff et al 2011). Sustainability-related business practices may be formulated and implemented, based upon responses to government regulations or expectations stakeholders. The link between an organisation's stakeholder management and sustainability strategies is strong for primary stakeholders, but typically weak when it comes to secondary stakeholders (Buyess and Verbeke, 2003, cited in Kirchoff et al 2011). This is due to the fact that primary stakeholder relationships may lead to value creation for the organisation and its stakeholders (Hillman and Keim 2001; Chiarini, 2011). Suppliers are examples of primary stakeholder, as they facilitate process and product-based change and they are considered to have the greatest impact on the environment and organisational performance (Rasi et al, 2014).

### *3.2 Stakeholder theory*

Stakeholder theory argues that business strategies should be formulated so as to include the needs of both internal and external stakeholders of the organisation concerned (Freeman, 1984). The principles of the stakeholder theory originate from ethical concerns, sociological aspects, the political environment and economic conditions organisations have to contend (Mainardes et al., 2011; Mainardes, Alves and Raposo, 2012). From this perspective, the stakeholder theory focuses on ethical management and it is a useful perspective to evaluate organisational decisions when adopting sustainable business practices. The stakeholder theory explains how management decisions are made and attempts to incorporate the legitimate interests of all relevant stakeholders (Kirchoff et al, 2011).

Stakeholder theory is furthermore useful as it enables organisations to differentiate between external and internal stakeholders with the objective of gaining insight into their impact on the organisation and on the operating environment, by taking into consideration their views and perspectives (Mitchell, Agle and Wood, 1997). As a result, stakeholder theory has been widely adopted. (Hutchinson, et al., 2013) Stakeholder theory has undergone significant changes linked to various facets within the operating environment of organisations (Mainardes et al., 2011). It is contended that stakeholders have different types of relationships with different organisations. (Mygind, 2009). Mygind (2009) also argue that such relationships offer several benefits to both stakeholder and organisation. Urgency, legitimacy and power have been identified as key factors that control relationships between stakeholders (Mitchell et al., 1997, Co and Barro, 2009). Urgency refers to a condition in which the stakeholder relationship is indispensable and influenced by the passage of time (Mitchell et al., 1997). Legitimacy refers to a situation in which stakeholders have inherent rights to interact with others in a particular manner (Mitchell et al., 1997). Power refers to a stakeholder's ability to impact on the goals, behaviour and direction of other stakeholders from a strategic perspective (Mitchell et al., 1997). Mitchell et al. (1997) furthermore acknowledge seven characteristics of stakeholders, based upon the three key factors highlighted above namely discretionary, dominant, dependent, dormant, demanding, definitive and dangerous.

### *3.3 Stakeholder categorisation*

It is furthermore possible to identify various external stakeholders commonly present in the marketplace, business networks and society, as well as those internal to the organisation. Gupta (1995) identifies customers, government, user organisations, technologists, industry

associations, financial markets, equipment suppliers, as well as employees and owners as potential stakeholders of the organisation.

Based upon stakeholder theory, stakeholders can be classified as either secondary or primary (Clarkson, 1995). Secondary stakeholders include those stakeholders with which the organisation does not have a formal relationship. Typical examples include government and communities (Clarkson, 1995). Primary stakeholders, on the other hand, involve those with which the organisation is involved on a formal or even contractual basis, with typical examples including suppliers, employees, clients and shareholders (Clarkson, 1995).

Another categorisation involves the proximity of stakeholders to the organisation (Dansky and Gamm, 2004). Boundary stakeholders interact with the organisation across borders, whereas external stakeholders operate outside the organisation, and internal stakeholders are, of course, within (Dansky and Gamm, 2004). Furthermore, Payne, Ballantyne and Christopher (2005) suggest six possible stakeholders. These stakeholders include the internal market, customer markets, recruitment markets, referral markets, influence markets and supplier markets. Irrespective of the categorisation, it is clear that an organisation has to deal with many diverse stakeholders in their business activities and that it must consider all of them in its sustainable business practices (Gupta, 1995).

### *3.4 Stakeholder impact*

In order to contribute meaningfully to business sustainability, the different stakeholders who are involved with the organisation, its marketplace, business networks and society at large should combine their efforts in implementing sustainable business practices (Walker and Laplume (2014). In doing so, the relationships established between stakeholders can make valuable contributions based upon the information they supply to the organisation and towards the integration of sustainable business practices (Ayuso, Rodríguez, García-Castro, Ariño, 2011; Lintukangas, Kähkönen and Tuppurä, 2014).

