PARADOXICAL TENSIONS IN THE PURSUIT OF CORPORATE SUSTAINABILITY

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Paradoxical tensions in the pursuit of Corporate Sustainability

Exploring the role of paradoxical tensions in the pursuit of Corporate Sustainability

Master Thesis

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Abstract

Corporate sustainability (CS) has seeped through in almost every organisation, small or large. However, the financial, social and environmental objectives at the triple-bottom-line are often contradictory which makes the pursuit of CS rather challenging for managers. Because of the paradoxical nature of many CS objectives, managers face tensions in the pursuit of CS in which a win-win outcome is impossible. This study tries to gain a deeper understanding of those tensions, how companies deal with them and how that affects the way companies try to become (more) sustainable. Using a qualitative and explorative research design at ten companies that are proactively engaged in CS, this study finds that additional evidence for the paradoxical nature of the tensions that managers have to deal with daily. Furthermore, two integrative strategies (i.e. synthesise & separate) are the main strategies to deal with such tensions followed by a trade-off strategy. Finally, this study shows that the positive effect of the synthesise strategy on the way companies pursue CS and the delaying or decelerating effect that a separation strategy can have. Furthermore, multiple limitations and recommendations for both the scientific arena as well as for practice are given.

Keywords: *Corporate Sustainability, tensions, paradox approach, strategy, triple-bottom-line*

The cover page shows a combination of the 'impossible' Penrose Triangle and the triple-bottom-line triangle. It illustrates the paradox in the alignment of all three sides of the triangle at the same time.

Summary

English below

Deze thesis onderzoekt welke paradoxale spanningen managers tegenkomen in het nastreven van duurzaamheid. Duurzaamheid is hier gedefinieerd als het tegelijkertijd nastreven van economische, sociale en milieudoelstellingen door een bedrijf. Echter, ondanks het feit dat veel wetenschappelijke literatuur over duurzaamheid is gericht op het vinden van win-win situaties, is het vaak onmogelijk om alle drie de doelstellingen tegelijk te behalen doordat ze tegenstrijdig zijn aan elkaar. Daarom gebruikt dit onderzoek een paradox perspectief bij het onderzoeken van spanningen om zo erkenning te geven aan de dagelijkse paradoxen die managers tegenkomen.

In hoofdstuk 2 wordt de huidige literatuur over duurzaamheidspanningen en duurzaamheidstrategieën beschreven. Een systematisch raamwerk voor het analyseren van duurzaamheidspanningen en manieren op te reageren op zulke spanningen worden hier beschreven. Dit hoofdstuk legt ook uit dat de huidige literatuur heeft weinig inzicht in hoe strategie wordt gevormd, en dat het onderzoeken van spanningen hierin tot grote toegevoegde waarde kan zijn. Daarnaast worden in hoofdstuk 3 de onderzoeksmethoden beschreven. Hierin wordt ook toegelicht dat dit onderzoek startte met een focus op enkel motieven en strategieën. Echter, tijdens de interviews werd het al snel duidelijk dat dit een te beperkt beeld geeft van hoe bedrijven duurzaamheid proberen na te streven en daarom is dit onderzoek zich meer gaan focussen op spanningen in duurzaamheid. Verder worden het ontwerp van het onderzoek, de analyse en de onderzoek ethiek beschreven in dit hoofdstuk.

In hoofdstuk 4 worden de resultaten van de interviews en de document analyse bediscussieerd. Dit onderzoek laat zien dat spanningen vooral ontstaan tussen de financiële en niet-financiële doelstellingen van een bedrijf. Daarnaast laten de resultaten zien dat spanningen ontstaan tussen de variërende perspectieven van een bedrijf en haar stakeholders in de bedrijfscontext. Ten slotte ontstaan spanningen ook omdat bedrijven het moeilijk vinden om te bepalen welke veranderdoelen en veranderrichtingen er nodig zijn om te verduurzamen. Bedrijven gebruiken voornamelijk een synthese strategie om te reageren op duurzaamheidspanningen wat inhoudt dat ze een oplossing zoeken die tegenstellingen aan elkaar koppelt of dat ze hun eigen perspectief op of die van anderen veranderen zodat die beter aansluit bij duurzaamheid. Los daarvan gebruiken bedrijven ook een trade-off of scheidingsstrategie in het managen van spanningen, maar deze strategieën leiden eerder naar vertraging van het nastreven van duurzaamheid.

Ten slotte worden in hoofdstuk 5 de resultaten beschreven in het licht van vorige onderzoeken. Dit laat onder andere zien dat overheidsbeleid vaak hindert in het nastreven van duurzaamheid. Echter, overheden hebben juist de kans om het tegenovergestelde te doen, namelijk om een flexibiliteit te creëren waarin bedrijven beter kunnen omgaan met spanningen en zo worden gestimuleerd om bij te dragen aan duurzame ontwikkeling. Daarom stelt dit onderzoek voor dat een open dialoog tussen bedrijven en beleidsmakers over hoe een bedrijf, en daardoor de (lokale) maatschappij, kunnen worden

gestimuleerd in het nastreven van duurzaamheid. Zo kunnen ze ook samen uitzoeken welke flexibiliteit bedrijven nodig hebben en welke duurzaamheidsdoelen en -richtingen bepaald kunnen worden om succesvol duurzame ontwikkeling na te kunnen streven.

This study explores the paradoxical tensions that managers face when they pursue corporate sustainability. Corporate sustainability (CS) is seen as the pursuit of economic, social, and environmental goals at the same time by a company. However, despite the fact that much CS literature is focused on creating win-win situations in this pursuit, often it is impossible to achieve all objectives together as they contradict each other. Therefore, this study takes on a paradox approach when it looks at these tensions, thereby acknowledging the paradoxes managers face daily.

In chapter 2, this study describes and reflects on the current literature regarding CS tensions and CS strategy (i.e. the way companies pursue CS). Here, a systematic framework is described to analyse CS tensions and the strategies to respond to CS tensions are laid out. Furthermore, this chapter describes how companies in general pursue CS by describing four main CS strategies. It is also argued that CS literature until now has little understanding on how strategy is made, and that the exploration of tensions can be of great value to increase this understanding. Consequently, in chapter 3, the research methods are discussed. It also touches upon the research process in which is explained that this study started with a focus on CS motives and CS strategy only. However, during the interviews, it became clear that this would be a too limited perspective on how companies pursue CS and therefore, this study shifted its focus towards CS tensions. In addition, the research design, analysis and ethics are discussed as well.

In chapter 4, the results from the interviews and document analysis are discussed. This study finds that tensions mainly arise between the financial and non-financial objectives of a company. In addition, tensions are found between the varying perspectives of a company and stakeholders in its business context. Finally, this study also finds tensions that arise because companies find it difficult to determine the right change goals and change paths towards sustainability. Companies mainly use a synthesise strategy to respond to CS tensions which means that they try to find a solution that links both opposites of a tension or that they change their own or others' perspective on CS to make it fit with their financial strategy. Apart from that, companies decide to use a trade-off strategy or separation strategy to deal with tensions and those strategy sooner lead to a delay or deceleration in their pursuit of CS.

Finally, in chapter 5, the results are discussed in the light op previous literature. Amongst other things, it shows how public policies often hinder the pursuit of CS. However, they have the opportunity to do the exact opposite, namely create the flexibility for companies to deal with their tensions and accordingly stimulate sustainable development. Consequently, this study proposes that an open dialogue between managers and policy makers about how companies, and thereby the (local) society, can be stimulated in pursue CS. Also, they can discuss what flexibility companies need in order to manage tensions and what sustainability goals and change paths could be determined in order to successfully pursue sustainable development.

Content

1. Introduction

The topic of corporate sustainability (CS) has gained more and more attention in the last decades in both the scientific arena as well as in politics and in business. Accordingly, the increased attention for CS has led to a larger academic debate with an exponential rise of publications on CS (Linnenluecke & Griffiths, 2013). As a result, CS has become a highly relevant and widely spread research topic in the management literature (Hahn, Figge, Aragon-Correa, & Sharma, 2017). Generally, in literature, the essence and necessity of CS are embedded in the notion that all sorts of social and environmental issues are partly caused by businesses and therefore can only be solved with the proactive support of businesses (Smith & Tracey, 2016).

The roots of CS partly lie in the concept of sustainable development. In the so-called 'Brundtland report' of the UN, sustainable development is defined as: *"meeting the needs of the present without compromising the ability of future generations to meet their own needs"* (WCED, 1987). The idea that sustainable development is not only a responsibility for governments but also businesses led to the concept of CS (Dyllick & Hockerts, 2002). Building on the definition of sustainable development, Dyllick and Hockerts (2002, p. 131) define CS as: "*Meeting the needs of a firm's direct and indirect stakeholders (such as shareholders, employees, clients, pressure groups, communities etc.), without compromising its ability to meet the needs of future stakeholders as well"*. Consequently, CS can be broken down in three dimensions: the economic, environmental, and social dimension, also called the triple-bottom-line (Dyllick & Hockerts, 2002; Elkington, 1997). Thus, to achieve CS, social and environmental concerns should be part of corporate strategy just as well as economic objectives (Engert, Rauter, & Baumgartner, 2016). In line with those three dimensions, this study uses the term CS as it provides a neutral term towards the three dimensions of sustainability, opposed to for example *Corporate Social Responsibility* (CSR) which seems to be more focused on social sustainability. Nevertheless, many studies that focus on CSR or similar concepts (e.g. social initiative, corporate responsibility, corporate environmental responsibility) are still useful sources for this study and are therefore also included in the literature study.

