



Corporate Social Entrepreneurship as a new approach to CSR- A Swedish Outlook

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Abstract

Corporate social entrepreneurship (CSE) is a fairly new concept in academia and is not very well researched. This study aims to develop more knowledge about the concept.

It is emphasizing the concept of CSE, and how Swedish companies are working with CSE. A comprehensive framework based on literature is presented and tested on the empirical data. Another framework was developed from the empirical data, updating the comprehensive one. The study showed that the main outcome of CSE is shared value creation, a double bottom line, both economic and social. Many internal and external factors precede a CSE action. The study also shows indications that CSE actions in the Bottom of the Pyramid can be compared to ones in developed countries such as Sweden, following the framework. It is recommended that more research needs to be done in this area to get a more comprehensive picture of the nature of CSE.

Keywords: *Corporate social entrepreneurship, Swedish companies, cross case analysis, framework*

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1. Introduction

1.1 Background

Corporate Social Responsibility (CSR) is a topic that has been approached differently by companies and academia. Friedman (1970) and, Knox and Maklan (2004) addressed CSR as detrimental to companies and against capitalism. Furthermore, Friedman (1970) claimed that a company's only responsibility is to make profits, and that only private individuals should have social responsibility. He supported his view with the fact that corporate executives are actually employees of the owners of the company and hence have the sole responsibility to maximize profits. As Multi-National Companies (MNCs) grew and expanded, their revenues became greater than the Gross Domestic Product of many of the developing countries in which they do business (Jamali & Keshishian, 2009). This has shifted the power, making MNCs more powerful than some governments (Millar, Ju & Chen, 2004). This meant that managers following only their legal obligation to their shareholders, which is maximizing the profits and thus following Friedman's (1970) CSR strategy, only added social features if they did not interfere with profit maximization (Saatci & Urper, 2013). The large-scale impacts of MNCs (Nelson, 2006) have led to some devastating examples of this profit maximization all around the world. Recent examples in the likes of Malaysia and Ethiopia have emerged in the public, where big MNCs, including major Swedish ones, have been indirectly part of land-grabbing and deforestation in these countries through investments in companies that operate there (Demmer, 2017; Pauser & Williams, 2016). These investments of the MNCs have led to major disturbances in the local communities, loss of innocent lives and many people evicted from their homes, ending up as refugees in foreign countries. According to Milanovic (2016), this is also the cost of globalization which increases global inequality, now higher than ever, and gives power to the plutocrats, the powerful owners of MNCs. For such reasons, "companies are widely perceived to be prospering at the expense of the broader community" (Porter & Kramer, 2011 p. 64). Even though Swedish MNCs have been involved in suspicious investments, many companies in the country have been praised for the good work with corporate responsibility and they have been part of many positive rankings in that field (Sweden, 2016).

The *social responsibility* mind-set of a firm has been identified as one in which the societal issues are not at the core but rather at the periphery and therefore, MNCs cannot satisfy society's sustainability needs (Porter & Kramer, 2011). With this discontent of the broader community, the MNCs are trying to increase their *social bottom line* (Agrawal & Sahasranamam, 2016), as Saatci and Urper (2013) argued, the social responsibility of companies goes beyond obedience of laws and regulations. Accordingly, a new interpretation of how businesses can create a greater social value has emerged (Michellini & Fiorentino, 2011; Porter & Kramer, 2011; Ellis, 2011). Companies need to reconnect their success with social progress while acting as businesses, not as charitable donors and then, the most pressing challenges can be addressed in the most powerful way (Porter & Kramer, 2011). The people employed in MNCs, working to find practical solutions to those challenges, are called social intrapreneurs (Spitzeck, 2010). As corporate change makers, they have access to resources that can help put their ideas into practice (Ellis, 2011). Furthermore, social intrapreneurs are the most centered and valuable component

of several models of Corporate Social Entrepreneurship (CSE) (Austin & Reficco, 2009; Spitzack, Boechat & Leão, 2013; Zaefarian, Tasavori and Ghauri, 2015; Agrawal & Sahasranamam, 2016).

CSE is a combination of entrepreneurship and social value creation (Agrawal & Sahasranamam, 2016; Zaefarian et al., 2015) which, going in line with the shared value as a new approach for improving the relationship between business and society (Porter & Kramer, 2011; Michelini & Fiorentino, 2011), is the new, refreshed and updated version of CSR - “the face of new avatar of caring capitalism in the present scenario” (Tiwari, 2015, p. 12). Considering the location of the researchers and the different perspectives of how Sweden is perceived, this study will focus on Swedish companies.

For the sake of simplicity, instead of jumping between the terms corporate social entrepreneurship and social intrapreneurship, the former will be used to address social entrepreneurship within companies. The term social intrapreneurs will be used for the people working with CSE in the companies. The CSE concept is an interesting phenomenon but there is not much empirical data about it and that is one of the reasons why this research is being conducted.

1.3 Purpose

The purpose of this study was to analyze why and how Swedish companies engage in corporate social entrepreneurship (CSE). The aim was also to develop a framework based on the literature and empirical data that could serve as a guideline for companies that want to engage in CSE.

1.4 Outline

In the next chapter, a literature review will follow, defining the different concepts used throughout the paper, before presenting the existing models on CSE. After that, the methodology will be presented, followed by a presentation of the obtained data from the research, an analysis of that data and an updated CSE framework. The paper will end with a conclusion about the findings.

2 Literature Review

2.1 How did Corporate Social Entrepreneurship come to be?

In this section, the researchers will explore the previous literature about CSR, shared value, social entrepreneurship, corporate entrepreneurship, and social innovation. These concepts will all come together at the end with a preliminary framework, that will be tested on the empirical data. The aim of this review is also to give examples of the previous research done on CSE, which later on will be argued as the new concept companies should adapt to.

2.2 What is CSR?

Corporate social responsibility is one of the first key concepts that has been studied for the enlightenment of society and business as collaborative associates (Jamali, 2007). Porter and Kramer (2011) stated that the intention of CSR is for a company or organization to do good, as an answer to external pressure and that it is also determined by external factors and personal preferences. The concept of corporate social responsibility is a broad term used to explain and to develop different social programs or value creation that companies and organizations use to create well-being and social welfare. The phrase can be used to explain what companies are doing to give back to the society and to help development in societies (Mittra-Crisan & Borza, 2012). CSR has also attracted a worldwide acknowledgment and attained a new character in the global economy, this has been developed over the time through globalization and an increase in international trade (Jamali & Mirshak, 2006).

Corporate Social Responsibility (CSR) has been a topic discussed for a long time but it was Milton Friedman (1970) who stated that CSR is only used by companies to make more profit. Friedman (1970) also says that there is only one responsibility of companies and that is to exploit its resources and engage in activities that increase the profit of the company as long as it is not illegal or committing fraud. He went as far as saying that using the mantle of social responsibility from respected businessmen and women is a clear threat to the free society. It is frequently discussed if there is an understanding between the shareholders and the society (Jamali, 2007) which is the core argument from Friedman that there is an understanding but only for profit gains.

It is arguable that Friedman had a more strategic CSR in mind when he made his statements about CSR. A strategic CSR aims to achieve more business goals at the same time as it has a benefit for society, but this generosity of CSR is connected to profit gain (Jamali, 2007). In this case, the CSR would make a profit for the shareholders which Friedman argues, but also do good for society. On the other hand, Porter and Kramer (2003) suggested that strategic CSR could be used as a special niche for companies to help society and also make profit for the company, there could be a clear combination of social and economic goals.

CSR is distributed over three phases: the first phase is the raise and extension that started in the 1950's, later on came the further expansion phase during 1960-1970's and the third phase is the full-fledged proliferation in the 1980-1990's (Jamali, 2007). The growth of CSR started out with being an agreement between the role of business people not being only an agent of their

personal resources but also the resources of the society. Initially, CSR had a focus on business people most likely because of the power that these men and women had in their decision making and their power was not yet entirely valued (Jamali, 2007). Since then, the formation of clearer picture of what CSR is has been formed which includes business ethics, social responsiveness and public policy (Jamali, 2007).

2.3 What is shared value?

Porter and Kramer (2011) stated that companies can *create shared value* (CSV), by linking their economic growth and the societal benefits, the concept being based on the fact that both the societal and economic progress must be value principles. The concept relies on three steps to make this theory complete, those steps are reconceiving products and markets, redefining productivity in the value chain and building supportive industry clusters at the company's locations. These three stages are connected and each one of them is a part of the circle in creating shared value. Porter and Kramer (2011) also stated that by creating shared value the benefits for both companies and the society will be large, and it is also argued that the concept of shared value is diminishing the challenges of capitalism, by having a clear and open path to the benefits to the society. Kramer et al. (2011) developed a framework for how shared value can be measured and argued that if the connection between the business and society is not tracked and measured, a business can miss out on innovation, growth and a sustainable impact on the society. Shared value is a concept that draws many similarities to CSR but differs as well, see figure 1. As the figure shows, the concept of CSV is more developed and has an agenda to help the society more in depth, whilst CSR is more general and not clear in the actual agenda.

Porter and Kramer (2011) highlighted that CSV is an integrated part of a business strategy whilst CSR is a separated part of the strategy. (See figure 1).