To the best of the authors' knowledge, so far there is no empirically tested construct of stakeholders' business sustainability, which considering a selection of organisations and their business networks. As stated previously, the research objective is therefore to validate or disprove the role of stakeholders and sources, present in organisations, the relevant marketplace, business networks and society at large, in situations where organisations implement sustainable business practices.

## **4 Methodology**

This study is the result of the compilation of the outcomes of a series of previous studies on business sustainability. (Dos Santos, Svensson and Padin, 2013; Høgevold and Svensson, 2012; Høgevold, Svensson, Wagner, Petzer, Klopper, Sosa Varela, Padin, and Ferro, 2014; Svensson et al. (2015), Svensson and Wagner, 2011, 2012b and 2015; Wagner and Svensson, 2014). In particular, it draws primarily on the study conducted by Høgevold et al. (2015).

### *4.2 Sample and context*

The international research team decided to collect data in Spain, since the country boasts an admirable environmental profile, with an Environmental Performance Index (EPI, 2014) ranking of seven out of a possible 178 countries.

Keeping in mind the aim was to target large Spanish companies, the criteria established by the Spanish Accounting Plan (2007) were used to define the population and construct the sampling frame for the study. The criteria allowed for the inclusion of this companies who have: (i) a total asset value of more than €2.85 million, (ii) a net annual turnover above €5.7 million, and (iii) an average number of employees that exceeds 100. The latest update of the financial database 'System Iberian Balance Analysis' (SABI) was used for this purpose. The database contains amongst others, economic and financial data for 2 million Spanish companies.

A total of 3 818 Spanish companies across industrial sectors met the criteria to be included in this study. However, 791 companies were eliminated because they were subsidiary companies of other companies already contained in the sampling frame. A systematic sampling technique was subsequently used where every tenth company contained in the sampling frame was selected, ultimately generating a sample of 303 companies out of a possible 3027 companies included in the sampling frame). These companies furthermore had to engage in business sustainability efforts and had a department or division focusing on CSR or sustainable development. As a result, 73 companies were excluded from the study since they did not have a department or division focusing on CSR or sustainable development based upon the information from the assessment of the companies during the last quarter of 2014.

Consequently, 231 companies were ultimately selected to take part in the study. A questionnaire accompanied by a letter of introduction, containing the contact details of the research team, was sent to the key informants. The key informants or targeted respondents were managers responsible for CSR departments or in charge of sustainable development at the companies selected.

Key informants were requested to participate in the study and an email reminders were subsequently sent or telephone calls were made to remind key informants to complete the questionnaire if they had not done so within one month of the initial request. This procedure was repeated two and three months after the initial request if the questionnaires had still not been returned.

A total of 98 questionnaires were returned, generating an initial response rate of 42.4%. Eleven key informants contacted the research team apologizing for not being able to collaborate with the investigation because of company policy preventing them to do so. Nine of the returned questionnaires were eliminated due to an unsatisfactory responses (poorly completed questionnaires). Ultimately, 89 usable questionnaires were returned generating a final response rate of 38.5%. The research team considered the achieved response rate satisfactory in comparison to previous studies targeting large Spanish companies.

Two screening questions, namely: (i) how knowledgeable the respondent was about his/her company's sustainable business practices, and (ii) how knowledgeable the respondent was about his/her company's sustainable business practices in the whole business network, were included in the study for the purposes of checking the competency of the respondent. This is in line with Campbell's (1955) recommendations that respondents used in a study need to be competent enough to answer questions relating to the subject matter under investigation. The findings indicated that 98.7% (mean = 4.69 and standard deviation = 0.59) of respondents had satisfactory knowledge of their company's sustainable business practices and that 92.0% (mean = 4.01 and standard deviation = 0.98) had satisfactory knowledge of their company's sustainable business practices in the entire business network. Univariate and multivariate

statistical techniques were used to analyse the data collected during the empirical phase of the study. The results are presented in the following section.

Respondents who took part in the study were made aware of the definition of business sustainability as defined for the purpose of this study in order to provide the appropriate context for those taking part in the study.

## 5 Empirical findings

The corporate characteristics of the sample are summarised in Table 1 and the table indicates that the nature of business of the Spanish organisations in this study transcends across industries and sectors of the economy. Consequently, the sample represents a broad spectrum of Spanish organisations. The profile of studied companies correspond to a total of annual operating revenues (in 2014) of 1,057,826.865.000 euros , the maximum value of 15,116 000 000 euros in annual revenues, and the one with the minimum value declares 2,523.000 euros. The average number of employees in the studied companies was 5,631.

