Managing Change towards Corporate Sustainability
A case study of Finnish SMEs

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Subject: Master thesis Business Administration
Program: Sustainable Management
Semester: Spring 2014
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Abstract
Sustainability and corporate responsibility appears to be spoken topics in the business world. Due to this, companies may have to reconsider the way they operate their business. The previous studies within this field are mostly done for large companies and leave SMEs with limited focus. Therefore, this study investigates how SMEs manage their change towards corporate sustainability. The literature used in this study includes theory about change management in general, change management process towards corporate sustainability, and SMEs’ special characters. Based on the knowledge of the existing literature four case companies were investigated and analysed. These chosen SMEs have moved through a successful change process towards sustainable business. The findings revealed that an external pressure such as image, is often the reason for the change. However, when planning and implementing the change, SMEs usually lack knowledge and expertise about sustainability, which hampers the change process. Commitment from employees and especially the management is vital for the change to succeed. Moreover it is crucial that company culture changes in order to complete the change process. Additionally, continuing to evolve is important in order to maintain the change process, and avoid the risk of taking steps back.

Keywords
Organisation, SME, Change Management, Corporate Sustainability
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1 Introduction

1.1 Background

Earth’s limited resources have forced businesses to search for ways to apply concepts of sustainability into their operations, product design, and supply chains (Sloan, Klingenberg & Rider, 2013). Rushton (2002) claims that in order to survive, companies have to apply sustainability into their corporate strategies. Several surveys show that there is mistrust towards companies and their leaders, and that companies do not show enough attention to their social responsibilities (Rushton).

There is evidence for the need of change towards more corporate sustainability. However, sustainability is a complex term, which has many definitions, and it needs to be defined better in order to understand the context more thoroughly. Demartini, Kraus and Schulz (2011) claim that sustainability is the ability to maintain a certain state or process in a broad sense. Moreover, it is most commonly used in connection with biological systems, and human organisational concepts such as sustainable cities, eco-municipalities, sustainable architecture, and renewable energy (Demartini et al., 2011). Due to increasing internationalisation and industrialisation, sustainability as a concept, has become the product of a long-term socio-political discussion in the development, growth and environment (Demartini et al., 2011).

So-called “Brundtland Report” by the United Nations made the term “sustainable development” popular in 1987 (Demartini et al., 2011). According to Brundtland (1987: 16): “Humanity has the ability to make development sustainable to ensure that it meets the needs of the present without compromising the ability of future generations to meet their own needs.” Demartini et al. (2011) argue that enterprises play a crucial role in the implementation of sustainable development. According to them, from an entrepreneurial point of view, corporate sustainability can be defined as “the holistic understanding of business success as the simultaneous performance of economical, ecological and societal implying the connection of economic efficiency with ecologic production and social responsibility.” This kind of integration of economic, social and environmental aspects is called “Triple Bottom Line” (Demartini et al.).

Not only the term sustainability, but also the corporate social responsibility (CSR) concept is commonly used in business relations. Demartini et al. (2011) argue that there does not exist a
commonly accepted definition of CSR, but the concept has referred to the integration of environmental and social concerns in a company’s business strategy, and their chosen interaction with their stakeholders. The main difference between CSR and corporate sustainability is the perspective they are investigated from. CSR only focuses on the voluntary contribution of companies to meet societal and environmental expectations beyond legal compliance, whereas corporate sustainability focuses on the idea for a company to be sustainable in a long-term perspective (Demartini et al.). In other words, it has to be economically secure, minimize its environmental impacts, and must act in line with societal expectations in order to endorse sustainable development (Demartini et al.).

1.2 Problem Discussion
In order to move towards more comprehended corporate sustainability, businesses have to manage change. Beer and Nohria (2000) claim there is a great deal of empirical evidence of the fact that any type of transformative change is extremely hard to achieve. In addition, Kotter (1995) states how businesses tend to underestimate the enormity of the task. In order to achieve the change, there are several frameworks to guide businesses through it. One of them is Kotter’s Eight-State Process Model for change management, which discusses the difficulties most organisations face during change and the reasons why it fails. Another model is Three-Stage Wave Model by Dunphy, Griffiths and Benn (2003), which describes the way companies move from opposition and ignorance to a stage of transformation. There is also a little research done of change management towards sustainability. For example, Lueneburger and Goleman (2010) claim that sustainability initiatives develop through three separate phases: the purpose of the first phase is to create sustainability vision; in the second phase the vision will be translated to action, and in the third phase the organisation estimates future needs. Moreover, Doppelt (2003) has created the “Seven Blunders of Sustainability” as guidance for organisations.

A large part of change management research done is based on large companies, and leaves small and medium-sized enterprises (SMEs) with limited focus (Ates & Butitci, 2011). According to Sloan et al. (2013), there exists only a beginning of a body literature that discusses the special problems of a change process in SMEs in general and the specific topic of changing SMEs into sustainable organisations. However, Tonge (2001) has a different perspective on the discussion; he claims that processes and frameworks developed for large organisations, are also applicable and relevant to SMEs. Still, there is more evidence on Demartini et al. (2011), which have done a wide literature research on sustainable
management of SMEs. According to them, there is no evidence that sustainability strategies being used by the large companies could be used for SMEs. Due to the large number of SMEs there exists a great demand for research needed. According to European Commission (2013), 99.8% of all enterprises are small and medium size in The European Union. Sloan et al. (2013) state how due to the large amount of SMEs, evidence-driven theories, which are applicable for SMEs to help them in the transition into corporate sustainability are truly needed.

Like large companies, also SMEs are forced to start long-term thinking (Demartini et al., 2011). Demartini et al. state that SMEs must plan out new strategies due to their customers’ growing demands for commitments and high competition. According to Lawrence, Collins and Pavlovich (2006), many SMEs show weaknesses especially in their strategic behaviour, and seldom act in any strategic way and only in short-term practice oriented manner. Demartini et al. (2011) state that although sustainable management has not been extensively attended by SMEs, it displays a loophole in the situation described above. The term means the ability of a business to concurrently meet environmental, social and economic requirement in the long run (Demartini et al., 2011). According to Lane and Carrington (2002) the awareness that business success is subject to ecological, social and economical result is the background of sustainable management. Due to this, it has to meet the challenge of letting the three targets to be equally dealt with (Demartini et al., 2011).

1.3 Problem Formulation

Around 70 per cent of all change programmes started to fail due to lack of a valid framework (Todnem By, 2005). As mentioned above, most sustainability strategies serve only large enterprises, and there is no evidence that those could be used for SMEs. According to Demartini et al. (2011), SMEs’ strengths and weaknesses in sustainable management emerge from their special features. For example, patterns of thought might change slower and in more selective ways, but SMEs tend to be more flexible and capable of innovations in the change process than their larger companions (Demartini et al.). Sloan et al. (2013) claim that in order to understand the move towards corporate sustainability in SMEs, it is crucial to understand the drivers that force the change from current business practices towards sustainable business practices, and the process the SME engages implementing those changes.

Several researchers (Sloan et al., 2013; Demartini et al., 2011; Ates & Butitci, 2011 & Lee, 2009) claim that there is a lack of research done for sustainable change management for
SMEs. In order to fill up this gap, Sloan et al. (2013) suggest investigating small and medium-sized enterprises with respect to their understanding of sustainability, motivations for making the change towards corporate sustainability, and operational and strategic processes used in the change. Therefore, this study states a question:

- Why and how do SMEs implement a change towards corporate sustainability?

In order to answer the main question, the following objectives were added:

1. To discover the main motives for implementing the change towards corporate sustainability.
2. To discover the main hampering factors and success factors for SMEs managing the change towards corporate sustainability.
3. To understand how the change towards corporate sustainability affects SMEs.

1.4 Aim

This case study of Finnish SMEs aims to explain the motives and reasons behind a change process towards corporate sustainability, and the ways the SME managers manage the change. This is done by identifying the main motives, main hampering and success factors, and by understanding how the change towards corporate sustainability affects SMEs. In addition, our findings aim to contribute to the field of study, which seems to have lack of research.
2 Methodology

2.1 Research Philosophy and Research Approach
This study investigated four companies’ change management towards sustainability with the focus on finding factors that should be considered during the change process. We believe that the change in every company has its own individual characteristics. However, we assumed how some similarities could be found as well. Therefore, we as researchers must keep in mind that every company has their own social actors, and their own view of the world that influences how they operate and deal with difficulties. Saunders, Lewis and Thornhill (2012) argue that this kind of view is called interpretivism. Moreover, it is related to subjectivism, where individuals have their own understanding of the subjective reality.

Our purpose was to create new theory by incorporating existing theory with collected data from the empirical studies. We observed for patterns between the theory and our data, moreover, we tried to achieve a more comprehensive view of sustainable change management through the collected data. According to Saunders et al. (2012), this is called an abductive approach. An abductive approach allows the researcher to move back and forth between theory and data, which combines the deductive and inductive approach (Saunders et al., 2012).

Saunders et al. (2012) claim that the most often used data collecting technique, when applying interpretivist philosophy, is qualitative study with a small sample and in-depth investigations. In line with Saunders et al., our study has a qualitative approach with small sample group. With this approach, we sought to achieve deeper understanding of the sustainable change management of each case company.

2.2 Research Design
This study aims to understand how SMEs manage change towards corporate sustainability. In order to gain that understanding four different cases were investigated. According to Saunders et al. (2012), a case study strategy is relevant when the researcher pursues a deeper knowledge of the research context, which is adaptable to a qualitative approach. All case companies were Finnish SMEs that went through successful strategic change towards more sustainable and responsible business. These case companies were part of a study about strategic responsibility made by Sitra, the Finnish Innovation Fund. The purpose of the Sitra study was to investigate what kind of competitive advantage Finnish SMEs achieve by implementing corporate
sustainability into their strategies (Sitra, 2013). The twenty companies included in the study were chosen because they all had an innovative way of implementing sustainable responsibility into their businesses (Sitra). According to the study, six of the twenty case companies had gone through a strategic change into more sustainable and responsible business. Therefore, we picked these six companies for our case study, but only four of them agreed to give an interview. The choice to only investigate Finnish companies was made since they were more approachable due to common language and culture.

