Investigating CSR Anchoring in an Organization

Authors: Cecilie Thoresen, Mãdãlina Popa, Wang Li

Supervisor: Annette Cerne

Abstract

Title: Investigating CSR Anchoring in an Organization

Course: Master Thesis in Business Administration, Programme for Managing People, Knowledge and Change (15 ECTS).

Authors: Cecilie Thoresen, Madalina Popa and Wang Li

Supervisor: Annette Cerne

Key Words: Organizational Identity, Culture, CSR, Corporate Identity, Image, IKEA

Purpose: The purpose of this thesis is to understand how Corporate Social Responsibility (CSR) as knowledge is anchored in an organization. The importance of this anchoring comes from the organizational need to adapt to the contextual global awareness related to CSR, amplified by the organizational transparency and exposure.

Methodology: A hermeneutical approach has been taken in this thesis. We have attempted to link the different organizational elements with their context as well as having developed our pre-understandings.

Theoretical perspectives: Our approach is based on Morsing et al.'s (2008) argument of an 'inside-out approach' to CSR. Further, we expand the model developed by Hatch and Shultz (2002) in order to aid our discussion of how CSR is anchored in an organization.

Empirical foundations: IKEA is used as a case study where we have conducted interviews as well as made observations at Bäckebol and Kållered in Göteborg, Sweden. In addition secondary materials – particularly including IKEA's Sustainability Reports and IKEA's webpage – have been used.

Conclusions: CSR as knowledge is anchored within the organization and is evident in both the culture and organizational identity – and not only in corporate identity. However, the overall flow between the main organizational pillars has some weaknesses – identified in the dynamics between identity and image and also in the explicit CSR knowledge at the level of organizational identity representatives.

Acknowledgements

First and foremost, we would like to express our sincere gratitude to our supervisor, Annette Cerne, who has provided us with kind and patient guidance in every stage of this thesis writing. Without her illuminating instructions, our thesis could not have reached the present form.

Secondly, our sincere appreciation also goes to IKEA Bäckebol and Kållered and more specifically to Eva Stål and Fredrika Klarén for their tremendous support during our collaboration, as well as to the co-workers we had the pleasure to speak to in Göteborg.

Last but not least, we would like to thank our families for providing us with crucial support, love and patience during the long and late hours of writing.

Table of Abbreviations

CSR - Corporate Social Responsibility

ed(s). - editor(s)

et. al. - et alia

IWAY - The IKEA Way on Purchasing Home Furnishing Products

KPI - Key Performance Indicators

OIDM - Organizational Identity Dynamics Model

NGO - Non-government Organization

UNICEF - the United Nations Children's Fund

WWF- World Wildlife Fund

Table of Content

1. INTRODUCTION

Our study aims to investigate Corporate Social Responsibility (CSR) anchoring in an organization. In order to understand why this is important for organizations, we need to take into consideration not only the organization at a micro level but also the contexts surrounding it. The appropriate methodology for our purposes is hermeneutics – allowing us to investigate, discuss and interpret the processes between the whole and the part.

1.1 Problematization

We live in a dynamic and changing world. It is acknowledged that in order to survive, organizations must adapt to this continuous change process (Alvesson and Sveningsson, 2008: 3). "Not since the Industrial revolution have the stakes of dealing with change been so high. Most traditional industries have accepted, in theory at least, that they must either change or die" (Beer and Nohria in Alvesson and Sveningsson, 2008: 3).

One of the pressing points in contemporary business practice is CSR (Morsing et al., 2008) and it has become a contextual driver for change of which organizations must be aware of: "the earth is at a tipping point: business as usual is no longer an option" (IUCN, 2006: 8). In this context, it is crucial for companies "to build a corporate reputation of social commitment" (Morsing et al., 2008: 97) and face this challenge on a daily basis.

Firstly, we consider the following contexts: the crucial importance of CSR, social awareness concerning CSR, companies' acknowledgement of being part of the problem and the solution associated to CSR, CSR becoming an integrated part of the organization and increased organizational exposure, access and transparency. We will discuss them in the next two paragraphs.

CSR is acknowledged globally for its crucial importance (Crane and Matten, 2007: 21; Maignan and Ferrell, 2004; Morsing and Beckmann, 2006; Fombrun and van Riel, 2007) – and "businesses are an important part of the solution" and "can be a powerful force for positive change, far outstripping the capacity of government because of its capacity to harness

individual human enterprise and self-interest" (IUCN, 2006: 16). Today companies no longer ask themselves if they should work with CSR (Crane and Matten, 2007: 47), but have established guidelines and permanently staffed divisions to research and promote it (Lee, 2008: 53–54). Moreover, due to the importance of CSR and the demand from customers that organizations should act ethically, it becomes increasingly important for it not only to be a project attached to the organization, but also to become an integrated part within the organization.

Additionally, in the context of increased exposure, access and transparency, the line between internal and external organizational environment is disappearing (Hatch and Schultz, 1997; 2002). Thus the process of interaction and communication is occurring from all organizational levels.

Secondly, coming back to our discussion from a hermeneutical perspective, we are also considering the micro level of our analysis – the specific links and interactions between CSR and the organization. There are a number of studies concerning the general positive CSR impact over the organizational performance due to reputation, competitiveness and sustainability (Burke and Logsdon, 1996; Porter and Kramer, 2002; Snider et al., 2003). Moreover, taking one step further into the organization, it has been argued that CSR has a positive influence over the organizational members (current and prospective) supporting the idea of corporate attractiveness, good reputation, organizational commitment and motivation (Albinger and Freeman, 2000; Brammer et al., 2005; Maignan et al., 1999; Peterson, 2004; Riordan et al., 1997; Rupp et al., 2006).

Moreover, still at the organizational level, we are considering culture and identity as the main pillars defining the organization – which are strongly interconnected with the pillar of organizational image as "the site of external definitions of organizational identity" (Hatch and Schultz, 2002).

Thirdly, it is very important to follow the processes between the discussed context and organizational entity – between internal and external organizational environment in relation to CSR. In the context of increased social awareness related to CSR - CSR being an integrated

part within organizations and the multiple communications from all organizational levels. If CSR is not anchored deeply in the organization we believe this situation will lead to inconsistent and contradictory CSR claims and perceptions (Morsing et al., 2008), thus damaging the trustworthiness and long-term success of the organization (figure 1). Hence, Morsing et al. (2008: 102) argue for an "inside-out" organizational approach to CSR. This means that initially, employees are the key concern for CSR activities – thus creating commitment and organizational support to the CSR agenda.

Figure 1. Inconsistent CSR communication from organizational levels creating a contradictory CSR external perception.

Since we are considering the organization as being defined by three main pillars – culture, image and identity – we argue that one can integrate CSR in the organization by embedding it within these three pillars. In figure 1 the processes between the organization – defined by culture, organizational and corporate identity – and the corporate image can be seen. In this case culture, organizational identity and corporate identity are not aligned in association with CSR as knowledge – thus leading to contradictory external CSR claims and perceptions with a negative effect on the company's credibility. For that reason it becomes crucial to align culture, organizational identity and corporate identity in relation to CSR.

1.2 Research Question

How is CSR anchored in an organization?

1.3 Purpose

The purpose of this thesis is to investigate - at the organizational level - how CSR as knowledge is embedded internally, thus to understand how CSR reaches all organizational levels found in figure 1. The importance of this embeddedness comes from the organizational need to adapt to the contextual global awareness related to CSR, amplified by the organizational transparency and exposure.

1.4 Approaching the Research Question

Taking into consideration the continuous interest towards validating the corporate statements, Morsing et al. (2008) argue that only by an 'inside-out' organizational approach to CSR there will be achieved a strong foundation for the consistency of CSR claims – a precondition for organization's trustworthiness and long-term success (figure 2).
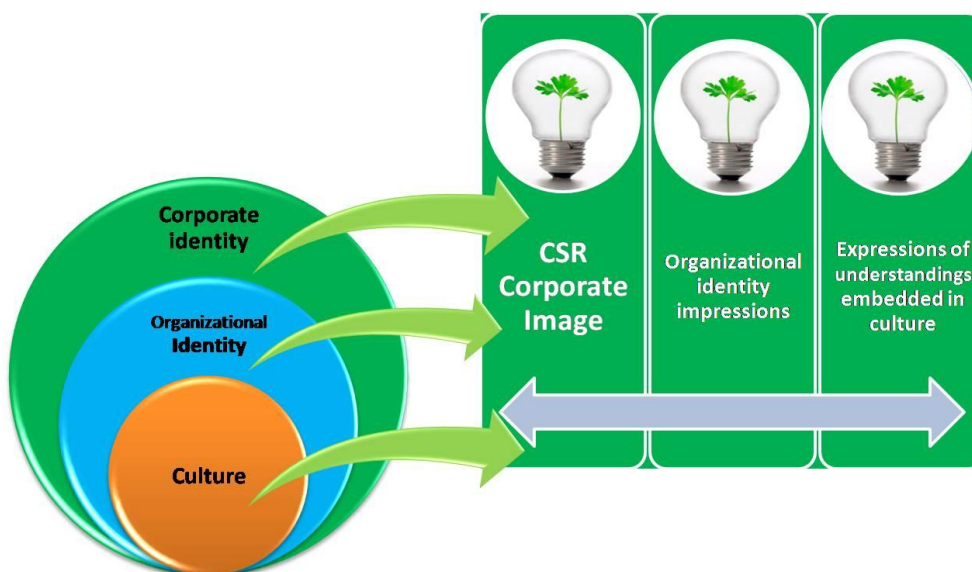

Figure 2. CSR anchored in the organization generating a consistent and trustworthy CSR communication.

From an analytical point of view, we can link the internal and external organizational environment in order to illustrate the interactions between them. Hatch and Schultz (2002) have developed a general theoretical model that deals with this linkage, arguing that the alignment of culture, identity and image is of crucial importance. Moreover, considering the above discussion, we argue that alignment of these pillars in association with CSR as knowledge can provide deep CSR anchoring at an organizational level (figure 2).

Using a hermeneutical approach, in the process of interpretation we identified the need to break the organization into even smaller pieces adding value to our study by sub-interpretations (Alvesson and Sköldberg, 2000: 63-64) – thus distinguishing between organizational identity and corporate identity. The former reflects a shared understanding and perception of the organization's values and distinctive traits – at the level of organizational members. Corporate identity on the other hand is identified as the management level – being connected with organization's vision and strategy – and is directed towards external audiences but is also being perceived by organizational members (Hatch and Shultz, 1997). Relating this to the above, we can see that corporate identity is how the managers talk about how they engage in the CSR projects, however, the organizational members could, but do not necessarily have the same understanding and perception related to the corporate claim.

In terms of the above discussed contextual continuous changes, we argue that CSR deep embeddedness in the organization is of crucial importance. For this reason a better understanding of the process between the main pillars - culture, organizational identity, corporate identity and image - are of essence. Hatch and Shultz's (2002) model – the Organizational Identity Dynamics Model (OIDM) – facilitates the understanding of how these pillars affect each other and how there might be disturbances in this processes. This model has been adapted somewhat to our purposes however the main features of Hatch and Shultz model remains. In our Extended OIDM we will make the distinction between organizational and corporate identity and it is used for the specific analysis of an 'inside-out' organizational embedding of CSR as knowledge.

Additionally, with the help of the Extended OIDM we can discuss the interactional flow directed from outside to inside the organization – the flow between image and organizational

identity as well as corporate identity. In the same context of organizational access and transparency, the organizational members are carrying with them traces of external images thus mirroring them into the organizational identity (Hatch and Schultz, 2002). Considering the internal CSR influences upon the employees discussed above – employee commitment, motivation, retention, even pride – we also argue that this flow is of importance. Organizational members have the potential on the one hand to facilitate the organizational development with their commitment, and on the other hand they participate – at a certain level – to construct the organizational image by carrying their perceptions and knowledge of the business beyond organization's boundaries (Hatch and Schultz, 2002).

Thus, we are acknowledging the continuous flow between the internal and external environment of the organization, influencing and feeding into each other and we are considering organizational identity in the center of this flow.

To aid our analysis of the Extended OIDM in relation to CSR we will use a case study. Our choice of organization is IKEA and more specifically two stores located in Göteborg, Sweden: Bäckeboll and Kållered. The reasons for choosing IKEA as our case study to fulfill our thesis requirements are several. Firstly, it is now the fourth consecutive year that IKEA has been recognized as "one of the World's Most Ethical Companies" (IKEA Named as One of the World's Most Ethical Companies' for Fourth Consecutive Year in 2010, 2010). Secondly, previous research on IKEA has not dealt with the link between CSR and embeddedness in the main organizational pillars. Thirdly, contextual reasons are taken into consideration, Sweden being nominated as the most competitive country in Europe according to WEF (World Economic Forum) – and sustainable development and environment had a strong focus in the classification (Sverige Mest Konkurrenskraftigt i EU, 2010). Thus, we are taking into account the increased CSR awareness in Sweden as a stronger change driver for companies in this competitive market.

In conclusion, we argue that the "organizational anchoring of CSR activities" (Morsing et al., 2008: 103) is the key towards managing CSR as knowledge within organizations and we are going to use the Extended OIDM as a theoretical framework for evaluating the embeddedness of CSR knowledge in the organizations.

1.5 Structure

This thesis is divided into 6 parts. In part 1we presented the purpose of our study, followed by the problematization leading up to the research question. Furthermore, in part 2 we discuss the methodology and methods chosen and the reasons for these choices, as well as the research quality considerations. Part 3 focuses on the theoretical perspectives of the thesis. An overview of IKEA's CSR projects is presented in part 4. In part 5 we discuss the empirical material by using the theoretical framework presented in part 3 and we link back to the research question at the end of this part. Finally, part 6 serves as the conclusion, where we discuss our contribution to previous work and limitations of the study, and also make some suggestions for future research in this area.

2. METHODOLOGY AND METHOD

In this part we begin by discussing the methodological considerations where we will show why we use hermeneutics in our thesis. Then we will move on to the research strategy comprising of why we have chosen a case study and more specifically IKEA as our subject. Further, the method of collecting the material from and about IKEA is then discussed as well as how we will evaluate the material using hermeneutics. Lastly we will discuss how we have maintained the research quality throughout the development of this thesis.

2.1 Methodological Considerations

When considering how to approach a research area one first needs to make a decision on how one might use a qualitative or quantitative approach. Quantitative research uses measurements that are then analyzed. Further, it uses a deductive approach, where the testing of theory is conducted. Thus, hypothesis testing is a fundamental part of the quantitative approach (Bryman and Bell, 2003: 25, 68-69). Our research is not taking on a deductive approach; rather it is inductive since we are not trying to confirm or reject our research question, only attempting to understand how organizations anchor CSR. However, it would be naive to say that our study is purely inductive; there is always an essence of deductiveness in any research (Bryman 2008: 13) since "[R]eality is *always already* interpreted" (Alvesson and Sköldberg, 2000: 17), and we do in fact base our research on former theories and studies. We hence have a qualitative research strategy. A further reason for this is that the issues we are looking to investigate are best evaluated using an interpretive way of understanding organizations. Because our research question aims to find how CSR is anchored in an organization, we are not aiming to find true knowledge in a natural science sense and we are aware that organizational issues are subject to interpretation. The aim is to investigate and understand organizational anchoring of CSR issues, directing us into an epistemological consideration towards interpretivism (Bryman and Bell, 2003: 13-19).

Further, since we are dealing with issues such as identity and culture, awareness of the ontological perspective of constructivism is important. Constructivism allows for the

possibility of for example, culture to be constructed by organizational members, rather than something that is forced upon them and constraining them (Bryman and Bell, 2003:19-21; Hatch and Shultz, 1997: 357). This is not to say that nothing can be objectively found. However the way that we view for example identity is that it cannot be found through qualitative measurements, rather it is something that is constructed by individuals through social interactions where interpretations take place to form the understanding of one-self.

The above allows us to focus on the interaction between individuals in forming their reality around CSR and see this in terms of identity but also through culture and image. This focus would not have been possible if for example a positivist stance was taken, since we would then have had to base all our analysis on facts that can be proven and are value free and not on interpretations (Bryman and Bell, 2003: 13-15). Thus a positivist perspective would not have allowed the focus on the interaction between for example image and organizational identity, since this process is a matter of interpretation, and not provable facts. The conclusion from this is hence, that in order to find meaningful results considering our research question, we need to approach our study in an interpretative manner, and more precisely in a hermeneutic manner.