Nature of Business	Count
Accommodation, Cafe or Restaurant	2
Agriculture, Forest or Fishing	4
Communication Services	8
Construction	8
Electricity, Gas or Water	8
Finance and/or Insurance	6
Govt Admin or Defence	1
Health & Community Services	7
Mining	2
Manufacturing	18
Personal and Other Services	10
Retail Trade	2
Transport and Storage	3
Wholesale Trade	6
Other	4
<b>Total:</b>	<b>89</b>

Table 1: Sample Characteristics – Nature of Business, Turnover and Number of Employees.

The studied organisations were asked to indicate the extent to which they perceive they have implemented sustainable business practices within the organisations and their business networks. This information assisted the researchers in understanding the extent to which the organisations have a myopic or holistic perspective of their business sustainability efforts in both the marketplace and society as a whole.

Dimension	Item	N	Mean	Std. Deviation	1-2 (%)	3 (%)	4-5 (%)
To what extent sustainable business practices implemented...	...within the organisation.	89	4,12	0,99	7,8	24,7	55,1
	...in the organisation's business network.	86	3,22	1,13	24,4	31,4	44,2

Table 2: Implementation of Sustainable Business Practices.

As shown in Table 2, more than half of the studied organisations perceive that they have implemented sustainable business practices within the organisation to a large extent, while less than 8% responded having done so to a minor extent. However, almost half perceive that they have implemented sustainable business practices within the organisation's business network to a large extent, while a quarter responded to a minor extent.

The implementation of sustainable business practices in the marketplace and society in term of Spanish organisations' efforts are not limited only to their own organisation. The findings show that 44% have implemented sustainable business practices to a large degree in their business network, while 24% did so to a minor extent.

Compared to the findings by Høgevoid et al. (2015) with respect to Norwegian companies, where 68% have implemented sustainable business practices to a large extent within their own organisations, and 28% in the organisations' business networks, the present study in corporate Spain show a more equal focus on the efforts within and outside their own organisations.

As highlighted earlier, the focus of the present study has been on the sources and stakeholders that organisations take into account when implementing sustainable business practices in their business networks. The results are displayed in Table 3.

The two-dimensional framework resources and activities (and related items) presented in Table 3 are based on Høgevoid et al.'s (2015) and are related to what organisations may consider in their sustainable business practices.

The univariate statistics of both the items of resources and activities indicate variability. Table 3 shows high scores (4-5) in 'bold' font, low scores (1-2) in italics and intermediate scores (3) in 'normal' font.

SOURCES								
Dimension	N	Mean	Standard Deviation	1-2 (%)	3 (%)	4-5 (%)	Don't Know	No Response
<b>Resources</b>								
a) ...raw material usage	76	3,78	1,38	19,4	15,3	<b>65,3</b>	4	13
b) ...energy consumption	77	4,32	0,98	7,9	9,2	<b>82,9</b>	1	12
<b>Activities</b>								
c) ...transport	75	3,68	1,14	16,4	23,3	<b>60,3</b>	2	14
d) ...storage	74	3,09	1,25	30,3	31,8	<b>37,9</b>	8	15
e) ...procurement (inbound flows)	75	3,97	0,95	5,7	24,3	<b>70,0</b>	5	14
f) ...production (in-house operations)	72	3,85	1,17	13,6	21,2	<b>65,2</b>	6	17
g) ...assembly (in-house operations)	72	3,34	1,39	25,4	27,1	<b>47,5</b>	13	17
h) ...distribution (outbound flows)	72	3,30	1,21	23,8	27,0	<b>49,2</b>	9	17
i) ...reverse logistics (return flows)	72	3,05	1,28	33,9	25,4	<b>40,7</b>	13	17

Table 3: Descriptive Statistics – Sources

The empirical findings for sources reported in Table 3 argue that both energy consumption and raw material are considered to a large extent in sustainable business practice efforts. These results are congruent with the Norwegian study presented by Høgevoid et al. (2015).