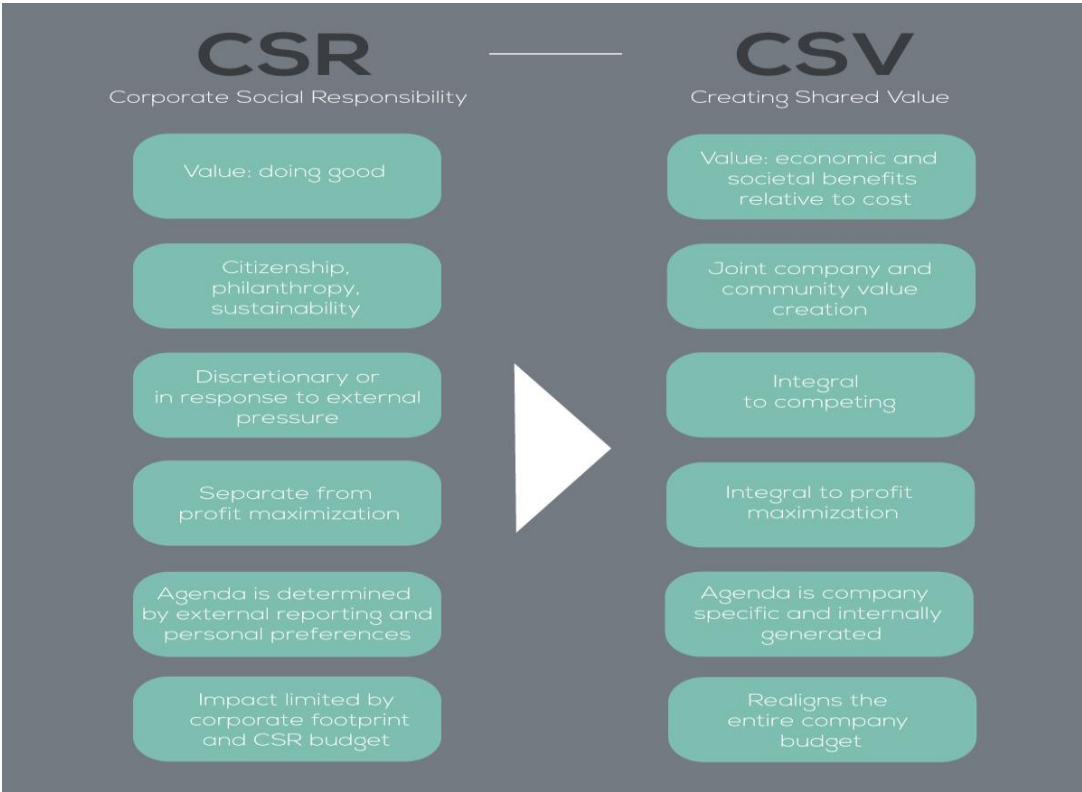


Figure 1. Porter and Kramer (2011)

Shared value has its critics and Crane, Palazzo, Guido and Spence (2014) argued that Porter and Kramer were only trying to find a new concept other than the already known concept of CSR, the authors argue that CSV is only a caricature of CSR. Crane et al. (2014) argued that the idea of CSV is very shallow and does very little in actually trying to transform capitalism and its core problems, it is also argued that Porter is only trying to find a way to differentiate himself from others by the concept of shared value, Crane et al. (2014) were harsh when they stated that CSV is a misconception of shortcomings that has obstructed the research of CSR and also the teaching at universities.

2.4 Social Entrepreneurship and Corporate Entrepreneurship

As the concept of CSE is a combination of corporate and social entrepreneurship (Austin, Leonard, Reficco & Wei-Skillern, 2005), this section will start off by explaining these two concepts and see how they differ from each other.

Corporate Entrepreneurship (CE) could be defined as a risk-taking action done by top managers in regards to investing and some strategic actions when they face uncertainty (Zahra & Covin, 1995). CE has some main components which is product innovation, proactiveness, and risk taking which all captures the essence of CE, this very broad definition also builds on Schumpeter's work on entrepreneurship (Zahra & Covin, 1995). Schumpeter (1934) has a theory about entrepreneurship and entrepreneurs, this theory builds on the difference between an economic agent and an entrepreneur. Schumpeter (1934) argues that an entrepreneur is innovative, and drives changes and steers the economy in a different direction.

Yunus, Moingeon and Lehmann-Ortega (2010) gave a definition of social entrepreneurship (SE) as a process involving innovation in combination in use of resources to follow opportunities to catalyze a social change or address social needs. The concept has also been defined as a branch of entrepreneurship but SE is more focused on creating social value instead of economic value (Bohmann, Kallin & Norén, 2015).

This definition provides a picture that a social entrepreneur can work on their own and even start a social business which is a business that are funded by the operations of the business and the owners have a right to recover invested money, but it is more cause driven and not a non-profit organization (Yunus et al., 2010). Mair and Marti (2006) described SE as an under researched topic and the authors stated that more research needs to be done in this field to be able to provide a clear definition.

SE is a way of changing the game of corporation, to question whether their old way really is the right way (Yunus et al., 2010; Mari & Marti, 2006). Yunus et al. (2010) provides us with an example of a bank that changed the game for more traditional banks. For example, Grameen bank was started to lend money to less fortunate people that normally wouldn't be able to be accepted for a loan, in that sense the rules of the game changed. Bringing this example up it is valid to say that the bank is a success. It is important as moving forward with the concept of SE to have collaborative partnerships between profit and nonprofit to provide a broader basis of the resources than one organization or business have by itself (Yunus et al., 2010; Sagawa and Segal, 2000).

To conclude, the difference between CE and SE is that the former is driven by innovation and economic development, while the latter is also a form of innovation but it focuses more on changing the social needs and help develop a society.

2.5 What is social innovation?

Social innovation refers to an action to where the primary goal is to meet a social need that is, most of the time, run through organizations (Mulgan, 2006). This does not only have to be non-profit organizations, it can also be driven by politics and government controlled organizations (Mulgan, 2006; Mulgan, Tucker, Ali & Sanders, 2007). Mulgan (2006) also argues that the subject social innovation is understudied even though there has been some academic research on the matter.

Social innovation is starting to be interesting for many different sectors, such as social entrepreneurship and in the public policy sector (Mulgan et al. 2007). The authors are also arguing that all of these different sectors bring new ideas to the field of social innovation, it is also argued that all sectors should come together and face and possibly solve some of the most urgent social challenges. In this research, it could be interesting to see how social innovation impacts the CSE concept.

2.6 What is CSE?

By looking at the concepts mentioned above, it is clear that a new concept that supports social sustainability challenges is needed, since the other concepts do not meet the ambition to innovate based on those challenges (Spitzeck et al., 2013). Therefore, the concept of corporate social entrepreneurship (CSE) is very valuable as a next step in the work of CSR and addressing the contemporary challenges. The concept of CSE is built upon the idea that a business can enhance their CSR by changing the way a company operates with a few central elements: creating an innovative and enabling environment, highlighting the corporate values and purpose, and building alliances to produce double value (Austin & Reficco, 2009; Agrawal & Sahasranamam, 2010). Figure 2 shows an illustration of the main differences between CSR and CSE.

As a new concept of entrepreneurship, CSE has been defined as:

...the process of extending the firm's domain of competence and corresponding opportunity set through innovative leveraging of resources, both within and outside its direct control, aimed at the simultaneous creation of economic and social value.
(Austin et al., 2005, p. 238).



Figure 2. Differences between CSR and CSE (Source: Outside Inc., 2017)

Based on this definition of CSE, there has been research done mainly in emerging markets - Brazil and India. These researches have resulted with different CSE models that will be presented and combined into a preliminary framework which will be the base of this research on Swedish companies.

The reason that there are four different models is that they have been developed based on researches on different companies and around a relatively short period of time (2013-2016).

2.6.1 A CSE Model from Odebrecht, Brazil

The first CSE model, illustrated in figure 3, was developed by Spitzeck et al. (2013) following a case study on a corporation from Brazil, called Odebrecht. Their study has shown that the external triggers, besides market factors, include socio-environmental risks and opportunities for creating shared value as non-market factors. Furthermore, the social intrapreneurs, respond to the external triggers with sustainability innovations which come to life by the enabling internal environment, supported by competencies, resources and the reputation of external partners. The authors claimed that the success of these innovations comes from the commercial success of the company and the success in solving sustainability issues in communities where the company works. When both the business and the society gain benefits from the sustainability innovations, shared value is created. This model has its limitations because it is developed from a case study on one company and therefore, some of the elements could be considered as to be relevant only in that particular case. It is also only an upgraded version of corporate entrepreneurship model and therefore, the CSE actions are not entailed in it. However, the shared value creation as a combination of the organizational and societal outcomes is very valid and proves a point.

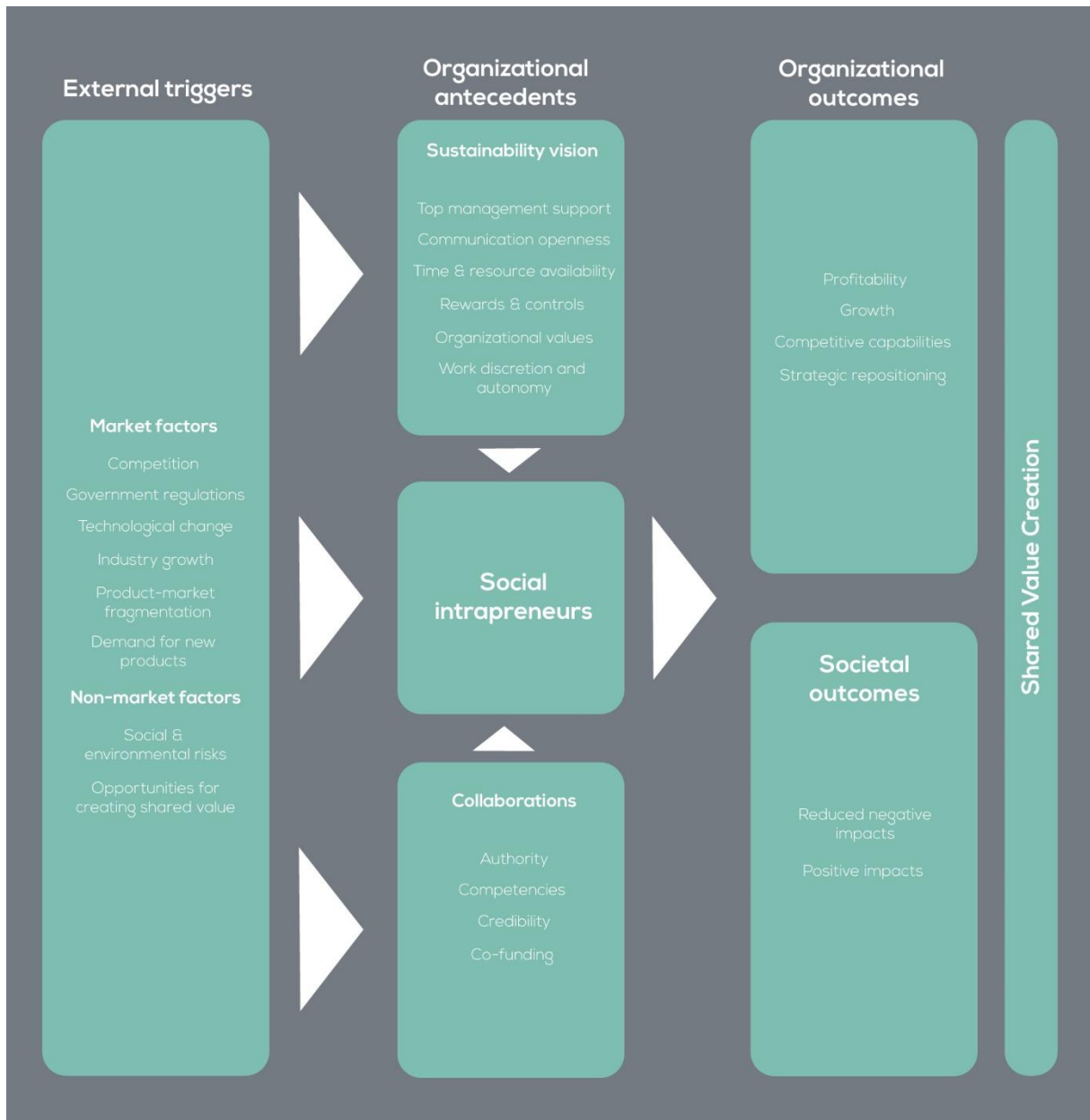


Figure 3. CSE Model from Brazil (Source: Spitzbeck et al., 2013, p. 619)