Hermeneutics was developed when researchers begun analyzing the Bible, considering the context in which it was written, thus hermeneutic origins stem from the study of a particular text (Alvesson and Sköldberg, 2000: 54). Further, "[h]ermeneutics can be described as the *theory* of interpretation" (Llewellyn, 1993: 235). However, what is important to understand is that "hermeneutics denies the objective-subjective dualism which is set up in some interpretive approaches. […] Therefore hermeneutics is not solely concerned with the explication of subjective meaning" (Llewellyn, 1993: 234). Further we understand hermeneutics to be a spiral process of interpreting and reinterpreting (Alvesson and Sköldberg, 2000: 61-67). This holds true both in the situation that is being investigated – organizational members constantly reinterpret their organization when they are faced with something new – and for the researchers when they discover new aspects of the empirical material.

Since we are considering the flow between culture, identity and image and in our case, in relation to CSR as knowledge it becomes important to understand this process on both a

micro and a macro level. For example, the image of the organization's CSR projects is affected by the organizational and corporate identity, however it is also dependent on how the society on a whole view organizations responsibility in social and environmental matters. If the society thinks it is important for organizations to 'do their part' in CSR matters, the activities of organizations will be viewed through this lens and organizations who do not reach these expectations will receive a negative image. Thus the image would be different if the society had no expectations on organizations at all. The relationship between this whole and part is essential in hermeneutics, where a spiral process between the two aids the researcher to gain a deep understanding of the underlying meaning in the case investigated (Alvesson and Sköldberg, 2000: 52-56). The focus therefore lies in how the social context forms the subjects' point of view, understanding and the way they discuss issues (Hughes, 1979: 101). Further, the relationship between the whole and the part is a matter of interpretation both since the members of the society will interpret the actions taken by the organization, and also for the researcher since we will have to interpret this relationship using the empirical material gathered.

Taking into consideration that our focus lies on organizational identity one methodology that is often applied is post-modernism. The reason for this is that post-modernism focuses on how the social world is constructed through language and allows the researcher to view identity to be changing and depending on the situation (Alvesson and Sköldberg, 2000: 149-140; Bryman and Bell, 2003: 281, 527-528), for example in terms of the organizational identity being low cost or it being environmentally friendly. However, our focus is not on the conflicting organizational identities, rather it is in the flow between culture, identity and image and more precisely in how the context of culture and image can affect the organizational identity thus interpreting is an important tool, something that is not allowed in post-modernist studies (Alvesson and Sköldberg, 2000: 152). Hermeneutics allows us to interpret how these flows are affecting organizational members through gaining understanding between the whole and the part.

To aid the interpretation of these flows we come to the conclusion that a case study where we would be allowed to conduct research within the organization would be of importance.

We will continue the part with a discussion of why we chose a case study, what organization suits our interests and how the research was then conducted.

2.2 Research Strategy

2.2.1 Case study

Our research aims to answer how CSR is anchored in an organization. This implies that an experiment, a historical study or a case study are the best methods to use (Yin, 1994: 4-5). However, when the research aims to investigate contemporary events such as ours and when the behaviors of the subjects cannot be manipulated then a case study is the best research strategy (Yin, 1994: 4-9).

A case study allows us to interpret how and if CSR is anchored at the organizational or even cultural level through focusing on the issue in relation to a specific organization, rather than on an abstract and theoretical level. Further, in order to investigate a relationship between the whole and the part, a focus on a case study allows for the object to be investigated from a distance (the whole) and up close (the part), since the case study allows the contextual conditions to remain (Yin, 1994:13). These contextual conditions are something that is very important for hermeneutic research (Alvesson and Sköldberg, 2000: 61-62).

2.2.2 Choice of Company

We decided to choose IKEA as the case study in this thesis for the following reasons. Firstly, IKEA has been working in the CSR area for many years. It is now the fourth consecutive year that IKEA has been recognized as "one of the World's Most Ethical Companies" (IKEA Named as One of the World's Most Ethical Companies' for Fourth Consecutive Year in 2010, 2010). Further, IKEA works with well-known organizations such as UNICEF and WWF to actively take part in issues like child labor prevention and illegal deforestation. However, IKEA does have scandals, much like many other big and international organizations. For example, the live-plucking goose feather scandal in 2009 (IKEA Drops Live-Plucked Chinese Down Bedding from Shops, 2009). However, overall, especially in Sweden, media portray IKEA in an overall positive light in terms of CSR and highlight how IKEA is working with these issues. Secondly, IKEA's change process started as a need to adapt to the contextual global awareness related

to CSR, amplified by the organization transparency and globalization. IKEA started to report its CSR activities in 2003, the Social and Environmental Report. The report was renamed Sustainability Report in 2009. In IKEA's own literatures, e.g. Sustainability Report, IKEA IWAY, etc., IKEA describes many CSR activities, which particular suit our research.

For the above reasons, IKEA is an interesting organization to study for our research. IKEA, working with so many CSR issues should have realized the importance of anchoring CSR as knowledge into the organization in order to portray a trustworthy CSR message. Thus IKEA can allow us to better understand how organizational members themselves perceive this to be important for the organization, permitting a hermeneutic study of how organizational members interpret the organizational culture as well as the image and incorporate that into the organizational identity.

To conclude 2.2.2, Alvesson and Sköldberg (2000: 64) argue that the more researchers narrow down to the relevant source of interest, the higher is the interpretative value of the researchers' exploration. IKEA is obviously a large organization, hence we have limited our search the organization to two stores - Kållered and Bäckeboll, both located in Göteborg and having the same Social and Environmental Coordinator.

2.3 Collection of Empirical Material

The suggested method for collecting material in qualitative research and when conducting a case study in particular is through interviews and observations as well as secondary sources such as news articles and web pages (Hughes, 1979; Yin, 1994: 8). Further it is argued in hermeneutics that primary sources have higher value for the interpretation than secondary sources (Alvesson and Sköldberg, 2000: 72), thus the key subject of evaluation in this thesis is from interviews however some observations and secondary material will also be used.

For our purposes interviews were best conducted in an unstructured or semi-structured manner. In the former, areas of interests are considered before the actual interview but questions are not brought to the setting, in order for the interview to be conducted as a conversation. The latter allowed for an interview guide with specific questions to be presented although follow up questions were allowed. (Bryman and Bell, 2003: 343). This

flexibility is of special importance for hermeneutics since restrictions made by the researchers, through for example questionnaires or structured interviews make it difficult to capture context not covered by the prepared questions that might be of particular importance for the subject at hand. The context is often the trivial information that does not directly focus on the area of interest for the researcher (Bryman and Bell, 2003: 293-296). This information as well as other information that can be gathered from observations and news articles for example, allows the hermeneutic researcher to interpret the relationship between the whole and the part (Bryman and Bell, 2003: 421-422).

The two stores in Göteborg have the same Social and Environmental Coordinator, Fredrika Klarén. She was interviewed in the same way as Eva Stål, i.e. with an unstructured interview. Both of these two interviews were longer than the ones for the co-workers, Eva's interview was about 2 hours long and Fredrika's lasted for about 60 minutes, whereas the interviews with co-workers lasted no longer than 45 minutes. We interviewed two co-workers at Kållered and four co-workers at Bäckebol. Thus, in total we had six interviews with co-workers, in addition to the ones with Eva Stål and Fredrika Klarén. We have revealed Eva and Fredrika's names in the thesis for the reason that we consider them to represent the corporate identity of the organization since they work with CSR issues in their daily activities and will portray IKEA in a positive light so as to actively create an impression on us as well as the general public (Alvesson and Sköldberg, 2000: 71). However, the co-workers identities will not be revealed since they are considered to bring forward the organizational identity in our research and do not communicate CSR activities in their job role, and therefore although they add much value to our research their anonymity does not affect the analysis of the empirical material.

The interviews with the six co-workers were also conducted using unstructured interviews, however we had brought a set of questions with us that we at the end of every interview consulted to make sure that we had covered all areas of interest. Thus set questions were asked in the end if there was a need to do so. Further, we all attended the interviews allowing us to get a first hand feel of all the interviews something that can aid the interpretation. .This relates to the high importance of gaining contextual understandings in hermeneutics that has been discussed previously.

Questions that were asked in the interviews were related to how the subject understood IKEA's CSR projects and how they felt it to be important for the organization as well as how the communication with customers concerning these issues where. Further, when interviewing Eva Stål and Fredrika Klarén we also wanted to understand how they formed the message delivered to organizational members in relation to CSR, and thus questions addressing this were asked. Deepening of certain areas was made through asking the subject to develop the answers, if this was not sufficiently achieved without the researcher's interference. Further, all interviews were tape recorded. This was done so that all of our attention could be at the interview at hand, rather than having to move some of that focus to writing down notes of what was being said, and also so as to capture everything that could later on be of importance, for example marginal information such as hesitations and contradictions that could aid our interpretation.

Not only primary material was collected. As discussed above secondary material can also be used in hermeneutics. Thus we found a speech made by the former CEO of IKEA Group, Anders Dahlvig. This speech is similar to any other statement sent out by IKEA however just as with interviews it can be used to gain insight into for example what could be considered as cultural scripts. Cultural scripts are statements made by individuals in for example interviews but also other settings that are widely used within for example the organizational culture in the form of stories and metaphors (Alvesson, 2003: 20-21).

Further, secondary research through CSR reports, information of IKEA's websites and news articles concerning IKEA was used. As mentioned above, hermeneutics allow secondary material to be used in the analysis. Since our focus lies in the internal understanding of the CSR projects, we are interested in gaining understanding of how this external image is mirrored by the internal organization, and the these sources was used accordingly to gain this intuition.

2.4 Evaluating the Material

When conducting the interviews some parts of the discussion will be irrelevant for the evaluation that is later on to be undertaken. We have chosen not to transcribe the interviews

in full. Instead we have used the method suggested by Bryman and Bell (2003: 355) where we have listened carefully to the interviews before we transcribed the parts that we needed and omitted parts of the interview that do not have any relevance to our evaluation. There are some risks when doing this, mainly the potential loss of some relevant aspect of the interview, however by listening carefully and being open to material that can have a contextual value before transcribing we believe this risk is minimal.

Hence, the collected material was first listened to several times and then hermeneutic interpretation was carried out throughout the research period. The implications of this was that when gaining new understanding, - going from pre-understanding to understanding – we changed our research questions several times in order to better accommodate what we aimed show through the research. Further, as discussed in 2.1, we view hermeneutics as a spiral process where additional material set off reinterpretations and help us develop knowledge of the context that IKEA operates in. To aid these processes, listening to the tapes was done as soon as possible after the interview had taken place in order for us to stay 'on top of' the material and continue this spiral process of reinterpreting. Not leaving material to be evaluated in the last minute is also suggested by Yin (1994: 142).

In addition to the above Kvale (1996: 280) suggests a method for evaluating material.

> *An alternative approach toward the transcripts involves entering into a dialogue with the text, going into an imagined conversation with the "author" about the meaning of the text. The reader here asks about the theme of the text, and goes into the text seeking to develop, clarify, and expand what is expressed in the text. The meanings may be approached as manifestly expressed, or, in line with a 'depth hermeneutics', as hidden in the texts.*

To enter into a dialogue with the text in hermeneutic research is suggested not only by Kvale but also by authors such as Alvesson and Sköldberg (2000: 62-63; Bryman and Bell, 2003: 421). This implies that throughout our evaluation process we have asked ourselves questions of what the text is trying to bring forward, rather than pushing an interpretation onto the text and run the risk of losing the original meaning of the text.

2.5 Research Quality

There is no universal way of assessing research quality within qualitative research (Armour et. al., 2009: 102). This does not however imply that research quality lacks importance, rather it is imperative to be able to assess what potential pitfalls the research have depending on the methodology chosen to use in the study. One way of doing this is to look at reliability and validity. These are often used in quantitative studies; however they can also be used in qualitative research (Bryman and Bell, 2003: 286).

2.5.1 Reliability

When considering external reliability the focus lies on the question - is replication of the research possible? In order for this to be maximized, dependability can be considered where records of all discussions and material collected as well as the evaluation processes should be kept. Preferably, all this material should then be reviewed in a peer situation (Bryman and Bell, 2003: 286-287; Yin, 1994: 36-37). This procedure is an extensive one and for this reason we have limited this method to; keeping track of all the above stated material and instead of using peer review we have made sure that the three of us go back and review our early findings to ensure reliability. Further, and related to internal reliability, all researchers have been part of all the processes and interpretation of the material so that we have made sure that we agree on what we have seen, heard and reflected upon (Bryman and Bell, 2003: 287-289).

Despite this, the problem with external reliability is that replication of any case study becomes difficult even with the above measures because organizations are not fixed entities. What we observe today will be different from any observations made a year from now even though the same procedures are taken (Bryman and Bell, 2003: 288). Still, we believe that through using the same methods as explained previously in this part, the same research can be conducted elsewhere; however they might not obtain the same results. These changes in results could be due to other reasons outside of the researchers' reach since hermeneutic researchers consider for example identity to be constructed and reinterpreted in an ongoing process.

2.5.2 Validity

Validity, just as reliability can be divided up into internal and external. Internal validity focuses on the match between material collected and theory derived. An alternative view on this is through ensuring credibility. Here, multiple sources giving account for the same social reality is of importance, thus strengthening the explanatory credibility of the interpretations (Bryman and Bell, 2003: 288-289; Yin, 1994: 35). Although, in qualitative research a big sample is not necessarily needed, researchers still need to ensure enough sources are referred to in order for credibility to take place. Further, for hermeneutic studies (developed through historical hermeneutics) source criticism is of an outmost importance where the credibility of the sources is being questioned through considering for example biasness (Alvesson and Sköldberg, 2000: 69-75). We have done so through asking for several interviews within each of the two stores at IKEA and applying source criticism to the material evaluated. This allows us to see differences and similarities in how co-workers talk about CSR in their organization and to understand if the material collected is representative for the organization on a more general level, as well as questioning the motive of the interviewees.

External validation is somewhat related to external reliability however here the focus lies on if the findings can be generalized (Bryman and Bell, 2003: 288-299; Yin, 1994: 35-36). This is difficult to achieve however one of the ways attempting to allow for the results to be generalized is to use triangulation, due to the increased possibility of interpreting the situation in a truthful manner (Yin, 1994: 91-93). Triangulation is done through "gaining multiple perspectives on a given topic from different sources (including sources, investigators, theories, disciplines and methods)" (Armour et. al., 2009: 104). Once again, this is achieved through multiple interviews with employees with different types of job description, from observations, internal material used in IKEA as well as through information that can be gathered on the internet. Further, by conducting the case study in two IKEA stores rather than in only one the ability to generalize the results can be increase (Yin, 1994: 36). Although the case study should not be considered a multiple-case study since we are looking at the same organization, by understanding that the two stores might have different sub-cultures they will be beneficial in order to understand the generalization possibilities for our research.

3. THEORETICAL FRAMEWORK

In the previous part we have considered what methodological approach to take, and what research strategy and method to use in relation to this, in order to build our argument. In this part, we will build the theoretical framework for our research.

CSR has become a contextual driver for change - something that organizations are aware of and must adapt to in order to survive. Morsing et al. (2008) argue that only by an 'inside-out' organizational approach of CSR, there will be a strong foundation for the consistency of CSR claims – a precondition for organization's trustworthiness and long-term success.

Utilizing a hermeneutical approach, our intention is to evaluate the CSR embedding by breaking the organization into its main pillars: image, identity and culture. Thus, we will begin this part with a discussion of these concepts. The literature review of CSR is presented afterwards. Then, based on Hatch and Schultz's (2002) Organizational Identity Dynamics Model (OIDM), we will develop it into the Extended OIDM which is used as our basis of analysis. The Extended OIDM highlights the importance for organizations anchor CSR and to align the organizational image to its culture, through members' identification.

3.1 Theorizing culture, identity and image

3.1.1 Culture

With the growth of organizational development (OD) in the 1980s, the concept of organizational culture became popular, "gaining exposure in popular books like 'In Search of Excellence' by Peters and Waterman" (Merton et al., 2009: 221). The most recognized definitions of organizational culture all acknowledge that culture is connected to "some form of shared meaning, interpretations, values and norms" (Alvesson and Sveningsson, 2008: 36).

For example, Frost et al. (in Alvesson, 2002: 3) defines organizational culture in the following terms, "talking about culture seems to mean talking about the importance for people of symbolism – of ritual, myths, stories and legends – and about the interpretation of events,

ideas, and experiences that are influenced and shaped by the groups within which they live". Alvesson (2002: 3) adds two other factors into this definition of culture – values and assumptions about social reality and argues that meanings and symbolism are more important than values in culture analysis.