The different activities reported in Table 3 show that procurement, transport and production all are also considered to a large extent (60-70%) by Spanish organisations in the implementation of sustainable business practices, while storage, assembly, distribution and reverse logistics are

considered to a lesser extent (i.e. 38-49%). Consistent with the Norwegian study it seems that the resources and activities that are more concrete, manageable and measurable are more likely to be taken into consideration when implementing sustainable business practices, than more diffuse and more uncontrollable and provide a probably smaller footprint (e.g. storage). In-house and upstream activities, that are easier to influence, seem more likely be taken into consideration than downstream activities when organisations implement sustainable business practices in their business networks.

The five-dimensional framework displayed in Table 4 is based upon Svensson et al. (2015) and the empirical findings in the current study are compared to the study by Høgevoid et al. (2015). It displays to what extent the organisations' sustainable business practice efforts consider different stakeholders. The framework examines the focal company, upstream-, downstream-, and market stakeholders. Table 4 shows high scores (4-5) in bold, low scores (1-2) in italics and intermediate scores (3) in normal font.

STAKEHOLDERS								
Dimension	N	Mean	Standard Deviation	1-2 (%)	3 (%)	4-5 (%)	Don't Know	No Response
<b>Upstream Stakeholders</b>								
a) ...raw material producers	74	3,29	1,48	29,4	17,6	<i>53,0</i>	6	15
b) ...manufacturers	71	3,06	1,46	37,1	16,1	<i>46,8</i>	9	18
c) ...suppliers	75	4,05	1,09	10,7	8,0	<b>81,3</b>	1	14
d) ...suppliers' suppliers	72	2,97	1,21	40,3	22,2	<i>37,5</i>	3	17
<b>The Focal Company</b>								
e) ... own organization	75	4,57	0,62	1,3	2,7	<b>96,0</b>	0	14
f) ...top leadership/management	76	4,54	0,72	1,3	5,3	<b>93,4</b>	0	13
g) ... executive board	75	4,45	0,76	1,3	8,0	<b>90,7</b>	0	14
h) ...chief executive officer (CEO)	76	4,48	0,83	2,6	9,2	<b>88,2</b>	1	13
i) ...managers	76	4,37	0,72	1,3	9,2	<b>89,5</b>	3	13
j) ...other staff	76	4,19	0,78	1,3	17,1	<b>81,6</b>	3	13
<b>Downstream Stakeholders</b>								
k) ...wholesalers	71	2,95	1,21	29,6	53,5	<i>16,9</i>	13	18
l) ...retailers	70	2,86	1,25	30,0	54,3	<i>15,7</i>	13	19
m) ...sales outlets	72	3,14	1,38	29,2	47,2	<i>23,6</i>	13	17
n) ...intermediaries (e.g. 3PL/third party logistics)	72	3,20	1,22	23,6	44,4	<i>32,0</i>	12	17
<b>Market Stakeholders</b>								
o) ...customers	76	4,36	0,79	2,6	10,5	<b>86,9</b>	3	13
p) ...end users (e.g. consumers)	74	3,89	1,33	14,9	10,8	<b>74,3</b>	4	15
q) ...the marketplace	72	4,18	0,95	4,2	9,7	<b>86,1</b>	4	17
r) ...the surrounding society	75	4,41	0,74	1,3	10,7	<b>88,0</b>	1	14
<b>Societal Stakeholders</b>								
s) ...government (e.g. political initiatives)	72	3,97	1,07	11,1	13,9	<b>75,0</b>	3	17
t) ...laws (e.g. regulations)	75	4,32	0,91	5,3	13,3	<b>81,4</b>	2	14
u) ...activist groups (e.g. Greenpeace)	72	3,36	1,26	22,2	44,4	<i>33,4</i>	5	17
v) ...interest groups (e.g. industry associations)	75	4,00	1,00	9,3	12,0	<b>78,7</b>	2	14
w) ...general public	74	4,05	0,98	8,1	24,3	<b>67,6</b>	0	15

Table 4: Descriptive Statistics - Stakeholders.

The 'focal company' items are consistently rated very high in terms to what extent corporate efforts are taken into account when implementing sustainable business practices. The own organization, top leadership/management and executive board are all items with a score 91-96%. Slightly less important are managers, chief executive officer and other staff (81-89%) in

the implementation of sustainable business practices. These results are consistent with the findings in Høgevoid et al. (2015) in the Norwegian study.

The empirical findings in Table 4 indicate a difference between direct and indirect relationships with upstream stakeholder are considered. Consistent with the Norwegian study relationships closer to the focal company are to a larger taken into consideration. For example, 81% consider suppliers to a large extent in the organisations efforts in implementing sustainable business practices, while only 38% consider the suppliers of suppliers.