2.6.2 A CSE Model for Market-Based Poverty Reduction

The next model that was considered is the one by Zaefarian et al. (2015), shown in figure 4, which was created after an analysis of how CSE can be used as a market-based approach to reduce poverty in the Bottom of the Pyramid (BoP), comprised of the people earning less than \$2000 per year which altogether make 65% of the world's population (Prahalad & Hammond, 2002). According to Zaefarian et al. (2015), companies need to innovate, modify or develop products and processes to meet the needs of the BoP, when they want to take the market-based initiative to address poverty. Furthermore, the authors argued that pursuing CSE largely depends on the organizational values and support from the top management, open communication throughout the company, as well as the number of alliances/partnerships with social-sector organizations, which are all defined as enablers of CSE. Moreover, the benefits

of CSE would be a better overall corporate performance, and the better connection with the social sector would contribute for prevention of or exit-strategies from eventual organizational crises. The final benefit for the companies, according to the authors, is that they will reach a greater organizational commitment and thus become more attractive as an employer. This model has been developed through literature review and is thus not supported with empirical data. In this paper, the researchers will try to see whether the antecedents and the outcomes named in this model are valid and if yes, to what extent.

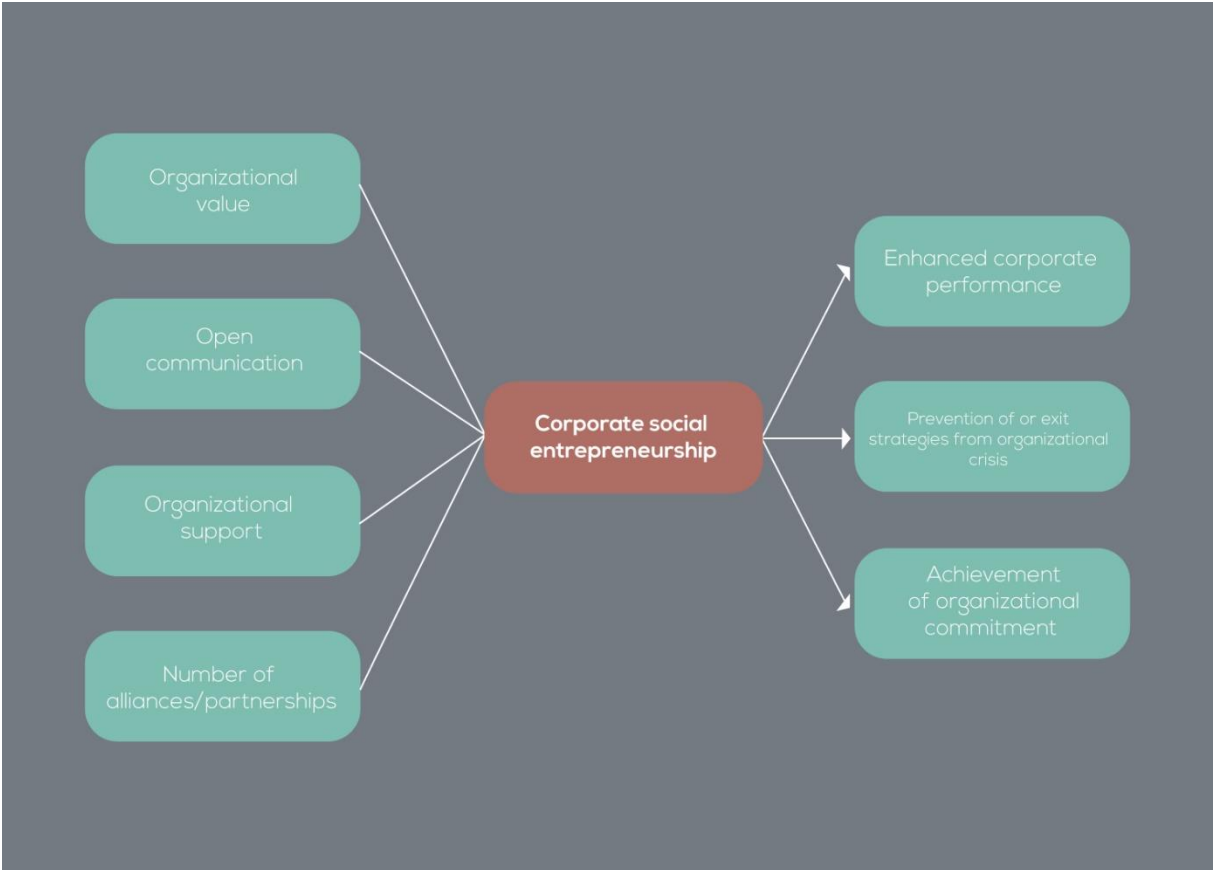


Figure 4. A CSE Approach to Market-Based Poverty Reduction (Source: Zaefarian et al. 2015, p. 330)

2.6.3 A CSE model for entering the BoP market

The following CSE model (see figure 5) is actually an updated version of the previous one. This time, Zaefarian, Tasavori & Ghauri (2016) conducted a research of the BoP market in India and this model specifically targets that market. This research has identified that MNCs undertaking CSE view social problems as opportunities, develop and adapt their products and/or services, and their marketing processes according to the market in order to improve the quality of life of the poor. Nevertheless, the companies ought to have a better understanding of the environmental factors, such as the demand for new products and the stakeholders’ expectations, in order to implement the previously mentioned CSE actions. Furthermore, as in the second model that was presented, this one also identifies that there should be some organizational antecedents to CSE actions. Those include top management endorsement, accompanied with financial support, as well as networking with local Non-Governmental Organizations (NGOs) that know the environment better. The combination of all of these components can bring the

company legitimacy and long-term profitability. The model is supported with a research on several companies acting in the Indian market, targeting the BoP through CSE. Therefore, a limitation is the context of the market itself.

Nonetheless, the antecedents and the CSE actions themselves are clearly identified and showcase the development of CSE, although the outcomes - especially legitimacy - are a bit vague, and the outcomes of this model are limited to the companies only.

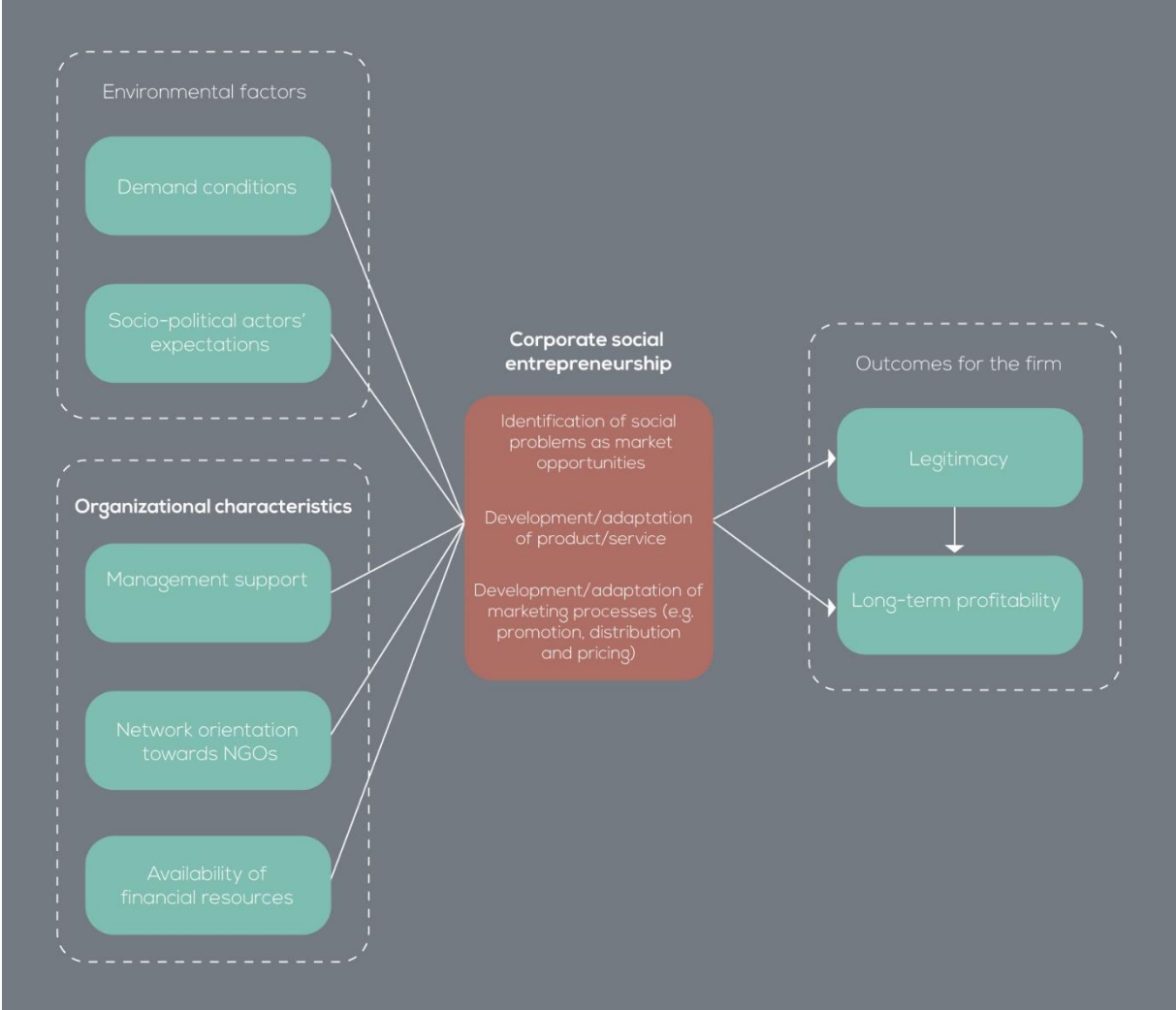


Figure 5. A CSE model for entering the BoP market (Source: Zaefarian et al. 2016, p. 573)