Next to the scientific attention for the importance of CS, there is also wide societal attention. A survey from McKinsey & Company in 2017 amongst 2,711 companies shows that not only more companies are now engaging in sustainability activities but 60% of the companies also claim to be more engaged than in 2015 (Bové, D'Herde, & Swartz, 2017). Moreover, far-reaching integration of sustainability objectives in businesses has even led to a new organisational form, the hybrid organisation (or simply hybrid) (Haigh & Hoffman, 2012). Hybrids are companies that not only seek to make a profit but also seek to create social and environmental value (Haigh & Hoffman, 2012). An example that shows the interest in hybrids is the recently increased popularity of the B corporation certificate with now more than 2,900 certified companies in more than 60 countries (B Lab, July 2019). Again, the underlying idea

is that companies are needed to solve all kinds of social and environmental issues, and hybrids such as Bcorps are companies that openly commit to solving these issues (B Lab, 2019).

Within this field, this study focuses on how companies pursue CS and what challenges they face in that pursuit. How a company pursues CS can also be seen as its corporate sustainability strategy (Baumgartner & Rauter, 2017). It is crucial for the progress of sustainable development and the success of CS itself to aim for better integration of CS in strategic management (Baumgartner & Rauter, 2017; Engert et al., 2016). However, until now, CS strategy research has been mainly limited to studies that describe various strategies on the range of reactive to proactive but lacks the effort to understand how these strategies take form (Aragón-Correa, Hurtado-Torres, Sharma, & García-Morales, 2008; Neugebauer, Figge, & Hahn, 2016). In particular, literature calls for more research into the tensions that play a role in pursuing sustainability. For example, Lindgreen, Córdoba, Maon, and Mendoza (2010) propose that future research should focus on how CS strategies take form and could especially focus on the tensions that arise between stakeholders. In addition, Baumgartner and Rauter (2017) propose that (amongst other things) further understanding is needed on how to deal with trade-offs and win-wins that stem from the tensions in the development of CS strategy. To get a deeper understanding of how companies pursue sustainability, it should be understood what tensions companies face and how they are able to deal with those tensions.

CS is about the balancing act of the three aspects of sustainability. In the literature related to CS tensions, much effort has been paid on how the opposing sustainability aspects can reinforce each other so that they create a win-win situation (Haffar & Searcy, 2017; Margolis & Walsh, 2003; Van der Byl & Slawinski, 2015). However, in reality, the pursuit of both economic as well as social and environmental goals does not always result in a perfect win-win situation as many tensions are paradoxical. The paradoxical nature of triple-bottom-line results in challenging and complex situations that managers have to navigate through, and in order to do justice to this complexity, research should acknowledge the paradoxical tensions more clearly (Margolis & Walsh, 2003). Van der Byl and Slawinski (2015) note that recently, some studies did move in the right direction by incorporating a more integrative view on CS. The integrative view assumes, based on the paradox perspective, that tensions should be accepted and that companies can pursue contradictory sustainability goals at the same time, thereby moving away from the instrumental logic that focuses merely on financial performance instead of equally at all three aspects of the triple-bottom-line (Hahn, Pinkse, Preuss, & Figge, 2015). The paradox approach provides the opportunity to better inform companies on how to identify and deal with paradoxical tensions also when a clear-cut solution is not probable (Van der Byl & Slawinski, 2015). Despite the conceptual opportunities that the paradox approach holds for research in CS tensions, there is still need for more empirical studies that apply the paradox approach to examine the complex tensions and how companies deal with such tensions (Hahn & Figge, 2018; Joseph, Borland, Orlitzky, & Lindgreen, 2018; Van Bommel, 2018).

Combining what has been said, the way that companies pursue corporate sustainability, that is, what strategies they use, cannot be fully understood without the attention for paradoxical tensions that arise at the triple-bottom-line. In order to get a better understanding of this, this study takes on a paradox lens in order to identify tensions that companies face in the pursuit of CS. Consequently, it will analyse the way companies deal with these tensions in order to get a better understanding of what strategies are followed by companies and how these strategies are shaped by CS tensions. The above-mentioned leads to the following research question: *How do companies deal with the tensions they face in relation to corporate sustainability?* This question is divided into the sub-questions: *How do companies deal with these tensions?* And: *How does this affect the way companies pursue corporate sustainability?*

In answering these research questions, this study examines the way that companies pursue CS by looking at the CS strategies that they use. In order to define those strategies, the categorisation of Baumgartner and Ebner (2010) is used dividing CS strategies into introverted, extroverted, conservative and visionary strategies. In addition, by means of the systematic framework for the analysis of tensions created by Hahn et al. (2015), this study aims to analyse CS tensions. Consequently, the way that companies deal with tensions is analysed, looking at both instrumental strategies (i.e. win-wins and trade-offs) and integrative strategies (i.e. opposition and resolution). Finally, this study seeks to explore whether tensions and the way companies deal with them affect how they pursue CS.

The scientific contribution of this study is twofold. First of all, as mentioned above, the literature on CS strategy is too much focused on how to create win-win situations and lacks attention for the paradoxical tensions that might shape CS strategies. By studying the tensions that arise at the triple-bottom-line in relation to CS strategy, this study increases the understanding of what CS strategies companies use and how they develop them. Secondly, since the paradox approach is relatively new to the debate of CS in general and to CS tensions, this study contributes to this field of study by providing empirical data as paradoxical tensions are currently underexplored in CS literature.

In addition, the practical relevance of this study is also twofold. First, the study aims to create more recognition for the daily challenges that managers face dealing with multiple tensions that come forth out of all kinds of societal expectations, stakeholder demands and corporate objectives. Subsequently, the findings of this study can also inform managers on what tensions look like, how to deal with them and how they could affect their general sustainability strategy. Second, the acknowledgement for tensions is also important among public policymakers. On the one hand, public policies can make CS tensions become apparent for companies, and on the other hand, maybe, more importantly, they can also create the right policies that give companies the flexibility to deal such CS tensions (Ozanne et al., 2016).

Next, the existing literature on CS strategy, tensions and paradox theory are outlined, indicating what has been examined and what scientific gaps still exist. After that, the methods for data collection are explained in detail and their results are presented. This study concludes with a discussion of the

results in light of current literature and presents the limitations of this study and directions for future research.

2. Theory

2.1 CS strategy

In order to look at how companies pursue corporate sustainability, this study looks at which strategies companies adopt to do so. In general, strategy can be seen *"as the long-term direction of an organisation consisting of both planned and emergent elements"* (Neugebauer et al., 2016). Either planned or emergent, the inclusion of CS into a corporate strategy is essential in order to guarantee successful integration throughout a company's practices and activities (Baumgartner & Rauter, 2017). In order to clarify the concept of strategy, it is helpful to distinguish between strategy content and strategy process. The strategy process is the development of strategy and the content is the result that comes forth out of the strategy process (Baumgartner & Rauter, 2017). The content of CS strategies can be described in four general types, which will be explained in detail later.

However, how CS strategies develop is not so clear. That is, according to Neugebauer et al. (2016), most strategy literature on sustainability seems to assume that CS strategies are planned, thereby ignoring the fact that strategy often emerges. They argue that especially when a strategic issue is rather complex and its context is outside the reach of management control, as is the case with many sustainability issues, strategy is affected by emergent processes. Consequently, ignoring the emergent aspect of strategy making stands in the way of gaining a better understanding of how strategy is made (Neugebauer et al., 2016). To increase the understanding of the strategy process, Baumgartner and Rauter (2017) argue that a fruitful perspective for further exploration is by looking at the tensions that companies face when pursuing CS. Thus, in order to find out more about the strategies that companies use in their pursuit of CS and the tensions that exist, this study focuses on the one hand on the strategy content (what strategies) and on the other hand on CS tensions that affect the strategy developing process. Consequently, the current literature on types of strategies and regarding the tensions that play a role in the pursuit of CS is discussed in the following.

2.1.1 Types of CS strategies

In order to look at how companies pursue corporate sustainability, this study looks at which strategies companies adopt to do so. In general, strategy can be seen *"as the long-term direction of an organisation consisting of both planned and emergent elements"* (Neugebauer et al., 2016). Looking at the type of CS strategies, most research describes strategies on a scale between reactive and proactive (Neugebauer et al., 2016). Multiple categorisations have been created, especially in the field of CSR, but one categorisation focuses explicitly on CS and distinguishes four general strategies. These four strategies are: introverted, extroverted, conservative and visionary (Baumgartner & Ebner, 2010).

The first strategy, the introverted strategy, has its focus on risk mitigation and therefore, companies following such a strategy will mainly adhere to legal standards in order to reduce the risk of negative consequences of non-compliance (Baumgartner, 2009). This is the most basic strategy to deal with sustainability issues and is characterised by the use of minimal effort and resources.

The second strategy, extroverted, is all about creating legitimacy or a so-called 'license to operate' (Baumgartner, 2009). In a conventional way, this strategy is mainly focused on showing external stakeholders what efforts a company takes to be sustainable. Such a company probably puts in somewhat more effort than required by law and thereby tries to differentiate itself from its competitors. However, the risk exists that the actual CS efforts are minimal and that the company paints a too sustainable picture of itself. In a transformative way, the extroverted strategy is still focused on gaining legitimacy, but it does so by the active involvement in the market in order to stimulate the sustainable development in society which results in more credibility than the conventional strategy (Baumgartner & Ebner, 2010).

The third strategy is the conservative strategy. This strategy is mainly focused on cost reduction by means of high material efficiency (Baumgartner & Ebner, 2010). Consequently, the sustainable practices that come forth out of such a strategy are mainly focused on environmental sustainability. Characteristics of this strategy are well-defined processes and the use of the most suitable technology. A critique on this so-called 'eco-efficiency' is that it is insufficient to function as sole measure for sustainable development as it is not only necessary to reduce negative effects but also to create new environmental, social and economic value (Dyllick & Hockerts, 2002).

The fourth type is called a visionary strategy. This strategy follows a holistic approach to CS. Sustainable practices are typically integrated into all business activities (Baumgartner, 2009). In addition, companies that follow this strategy gain a competitive advantage because they are able to differentiate themselves from their competitors by sustainable innovation. This strategy also has two forms. In the conventional form, a company bases its sustainable practices on market opportunities. In the systemic form, a company combines a resource-based approach and market opportunities to enhance sustainability. In addition, the sustainability concerns within the company tend to have strong normative roots.