2.3 Data Collection

Primary Data

The primary data was collected in four interviews with respondents from the chosen companies. In order to achieve comprehensive understanding of each change process the interviewees were carefully chosen; two of them were CEOs of the company and two of them were persons responsible for the change process. Three of the interviews were semi-structured interviews conducted by phone. The interviews were done by phone because there was no time or finances available to meet with the case companies in person. However, all phone interviews were scheduled beforehand, and the respondents were informed about the interview content. Every interview made by phone was scheduled to last an hour, which allowed complete investigation of each case process. A semi-structured interview is, according to Saunders et al., an interview where the researcher has a list of themes and open questions that are covered, moreover it allows the researcher to add follow-up questions and discussions if needed and that way go more into depth with the cases. Besides the interview questions, we allowed follow-up questions to happen to achieve more complete view, and to comprehend every company as an individual. In addition, Saunders et al. (2012) claim that semi-structured interviews are often linked with qualitative studies and the data collected from the interviews is used to understand the ‘what’, ‘how’ and especially the ‘why’. This is relevant to our study because the purpose of it was to understand how SMEs manage change towards corporate sustainability.

One of the interviews was done by email since the respondent did not agree with a phone interview. This interview was structured interview, and it included same questions as used in the phone interviews. The structured interview was done after two phone interviews in order to ensure that all possible questions and follow-up questions were included. Also, the respondent was instructed precisely with several phone calls how to give an answer to the questions. All questions were formulated in a manner that the given answers would provide a
relevant answer to the research question. The study questions were based on previous frameworks and theory, and they can be found in Appendix 1.

Secondary Data

Besides primary data, a great deal of secondary data was used in order to understand the change process of SMEs. According to Saunders et al. (2012), secondary data is existing data that has been already collected for some other purpose. A great deal of secondary data about the case companies’ change processes was gathered in order to gain strong precondition for the interviews, and thereby achieve deeper understanding of the change processes. This secondary data was collected mainly from the Sitra study that described every case company’s change process. Moreover, annual reports and company webpages were used to support the primary data.

Two Australian studies made by Wiesner and Poole (2009) and Wiesner, Chadee and Best (2010) were used to support the primary data. This was done in order to strengthen the reliability of the primary data. Wiesner and Poole’s (2009) and Wiesner’s et al. (2010) studies were chosen because their findings compensated the possible gaps of our case study. Moreover, according to Sloan et al. (2013), these studies are the only research thus far done about managing sustainability in SMEs. The first study conducted by Wiesner and Poole (2009) investigates organisational change in SMEs with a special focus on employee participation. The data was collected from a state-wide survey of 340 SME managers in Queensland (Wiesner & Poole, 2009). The second study done by Wiesner et al. (2010) investigates the critical pre-implementation elements of an SME change process towards environmental sustainability. The study was done through twelve qualitative in-depth interviews of Australian SMEs (Wiesner et al. 2010). The findings from these studies were used to compare with our own findings and in most cases the findings supported each other and thus the secondary data gave more reliability to our own empirical data. The data from the studies is presented in two different tables, these tables present summaries of the results from both studies, the results are formed as they were presented in the original studies.

Literature

The literature used in the study includes theory about change management separating the management of large enterprises from SMEs, and change management towards corporate sustainability. The theory introduces three models of how an organisation moves through a change. Kotter’s (1995) Eight Stage Process of Creating Major Change is a classic model for
change management, which includes eight steps guiding an organisation through a transformative change. The two following models serve specifically organisations that are transforming towards more sustainable business. Lueneburger & Goleman’s (2010) three phases of a sustainability initiative focuses on particular actions and initiatives, whereas Dunphy’s (2003) Sustainable Phase Model process the phases and stages an organisation goes through during the change. In addition, the theory introduces seven sustainability blunders by Doppelt (2003).

The purpose of the theory was to achieve an understanding of the requirements of transformative change in general and towards corporate sustainability, and discuss the differences between SMEs and large enterprises when managing change. Therefore, the literature review also includes SMEs’ special features; Lee (2009) lists four key factors that may cause difficulties for SMEs when applying the change, whereas Demartini et al. (2011) introduces SME strengths. Demartini et al. have done an extensive research on sustainable management of SMEs (Sloan et al., 2013), and due to this they are extensively referred to when discussing the topic.

2.4 Empirical Data and Analysis

We began the empirical part by transcribing the four interviews and presenting the collected data in eight categories. The different categories were identified on the basis of the interview answers of the case companies and each category presented a part of a change process. These categories are: precondition for the change, motive for the change, change goal and execution, involvement and responsibility, communication, SME strengths and weaknesses, hampering factors, and benefits and development. Also, the secondary data used in the study is presented after the eight categories of primary data. According to Saunders et al. (2012), this process provides a new structure for the data, which is relevant to the research project to organise, and analyse the data further. In addition, by categorising the data, we sought to find key themes and patterns between the case companies. Each category includes every case company’s answer related to the category topic, and a summary that concludes common themes that rose up from the data.

The categories were further developed and renamed to serve the analysis better. The amount of the categories was reduced in order to emphasise the most important parts of the processes: prior to the change, change execution, SME strengths and weaknesses, and benefits and development. Thereafter, the data was compared to the theory and analysed. Saunders et al.
(2012) describe this kind of approach template analysis. According to them, a template is a list of categories that represent the themes appeared from the data collected. Template analysis combines an inductive and a deductive approach to qualitative analysis, which means that the categories can be predetermined and thereafter changed or added to as the data is analysed (Saunders et al.). In line with Saunders et al. our categories developed during the analysis process as we moved back and forth between the data and the theory.

2.5 Limitations
We are aware that this study has some limitations; the main limitation is the sample size, consisting of four case companies. However, we compensated the small sample size by using secondary data in order to strengthen our own findings. The companies used for this study were from different business sectors, and therefore it may be difficult to generalise our findings for a specific sector. Due to the fact that the case companies were situated in a different country and a lack of resources and time, a face-to-face interview was not possible. The interviews were instead done by phone and e-mail and it is possible that some data may have been overlooked because of this fact. However, the companies were informed beforehand about the content of the interviews in order for them to be able to prepare in the best way possible so that the interviews could yield as much information as possible.
3 Literature review

3.1 Change Management

“Change management is the process of continually renewing an organization's direction, structure, and capabilities to serve the ever-changing needs of external and internal customers.” (Moran & Brightman, 2001: 111)

Moreover, Moran and Brightman (2001) claim that managing change is about managing the impact of a specific organisational and/or environmental change, and doing it successfully is more important today due to the rate of change, which is larger than ever before. Also Todnem By (2005) argues that successful management of change is essential for organisations in order to survive in today’s highly competitive and constantly developing environment. As mentioned before, transformative change is very hard to achieve (Beer and Nohria, 2000), and the risk of failing the change is greater than ever before (Moran & Brightman, 2001). In fact, the failure rate is around 70 per cent of all change programmes started, and it is argued that this is due to lack of a valid framework guiding the implementation and management of change in an organisation (Todnem By, 2005).

An example of such models is Kotter’s Eight Stage Process of Creating Major Change (Kotter, 1995). The model has eight steps an organisation must understand and go through in order to achieve a successful change. The eight steps are:

1. Establishing a sense of urgency
2. Creating the guiding coalition
3. Developing a vision and strategy
4. Communicating the change vision
5. Empowering broad-based action
6. Generating short-term wins
7. Consolidating change and producing more change
8. Anchoring new approaches in the culture

(Kotter, 1995)

The first step, establishing a sense of urgency, is essential for gaining needed cooperation. Kotter (1995) states that in order to achieve a remarkable change, in an organisation with 100 employees, at least one fourth of them have to support the change. High level of urgency is
needed in order to form a group with enough power and authority to guide the effort or to convince key employees to create and communicate a change vision. If not enough people will not feel the sense of urgency, the momentum for the change will probably fail sooner or later. The second step is creating the guiding coalition, which is highly related to the first step. Kotter emphasises that each major change needs a strong guiding team, which has right composition, shared objective, and level of trust. The purpose of the coalition is to lead the organisation through all the stages of the change. (Kotter, 1995)

The third step is developing a vision and strategy. According to Kotter (1995: 68), “Vision refers to a picture of the future with some implicit or explicit commentary on why people should strive to create that future.” A working vision clarifies the general direction for change, motivates people to take action in the right direction, and helps coordinate the actions of different people. The fourth step, communicating the change vision, is a natural follow-up for the third step. Kotter states that the real power of a successful vision can be gained only when most of the company’s employees have a common understanding of its goals and directions. (Kotter, 1995)

Empowering broad-based action is the fifth step, which means distribution of responsibility. Kotter (1995) claims that major change is hard to achieve unless many people assist. Moreover, if employees feel powerless in the change process, they generally will not or cannot help with it. This step has similar characters with the first and the fourth step. For each of these steps involving people it is crucial in order to achieve comprehensive change. The sixth step is generating short-term wins. Kotter argues that most people need convincing evidence that all the effort put into the change is paying off. Reaching only to long-distance goals might lead to failure of managing current reality.

The seventh step is consolidating gains and producing more change. Kotter (1995) emphasises that short-term wins are important, but celebration of those wins can be fatal, if urgency is low. Therefore, it is important for an organisation to keep the momentum going and produce more change in order to avoid the risk of taking steps back. The eight and last step of Kotter’s Eight Stage Process of Creating Major Change is anchoring new approaches in the culture. According to Kotter (1995: 148), “Culture refers to norms of behaviour and shared values among a group of people.” A company culture is important because it can strongly influence on human behaviour, it might be difficult to change, and its invisibility
makes it challenging to address directly (Kotter). Therefore, it is crucial to anchor the new approaches in the company culture.

### 3.2 SMEs' Special Features

Kotter’s Eight Stage Process of Creating Major Change, like many other models, serve mainly large enterprises leaving SMEs with minor focus. This chapter dresses differences between large company and SME management.

Sloan et al. (2013) state that SMEs are qualitatively different organisations than large enterprises, and they must be managed differently in order to be successful. European Commission (2014) defines a small and medium-sized enterprise (SME) by two factors: number of employees and either turnover or balance sheet total. An SME has less than 250 employees, and its turnover is € 50 million or less, or its balance sheet is € 43 million or less (European Commission, 2014). Figure 1 shows the definition in numbers (European Commission, 2014).