The way we will refer to organizational culture complies with the above and can be conceptualized in Hatch and Schultz's (2002: 996) definition of organizational culture, the "tacit organizational understandings (e.g. assumptions, beliefs and values) that contextualize efforts to making meaning, including internal self-definition" among a group of individuals. Culture is therefore a context where organizational members gain their understanding of their organization. However through the efforts of making sense of the culture, individuals also have the possibility of affecting this context through interpreting the organization in their own way, thus creating new meanings.

Culture in an organization is very important and it plays a salient role whether the organization is a happy and healthy place in which to work or not (Kane-Urrabazo, 2006: 193). A strong culture is "a system of informal rules that spells out how people are to behave most of the time". However, a weak culture "wastes a good deal of employees' time, as they have to figure out what they should do and how they should do it" (Deal and Kennedy, 2000: 15). Thus, we understand a 'weak culture' to be a situation where there are internal messages and behaviors that do not correspond to the tacit organizational understandings. This situation can, due to its time consumption, make it harder for organizations to become successful.

Since the organization's culture could be very fluid and hard to get hold of, demanding both imagination and creativity (Alvesson and Sveningsson, 2008: 35) we will consider the approach taken to culture according to both Alvesson and Sveningsson (2008) and Hatch and Schultz (1997: 357). The latter stated that:"[b]ased on our perspective, which is grounded in interpretivism and social constructivism, we argue that culture needs to be seen, not as a variable to be measured, accounted for and controlled, but as a context within which interpretations of organizational identity are formed and intentions to influence organizational image are formulated."

3.1.2 Identity

Identity is a powerful term as it speaks to the very definition of an entity - e.g. an organization – it has deep roots in organizational phenomena and has been a subtext of many organizational behaviors (Albert et al., 2000: 13). Jack and Lorbiecki (2007: S80) argue that identity is "a multilevel construct" and it is important to differentiate between corporate, organizational and individual identities within organizations.

Individual identity refers to "a person's view of him/herself; it is how I see myself and is about how individuals or groups of people understand and define themselves in the organization" (Alvesson, 2004: 190).

Corporate identity – used as a concept mainly in marketing studies – is closely related to the discussions of image (Jack and Lorbiecki, 2007: S80) and it is conceptualized as "a function of leadership and by its focus on the visual" (Hatch and Schultz, 1997: 357). Corporate identity is concerned with how the central idea of a corporation is presented to its various constituents to achieve the corporation's strategic goals (Gioia. et al., 2000) and "constituted of core values (e.g. operating philosophy, vision and mission, leadership) and demographics (e.g. business, size, age, competitive position, country of origin, location) of the company" (Bhattacharya and Sen in He and Mukherjee, 2009: 1).

Organizational identity – used as a concept mainly in organizational studies - refers broadly to "what members perceive, feel and think about their organization" (Hatch and Schultz, 1997: 357). Albert and Whetten (in Jack and Lorbiecki, 2007: S81) define organizational identity as "organizational members' collective understanding of that which is central, enduring and distinctive about an organization". Further, organizational identities clarify who the organization is, grant explanations for why the organization is this way (Jack and Lorbiecki, 2007) and offer employees a collective meaning of the organization (Dutton and Dukerich, 1991). The above definitions of organizational identity assemble all employees' understandings of the organizations' distinctive features. However, since we are working within the concept of hermeneutics, it needs to be mentioned that this combined organizational identity answering the question of "Who are we?" (Alvesson, 2003: 126) can be

answered slightly differently by organizational members since there might be different ways of expressing the same understanding.

3.1.3 Image

Alvesson (2004: 71) argues that "the concept of image is tricky to define and use" and he brings forward two understandings of image. First, image is used to refer to "somebody's inner picture of a particular object", where image is created by an agent for his or her own sake. Second, image refers to "the communicated attributes of an object", where image bears the "imprints of a sender tying to project a certain impression to an audience".

For the purpose of our thesis, we will relate to the second understanding of image as well as how it is defined by Alvesson (1990: 376) – "the holistic and vivid impression held by a particular group […] towards a corporation as a result of information processing (sense making) of the group's members". Further, Hatch and Schultz's (2002: 995) definition of organizational image also aligns with Alvesson's view – "the set of views on the organization held by those who act as the organization's 'others' ", where organizational 'others' includes consumers, suppliers, government, shareholders, etc. However referring to hermeneutics, the image held by organizational others will not only depend on the partial messages from the organization, it will also be formed by the social context. This refers back to section 1.1 – an organization that does not comply with the changing social conditions – the context – will find it difficult to be successful in the long run.

3.2 Corporate Social Responsibility

CSR has become one of the spotlights of nowadays society, and multinational companies especially recognized its crucial importance (Crane and Matten, 2007: 21; Maignan and Ferrell, 2004; Morsing and Beckmann, 2006; Fombrun and van Riel, 2007) – at the very least at the level of corporate image – and incorporating it as a constant internal function besides human resources, management, marketing etc.

Although the concept of CSR has been actively debated, its full meaning is relatively vague. However, CSR "provide us with knowledge that transcends the traditional framework of

business studies and confronts us with some of the most important questions faced by society" (Crane and Matten, 2007: 11). Consequently, since CSR "confronts organizations whatever line of business they might be in" (cf. ethical issues in Crane and Matten, 2007: 9), the importance of managing the CSR concept as knowledge within organizations has become imperative.

CSR could be enhanced by various terms like: corporate citizenship, sustainability, corporate philanthropy, environmental responsibility, corporate community involvement (Kotler and Lee, 2005: 2). In defining the nature of CSR, Carroll's (1991) social pyramid offers a classification of its different and complex dimensions: economic, legal, ethical and philanthropic. Thus, CSR as a multi-layered concept emphasizes that corporations should first of all complete the economic responsibilities required by society within the legal framework but also respect the ethical responsibilities that is expected by the society. However, Ostas and Harlow (in Cerne, 2008: 62) argue that the concept of CSR should be approached from an interpretative perspective, for the reason that ethics and law can often be topics of interpretations. This interpretative perspective suits our hermeneutical approach best. Thus, we will focus on the EU Commission's conceptualization of CSR "whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis" (CSR: Sweden Leads by Example in CSR, 2010). Our choice is based on the reason that Carroll's pyramid does not embrace sustainability's long term commitment for future generations, while the EU Commission's conceptualization – by incorporating social and environmental concerns – takes a step forward.

"At the start of the twenty-first century, the problem of global sustainability is widely recognized by world leaders, and a common topic for discussion by journalists, scientists, teachers, students and citizens in many parts of the world" (IUCN, 2006: 1). Since sustainability is generally seen as an important part of CSR (cf. business ethics in Crane and Matten, 2007), we decided to use this concept in order to serve our thesis purpose. Sustainability, as a widely debated and contested concept has a vast collection of definitions (Gladwin et al.; Dobson; in Crane and Matten, 2007: 21). However, a definition that incorporates the long term perspective is the one of sustainable development: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs." (World Commission on Environment and Development 1987- from Crane and Matten, 2007: 21). Sustainability, as a concept was

first developed within environmental management and analysis, and was for a long time synonymous with environmental sustainability. However, Elkington (in Crane and Matten, 2007: 22) developed it through adding two more dimensions: economical and social (see figure 3). This model is being known as the triple bottom line (TBL) and it is mirroring the idea that, in order to be a sustainable business one should take into consideration all three dimensions: environmental, social and economical requirements.
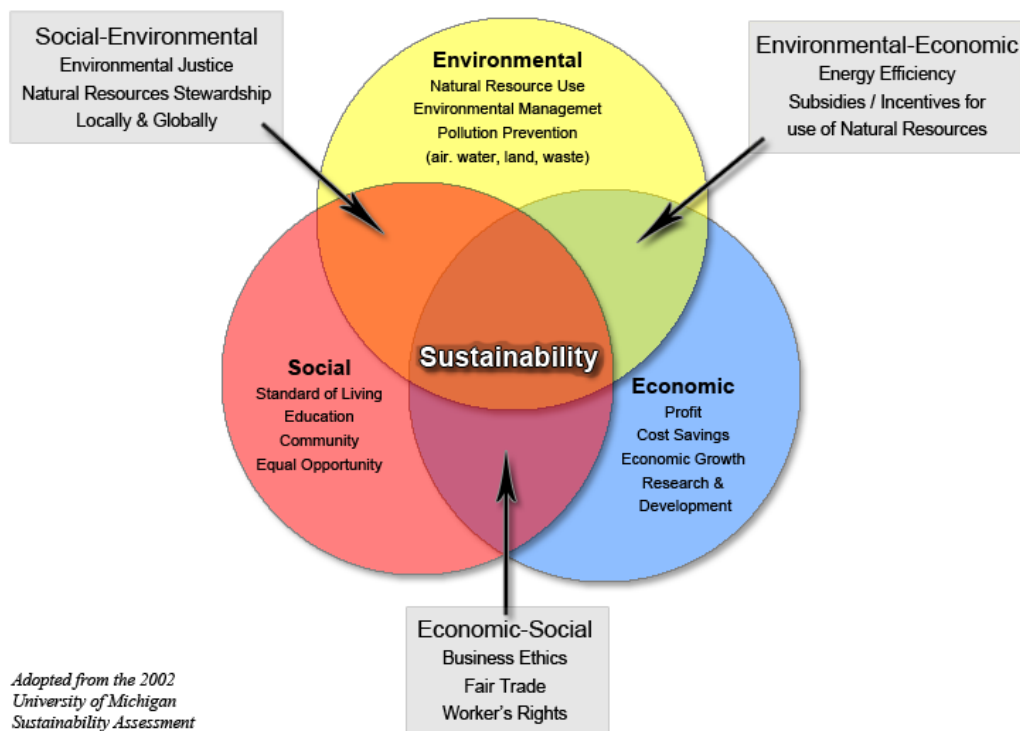
The Three Spheres of Sustainability

Social-Environmental
Environmental Justice
Natural Resources Stewardship
Locally & Globally

Environmental
Natural Resource Use
Environmental Managemet
Pollution Prevention
(air. water, land, waste)

Environmental-Economic
Energy Efficiency
Subsidies / Incentives for
use of Natural Resources

Sustainability

Social
Standard of Living
Education
Community
Equal Opportunity

Economic
Profit
Cost Savings
Economic Growth
Research &
Development

Economic-Social
Business Ethics
Fair Trade
Worker's Rights

*Adopted from the 2002
University of Michigan
Sustainability Assessment*

Figure 3. Bottom Triple Line

Source: Sustainability at Vanderbilt University, Growing Responsibly, 2009

http://www.vanderbilt.edu/sustainvu/sustainability.php

From the above discussion we now have a clear understanding about CSR as a concept. Furthermore, since our study has a focus upon the organizational internal embedding of CSR as knowledge, it is important to mention its impact on the organization. There has been only a small emphasis on the impact, influences and consequences of CSR activities for the society in academic literature. However, the number of studies concerning the CSR impact on the

general organizational performance has increased, dealing with dimensions such as: reputation, competitiveness, sustainability (Burke and Logsdon, 1996; Johnson, 2003; Porter and Kramer, 2002; Snider et al., 2003) and financial performance (McGuire et al. in Turker, 2009; Pava and Krausz, 1996; Stanwick and Stanwick, 1998).

Moreover, the central features of our study is organizational identity and culture. The CSR influences on the organizational members – who are seen as constructive factors of the organizational identity – is also worth mentioning. The complex nature of CSR has been researched by many scholars, but there are few empirical studies dealing with the relation between CSR and employees. Studies in this niche are manly related to prospective employees as well as the impact on current employees.

The link between prospective employees and CSR activities has been studied supporting the idea of corporate attractiveness due to CSR good reputation (Albinger and Freeman, 2000; Backhaus et al. in Turker, 2009).

On the other hand, there are also studies related to the link between CSR and current employees (Brammer et al., 2005; Maignan et al., 1999; Peterson, 2004; Riordan et al., 1997; Rupp et al., 2006). Peterson's (2004) illustrated a link between employee perceptions of corporate citizenship and organizational commitment. Additionally, Brammer et al. (2005) evaluated the influence of socially responsible behavior on organizational commitment reaching the idea that external CSR is positively related to organizational commitment.

According to previous research (Ashforth and Mael, 1989; Brammer et al., 2005; Maignan and Ferrell, 2001; Peterson, 2004), it can be proposed that there is a direct relationship between a social responsible organization and its employee's positive attitudes towards work as a consequence of identifying themselves with a reputable company.

According to Bhattacharya et al. (2007) companies manage their employees best by viewing them as internal customers, whose needs are fulfilled through "job products" such as salary, health benefit packages etc. They introduce a very interesting concept of CSR being one of these "job products". These contribute to job satisfaction and employee retention (Bevan and Wilmott; Joyner and Payne in Turker, 2009). Specific CSR initiatives can be effective in building a talented employee base, because they reveal company values and thus constitute the employee value proposition. The ability of CSR to serve as an internal marketing function is

however limited by four issues: employees' lack of awareness and involvement in CSR; limited understanding of employee needs fulfilled by CSR; limited understanding of employees' returns of CSR; and a top down approach (Bhattacharya et al., 2007).

At this point of our discussion we acknowledge the importance of CSR embedding in organizations. Further, we argue that we can evaluate this taking a hermeneutical approach by 'breaking the organization into pieces'– having the main organizational pillars as a result. Finally, we have conceptualized image, identity, culture and CSR. But how are we going to bring all these pieces together in order to achieve the complete picture of the puzzle?

3.3 The Extended Organizational Identity Dynamics Model (the Extended OIDM)

Since the boundary between external and internal environment of the organizations has collapsed (Hatch and Schultz, 1997; 2002) we are used to talking about corporate transparency. Nonetheless, we are living in a digital era reigned by media and even corporate transparency has been extremely diluted in the last ten years.

Public awareness has been provoked - by daily exploitation of TV, Internet, email, blogs, by governments' and NGOs' awareness programs - and the outflow of internal information from corporations has had a huge boost. Moreover, since we are living in the globalization era, multinational corporations should be aware that the outflow of internal information is globally stretched. Thus, together with the increased public awareness and outflow of internal corporate information - due to globalization - the world is shrinking (Crane and Matten, 2007:19).

Moreover, as a result of the multiple roles played in society by individuals (members of different social and internet communities and networks, investors, buyers, etc), employees are spreading their understanding of internal organizational practices beyond organizational borders (Hatch and Schultz, 2002).

Hatch and Schultz (2002) introduce the Organizational Identity Dynamics Model (OIDM) by beginning their argumentation within this context of organizational access and exposure as a pressure point for the organizational identity. The authors consider "organizational culture as

the context for internal definitions of organizational identity, and organizational image as the site of external definitions of organizational identity" (Hatch and Schultz, 2002: 991).

The OIDM relies upon four processes – mirroring, impressing, reflecting and expressing – and it highlights the significance for organizations to align organizational identity, culture and image (see Figure 4). We will use these four processes in our extended OIDM in the same way as Hatch and Shultz, therefore we will explain them now, using their model. It is possible to begin with any one of the four processes since it is a dynamic loop between the three pillars.

The process of mirroring - understood as the identity being influenced by the image of others - has been discussed by Dutton and Dukerich (1991) through the discrepancy analysis: "if organizational members see themselves more or less positively than they believe that others see them, they will be motivated by the discrepancy to change either their image […] or their identity (to align with what they believe others think of them)" (Hatch and Schultz, 2002: 999). In our study we refer to discrepancy as two organizational pillars being unbalanced.
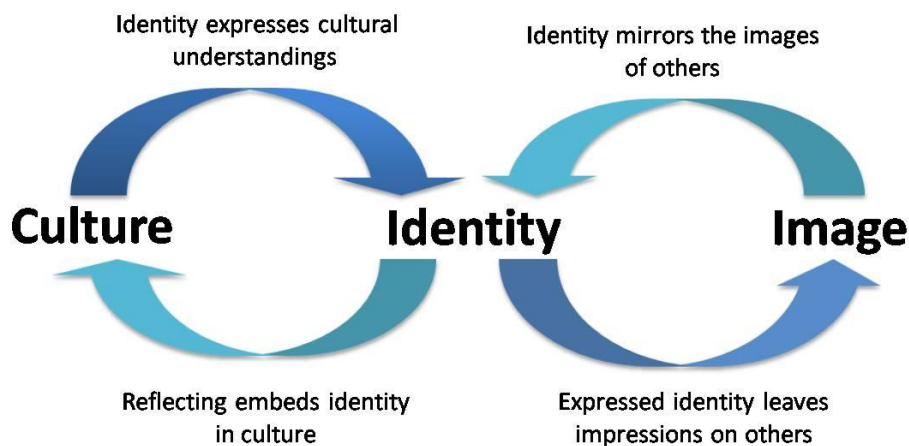

Figure 4. Adaptation from Hatch and Schultz (2002), The Dynamics of Organizational Identity

Furthermore, Hatch and Schultz (2002) – taking into consideration the increased organizational access – also discuss the understandings and images of others and their impact upon identity. The process of mirroring the images of others and also the assumed images help construct the identity.