2.1.2 CS Strategy exposed to tensions

The question rises how companies arrive at a certain strategy. As mentioned above, the development of a certain strategy happens in the strategy process. However, much is still unclear about how sustainability strategies are developed (Neugebauer et al., 2016). The strategy process is often filled with tensions between different corporate objectives. Because of the complex context of sustainability issues and the 'wicked' nature of sustainability, a CS strategy process especially leads to many challenges (Neugebauer et al., 2016). In current CS literature, it is widely recognised that CS not only creates win-win situations but comes with many paradoxical tensions (Daddi, Bianchi, Ceglia, & de

Barcellos, 2019; Hahn et al., 2015; Van der Byl & Slawinski, 2015). Despite that, research regarding the CS strategy process has been focused on how to build win-win situations between sustainability and economic goals (Baumgartner & Rauter, 2017). As a result, since win-wins cannot always be built, there arises a knowledge gap about how sustainability strategies are developed.

Consequently, future research could look into situations where contradictory objectives exist and where managers face paradoxical challenges. For example, Wang, Tong, Takeuchi, and George (2016) describe the need to look deeper into the opposing demands that come from various stakeholders. For example, conflicting demands between shareholders and human rights watchers or the fact that companies have limited resources and cannot adhere to all demands simultaneously might influence the way companies pursue sustainability. These challenges, competing objectives or demands, trade-offs can also be described in general as *tensions*. Thus, in order to increase the understanding of how companies pursue sustainability more research is needed into the tensions that they face (Baumgartner & Rauter, 2017; Lindgreen et al., 2010).

2.2 CS tensions at the triple-bottom-line

In practice, managers face CS tensions that arise because of various reasons. To start, tensions arise because companies are expected to address all three aspects of the triple-bottom-line at the same time. Probably the most prevalent and well-known tension arises between the investment in social or environmental sustainability and the financial goals of a firm. Margolis and Walsh (2003) describe this as the tension between the involvement in human misery by means of social initiatives and a managers' focus to maximise shareholder value. Because the 'involvement in human misery', or more commonly put, dealing with environmental and social issues is often not profitable (at least not in the short-term), it leads to tensions at the triple-bottom-line. Not only do tensions arise between financial- and other goals, but also between sustainability goals themselves as social and environmental goals might be contradictory to each other as well. In addition, tensions also arise because of the multitude of stakeholders that bring in varying demands about what sustainable measures a company has to take (Wang et al., 2016). Another source of tensions is the fact that the objectives for sustainable development are based on society-wide, intergenerational demands reaching far outside of the reach of short-term actions a company can take (Hahn et al., 2015; Wang et al., 2016). To get a better understanding of which tensions play a role, Hahn et al. (2015) offer a systematic framework that can help to identify tensions in CS. The framework is based on the triple-bottom-line (i.e. economic, social and environmental dimensions) and complemented by a level, change and context dimension that provides the framework with more detail (see figure 1).

Important to note is that despite the fact that tensions exist, they are not always visible. Or as Smith and Lewis (2011) call it, tensions are not always salient but can remain latent for a while. That is, a company might not always recognise a certain tension that exists between multiple strategic objectives. For example, with the societal shifts in gender and family roles, companies are more and more facing

tensions regarding gender balances in companies' boards or employees in general (Smith & Lewis, 2011). In short, three environmental conditions (i.e. plurality, change & scarcity) can expose latent tensions over time (Smith & Lewis, 2011). By means of public regulations, governments might create conditions such as change, thereby making tensions more salient for companies (Ozanne et al., 2016). As an example, Ozanne et al. (2016), name an Australian company relying heavily on governmental resources (e.g. subsidies) to make sleeping bags for homeless people. However, when the government changed its policies concerning the homeless to a more preventing strategy, the company lost governmental support and the vulnerability of their business model became visible. However, governments also have the ability to create the conditions in which companies are able to deal with CS tensions. For example, by means of innovation or start-up subsidies, policymakers can reduce the weight of investments in order for a company to get through the start-up phase of a sustainable initiative. Continuing, CS tensions are further explored by means of the three complementary dimensions in this framework.
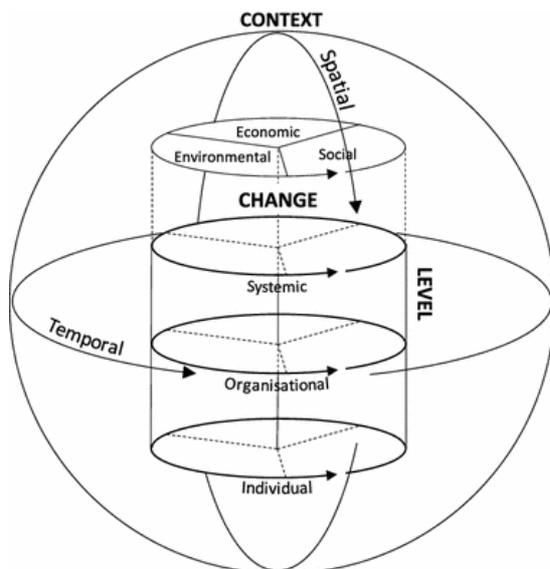
Figure 1: Systematic framework for the analysis of tensions in corporate sustainability (Hahn et al., 2015)

2.2.1 CS tensions based on level, change and context

The objectives of the triple-bottom-line vary between different levels of analysis (i.e. individual, organisational & systemic). Because of that, tensions arise on how to address sustainability issues between the individual- and organisational level and the organisational- and systemic level (Hahn et al., 2015). First, tensions between the individual and the organisational level exist because of the different personal values and norms individuals have compared to the role of their organisation has in society. As a result, one could argue that a firm would have to address a certain issue whereas another individual wants to stay out of it. Second, *"[t]ensions between the organisational and the systemic level arise when organisational sustainability initiatives do not measure up to addressing sustainability concerns"* (Hahn

et al., 2015, p. 302). For instance, the measures that a company is able to take to reduce CO_2 emission might not meet up to the requirements that society has to fight the larger issue of climate change.

CS inevitably calls for change within companies but how a change process is put in action can also result in tensions (Hahn et al., 2015). Such a change process could lead to tensions between various options on how to change and on the question of whether old practices should be maintained or fully replaced (Hahn et al., 2015). A topic that gives a good illustration of the change tension is the current debate in the Netherlands regarding the gas extraction from the Northern part of the country. The government has decided that no more gas will be extracted after 2030 but many companies, (local) governments, inhabitants and others stakeholders have great difficulty to come to an agreement how to reduce the gas extraction, at what pace and what technologies/innovations to use ("Grootverbruikers: verbod Groningen-gas is zinloos, duur en onuitvoerbaar," 2019, April 16).

The third dimension leading to sustainability tensions is twofold. First of all, short, and long-term aspects of the triple-bottom-line create temporal tensions (Hahn et al., 2015). That is, a short-term financial objective might not fit with a long-term social sustainability objective and even within one sustainability aspect, the temporal tension arises. For example, the investment in an energy-efficient gas boiler might be the most environmentally friendly option in the short run, but in the long run, the investment would go to waste when houses are cut off from gas and have to transform to renewable energy. Secondly, the pursuit of corporate sustainability is also dependent on the spatial context in which it takes place. The sustainability requirements between multiple offices, cities, regions or countries in which a company is active might differ from each other. For instance, in many developed countries, the requirements for working conditions often differ from those in developing countries, creating tension for a company to what requirements they should adhere to. To move forward, it is discussed how companies (can) deal with sustainability tensions.

2.3 How to deal with CS tensions

In order to guarantee conceptual clarity, in this part, the strategies that are used to deal with sustainability tensions are described. These are not the same as the CS strategies that companies follow in general. Tension strategies are there to deal with tensions and CS strategies are there to define how sustainability is implemented. Continuing, companies can use various approaches on how to manage CS tensions. Van der Byl and Slawinski (2015) identify four ways of dealing with tensions in their literature review: first, a company could try to create a win-win situation; secondly, it could make a trade-off between two opposites (where the financial goal often wins it from the non-financial goal); third, it could try to balance opposites equally; or fourth, it could take on a paradox approach by accepting tensions, simultaneously dealing with opposites and finding creative ways to deal with them.

The first two approaches are also called instrumental approaches because they are embedded in an instrumental logic, meaning that they have an economic focus on CS (Van Bommel, 2018; Van der Byl & Slawinski, 2015). The win-win approach is based on the alignment of different sustainability

goals, thereby 'solving' a tension. For example, a company might lay sonar panels on its roof, thereby becoming more environmentally sustainable and reducing its energy costs. In addition, the trade-off approach is more based on avoiding the tension all together by choosing between multiple contradicting goals (Van Bommel, 2018).

The third approach mentioned above is also called the integrative approach and the fourth the paradox approach. These two assume that companies experience paradoxical tensions and that those tensions are best dealt with simultaneously (Smith & Lewis, 2011). The concept of the integrative approach is not always that clear in literature because some articles only describe the integrative approach as solely balancing tensions excluding paradox thinking, whereas others take them as one (Van der Byl & Slawinski, 2015). Following Hahn et al. (2015) and Van Bommel (2018), this study takes them together, so here, the integrative approach entails accepting tensions and dealing with opposite objectives simultaneously as described by paradox theory. Thus, in contrast to a trade-off approach, the paradox perspective is not about choosing between two opposites, say A and B, but about managing A and B simultaneously. Doing so, companies can either have an acceptance or resolution strategy (Hahn et al., 2015; Poole & van de Ven, 1989). The acceptance strategy is characterised by the opposition between two competing tensions and leaving this opposition as it is; to simply accept the fact that the tension exists. For example, Joseph et al. (2018) describe the case of a forestry company that has to accept that their wood comes from a sustainable source but that transportation is not that sustainable.