<table>
<thead>
<tr>
<th>Company category</th>
<th>Employees</th>
<th>Turnover or</th>
<th>Balance sheet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medium-sized</td>
<td>&lt; 250</td>
<td>≤ € 50 m</td>
<td>≤ € 43 m</td>
</tr>
<tr>
<td>Small</td>
<td>&lt; 50</td>
<td>≤ € 10 m</td>
<td>≤ € 10 m</td>
</tr>
<tr>
<td>Micro</td>
<td>&lt;10</td>
<td>≤ € 2 m</td>
<td>≤ € 2 m</td>
</tr>
</tbody>
</table>

Figure 1: SME definition (European Commission, 2014)

According to Lee (2009) large organisations have been developing strategies to implement green management into their organisations for a couple decades already. However, this knowledge is often lacking with SMEs and this results in SMEs focusing on the wrong factors when applying green management. Lee highlights four key factors that may cause difficulties for SMEs when applying the change, these are organisational structure, cost savings and competitive advantage, human resources and innovation capability. Usually SMEs have less structured organisations and fewer employees than larger companies, and this can cause issues with the change process. Lee states it is necessary in most cases for SMEs to apply some sort of organisational change when adopting environmental management. The change is often caused, because there is no already existing department that is suited to manage the change. Technological innovations can be an issue for SMEs as well according to Lee, as
environmental change can often require new technology, and SMEs can have difficulties acquiring technological and financial resources needed for this. However, Lee states that companies that have been able or willing to pay the extra expense for the improvement have usually seen this payoff in the long run.

According to Lee (2009), human resources can also be an issue for SMEs, the change often requires new training programmes to be started in order to train the employees’ new skills that are needed because of the change. Lee states that human resources is the most common obstacle for SMEs when going through a change, the people in charge of the change must have the right know-how and time in order for the change to be successful. But most often the case in SMEs is that the people in charge of the change have other duties they need to tend to at the same time. Lee states that because of this issue it is important to make sure that everyone in the company have a good understanding of what the change is about, and what is needed to get done right from the start in order to make it easier for the people in charge of the change to succeed. Finally, all the changes and new investments that are required during the change can be very costly and many SME managers according to Lee are not willing to take the chance and take on the financial burden required because the managers do not think it will pay itself back.

Besides the difficulties, Demartini’s et al. (2011) research introduces SME’s strengths. According to them, SMEs are more flexible and capable of innovations when changing. According to Demartini et al., SMEs are often seen as an agile speedboat whereas large enterprises are compared to major tank ships. This is due to SMEs ability to adapt quickly to changing conditions (Demartini et al.). Besides flexibility, SMEs’ sustainable management concept includes; innovative drive, adaptive competence, and personal and regional responsibility (Demartini et al.). Due to these features, SMEs have capacity to act sustainably and reach the possible demands of their particular sector (Demartini et al.).

3.3 Managing Change towards Sustainability

An organisation’s transformative change towards corporate sustainability can be done in different ways depending on the organisation and the need of social or environmental improvement. There exist various formal and informal frameworks to help the organisation move through the change. This chapter introduces two informal frameworks for managing change towards sustainability, and seven sustainability blunders by Doppelt (2003).
**Three Phase Model**

The first framework to introduce is Lueneburger and Goleman’s (2010) Three Phase Model. According to Lueneburger and Goleman, today many companies see sustainability as an opportunity and that the companies, which are most advanced, have sustainability as a core value in their operations. Lueneburger and Goleman state that in order to achieve this the leaders of a company must understand three basic ways sustainability differs from other organisational initiatives. Firstly, sustainability needs to consider operational reality primary and the public perception secondly, it is crucial that companies do not market themselves beyond what they are actually accomplishing otherwise companies risk damaging their brand. Secondly, sustainability as an initiative is harder to grasp than other initiatives. This means something’s have to be learned during the journey. Thirdly, many of the other corporate initiatives can be a part of the sustainable initiative; sustainability applies to all areas of a company, and can involve several changes when applying (Lueneburger and Goleman).

![Figure 2: The three phases of a sustainability initiative (Lueneburger and Goleman, 2010)](image-url)
Lueneburger and Goleman (2010) have found how a successful sustainability initiatives usually develop through three phases (Figure 2). In the first phase, organisations have to understand why they need the change. Sustainability have been unconsciously apart of an organisation in good or bad way at some point, even before a conscious decision to involve sustainability has been made. The trigger to include sustainability to a company comes most often from an external source, such as media exposure. This means the organisation usually has a limited shared understanding of what sustainability actually means. Therefore, it is crucial to identify the risks and opportunities with sustainability in phase one. The leader for the sustainable initiative needs to posses certain competences; the ability to collaborate and influence, as well as the ability to change the leadership. It is important that the key vision is communicated efficiently throughout the company, and that everyone understands it. There are also several possible obstacles to be dealt with efficiently, and new projects which need to be initiated in order to obtain some legitimacy for the companies’ sustainable initiative. (Lueneburger and Goleman, 2010)

Lueneburger and Goleman’s (2010) second phase moves from translating vision into taking action. The first phase dealt with communication and understanding. However, the second phase discussed starting new projects that translate the vision into real change. Here the leader of the sustainable initiative must posses two key competencies; result delivery and commercial orientation. New initiatives must be set into action and measured in a sufficient way. The projects that do not perform efficiently or will not bring an added value to the company need to be removed immediately by the leader. As the new data and measurements begin to be a more formal part of the operation, responsibility can be handed down different business units. When the second phase ends, the company is consciously active with sustainability throughout all of its operations. (Lueneburger and Goleman, 2010)

Lueneburger and Goleman’s (2010) final and third phase moves from a more commercial orientated to strategic orientated. As the company is continuously evolving with its sustainable initiatives, the focus has to be cooperated with more long-term strategic sustainable opportunities. This means that leaders need to be able to predict future sustainable trends and strategies in order to ensure the organisations strong position. The task here is to try to evolve even further; this can be accomplished through new partnerships or new approaches. Commercially optimal decisions are still the norm but the new long-term benefits give the organisation room to make other decisions as well, without overly risking anything. (Lueneburger and Goleman, 2010)
Sustainability Phase Model
The second framework introduced is Sustainability Phase Model by Dunphy et al. (2003). Dunphy et al. have created a model for companies with six developmental phases that are used as a tool in order to evaluate a company’s current commitment and habits related to human and ecological sustainability. The phases are distinct steps organisations take when striving towards sustainability. The phases can also be used as a tool to investigate in what manner an organisation treats the human and natural resources it uses. Furthermore, the phases can be used to investigate what path an organisation has taken in order to get where it is currently, and plan a possible path forward. The six phases are rejection, non-responsiveness, compliance, efficiency, strategic proactivity and the sustaining corporation (Figure 3). (Dunphy et al., 2003)

Figure 3: Sustainability Phase Model (Dunphy et al., 2003)

All the phases have their own characteristics; the rejection phase involves an attitude from the top of the organisation that have the view that all the resources used are only there to be exploited in order to achieve economical growth. The resources in question are employees, community structure and the ecological environment. Employees are expendable, and there is
no obligation to develop them in any way and health and safety measures are ignored. The environment is exploited freely in order to achieve the only thing that matters, which in this case is, maximum profit. All claims from governments or activists are disclaimed. (Dunphy et al., 2003)

The non-responsiveness phase is characterised by a lack of awareness or ignorance. Organisations, which belong to this phase usually have an organisational culture that belongs to the past century; there is no regard to incorporate sustainability in any way into their business strategy. Social and environmental issues are ignored and environmental impacts caused by the company are taken for granted. (Dunphy et al., 2003)

The compliance phase is characterised by a company’s focus of trying to avoid sanctions for failure of meeting minimum standard requirements as a producer or employer. The leaders in organisations, which belong to this phase, claim they are a decent company that provides a safe and healthy work environment for the employees, and avoids environmental impacts, which lead to negative feedback from communities. However, these companies do not show willingness to improve their social or environmental responsibility. (Dunphy et al., 2003)

The efficiency phase includes organisations that have leaders who show a growing awareness of sustainability, and the advantages that comes with that. A key factor for companies in this phase is that they usually use human resource and environmental policies to cut costs and increase efficiency. This can be achieved for example by selling “waste” to other companies that can use that “waste” in their own practices. Investments in employee development demand a fee but in payback generates added value in the form of increased quality of products and services. This phase is the first step of incorporating sustainability into an organisations core business strategy. (Dunphy et al., 2003)

The strategic proactivity phase takes a company a step further towards incorporating sustainability into the organisations core business strategy. The leaders in a company see that sustainability brings a possible competitive advantage for the company. The leaders of the company try to make the company a leader in sustainable business, this is done by advanced human resource strategies, and with environmentally safe, and healthy products. This will make the company attractive for both employees, and the community it operates in. However, these commitments are motivated by a long-term maximisation of corporate profitable, all the good the company is doing is only done in the companies self-interest. (Dunphy et al., 2003)
The last phase is called the sustaining corporation. In this the organisation has strongly embraced sustainability into their business strategy. Companies still pursue to make a good return for stakeholders, but beyond this the company voluntary pursues to actively promote ecological and social values to the industry and society. Dunphy et al. (2003) state that these phases are simplified and in reality companies can have quite different philosophies in the different phases, for example, a company can have a very advanced human resource policy and at the same time have large negative environmental impacts. The phases are categorized in three different waves, which are displayed in figure 3. The figure also demonstrates how the different phases fit the different waves, and how a company might progress in order to become a sustaining organisation. (Dunphy et al., 2003)

Seven Sustainability Blunders

As argued before, change is generally very challenging to achieve. Doppelt (2003) has examined what goes wrong with companies’ efforts to move towards corporate sustainability. The hampering factors are called “Seven sustainability blunders” (Doppelt). These include:

1. Patriarchal thinking that leads to a false sense of security
2. A “siloed” approach to environmental and socioeconomic issues
3. No clear vision of sustainability
4. Confusion over cause and effect
5. Lack of information
6. Insufficient mechanisms for learning
7. Failure to institutionalize sustainability

According to Doppelt (2003), patriarchal view means that there are clear vertical lines of authority in an organisation where information flows upwards to the ones with responsibility and decisions flow downwards from top to all departments. The patriarchal thinking undermines personal responsibility and accountability. Moreover, it disempowers people and weakens their ability to fully contribute to the organisation (Doppelt). This leads to a situation where people see no reason to change (Doppelt).