2.6.4 A CSE model for India

The last model in this paper is the one established by Agrawal and Sahasranamam (2016). This model (see figure 6) is about the BoP market as well but is different in the sense that it includes different companies, thus different cases of CSE in India. The authors explain more into detail the whole process of CSE, including the antecedents, the actions and the outcomes of it. The main two antecedents are the environmental dynamics and the organizational capabilities. As seen in the previous models, the company needs to identify the social problems in the markets but it also needs to consider government regulations which may help or hinder the CSE actions. The company’s history and resources play a vital role, as CSE is a long-term strategy, but the core capabilities might be a crucial advantage for a given company. When it comes to the CSE actions themselves, the company should allocate resources which are a requirement for social

innovation and creation of new business model, besides actively developing collaborations with NGOs, local entrepreneurs and government institutions. Subsequently, Agrawal and Sahasranamam (2016) identify that the outcomes of CSE could be both explicit and implicit. The explicit outcomes can be easily measured by the number of new customers who generate revenues in the newly created market, whereas the implicit ones are harder to measure as they include the legitimacy in the eyes of the social and governmental sector, as well as the trust and goodwill of the community, and the new business collaboration. The outcomes can also increase the future investments in CSE actions. Even though this model was developed from three cases, its components are supported by facts and figures, and well-developed propositions.

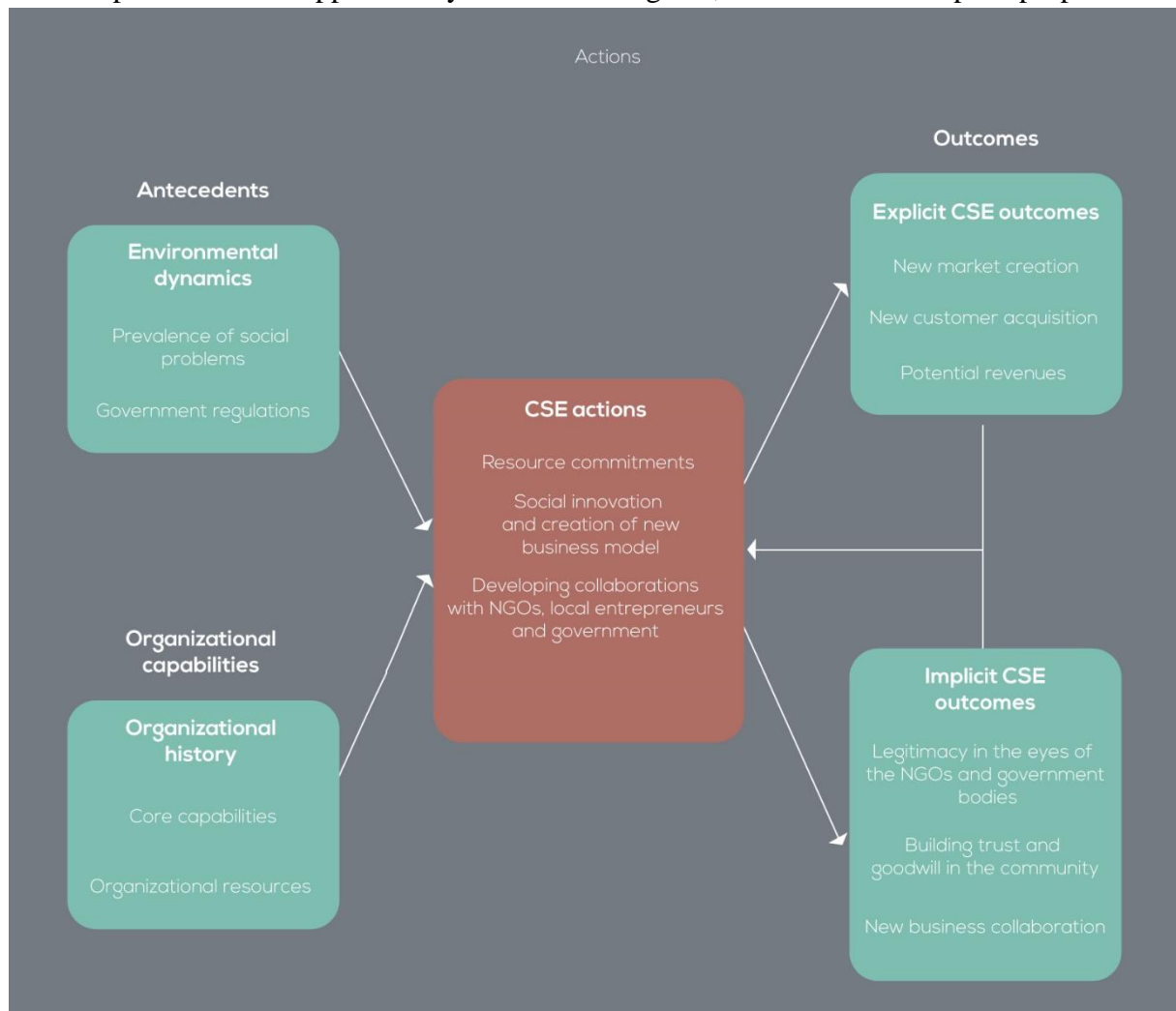


Figure 6. A CSE model in India (Source: Agrawal and Sahasranamam, 2016, p. 226)

2.7 A comprehensive CSE framework

Combining these four models, gives an eclectic view on CSE. Basically, what these models show is that there are certain antecedents and outcomes for CSE actions. First of all, the companies need to identify potential opportunities for shared value creation and hence social innovation. The companies then use their accumulated knowledge and core capabilities, which accompanied by certain internal (support from the organization, financial capacity) and external factors (social problems and regulations) trigger CSE actions. To develop the CSE actions the companies need to allocate resources (human and financial) and establish partnerships with

social-sector organizations and/or institutions. The link between the antecedents and the CSE actions are the social intrapreneurs, the individuals that convey the ideas, motivated by the internal and external factors. Having CSE also means developing or adapting products/services and marketing processes in order to reach the market the company is aiming for. The outcome of CSE is creating shared value and it can be both tangible (improving social standards, financial KPIs) and intangible (better reputation, legacy and legitimacy). Moreover, CSE opens up new opportunities for enhancing this kind of entrepreneurship even more. This comprehensive framework (see figure 7) is the starting point of this research, as it encompasses the features that are common for all of the four existing models on CSE. The aim was to test all of the existing models, having this preliminary framework as a guideline for the research. It is valid to add that the researchers did not come across any criticism in literature on these four models.

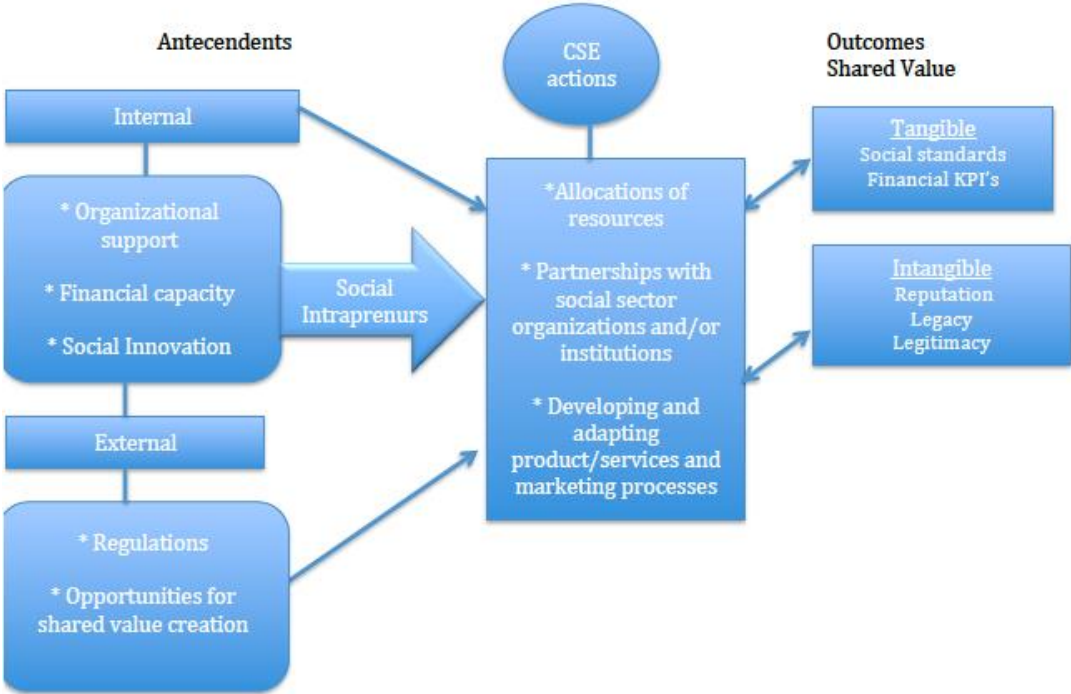


Figure 7. A comprehensive CSE model (combined from figures 3, 4, 5 and 6)

3. Methodology

In this chapter, the research approach for this study will be presented. The goal of this study was to develop an updated CSE framework. To further develop a framework an exploratory approach was used. The already existing literature was considered and the empirical data was also analyzed. A comprehensive framework was developed from the already existing literature, thereafter a developed framework was created based on the data collection and the literature.

During this research, qualitative data collection was used, collected through interviews from hand-picked participants. The participants were picked from Swedish companies that work with corporate responsibility in different ways. The aim was to look at the different companies view of CSE, and not the individual participants view. A cross-case analysis was also conducted during this study to compare and contrast the four participating companies. All participating companies are Swedish companies within different industries, these companies were picked by the researchers, and after the companies were decided, the participating individuals were picked.

This study was designed to generate more knowledge to the field of CSE. The developed framework fits into the participating companies to a certain extent but it needs to be tested further.

3.1 Research methods

While conducting this study the researchers were using an exploratory study approach to proceed with the research. An exploratory study aims to develop an understanding over the topic of interest which in this case is CSE. This design is also useful while being unsure about the nature of the problem (Saunders, Lewis and Thornhill, 2012). The exploratory approach is well suited for this study since the concept of CSE is not very well researched, and the researchers are not sure about the precise nature of CSE. The researchers have a definition of CSE, that is used to inform the participants if it is needed.