Next, the resolution strategy seeks to deal with the tensions in such a way that a better manageable situation arises. This can be done either by a synthesis of two opposites; combining different aspects of each opposite, or by separation; by dealing with the opposites at different locations or in different points in time (Hahn et al., 2015). A separation strategy enables a company to pay full attention to each opposite and develop skills to achieve the desired outcomes for both opposites (Hahn et al., 2015). The synthesis strategy is about finding new ways of working and changing perspective to be able to make sense of the opposites without merging them, but to capture their essence simultaneously (Hahn et al., 2015). An example of the synthesis strategy is a firm in the fashion industry that tries to change its perspective on fashion by creating new business models that move away from the temporary idea of 'fast fashion' (Van Bommel, 2018).

Summarising the above, first, the CS strategies were outlined. After that, it was argued that CS strategy is also sensitive for tensions at the triple-bottom-line. Consequently, the source and characteristics of CS tensions were further explored by means of the systematic framework of Hahn et al. (2015). Finally, the various strategies that companies can use to deal with such tensions were described. See table 1 for a short summary of the key concepts and their key characteristics. Also, see appendix 1 for a more detailed description of the key concepts and their indicators.

Table 1: summary of key concepts

Concepts	Key characteristic

CS Strategies	
Introverted	Risk mitigation
Extroverted - conventional	Reactive legitimisation
Extroverted - transformative	Proactive legitimisation
Conservative	Eco-efficiency
Visionary – conventional	Market-based view on CS opportunities
Visionary – systemic	Resource-based and normative view on CS
Tensions	
Triple-bottom-line	Tensions between economic, environmental and social objectives
Level	Tensions between the individual – organisational and – systemic level
Change	Tensions between multiple change pathways
Context – temporal	Tensions between long- and short-term objectives
Context – spatial	Tensions between spatial differences in CS objectives
Strategies to deal with tensions	
Win-win	Avoid tension by seeking a win-win
Trade-off	Avoid tension by making a trade-off between opposite objectives
Opposition (acceptance)	Accept tension and live with the contradiction
Spatial separation	Separate opposite objectives spatially
Temporal separation	Separate opposite objectives temporally
Synthesise	Find a new solution that links the opposite objectives

3. Method

3.1 Research strategy

This study is of qualitative nature and takes on an explorative approach. As this study looks into the strategies and the tensions surrounding CS; it examines how and why firms and individuals behave in a certain way. In doing so, it helps to understand the context in which a firm or individual behaves and this can be best understood by means of qualitative research as it provides more context to the data gathered (Guba & Lincoln, 1998). Furthermore, qualitative research (e.g. an interview) gives the possibility to deviate from pre-set questions and therefore has the advantage over quantitative data regarding the flexibility to explore unexpected outcomes during an interview (Justesen & Mik-Meyer, 2012). Because of the complexity of how companies can pursue CS and the paradoxical tensions companies face, the flexibility and richness of the data coming forth out of qualitative research give the possibility to go more in-depth.

3.2 Research design

In order to increase this study's transparency and thereby its reliability, first, some key decisions throughout the process are discussed. This study started with a focus on the motives that companies have to engage in CS and the strategies that come forth out of it. However, the first findings indicated that the motives were rather straight forward and did not vary much from what is already known in literature. Therefore, a large qualitative, descriptive study would have been more applicable to test

current knowledge, which was not possible due to time constraints. At the same time, during the interviews, when examining the motives and strategies of companies, respondents always came up with a 'but'. For example, the respondents would often state that they had the desire to pursue sustainability proactively but faced certain challenges that influenced that pursuit. Several theoretical streams seemed to fit these difficulties, such as contingency theory which for example, Aragón-Correa and Sharma (2003) and Neugebauer et al. (2016) use or theories surrounding drivers and barriers for sustainability which simply describe what hinders or stimulates the pursuit of sustainability. However, the difficulties described were often characterised by various opposite objectives that were paradoxical and complex. Due to the fact that a contingency perspective can only focus on that many environmental factors, it has the disadvantage to *'oversimplify contexts that are complex and dynamic'* as is the case with paradoxical tensions (Smith & Lewis, 2011, p. 396). While at the same time, paradox perspective assumes that tensions can be persistent over time and are surrounded by complexities and therefore does not look to choose between two options but live with both of them. Therefore, this study moved away from simply describing motives and strategies and focused more on gaining an in-depth understanding of what tensions play a role at the triple-bottom-line.

In addition, before starting with the data collection, an interview was conducted with the organisation B Lab Europe. B Lab is the organisation that certifies Bcorps and since this study first aimed to only select Bcorps (as will be explained below) this interview was conducted in advance in order to get a better idea of how Bcorps deal with CS, why they pursue it and how they do so. Despite the fact that the final sample did not consist of Bcorps only, this interview has still been useful. First of all, this interview was of high relevance since it enabled this study to improve the alignment between the theoretical considerations around CS and the reality that companies face when they pursue CS. The interview resulted in a better insight into what the actual problems were for companies in pursuing CS which resulted in a better understanding and acknowledgement of the tensions that companies face at the triple-bottom-line. Secondly, the interview was helpful to create the interview guide since it gave insight into what questions would be interesting to ask and what topics to stress.

The data collection was done by means of eleven interviews with individuals at ten different companies and an additional analysis of these companies' public documents. The reason to use two methods is that doing so provides the opportunity to cross-check the findings between the two research methods, also called 'triangulation' (Babbie, 2015). Specifically, the interviews were the main source of data collection because they have the ability to extract in-depth data. Consequently, the document analysis was used to gather extra information on these topics and to compare that with the data from the interviews. Analysing documents can be fruitful in organisational studies in particular because documents are highly valued within most companies (Justesen & Mik-Meyer, 2012), and hence, they are likely to give additional and reliable information on CS strategies and tensions.

Furthermore, the data collected in this study can be sensitive for a social desirability bias, meaning that respondents gave socially favourable answers (Grimm, 2010). During interviews, follow-

up questions were asked when the interviewer suspected the first answer to be (partly) socially desirable. Furthermore, in the introduction of the interviews, the anonymity of the interviews is stressed out, in the first place to guarantee this research's confidentiality, but also so that respondents did not have an incentive to give socially desirable answers.

The interviews were semi-structured meaning that the interviewer works with an interview guide (Appendix 2) in which the broad themes and sample questions are formulated (Justesen & Mik-Meyer, 2012). The semi-structured interview gives the possibility to deviate from pre-set questions and therefore has the advantage over a fully structured interview regarding the flexibility to explore a certain topic (Justesen & Mik-Meyer, 2012). On the one hand, it guarantees that the different interviews follow the same topic and that the most important research concepts are examined. On the other hand, it offers per individual interview the opportunity to deviate from the pre-set questions thereby increasing the possibility to encounter unexpected findings. During the interviews, the questions in the interview guide were also complemented by additional questions related specifically to each company based on preliminary online research.

The sample consists of Dutch companies that are actively engaged in CS. The reason that the sample only consists of Dutch companies is because of practical restraints in time and resources. In order to make sure that the sample consists of suitable companies, theoretical sampling is applied. This means that the respondents/companies are not chosen randomly but intentionally (Vennix, 2011). A promising research objective is a hybrid, such as a Bcorp mentioned previously in the introduction. As hybrids by definition have a strong focus on both profit and social/environmental value, they provide an interesting context for looking at paradoxical tensions (Van der Byl & Slawinski, 2015). Thus, as a starting point, this study tried to select Dutch companies that are certified as B-corporation. However, due to a low response rate and limited resources and time it turned out to be too difficult to only select B-corps. So, in addition, other measures were chosen that show a certain proactiveness in corporate sustainability by companies in the region of Nijmegen, the Netherlands. To start, six companies were selected that signed a sustainability manifesto in 2018 promising to contribute to sustainable development within their company as well the region. In addition, one firm was selected because it won the local CSR award, another company was selected on the advice of one of the first respondents (i.e. with the snowball technique) and the last one because it is personally known by the researcher as well as that it is registered as social enterprise. In general, all the companies that were selected show that they are proactively pursuing CS in one way or another. See table 2 for a short overview of the companies in the sample.

Within these companies, interviews are conducted with owners or second-line managers. Ten interviews were conducted face-to-face and one by telephone. In addition, public documents such as annual reports, business plans or other policy documents that could be found are analysed as well. In the case that such documents could not be found online, website pages were analysed as an alternative.

Table 2: specification of the data sample

	Industry	# of employees	Interview (in minutes)	Documents	Interviewee
1	Energy & waste processing	106	65	3	Executive secretary
2	Social housing cooperation	120	50	2	Project manager sustainability
3	Construction	55	53	Website	Owner
4	Stationary	10	43	Website	Owner
5	Hospitality	10	30	Website	Owner
6	Urban transport	5	62	Website	Owner
7	Biological groceries and warehouse	20	16 + 38 = 54	Website	Owner and store manager
8	Wood- and metalworking	5	67	Website	Owner
9	Childcare	40	30	Website	Owner
10	Food	400	59	Website	Owner
11	B Lab Europe*	<10	52	Website	Employee

*expert interview used to get more insight into the general topic and Bcorps

3.3 Data analysis

The data is analysed by means of a deductive approach. Meaning that the data is analysed based on code schemes (Appendix 1) which are derived from the concepts in the theoretical framework. The coding process contained several steps. To start, the data per interview or document was coded one by one by means of open coding. Consequently, during the coding process, the various documents and interviews were also compared with each other in order to find comparable or differentiation results, which is also referred to as cross-case analysis (Babbie, 2015). The reason that first open coding was applied is that it helps to make sense of the data and to find out what the most relevant topics were. Moreover, it also gave this study some flexibility to be open to data falling outside the theoretical framework. In the results section, it is lighted out when findings deviate from the concepts in literature. After this, the interviews and documents were coded based on the coding schemes that are derived from literature. All these steps have been an iterative process meaning that the (open) coding and first analyses of the results led to new input for the interview guide as well as for the theoretical framework and vice versa. For the data analysis, the software program for qualitative research analysis, Atlas.ti is used.