Following the interactions between the three pillars, the authors argue that once the process of mirroring happens, the knowledge will be compared and interpreted in relation to self-understandings embedded in organizational culture. Hence, the culture will reflect interpretations of organizational members' identity.

The process of expressing the cultural understandings within identity relies on the hermeneutics of interpretation, through which any object designed to be interpreted is constructed by multiples layers of interpretations, therefore enclosing within its history of connotations. Thus, practices of corporate expressions rooted in its cultural self facilitate the production of the identity through culturally contextualized self-expression (Hatch and Schultz, 2002: 1002). Hatch and Schultz (2002) consider such practices to be corporate advertising, design, corporate rituals and procedures, corporate dressing code, etc.

The process of impressing is related to both intentional and unintentional organizational projected images (Rindova and Fombrun in Hatch and Schultz, 2002) that enclose symbols that are consistent with organizational identity. These projections are created through advertising, logos and any organizational means of communication to the external environment and even by employees' everyday behavior.

The model emphasizes that through the alignment of the three pillars – culture, identity and image - organizational dysfunction is avoided, thus providing the crucial foundation for long term corporate effectiveness and success. An attempt towards a somewhat consistent sense-making of both culture and image is required in order to hearten a balanced identity strong enough to mature and develop along-side continuous changing conditions within and around organizations. It raises the awareness of the dynamic processes within organizations where organizational identity is "shaped by cultural understandings formed within the organization and external images provided by stakeholders" (Hatch and Schultz, 2002: 1015).

In conclusion, identity is a dynamic process constructed, sustained and developed by the continuous flow between the internal and external environment through the four processes presented above: mirroring, expressing, impressing and reflecting.

We will develop the OIDM in order to investigate the CSR anchoring in an organization. Having a hermeneutical approach, in the process of interpretation we identified the need to break the organization into even smaller pieces adding value to our investigation by using sub-interpretations (Alvesson and Sköldberg, 2000: 63-64). Thus we distinguish between organizational identity and corporate identity, leading us to bring out a new model – the Extended OIDM – for the purpose to evaluate the CSR embeddedness in organizations (figure 5). The extension relies upon three aspects: firstly its application to managing CSR as knowledge, secondly the identity split - into organizational and corporate identity - and thirdly the attachment of Morsing et al.'s (2008) 'inside-out approach'.

Two main ideas are grasping our attention: firstly, CSR must become a constant internal function in the organizations, thus being absorbed - at a certain degree – by organization's culture and identity; secondly, the increased corporate transparency – defined by Hatch and Schultz (2002) as access and exposure – is a pressing point through which the authenticity of CSR statements is being tested continuously (Morsing et al., 2008). As a result organizations are being required to align their corporate image with organizational identity and culture in order to achieve long-term success.

We found that the Extended OIDM provides us with the necessary theoretical framework in order to make the linkage between the external-internal environment of organizations through the alignment of culture-identity-image of organizations and management of CSR as knowledge. As a means to link, analyze, evaluate and discover interconnections between the above discussed concepts – image, culture and identity – in relation to the management of CSR as knowledge, we hence brought this model into play and it serves as the basis of our evaluation. Since CSR has become an internal function incorporated in organizations, we will consider CSR as knowledge within the OIDM focusing on the three main pillars – culture, identity and image- and the processes connecting them.

Morsing et al. (2008: 102) bring strong arguments for what they call"the inside-out approach" for CSR communication. This regards employees as the starting and main point for managing CSR as knowledge. It is argued that without employees' understanding and even participation and commitment to CSR activities, the CSR claims will not be trustworthy and will not have

the strong foundation for a long-term continuation and organization's success. Hence, we consider that the key idea is to achieve "an organizational anchoring of CSR activities" (Morsing et al., 2008: 103). It needs to be mentioned that the original purpose of Hatch and Shultz (2002) OIDM was not to illustrate that the process should begin from deep within the organization. Thus the Extended OIDM is purposely used in our discussion on Morsing et al.'s (2008) claim that the CSR activities should begin from within the organization.

In this stage of our discussion we find ourselves at the meeting point of managing CSR as knowledge and the extended OIDM – as a necessary framework for "an organizational anchoring of CSR activities" (Morsing et al., 2008: 103).

Within this theoretical framework we will discuss the "organizational anchoring of CSR" (Morsing et al., 2008: 103). We found the distinction between organizational and corporate identity made by Hatch and Schultz (1997) significant - therefore we further developed the OIDM – calling it the Extended OIDM (figure 5).
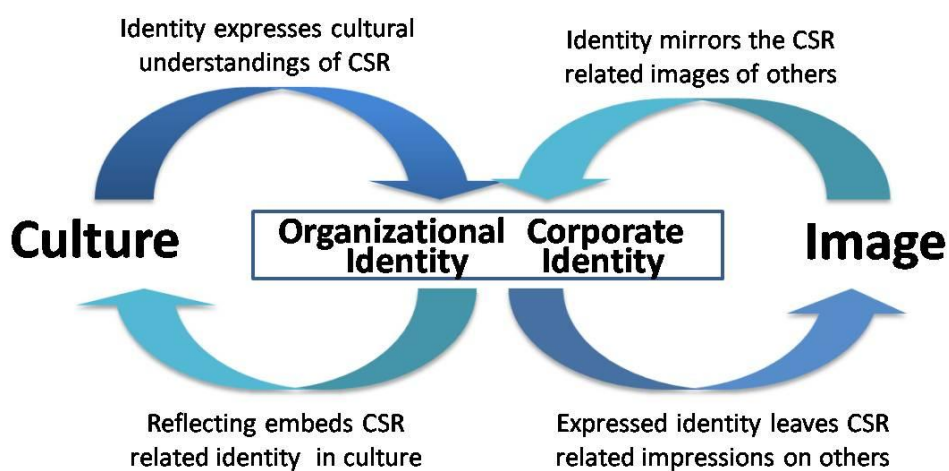

Figure 5. The Extended OIDM. Adaptation after Hatch and Schultz (2002)

The reasons why we developed OIDM are as below:

Firstly, we are considering culture more as context as discussed previously in part 3.1.1: "a context within which interpretations of organizational identity are formed and intentions to influence organizational image are formulated" (Hatch and Schultz, 1997: 357).

Secondly, we are taking into consideration that culture and organizational identity are very closely interconnected (Alvesson and Sveningsson, 2008: 40; Dutton and Dukerich, 1991) – culture being seen again as more of a context, and identity being more oriented and explicitly expressed through language (Hatch and Schultz in Alvesson and Sveningsson 2008: 40). The elements within organizational identity – like common perceptions of organization uniqueness – amplify the tendency for common organizational values (Alvesson and Sveningsson, 2008: 40).

Alvesson and Sveningsson (2008: 38) argue that organizational identity is closely linked with organizational culture and "the extent to which organizational members identify with the organization is important for whether a more distinct organizational culture emerges". It is important that "organizational identity is roughly in line with image" so as to make image management possible (Alvesson, 2004: 126).

The constant flow between these pillars can be achieved only when the CSR claims have a strong foundation within corporate identity, this being mirrored in the organizational identity, and reflected into culture – thus accomplishing "organizational anchoring of CSR activities" (Morsing et al., 2008: 103).

In our attempt to discuss and investigate the organizational embeddedness of CSR related to culture, identity and image we will focus on a case study of IKEA's external CSR activities communicated and perceived internally. We will apply the Extended OIDM by following the same processes between image, identity and culture discussed above. Before we move on the investigative section of this thesis, we will first have a glimpse of the background of CSR in IKEA.

4. CASE STUDY – CSR IN IKEA

In part 2, we stated why we have chosen IKEA as the case study in this thesis. In order to understand how employees construct their organizational identity around CSR in an organization, where IKEA is the case study in this thesis, it is necessary to investigate its CSR background and what it has done in this area. This part starts from the background of IKEA and its business concept. Afterwards, its CSR is presented.

4.1 IKEA's Overview

IKEA was founded in 1943 in the small village of Agunnaryd in Sweden, when the founder Ingvar Kamprad was just 17. The IKEA Group has become an international home products retailer today, with 123,000 co-workers in 21 countries/territories and the annual sales generate more than 21.5 billion Euros in 2009, while this number was only 7.6 billion Euros in 1999 (IKEA 2009 Sustainability Report, 2010: 2). Mikael Ohlsson was appointed as IKEA's new CEO in September 1 2009 and replaced Anders Dahlvig, CEO in the previous ten years (IKEA, 2010a).

IKEA's business concept, including its vision and business idea, provides "a framework for all IKEA marketing communication worldwide" (IKEA, 2010b). IKEA's vision is to "create a better everyday life for the many people" (IKEA, 2010c). Its business idea is "to offer a wide range of well designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them" (IKEA, 2010c). Under this business concept, IKEA has been involved in many CSR related activities in the past, which will be explored in the next section of this part.

4. 2 IKEA's CSR

We have defined CSR in the previous part, which is similar to IKEA's terminology of sustainability. We will use CSR when referring to IKEA's sustainability as we have argued in 3.2 that sustainability is an important part of CSR. As a matter of fact, in IKEA this term was Social

and Environment Responsibility before 2009. According to Eva Stål, Sustainability Communication Coordinator for Sweden, IKEA Group, the reason behind IKEA's term change of CSR is that the new term – sustainability includes not only social and environmental aspects but also economical aspects.

I mean sustainability is a word that we started to use within IKEA a year ago. And before that on the support functions for IKEA Group, the name was earlier Social and Environment Responsibility. But since a year ago we changed that or they changed it. And then the sustainability picture is in this triangle with social, economical and environmental parts. So it is not enough to have social and environmental part, it has to be economical wise, too.

Eva Stål 12/04/2010

IKEA has been working in the sustainability area for many years. Mr. Dahlvig experienced - being part of developing the sustainability agenda at IKEA during his presidency in - and he mentioned "IKEA never stopped moving towards sustainability" in the last 20 years (Dahlvig, 2008).

IKEA published its first environmental policy in 1990 and the first social and environmental manger was appointed in 1991 (IKEA, 2010d). IKEA IWAY – the code of conduct was born in 2000. IWAY is the "standard-minimum requirements for environment and social working conditions when purchasing products, materials and services" (IKEA, 2010e). IKEA's first Social and Environmental Responsibility Report of 2003 was published in 2004. From this year on, IKEA began reporting about its sustainability activities. Every year, IKEA communicates its development and KPIs (Key Performance Indicators) in the previous fiscal year and also its sustainability projects and IWAY. In 2008, the name of the report was changed into Sustainability Report. In the beginning of this report, the former IKEA Group's President and CEO, Anders Dahlvig announced:

So much has happened in the past decade. Ten years ago we had no real comprehensive plan for how to approach sustainability. Not all of us even agreed that this was important to our business. Today, nobody debates this. Now our wealth of dedicated co-workers takes initiatives and contributes every day to a common agenda. Social and environmental responsibility has become a truly integrated part of our everyday work.

In the latest Sustainability Report, it is highlighted that sustainability is a never ending job in IKEA. The new CEO and President of IKEA Michael Ohlsson says in the beginning of the report, "Innovation is needed to build sustainable solutions into the IKEA range" (IKEA 2009 Sustainability Report, 2010: 4). Thomas Bergmark (IKEA 2009 Sustainability Report, 2010: 5), the former IKEA Group Sustainability Manager, delivered what he saw as a milestone at IKEA in this report, "each and every one of our business strategies - whether local, national or global – must now clearly and systematically integrate sustainability as a part of everyday operations. I see this as a milestone".

The "Never Ending List" is one of the highlights in this year's report. It's also a new project in IKEA's sustainability approach, where IKEA started to continuously collect the many small and large improvements on IKEA web site, catalogue and stores (IKEA 2009 Sustainability Report, 2010: 5). There are 67 items of IKEA's improvements in the sustainability area, covering People, Business, Planet and Life at Home on IKEA's website (IKEA, 2010f).

IKEA has been recognized for four years in a row as "one of the World's Most Ethical Companies" by the Ethisphere Institute (IKEA Named as One of the World's Most Ethical Companies' for Fourth Consecutive Year in 2010, 2010). Examples of IKEA sustainability activities are their cooperation with some of the most important NGOs, such as UNICEF, Save the Children, Greenpeace and WWF, etc.

IKEA has closely cooperated with two well-known organizations - UNICEF and Save the Children - to combat child labor issues and strengthen children's rights (Strand, 2009: 179-180; IKEA 2009 Sustainability Report, 2010: 7). "In the year 2000, IKEA joined forces with UNICEF to prevent and eliminate child labor in northern India. The project is focused on creating awareness and mobilizing these rural communities around actions to prevent child labor" (Dahlvig, 2008). In fact, "IKEA's Social Initiative has become the biggest corporate partner to both UNICEF and Save the Children after having made commitments that will benefit more than 100 million children in the next few years" (IKEA 2009 Sustainability Report, 2010: 5).

"Regarding environmental responsibility, IKEA has a long history of conservation and sound environmental practices stemming from its frugal founder" (Strand, 2009: 180). IKEA has partnered with WWF on projects within sustainable forestry, sustainable cotton and climate change since 2002 and "the main focus with these projects are to combat illegal logging, promote responsibility forestry management and certified forest resources and also to protect high conservation value forests" (IKEA 2009 Sustainability Report, 2010: 7; WWF, 2010).

In IKEA's "Never Ending List" we can read that IKEA donates one euro for every soft toy sold in IKEA worldwide to Save the Children and UNICEF projects aimed at improving children's education - IMPROVEMENT #23 (IKEA 2009 Sustainability Report, 2010: 35). IKEA Belgium donated 0.25 Euros to WWF's environmental work for every SPARSAM bulb sold before 31 December 2009. IKEA Norway donates 10 NOK to UNICEF for every sold water saving tap (IKEA 2009 Sustainability Report, 2010: 40). These are only a few examples of IKEA's donations to different partners working on sustainability.

Being perceived as social responsible is a challenge even for companies with a positive reputation of CSR (Morsing et al., 2008: 97) for example, IKEA's down scandal being an example here. IKEA was involved in a down scandal in 2009, when IKEA's suppliers plucked live goose feather (IKEA Drops Live - Plucked Chinese Down Bedding from Shop, 2009). IKEA immediately responded to this and below are the three actions IKEA has taken after this scandal (Lindbald, 2009). Firstly, the production of those IKEA products that did contain down and feathers from geese was stopped. Secondly, intensified work to implement a traceability system to secure every part of IKEA's supply chain for down and feathers was introduced. Thirdly, IKEA, Fjällräven and Hemtex have begun a cooperation to develop demands and checklists to secure conditions at the slaughter houses.

Until 1970s, CSR was not taken seriously, however, companies and organizations "not only endorse CSR, but have also established guidelines and permanently staffed divisions to research and promote CSR" since 1990s (Lee, 2008: 53-54). In IKEA, there was also a shift towards sustainability. IKEA did not have any comprehensive plan for how to approach sustainability 12 years ago and question like "is environment and social work good or bad for business" needed to be agreed on internally (Dahlvig, 2008). However, IKEA has started to

integrate sustainability in all IKEA strategies today (IKEA 2009 Sustainability Report, 2010: 5). In our interviews and material collection, we want to investigate and understand how CSR is anchored in IKEA.

5. INTERPRETATIONS OF EMPERICAL MATERIAL

This part serves as the main investigative section in this thesis, where we interpret the empirical material based on the theoretical framework discussed in part 3. We will evaluate the processes between culture, organizational identity, corporate identity and image one at a time. When all the different processes have been looked at, we will put the pieces together and evaluate the whole picture. We have already presented CSR in 3.2, through referring to sustainability. However, it should be noted that we will continue to use CSR in this part even though IKEA uses sustainability as their terminology for CSR.

