Task 1: Analysis of a Master thesis

# What is the main problem or research question?

Companies are increasingly being made responsible for sustainability, and discussions around how to incorporate environmental sustainability into strategy are being made. One example is that innovations with less impact on environment are being pursued. One way for companies to incorporate environmental sustainability into strategy is to create a product portfolio specifically aimed to reduce environmental impact, i.e. a portfolio in which every product has a distinctly less impact on the environment. Such a portfolio has been claimed by researchers to be a successful way of integrating environmental sustainability into strategy, still there are only a handful, if any, empirical studies of this phenomenon (Bönninger & Stenberg, 2014).

This master thesis performs an empirical case study on a multinational industrial company with the research question as follows: “How do HQ-subsidiary dynamics shape the integration of environmental sustainability into strategy?”

As can be seen in the research question, the thesis further focus on the dynamics of the HQ and subsidiary relationships, since these dynamics is deemed as important in explaining the success of actually implementing environmental sustainability in the strategy of multinational company being studied.

# What ‘techniques’ or methods have the author(s) used to gather empirical material?

The thesis “is empirically investigating this topic in a single case study” by having interpretivism as the underlying research paradigm (Bönninger & Stenberg, 2014, p. 15). In a qualitative research strategy, the typical form of a case study is an organization, a group of employees, or an individual (Bryman & Bell, 2011, p. 68).

In line with this, Bönninger and Stenberg (2014) choose to collect primary data through interviews with key personnel in the case company. The authors did 20 interviews with an average length of 45 minutes with HQ managers, subsidiary managers, products owners, environmental specialist and an internal consultant. The particular organization, i.e. the multinational industrial company from which all these respondents work in, was chosen due to their recently launched environmental portfolio.

The interviews were “unstructed interviews conducted in an informal manner where the respondents had the opportunity talk freely about how the environmental portfolio was developed and implemented” (Bönninger & Stenberg, 2014, p. 18), and in addition during these interviews the authors filled in with questions based on what was being discussed. The advantage is stated by the authors to be that an open discovery is important in an empirical study. Also important to note is that two different interview guides were used due to the differences between the respondents’ area of responsibility.

Also, the authors collected secondary data about MNCs with environmental portfolios and similar strategies to gain a general understanding about the topic.

# Is the analysis correctly performed?

The research approach is qualitative and it is using a single case study to infer conclusions. The authors argue that an empirical approach with a single case study based on primary data helps them to discover new phenomenon and to develop new theories as Lervik (2011) suggests.

The analysis is reviewing a complex social context between the HQ and the subsidiaries. It is examining both sides and thus it satisfies the criteria of interpretivism that the research interprets people’s actions in their social world and from their point of view (Bryman & Bell, 2011, p. 57).

Also, the researchers conducted 20 interviews and drew conclusions from them in an inductive approach, which is an important pillar of qualitative research. They analyzed the point of view of different stakeholders in a complex social situation.

Moreover, the authors of the master thesis delimited the scope of their work to an only qualitative study stating that it would be difficult to replicate the work. Due to this the work has a low reliability.

In my opinion, the analysis was correctly performed. The authors could have included interviews from countries outside Europe to have a wider spectrum for their analysis. Focusing only on Europe creates Europe-bias in the research.

# How well does the empirical information and analysis ‘correspond’ or answer, the main problem/research question? Why or why not?

The research question asked that “How do HQ-subsidiary dynamics shape the integration of environmental sustainability into strategy?”

Empirical information addresses the subsidiary dynamics on how the Positive Impact portfolio was integrated into the strategy of the corporation. In chapter 5.2 we can read that “Subsidiary management perceived that they were being overlooked in the product development process and consequently, this caused tension and resistance against the strategy.” This shows how the subsidiary stakeholders reacted to the HQ push. Then about local ownership it states “The first argument in favour of local ownership is that people within subsidiaries and within product development teams are the ones who actually know customer needs and come up with different solutions needed on the market”. In our opinion, the empirical information addresses the main research question.

The analysis part of the essay talks about dual embeddedness on subsidiary behavior, the conflicting interests and subsidiary management squeeze, the limited impact of Positive Impact on subsidiaries, the increasing HQ pressure and importance of procedural justice and about the role of boundary spanners to increase identification. In our opinion, the analysis corresponds well to the main research question.

What else?? How do you know if the analysis is good enough or good?

# Do you think the thesis succeeds in answering its questions? Why or why not? (This may be linked to the following question)

# What are the strengths and weaknesses of the thesis?

Weakness – only 1 case study

Weakness - No quantitative part to test the findings.

Strenght – primary data of 20 interviews.

# Propose an alternative method to answer its chosen research questions. Argue why this method would likely lead to different results. Argue whether your results would likely be better, worse or equivalent to answer that particular research questions.

Wicked problem?

Bönninger, M., & Stenberg, J. (2014). *Integrating Environment Sustainability into Strategy: How headquarters-subsidiary dynamics shape the integration across locally embedded subsidiaries.* (Master Degree Project), University of Gothenburg School of Business, Economics and Law.

Bryman, A., & Bell, E. (2011). *Business research methods* (Vol. 3.). Oxford: Oxford University Press.