Besides this, in the process of data collection and analysis, the memo's played an important role. For each company a memo is written that include non-verbal impressions during the interviews, observations at a company's site, notes of useful information outside the official recording time and the

researcher's thoughts and ideas used to make sense of the data collected. In addition, in some case, notes were also added to specific codes to provide more context or to clarify a concept.

3.4 Research ethics

The data that is gathered for the study are treated with absolute confidentially. In advance, the research purpose was made clear to the interviewees and permission was asked to record the interviews and to use the output in this study. Furthermore, the interview records and transcriptions were not shared with others without permission of the interviewee the quotes used in chapter 4 are anonymised. In addition, the transcripts were shared with the respondents so that they could verify the content and possibly ask for adjustments. Resulting from this step, some interview transcripts were slightly adjusted or clarified.

4. Results

As laid out in the introduction, this study seeks to answer to following research questions: "*How do companies deal with the tensions they face in relation to corporate sustainability?*", "*How do companies deal with these tensions?*", and: "*How does this affect the way companies pursue corporate sustainability?*" Accordingly, first, the tensions found, and the way companies deal with them are described (4.1 – 4.4). Secondly, the strategies and the way tensions influence those are described (4.5 & 4.6).

4.1 Main types of tensions identified

From the analysis of the interviews, multiple tensions are identified. The first type of tension that is analysed is the tension between the three aspects of the triple-bottom-line. The second tension that was identified lies between the sustainability agenda of an individual company and that of its systemic environment. The third tension arises between the multiple ways in which a certain change regarding the implementation of CS comes about. Besides that, the interviews have not provided enough data to find tensions based on the context dimension.

4.2 Tensions at the triple-bottom-line

Despite the diversity of companies' contexts and characteristics, the basic tension between the three aspects of sustainability (i.e. economic, environmental and social) is quite homogeneous for all companies. First of all, the tension between the financial objectives of a company and the social/environmental objectives is most prevalent. At the question whether social, environmental and financial sustainability are ever at odds with each other, one respondent that employs young adults with poor job prospects answered:

> "*Every day. I have to work 70/80 hours in order to reach break-even. […] That makes it very complicated. [To reach break-even] would mean that I shouldn't put more time and effort in the young adults.*" [37:6 & 37:8]

Some additional quotes illustrate similar tensions:

"If you are not financially sustainable, you cannot be sustainable in other aspects." [5:7]

"Look, you have to make sure that you have a business. You have to get customers, turnover, investments, that stuff. Otherwise, you can't do anything, so it is always two-sided." [14:7]

In addition to the tensions between economic objectives and social/environmental objectives, at a few companies, tensions between social and environmental objectives were found as well. Although less frequent, it indicates that, apart from the financial hurdles a company faces, tensions also arise between social and environmental sustainability objectives themselves. For example, one company had difficulty choosing the right work clothing for their employees. The best option based on employee wellbeing was not the most environmentally sustainable option. In addition, the sustainability officer at a housing corporation explained that the affordability of social housing (i.e. social sustainability) comes under pressure by the investments in the environmental sustainability of the real estate.

Whether a company strongly experiences the tension between economic sustainability and social/environmental sustainability depends largely on whether the increased costs can be charged on the price for a service or product. For some, the tension can be avoided by simply increasing the price. For example, one respondent indicated:

"I simply charge what it costs […]. Last spring, I raised the price, but it didn't cost me any customers." [30:26]

However, for others, the customer's/client's willingness to pay for a more sustainable product is inherent to this tension. Namely, on the one hand, customers and clients expect sustainable practices, services or products from a company, but they are not willing to pay more. Three respondents explained:

"[Sustainability] comes with a price tag. You can only be sustainable if the customer is willing to pay a little bit more." [12:14]

"Green energy costs extra money, but we don't have that money at this profit margin. […] So, the customer has to pay a little bit more so that the producer can buy green energy, but they are not going to do that." [38:42]

"[We are] demand-driven. The customer asks and we turn. So, I hope to meet the clients that want to incorporate sustainability." [10:7]

Continuing, the strategies used to deal with these tensions are analysed.

4.2.1 Strategies

In dealing with the basic tensions between at the triple-bottom-line, the analysis shows that the synthesise strategy is most used. To manage the tension internally, companies mainly tried to balance the different strategic objectives at the same time by including them both in the corporate strategy or by literally dividing the companies KPIs fifty-fifty. One respondent explained that they dealt with tension by looking at the financial results differently. He noted:

> *"You could look at the direct financial return, but you could also look at the balance return and in this case, we can run [the sustainability test project] break-even. So, we don't have to increase the rent because it reaches break-even. But if we would look at the direct financial return it would be negative."* [32:28]

Thus, by changing the way the company looks at their financial results, they are able to both reach their financial goals and environmental goals. Another respondent pointed out the importance of incorporating CS in the company's culture:

> *"I have people working in my team who dream to make impact. When I ask them to check something [regarding sustainability] or, for example, how to transport something in a better way; they already know because they have looked that up in their spare time. The result is that it doesn't cost too much of an effort to integrate impact [i.e. CS]."* [14:56]

Another example comes from a company that transformed its organisational form from a foundation into a for-profit private company in order to gain more access to capital markets. However, in order to make sure that enough money was available for the social and environmental mission, they only choose shareholders who would not claim dividend [5:10].

In addition, a more unusual strategy to synthesise financial and social objectives was also mentioned:

> *"We are now busy with transforming the company into a foundation. [...] Our earnings model is very complex. We could get many subsidies, but because of the fact that we are a private company, we don't get them. [...]. So yes, [becoming a foundation] is necessary in order to survive."* [37:9]

Of course, this is an exceptional example, but it does show how a small company deals with the tension arises between its social mission and staying financially healthy. However, it could be questioned

whether this example is not simply a trade-off strategy in which the financial performance becomes subordinate to the social mission.

Furthermore, as mentioned above, some companies had to deal with tensions at the triple-bottom-line that were related to the willingness to pay of a customer, and consequently, could not be completely dealt with internally only. For example, one respondent wanted to increase its sustainable activities, but he was held back by the demand from clients. The respondent explained that he would try to change the client's perspective in order to synthesise the client's demands and its own sustainable ambitions:

> *"We try to explain the concept of 'total cost-ownership' to our customers. [...] One could, with the same budget, make choices which, if you calculate them on a time span of 20/25 years, are still the right choice despite that they are more expensive."* [10:54; 10:17]

A similar strategy was found at a waste processing firm where the respondent noted that:

> *"The steps that we take are primarily meant to clarify to the participating municipalities everything that is possible. [...] We do have high tariffs when you look at a national level, but you do get a lot in return. [...] Continually, if your customers are willing to pay a little bit more, you've got yourself a good deal. Then you've got a good business case."* [12:46; 12:60]

Moving on, next to the strategies that companies implement to synthesise opposite objectives, often they also use a resolution strategy by separating the tension. Mostly, this was done by temporal separation, meaning that companies choose to postpone the pursuit of either financial or social/environmental objectives. The 'targets' and 'roadmaps' of this company clearly illustrate this tension:

> *"We simply have targets and now we are lacking behind. [...] We do have roadmaps how we can increase our impact, but you cannot do everything at the same time, and you shouldn't want that either."* [14:55]

Spatial separation regarding different locations was not applicable to the companies since they often had only one location. However, there are companies that separate sustainable practices between different products. One respondent from a biological supermarket explained:

> *"[The origin of food] is a tension for me. We have way fewer products from distant countries than normal supermarkets. But still, we do have beans in winter because customers want them. So, we do go along with those."* [16:13]

In addition, the analysis also shows that the companies did sometimes use instrumental strategies to deal with tensions. However, those strategies were found considerably less frequent. Moreover, the trade-off strategy was found in the data, but not in its traditional form. Namely, the results showed multiple examples of companies who handled the tension between profit and 'impact' (i.e. social and/or environmental initiatives) with a trade-off strategy. However, opposed to the business logic on which the trade-off strategy is based according to (Van der Byl & Slawinski, 2015), the analysis shows more examples in which the companies choose impact over profit instead of the other way around. To illustrate:

> *"Yes, it does happen [that well-selling products turn out to be unsustainable], in that case, we get rid of them. We have had suffered considerable financial losses because of that."* [15:11]

Thus, the data shows that companies mainly use a synthesise strategy to deal with the basic tensions between financial, social and environmental goals. To a lesser extent, the separation strategy was also found and finally, also a trade-off strategy was found, but with a preference for the non-financial objectives. Moving on, the tensions related to the systemic context are analysed.