During the study, purposive sampling was used. The purposive sampling focuses on picking participants that are considered experts in the field (Easterby-Smith, Thorpe & Jackson, 2015). Since this study aims to focus on companies working with CSR and CSE, this sampling was appropriate given the specific characteristics of the individuals interviewed.

The goal of talking to individuals working with CSR and CSE was to develop an understanding of how their companies are proceeding with CSR and CSE. The participating companies were selected based on indications on CSE from their sustainability/responsibility reports. During this study, some interviews were conducted over the phone, some in person and in one case the interview questions was sent to a participant and then answered, afterwards the researchers met with the participant in person.

3.2 Research approach

Approaching this research, interviews were conducted to learn about the phenomena and access information about CSE that otherwise could be difficult to access (Easterby-Smith et al., 2015). The interviews were conducted as semi-structured, which allowed the researchers to ask questions in a more flexible manner and not hinder an ongoing conversation that could lead to

more usable data (Easterby-Smith et al., 2015). While using semi-structured interviews more topics can be developed during the interviews that could be of value for further research within CSE.

Considering the nature of the study a qualitative data collection was conducted. Relevance from the research questions was interpreted and a framework was developed drawn from the analysis and conclusions of the data. A qualitative data collection are pieces of information gathered by the researchers that are a non-numeric form of data, in this case the interviews conducted will be transcribed and analyzed (Easterby-Smith et al., 2015).

A qualitative approach is the most suitable method for the aim of this study, because the results are obtained from interviews.

This study took a narrative analysis approach, by using this approach the researchers focused on the stories told to capture the importance of CSE. While using this approach the aim is to capture the nature of the subject within certain companies (Easterby-Smith et al., 2015). A cross-case analysis was also conducted to see if there were any similarities between the companies and how this could be utilized for the framework of CSE.

Four Swedish companies was the focus of this study, these companies were picked on the base of their sustainability/responsibility reports, where all participating companies showed indications of CSE actions.

3.3 Research philosophy

Approaching this study, the researchers' aim is to look at the phenomenon of CSE and look at already existing frameworks and develop a framework further. The researchers' philosophy in this study is that everyone has their own personal opinion based on previous knowledge (Saunders et al., 2012). The previous statement is based on the view of CSE, the individuals being interviewed most likely have their own personal opinion about CSE and what their company is doing to proceed with their CSE actions.

3.4 Research Questions

To be able to develop a framework for further usage inside the field of CSE, the following research questions were used.

- Why and how do companies engage in corporate social entrepreneurship?*
- What precedes the CSE actions?*
- What are the outcomes of CSE?*

The researchers used a semi-structured interview method to encourage the participants to develop their answers as much as they wished to do, in order to elaborate more on features the participants found important. The interview questions that were asked during the interviews can be found in Appendix A.

Using the semi-structured interview method also enabled the researchers to use a ladder technique, in this case laddering down (Easterby-Smith et al., 2015), which helped the interviewers to seek illustrations and examples of how that company has engaged in CSE and how they are continuously doing so. The laddering down technique in this case was particularly important for the aim of the study, by asking for illustrations and examples of how companies are using CSE, it gave a clearer picture of how CSE is used in reality.

The questions for the participants were developed from the comprehensive framework that was derived from literature, as a base to later on update the framework.

3.5 Collecting data

3.5.1 Validity

The researchers aim was to make this study as valid as possible and therefore interviewing a selected group of individuals that has knowledge about CSE, all these interviews are available in audio form and transcriptions that can be requested. Since the interviews were semi structured a high level of validity can still be reached (Saunders et al., 2012). The biggest problem is the subjectivism to the interviewee, questions may be misinterpreted resulting in a bias response or a response not appropriate to the question. The bias response can be an indication of confirmation bias where the participant is looking for a confirmation of their already existing hypotheses (Klayman, 1995). The results are probably not 100% re-creatable since there is almost never only one answer, the interviewed individuals could interpret the questions differently which could lead to different answers at different times.

3.5.2 Transferability

During this research, the researchers were developing detailed transcriptions of the interviews conducted and therefore making it easy for following researchers to replicate this study. It was important for the researchers to be transparent with the information acquired since CSE is a new concept and there is a lack of previous research within the field. It was also highly important to be clear with the participants why they were selected for this study. Transferability was also highly crucial for the ongoing research and studies that are being done on the phenomenon of CSE.

It is recognized by the researchers that a broader generalization cannot be made since the sample was not big enough (Saunders et al., 2012) but by being transparent of this research it could be replicated by others, to be able to make a generalization.

3.5.3 Credibility

The companies that were targeted in this study were big companies with reputable sustainable departments. Therefore, the credibility to this study is high, as it was also cross examined towards already existing frameworks of CSE. The researchers are seeking to make this study as credible as possible by using successful companies in CSE, to examine the frameworks on these companies and to later on have a framework that could be used as a general framework of CSE for companies interested in starting a CSE project. All the participants were informed about the subject matter when they were approached by the researchers which also helps with the credibility to this study (Saunders et al., 2012).

3.6 Time restrictions

This study was limited to four companies due to time restrictions. CSE could be investigated further if the time span is longer.

4. Empirical data

In this chapter, an introduction of the participating companies will be presented. The empirical findings from the interviews will also be presented in this chapter. Since all participating companies are following the United Nations sustainable development goals, a short description of these will also be posted in this chapter.

4.1 Sustainable development goals (SDG)

The sustainable development goals have been established by the United Nations in 2015 (UN). There are seventeen main goals, some examples of these goals are: no poverty, decent work and economic growth, and climate action (United Nations, 2017a). These goals that are mentioned are addressed in the sustainability/responsibility reports of the companies that are presented in this study. All of the seventeen goals, that the UN has drawn up, have a target to be reached within the next 15 years, by 2030. The UN also stated that for these goals to be reached everyone needs to do their part, from the public to the private sector and each individual (United Nations, 2017b). The goal for the UN is to include everyone for a better future so that the generations after this can live and prosper as the previous generations.

In their reports, the companies highlight which of these goals they contribute to be achieved.

4.2 Presentation of participating companies

A small introduction of the participating companies will follow explaining in what way these companies are working with CSE and how it is considered CSE from the researcher's point of view. All companies are doing it a little differently, but all companies are engaged to give back to the society and contribute to a higher employment rate in the countries they are active in.

4.2.1 IKEA

IKEA is a Swedish home-furnishing company founded by Ingvar Kamprad in 1943, initially as a business selling pencils, post-cards and other merchandise (IKEA, 2017a). Today it is the market leader in its industry with 389 stores and 915 million store visits, retail sales of 36.5 billion Euros and 183 thousand employees (IKEA, 2017b). IKEA has started its Social Entrepreneurs Initiative in 2012. The Initiative involves skilled artisans, mostly women and marginalized people, who make handicrafts which are then sold as limited-edition collections in IKEA stores. The company has been able to develop this concept through partnerships with already existing social enterprises and organizations. Currently, they have this project going on in India (Rangсутra and Industree), Thailand (Doi Tung Development Project), Indonesia (Apikri), Sweden (Yalla Trappan), Denmark (Place de Bleu) and USA (Open Arms). The current number of artisans is 2 150, out of which 82% are women. The profit from the initiative is reinvested in developing it further (IKEA, 2015a; IKEA, 2015b; IKEA, 2016).

4.2.2 Löffbergs

AB Anders Löffberg Group is a family-owned coffee-roasting company, founded by the three Löffberg brothers back in 1906 and started roasting their own coffee in 1911. Since then, the company has become one of the largest in this industry in the Nordic region, selling their

coffee both under their own brands in retail and under other brands in wholesale, and expanding it to the Baltic region, UK, Ireland and Canada. In 2016, they reported a revenue of 1.8 billion SEK, with 27 313 tonnes of coffee sold (Löfbergs, 2016; Löfbergs, 2017). The company is one of the founders of the International Coffee Partners (ICP) initiative in 2001. ICP supports local farmers with education and practical training on how to improve the quality and efficiency in coffee production. In 2014, they started a project in Kenya that almost quadrupled the coffee productivity. In 2017, the company aims to start buying coffee from these small-scale farmers (Löfbergs, 2016).

4.2.3 Tetra Pak

Tetra Pak is a company founded in 1951 by Ruben Rausing that develops different kinds of food packaging, such as milk and juice packages. Since the start, the company has grown into a multinational company. Tetra Pak has available products in 170 countries with a revenue of 11.9 billion euros in 2015, and around 23,500 employees over the world (Tetra Pak, 2016). In 2000, Tetra Pak started the Food for Development (FfD) initiative which was meant to help governments with expertise in school milk and school-feeding programs, and link them with dairy development programs. The Dairy Hub (DH) concept was initiated in 2008, as part of FfD, and the first DH was opened in Pakistan a year later in partnership with Engro Foods (Hystra, 2015).

4.2.4 Trelleborg Group

Trelleborg AB was founded in 1905 by Henry Dunker as a rubber-production company, selling bicycle and car tires, industrial rubber goods and raincoats (Trelleborg, 2017). Today Trelleborg Group is a world-leading company in engineered polymer solutions with operations in 50 countries and over 20 000 employees worldwide. In 2016, the company generated a revenue of 27 billion SEK from its five business areas: Industrial Solutions, Sealing Solutions, Coated Systems, Wheel Systems and Offshore & Construction. Trelleborg has launched the Blue Dimension™ initiative that includes products and solutions with properties and effects for a more sustainable society. This initiative aims to integrate the progress of the company with the progress of society as the latter creates numerous business opportunities for the company (Trelleborg, 2016).

4.2.5 Individuals interviewed

Below is a list of the people that were interviewed for this study, all participants were selected by their knowledge of sustainability and CSR. (See figure 8).

Karin Wingren	Customer Relations Manager IKEA
Anders Dahlvig	Chairman of the Supervisory Board (Former CEO) of IKEA
Eva Eriksson	Sustainability director - Löfbergs
Johan Olausson	Environmental Certification Coordinator - Tetra Pak
Rosman Jahja	Vice-President Corporate Responsibility - Trelleborg Group AB

Figure 8.

4.2 Empirical findings

4.2.1 IKEA

The data for IKEA was derived from a phone interview with Anders Dahlvig, the Chairman of the Supervisory Board of IKEA, an interview in person with Karin Wingren, a customer relations manager at the IKEA store in Malmö, and also from their Sustainability report.