5.1 Interpretations of the Flows in the Extended OIDM

5.1.1 CSR in Culture and Organizational Identity

We have already discussed in the Extended OIDM that the dynamic processes between culture and identity flow into two directions. Firstly, identity expresses cultural understandings of CSR, where culture makes itself known through identity claims. Secondly, reflecting embeds CSR related identity in organizational culture. In 3.3, we have argued why we separated identity into corporate identity and organizational identity. Thus, we will first look at the expressing and reflecting processes between culture and organizational identity, before shifting the focus to the two dynamics between culture and corporate identity in 5.1.2.

We have discussed in 3.1.1 that culture is more of a context and is implicit compared to identity that is explicit expressions. From our field observations, the flat-hierarchical character of the organization is felt through the open atmosphere of the offices and employees wearing the same uniform regardless of being a manager or, for example an employee from the Returns Department. The offices have warm and bright colored IKEA furniture inducing a comfortable atmosphere but still professional – and more than once we noticed employees referring to IKEA as family.

Further, when discussing reasons for why co-workers work in IKEA, one response was the following.

I think it is very good. When I began to work here, I did it to get an extra job, but then I was very impressed. It is so good, and I feel very good as a worker, I am being treated right and we behave right to customers. And we have our policy [return policy] and then it's up to me to make the decisions, and I always have the support, even if I make a bad one, they just tell me and then I know.

Interviewee 6 06/05/2010

Although all interviewees expressed themselves differently, we have the impression that their views of IKEA were that it takes care of its employees and tries to act right, just as Interviewee 6 explained, thus the above quote gives us an indication of the organizational identity of IKEA being a good organization. Moreover, despite the above quote not focusing on external CSR, it gives an understanding that it is in IKEA's culture to care for people. Taking care of people can be seen as a part of IKEA's culture and this can be re-contextualized (Alvesson and Sköldberg, 2000: 63) in relation to CSR. Through re-contextualizing, it is possible to draw parallels to the social aspect of CSR. Meanwhile, IKEA's vision "to create a better every day life for the many people" (IKEA, 2010f) can be seen as the context, in which IKEA shows its commitment to act social responsibly. Thus, the above quote shows how the processes between culture and organizational identity. There is a feeling of being treated well in the organization and this culture is being expressed when the interviewee described how he feels, "I feel very good as a worker" (Interviewee 6).

We were also able to capture one aspect of IKEA's commitment towards environmental responsibility. Waste is seen as something unnecessary and costly and this is something that all co-workers at IKEA consider to be bad. This thought has its roots from when the company was young and it is something that has followed them throughout the decades (Living the Dream, 2009: 27). Thus, the need to minimize waste is something that is part of IKEA's culture. This cultural aspect can be seen as a pre-understanding and has been projected onto the organizational identity where it has been reinterpreted to show how the organization takes responsibility for its resource use, thus being environmentally responsible. Through this understanding organizational members have been able to reflect upon this and embed this new understanding of "do not waste" into the culture. For instance, one employee expressed that IKEA does not waste anything, which can be taken as the claims of IKEA's culture – not waste:

We never throw anything away. […] We just try to take care of everything. If we cannot sell it or give it away, we always recycle it.

Interviewee 3 06/05/2010

From the above, we argue that taking care of social and environmental matters can be seen as a part of IKEA's culture and IKEA is doing well in these areas. Further, we also found in the quote from Interviewee 6 that there was an indication of the organizational culture. We will now expand on this.

Members expressed many enlightening views on IKEA's CSR:

I think it's a good company, because we do a lot and I think there are a lot of big companies that don't do that much. But they could. One can always do more, but I think IKEA is good at trying. Then we should always think about costs and everything, sometimes a bit much.

Interviewee 3 06/05/2010

We feel proud that we do good things, not only commercially [focused]. Of course we want to look good in the eyes of the customers but it feels good.

Interviewee 2 07/05/2010

The co-workers in above two quotes use the word 'good' more than once when talking about their views on IKEA's CSR. The first interviewee - in the context of being a co-worker in IKEA - compared IKEA and other companies when she talked about her idea in relation to CSR. In hermeneutical terms, she took IKEA as a part and other companies as a whole. IKEA does more in relation to CSR, compared – in her understanding – with the whole (other companies), where she expressed her feeling that IKEA is doing well, and more than others. This can be seen as the expressing process through which the culture of IKEA's being 'social responsible' is claimed by organizational members. An earlier quote of "we never throw anything away" (Interviewee 3) shows how employees expressed IKEA's culture of not waste, which can be seen as the expression process of cultural understandings.

Moreover, during our interviews, employees being explicitly asked about social and environmental responsibility were able to reflect upon their actions and make-sense of them within this framework – thus becoming more aware that the day-to-day actions do indeed

enclose environmental and social responsibilities. Below are some examples of IKEA's CSR projects presented by interviewees:

> *We donate furniture from the recovery department to those homeless people, well obviously not homeless people, but homeless people who got their apartments. […] We have people from that department […] and they tell us how great it was.*
>
> <div align="right">*Interviewee 1 07/05/10*</div>

> *Save the children. IKEA family – if you show your card IKEA donates 25 öre to save the children. And we have the work with UNICEF – at Christmas time and we sell our soft toys. Then we donate 10 SEK for each sold soft toy. So it gets quite a lot. There is a station here in Göteborg, or outside for refugee children that arrives and there we have decorated a playroom. That's what I know, and then a lot of other things.*
>
> <div align="right">*Interviewee 2 07/05/10*</div>

From the above two quotes, we can see that employees have a certain level of knowledge related to IKEA's both local and global CSR projects, mainly related to its collaboration with UNICEF and Save the Children.

Further, only one co-worker (Interviewee 6) had very little knowledge of IKEA's position related to these matters.

> *Q: What do you think of IKEA in terms of sustainability?*
> *In terms of …?*
> *Q: Sustainability stands for social and environmental issues.*
> *Okay! Hmmm, yeah, we […] have many things [on this] […] It's hard to explain.*
> *Q: Have you heard about any IKEA's projects with UNICEF, Save the Children or any other projects?*
> *Hmmm, no. It does not involve my working duties. So, it's other people who work with it, like people working in the office.*
> *Q: In terms of environment, do you think IKEA does anything in this area?*
> *Yeah, I think. We try to recycle. […] when we try to pack things, we use old newspaper.*
>
> <div align="right">*Interviewee 6 06/05/10*</div>

This co-worker is a part-time worker in IKEA and works 23 hours per week. His lack of knowledge we interpret to be due to the lack of interest in CSR issues on a whole, therefore this interviewee could be unintentionally biased giving us a partial perspective of the situation. Alvesson and Sköldberg (2000: 71) argue that when there is an partial perspective, one needs

to be aware of the bias and works with this knowledge to gain a wider understanding of the situation at hand. For the reason that all other co-workers we spoke to did have more knowledge and also more interest in CSR, we interpret that Interviewee 6 does not represent the knowledge base of the organizational members on the whole.

Meanwhile, employees did not only to some extent know about IKEA's CSR projects, but also expressed a sense of pride in them. Below is an example by Interviewee 3:

> *We do much more than other companies. If you just want to work at a furnishing company, you can work anywhere but IKEA is a bit more. Just what we do and all the projects – 10 SEK for each soft toy, the shelter, everything – it just makes it a good place, I think.*
>
> *Interviewee 3 07/05/2010*

According to Interviewee 3, we see how the co-workers talked about the distinctiveness of the organization "IKEA is a bit more" than just a furnishing company. From an earlier quote by Interviewee 2, she also explicitly expressed this, through stating that IKEA does not only focus on commercial objectives. This distinctiveness and sense of 'who we are' is exactly how organizational identity was defined in part 3.

Further, we can see how the two co-workers, although expressing the same sense of organizational identity, did so slightly differently. Interviewee 2 expressed it as IKEA not only focusing on commercial things and Interviewee 3 referred to it as IKEA not only being a furnishing company. This stems back to the discussion in 3.1.3 where we argued that employees can sometimes express the central features slightly differently within the same understanding of the organizational identity. Interviewee 3 expressed that IKEA is more than a furnishing company, where we interpret that IKEA is not merely a company that produces low-cost furniture, but also cares about social and environmental issues. The reflecting process can be identified here, through which organizational identity associated with CSR is embedded in culture.

From the above, we can see one loop between culture and organizational identity in relation to CSR, where cultural understandings - IKEA is good in social and environmental matters - were claimed by organizational members; further, organizational members perceptions of IKEA's CSR is reflected in cultural understandings.

Additionally, we also interpret that employees feel the communication of CSR both internally and externally is not sufficient.

> *We do so much more than we tell people […] We don't even tell our customers how good we are… sometimes… without doing more, we could tell people more – and they would get a better picture I think.*
>
> *Interviewee 3 06/05/2010*

> *IKEA's sustainability work, earlier, we did not talk about it. We did things, but no one talks about it. When I started, two years ago or maybe not until one year ago, we did things but we did not dare to talk about it.*
>
> *Interviewee 4 07/05/2010*

Interviewee 3 expressed how she thought they should tell people more; referring to how this would make the organizational others gain a better image of them. We will come back to this in 5.1.3. Interviewee 4 also spoke about how they have not in the past communicated very much, thus the understanding that we can gain from this is that they perceive themselves to be bad communicators in terms of CSR. This has developed our understanding of organizational identity, extending it to include that the communication of it is not enough. Thus, we argue that IKEA's CSR is deeply felt within the organizational identity – employees being committed and able to relate to it – yet more internal and external communication is required.

The lack of communication could be due to IKEA's potential culture of "we do things before we talk about it" (Stål, 2010), however we were not able to identify this part of the culture during our stay in IKEA. One of the potential explanations can be found in Alvesson and Sveningsson's (2008: 35) argument that culture is fluid and hard to tackle.

In conclusion, we are able to see the close link between culture and organizational identity in relation to CSR and catch a glimpse of IKEA's CSR being embedded in its culture. This is explicitly expressed through language and we consider this as an expression of the cultural understandings of CSR. Further, Alvesson and Sveningsson (2008: 40) argue that "organizational identity is closely related to culture" and our case study brings this out. To sum up, the loop between culture and organizational identity in relation to CSR is strong – CSR being anchored both in organizational identity and culture.

5.1.2 CSR in Culture and Corporate Identity

Once again we focus on the reflecting and expressing processes in relation to CSR however this time between culture and corporate identity. Firstly we will identify corporate identity.

Corporate identity management is without a doubt one of the most important fields within corporate communication (Holtzhausen and Fourie, 2009). As we have discussed in part 3 corporate identity more fully specifies the ways that management expresses their ideas to external audiences. In our material collection, the speech made by the former CEO, Anders Dahlvig and the interview with Eva Stål – Sweden's Social and Responsibility Coordinator – can be seen as how IKEA's management express CSR to the external audiences through communicating with media and within other public setting. Thus, we take Dahlvig and Stål as the corporate identity representatives.

We have discussed IKEA's CSR background in part 4, where many examples of IKEA's CSR projects have been presented. Below we can get a glimpse of how the organization has come to incorporate CSR as part of their goals.

We have seen tremendous development these years, not only the results of our work, but more importantly I think the change in attitude towards sustainability within our company and also in the world at large. Only 10 years ago, we didn't really have any comprehensive plan for how to approach sustainability. The question first needed to agree on: [...] is environment and social work good or bad for business? [...] Most of these questions are behind us today both in IKEA and I believe also in other companies. And the question remains today is how fast should companies like IKEA move towards sustainability?

When Dahlvig talked about the change of the attitudes towards CSR in IKEA, he took the society as a whole and IKEA as a part of it. We see how he discussed that they followed the general trends in society – the amplification of the CSR importance – something that has been argued in 1.1 to be crucial for an organization's success due to globalization and organizational transparency.

CSR was not so highlighted in business 10 years ago however today, as we have previously argued, CSR has become a central focus. In this context, IKEA's management puts more emphasis on CSR strategically so that each and every one of IKEA's business strategies – "whether local, national or global – must now clearly and systematically integrate CSR as a part of everyday operations" (IKEA 2009 Sustainability Report, 2010: 5). We interpret that IKEA's approach towards CSR has been adapted to this context due to the change in external perceptions, awareness and knowledge of CSR. Here, it could be argued that having the intention of integrating CSR in everyday activities will have further and stronger effects on CSR being embedded in the culture – through the process of reflecting. This process occurs through linking CSR to corporate strategies. Managers are therefore forced to reflect in what ways CSR is related to the culture that they already have.

> *I do think we are in general very environmentally friendly and we have an infrastructure that is very good. […] We have our vision – to create a better everyday life for the many people – that's what we do here every day, all of us. We sort of obsessed with that. […] IKEA is always in progress, always.*
>
> *Eva Stål 12/04/2010*

Stål cited IKEA's vision, showing that CSR can be seen even there, and then she emphasized that IKEA is always in progress. This last bit of the statement can be interpreted in two ways. Firstly, it can relate to Dahlvig's quote above, indicating that IKEA follows progress in society and is adapting to contextual change. Secondly, it can also relate to the statement below, also found in Dahlvig's speech where he mentioned that there has been a development over the

last years but that they still have "an enormous amount of things [they] need to do", indicating that IKEA is still in the process of moving towards CSR.

I started to reflect back on the journey that I have experienced being part of the developing our agenda of sustainability at IKEA over the last years. […] One obvious conclusion of course is that there are still an enormous amount of things we need to do and there are many disappointments that have in different areas. […] Another conclusion, we have also seen tremendous development theses years.

Anders Dahlvig, 2008

Moving beyond these part interpretations we can look at the three quotes combined in order to get an overall picture. The two interpretations are not contradictory. Therefore, it is likely that Stål is thinking of both that they are moving with the times and that they are not finished with the movement towards CSR. In IKEA's 2009 Sustainability Report (2010), Mikael Ohlsson, the new CEO writes "Keeping the vision relevant today and tomorrow" and that "Innovation is needed to build sustainable solutions". These quotes further strengthen our interpretation, the first quote highlighting the need to stay true to the times and the second that there are more developments to be made in order to achieve a complete CSR implementation within the organization. However, as can be noted from the evaluation above, the meaning of Stål's quote cannot easily be deduced. We will come back to this discussion in 5.2 arguing how, due to the quote's ambiguous nature it might not reveal as much as could perhaps first be argued.

From the above, we understand that IKEA's management tried to deliver the idea that IKEA is a sustainable company and it has made a lot of developments in CSR in the past to the external audiences. Further, this development is always in progress, which is driven by IKEA's vision. Thus, IKEA's corporate identity in relation to CSR has evolved in the sense that IKEA has become a highly responsible company and IKEA cares about the environmental, societal and economical aspects (IKEA E-learning, 2010). Although Eva's view on IKEA's CSR in the above quote can be evaluated as the organizational identity, she is a spokes person of IKEA Sweden. Thus what she says is more of a corporate message, which is why we take this to be the corporate identity rather than the organizational identity.

In the above corporate messages we can identify how IKEA is meant to be portrayed as a highly responsible company – socially and environmentally. This intention can be interpreted through the impressing process between identity and image, but what is more relevant at this point of the discussion is the intended flow between corporate identity and culture. Does this expressed corporate identity related to CSR have any influence upon embedding CSR in the culture? It could be argued that this is the case; at least it is intended to do so. This intentional attempt to embed CSR in the culture could also be identified during our stay at IKEA's offices.   CSR related messages at the offices such as notice boards for communicating CSR news and projects can be found in the offices. In addition, IKEA has internal distribution of the UNICEF newspaper (Expressen UNICEF, 2010), green signs for turning off the lights in the rooms and green wall-paper with the message: "we want to change the world, not the climate".

Thomas Bergmark, IKEA's former sustainability director, said that "the focus on CSR can be seen as a very natural development at IKEA and not something that the company has thrown itself into. The focus on CSR has existed since the beginning" (Gronvius and Lernborg, 2009) He emphasizes that CSR is a part of IKEA's culture and people. We can see that Bergmark, as a corporate speaker, is claiming that CSR is rooted in its culture. This affirmation could be interpreted as a corporate expression of CSR cultural understandings - where culture is claimed by corporate identity.

In 5.1.1 we have evaluated some organizational cultural features – IKEA cares about social and environmental matters - through organizational members' expressions. For example, there is a very strong culture related to avoiding waste. Further, corporate identity representatives express this cultural understanding related to waste. Thus this is a situation where we can identify the process of expression between culture and identity.

> *Today, 71% of raw materials in IKEA products are renewable; 84% of all waste in all our stores is recycled, reclaimed or using energy production.*
>
> *Anders Dahlvig, 2008*

Just by being [Swedish term - snåla]…to be very strict with money…to be very scarce with your resources… and that's been all the time. But then when you are in that way, when you really try to use the material in a very smart way it also gains, it gives you credit on the environmental part. So it's very much hand in hand as we see it today.