4.3 Tensions between the organisational- and systemic level

Next to the basic tensions that arise at the triple-bottom-line, the analysis shows many occasions in which the source of the tensions lies in the fact that CS crosses organisational boundaries and is affected by the systemic level as well. To be more concrete, the respondents indicated that tensions often arise between the actors on the systemic level (i.e. government, society as a whole, customers, partners, competitors, etc.) and the organisation itself. To start, companies explain that their sustainability initiatives are dependent on the regulatory context, subsidies and/or the cooperation of (local) governments to succeed. This is illustrated by the following quotes:

> *"By the way, we do need a subsidy for all those new things, certainly in the initial period, to take care of the first financial barrier"* [12:26]

> *"By now, I know that you need a very strict municipal policy in order for you to make some substantial impact"* [5:12]

> *"That is the essence; we want to be sustainable and we want to show that we can move forward, but we do need the right context in which we can make that possible"* [12:48]

Hahn et al. (2015) explained that tensions between the organisational and systemic level arise when companies cannot live up to the expectations of society. One respondent did recognise such a

tension because he was not able to compensate for the costs that he would have to make in order to live up to sustainability expectations from its business context:

> *"So certain requirements are imposed [by a trade-mark] at the beginning of the chain without any compensation. While it does entail extra costs."* [38:21]

Interestingly, it stands out that the tensions that companies experience between the organisational and systemic level show that more often the ambitions of a company exceed boundaries at the systemic level instead of the other way around. Because of the dependence on the regulatory environment and on the cooperation of governments, tensions arise when regulations, protocols, etc. do not match new sustainable initiatives. To illustrate:

> *"What I want you to take away for your research is that it is such a shame that the government demands unnecessary requirements that, in fact, diminish a large part of our sustainability"* [30:17]

> *"I cannot get to where I need to be and where to look [within the municipality]? It costs me so much energy to get to the city's councillor… I am an entrepreneur, I have to work and earn money, where can I find the time?"* [37:19]

Companies are not only dependent on (local) governments, they are also dependent of other actors within an industry or society as a whole in order to become more sustainable as sustainability issues are often simply too big to address as a single company. Because of this dependency, tensions arise between what companies pursue and what their capabilities are. To illustrate:

> *"We are very dependent on the wholesaler. For example, with packaging: if the wholesaler gets it done to create more sustainable packaging, we benefit from that."* [16:14]

> *"In my opinion, too little effort is put in dealing with food waste. But we have to take that on as supply chain, I cannot do that alone."* [38:34]

Moving on, the strategies used to deal with these tensions are analysed.

4.3.1 Strategies

Next, it is analysed how companies deal with the tensions between the organisational and systemic level. To start, in the cases where a company could not live up to the expectations from the systemic level, a trade-off strategy and separation strategy were found. The former entails that the company could simply not adhere to the requirements imposed on the production process. The latter entails that the company

so to say, 'picked its battle' and left other sustainability initiatives for what they are. In the first case, the tension was basically ignored. In the latter, the company showed that it was willing to go along with new initiatives but had to be selective in order to be able to focus on doing one thing right instead of multiple projects partially. To illustrate:

> *"It is not that we are very eager to pick up the next activity. We are only a small club, so we also have the urge to say: let's first take a good look at what we are doing now before we start doing the next thing."* [12:63]

In dealing with the tensions between the organisational and systemic level that came forth out of the lacking behind of the systemic context, it immediately stands out that companies almost always use a synthesise strategy. They do so by trying to transform the context so that it fits better with their ambitions. For example, the waste processing firm tries to educate and inform important stakeholders and society [12:31] about the details of waste processing and what practices work well and which do not work or can be counterproductive in the long-term. Another example comes from a construction firm that experiences a tension between its sustainable ambitions and the traditional industry that often does not seem ready for new practices. The company tries to stimulate CS in the industry by participating in a CS kickstart [10:48] or by lobbying and participating at the local municipality [10:29]. Another responded to the questions about whether she could do anything to make sure that the right regulatory context would be implemented:

> *"Intense, intense lobbying. I was present at the table for city transportation, so yes, of course, I lobby for regulations to be as strict as possible. Only then the new ways [for sustainable transport] can work."* [5:25]

Next to the educative role that companies take on in order to transform the systemic context, they also try to do so by taking on an exemplary or forerunners role. For example, one respondent in the paper industry mentioned:

> *"We are now implementing an R&D trajectory in our plans. Because we notice that other players in the industry won't pick it up […]. So, when nobody wants to [develop sustainable paper alternatives], we do it ourselves."* [14:49]

Thus, in the case that a company faced tensions because it could not live up to the expectations from its systemic environment, companies used a separation strategy. In the case that companies' ambitions exceeded the opportunities in the systemic environment, the companies used a synthesising strategy to align their CS perspective and plans with that of its environment.

4.4 Tensions related to change

Other frequent tensions found in the data are related to the change dimension that Hahn et al. (2015) define. The complexity of sustainability issues, the vast amount of options on how to become more sustainable and the different opinions of various stakeholders within the business environment on a sustainable transition lead to tensions. To start, one type of tension occurs within a company when it does not know which path to choose in pursuing a sustainable goal. For example, a housing corporation describes this tension in their business plan 2018-2022 and in their annual report of 2018 a concrete example was found:

At this moment, the sustainability proposition in our own organisation leads to more questions than to solutions. [7:11, business plan 2018-2022]

The pursuit of sustainability also means that we clash with the starting point of our strategic real estate policy: [We] only demolishes homes if there is no other option. [...] [Sustainable renovation for one neighbourhood] caused too high costs and yielded too little. So, the homes are demolished and replaced at the same place by 220 new, sustainable homes. [31:12, annual report 2018]

Often, the multiple opinions on the best pathway towards sustainability create additional tensions for companies. For example:

"Internally, [becoming more sustainable] is always a tension. Finance wants a rent increase, Social disagrees because it has to stay level with inflation and we as sustainability officers do not really care as long as we become more sustainable" [32:16]

In addition, a second tension arises because (technical) developments in sustainability make it hard to determine what sustainability entails and what measures are sustainable, and which turn out to be unsustainable. For example, the housing corporation has the ambition to make sure that all their real estate on average has the energy label B before 2021 (which is sooner than the Climate Agreement proposes). However, in its business plan, the corporation mentions that:

"On average, label B sounds like a whole lot, but in a couple of years B-label is the new G-label" [7:5]

And another respondent explained:

"The development and investment in a cooling cost me a million. I built it in 2012 [...]. So yes, maybe the technique is already outdated, but it was the best in the market at that time." [38:29]

Thus, the fast development concerning sustainability makes it harder for companies to determine to implement the right sustainable practices.

4.4.1 Strategies

The data on the change tensions is less extensive and so, only one strategy type to deal with this tension was found. Namely, the companies that indicated to struggle with such tensions used a synthesise strategy. In the case that the tension came forth out of the different opinions of other actors in the business context, the companies used proactive cooperation or lobbying to make sure that the right practice would be implemented.

"There has to change a lot regarding the regulations in order [to create a sustainable waste process]. We cannot fix that ourselves, but we can contribute by informing the ones who can. [...] For example, we are quite active within the business association because it is often the source of expertise for policymakers in The Hague." [12:33]

In addition, in another case, the tension came forth out of the complexity and multiplicity of options regarding the energy transition. Here, the company used a synthesise strategy by creating an innovative solution that fit both opposites. To illustrate:

"That is why we focus on hybrid. [...] A hybrid form allows us not to depreciate all the boilers and regardless of the form of energy, we will be able to apply it." [32:37]

Finally, another form that was identified as a synthesise strategy was the use of the company's or manager's personal network. To illustrate:

"I have many ambassadors that have much experience with sustainability and entrepreneurship. [...] That kind of support helps to still be able to achieve things with little resources. My network is one of my most important assets in [such challenges]." [14:17]

"Because the developments are going faster than we can oversee and [sustainability] themes are so vast and broad, we can also achieve something together." [7:19]

Thus, either through lobbying, innovative solutions or support from a network, companies try to synthesise tensions coming forth out of opposing change paths.

4.5 CS strategies

Within the data, for all the strategies that are defined in the theoretical framework, indicators are found. Thus, the analysis of one interview and corresponding documents led to the identification of multiple strategies within a company. In table 3, illustrative quotes are given that are in line with each CS strategy as conceptualised in theory and operationalised in the code schemes in Appendix 1.

Table 3: CS strategies in data

Dimensions	Illustrative quote
Introverted	*We follow the line of the Climate Agreement [for our CS plans]. [32:34]*
Conventional extroverted	*[…] to highlight sustainability has a benefit for me. It created added value and results in an image improvement. [38:16]*
Transformative extroverted	*We do see ourselves as starting engine for sustainable development. Where we become sustainable, […] others follow. [32:41]*
Conservative	*What we do well is that we use existing infrastructure, meanwhile avoiding negative environmental consequences, for other activities as well. [12:12]*
Conventional visionary	*Corporate social responsibility is integrated in parts of our corporate culture and -policy. However, it can always improve. We want to raise the bar for CSR and make it even more concrete. [22:1]*
Systemic visionary	*I do not find it enough to simply produce a product which is [more sustainable]. I also want to actively contribute [to a better world]. [14:29]*

However, one strategy would often be the most prevalent strategy and the other indicators would be minor differentiations on that strategy. Still, the data shows that it is hard to ascribe one strategy to a single company. Often it would be a mix between strategies as also indicated by a respondent:

> *"You will find a mixed form at our company. […]. I am sustainable when it comes to my employees. But concerning product and planet not always. So, you can divide it in our own business operations and the output."* [10:27]

As illustrated by the quote, the division is made between internal business operations and the external output. This division is found more often within the data because it seems that the internal operations of a company are quite easily adjusted to a more sustainable state, whereas the output cannot easily be changed since they are attached to all kinds of market demands.

Out of the ten companies, five companies can be described as having a systemic visionary strategy when it comes to CS. Out of the other five companies, one uses a conventional visionary strategy and the other four have an extroverted strategy of which three are transformative and one is

conventional. Thus, in general, the sample has a rather high commitment to incorporating CS, which was expected since the companies were selected on the fact that they claim to be proactively involved with sustainability issues.

4.6 Influence of tensions on CS strategies

Next, the results are discussed regarding the effect that the tensions analysed above have on the way companies are able or want to pursue CS. To start, it is found that paradoxical tensions often have a delaying or decelerating effect on the way companies pursue sustainability. This is mainly the case when companies choose a separation strategy in dealing with the tensions. One respondent explained it with a metaphor of going to the next floor in a building:

"We have more steps in between. I won't say, we go from cellar to the first floor only, sometimes we can jump a floor, but not at once to [the highest point]. That simply isn't smart." [32:45]

In addition, another effect of tensions on CS strategies that is found is a negative effect on the proactiveness of companies in pursuing CS. In other words, because of tensions between paradoxical objectives, companies sometimes become more reactive and decide to wait for external factors to change before they take the next step. Such external factors that are found are governmental regulation, the demand of customers to be more sustainable or that are willing to pay more for sustainable products/services and competitors or other companies in the industry to move first. To illustrate:

"If [customers] would demand from me to reduce CO_2… but those demands are not there yet. So why would I, with my small margins, go the extra mile if my customer doesn't demand it?" [38:12]

Thus, whereas a systemic visionary CS strategy could be a dominant strategy, in some cases, tensions cause companies to partly or temporarily use a less proactive strategy such as the extroverted strategy or even introverted strategy.