The second blunder is a “siloed” approach to environmental and socioeconomic issues. In many organisations sustainability is managed by a separate unit, which makes it difficult to identify the cause and effect of system problems, because no single unit can understand alone how the whole system works (Doppelt, 2003). The third blunder is no clear vision of sustainability, which according to Doppelt, is one of the most consistent traits that appear in
high-performance organisations. An exemplary organisation is clear about its purpose, and knows what it is striving to achieve (Doppelt, 2003).

The fourth blunder is Confusion over Cause and Effect. Doppelt (2003) claims that organisations fail to change, because they believe they know what is causing their environmental and social problems. Therefore, their solutions to the problems are false. According to Doppelt, organisation’s transformative change is impossible to achieve without majority of the employees’ active support and participation in the change. This means that the employees must change their routines, add extra duties, and make other personal sacrifices (Doppelt, 2003). Unless the employees do not understand the need, strategies, purpose and expected outcome of the effort, moreover, believe it will benefit the organisation and themselves; they will resist the change (Doppelt, 2003). This is called Doppelt’s fifth blunder, Lack of Information.

The sixth sustainability blunder is Insufficient Mechanisms for Learning. According to Doppelt (2003: 53): “People ultimately learn by doing and by judging results.” Only little learning will occur if employees are given few opportunities to test their new ideas, and rewarding for those efforts is faint. Without constantly expanding knowledge and understanding, it becomes very challenging for an organisation to learn how to overcome all the barriers they will face when moving through the change. The seventh and the last blunder by Doppelt is Failure to Institutionalise Sustainability. Any sustainable initiative is successful when sustainability-based thinking, behaviour and perspectives are integrated into organisation’s routines, and company culture. Without institutionalise sustainability, there is a high risk old behaviour patterns and thinking will rise up, and prevent the change. (Doppelt, 2003)

Developing a Framework for SMEs

Not only Doppelt’s seven sustainability blunders, but also all the frameworks introduced in this chapter serve mainly large enterprises. According to Sloan et al. (2013: 27): “In order to understand movement towards sustainability in SMEs one needs to understand both the drivers that compel a shift from current business practices towards those seen as sustainable, and also the process the SME engages in to implement those changes.” To fill up the gap of missing framework for SMEs, Sloan et al. suggest investigating small and medium-sized enterprises with respect to their understanding of sustainability, motivations for making the change towards corporate sustainability, and operational and strategic processes used in the
change. With the collected and analysed data, and the current change models a new framework can be developed, which will guide SMEs to move through a change regardless of their generally more limited resources in comparison to large enterprises (Sloan et al., 2013).

3.4 Summary of the Literature Review

<table>
<thead>
<tr>
<th>Area</th>
<th>Summary</th>
<th>Author(s)</th>
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<tr>
<td>Precondition for the Change</td>
<td>Organisations have to understand why they need the change before any actions. The trigger to include sustainability to a company comes most often from an external source, which means that the organisation usually has no clear vision of what sustainability means. An exemplary organisation is clear about its purpose and knows what it is striving to achieve. When striving towards sustainability, a company goes through six phases. These six phases are rejection, non-responsiveness, compliance, efficiency, strategic proactivity and the sustaining corporation. With a help of the phases the company can evaluate its current commitment to and habits related to human and ecological sustainability.</td>
<td>Lueneburger &amp; Goleman, 2010; Doppelt, 2003; Dunphy et al., 2003</td>
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<tr>
<td>Motive for the Change</td>
<td>Today sustainability is seen as an opportunity among companies, and the most advanced companies have sustainability as a core value in their operations.</td>
<td>Lueneburger &amp; Goleman, 2010</td>
</tr>
<tr>
<td>Change Strategy and Goals</td>
<td>Developing a vision and strategy is part of successful change process. A working vision clarifies the general direction for change, motivates people to take action in the right direction and helps coordinate the actions of different people.</td>
<td>Kotter, 1995</td>
</tr>
<tr>
<td>Involvement and Responsibility</td>
<td>Each major change needs a strong guiding team, which has right composition, shared objective and level of trust. The purpose of the coalition is to lead the organisation through all the stages of the change. The purpose of the team is to lead the organisation through all the stages of the change. However responsibility has to be distributed further due to the fact that major change is hard to achieve unless many people assist, moreover these people has to feel the sense of urgency or else the momentum for the change will probably fail sooner or later. │ Kotter, 1995</td>
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<td>Communication</td>
<td>It is crucial that the key vision is communicated efficiently throughout the company and that everyone understands it. The real power of a successful vision can be gained only when most of the company’s employees have a common understanding of its goals and directions.</td>
<td>Lueneburger &amp; Goleman, 2010; Kotter, 1995</td>
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<tr>
<td>SME Strengths and Weaknesses</td>
<td>SMEs are qualitatively different organisations than large enterprises, and they must be managed differently in order to be successful. The four key factors that may cause difficulties for SMEs when applying the change are organisational structure, cost savings and competitive advantage, human resources and innovation capability. However, SMEs are more flexible and capable of innovations when changing.</td>
<td>Sloan et al., 2013; Lee, 2009; Demartini et al., 2011</td>
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<tr>
<td>Hampering Factors</td>
<td>There are many hampering factors that might fail a company’s change process; Patriarchal thinking means undistributed responsibility, which disempowers people and weaken their ability to fully contribute to the organisation, finally people see no reason to change. Sustainability is usually managed by a separate unit, which makes it difficult to identify the cause and effect of system problems since no single unit cannot understand alone how the whole system works. A company has no clear vision of sustainability. Organisations are confused over cause and effect, they believe they know what is causing their environmental and social problems, and therefore their solutions to the problems are false. Lack of information means that employees do not understand the need and purpose of the change, which leads to a situation that they are resisting the change. Insufficient mechanisms of learning causes challenges to an organisation to learn how to overcome all the barriers they will face when moving through the change. Failure to institutionalise sustainability causes a high risk that old behaviour patterns and thinking will rise up and prevent the change.</td>
<td>Doppelt, 2003</td>
</tr>
<tr>
<td>Benefits and Development</td>
<td>Anchoring the new approaches to company culture is challenging but rewarding since it strongly influences on human behaviour and it is hard to change. Having sustainability in the organisation’s core business strategy brings a possible competitive advantage for the company. This will make the company attractive for both employees and the community it operates in. In addition, it is important for an organisation to keep the momentum going and produce more change in order to avoid the risk of taking steps back. As the company is continuously evolving with its sustainable initiatives, the focus has to be cooperated with more long-term strategic sustainable opportunities.</td>
<td>Kotter, 1995; Lueneburger &amp; Goleman, 2010; Dunphy et al., 2003</td>
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4 Empirical Data

In this chapter, collected empirical data is presented in eight different groups that describe certain parts of a change process. After the eight categories, the secondary data is presented in chapter 4.9. In this study, the four case companies are called company A, company B, company C and company D. Company A is a berry company, which has concentrated on processing berries. Company B is a ski resort company, which has two different ski resorts including restaurant and hotel services. Company C is a family owned company, which produces paper household and hygiene materials. Company D provides printed products and services.

4.1 Precondition for the Change

The respondent from company A stated that the precondition for the change was positive, they wanted to do something new, and improve their reputation. It is crucial for company A’s operation that they can attract new effective seasonal workers every year, and a good reputation plays a big hand with that. To company A, sustainability means energy, water, and financial savings. Furthermore, their seasonal workers are trained to take into consideration the environment they are working in. Company A acquired knowledge about sustainability beforehand they began their change process, but still required an outside consultant to help them with the change, as they had limited knowledge about the subject.

Company B’s knowledge about sustainability, beforehand the change, consisted in the form of the new consultant that had been hired to deal with this side of the operation. To the question about if the company could have managed the change without the help of a consultant, the respondent from company B said it depends on the company, and the company’s culture. Sometimes it helps to have an outside consultant, and sometimes it does not help. It really depends on how well the outside consultant can work together with the people in charge of the task from the company and vice versa. The respondent ads that it is always best if the change can be made by the people working for the company without the need to of external help. To the question about what sustainability means to the company, the respondent answered that sustainability is a very important value for the management of the company. The company’s operation highly depends on the weather, and this is why the company has a moral obligation to be as environmentally friendly as possible, even if they could not effect the weather directly themselves.
The respondent for company C said that their precondition for the change was good, and that they usually operate in a way where they do a pre-plan and then follow it, this was the case with this change as well, for instance knowledge about the change was acquired beforehand the change. The respondent believes they could have managed the change without the help of an external consultant, but at the same time they were aware that they did not have the same knowledge and expertise as the consultant had. For the question about what sustainability means for the company, it is clear the company is all about the triple bottom line, financial, social, and environmental issues are equal, and this is strongly rooted to the company’s culture.

Company D’s precondition for the change was good. Already before the change, the company had acquired an environmental certificate, and the respondent stated that the company already had people with understanding of sustainability. The respondent felt that the company could have done the change without any external help. However, an outside consultant was hired to help with implementing one of the two new environmental certificates. Company D also stated that they did some groundwork, and planning beforehand the change process. Furthermore, the understanding of sustainability is advanced for company D; they know that sustainable responsibility affect every aspect of the company’s operation.

All of the companies did some research beforehand about the change and all of them also hired a consultant to help them with the change. The answer to if an outside consultant is needed is that it depends on the company, sometimes it is needed and sometimes not. The understanding of sustainability and what is required differ from the companies. Company A has the most limited understanding of what sustainability requires and mostly considers their self-interest, company B, C and D have all a deeper understanding of what sustainability requires and means.

4.2 Motive for the Change
It is apparent that every company had their individual motives for the change, and they varied from company to company. The main motive for the company A was to improve their image, since the company had experienced negative publicity in the media, which was common in the company’s specific sector. Moreover, by making the change towards more responsible business, they wanted to differ from their competitors. Company A hires season workers for each summer, and the company is very dependent on the quality of the season employees, and therefore it is crucial that they have a good image and that the working conditions meet the
needs of the employees. In other words, continuity is vital for the company success, and one of the motives for the change.

Company B stated that they wanted to evolve as a company, and that required a change. The change was made for moral and economical reasons. However, the main reason for it was cost savings. The company made an environmental programme, which can be compared to a cost saving programme. Image was the secondary motive for the change; according to the respondent their consumers value environmental responsibility, and take it under consideration when choosing their business partners.

Company C had some problems with the employees in the past, and decided that something had to change. The result was a set of new values, which were incorporated into the organisation. The new values stressed the importance of the triple bottom line, and that this was the direction the company should move towards. Inside the company, the triple bottom line is defined as taking care of environment, social responsibility, and economical success.