During the research, it was found that IKEA is a well-developed company in the field of CSE. IKEA has a couple of different cooperations with social enterprises but the focus here will be on the cooperation with Yalla Trappan that is a social enterprise in Malmö, Sweden. Yalla Trappan started off as an organization to help refugee women that had a hard time finding a way into the Swedish labor market. It offers services in the fields of catering and sewing. IKEA in Malmö started cooperating with Yalla Trappan in 2008. The cooperation was initiated by an HR manager who was biking around Malmö because IKEA wanted to hire people that reflected the population of Malmö. It was very important for IKEA to have employees that showed the different backgrounds that are present in Malmö. The HR manager saw this social enterprise Yalla Trappan and was intrigued by it. IKEA did not have a proper hijab for the IKEA uniform so the first assignment Yalla Trappan got from IKEA was designing and creating a hijab for the IKEA uniform, and this hijab is now used in every IKEA store in Sweden. IKEA in Malmö did not want to stop there, they were not pleased with the sewing service they had at that time so they developed their cooperation with Yalla Trappan and they did the IWAY certification which is the IKEA code of conduct that specifies the requirements that all suppliers for IKEA need to fulfill. An IWAY certification is crucial so that IKEA can make sure they do not have any illegal activities going on and no child labor. After introducing the certification, the management at IKEA thought that they could do even more for these women, and for the past 14 months, Yalla Trappan has been present inside the IKEA store in Malmö, where they have

their own studio, and provide the customers at IKEA with a sewing service whenever they need it. IKEA helped with the machinery and decorating Yalla Trappan's room that is located inside the store. IKEA is also looking for gaps in their fabric range and, when they find gaps, they are cooperating with Yalla Trappan to develop this new product. According to Karin, it is a win-win situation for both Yalla Trappan and IKEA, as of now the financial benefit for IKEA has not increased substantially but for Yalla Trappan there has been an increase which has led to more women being hired and expansion of their services. IKEA is doing a cross-sector cooperation where problems that might occur can be handled in the right matter from the start, all of this is to make the cooperation with Yalla Trappan as great as possible and to maintain the good relationship between the two organizations.

Karin still thinks that this cooperation could be developed further and that it is very important to have a tight cooperation with organizations or companies to make sure that a mutual respect is present and that both parties benefit from it.

IKEA has several ideas that they could enhance for CSE but for IKEA Malmö they want to make sure that the existing collaborations are up and going, and producing something valuable before they start a new collaboration with another organization or company. The core competences of IKEA are also present in the collaboration with Yalla Trappan, the most used one in this case is the approach to customers and the supply chain. IKEA of Sweden is working to create a handbook on how to develop the initiative elsewhere. With that, IKEA wants to encourage local stores to pursue and establish local partnerships with social enterprises around the world.

“Just doing things so it looks good will never be valuable for IKEA” - Karin Wingren (interview May 4, 2017).

Anders Dahlvig also refers to helping individuals that are outside the labor market as very important. He also pointed out that IKEA's goal has always been to make people more employable in one way or another.

4.2.2. Löfbergs

The data from Löfbergs was collected from a phone interview with Eva Eriksson, the director of sustainability, and also from the company's sustainability report. During the interview, it became clear that Löfbergs thinks it is very important to give back to the society and also work for a more sustainable business. Löfbergs is a family company, the family values are shining through in their work for a more sustainable future, and the CSR has been present in the company since the very beginning. Löfbergs are a part of an organization called International Coffee Partners (ICP) that has projects working with coffee farmers around the world, for example in Tanzania and Brazil. Besides the financial resources from Löfbergs and their board membership at ICP - Kathrine Löfberg who is the chairperson of the ICP and also the head of the board of Löfbergs, there are no other resources put into the projects run by the ICP. Löfbergs is a part of ICP together with six different coffee producers from around the globe. The ICP is run by the Neumann foundation. The Neumann foundation is a German based foundation that is working with smallholder coffee farmers. The ICP is working towards educating more farmers and at this point the ICP has helped 43 000 coffee farmers, with the goal for 2018 being

70 000 farmers. In this collaboration with the ICP, the measure of success is based on how many farmers they have reached and helped. One of the goals for the ICP is to create more employment opportunities for locals in the countries that they are present, and produce sustainable coffee.

Löfbergs has very strong core values and one very important goal for Löfbergs is to keep the production of the coffee sustainable and only buy fair trade coffee beans. The SDGs from the United Nations are also goals that Löfbergs are considering, and they are linked to Löfbergs own goals for a sustainable future, Löfbergs wants to do what they can to reach these goals and provide the future generation with as good possibilities as possible in the coffee industry. Löfbergs is running a project in Tanzania where Löfbergs buys the coffee from directly and they make sure it is fair trade coffee that they buy. Löfbergs. At this point no CSE action is located inside Löfbergs, even though there are plenty of CSR actions taking place.

4.2.3 Tetra Pak

At Tetra Pak, the researchers met with Johan Olausson, an Environmental Certification Coordinator. Further data was collected from online resources (reports, website) from Tetra Pak, as well as their partner in the project - PRAN, and the consulting firm Hystra that included the Dairy Hub (DH) project in its report about smallholder farmers and business. The idea behind the concept was to create a long-term supply of locally produced quality milk by helping smallholder farmers move to running milk production as a primary source of income. Tetra Pak saw the opportunity with one billion smallholder farmers around the world. The DH links farmers in a specific area to a dairy processor. This guarantees milk collection for the farmers, who get knowledge and expertise on how to have healthier animals and hence increased productivity. For the processors, it means having a reliable supply of high-quality, locally-produced milk and a better control over the supply chain. At the same time the community has access to safe and affordable milk, which means a better nutrition. Tetra Pak, with its knowledge in food processing, and its sister company DeLaval, with its products and services, support the development of the entire dairy chain. Except Pakistan, there are DHs in Bangladesh and Nicaragua, and new ones are being developed in Senegal, Kenya and Sri Lanka (Tetra Pak, 2017a).

In this study, the project in Bangladesh was researched more in depth. There, Tetra Pak has partnered with its customer - PRAN, opening the first DH in 2010, followed by another two in 2011 and 2013, with two more to open in 2017 (Hystra, 2015). The project started by educating farmers how to increase productivity - starting with the cows, and then giving them access to the market via Tetra Pak's partner - PRAN. In 2012, around 12% of the farmers could rely on milk production as a primary source of income - now, it is 64% (Tetra Pak, 2017b). PRAN created the opportunity for the farmers to have on-call veterinarian and artificial insemination service. Tetra Pak provided its expertise, having a dairy expert working on-site, and helped for the grant from the Swedish International Development and Cooperation Agency (SIDA) which will fund the two new DHs (Hystra, 2015; Tetra Pak, 2017b). Currently, 90 000 litres of milk are collected daily from 10 000 farmers, out of which 80% are smallholders with less than 5 cows. The first DH is now sourcing at lower costs than the traditional agent-based channel, with a higher sales price for the milk of the farmers, increasing their monthly revenue from around \$100 before, to more than \$200 now. At the moment both companies are working on the promotion of a new product - the ultra-pasteurized (UHT) milk in the Bangladeshi market.

With the increased production of PRAN, Tetra Pak gets more orders for packaging and therefore, the project indirectly increases their revenues (Hystra, 2015).

4.2.4. Trelleborg

The data from Trelleborg was collected both from online resources (website, CR report) and the interview with Rosman Jahja, Vice-President for Corporate Responsibility. “The Blue Dimension™ properties of Trelleborg’s products and solutions are designed to promote development that contributes to greater sustainability for customers and for society as a whole.” (Trelleborg, 2016 p. 24). The initiative identifies products and solutions that protect the environment, people and infrastructure and assets (Trelleborg, 2016). Even though it was started four years before, it is in line with the UN Sustainable development goals, announced in 2015, especially in the areas of sustainable agriculture, sustainable cities, energy efficiency and flood protection. Seven of those goals are actually touched upon with the initiative, where the company can actually make a real difference in society. The aircraft seals and the innovative cable solution for wind farms are two examples that protect the environment. The micro needles and the anti-vibration solutions are a way to improve people’s health and decrease negative impact. Trelleborg also offers solutions that increase safety and extend service life of infrastructure and machinery. However, this concept includes already developed products and solutions that have been there before the launch of the Blue Dimension™ initiative. The company is doing this as a trial, to see whether it creates shared value (economic and social) and how it can be measured. The idea of the Corporate Responsibility department is to extend this trademark in the future, to cover more products and solutions and furthermore, develop new ones that will be part of the label. At the moment, they are evaluating the impact of the Blue Dimension™ and are going to set criteria on how a product/solution can be labelled as *blue*. In order to develop *blue* products and solutions the company needs to invest a lot in research and development, and consequently in machinery, something that has not happened yet, at least not as a part of this initiative. A constraint at this moment is also the human resources, there are not enough people in the department to develop the *blue* criteria and a model on how to develop *blue* products/solutions. In a company such as Trelleborg, which is publicly listed, the return on investment is what the shareholders are focused on. They need to see that, in order to invest in a concept, trademark or model. And since the Blue Dimension™ will take time until its economic and social benefits can be measured, then it is hard for the shareholders to invest in it. Nonetheless, this initiative is a way for Trelleborg to become a more sustainable company in the future.

5. Data Analysis

In this chapter the empirical findings will be discussed and analyzed. A cross-case analysis will be presented and it will lead to a final framework that could be used for future possible CSE actions.

5.1 Cross-Case Analysis

The cross-case analysis (see figure 9) gives an overview of the activities in the four companies that were part of this research. The main idea is to compare the findings with the comprehensive framework of CSE and check whether the companies are in fact using CSE and if yes, in what way. The comparison is made in three stages: antecedents, actions and outcomes.