However, the tensions also showed a positive effect coming forth out of the synthesise strategy. Namely, multiple companies indicated to put extra effort in finding new and smart solutions for sustainability issues or take on a resource-based view and, for example, start their own R&D project as mentioned in a quote above [14:49]. This creates an advantage for the company itself because it finds a way to both focus on financial sustainability and both other sustainability goals. Furthermore, especially the smaller companies seem to be stimulated to form partnerships to share knowledge, ask questions or form networks through which they could stimulate CS in their business context. To illustrate:

"You have to be smart, with partnerships, in-kind financing or connect with other stakeholders that want to help you, the so-called coalition of the willing." [5:11]

Moreover, companies also explicitly try to become a forerunner in their industry by leading by example, by education about sustainability and by influencing and transforming the perspectives of external stakeholders towards CS in a positive manner. As a result, one of the companies in the sample in the waste processing industry would normally be characterised as using a conventional (eco-efficiency) strategy, but because they take on such a transformative role to deal with certain tensions, their CS strategy becomes more proactive. The same effect holds for certain tensions and the synthesising strategy to deal with them that incentivise companies to come up with new (resource-based) solutions.

5. Discussion

5.1 Summary results

In order to increase the clarity and understanding of the discussion, the results are first summarised. Three main types of tensions were identified in this study. First of all, the basic tensions between the financial-, social-, and environmental objectives were identified. In a majority of the cases, the financial objective was part of the tension. Furthermore, this tension is experienced to a bigger or lesser extent depending on the customer's willingness to pay. The dominant strategy that was found to cope with these tensions was the synthesise strategy. Internally, companies would synthesise opposing objectives by the integration of opposing issues in the culture and corporate strategy and by creating different perspectives on financial indicators. In the case that a tension would be dependent on the customer's willingness to pay, the data shows that companies also try to influence the perspective on sustainability of a customer in such a way that its willingness to pay would increase. Furthermore, companies also use a separation strategy by either temporarily postponing one objective to focus on another objective (i.e. temporal separation) or by separation based on product categories (i.e. spatial separation). Finally, the trade-off strategy is also found but, surprisingly, in most cases in favour of sustainability objectives instead of financial objectives.

Secondly, the data shows clear tensions arising from the differences between a company and its systemic environment. Partly this is due to high expectations from the systemic environment to which companies cannot live up to, but mainly because the sustainable ambitions of a company do not fit with the opportunities and regulations in the systemic environment. In the former case, companies use a trade-off or separation strategy. Here, the trade-off strategy does imply that the environmental/social objectives based on the high expectations become subordinate to the business objectives of a company. The separation strategy mainly entails that companies 'pick their battles' and leave other sustainability initiatives for what they are. In case that a company's ambitions exceed the systemic environment, companies show more proactive behaviour by means of a synthesise strategy. They either try to

transform the environment so that it fits their ambitions, take on an exemplary role or even become industry forerunners in order to pursue their sustainability goals.

Thirdly, tensions are also identified coming forth from multiple change paths. The analyses show two main tensions. On the one hand, tensions arise because a company has to choose between multiple change pathways and different opinions on what path to take by different stakeholders towards one goal. On the other hand, tensions arise because sustainability issues are often very complex which makes it difficult to determine what the goal is in the first place. Unfortunately, the data on this tension is rather limited and only one strategy could be found, namely the synthesise strategy. The data shows that companies use cooperation and lobbying, innovative technical solutions and networks in order to synthesise the change tensions they face.

Accordingly, tensions for which little to no evidence was found are tensions between the individual level and the organisation, and context tensions arising from spatial and temporal differences. Besides that, there is too little evidence that the companies actively used an acceptance strategy while dealing with CS tensions.

In addition, the data contains indicators for all general CS strategies and not one company had one clear strategy. However, for each company, a dominant strategy could be identified. In general, the strategies are rather proactive as expected because of the sampling method. From the data analysis it becomes clear that, despite the tensions that the companies experience, their CS strategies stay more or less intact. The main effects are that some companies become slightly more reactive towards new sustainability initiatives or scale down some sustainability ambitions. Besides that, the separation strategy seems to delay and decelerate the sustainability activities of a company. Finally, the data also shows some positive effects of CS tensions on CS strategy, namely that companies are triggered to find smarter solutions, collaborate more intensively with external stakeholders and try to transform their environment and so become a positive driver for sustainable development.

5.2 Discussion

In this section, the results of this study are held against the light of the existing literature discussed previously. It is discussed what results are in line with the current knowledge, which findings are new to the field and which findings are contradictory to previous studies.

To start, most tensions found, arise between the three basic objectives of the triple-bottom-line. This is in line with what Hahn et al. (2015) describe in their framework for the analysis of CS tensions. In addition to the framework, this study also identifies the use of spatial separation at the product level. However, the description of Hahn et al. (2015) of spatial separation is limited to different organisational levels or different social/geographical locations. Besides that, it stands out that no clear indicators were found for tensions between the organisational and individual level. Hahn et al. (2015) explain that individual interpretations of and responses to CS might differ from those of the organisation. Since the interviewees are all owners or first-line managers at the companies it might explain that such differences

are minimal and are consequently not found in the data since their individual perspectives are probably well represented in the organisational perspective. Furthermore, no clear evidence was found for tensions on the level dimension (i.e. temporal or spatial tensions). Here, the lack of spatial tensions can be explained because the companies operated hardly in multiple locations. In addition, temporal tensions might become more apparent with a study with a more longitudinal design.

Furthermore, Hahn et al. (2015) describe the tension between the organisation and its systemic environment only as the organisation not being able to measure up to what is needed for sustainable development following a systemic perspective. First of all, the current study also finds evidence for such tensions, but it mainly finds evidence of tensions that arise between the organisational and systemic perspective but in the opposite direction. Since the size of the companies in this study's sample is rather small, an explanation might be that the smaller companies in general experience less pressure from external stakeholders as found by Elsayed (2006), and therefore also experience few tensions that come forth out of high expectations from stakeholders. However, this does not entail that smaller companies have lower commitment to CS in general as Schreck and Raithel (2018) find that whereas larger companies are often stimulated by high stakeholder pressure because of their high visibility, smaller firms often try to create more visibility in order to put themselves on the map and consequently put much effort in CS as well. However, still, the question remains whether smaller companies that are proactively engaged in CS sooner exceed systemic expectations than the other way around in general or that these findings are unique to this study.

In line with the tensions between an organisation and its systemic environment, this study shows that such tensions were spurred by governmental regulations. This corresponds with Ozanne et al. (2016), who find evidence for the fact that public policies have the ability to make tensions more salient in accordance with the notion of Smith and Lewis (2011) who indicate that contextual factors can make latent tensions salient. In addition, this study connects to the call of Ozanne et al. (2016) to explore whether tensions resulting from public policies have a positive effect on companies' innovativeness, or that companies become stuck within such a tension as also critically noted by Jay (2013). The data clearly shows that companies recognise the influence of public policies on the tensions they have to deal with and indicate that they need public policies that create the right conditions for their sustainability initiatives to be successful. Unfortunately, more often than not, the data shows examples of policies that had the reversed effect and often delayed or scaled-down sustainable activities as a result of tensions arising from public policies. Thus, which public policies create the right conditions for companies to prosper in and which hinder their CS pursuit proves to be a delicate balance which needs more extensive examination.

Furthermore, this study shows that companies experience tensions that come forth out of the complexity and the uncertainty surrounding the topic of sustainability. It becomes clear that companies find it difficult to determine the right sustainability goal as they are uncertain about what the larger societal and economic developments regarding sustainability will mean for their activities. This has a

negative impact on the successful pursuit of CS because the complexity and continuous changes surrounding sustainability development make it harder for companies to integrate CS in their strategy (Engert et al., 2016). Furthermore, even when companies know what CS objectives to pursue it remains difficult to determine what measures suit best and how to navigate between the different opinions and demands from within and without the company. Since the current study finds that most tensions revolve between financial and non-financial objectives, one reason that the right change path might be that difficult to determine is that companies often cannot predict the financial implications of CS activities (Bové et al., 2017).

In addition, another finding shows that some companies sometimes use a trade-off approach in order to avoid a tension in favour of their non-financial sustainability goals at the expense of financial gain, which is the opposite of what Van der Byl and Slawinski (2015) indicate. This is only found at the companies with the most proactive and committed strategy (i.e. systemic visionary) towards CS. Why these companies even pursue sustainability goals at the risk of their financial health might be because companies using the systemic visionary strategy are characterised by their normative roots on sustainability issues (Baumgartner & Ebner, 2010). In addition, being sustainable is also often the unique competitive advantage of these companies (Baumgartner & Ebner, 2010) and accordingly, have to maintain a high level of CS even if it means that it results in short-term financial losses.

Finally, this study shows that the tensions and the way companies deal with them can have both positive, as well as negative effects for the way, pursue CS. As Smith and Lewis (2011) argue, companies can reach a dynamic equilibrium by cyclical and purposeful reactions to paradoxical tensions which will create short term peak performance and consequently enables a better long-term performance as well. However, this study found that in the short-term, a separation strategy as a response to tensions might lead to deceleration of CS activities and initiatives. This might suggest that not all integrative strategies for dealing with tensions will lead to better performance. On the other hand, this study also found positive effects of tensions on the pursuit of CS. That is, the synthesise strategy for dealing with tensions shows increased innovativeness as well as an increase in positive transformative influence by a company on its environment.