Eva Stål 12/04/2010

Having in detail identified the culture in 5.1.1, and considering the above discussion we argue that corporate identity is aligned with the culture, thus that CSR is anchored both in corporate identity and culture, from which we see the reflecting process between culture and corporate identity.

From the above discussions, we see the anchoring of CSR in culture and corporate identity - the two pillars being aligned in association with CSR. After identifying the internal loops – culture and organizational identity; culture and corporate identity - we will move on to the external loop – image and organizational identity; image and corporate identity.

5.1.3 CSR in Organizational Identity and Image

We have already discussed in the Extended OIDM that the dynamics processes between identity and image flow in two directions – the impressing and mirroring processes. The expressed identity leaves CSR related impressions on others and identity mirrors CSR related images of others. Thus, the organizational members, possessing knowledge about CSR, have an opportunity of expressing this and leaving an impression on external stakeholders. Further, the image that external audiences have of the organization – it being either true or false – will be mirrored by the identity. Here, we will begin by looking at the process of impressing and then gain an understanding of how organizational members mirror image.

In 5.1.1 we established the organizational identity in relation to CSR. We came to the conclusion that there is a feeling of IKEA being a 'good' organization and more than just a furnishing company. We also established that the organizational identity is that they are not very good communicators in terms of CSR.   We will now evaluate two quotes, one at a time, in order to understand the processes between organizational identity and image.

It's of course always good to say it [CSR related matters] to customers because most of them go – ok I didn't know that, that's good. And then you incorporate that into customers as well that obviously we think of the environment.
Q: So if you get an opportunity, do you speak to customers about it?
Yeah, quite often I do [...] once you know it yourself [...] it makes you kind of proud and you want to tell people because you want to pass it on. There is a reason and this is actually something good.
Q: Do you initiate these conversations?
It is mostly I that initiate it, because usually they ask you something like why is it like this and then you explain. [...] But they are quite interested when you tell them.

Interviewee 1 07/05/10

Above we see an interviewee who emphasized that since she has the knowledge and it makes her proud, she takes the opportunities that are given in order to communicate CSR. We can see both the dynamic processes in the above quote. Firstly, the impressing: this co-worker actively attempts to transfer the organizational identity of IKEA - as Interviewee 2 put it -"not only [being] commercial" – onto customers to create an image of CSR. She said that she is the one that initiate the conversation about CSR when customers ask about something. Thus she showed customers that IKEA does not only do things because they are commercial but they also care about CSR related issues. Connecting this with the competitive aspect of CSR discussed in part 1 and 3.2 we interpret how this has potential of supporting the competitive advantage of IKEA.

Secondly, we also see the process of mirroring from the above quote. She highlighted how the response from customers was positive when she communicated these issues. One can therefore pose the question to the above statement, in accordance with hermeneutics (Alvesson and Sköldberg, 2000: 61) – how does that make you react? The answer to this question can be found in two places in the quote. She explicitly said after having been asked the follow up questions that she is proud of the work IKEA does and that customers are interested when she tells them about it. However, even before the follow up questions there is an indication of how she herself mirrors the responses. She began the first sentence in the quote by saying it is "good to say it to customers" indicating a positive feeling when having conversations about these things, incorporating the image into her understanding of the organizational identity.

Thus, we can see that when Interviewee 1 creates an impression on a member of the organizational others, she received feedback, i.e. the mirroring process occurs as an effect of this. However our interpretation is that Interviewee 1 is not a fully representative co-worker. We therefore need to investigate what happens in the dynamic processes when an organizational member does not communicate IKEA's CSR very often.

> *We do so much more than we tell people […] We don't even tell our customers how good we are… sometimes… without doing more, we could tell people more – and they would get a better picture I think.*
> *Q: What do you think you do communicate? What do you think customers know?*
> *I don't know if they know that much.*
> *Q: Do you have any communication with the customers?*
> *Not so much I think, no… […]*
> *Some of the customers, sometimes… if you buy a bed you have 3 months that you can sleep in it at home and if you don't like it you can return it for another one. And the customers ask, what do you do with all the beds? So then it is good to be able to say either we sell it, and if it is not ok we give it away to shelters. And customers say – aaa… that's good.*
>
> *Interviewee 3 06/05/10*

Interviewee 3 had a negative picture of the communication highlighting that they (IKEA) should improve the impression made on customers in relation to CSR. When she had the opportunity to think about it, she did however mention that there are occasions where she does use her knowledge, yet these instances are not very common. Two things can be observed from this quote. Firstly, this interviewee does not express CSR therefore failing to leave impressions about this on customers, apart from very few instances, as we can see from the quote. Secondly, when she does leave impressions on the customers, she receives feedback immediately through customers stating that they think that this is good. Thus we can see that Interviewee 1 and 3 have the same mirroring process, however the mirroring only seems to happen when they themselves initiate the flow.

Thus, as evaluated in 5.1.1 there is an organizational identity that feels proud that IKEA has the distinctiveness of being "a good place" (Interviewee 3). However when it comes to the

process of impressing, the picture becomes smudged. Some co-workers, such as Interviewee 3 did not portray that she communicates CSR very much whereas Interviewee 1 expressed how she does do so. This contradiction needs to be evaluated further through looking at the context in order to gain a deeper understanding between the hermeneutic whole and part (Alvesson and Sköldberg, 2000: 61-62). The reason for the difference might stem from the flow between the organizational identity and corporate identity. This will be discussed further in 5.1.5, however for the purpose of gaining a deeper understanding of the differences seen above, we will touch upon it already here.

Interviewee 1 works in Bäckebol and Interviewee 3 works in Kållered. Klarén said: "[…] I haven't been involved in the education in Kållered unfortunately […] So I think that's why you see the difference [She refers to the internal survey VOICE on CSR – which contains 5 questions in relation to sustainability (see Appendix 1) - that portrays the same difference that we observe through these interviews above]. I think my communication has come further in Bäckebol than in Kållered". The underlying conditions for creating impressions on the image of customers might for this reason not be the same in the two stores. We interpret Interviewee 3 to have the organizational identity as discussed previously, however our evaluation has led us to understand that the capability to create impressions on others are not as strong compared to Interviewee 1.

However, it needs to be mentioned that Interviewee 1 might not be a fully representative example of the process of impression at Bäckebol. She was the co-worker giving us the most positive picture of how much she communicates to customers. Although we do not suspect her of being intentionally biased, we need another example to give strength to the above discussion. Thus, another co-worker at Bäckebol provides us with a more representative response.

> *I think you can show it more, but not in a –we are so good – but be proud of it but in a humble way. Because we are commercial; but we can contribute.*
>
> *Interviewee 2 07/05/2010*

This employee showed us that she does see a discrepancy between the organizational identity

and how she perceives the impression on organizational others to be, just as Interviewee 1 in Kållered did when she said "we could tell people more – and they would get a better picture I think". However, she conveyed it in a slightly more positive light saying that "I think we can show it more" rather than, "not so much I think, no" (Interviewee 3), implying that they do show it but not to the extent that she would like. For that reason, the above evaluation is accurate - however the differences between the two stores might not be as big as first expected - also when we consider the conversations that we had with other co-workers, as well as with the VOICE results from 2010. Thus we can see that this process has progressed slightly further in Bäckebol. The reason for this, at least according to Klarén is that she has not yet been involved in CSR communication at Kållered. We see therefore that CSR is somewhat more anchored in Bäckebol, however co-workers are not always able to convey this. Not being able to do so can be a problem for the image since then the CSR messages are mostly expressed from corporate identity – having the potential of not being as trustworthy as if the messages come from within the organization.

To sum up, we believe that there is a discrepancy between organizational identity and image. Dutton and Dukerich (1991) argue through their discrepancy analysis that when this situation exists, organizational members must either change their identity of the organization or attempt to change the image held by others. Organizational members express the need for more external communication as result of the discrepancy between image and organizational identity – their perception being that IKEA is more actively involved in CSR than they believe that others see it (see Interviewee 3 above).

5.1.4 CSR in Corporate Identity and Image

In 5.1.3 we have captured the process between organizational identity and image. The processes will be the same between corporate identity and image as it was above, however now we do not discuss store co-workers, rather the corporate members already defined as Anders Dahlvig Tomas Bergmark and Eva Stål. In addition sources such as IKEA's webpage (www.IKEA.se), IKEA's reports on CSR related matters as well as articles containing interviews from IKEA representatives (eg. Anders Dahlvig, IKEA, 2009) are also messages from corporate

identity. There is thus a vast amount of empirical material to use. This has the implication that the process of impressing from organizational identity is potentially immense. We will below discuss why it is perhaps only potentially so.

Having established that IKEA's corporate identity is centered on its becoming a sustainable business where they do things before they speak about it, let us look at the statement introducing this part, that there is a possibility of impressing that is potentially immense. We write potentially for the reasons that even corporate identity representatives themselves argue that they do not know how to communicate this corporate identity.

> *It is a bit of challenge for us to find how to communicate this to the general public.*
>
> *Anders Dahlvig, 2008*

This statement could be a way for Dahlvig to excuse the fact that he does not perceive the organizational others to be aware of the work that IKEA does. We have established above that they do communicate a lot - through their webpage, media and reports – despite this he argued that they do not know how to communicate CSR. This is contrary to our findings in the introduction to 5.1.4. In order to be able to fully evaluate why he made this statement we need to consider a number of things in particular – the process of mirroring.

Evaluating what exact images that are being mirrored by corporate identity is outside of the scope of this thesis since the focus lies on the internal part of the organization. However, we have in 5.1.3 established that there is a discrepancy between organizational identity and image and that there is not much mirroring into the organizational identity. Further, it would be naive to believe that the CEO of an organization would not be aware of this weak link. For that reason – and using this pre-understanding – we can relate the above quote to this, arguing that Dahlvig stated the above for the very reason that he knows that co-workers are not overall confronted by organizational others concerning CSR matters. Expanding this one step further, and gaining further understandings it can be argued that Dahlvig has reflected on the fact that although they do have many corporate messages - since the mirroring from organizational others are weak - he defended this fact through claiming that it is a challenge to communicate it.

In true hermeneutic spirit this "logic of argumentation" (Alvesson and Sköldberg, 2000: 63) validates the claim in 5.1.4 that the mirroring process between image and organizational identity is not very strong. Having established the above, we can also conclude that there is a discrepancy between the corporate identity and image, something that Dahlvig seems to be aware of. Further, relating to the discussion in 5.1.3 we see that there is a discrepancy both between the organizational identity and image as well as between corporate identity and image. Yet, in terms of corporate identity, there are a lot of messages; however they do not seem to be captured by the organizational others.

We will now consider what relationship there is between corporate and organizational identity in relation to CSR. Have the corporate identity representatives managed to transfer their knowledge to organizational members?

5.1.5 CSR in Organizational Identity and Corporate Identity

In 5.1.1 and 5.1.2, respectively we have identified organizational identity and corporate identity in relation to IKEA's CSR, where our interpretation from the text was that organizational identity perceives that IKEA is 'good' in relation to CSR and corporate identity delivers the message that IKEA is social and environmental committed. We have also evaluated that both organizational identity and corporate identity are working in the context of IKEA's culture, for example, "do not waste".

On the other hand, we see from 5.1.1 that employees think that they do not communicate CSR enough (both internally and externally) and they expressed the need for more communication. Thus, we evaluate that there is a pull for more information from organizational members and they want more active involvement in CSR areas – issues expresses by the following organizational members:

I think we do a lot but I am not sure if everyone that works in this house knows it. Cos I think I am quite interested in stuff like that. But I think that if you do not ask you will not receive any information about it.

Interviewee 3 07/05/2010

If we have the knowledge then it will slip out – do you know that we do this and this

and so on.

Q: Do you think co-workers have that knowledge?

I think it can be improved a lot. More information, not only to read because, you know, when you get news [weekly internal newsletter] you go – ok, and read very fast. We have to be more involved. Maybe see these refugee stations and so on.

Interviewee 2 07/05/2010

Taking a hermeneutical approach, IKEA has done a lot in the CSR area and it can be taken as the context; a more narrow contextual level here is that IKEA did not talk very much externally in relation to CSR in the past and the part is that employees perceive the need for organizational others to gain a better picture of IKEA and the interviewees expressed that they can contribute if they had more knowledge. We interpret that co-workers have a new perception of CSR due to more internal communication directed to them and they appeal to the corporate identity representatives for some change and more external communication. Further, the awareness of CSR in the whole society can also be seen as a context. In this context, employees' awareness of CSR has increased, thus internal and external directed "talk" (interviewee 4) of CSR is needed and required.

One way that the management receives employees' feedback on CSR is through an internal survey (VOICE), which is conducted every year among all IKEA's co-workers and contains five questions in relation to sustainability (see Appendix 1). One weak aspect shown in the VOICE was the lack of communication to co-workers on CSR matters. Our interpretation is that the management sensed the communication problem and therefore started to communicate CSR internally. For example, all new employees have an introduction workshop of IKEA's CSR in new employees' training. IKEA also has a new E-learning for all co-workers, which lasts one hour, covering all aspects of IKEA's CSR. Further, IKEA Sweden appointed Social and Environment Coordinators (few of them work full time with CSR in each store) starting from about 2 years ago. This person is responsible for internal CSR communication and local CSR projects implementation. In our unstructured interviews, some of the interviewees expressed their views on the role held by Fredrika Klarén (the Social and Environmental Coordinator in Göteborg):

The last year, I think the whole organization of IKEA, we have Fredrika [Klarén], who started a year ago I think. Of course, she has made this big in the store. But in the whole organization in Sweden before, I have never heard that much [about CSR].

Interviewee 4 07/05/2010

Fredrika [Klarén] sends out a weekly letter and she communicates what we are doing. […] She has not been here that long; I think we are getting better: not doing more, as I said communicating more.

Interviewee 3 06/05/2010

The above two quotes showed us that Klarén plays a salient role in the CSR internal communication. Going back to the context that employee's appeal to more communication in relation to CSR, the management responded to it, with not only training but also with appointing a co-worker who is responsible for communication and support the CSR anchoring among employees.

During our process of investigating the anchoring of CSR knowledge at the level of corporate and organizational identity, we thus identify that there is the perception of good social commitment by the organization on the one hand, and on the other hand we identify the need for more internal and external communication around CSR matters. However, although the organizational members strongly perceive the company as CSR responsible, we understand that CSR as knowledge is not embedded explicitly and employees do not show a deep knowledge about CSR related issues. Often during our interviews, employees needed time to reflect about CSR related activities, the bellow answer being just one explicit example:

We have them, but I can't pin point them.

Interviewee 2 07/05/2010

Moreover, in relation to this lack of explicit and deep knowledge we could also interpret that the representatives of the corporate identity are aware of it and they try to evaluate and correct it through the above mentioned internal instruments (e.g. VOICE, E-learning). Additionally, even our own collaboration with IKEA's CSR related issues could be interpreted as a keen interest from the organization to anchor CSR internally – by creating a situation where

the employees could reflect on the company's CSR – and to evaluate the internal knowledge of CSR.

We previously separated organizational identity and corporate identity, however, after our above discussion of the processes between them, our understanding is that corporate identity and organizational identity are actually aligned in relation to CSR at IKEA - where both perceive that IKEA is doing well in CSR. Further, although the level of CSR knowledge is not as deep among the organizational members, the corporate identity representatives are enhancing the communication of CSR internally, aiming to improve the explicit and deep knowledge of CSR in the organization.

5.2 Interpretations using the Extended OIDM

The above discussions followed the processes between culture, organizational identity, corporate identity and image. This is the moment when we bring the "pieces of the puzzle" together, trying to grasp the whole picture of the flow at the organizational level.

The first step in our interpretation is the interaction between organizational identity and corporate identity. As we already argued we reached the conclusion that organizational and corporate identities are aligned in relation to CSR and also that IKEA has a strong sustainable approach to business. A short review connecting the two pillars can be based upon three arguments. Firstly, both organizational identity and corporate identity perceive IKEA as being strongly involved socially and being environmentally responsible – through for example the company's own projects and collaborations with world recognized NGOs. Secondly, the perception that there is not enough 'talk' around these matters – both internally and externally – is again a common factor. And thirdly, both pillars work in line with IKEA's culture of waste minimization.

Moreover, as we previously discussed in the theoretical framework and also in 5.1.1, we are considering culture to be closely interconnected with organizational identity (Alvesson and Sveningsson, 2008: 38) – this strong connection also being discovered during our interpretation of the empirical material in 5.1.1.