	IKEA	Tetra Pak	Trelleborg	Löfbergs
External factors	<ul style="list-style-type: none"> • Empowerment of women and social entrepreneurship • The diversity of the local community was not reflected in the stores 	<ul style="list-style-type: none"> • Smallholder farmers in developing countries 	<ul style="list-style-type: none"> • Non-applicable 	<ul style="list-style-type: none"> • Smallholding sustainable coffee farming
Internal factors	<ul style="list-style-type: none"> • Social intrapreneur - HR Manager • IWAY supply chain • Core values of IKEA 	<ul style="list-style-type: none"> • Food for Development Initiative • Core capabilities in milk production 	<ul style="list-style-type: none"> • Sustainable products and solutions 	<ul style="list-style-type: none"> • Core values of Löfbergs
Allocation of resources	<ul style="list-style-type: none"> • Initial financial support for the social enterprises • Cooperation across departments of IKEA 	<ul style="list-style-type: none"> • Dairy experts at the DHs 	<ul style="list-style-type: none"> • Shareholders prefer to test Blue Dimension™ before supporting it financially 	<ul style="list-style-type: none"> • Financial resources to Neumann Foundation
Partnerships	<ul style="list-style-type: none"> • Social enterprises in India, Indonesia, Thailand, USA, Denmark and Sweden 	<ul style="list-style-type: none"> • PRAN in Bangladesh • Swedish International Development and Cooperation Agency (SIDA) 	<ul style="list-style-type: none"> • Non-applicable 	<ul style="list-style-type: none"> • Part of the International Coffee Partners
Developing/adapting products/services and marketing processes	<ul style="list-style-type: none"> • Limited edition collections of handicrafts sold at IKEA stores 	<ul style="list-style-type: none"> • Building infrastructure for the DHs • Providing expertise in rural areas 	<ul style="list-style-type: none"> • The idea is to develop products/solutions under the Blue Dimension™ in the future 	<ul style="list-style-type: none"> • Non-applicable
Shared Value Creation Tangible	<ul style="list-style-type: none"> • 2150 artisans - 82% women • Expansion of the social enterprises • Increased revenues 	<ul style="list-style-type: none"> • 10 000 farmers only in Bangladesh, 64% running milk production as a primary source of income • Expanding the market share, reaching a new market 	<ul style="list-style-type: none"> • Financial KPIs not measured yet 	<ul style="list-style-type: none"> • 43 000 farmers involved worldwide • Stable supply of high quality coffee
Intangible	<ul style="list-style-type: none"> • Organizational commitment • Inclusion of marginalized groups in society 	<ul style="list-style-type: none"> • Public access to safe and affordable milk • Better nutrition for children 	<ul style="list-style-type: none"> • Positive impact on the environment, people and infrastructure and assets 	<ul style="list-style-type: none"> • Non-applicable

Figure 9.

5.2 Discussion

What can be drawn from figure 9 is that two of the companies (IKEA and Tetra Pak) are engaged into CSE, whereas the other two (Trelleborg and Löfbergs) have activities that cannot be identified as typical CSE actions. Therefore, the discussion will take two directions:

1. Analyze the CSE activities within IKEA and Tetra Pak, compare them to the comprehensive CSE framework and draw conclusions from the discussion in order to develop the framework;
2. Analyze how Trelleborg and Löfbergs can further develop their activities into CSE.
- 3.

5.2.1 IKEA and Tetra Pak

a) Antecedents

Internal factors

In the existing CSE models the organizational values are defined as a part of the organizational antecedents for CSE (Spitzeck et al., 2013; Zaefarian et al., 2015). The core values of IKEA and Tetra Pak have created an atmosphere for social innovation. It enabled the employees to bring new ideas on how the businesses could work in a sustainable way with society. This made the HR Manager at the store in Malmo, go and look for ways on how to get employees in the store that would mirror the local communities in the area. This was how they reached the social enterprise, Yalla Trappan, and this is how this cooperation started. In other words, the organizational support created an enabling environment for CSE actions (Austin & Reficco, 2006; Zaefarian et al., 2015; Zaefarian et al., 2016), a sort of a new business model. Furthermore, the support from the top management enhanced the creation of this environment. When it comes to Tetra Pak, they had formed the Food for Development team long time before the first DH was started. This indicates that there was an environment with organizational support for these ideas about the DHs to come to life. Using the core capabilities of the company is another component of the CSE antecedents (Agrawal & Sahasranamam, 2016). IKEA used its core capabilities from supply chain management and has done the IWAY certification with Yalla Trappan, as it is the case with every other supplier of IKEA. Tetra Pak had the knowledge and expertise in milk production, as their core capabilities, together with its sister company DeLaval, which combined gave them the foundations on how to develop these DHs. However, these companies have an immense financial capacity which is probably as important, if not the most, as the other internal factors for developing CSE, which was argued in the existing CSE models as well (Spitzeck et al., 2013; Zaefarian et al., 2016; Agrawal & Sahasranamam, 2016).

External factors

In CSE, even if the internal factors play a significant role, the external factors, meaning identifying opportunities for social value creation, trigger the CSE actions directly (Spitzeck et al., 2013). Both IKEA and Tetra Pak identified social problems as opportunities for shared value creation. IKEA did that with women and men who are not integrated in the labor market in the different countries, and Tetra Pak with the smallholder farmers in developing countries who, if clustered together, can achieve economic growth. Even though the preliminary framework addresses the regulations as a CSE antecedent (Agrawal & Sahasranamam, 2016), this research has identified that the regulations have had no impact in these particular cases for commencing CSE.

Social Intrapreneurs

The social intrapreneurs, as a central figure, are the ones who are motivated by the antecedents, they are the social innovators who come up with the ideas on how to turn a social challenge into an opportunity for creating shared value and subsequently into CSE (Austin & Reficco, 2009; Spitzeck et al., 2013). In the case of IKEA it was the HR manager together with other employees at the Malmo store, who initiated the CSE action with Yalla Trappan. In Tetra Pak, the FfD team members initiated the creation of the DHs in Bangladesh and in other countries. The social intrapreneurs are probably the most important link from the opportunity to the CSE

actions and the outcomes of them. Therefore, creating a so-called *right organizational ecosystem* for nurturing the social intrapreneurs is crucial in the process of CSE (Spitzeck, 2010).

b) CSE Actions

Allocation of resources

Taking an entrepreneurial activity implies a need of resource commitment (Agrawal & Sahasranamam, 2016). IKEA has made the initial investment for the social enterprises to purchase equipment needed for production. In addition to that, there has been cooperation both among different departments within IKEA and with Yalla Trappan, which has been provided with working space at the IKEA store in Malmö. Tetra Pak has a team of Dairy experts working on field at the DHs, as full-time employees, to support and educate the local farmers. Again, both companies have allocated significant financial and human resources in the projects they have been developing, and consider them as long-term investments.

Partnerships

Working in a completely new market, targeting new customers, means that the companies should establish collaborations with institutions and local organizations who have better knowledge of the circumstances (Spitzeck et al., 2013; Zaefarian et al., 2015; Zaefarian et al., 2016; Agrawal & Sahasranamam, 2016). IKEA has established collaboration with social enterprises in India, Indonesia, Thailand, USA, Denmark and Sweden. These enterprises have become their IWAY certified suppliers. Tetra Pak's partnerships are somewhat different, as they have actually partnered with a customer in Bangladesh - PRAN, as well as with governmental institutions, such as the Swedish International Development and Cooperation Agency (SIDA), that has given a grant for two new DHs in Bangladesh. These partnerships were crucial for both companies to reach marginalized people.

Developing/adapting products/services and marketing processes

When accessing a new market, especially the BoP, the companies should develop and/or adapt their products/services and their marketing processes (Zaefarian et al., 2016). As part of the cooperation with the social enterprises, IKEA has launched several limited-edition collections at some IKEA stores, depending on the location of the social enterprise but mainly in developing countries. In other words, IKEA increased its product range with new products and are continuously looking for gaps to fill. Yalla Trappan has a separate studio in the store in Malmö, in order to promote the company. On the other hand, Tetra Pak's expertise has played a role in building the infrastructure for the DHs and they have sent their dairy experts to work in the rural areas. Tetra Pak together with PRAN are working on promoting ultra-high temperature processed (UHT) milk in Bangladesh, as a new product in the market, meaning that Tetra Pak will deliver different machinery to PRAN. Both IKEA and Tetra Pak have done adjustments to their products/services and marketing processes in order to meet the needs of the specific markets or to bring the manufactured goods from those markets to others.

c) Outcomes

The main outcome of CSE is shared value creation - the double return, economic and social value (Austin & Reficco, 2009; Spitzeck et al., 2013). The economic and social value can be tangible and intangible.

Tangible

Three of the CSE models show that the tangible outcomes can be mostly financial (Spitzeck et al., 2013; Zaefarian et al., 2016; Agrawal & Sahasranamam, 2016). However, this research has shown that the positive impacts on the society can also be measured in terms of how many people have been involved in these entrepreneurial activities and, hence, have had their social standards improved. IKEA's Social Entrepreneurs Initiative has involved 2150 artisans, out of which 82% are women, from the six countries where the project has been established. The enterprises have expanded as well, giving them the opportunities to hire more marginalized people. Eventually, that would lead to an increase in revenues at IKEA but according to them, it is still too small to be measured. Tetra Pak has included 10 000 farmers in three DHs only in Bangladesh. In this period, the percentage of farmers running milk production as a primary source of income has risen from 12 to 64%. For Tetra Pak, this meant expanding the market share and more revenues, as PRAN's production increased and they needed more machinery and packaging for the products. In both cases, there are indicators of lifting people from poverty and also generating revenues for the companies.

Intangible

As the word says, these outcomes are hard to measure. According to the previous CSE models (Spitzeck et al., 2013; Zaefarian et al., 2015; Zaefarian et al., 2016; Agrawal & Sahasranamam, 2016), the intangible outcomes are mostly going in line with improving the reputation of the companies as well as their legacy and legitimacy. Since this research was only focused on the inside of the companies, it could not uncover the effects of the CSE on the reputation, legacy and legitimacy of the companies, as features derived from the opinion of the company from the outside. Furthermore, the CSE model of Zaefarian et al. (2015) showed that a greater organizational commitment could be achieved through CSE actions. Besides that, outcome, which comes from a model without empirical back-up, another important outcome was the better quality of life for the people from marginalized groups included in the CSE activities. In IKEA's case, it means a higher integration in society for marginalized groups and indeed a greater organizational commitment, which could be seen from the fact that they want to create a handbook on how to develop the initiative further in other countries. In Tetra Pak's case, the whole initiative gives access to safe and affordable milk to a lot of people in the rural areas which ultimately means a better nutrition for the children in those areas. There is a tendency in the company to expand the DH project in many other countries which signals to a higher organizational commitment as well. Finally, the same as Agrawal & Sahasranamam (2016) argued, this research showed that CSE activities lead to even more CSE actions, probably due to the organizational commitment as an intangible outcome.

5.2.2 Trelleborg and Löfbergs

As mentioned in the methodology chapter, all of the companies in this research were selected based on the information in their reports that indicated potential CSE activities. However, the findings of the research showed that what Trelleborg and Löfbergs are doing has a positive impact on the society but cannot be identified as CSE. The reasons will be addressed individually for both companies.