Company D’s motives for the change came from external pressure, but the need for the change came also from the management who felt that this was the right thing to do. The respondent also states that it is vital the company can show they are sustainably responsible in order to do business with big players on the market. It is also vital to show the employees, and future potential employees that you can offer a work environment that cares.

As seen from the answers above, image is a common nominator as a motive for the change towards corporate sustainability. Every case company had a different main motive. However, mostly every motive served the companies’ self-interest. The main motives for the case companies were image, cost savings, company restructuring, and surviving in the market.

4.3 Change Goal and Execution

For company A, the main goal for the change process was to gain reliability among their customers, and fulfil their requirements. Also, the company sought to improve the general attitude towards their brand. However, there was no clear strategy to reach these goals. The company began their change process in the fall of 2011; the first step was to investigate if they could certify their business operation in a sustainable way. They contacted a consultant company in order to get some help; the company sent a consultant to help company A to move forward. The consultant visited the company twice; during the first visit the consultant mostly got to know company A. On the second visit, a plan was made of how to implement
the change and where company A should start. Company A also used information they could get from other companies’ web pages to gain more knowledge about the change. After the planning was done, company A chose a certificate that suited their needs and business operation. In the spring of 2012, the company made their own set of code of conduct, company A researched existing code of conducts from other companies, the base of their own code of conducts was built from the existing ones, and then modified to suit their own company. Furthermore, company A also renewed their organisational values to fit the change. Finally, the company uploaded the new code of conducts and values on their web page, and also sent information about the change to the local media.

Company B’s main goal for the change was to be more environmentally responsible in the long-term. According to the respondent, the company wanted to use fewer resources and create less waste. Their change process began in 2007 with research about the current state of the business operation and how things are done from a sustainable viewpoint. The research resulted in a report of actions that had to be done. It became clear that there was a need for an environmental programme, which aids the company’s business operation to evolve. In order to complete the environmental programme, an outside consult was hired; the consultant was later employed as a fulltime employee to work with the sustainable part of the business operation. During the change, research was done about how other companies had done their change. This information was found in different reports. The respondent highlights that implementing a sustainable change is done mostly by using common knowledge, also they knew what to do in order to achieve their goal. Company B used a second consultant to do a calculation of how much energy was used for the business operations.

Company C’s goal for the change was to message to their customers and partners’ way of doing business. They began their change process already in the 1990s, when employees had issues with each other and the management decided to do something about this. The company hired an outside consultant to help them to rethink, and renew the company’s core values. The respondent stated that they formed the plan out of routines the company was already partly following. Part of the strategy was also to collect information about the company’s past actions, report, and communicate the findings about the company both internally, and externally. Moreover, company C claimed that they knew what to do in order to achieve their goal.
For company D the main goal of the change was to be the leading company in their sector, this requires the company to act responsible in every area. The company wants to show both, to the customers and employees that they are a responsible company, this also included the goal of getting new customers. Company D’s change strategy consisted of groundwork, execution and continuity. They started their change process in the 2000s; the first step was preparation for the change. Thereafter, the company installed different environmental certificates. The company decided to use an external consultant to help install one of the certificates, the consultant also helped with the training of the employees.

All companies in the study did use an outside consultant in order to complete the change process because they were lacking knowledge about how to implement a change of this kind. A theme that is also found is that company’s research what other companies have done in the past and then modifies these approaches to be suitable for their companies. Another theme, which is found, is that the core values of the company may need to be changed in order for the company to be able to evolve, and complete the change. The strength of the strategy varied a lot company by company according to the knowledge the company had. The main goal for most companies was to show customers they take sustainable responsibility.

4.4 Involvement and Responsibility

Two persons were responsible for company A’s change process: CEO and another employee from management team. According to the respondent, the CEO’s role was to create the strategic lines, and thereafter, only guide by approving and checking up the other person responsible. The other employee’s role was to put everything into practice, and implement the change process. Both employees had other responsibilities at the same time with the change process, and the respondent claims the sustainable work could be given much more time. There is a great deal of possibilities to improve especially inside the company. However, this kind of development work has lower priority than urgent daily tasks, which slows down the development. Company A does not have a separate human resources (HR) department and the two people in charge also communicated the change to the employees. According to the respondent, their employees received the information about the change well without any negative opinions, and the attitude has stayed the same. The respondent emphasises that the change did not have a lot of influence on staff’s daily routines, which might be the reason why they received it so well. However, the same company had had another change, which had a greater affect. Therefore, it caused some resistance amongst the staff. Company A did not include their employees into the implementation or the planning of the process. Only
production manager and the consultant were included in the process besides the two people in charge. The distribution of responsibility stayed the same through the process until today.

In company B, management team and the hired consultant were responsible for the change process. The consultant was only working for the change in the beginning of the process and did not have any other responsibilities. The employees in the executive team had other responsibilities, and the change process was only a little addition on top of their normal responsibilities. According to the respondent, also HR department was involved in the change process, and the whole environmental programme was created together with the department. Moreover, other employees got a chance to be included in the process. The company set up a sustainability club for employees who were interested in sustainability, and had spontaneously developed their routines to be more sustainable. The purpose of the club was to provide an opportunity for the employees to brainstorm, and improve the company’s routines. Also, the club members were noticed, and rewarded for their valuable work they were doing for the company. However, besides the active workers, there were also employees against the change. The concern has two different organisations whose characteristics differ a lot from each other. The first organisation is more used to change, and therefore, embracing the change process was easier for them than for the second organisation. According to the respondent, the second organisation has had problems before adapting change, but the respondent could not tell any specific reason for that. The attitude has not changed significantly during the process, moreover the roles has remained the same.

In company C, vice president for sales and marketing was responsible for the change, and she had also other tasks and responsibilities alongside with the process. Moreover, company’s HR department was involved in the change to support the person in charge for the process. According to the respondent, their employees did not understand the need for the change, and their attitudes were negative at first. The general opinion was that the company was achieving its set goals, and the employees were questioning why there has to be a change. The respondent states that due to this, the meaning of communication has increased during the process. However, despite the negative attitudes, the company involve the employees in all parts of the change process; they had opportunity to influence on planning, implementation and monitoring the change process. Additionally, according to the respondent, the people in charge stayed the same through the process, but there were some changes with the teams during the change.
In company D, the senior management was responsible for the change, and for the practical side different people were allocated to take charge. All people involved had other duties during the change. Company D has only had a HR department since 2012, and the HR department has not been involved in the change. The respondent felt this was going to change in the future. The employees were involved in the process in some matter, for example, project groups that were involved with how the change will affect the actual work tasks. The employee attitude towards the change was mostly positive in the beginning, and most employees understood the need for the change. There were only few employees who had a negative attitude.

It is noticeable that all case companies formed some sort of a sustainability team to implement the change. Also another theme was to include employees in the process and share the responsibility and work, which had a positive effect on the staff’s attitudes. Moreover, all companies kept the same roles through the whole process, and there were not major changes at any point.

**4.5 Communication**

In order to take the changes in action, all case companies communicated the plan to their employees. Company A went through the new principles with all their employees in staff training, where everyone signed a contract engaging to the change. According to the respondent, the company has employee trainings at least twice a year. In addition, they put newspaper articles about their company’s sustainable actions on a notice board for their employees to know the current situation. Company A believes, that all their employees understood the plan, and the need for the change process. The respondent stated that the change affected their employees only little in everyday work, except the sales department in which responsibility is used as sales argument. However, the employees understood the change was important to the company since there were a lot of articles about the company, and their CEO was busy giving interviews about the topic.

Also company B used staff training to communicate the change to their employees, and in the beginning of the process there were more trainings arranged than usual. Additionally, company B used their other main information channels in order to reach all their employees; they wrote articles in the company magazine to keep the employees updated about the process, and also their annual report included information about the change. According to the respondent, despite all the communication done, not every employee did understand the
meaning, and goals of the change. Some of them were simply uninterested about the topic, which is why some of the information was filtered. The respondent claimed that the change was based on new values, and it is individual whether an employee shares the values or not. The company understood if all employees were not interested in the topic, and therefore it was hard for them to make the change.

Company C started communicating about the change process with their staff in an annual meeting, where the company sets their new goals for the next year. After that the process has been communicated to their employees in weekly meetings, in order to keep the staff updated. According to the respondent, all their employees did not understand the plan, and meaning of the change.

Company D was very active with communication during the process. The respondent felt that it was important that everybody got the message and understood it. The respondent also stated the most crucial part of the communication was to get the head of the different departments committed to the change in order to be successful.

It is apparent, that all case companies put a lot of effort in order to communicate the change to their staff. The main channel for all companies was to meet with the employees in person, besides that, all of them used other channels as well to support. Another common factor for all companies was that they continued communicating the process to keep their employees updated and reminded.

4.6 SME Strengths and Weaknesses

According to company A’s respondent, changes in large enterprises are more organised than in smaller companies since they have more staff and resources to plan and implement. Moreover, the respondent states that larger companies have better possibilities to commit to the process in long-term. However, the respondent states that SMEs are more flexible compared to large companies, which might be stiff. Company A felt that during their own change process, they did not have enough time for it. However, they are hiring a new employee soon to help them improving the sustainability work. Lack of financial or technological resources was not an issue for company A since the change process did not cost much and they did a lot by themselves without investments.

Also company B’s respondent states that in general SMEs are more flexible when implementing a change than larger companies. Moreover, communication is easier for SMEs
and possibility to react faster than in large enterprises. The company did not experience any challenges regarding the small number of their employees. The respondent feels that company B invested enough for the change to happen by hiring the consultant from outside the company. In addition, he claims that the company was big enough to avoid the lack of financial or technological resources.

The respondent from company C claims that larger companies’ change process is more discontinuous time wise than in SMEs, which makes the process simpler for SMEs to implement. The small number of employees did not effect the change in company C. Moreover, there was no challenges financing the change, or having access to technology during the change.

The respondent from company D stated that larger companies might have more resources to spend on the internal communication during the change. The respondent feels, that the most crucial part of the change is to get department heads fully committed to the change, and this is as difficult for all sized companies. The small number of employees did not affect the change, and financial and technological resources were not an issue either.

Most companies considered SMEs to be more flexible in a change process. Moreover, only one of them had experienced lack of time, and the situation will be fixed soon. In other words, almost all companies had evaluated right the size of the investment needed for successful change, and had the financial resources for it.