Taking the above discussion into consideration – culture being closely interconnected with organizational identity and corporate identity being closely aligned with organizational identity – it can be argued that we discovered a strong loop between culture and identity. Thus, coming back to the processes between the two, IKEA's identity expresses cultural understandings associated to CSR. Continuing the loop, identity perceptions and understandings of CSR as knowledge are being embedded in the culture through the reflecting process. However, as stated above, this last process through which CSR is anchored in the culture has the potential of being developed by fulfilling the demand for internal communication related to CSR.

Taking a step further in our Extended OIDM, identity expresses cultural understandings of IKEA's CSR but furthermore these expressions are influencing IKEA's CSR image by communicating impressions and understandings of the organization's self to organizational others. In sections 5.1.3 and 5.1.4 we have interpreted that there is a general flow between image and identity (both organizational and corporate), which is continued into the culture by the reflecting process. However, we evaluate the flow between identity and image to be thinner than the internal one (between culture and identity), thus IKEA has much potential for developing this process through stronger external and internal communication. Although this awareness for potential communication improvement is present at management level – as well as the level of organizational members – it could potentially be linked with having explicit and strong claims about CSR raising the external audiences' level of expectations related to the company's CSR (Morsing et al., 2008).

In conclusion we argue, firstly by following the processes between the main organizational pillars in detail and secondly by bringing these pieces together, that we reached the point of having a more global view of the organizational picture. We have discovered a general embedding of CSR knowledge at all organizational levels – image, identity and culture – furthermore being able to follow the dynamic processes between them and catching a glimpse of the way they construct and influence each other.

On the other hand, it could be interesting to understand the explanation for the present weak alignment of knowledge between corporate identity representatives and organizational members on the one hand and, on the other hand the further weak alignment between these identities and image. Has the organization an incorrect approach to this matter? One could further investigate their business model and strategy to answer this question. However, if we approach the CSR anchoring from the perspective of knowledge management (CSR knowledge) and change management (CSR as change) we could argue for the following main causes.

Firstly, one cause for the weak alignment between corporate and organizational identity – leading to the expressed need for increased 'talk' around CSR matters – could be "purposeless knowledge" (Newell et al., 2002). Newell et al. (2002: 143) argue that "frequently knowledge is treated as valuable in its own right and is divorced from the social action and tasks that actually generate changes in performance". A "quantity approach" (Newell et al, 2002: 143) will be identified in section 5.4 through the multitude of internal instruments IKEA is using aiming to construct internally a consistent and explicit CSR knowledge base (e-learning, newspaper, newsletter, etc). We do not aim to imply that this approach is wrong however, this immense "quantity" of information needs to be further anchored itself into "concrete actions, tasks and purposes" (Newell et al., 2002:144) in order to be efficiently embedded into organizational identity and culture. Further, Newell et al. (in Alvesson, 2004:174) argues that "knowledge (unlike data) cannot simply be processed; rather it is continuously recreated and reconstituted through dynamic, interactive and social networking activity".

Secondly, considering the CSR anchoring from the perspective of change management, it can be argued that IKEA is in the process of changing its approach to CSR by integrating it in "everyday business agenda and strategies" (Dalhvig, 2008). Thus, this change process takes time (Beer et al., 1990; Huy, 2001).

Our discussion leads us towards another interesting point – what are the consequences of this organizational situation where there is a weak alignment between organizational and

corporate identities and the image? Firstly, considering the positive CSR influences over the organizational members discussed in section 1 and 3 and identified by previous studies – organizational commitment, motivation, work performance etc – it can be argued that this potential has not yet been entirely used by IKEA. As a result of CSR being deeply anchored within organizational members - having positive effects in association with organizational commitment etc. – employees will feel more committed to provide support for the organizational advantage and also potentially leave stronger impressions of a responsible organization on others. Relating this argument with Stål's affirmation "people- that's IKEA, it's nothing without us in it" leads us to understand that embedding CSR among organizational members is a crucial issue for both internal support of the organization and for achieving a strong impression on organizational others. Secondly, the thin alignment between image and identity could also mean that IKEA's potential organizational advantage in the context of social CSR awareness is neither completely exploited.

Moreover, during our interviews with the organizational members, we discovered that they are aware of these thin alignments between CSR knowledge of organizational members and corporate identity representatives. Further they are aware of a thin alignment between identity and external image and what was even more interesting was the fact that they were themselves suggesting some solutions: full-time environmental coordinator for every store; active involvement of the employees in CSR; periodical E-learning and including it on a constant basis in the Introduction of the new employees; more structured information in relation to CSR available in IKEA's Intranet; and communication focused on one CSR related issue at a time in order to construct a clear and structured message. The fact that organizational members themselves came up with solutions of how to anchor CSR deeper in the organization could suggest that they can see how IKEA can more fully anchor CSR in the organization so as to allow co-workers to help create trustworthy messages.

We have above established the flow between the organizational pillars in association with CSR, as well as the possible reasons we identified for the presented organizational situation, and lastly some of the solutions identified by the organizational members. Before we move on to

discuss how CSR is anchored in IKEA we need to make sure that our investigation stands on solid ground and we will argue it below.

5.3 Research Quality Considerations

We have now brought the pieces of the investigation together and created the bigger picture of CSR anchoring in IKEA. Before we move on to consider how they have done so we need to make sure that the sources of our investigation are valid. One way of doing this is to relate back to 2.4, research quality. There are three points that we could consider to be of crucial importance in evaluating this.

We argued in 5.1.2 that the phrase 'we do things before we talk about it' could be related to IKEA's culture. The reason for this was that in the past it can be seen that IKEA has not communicated CSR to any great extent, both internally and externally and therefore it is possible that this statement is a reflection of the culture. However this phrase could also be related to what Alvesson (2003: 20-21) refers to as cultural script. Alvesson argues that due to time constraints in interviews (we argue that this is the same case in speeches) the interviewee can use the so called corporate culture, i.e. constructed cultural stories related to how one *should* talk about the organization. We argue that the phrase could be a cultural script due to the fact that both Stål and Dalhvig used this phrase in very similar ways. Both referring to why they have not communicated CSR to the extent that could be expected by both co-workers and perhaps also organizational others, considering the CSR work that they have done. To strengthen this argument, Dalhvig used this statement when referring to how other organizations do "a lot of green washing" and that IKEA for a number of years held a low profile. However, the question could be risen whether IKEA has held a low profile or they just have not been able to create an impression on organizational others due to poor communication channels. It could be argued that it is the latter for the reason that IKEA has published Social and Environmental Responsibility reports since 2004 and have been working with high profile organizations such as UNICEF and WWF since the end of the 20th century. For these reasons the phrase could refer to the organizational storytelling in IKEA rather than a reflection on culture itself.

Another issue that we have found to be important to raise is the reference of organizational members to be an unbiased representation of the organizational identity. It could be argued that organizational members are intentionally being biased through trying to actively convey a positive image of IKEA's CSR work on us as researchers and organizational others. According to Alvesson and Sköldberg (2000: 72) when a source is intentionally biased one should be very careful in using it, and perhaps even exclude the source. However we argue that the organizational members we have spoken to can represent the organizational identity and are not intentionally biased, for the following three reasons.

Firstly, although Klarén suggested which organizational members we should interview, she claimed that she did not pick co-workers that have had any direct involvement with any of the local or global CSR projects in the past. We can obviously not take this claim for granted, however we found it to be verified when interviewing the co-workers. They did not convey that they have had any active involvement in CSR projects and they also had different levels of understandings – from Interviewee 6 who had very little interest and knowledge about CSR, to Interviewee 1 who had a very deep knowledge – therefore we argue that Klarén did not pick co-workers that she would perceive to be intentionally biased or who she knew to have more knowledge than the average co-worker.

Secondly, relating to the above discussion on cultural scripts we did not find that any of the interviewees used the phrase – acting before speaking – although many of them mentioned that they have not communicated CSR externally to any great extent in the past, when asking about the communication with organizational others. This implies that this type of cultural scripts might be something that they are not exposed to and therefore do not use when referring to IKEA. Further, one could be critical here, arguing perhaps that the expressed organizational identity of being 'good' and 'more than a furnishing company' could be considered a cultural script since there might be stories about the culture rather than something that cultural expressions. However, our interpretation is that this is not so. The reason for this is that although they all conveyed this message, all of the interviewees did so

slightly differently and in slightly different contexts. An example of this is Interviewee 6 referring mostly to IKEA being 'good' in terms of how they treat employees and Interviewee 4 defining IKEA as 'good' in relation to external CSR more explicitly. Further, they did not contradict their statements in the interviews, thus leaving us with the impression that these affirmations are in fact how they would express their culture to be.

The last argument for why we do not interpret organizational members to be intentionally biased is that interviewees where not only asked to talk generally about their organization, they were also asked to show their level of knowledge about CSR. Considering that knowledge is either something that you have or something that you do not have – if you do not have the knowledge about something then you cannot explicitly state this knowledge - this is an aspect where you cannot be biased. Further, in relation to this last argument, we noticed how organizational members developed their thinking throughout the interviews, thus reflecting both on their statement on organizational identity and perhaps also on their culture in relation to CSR.

Despite the above arguments – showing that organizational members can indeed be used to show organizational identity – we have not been able to disprove that they could be unintentionally biased. This implies that we have had to be aware of this throughout the interpretations, having had to be careful about the evaluations that we found and considering multiple sources, this that is also argued in Alvesson and Sköldberg (2000: 72-73). The reason why we have not been able to argue against this is that since co-workers seems to enjoy working at IKEA they could unintentionally highlight the positive aspects and not focus so much on the more negative aspects.

Having discussed potential problems in the culture through cultural scripts and the unintentional bias in the organizational identity let us move on to a potential problem that we reflected upon in the corporate identity. In the quote from Stål in 5.1.2 she refers to the vision statement – "to create a better everyday life for the many people" – arguing that this shows how they work with environmental issues daily. However, one could critically asses how she

refers to this. A vision statement is meant to be broad so that it can be related to all aspect of an organization. And this vision statement is no exception. It can very easily be related to both social and environmental responsibilities showing how both these responsibilities has the potential of creating a better everyday life for the many people. However, the vision statement could also refer to IKEA always pushing costs down in order to create affordable furnishing (IKEA, 2010c) – also creating a better everyday life for the many people. We can therefore see that this type of statement incorporates everything – and therefore in reality very little.

Having evaluated some of the research quality considerations we argue that we now have a foundation to more explicitly link our interpretations to our purpose, to find how CSR is anchored in IKEA. We will discuss this aspect in 5.4.

5.4 How Is CSR Anchored in IKEA? – Practical Considerations

Drawing our attention away from the research quality considerations, we think it is necessary to looking back at our research question – how is CSR anchored in an organization? – in 5.4 we aim to discuss and conclude how CSR is anchored in IKEA based on our interpretations of empirical findings. Before we start to discuss this, we would point out that IKEA is a vast organization and we are not able to focus on developing the detailed aspects that they have to anchor CSR, however, our focus will be based on what we have found in our study.

We will discuss how CSR is anchored in IKEA in two aspects – on the one hand, how CSR is communicated both externally and internally; on the other hand, IKEA's culture of taking care of social and environmental matters.

Although we have identified in 5.1 that both organizational members and corporate identity representatives expressed that communication of CSR is not enough both internally and externally, we do see that IKEA has begun to communicate CSR to a greater extent, which we interpret as one aspect of how CSR is anchored in IKEA.

IKEA's communication of CSR is both external and internal. IKEA began to publish yearly Sustainability Reports – an external communication tool of IKEA's CSR – in 2004 (IKEA 2003

Social and Environmental Report, 2004). This is the starting point of when IKEA began to systematically show the public what it has done in CSR areas. In 4.2 we mentioned IKEA's new CSR project – the Never Ending List. During our stay in IKEA, we saw many green signs stating different items in the Never Ending List. For example, there was a sign about IKEA's recycling food leftover (the Never Ending List, #22) on the wall in the IKEA restaurant in Bäckebol, thus the Never Ending List is not only shown on IKEA's website, but explicitly seen by customers in the store. IKEA's Sustainability Report and the communication of the Never Ending List on the walls can be seen as two ways of how CSR is anchored in IKEA.

After we look at the external communication of CSR that IKEA does, we will move on to the internal communication of CSR. As we have discussed in 5.1, employees actually appeal to corporate identity representatives for CSR to be communicated internally and then for it to be spread out to external audiences. In our study, we did find more things in relation to internal communication of CSR compared to external communication. Seven aspects can be concluded according to our observation and interpretation. a) VOICE. Upon this survey, IKEA's management receives feedback from employees on how they think of the CSR communication internally b) E-learning. As we have mentioned in 5.1 a new E-learning was delivered last year, which we evaluate not merely a tool of training, but also and more importantly as CSR communication to employees. c) CSR education. This is mainly an introduction of IKEA's CSR to new employees, which is taken as on-the-site job training. CSR is communicated to the new employees at the very beginning of their career in IKEA. d) The appointment of Social and Environmental Coordinators. In our case study, Fredrika Klaren is the coordinator in both stores in Gothenburg and many employees recognized her importance of communicating CSR internally, which we have discussed in 5.1. e) Weekly CSR newsletter and the distribution of a UNICEF newspaper (Expressen UNICEF, 2010). These are also tools of internal communication of CSR. f) In the office area, different items of the Never Ending List were also shown on the walls, just as the one we observed in the restaurant. g) IKEA explicitly stated in the latest Sustainability Report (IKEA 2009 Sustainability Report, 2010) that it will incorporate sustainability (CSR) in every business strategy, which was also shown on the wall in the office areas.

To sum up, we have discussed how CSR is anchored in IKEA relation to how IKEA communicate CSR both externally and internally. We will now move on to the cultural aspects of how CSR is anchored in IKEA.

We have identified in 5.1.1 some cultural features of IKEA, for instance IKEA's "no waste" culture, which were evaluated to support IKEA's environmental responsibilities; IKEA's "taking care of employee", which we have interpreted to have provided the basis for IKEA's social responsibilities. Thus, we have discussed that taking care of social and environmental responsibility is deeply embedded in IKEA's culture. We argue that the deep embedding of CSR in IKEA's culture is also an answer to our research question of how an organization anchors CSR. The reason for this is that, through redefining the already existing culture of 'no waste' and 'caring for people' to also incorporate CSR, it allows co-workers to understand how their culture is related to CSR, thus supporting the anchoring of it in the organization. We have mentioned in 4.1 of IKEA's vision – "to create a better everyday life for the many people" (IKEA, 2010c). Smircich and Stubbart (1985: 8) argued that powerful languages set a tone, provide direction and gain commitment. Stål, the spokesperson of the company, linked environmental responsibility to IKEA's vision, where she provides the direction to employees that IKEA's vision is closely linked to CSR. She thus used the vision statement and defined it in relation to CSR. This type of redefining is a similar way of redefining something that can have a general meaning in terms of CSR in order to anchor it to the already existing understanding of the organization.

To sum up, we have thus discussed how CSR is anchored in IKEA, where we have mainly focused on two aspects, firstly, IKEA's communication of CSR both externally and internal; secondly, the way IKEA's culture has been redefined through CSR. However, from our discussions, we can see that the communication of CSR inside IKEA is abundant, where employees can get information of CSR in different ways. It is believed that all employees should to some extent have knowledge of CSR, though some employees might have more knowledge. However, what it lacks here is that employees are not able to use this knowledge – CSR to actively or subconsciously deliver this knowledge to customers.

6. CONCLUSION

To conclude our work, we would like to outline the major outcomes from our study. In the above interpretations and discussions, we have found that CSR has been more successfully anchored internally compared to external anchoring in IKEA. This has also been reflected in the processes found in the Extended OIDM where the internal dynamics was interpreted to be stronger than the external processes. Further, from Morsing et al.'s (2008) 'inside-out approach' we can see that the first and most important building block in the anchoring of CSR is to embed it internally, i.e. in our investigation this would refer to embed it in culture and identity. Thus we have seen that IKEA has been quite successful according to Morsing et al. since they have taken the first steps towards achieving a positive CSR reputation.

Despite this, a discrepancy of CSR knowledge was found between the organizational members and corporate identity representatives as well as between these identities in relation to image. It was argued that one of the reasons for this discrepancy is that IKEA may have a tendency of acting before speaking, and this has also been found to be the case in internal communication, limiting the ability for organizational members to create an impression on the organizational others. Further, it could be argued that the corporate identity representatives communicate many CSR activities however once again, they have not been able to leave impressions on others and create an image on the external audience.