Trelleborg

The products and solutions that Trelleborg offers under the Blue Dimension™ contribute for a more sustainable world in different industries and spheres of life. Nonetheless, the trademark has no specific criteria for which products/solutions are *blue* and this classification is for already existing products/solutions. This might be due to lack of organizational and hence financial support from the shareholders, who are focused on the return on investment, something that cannot be guaranteed by the Blue Dimension™ at this point in time. However, considering the positive impact these products have, it could be a considerable move by the company to identify opportunities for social value creation, especially in developing markets, establish partnerships with other stakeholders and develop *blue* products/solutions.

For that to happen they would need to work on the antecedents of CSE.

Löfbergs

Löfbergs' projects are to some extent different in the sense that the company has identified the opportunity for smallholding sustainable coffee farming which is in line with the core values of the company. Nevertheless, except for financial resources, the company has not allocated more significant resources in supporting the farmers - they have left this duty to Neumann foundation. Being a member of ICP, is a big step towards a higher impact on society but there is basically no change in any part of the business model or products/services that the company offers. Anyway, the impact of ICP has been huge, reaching more than 43 000 farmers worldwide, who have increased their productivity and from which the ICP sources coffee. But since the idea with CSE is for the company to integrate its business and its core capabilities with the CSE actions, we can conclude that it is not the case with Löfbergs. What the company could do in the future, is to devote more human resources to educating and training farmers and even help them with infrastructure and financially, and develop a clear long-term strategy for the desired outcomes from that, both for the company and the society, thus developing a more enabling environment for social innovation.

5.3 Developed framework

To conclude this study an updated framework will be presented below (see figure 10) and the limitations of the study will be discussed. This developed framework originates from the preliminary comprehensive one (see figure 7). The changes in the framework are due to the empirical findings and will be further explained, the newly added components are marked with yellow color.

First, the findings for the antecedents are as follows, a change in the internal factors has been made, the core values and capabilities of the company have been added. The data showed indications that the core values of the company are the driving force for creating an enabling

and supportive environment for the social intrapreneurs to come up with social innovations and start CSE activities. The financial capacity of the company, still remains an important, even crucial, part of the antecedents to CSE. Furthermore, the core capabilities give a company an advantage for developing CSE ideas. In the external factors, the regulations have been removed since none of the participating companies mentioned anything about regulations and it is not considered as needed when operating within the company's core capabilities. However, future studies might research this matter as this could be limited to just these two cases. Nevertheless, the opportunities for shared value creation still stand true as that is where the social innovation component plays a role.

As for the CSE actions, the only change, after the data collection, is that CSE actions should be considered as a long-term investment, instead of just an allocation of resources. CSE is a long-term commitment and has a goal of doing good in the long run, hence it should be a part of a long-term strategy for a given company. The companies still need to build partnerships with local organizations and institutions in order to have a better insight on the circumstances in the market. Moreover, a company engaging in CSE should consider developing and/or adapting its products/services and marketing processes depending on the market, especially if it is the Bottom of the Pyramid.

The general outcome of CSE is shared value, a blend of economic and social value, and it is divided into both tangible and intangible outcomes. Besides improving the social standards, for the tangible outcomes another update has been made, where revenue increase for the company engaging in CSE has been added, instead of financial KPIs. This revenue increase might not be visible in the short-term but as mentioned above, CSE is a long-term investment and therefore, it takes more time to see the return on investment. Market expansion has also been added since markets that are not very developed can be reached and a growth in this market is a very possible outcome. For the intangible outcomes, the organizational commitment has been added to this box. Thanks to CSE there has been an even greater organizational commitment resulting with a willingness to expand the CSE actions, which is the other new component in this part of the framework. The better quality of life for people is also an intangible outcome, keeping in mind that these actions can improve people's standards. As mentioned before, this research did not entail the reputation, legacy and legitimacy, so based on the previous available knowledge, it was decided to have them as a part of this developed CSE framework.

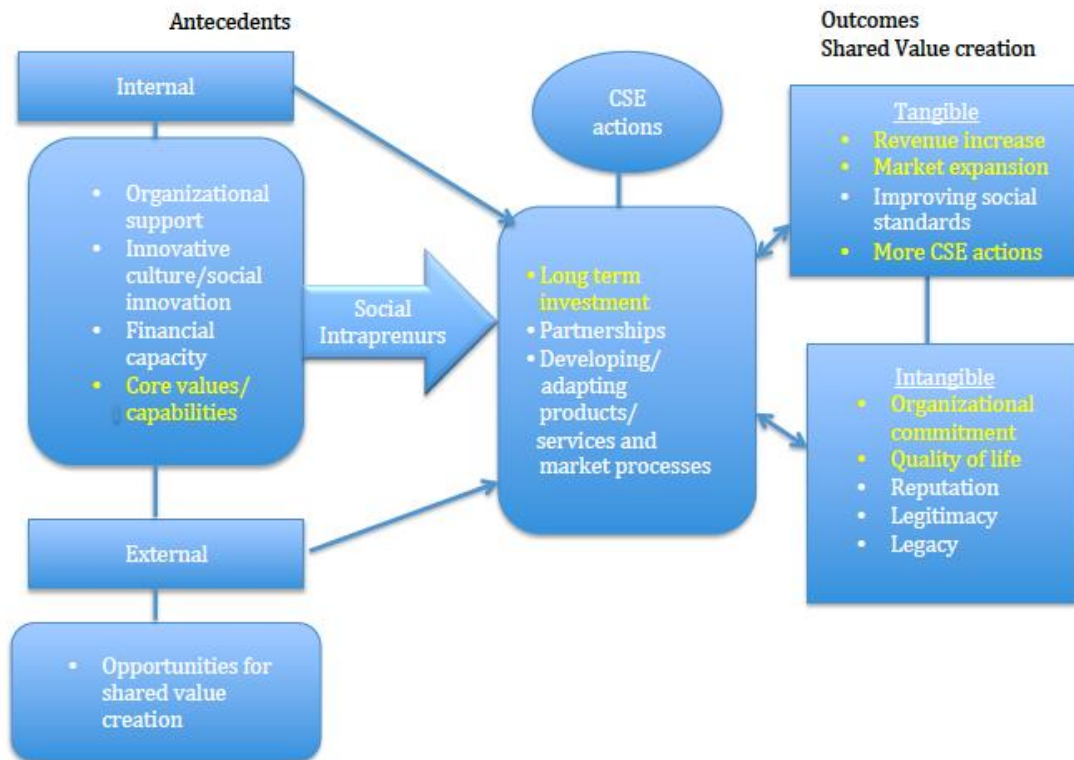


Figure 10. A developed CSE Framework

5.4 Limitations

Due to the time limitations of this study, a more comprehensive study could not be conducted. Four participating companies gave a picture of their work with CSR and CSE, and from these insights conclusions were drawn. If the sample of participants was bigger, the conclusions might have been different, but it is still arguable that the sample was big enough to give a suggestion to a framework. Since the participating individuals are all considered experts in their field the study still has validity.

6. Conclusion

Even though CSR has been portrayed as isolated from the company's core business (Porter & Kramer, 2011), this research has shown that by using CSE, as an advanced form of CSR, a company can integrate it as a part of the business. The main output of this research is the developed framework which is to be a guideline for the companies that want to engage in CSE. The research has shown indications that CSE could be part of a long-term strategy of a given company if the antecedents are established. In the developed framework, it is illustrated that CSE brings to shared value creation, both for the company and the society, which could attract more companies to take on CSE actions. It is understood that this study was only made on Swedish companies and therefore the findings could be limited to this country. It was also limited to four companies, out of which two dealt with CSE, and further research could also give a different output. It has been noticed in all the participating companies that they have the SDGs in mind when they are developing their sustainability goals, but it was not the main factor and therefore they are not included in the updated framework that has been presented. This study has found two companies that are engaging in CSE, in two different ways but both are creating employment opportunities that could further lead to an economic growth for the country where the CSE action is taking place. The reason why these companies have engaged in CSE is that they have identified opportunities for shared value creation. As the developed CSE framework stems from the existing four CSE models, it has most of their components but yet it is the most similar to the CSE model from India (Agrawal & Sahasranamam, 2016). This proves a point that even though that model was developed for a BoP market in India, it still can be related to CSE activities in developed countries (IKEA in Sweden). This, combined with the finding that CSE can be considered as a part of a long-term strategy are the main contributions of this paper to the field of CSE. This research was also conducted to increase the knowledge frame of CSE. More research needs to be done in this field and suggestions for that are to be found in the next chapter.

7. Further research and Implications

7.1 Further Research

CSE is, as discussed, a relatively new concept in academia and it is suggested that more and wider research needs to be done in this area. This study, which included four big Swedish companies, presents a very small-scale picture of how the companies around the world look like and how they are working with CSE. It is suggested that in-depth case studies on companies could contribute to the research on CSE. It could also be worth researching CSE in a more comparative manner where qualitative and quantitative research methods are used, where the outcomes could be evaluated better.

The developed framework needs to be tested in different manners, such as different countries and possibly even a test on the public sector. The framework needs to be tested on other companies and organizations, and in a larger scale of participants. It would be interesting to compare if there is a difference between the public and private sector and how these different sectors can work towards a CSE action. Further studies could also include how social enterprises and NGOs are benefiting from a CSE action that they are involved in. Does the CSE action lead to something greater such as an economical growth for a specific country to level out the inequality?

Plenty of different perspectives can be taken to further research CSE.

7.2 Implications for managers

This research has illustrated examples of how companies can engage in CSE and that way strive towards the SDGs. Even though it is a small step for a company and a community, if regarded as a long-term strategy, CSE could benefit both the company and the society. It is about time that managers start using CSR, and CSE as a more advanced stage, to actually achieve a certain level of sustainability in their companies. It will be a great challenge for managers to create the socially innovative culture inside their company and encourage social intrapreneurs. But if the company does not already have one, they should be the ones to step forward and introduce this idea. Managers could also try finding their inner social intrapreneur and search for ways to engage in CSE actions. That is, if we want to live in the world we have known thus far.

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Appendix A

Interview questions:

- *Are you familiar with CSE? If yes - give examples.*
- *Why do certain companies engage in corporate social entrepreneurship?*
- *How do they use corporate social entrepreneurship?*
- *What precedes the CSE actions?*
- *How are the antecedents developed?*
- *What are the companies aiming for by using CSE?*
- *What are the outcomes of CSE and are they measurable?*
- *What are the future prospects?*