4.7 Hampering Factors

The respondent from company A brought up the following hampering factors for the change process; time, the scale of the change, and prioritisation of the consumers’ needs. According to the respondent, if there is not enough time, focusing on one task at the time is challenging, and it will make it more difficult to progress or finish with a specific task. The huge scale of the change process is an issue as well; the respondent felt that the scale of the change process is limitless, and there is always something new to be done. Lastly, the respondent felt that it is important to know what a company’s customers need or want, and make these needs or wants a priority.

The respondent from company B felt that the most difficult part of the change process was to motivate people, and get them committed to the change, both the employees and the management. Resources and technical matters can be an issue, but the respondent did point
out that resources and technical matters do not need to be highlighted, because they are as much of an issue with change towards sustainability as any other change.

The respondent from company C also brought up that getting the management committed to the change can be an issue.

Also the respondent from company D felt that commitment from management is the most crucial part of the change, and this can be a huge issue. The respondent also felt that the workload can be an issue, sometimes there is so much to do, that other tasks and projects get prioritised in head of the change process.

Some themes that can be seen in this category, are issues with the commitment to the change from the management/employees and time management.

4.8 Benefits and Development
The respondent from company A sees that by implementing the change towards being more sustainable, the company has gained more external exposure. The company has used the change as a marketing tool, both in newspapers, and on the Internet through their own web site. The outcome from this is consumers are more aware of the company after the change than they were before the change. People have also seen that the company is an active participant in the sustainable movement. The company had a list of new measurement they would want to implement into the operation, but this had not been done at the time of this study. The respondent from company A felt that the organisational culture had definitely changed during the change process, and that sustainability was a part of the culture after the change had taken place.

The respondent from company B states that the company has gained a lot from the change. Firstly, financial profits had been gained mainly through cost savings. The company’s image has improved, but the respondent stated that it is unclear how much the company actually benefited from the improved image, because social factors are very difficult to measure. The change meant that several new things had to be measured; some of the factors that were measured were energy use, employee attitudes towards the environmental programme and different measurements that involves the consumers. The change has also meant change in the organisational culture, and sustainability is now a part of the culture. The company has used the change as a marketing tool in many different ways; the marketing has been done for example on the Internet, newspapers, and other media. The change has meant that the
company is now seen as frontrunner in the specific sector they operate in, and they are often asked to speak at different seminars. Finally, because of the change, the company is now seen as a better workplace and employer.

The respondent from company C stated that the company has gotten much more positive exposure because of the change. The company has used the change as a marketing tool as well and as the other companies sustainability is now a part of the company’s organisational culture.

Company D uses the change they have done actively in their marketing, and the respondent feels that the change have differentiated the company from the competition in a positive way. The company has also gained new customers due to the change, and this translates directly into a financial gain.

It is quite clear, that all companies have gained positive exposure from the change they made, and that they are aware of this. They also use it to their advantage by adding the change into their marketing. Most companies had undergone a change in their organisational culture towards a more sustainable culture. Financial benefits did surface in two of the companies through cost-savings, and new customers because of the change. New measurements were also a part of the change for the majority of the companies. All the companies were also asked if they are going to continue working with the change, and to this all respondents answered that they will continue working with the change.

4.9 Secondary Data

The secondary data builds on a study made by Wiesner and Poole (2009) about organisational change in SMEs, and a study made by Wiesner et al. (2010) about what pre-implementation elements are crucial in order to achieve successful environmental sustainable (ES) practice. The results of Wiesner and Poole (2009) study are illustrated in table 1, and the results of Wiesner et al. (2010) study are illustrated in table 2.

<table>
<thead>
<tr>
<th>Practice</th>
<th>N</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Extremely Important</td>
</tr>
<tr>
<td>Change Management Skill</td>
<td>Responses</td>
<td>% of Participants</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------------</td>
<td>-----------</td>
<td>------------------</td>
</tr>
<tr>
<td>Personally demonstrating senior management involvement</td>
<td>325</td>
<td>286 (88%)</td>
</tr>
<tr>
<td>Inspiring a shared vision and personally communicating the future vision</td>
<td>333</td>
<td>282 (85%)</td>
</tr>
<tr>
<td>Communicating the change message repeatedly up and down and across the organization</td>
<td>327</td>
<td>259 (79%)</td>
</tr>
<tr>
<td>Enabling others to act: by energising, empowering, building teams, tangible support with appropriate resources and structures</td>
<td>321</td>
<td>242 (75%)</td>
</tr>
<tr>
<td>Challenging the status quo and creating the readiness for change</td>
<td>333</td>
<td>235 (71%)</td>
</tr>
<tr>
<td>Creating additional supporters for change at different organisational levels and involving people, building commitment to change</td>
<td>331</td>
<td>224 (68%)</td>
</tr>
<tr>
<td>Taking decisive action in identifying and addressing resistance</td>
<td>325</td>
<td>201 (62%)</td>
</tr>
<tr>
<td>Using rewards and recognition to gain support</td>
<td>324</td>
<td>114 (35%)</td>
</tr>
</tbody>
</table>

Table 1: Importance of change management skills (Wiesner & Poole, 2009)
Furthermore, Wiesner and Poole’s (2009) study also shows that the majority of SMEs did not use the help of a consultant with different change objectives. However, the objectives where consultants were used nearly 40% or more were; reductions in waste, improved quality of products/service, cultural change, improved services to customers/clients, increased employee consultation, increased employee commitment, and improved labour flexibility.

<table>
<thead>
<tr>
<th>Themes and sub-themes</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Theme 1: Elements playing a role in setting the foundations of success</strong></td>
<td>Four of the SME leaders challenged the status quo by acknowledging a new market could be created. Six firms challenged the status quo by acknowledging the need to make changes if they want to make a difference. The other two firms did this by changing the way things are managed and changing attitudes.</td>
</tr>
<tr>
<td><strong>Sub-theme 1.1: Challenging the status quo (making the decision to change)</strong></td>
<td>All firms indicated the need to measure and gather initial information about current legal compliance issues and whether the firm is compliant with relevant government regulations.</td>
</tr>
<tr>
<td><strong>Sub-theme 1.2: Gathering initial information</strong></td>
<td>In all the participating firms, successful ES change indicated ES works best where there are one or more individuals who specifically take on the responsibility for ES in the firm. The owner or CEO took on the role as sustainability leader in almost all firms. A mix of people in this role was evident in four firms. Two firms delegated this responsibility completely to a specific staff member: one firm has a specific sustainability role even though the owner is also very much involved, and in another firm the role resides in multiple individuals—the owner, staff member(s) in the firm acting in this capacity and an external consultant.</td>
</tr>
<tr>
<td><strong>Sub-theme 1.3: Clarifying the internal know-how about ES change, identifying who the ES leader(s) is and what the associated roles are</strong></td>
<td>ES leaders indicated a range of sources, including: their own experience, information that ecoBiz provides, magazines and journals (i.e. <em>Financial Review</em> and <em>Harvard Business Review</em>), books, discussing it and talking to others inside and outside the firm, industry associations (regular meetings and an annual conference), through business travelling, email, the internet, international internet news groups, social networking sites such as ‘Linkedin’. The internet seems to be</td>
</tr>
</tbody>
</table>
the most popular source of information with all interview participants indicating that they use this medium to obtain information and stay abreast of new information.

<table>
<thead>
<tr>
<th>Sub-theme 1.5: Meaning of environmental sustainability to the firm</th>
<th>The main themes regarding meanings of ES evident from the interviews were: sustainability, more with less, organic supply chain, better business practices, a value, triple bottom line, good corporate citizen, little impact, if you need it use, if you don't turn it off, improve recovery, and environmentally friendly, eco friendly and environmental aware.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-theme 1.6: The leader’s (or leaders’) personal mindset regarding ES changes</td>
<td>Three managers have indicated that ‘business objectives’ is the main personal driver in pursuing sustainability. Two have indicated their passion for the environment as their main motivation. Six managers indicated that both business and their passion for the environment are the main drivers.</td>
</tr>
<tr>
<td>Theme 2: Most important elements in the decision to introduce and encourage improved environmental sustainability practices</td>
<td>Financial drivers such as cost minimisation and improving their bottom-line were identified as one of the main themes in the interviews (8 managers). The majority of managers (8 managers) have also identified marketing and green image as a driver. Other dominant drivers identified by the participating firms were: the desire to make a difference and do the right thing (6 managers), corporate social responsibility including, business opportunity (5 managers), support from government (4 managers), desire to do things better (3 managers), minimising environmental impact (2 managers), environmental regulation (2 managers), supply chain reasons (1 manager) and stakeholders (1 manager).</td>
</tr>
</tbody>
</table>

| Sub-theme 2.1: drivers of ES |---|
Sub-theme 2.2: Benefits of ES change

Two main themes regarding benefits of ES initiatives were identified, including: economic sustainability and social sustainability (human resources and community). Seven sub-themes of economic sustainability were identified, including increased profitability, cost savings, competitive advantage, breaking into international markets, creating a business opportunity, branding and marketing. Five sub-themes were identified regarding social sustainability, including learning, fun, making staff more conscious of ES, pride of staff.

### Theme 3: Planning for sustainability change

#### Theme 3.1 Approach to planning (deliberate vs. Emergent)

Eight of the twelve participants mainly used a deliberate approach to planning. Three participants employed an emergent approach. Two firms employed a combination of both approaches.

#### Theme 3.2 Participants in planning

The CEOs are the main players in the strategic process (all firms), with the majority (seven firms) involving staff in planning for ES. A very low participation of external players was found, with only one firm indicating external involvement in planning through a consultant.

#### Theme 3.3 Establishing a vision, mission or value statement for environmental sustainability

With the exception of three participating firms, the majority of participating firms have a written vision and/or mission statement and/or statement of values.

Table 2: Summary of results (Wiesner et al., 2010)
5 Analysis

5.1 Prior to the Change

According to Moran and Brightman (2001) change management is the process of continually renewing an organisation’s direction, structure, and capabilities to serve the ever-changing needs of external and internal customers. Furthermore, Moran and Brightman state that the need for managing change successfully is more important today, because the rate of change required from companies is larger than before. Todnem (2005) also agrees with the argument that in order for an organisation to survive in today’s highly competitive and constantly developing environment, successful management of change is essential. The results in the empirical study show that external pressure was a key motive for companies to decide to change. In one of the cases the external pressure came from the customers who demanded that they prefer to do business with companies that take environmental responsibility. In another case, the external pressure came from the media, and this negative exposure was hurting the case company’s reputation, and therefore the brand itself. Both of these cases support the statements Moran and Brightman (2001) and Todnem (2005) had made about the necessity for companies to adapt and undergo change in order to survive in today’s market.