Items reported for ‘downstream stakeholders’ in Table 4 appear to be consistently low in terms of the extent that wholesalers, retailers, sales outlets and intermediaries (16-32%) are taken into consideration in organisational efforts of sustainable business practices.

Interestingly, Table 4 show a high frequency of ‘Don’t Know’-responses among downstream stakeholders. These findings may indicate that downstream stakeholders are regarded to be beyond control of the focal company and are given less attention in the organisations’ efforts to implement sustainable business operations.

The items for the dimension ‘market stakeholders’ all appear to be consistently high in terms of the extent customers, end users, the marketplace and the surrounding society (74-88%) are taken into consideration in companies’ efforts of implementing sustainable business practices.

The findings of the ‘societal stakeholders’ items reported in Table 4 seems to be mixed. Laws, government, general public, interest groups and general public (68-81%) are taken into consideration to a large extent. On the other hand, 33 % take activist groups into account to a high degree in the organisations’ sustainable business practice efforts.

## 5.1 Comparison between Spanish and Norwegian Studies

<b>SOURCES</b>			
<b>Dimension</b>	<b>4-5 (%)</b>		<b>Difference</b>
	<b>Spain</b>	<b>Norway</b>	
<b>Resources</b>			
a) ...raw material usage	<b>65,3</b>	<b>65.1</b>	0.2
b) ...energy consumption	<b>82,9</b>	<b>83.4</b>	-0.5
<b>Activities</b>			
c) ...transport	<b>60,3</b>	<b>70.5</b>	10.2
d) ...storage	37,9	46.6	-8.7
e) ...procurement (inbound flows)	<b>70,0</b>	<b>65.0</b>	5.0
f) ...production (in-house operations)	<b>65,2</b>	<b>73.7</b>	-8.5
g) ...assembly (in-house operations)	47,5	53.9	-6.4
h) ...distribution (outbound flows)	49,2	58.2	-9.0
i) ...reverse logistics (return flows)	40,7	37.5	3.2

Table 5: Sources – Comparison between Spanish and Norwegian studies (Høgevoid et al., 2015).

Table 5 shows a comparison between the Norwegian and Spanish studies with respect to the extent to which the source dimensions and items are important in the implementation of organisations’ sustainable business practices. Table 5 indicate a high similarity between the organisations in the two countries.

In both studies, raw material usage and energy consumption of the dimension ‘Resources’ are regarded as important in the implementation of sustainable business practices. Transport, procurement and production The items of ‘Activities’ seen as important are, whereas the assembly, storage and reversed logistics are regarded as less important. Likewise, the items seem to realise mixed results in the two countries for the item of distribution.

<b>STAKEHOLDERS</b>			
<b>Dimension</b>	<b>4-5 (%)</b>		<b>Difference</b>
	<b>Spain</b>	<b>Norway</b>	
<b>Upstream Stakeholders</b>			
a) ...raw material producers	53,0	44,6	8,4
b) ...manufacturers	46,8	<b>63,6</b>	-16,8
c) ...suppliers	<b>81,3</b>	<b>73,4</b>	7,9
d) ...suppliers’ suppliers	37,5	32,0	5,5
<b>The Focal Company</b>			
e) ... own organization	<b>96,0</b>	<b>88,7</b>	7,3
f) ...top leadership/management	<b>93,4</b>	<b>86,0</b>	7,4
g) ... executive board	<b>90,7</b>	<b>70,5</b>	20,2
h) ...chief executive officer (CEO)	<b>88,2</b>	<b>84,8</b>	3,4
i) ...managers	<b>89,5</b>	<b>81,3</b>	8,2
j) ...other staff	<b>81,6</b>	<b>65,4</b>	16,2
<b>Downstream Stakeholders</b>			
k) ...wholesalers	16,9	38,4	-21,5
l) ...retailers	15,7	36,4	-20,7
m) ...sales outlets	23,6	34,1	-10,5
n) ...intermediaries (e.g. 3PL/third party logistics)	32,0	34,6	-2,6
<b>Market Stakeholders</b>			
o) ...customers	<b>86,9</b>	<b>68,3</b>	18,6
p) ...end users (e.g. consumers)	<b>74,3</b>	<b>67,0</b>	7,3
q) ...the marketplace	<b>86,1</b>	<b>68,6</b>	17,5
r) ...the surrounding society	<b>88,0</b>	<b>66,3</b>	21,7
<b>Societal Stakeholders</b>			
s) ...government (e.g. political initiatives)	<b>75,0</b>	<b>69,6</b>	5,4
t) ...laws (e.g. regulations)	<b>81,4</b>	<b>79,1</b>	2,3
u) ...activist groups (e.g. Greenpeace)	33,4	36,0	-2,6
v) ...interest groups (e.g. industry associations)	<b>78,7</b>	56,3	22,4
w) ...general public	<b>67,6</b>	<b>62,2</b>	5,4

Table 6: Stakeholders – Comparison between Spanish and Norwegian studies (Høgevoid et al., 2015).