5.3 Limitations

The current study also has some limitations. To start, there are some limitations coming forth out of this study's research design. First of all, the size of the sample is rather small and contains Dutch companies only. As a result, the findings of this study are hard to generalise to other contexts. Especially since companies in different cultures and context are likely to deal with tensions differently (Schad, Lewis, Raisch, & Smith, 2016), a cross-cultural/contextual study would help the insight in sustainability tensions even more. Furthermore, due to time constraints, this study only included a single round of data collection. However, since the time dimension is important for both sustainability research (Vermeulen & Witjes, 2016) as well as tension research (Schad et al., 2016), a longitudinal study would have been

a useful contribution to this study. As a result, the results of this study are not generalisable to other contexts or samples. This is a clear limitation, but at the same time, the goal of this study was not to provide the research field with highly generalisable results but merely to explore CS tensions and how CS strategy is developed.

Furthermore, this study uses a paradox view to look at the tensions that play a role in how companies pursue CS. This was done since a paradox approach has the ability to gain a deep understanding of the paradoxical tensions that managers have to deal with, as Smith and Lewis (2011) argue. However, they also state that the paradox view should not replace contingency theory as it has its own strengths in understanding what context factors lead to certain choices and behaviour. In line with this, Baumgartner and Rauter (2017), indicate that the strategy process and content are embedded in a strategy context which influences them both. Due to restraints in time and resources, this study was limited its focus on seeking for tensions in pursuing CS, which also resulted in limited attention for the context in which the firms operated.

5.4 Recommendations

5.4.1 Avenues for future research

Finally, this study proposes some new directions for future research. To start, in line with the methodological limitations, future research would benefit from a quantitative and longitudinal study. This would give the opportunity to create a more exhaustive overview of tensions that companies experience and how they deal with them. In addition, it would be interesting to find out whether the results of this study, performed solely in the Netherlands, can also be found in different studies performed in different countries. Furthermore, more research is needed to the influence of tensions on how companies pursue sustainability. This study has found some new results regarding tensions and its effect on CS strategy and it would be interesting to see if other studies would find similar results. In addition, in line with what Ozanne et al. (2016) propose, future research could also specifically focus on what kind of public policies create the needed flexibility for companies in managing the tensions in such a way that their pursuit of CS is stimulated instead of hindered. Besides that, it would be interesting to get a better understanding of what influence the integrative strategies in dealing with CS tensions have as this study finds mixed results. This would also create more clarity on how a dynamic equilibrium as described by Smith and Lewis (2011) can be achieved.

5.4.2 Managerial and policy implications

This study has shown how difficult it can be for managers to pursue corporate sustainability. While many stakeholders and society as a whole demand the contribution of businesses in issues regarding sustainable development, managers have to make a daily paradoxical decision. This study has increased the understanding of what tensions play a role for companies and how they can deal with them. Consequently, the results in this study can help managers to identify tensions in their own companies. Unfortunately, this study did not find what kind of public policies can create flexible conditions that

enable companies to react well to CS tensions. However, it did find that public policies often create extra tensions for companies which make it more difficult to pursue CS. Consequently, policymakers and companies should promote an open dialogue on which policies support or hinder the pursuit of CS. Furthermore, collaboration in determining sustinainability goals and change paths can also help companies to get a better focus on what their role is in sustainable development. For policymakers, it will be especially relevant to try to find the right balance between policies that increase tensions that have a positive effect on the proactiveness in CS of companies and policies that take away their creative flexibility to pursue new CS initiatives.

5.5 Conclusion

The goal of this study was to explore the tensions that companies face in the pursuit of Corporate Sustainability, how they deal with these tensions and how that affects their CS strategies. The results show that companies indeed struggle with many tensions at the triple-bottom-line. Mainly these tensions arise between the financial and non-financial objectives of CS, but also between the non-financial objectives themselves. Furthermore, the results show that tensions arise because of the misalignment of organisational and systemic expectations and ambitions. Mainly, these tensions came forth out of the high ambitions of companies in comparison to systemic opportunities and companies were often held back by the regulatory environment. In addition, the complexity and uncertainty regarding what sustainability entails now and in the future in combination with a diverse set of change options towards CS create additional tensions. Furthermore, it was found that the trade-off strategy, as well as the separation strategy, can lead to a more reactive CS strategy or that is delays and decelerates the pursuit of CS. Finally, in the cases that the companies applied a synthesising strategy, it was found that the proactiveness to pursue CS increased and that those companies became an increasingly positive driver for sustainable development in their environment.

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Appendices

1. Code schemes

1a. CS strategies

Table 4: Corporate Sustainability Strategies (Baumgartner, 2009; 2010)

Dimensions	Indicators	Description
Introverted – Risk mitigation	Risk avoidance	In general, a company pursuits CS objectives in order to avoid risks
	Focus on legal standards	As benchmark, the legal standards are taken as minimum in order to comply and avoid penalties
Conventional extroverted – Legitimisation	Differentiate from competitors	CS as means to differentiate from competitors
	Increase credibility	In order to increase the company's credibility, the company integrates multiple CS practices
	Does more than obliged by law	This strategy is generally more extensive than the bare minimum
	Responsibility in PR department	The responsibility for CS practices lies with PR
Transformative extroverted - Legitimisation	Focus on society-related aspects	CS practices focus on social issues
	Positively influences basic conditions of CS and a driver for CS in society	Because of the transformative strategy, such companies can become a positive driver for CS practices in their environment
Conservative - Efficiency	Cost reduction	CS practices focus on the reduction of operation costs
	Well defined processes	In order to reduce costs, operational processes are stream-lined
	Focus on ecological sustainability	This strategy focuses mainly on ecological sustainability as this can result in direct cost reduction
Conventional visionary - Holistic	CS integrated in all activities	CS is integrated in all activities
	Market based view on sustainability opportunities	CS initiatives are based on the opportunities that lie in the market
	Comp adv from differentiation and innovation	CS leads to a differentiation and innovation and so to a competitive advantage
Systemic visionary - Holistic	Resource based view on sustainability opportunities	CS initiatives are based on the opportunities that lie in the market and on the abilities of a company itself
	CS integrated in all activities	CS is integrated in all activities
	CS rooted in normative level	The company pursuits CS because of moral considerations
	Internalisation of sustainability issues	Broader sustainability issues are well-known by the company and it is involved in solving these
	Comp adv from differentiation and innovation	CS leads to a differentiation and innovation and so to a competitive advantage

1b. CS tensions

Table 5: Corporate Sustainability tensions (Hahn et al., 2015)

Dimensions	Indicators	Description

Triple-bottom-line	Economic versus social objectives	Tensions can arise because economic goals often contradict social goals
	Economic versus environmental objectives	Tensions can arise because economic goals often contradict environmental goals
	Social versus environmental objectives	Tensions can arise because social goals can contradict with environmental goals
Level	Individual vs organisational level	There can be tensions between individuals within and across the hierarchical structure of the organisation with regard to adequate organisational responses to sustainability.
	Organisation vs systemic level	organisational sustainability initiatives do not measure up to addressing sustainability concerns.
Change	Incremental vs radical change	Tensions about the way that change towards a sustainable state should occur.
	Type of innovation	What type of technology or BM should be used?
	Destructive vs dialectical change	Completely new practices are new practices that build on the old ones
Context – temporal tension	Short vs long-term objectives between 3P dimensions	Short-term financial objectives might not match with long-term environmental objectives
	Short vs long-term objectives within a 3P dimension	Short-term social objectives might not match with long-term social objectives
Context – spatial tension	Various sustainability standards between locations	Tensions regarding sustainable aspects that differ between locations

1c. Strategies to deal with tensions

Table 6: strategies to deal with CS tensions (Hahn et al., 2015; Van Bommel, 2018)

Dimensions	Indicators	Description
Win-win	Alignment	Multiple sustainability objectives are met with one solution
Trade-off	Avoidance	One objective is chosen over another
Opposition	Accept a tension and leave it as it is	Pursue multiple paradoxical objectives at the same time without favouring one over another
	Improvise and seek synergies	Improvise in managing the opposites and seek synergies without diminishing the tension
Spatial separation	Divide tension at different physical or social locations	Address opposites separately in different locations
	Divide tensions between different levels	Address opposites separately at either the individual or society level
Temporal separation	Divide tensions between different point in time	Address opposites separately at different moments
Synthesis	Link the opposites of a tension with each other	Create alternative perspectives or ways of working that link the opposites with each other and enable one to make sense of opposites simultaneously

2. Interview guide

Interview guide - English

*During the interviews a Dutch version of this guide was used.

. The results will only be used for this study and will not be given to third parties. I would like to record the interview in order to

Thank you for your time and effort to conduct this interview. To start, my study is about the motives, strategies and tensions regarding corporate sustainability (CS). Within my study, I focus specifically on companies that show that they are proactively involved with CS. Via … (Green Capital, Bcorp, MVO-award) I selected your company to participate in this study. Do you have any questions regarding my research?

Before we start, I would like to underline that everything that will be discussed in this interview is confidential and anonymous. The results will only be used for this study and, apart from my thesis supervisors, will not be available to third parties. I would like to record the interview in order to transcribe and analyse the results, do you give permission to record our conversation?

Questions
General
- What does CS mean to you?
    o Could you give an example of CS within your company?
- Who is responsible for CS in your company?

Motive
- Why do you want to be sustainable?
    o Why did you sign the manifest?
    o Has this changed over time?

Strategy
- How do you pursuit CS?
    o How do you assure that the company becomes/is sustainable?
    o Which strategy do you use to become sustainable?
    o Is this strategy always planned or also emergent?
    o Has this changed over time?

Tensions
- Do you experience tensions or challenges regarding CS?
    o Do your sustainability objectives conflict with other objectives of your company?
    o Are there factors in the pursuit of sustainability that hinder or stimulate this pursuit?
- How do you deal with such tensions?
    o Do you have to make trade-offs, either on financial or non-financial objectives?
- Which influence do such tensions have on how you deal with sustainability matters?