Lueneburger and Goleman’s (2010) state that sustainability, as an initiative is harder to grasp than other initiatives. This means that something have to be learned during the journey. The empirical results show that all the case companies needed to do research about change towards sustainability prior to the change. Furthermore, all the companies hired outside help in order to gain the expertise and knowledge they were lacking with change in this manner. The secondary data from Wiesner et al. (2010) study also showed that companies had the need to gather information prior to the change. Lueneburger and Goleman’s (2010) Three Phase Model states that the first step to successfully develop a sustainable initiative is to understand why the change is needed. Lueneburger and Goleman also state that usually the trigger for the change comes from external sources, and this means that companies have a limited understanding about sustainability before the change. The empirical study supported this argument, the case company that was pressured the most into making change towards sustainability was the company that also showed the most limited understanding of sustainability, and what it requires to be a sustainable organisation.
According to Dunphy et al. (2003), the motive to undergo sustainable change usually serves the self-interest of the company. Dunphy et al. state, that it is only the most advanced companies, which choose to change without having self-interest as the main motive. All the case companies in the empirical study clearly had self-interest as the main motive for the change. Protecting and developing the company’s brand or image was the most frequent motive. Other motives were cost savings, differentiation or simply the need for a change because of internal issues with the employees. The secondary data from Wiesner et al. (2010) study supports this result as well; the main drivers of ES are, according to Wiesner et al. study, financial drivers as cost-savings, marketing, and image.

5.2 Change Execution

Information Gathering and Evaluation of Current State

The change process began in the same way for all of the case companies in the empirical study; an outside consultant was hired in order to gain the expertise and knowledge that were lacking before. This result does not match the results from the secondary data, both Wiesner and Poole (2009) and Wiesner et al. (2010) studies show that consultant involvement is fairly low during the change. An assessment of the current state of the company’s operations was made, and individual actions that were required from the companies to be made in order to succeed with the change. Putting the different actions into practice was the following step, and finally the change process was completed by communicating the change that had been made externally.

Responsibility

Kotter (1995) states that it is important to create a strong guiding team, and it is the team’s task to lead the organisation through the change process. Lee (2009) states that human resources can be an issue for SMEs, because there can be a lack of necessary skills to complete the change. All of the companies in the empirical study stated they were lacking in the needed expertise and knowledge about the change, and all of the companies had the same solution to this problem, they hired an outside consultant to fulfil the knowledge gap. The outside consultant worked hand in hand with the people from the companies responsible for the change to come up with the needed actions that had to be taken. In one of the case companies, the outside consultant was actually hired as a fulltime employee, and got the full responsible to implement the change. This result shows that the lack of knowledge can be an issue for SMEs, but can be easily solved by hiring outside help. However, this result
contradicts the result gained from secondary data that stated that only one firm out of twelve used external help in the planning stage.

Lee (2009) also states that usually the people in charge of the process have other duties at same time, and therefore it is important that all the employees have a good understanding of the change in order to make it easier for the people in charge to implement the change. The majority of the people in charge of the change in the case companies had other duties as well, and most often the other duties had priority to the change process. Therefore, the process did not progress as efficient as it could have. This result clearly supports Lee’s statement about issues with the lack of manpower for SMEs.

Communication

Kotter’s (1995) Eight Stage Process of Creating Major Change Model states that in the beginning of the change process it is crucial that the need for the change is communicated to the employees in order to get everyone on board for the change. If the employees do not understand why the change is needed, the change will probably fail sooner or later according to Kotter. Lueneburger and Goleman’s (2010) Three Phase Model also emphasises the importance of efficient communication in the beginning of the change process, in order for the employees to understand the need for the change. The majority of the companies stated that in the beginning of the change process all the employees did not understand the need for the change, and there was some bad attitudes towards the change. However, all the companies claimed that they were actively communicating about the change to the employees right from beginning of the change process. The secondary data results from Wiesner and Poole’s (2009) study also shows that communication is extremely important, and should be done throughout the whole organisation.

The majority of the companies state that all the employees understood the need for the change after some time, but one of the case companies stated that the attitude and understanding towards the change did not change during the process. The respondent stated that it is natural that all the employees will not understand a change of this manner, but this did not affect the outcome of the change process. This result both supports and contradicts the theoretical framework, all companies realised the importance of active communication, but the need for all of the employees to understand the need for the change was not as crucial for the outcome of the process as the theoretical framework stated. Wiesner and Poole’s (2009) results show
that addressing resistance was the second least important category for the companies in their study.

**Involvement**

Kotter (1995) states that the distribution of responsibility is important as well during the process: Moreover, it is important to include the employees in the change, otherwise the employees might feel left out and this can harm the change process. The result from the empirical study shows that the majority of the companies also felt that it is important to include the employees in the change process. Company C involved all the employees in every part of the process, and company B developed a new environmental programme with the purpose of giving the employees to influence the change. The secondary data also shows that it is important to involve employees in the change process: 68% of the companies in Wiesner and Poole’s (2009) study thought it was extremely important to involve the all the employees in the change in order to get then committed to the change, moreover in Wiesner’s et al. (2010) study majority of the case companies involved staff in planning for ES. However, the involvement of the employees did not improve the attitude towards the change significantly, but it did not harm the change process significantly either. As a conclusion this result contradicts the theoretical framework in the manner that the employees involvement would have a significant influence on the attitude towards the change, and this would crucially affect the change process.

**Changing Organisational Culture**

Both Lee (2009) and Kotter (1995) state that it is important to apply some sort of organisational change in order to manifest the new change permanently into a company’s operation. Kotter identifies this change mainly as adapting the organisational culture to the implemented change; the culture refers to norms of behaviour and shared values. All of the case companies in the empirical study had modified their organisational culture with new core values during the process in order to give legitimacy, and cementing the change into the companies operations. This result strongly supports the theoretical framework that there needs to be change in the organisational culture in order to complete the change process.

**5.3 SME Strengths and Weaknesses**

According to Demartini et al. (2011), SMEs have special features that differ from large enterprises. All case companies stated that SMEs are more flexible than larger companies due
to their small size. Demartini et al. (2011) agree with this opinion by claiming that SMEs tend to be more flexible and capable of innovations in the change process than LEs.

Every case company claimed that they did not lack of financial or technological resources during the change process. This does not go in line with Lee’s (2009) theory about SMEs’ hampering factors. According to him, SMEs might have difficulties acquiring the needed technological and financial resources. Moreover, even if the SMEs were able to pay the extra expense required, they are not always willing to take the chance since there is a risk that the investment will not pay it self back (Lee, 2009). However, all case companies disagree with this by stating that all their investments have been worth the money. Lack of human resources is another hampering factor for SMEs when managing change according to Lee (2009). However, only company A claimed that they had issues with human resources and time while the rest of the companies did not have any issues with them. Also, company A was the only company without HR department, which might have an influence on the case.

According to Lee (2009), SMEs usually lack of knowledge about sustainability, and due to that SMEs focus on wrong factors when applying sustainable management. This fact can be recognised among the case companies. Especially company A has a limited knowledge of sustainability in general, however they have succeeded in the change process, and therefore applied the change well enough. Moreover, Lueneburger and Goleman (2010) claim that motive for the change towards sustainability is usually external, and due to that the company usually has a very limited understanding of what sustainability really mean. This is another reason for lack of knowledge about sustainability among the case companies since they all had an external main motive for the change. Additionally, Doppelt’s (2003) third sustainability blunder No Clear Vision of Sustainability supports the other theories mentioned.

According to case companies B, C and D, getting employees and management committed to make the change and motivate people are the most challenging factors in the change process. Kotter (1995) agrees with the case companies by repeating and emphasising the meaning of getting people committed. His first step of the Eight Stage Process of Creating Major Change states that it is crucial to gain enough cooperation in order to achieve remarkable change, and this cooperation is gained by establishing high level of urgency. Also his fifth step claims that change is hard to achieve unless many people assist. Moreover, Doppelt (2003) states that change is impossible to achieve unless majority of the employees actively support and participate in it. In addition, Wiesner and Poole’s (2009) study shows that demonstrating the
senior management involvement is extremely important, with 88% of all companies in the study stating this.

5.4 Benefits and Development

All case companies agreed that the change process paid off, and they benefited from it. The biggest gain was external exposure, but also other gains were mentioned such as cost savings. Due to the gained external exposure, the case companies used the responsible business they were applying as a marketing tool. According to Lueneburger and Goleman (2010), sustainability must be implemented before public perception to avoid the risk of damaging the brand. However, the case companies did not face any issues with this. The secondary data from Wiesner’s et al. (2010) study showed partly same benefits as the results from the empirical study. The main benefits in Wiesner’s et al. study that matches with the result of the Finnish case companies were increased profitability, cost savings, competitive advantage, creating a business opportunity, and branding and marketing.

Both Kotter (1995) and Doppelt (2003) emphasise that it is crucial to anchor the new habits in company culture in order to make it permanent. Without institutionalise sustainability there is a risk that the change fails due to return of old habit and thinking (Doppelt, 2003). Kotter (1995) claims that company culture is important especially because it can influence on human behaviour, and it might be challenging to change. Nonetheless, all the case companies claimed that they succeeded to achieve change in their organisational culture.

Although all companies believe that they have succeeded to implement the change, they state that the change process is still on, and they will continue evolving. Their plan is in line with Kotter’s (1995) seventh step Consolidating Gains and Producing More Change, which encourages organisations to keep their momentum going and produce more change in order to avoid the risk of taking steps back. Also Lueneburger and Goleman (2010) agree, according to their third phase, companies have to be more long-term strategic orientated in order to evolve continuously.
6 Conclusion

This study aims to understand why and how do SMEs implement a change towards corporate sustainability by analysing four Finnish SMEs and supporting the findings with secondary data.