Table 6 shows a comparison between the Norwegian and Spanish studies with respect to the extent to which the stakeholder dimensions and items are important in the implementation of organisations’ sustainable business practices. The results presented in Table 6 reveal a large degree of similarity between the organisations in the two countries.

In both studies all the items for the dimensions ‘The focal company’ and ‘Marked stakeholders’ are regarded as important in the implementation of sustainable business practices, whereas all items for the dimension ‘Downstream stakeholders’ are regarded as less important. Likewise, the items seem to realise mixed results in the two countries for the dimensions ‘Upstream stakeholders’ and ‘Societal stakeholders’. In both countries for example, raw material, supplier’ supplier and activist groups are regarded less important, and supplies, laws and general public are all regarded as important in sustainable business operation.

## 6 Implications

The current study offers important implications with respect to time and across contexts in its objective to validate or disprove the role of stakeholders and sources, present in situations where organisations implement sustainable business practices. Høgevold et al. (2015) assess the role of stakeholders and sources in organisations, the relevant marketplace, business networks and society at large, in situations where organisations implement sustainable business practices within a Norwegian context while the current study was based upon their work within a Spanish context.

With respect to this particular study, the fact that Spain boasts an admirable environmental profile is reflected in the results of the study. More than half of the studied organisations indicated that they have implemented sustainable business practices within the organisation to a large extent and almost half of the organisations are implementing sustainable business practices within the organisation's business networks to a large extent and nearly a quarter to a minor extent.

Overall, the studied organisations take the focal company, market and societal stakeholders into account, to a larger extent, when implementing sustainable business practices. Downstream as well as indirect upstream stakeholders are considered to a lesser extent when these studied Spanish organisations implement sustainable business practices within the organisation's business networks.

Consistent with the Norwegian study it seems that the resources and activities that are more concrete, manageable and measurable are more likely to be taken into consideration when implementing sustainable business practices, than more diffuse and more uncontrollable and provide a probably smaller footprint (e.g. storage).

In-house and upstream activities, that are easier to influence, seem more likely to be taken into consideration than downstream activities when organisations implement sustainable business practices in their business networks.

Svensson (2013) argues that processes of substantiation and contributions to research ought to be cumulative, rather than fragmented, in order to prevent theory building from becoming static and irrelevant. The process of theory building should ideally be continuous and iterative through time, interconnecting the original study, its replication and validation. True substantiation and solid contributions to theory can only be achieved when the initial substantiation and contribution of an original study have been successfully replicated and validated through time and across contexts.

It is evident from Table 5 that there are major similarities and minor difference between Spanish and Norwegian organisations regarding the influence of various stakeholders and sources on their implementation of sustainable business practices. It appears that the considerations are quite similar in corporate Spain and Norway.

The study offers practitioners insight of how to relate their efforts in implementing sustainable business practices in other markets and societies. The current study also provides insights into how other organisations in different countries consider the importance of different stakeholders and sources.

## 7 Conclusions and suggestions for further research

A contribution of the current study is the empirical findings regarding the influence of stakeholders and sources on the implementation of sustainable business practices in Spanish organisations. Another contribution is the validation of empirical findings in a previous study by Høgevold et al. (2015).

The findings in the present study regarding the influence of stakeholders and sources on the implementation of sustainable business practices in Spanish organisations validate the findings by Høgevold et al. (2015) in Norwegian organisations. It appears that the original findings are valid and reliable across time and contexts, which is an important foundation to knowledge creation and theory.

Evidently, the current study has limitations being restricted to Spanish organisations and in comparison to another study based on Norwegian organisations. Though the findings indicate validity and reliability through time and across context, it offers possibilities for further research. For example, a valuable contribution would be to validate or disprove the empirical findings in a non-European and Western context, such as Africa or Asia.

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