Considering that we have found in part 1 CSR to be part of the context in which organizations operate in - and also due to the fact that the society expect organizations to work with CSR issues – not being able to leave a strong impression on image on organizational others is a limitation and a missed opportunity for IKEA. Further, and relating to the even wider context, it was stated in part 1 that organizations need to adapt to the context in order to survive. Therefore, not being able to create the process of impressing might not only be a missed opportunity, in the long run "in theory at least, […] they must either change or die" (Beer and Nohria in Alvesson and Sveningsson, 2008: 3) if they do not manage to convey that they are indeed adapting to the contextual changes. However, according to Morsing et al. (2008)

organizations that communicate CSR are often the targets of increased assessment of their claims due to a higher level of expectancies of the public. Therefore one could speculate if IKEA uses an 'inside-out approach' but it is limiting their external communication for the repair of a potential damaged image.

At this stage, it is useful to revisit our research question – how is CSR anchored in an organization. Upon this, we have answered the question of how CSR is anchored in our case study - IKEA, where we have found two general aspects – the communication of CSR both externally and internally and the culture embedding of CSR in IKEA. Further, we argue that the findings of how CSR is anchored in IKEA can be generalized to other companies in order for them to enhance their anchoring of CSR, for example, through different ways of communicating it. This can be seen as one implication of our study for organizational managers and others who are interested in learning how CSR anchoring can be achieved. Another implication of our study is that we have developed a way to investigate CSR anchoring in organizations through linking it to identity and culture, which has not been done by earlier studies.

We would also like to mention that there are some limitations in our study, which might have influenced our research. Firstly, the choice of the research method – a single case study has its own constraints. The study from one company may not be generalized to all other companies as we have also mentioned in 2.5.2. Further, sustainability plays an important role in Sweden and Swedish companies (Sverige Mest Konkurrenskraftigt i EU, 2010). This context might be different in other countries, where the anchoring of CSR might not be as significant as what we have found out in our case study. Thirdly, culture is "more of a context, implicit and emergent" (Hatch and Schultz, 2002: 997). Our resources were limited and we were not able to get more access to culture therefore limiting our understanding of CSR as embedded in culture. For the same reason, we did not implement an external survey to see what external audiences think of CSR, which might have helped us to identify the image.

Finally, we now move our attention to several research prospects that can be conducted using our study as a stepping stone. Reflecting on one of the limitations of the study, the research can be expanded to incorporate other parts of IKEA for example, other stores in Sweden or

expanding the study to comprise of multiple countries within the IKEA world. On this note, the study could also be expanded in order to look at multiple organizations within the same industry or even a cross-industry study. These types of studies would deepen the understanding of the relationship between culture, identity and image and also the importance of CSR to be anchored in organizations and improve the generalizability from not only focusing on one case study. On the other hand, since this study has mainly focused on the organizational identity, further studies could be expanded to more deeply focus on either or both culture and image. As we can see, the Extended OIDM can be used in several ways for further research to better understand the flow between the organizational pillars. We also believe we have shown it to be an efficient and aiding framework for anchoring CSR in the organization in relation to change and knowledge management studies.

References

Albert, S., Ashforth, B.E. and Dutton, J. E. (2000) 'Organizational Identity and Identification: Charting New Waters and Building New Bridges'. *The Academy of Management Review*, 25 (1): 13-17.

Albinger, H. S. and Freeman, S. J. (2000) 'Corporate Social Performance and Attractiveness as an Employer to Different Job Seeking Populations'. *Journal of Business Ethics*, 28(3): 243-253.

Alvesson, M. (1990) 'Organization: From Substance to Image'. *Organizational Studies*, 11: 373-394.

Alvesson, M. (2002) *Understanding Organizational Culture*. London: Sage.

Alvesson, M. (2003) 'Beyond Neopositivists, Romantics, and Localists: A Reflexive approach to interviews in organizational Research'. *Academy of Management Review*, 28 (1): 13-33.

Alvesson, M. (2004) *Knowledge Work and Knowledge-Intensive Firms*. New York: Oxford Univeristy Press.

Alvesson, M. and Sveningsson, S. (2008) *Changing Organizational Culture: Cultural change work in progress*. New York: Routledge.

Alvesson, M. and Sköldberg, K. (2000) *Reflexive Methodology: New Vistas for Qualitative Research*. London: SAGE Publications Ltd.

Armour, M., Rivaux, S. L. and Bell, H. (2009) 'Using Context to Build Rigor: Application to Two Hermeneutic Phenomenological Studies'. *Qualitative Social Work*, 8 (1): 101-122.

Ashforth, B.E. and Mael, F. (1989) 'Social Identity Theory and the Organization'. *The Academy of Management Review*, 14 (1): 20-39.

Beer, M., Eisenstat, R.A. and Spector, B. (1990) 'Why Change Programs Don't Produce Change'. *Harvard Business Review,* 68 (6):158 -167.

Bhattacharya et al. (2007) 'Rreaping Relational Rewards from Corporate Social Responsibility: The Role of Competitive Positioning'. International Journal of Research in Marketing, 24(3): 224-242.

Brammer, S., Millington, A. and Rayton, B (2005) *The Contribution of Corporate Social Responsibility to Organizational Commitment*. Working Paper, Bath: University of Bath.

Bryman, A. (2008) *Social Research Methods*. Oxford: Oxford University Press.

Bryman, A. and Bell, E. (2003) *Business Research Methods*. Oxford: Oxford University Press.

Burke, L. and Logsdon J. L. (1996) 'How Corporate Social Responsibility Pays Off'. *Long Range Planning,* 29 (4), 495-502.

Carroll, A. B. (1991) 'The Pyramid of Corporate Social Responsibility: toward the Moral Management of Organizational Stakeholders'. *Business Horizons*, 34: 39-48.

Cerne, A. (2008) 'Working with and Working on Corporate Social Responsibility: The Flexibility of a Management Concept'. Phd Thesis, Lund Institute of Economic Research, School of Economics and Management, Lund Business Press, Sweden.

Crane, A. and Matten, D. (2007) *Business Ethics.* Oxford: Oxford University Press.

Deal, T.E. and Kennedy, A.A. (2000) *Corporate Culture: the Rites and Rituals of Corporate Life*. Reading: Addison-Wesley.

Dutton, J and Dukerich, J. (1991) 'Keeping an eye on the mirror: Image and Identity in organizational adaptation'. *Academy of Management Journal*, 34: 517-54.

Fombrun, C.J. and van Riel, C.B.M. (2003) *Fame and Fortune: How successful companies build winning reputations*. New York: FT Prentice Hall.

Gioia, D.A., Schultz. M. and Corley, K. (2000) 'Organizational Identity, Image and Adaptive instability'. *Academy of Management Review*, 25: 63-82.

Gronvius, P. and Lerborg, M.C. (2009) 'IKEA and CSR: Like Hand in Glove?'. Master Thesis, Stockholm School of Economics.

Hatch, M.J. and Schultz, M. (1997) 'Relations between Organizational Culture, Identity and Image'. *European Journal of Marketing*, 31 (5/6): 356 - 365.

Hatch, M.J. and Schultz, M. (2002) 'The Dynamics of Organizational Identity'. *Human Relations*, 55 (8): 989-1018.

He, H.W. and Mukherjee, A. 2009. 'Corporate Identity and Consumer Marketing: A Process Model and Research Agenda'. *Journal of Marketing Communications*, 15(1): 1-16.

Holtzhausen, L. and Fourie, L. (2009) 'Employees' Perceptions of Company Values and Objectives and Employer-Employee Relationships A Theoretical Model'. *Corporate Communications: An International Journal*, 14(3): 333-344.

Hughes, G. (1979) *Hebrews and Hermeneutics: The Epistle to the Hebrews as a New Testament Example to Biblical Interpretation*. Cambridge: Cambridge University Press.

Huy, Q.N. (2001) 'Time, Temporal Capability and Planned Change'. *Academy of Management Review*, 26(4): 601-623.

Jack, G. and Lorbiecki, A. (2007) 'National Identity, Globalization and the Discursive Construction of Organizational Identity'. *British Journal of Management*, 18: 79-94.

Johnson, H. H. (2003) 'Does It Pay to be Good? Social Responsibility and Financial Performance'. *Business Horizons,* 46: 34-40.

Kane-Urrabazo, C. (2006) 'Management's Role in Shaping Organizational Culture'. *Journal of Nursing Management*, 14: 188-194.

Kotler, P. and Lee, N. (2005) *Corporate Social Responsibility: Doing the Most Good for Your Company and Your Cause.* New Jersey: John Wiley & Sons, Inc., Hoboken.

Kvale, S. (1996) 'The 1,000-Page Question'. *Qualitative Inquiry*, 2(3): 275-284.

Lee, L.M. (2008) 'A Review of the Theories of Corporate Social Responsibility: Its Evolutionary Path and the Road Ahead'. *International Journal of Management Reviews*: 10(1): 53-73.

Llewellyn, S. (1993) 'Working in hermeneutic circles in management accounting research: some implications and applications'. *Management Accounting Research*, 4: 231-249.

Lindblad, A. (2009) 'Vad hände sen? Dun till RÄTT pris – med rätt förutsättningar' *Älmhultsbladet*, 50.

Living the Dream (2009) Sweden: Inter IKEA Systems*.*

Maignan, I. and Ferrell, O.C. (2004) 'Corporate Social Responsibility and marketing: An integrative framework'. *Journal of Academy of Marketing Science* 32 (1): 3-19.

Maignan, I., Ferrell, O.C. and Hult, G. T. (1999) 'Corporate Citizenship: Cultural Antecedents and Business Benefits'. *Journal of the Academy of Marketing Science* 27, 455-469.

Merton, P., Froyd, J.E., Clark, M.C. and Richardson, J. (2009) 'A Case Study of Relationships between Organizational Culture and Curricular Change in Engineering Education'. *Innovative High Education,* 34: 219 -233.

Morsing, M. and Beckmann, S.C. (2006) *Strategic CSR communication*. Copenhagen: DJOF Publications.

Morsing, M., Schultz, M. and Nielsen, K.U. (2008) 'The 'Catch 22' of Communication CSR: Findings from a Danish Study'. *Journal of Marketing Communications*, 14(2): 97-111.

Newell, S., Robertson, M., Scarbrough, H. and Swan, J. (2002) *Managing Knowledge Work*. New York: Palgrave Macmillan.

Pava, M and Krausz, J. (1996) 'The Association Between Corporate Social-Responsibility and Financial Performance: The Paradox of Social Cost'. *Journal of Business Ethics*, 15(3): 321-357.

Peterson, D. K. (2004) 'The Relationship Between Perceptions of Corporate Citizenship and Organizational Commitment'. *Business & Society,* 43(3), 296-319.

Porter, M. E. and Kramer, M. R. (2002) 'The Competitive Advantage of Corporate Philanthropy'. *Harvard Business Review,* 80(12), 56-65.

Riordan, C. M., Gatewood, R.D. and Bill, J.B. (1997) 'Corporate Image: Employee Reactions and Implications for Managing Corporate Social Performance'. *Journal of Business Ethics,* 16(4): 401-412.

Rupp, D. E., Ganapathi, J., Aguilera, R.V. and Williams, C.A. (2006) 'Employee Reactions to Corporate Social Responsibility: An Organizational Justice Framework'. *Journal of Organizational Behavior, 27*(4): 537-543.

Smircich, L. and Stubbart, C. (1985) 'Strategic Management in an Enacted World'. *The Academy of Management Review*, 10(4): 724-736.

Snider, J., Hill, R.P. and Martin, D. (2003) 'Corporate Social Responsibility in the 21st Century: A View from the World's Most Successful Firms'. *Journal of Business Ethics,* 48(2): 175-187.

Stanwick, P. and Stanwich, S. (1998) 'The Relationship between Corporate Social Performance, and Organizational Size, Financial Performance, and Environmental Performance: An empirical examination'. *Journal of Business Ethics*, 17: 195-204.

Strand, R. (2009) 'Corporate Responsibility in Scandinavian Supply Chains'. *Journal of Business Ethics*, 85: 179-185.

Turker, D. (2009), 'How Corporate Social Responsibility Influences Organizational Commitment'. *Journal of Business Ethics,* 89: 189-204.

Yin, R.K. (1994) *Case Study Research Design and Methods Second Edition*. London: Sage.

Internet references:

Anders Dahlvig, IKEA. (2010) Viewed on 20/05/2010,
<http://www.europeanceo.com/news/ceo-profiles/article559.html>.

'CSR: Sweden Leads by Example in CSR'. Viewed on 11/05/2010,
<http://www.sweden.se/eng/Home/Business/Ethics_and_Business/Facts/CSR/#idx_>.

Dahlvig, A. (2008) 'BSR Conference Sustainability: Leadership Required'. Viewed on 11/04/2010,
< http://www.youtube.com/watch?v=yTqKBTAtuQk&feature=channel>.

IKEA. (2010a) 'Media Release – New CEO for the IKEA Group'. Viewed on 25/04/2010,
<http://www.ikea.com/ms/en_CA/about_ikea/press_room/press_release/national/IKEA_New_CEO.html>.

IKEA. (2010b) 'IKEA Marketing Strategy' Viewed on 20/04/ 2010,

< http://www.ikea.com/ms/en_GB/about_ikea/press_room/student_info.html>.

IKEA. (2010c) 'IKEA Business Idea'. Viewed on 01/04/2010,
<http://www.ikea.com/ms/en_IE/about_ikea/the_ikea_way/our_business_idea/index.html>.

IKEA. (2010d) 'IKEA History'. Viewed on 01/04/2010,
<http://www.ikea.com/ms/en_CA/about_ikea/the_ikea_way/history/1990.html>.

IKEA. (2010e) 'IKEA IWAY'. Viewed on 15/04/2010,
< http://www.ikea.com/ms/pl_PL/about_ikea/pdf/IWAY_marketing_products.pdf>.

IKEA. (2010f) 'IKEA the Never Ending List'. Viewed on 20/04/2010,
<http://www.ikea.com/ms/en_CN/about_ikea/our_responsibility/the_never_ending_list/pro
ducts.html>.

IKEA 2003 Social and Environmental Report. (2004) Viewed on 10/04/2010,
<http://www.ikea.com/ms/en_GB/about_ikea/pdf/ikea_se_report_2003.pdf >.

'IKEA 2008 Sustainability Report'. (2009) Viewed on 30/03/2010,
< http://www.ikea.com/ms/en_CA/about_ikea/pdf/Sustainability_report_2008.pdf>.

' IKEA 2009 Sustainability Report'. (2010) Viewed on 30/04/2010,
<http://www.ikea.com/ms/sv_SE/about_ikea/pdf/IKEA_Sustainability_Report_2009.pdf >.

'IKEA Drops Live-Plucked Chinese Down Bedding from Shops'. (2009) Viewed on 30/04/ 2010,
< http://www.digitaljournal.com/article/267439?doredir=0&noredir=1>.

'IKEA Named as One of the World's Most Ethical Companies' for Fourth Consecutive Year in
2010'. (2010) Viewed on 30/04/2010,
<http://www.prnewswire.com/news-releases/ikea-named-as-one-of-the-worlds-most-ethical-
companies-for-fourth-consecutive-year-in-2010-89384407.html>.

IUCN (The World Conservation Union). (2006) 'The Future of Sustainability: Re-thinking
Environment and Development in the Twenty-first Century', Viewed on 15/05/2010, <
http://cmsdata.iucn.org/downloads/iucn_future_of_sustanability.pdf >.

'Sverige Mest Konkurrenskraftigt i EU'. Viewed on 11/05/2010,
<http://www.svd.se/naringsliv/nyheter/sverige-mest-konkurrenskraftigt-i-eu_4692213.svd>.

WWF. (2010) 'A Global Partnership'. Viewed on 2/05/2010,
<http://wwf.panda.org/what_we_do/how_we_work/businesses/corporate_support/business
_partners/ikea2/>.

Appendix 1 – IKEA Swedish Sala AB, VOICE 2010, Social and Environmental questions:

10a) IKEA's work with social and environmental questions are important for our organization and for our customers.

10b) My boss gives me regularly updated information about IKEA's social and environmental responsibility.

10c) At my department we conduct concrete actions that mirror IKEA's social and environmental responsibility.

10d) It is my responsibility to contribute to IKEA's work with social and environmental work.

10e) IKEA is a firm that through its actions show that it takes responsibility for the society and the environment.