Main Motives

According to the results, the main motive for implementing the change is protecting and developing the company’s brand or image, which clearly serves the company’s self-interest. The need for protecting the image is due to external pressure that usually comes from the customers. Other motives for implementing the change were cost savings, differentiation, and a need to improve employees’ satisfaction. However, in our opinion these motives seem to be secondary or an add-on to the improved image. In the present market customers are demanding environmental and social responsibility from companies (Rushton, 2002; Demartini et al. 2011), and in our opinion companies are strategically answering to this demand. Therefore, the companies’ decision to be more sustainable is not done because of ethical reasons, but mainly for financial reasons.

Common Nominators when Implementing the Change

All case companies had their individual approach towards the change, however some common nominators were recognised. These were information gathering, and an evaluation of the company in the beginning of the process. Moreover, every company was lacking knowledge about the sustainable change in some matter, which was resolved by hiring external help in a form of a consultant. There are key factors that are crucial to the success of the change, our results highlights communication, involvement and commitment of employees and management, clear distribution of responsibility, and making the change in the organisational culture. Based on our study results, these nominators are connected to each other. The study shows that communication is an important tool in order to get employees and management involved in the change process, without active communication and employee involvement changing the organisational culture is challenging. The majority of the companies in the study felt that commitment from employees and specially the management is vital for the change to succeed. In our opinion the commitment from the management towards the change takes priority than the commitment from the employees. Furthermore, we feel that changing the organisational culture is not only crucial for the change process to succeed, but also in order to sustain the change in the future.
The SME Special Characteristics

Lee (2009) states that SMEs lack human, financial, and technological resources during the change process. However, our findings show that this was not the case for the companies in our study. In fact only one of the companies claimed that they had some issues with human resources during the change, the rest of the companies stated that these factors were not an issue. The main issue for SMEs implementing the change is, according to our study, lack of special knowledge about sustainability. The case companies tried to solve this issue by hiring a consultant, however this was only a temporary solution in our opinion. If the people responsible for the change do not have the needed understanding and knowledge about sustainability the possibilities become limited. In our study the majority of companies had a limited understanding of sustainability in our opinion. However, the study shows that the companies had adequate knowledge in order to succeed in the change process. Nevertheless, we feel that there is still a great deal of potential to make the change more comprehensive. Besides the possible weaknesses that SMEs can poses compared to larger companies, our study also identified a potential strength that SMEs may poses, this being flexibility. All case companies and the existing literature (Demartini et al. 2011) supported this fact.

Change Impacts

According to the study results, the change towards corporate sustainability was successful and paid off. The biggest gain was external exposure, this goes in line with the main motive that the companies had for the change. The companies had been actively using the change in their marketing, in order to strengthen their image with the consumers, and possible gaining new business. The change did not only provide the companies an opportunity to improve their image, some case companies also stated that the change created cost-savings, competitive advantages, and increased profitability. It is obvious that the change has not only been superficial for the case companies, but they have actually gained something by implementing the change. We feel that this can be the case for other companies as well if they choose to implement a change of this manner. The theory states that a transformative change is a continuous process, and companies can always keep evolving (Kotter, 1995). The case companies also stated that this was the case, and they were planning to continue evolving in the future as well.

6.1 Further Research

As stated, numerous researchers (Sloan et al., 2013; Demartini et al., 2011; Ates & Butitci, 2011 & Lee, 2009) claim that there is a lack of research done for sustainable change
management for SMEs. In order to fill up this gap, Sloan et al. (2013) suggest investigating small and medium-sized enterprises with respect to their understanding of sustainability, motivations for making the change towards corporate sustainability, and operational and strategic processes used in the change. This study has investigated motives, understanding and operational, and strategic processes used in the change. However, our resources and time was limited, and therefore we feel that a more comprehensive study could be made in order to possibly fill the gap of a framework for change management for SMEs.
7 Bibliography


Appendix

8.1 Appendix 1: Survey Questions

1. Could you tell me about your company? What is that you do?
2. We read that you have made a change concerning corporate sustainability, could you describe this change?
   a. What was the precondition for the change process? What was the starting point with corporate sustainability?
   b. Did you gained any knowledge about sustainability/CSR beforehand?
   c. Do you believe that you could have implement the change without any consultancy?
3. What does sustainability mean to your company?
4. What was the motivation for the change? Who would profit from it?
   a. External pressure, image, ethical reason, Self-interest/greater good?
   b. Was your goal to gain cost savings or competitive advantages?
   c. Did this happen?
5. What was the goal of the change?
6. Did you have any strategy/vision how to implement the change?
   a. If yes, what was it?
   b. Did it involve different steps/phases?
7. Were you aware how to change in order to achieve wanted result? (cause & effect)
8. Who was responsible for the change?
   a. Had these people have any other tasks at the same time?
   b. Was HR involved?
9. How did you communicate the change to employees?
   a. Do you feel that every employee understood the plan and the need for the change?
10. What was your employees’ attitude towards the change?
    a. Has the attitude change during or after the change process?
11. Did you involve your employees in the change process?
    a. How?
    b. How was the responsibility of the change divided and did it change during the process?
12. Did the change involve all departments of the company?
13. Did the small number of employees effect the change?
   a. Were there any advantages/challenges/difficulties?
14. Lack of financial and technological resources can be an issue for an SME, was this the case?
   a. What were your solutions for that?
15. How did you measure the change?
   a. Did you have to come up with any new measurements?
16. Did anything go wrong with the change?
   a. If yes, what?
17. How do you think you succeeded in the company change process?
   a. What are most crucial factors to think about in order to succeed?
   b. Is there a specific order (time wise) for these factors
18. How long did the change process take? Is it still going?
19. When thinking back, what would you have done differently?
20. Do you think all the employees embraced the change, or are there still old habits left?
21. Did you succeed to implement the change into company culture?
22. How do you think a change like this differs between an SME and large-sized company? (Advantages/disadvantages, precondition/execution)
23. According to the theory we have, 70 % of all corporate changes fail because of a valid framework, do you agree with this?
24. How do you think you differ from your arrivals sustainability wise?
   a. Have you used sustainable image as marketing tool?
25. Are there any future changes on the way? Are you going to continue evolving?
26. Have you gained anything by implementing this change?
   a. If yes, when and what? (Short-term)
   b. How will the change pay off in the long run?
8.2 Appendix 2: Survey Questions in Finnish

1. Kertoisitko yrityksestänne? Mitä teette?

2. Saimme tietää, että yrityksenne on käynyt läpi muutoksen vastuullisempaan yritystoimintaan. Miten kuivallisit muutosta?
   a. Millaiset edellytykset yrityksellänne oli muutosprosessiin? Mikä oli yrityksen lähtökohta kestävää kehityksessä?
   b. Hankitteko vastuullisesta yritystoiminnasta tietoa ennen muutosta?
   c. Uskottako, että olisitte pystyneet viemään muutosprosessin läpi ilman ulkopuolista apua?

3. Mitä kestävä kehitys/vastuullinen yritystoiminta merkitsee yrityksellesi?

4. Mikä oli muutoksen motivaatio? Kenen/minkä toivoitte siitä hyötyvän?
   a. Vaikuttivatko ulkoiset tekijät?
   b. Oliko muutoksen tavoitteena saavuttaa taloudellisia voittoja tai kilpailueta?
   c. Jos kyllä, saavutitteko edellä mainittuja tavoitteita?

5. Mikä oli muutoksen keskeinen tavoite?

6. Käytettiinkö muutoksen toteuttamisessa tiettyä strategiaa tai visiota?
   a. Jos kyllä, mitä?
   b. Tunnistatteko muutosprosessissa erillisiiä vaiheita?

7. Olitteko tietoisia mitä toimia muutoksen tavoitteiden saavuttaminen edellytti?

8. Kuka oli vastuussa muutosprosessista?
   a. Oliko näillä henkilöillä muita vastuutehtäviä samaan aikaan?
   b. Oliko henkilöstöosasto mukana toteuttamassa muutosta?

9. Kuinka muutos kommunikoitiin henkilöstölle?
   a. Uskotteko, että jokainen työntekijä ymmärsi muutoksen merkityksen ja tavoitteen?

10. Mikä oli työntekijöiden asenne muutosta kohtaan?
    a. Onko tämä asenne muuttunut prosessin aikana tai jälkeen?

11. Osallistuiko henkilöstö muutosprosessiin?
    a. Miten?
    b. Miten vastuu muutosprosessista jaettiin ja muuttiiko jakauma prosessin aikana?

12. Olivatko yrityksen kaikki osastot mukana muutosprosessissa?
13. Vaikuttiko yrityksen vähäinen henkilöstön määrä muutokseen?
   a. Aiheuttiko tämä etua/haasteita/vaikeuksia?

14. Taloudellisten resurssien ja teknologian rajallisuus voi olla haaste Pk-yritykselle muutosprosessissa. Törmäsittekö edellä mainittuun haasteeseen?
   a. Jos kyllä, miten ratkaisitte haasteen?

15. Kuinka mittasitte muutoksen tulosta?
   a. Olitko käyttäneet tätä tapaa mitata ennen muutosta?

16. Mitä haasteita kohtasitte muutosprosessin aikana?

17. Miten arvioisit yrityksen suoriutuneen muutosprosessista?
   a. Mitkä olivat tärkeimmät tekijät muutoksen onnistumiseen?
   b. Oliko näillä ajallista järjestystä toteutuksen kannalta?

18. Kuinka kauan muutosprosessi arvioidusti kesti? Onko se vielä kesken?

19. Kun ajattelette muutosta jälkikäteen, mitä olisitte tehneet toisin?

20. Uskotteko kaikkien työntekijöiden sisäistäneen muutoksen, vai onko vanhoja tapoja toimia vielä jäljellä?

21. Onnistuttiinko muutos istuttamaan osaksi yrityskulttuuria?

22. Miten uskot yritysmuutoksen toteuttamisen eroavan Pk-yritysten ja suuryritysten välillä?

23. Meidän saamamme tiedon mukaan, 70% kaikista yritysmuutoksista epäonnistuu muun muassa sopivan muutosta ohjaavan mallin puuttuessa, oletteko samaa mieltä?

24. Miten uskot yrityksenne erottuvan kilpailijoistaan vastuullisen liiketoiminnan kannalta?
   a. Oletteko käyttäneet vastuullisuutta markkinointityökaluna?

25. Oletteko suunnitelleet uusia muutoksia tulevaisuudessa? Jatkuuko kohditys?

26. Mitä olette saavuttaneet tällä muutoksella?
   a. Miten uskotte tämän muutoksen hyödyttävän teitä pitkällä aikavälillä?