



UNIVERSITY OF GOTHENBURG
SCHOOL OF BUSINESS, ECONOMICS AND LAW

Managing Shared Value in Multinational Corporations

*A multiple case study on three major food companies and their CSV
management in the context of global food loss and waste*

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“Imagine walking out of a grocery store with four bags of groceries, dropping one in the parking lot, and just not bothering to pick it up. That’s essentially what we’re doing.”

Dana Gunders, Food & Agriculture Scientist

Abstract

Around one third of all the food produced at a global level is lost or wasted, creating severe negative economic, environmental and social implications. Creating Shared Value (CSV) can help to increase joint incitements along food value chains for collective action towards more sustainable consumption and production patterns, as part of the UN Sustainable Development Goals. Multinational corporations offer potential to undertake this concept and create shared value, however, the complex business environment within these types of organisations can arise as barriers. This study seeks to attain an increased understanding of how and why multinational corporations implement and coordinate CSV activities, in the context of food loss and waste, accomplished through a multiple case study on three global leaders within the food industry. The findings show that CSV must be embedded in organisations' strategies, tailoring set goals and necessities in both intra and inter-organisational collaborations, hence requiring a common agenda. Internally, this can be done by having a strong organisational culture where reducing food loss and waste becomes natural. Likewise, it is important to increase communicative capabilities across subsidiaries and with the headquarters, where the latter operates as a knowledge facilitator. Large autonomy is given to the subsidiaries, as value is often accrued at a local level. Externally, engagement in networks has shown beneficial for developing a common agenda and alleviate the major challenge of CSV; time, which is not always equally deployed. Within the networks, knowledge can efficiently be shared, and it becomes easier to maintain a common agenda.

Keywords: CSV, Food loss, Food waste, Coordination, Implementation

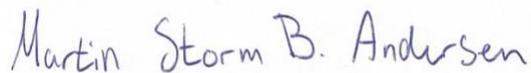
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Martin Storm B. Andersen



Rickard Säterö

Definitions

Food loss: “the decrease in the quantity or quality of food resulting from decisions and actions by food suppliers in the chain, excluding retailers, food service providers and consumers” (FAO, 2019a).

Food waste: “the decrease in the quantity or quality of food resulting from decisions and actions by retailers, food service providers and consumers” (FAO, 2019a).

List of abbreviations

CSR - Corporate Social Responsibility

CSV - Creating Shared Value

HQ - Headquarters

KPI - Key Performance Indicator

MNC - Multinational Corporation

SDG - Sustainable Development Goals

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1. Introduction

This introductory chapter will provide the reader with guidance on the purpose of the study, the global challenges of food loss and waste as a chosen context, issues related to help fight these challenges and how the concept of Creating Shared Value could play an important role.

1.1 Background

It is estimated that a third of all the world's produced food is lost somewhere along the supply chain or goes to waste after distribution for various reasons, approximately reaching 1,3 billion tonnes on an annual basis (FAO, 2019a; WWF, 2020). Consequently, huge economic and environmental issues unnecessarily arise on a global level. As argued by the Food and Agricultural Organization of the United Nations (FAO) (2019a), throwing away edible food or losing it is a loss of potential income, affecting many parties involved in food supply chains. Only in the European Union, the food being wasted equals a cost of 159 billion US dollars annually (EU Fusions, 2016), and globally the annual cost shared by consumers, farmers and businesses reach nearly a thousand billion US dollars (FAO, 2019a). It is moreover a waste of resources as we need to produce more food in order to make up for the losses, hence creating inefficient land usage and giving rise to unnecessary water spillage, both critically affecting our climate in a negative way (FAO, 2019a; UNECE, 2020).

Meanwhile, 820 million people in the world are starving and considering the growing population on earth, we need about 60 percent more available calories per year by 2050, to feed everyone (WRI, 2013). According to the United Nations Environment Programme (UNEP) (2009), this increase in demand of food excludes to take into account the losses in yield and decrease in available land area, which is due to environmental degradation, driving the global food production in the opposite direction to what is needed. However, if food loss and waste were to be cut by half, the gap of available food to the population would be reduced by 22 percent (WRI, 2013). Wasting food is not only a waste of financial and natural resources, it is also a large contributor to global warming, directly through increased levels of the very harmful greenhouse gas methane, developing from rotten food put into landfills (UNEP, 2009). Inefficient usage of fertilisers as a

result further indirectly give rise to a warmer climate, likewise, does higher demands of transporting more food, hence requiring more fuel and consequently, higher carbon dioxide emissions (ibid). The waste of global resources resulting from food loss and waste is estimated to account for 23 percent of global fertiliser usage (Kummu et al., 2012). Ensuring sustainable consumption and production patterns is part of the United Nations Sustainable Development Goals (SDG12), where the target of reducing food loss and waste play an important role. The set goal is a reduction in global food waste by half until 2030 (FAO, 2019a). Yet, even though the economic and environmental consequences of wasting food are enormous, it is often both more convenient and less expensive for retailers and other stakeholders to throw away food than using or reusing it (FAO, 2018). To reach SDG12 it is of major importance that incentives for stakeholders along the supply chain change for the better, developing options which are imbued with higher benefits (ibid).

The amount of food *wasted* per capita is significantly higher in the industrialised world in comparison with developing countries, where food *loss* at post-harvest or processing levels instead is the major issue (FAO, 2011; Parfitt et al., 2010). Dora et al. (2019) also found that food loss occurs the most during the processing stages, including the handling and storing of food. The reduction of food loss becomes a serious issue for major food companies as a more secure supply of raw material develops, along with reduced greenhouse gases emissions and water usage, where the latter two effects also come with the reduction of food waste (Nestlé, 2019). Since the reason for food waste in the developed part is greatly linked to consumer and retailing behaviours, partly explained by short ‘expiration’ dates on products, which is interconnected with the cost issues at the retailing end, a raise of awareness and innovating relevant procedures can help reverse this trend (FAO, 2011; Aschemann-Witzel et al., 2017a; Aschemann-Witzel et al., 2017b). Both food loss and food waste result in high costs for food companies through, in addition to unnecessary food insecurity, high emissions and inefficient resource usage, also supply chain related matters such as higher transport costs (Ishangulyyev et al., 2019; Nestlé, 2019). For suppliers and farmers, taking measures to reduce food loss implies higher productivity and gains, since more food can be sold given the same amount of inputs, as well as reducing costs which are related to the disposal of lost or wasted food (FAO, 2019b). This can result in lower prices, benefitting global food companies partnered with the food suppliers (ibid). It is critical that we all take on our shared

responsibility to help combat the issue of food loss and waste, as the consequences very much indeed are rightly so; shared.

1.2 Problem Discussion

Organisations often focus on creating short-term profits for its shareholders, which may commonly interfere with other societal issues, hence creating negative externalities. Not unusually the core business directly involves such creation. Activities of this sort therefore come with trade-offs in decision making, as managers must take action on whether to aim for maximum short-term profit or go with the option imbued with minimum negative externalities (Porter and Kramer, 2011). For food companies, such trade-offs could e.g. occur when deciding to keep a lower stock on products for less food wasted or a higher stock for increased flexibility and customer attraction. Likewise, it could be the utilisation of scarce natural resources or trading with non-environmentally friendly partners, for cost savings. External actors put pressure on organisations to take responsibility on environmental and societal issues, minimising its externalities (Darus et al., 2015; Porter and Kramer, 2011). Organisations have commonly responded to this and included such issues in their marketed *Corporate Social Responsibility* (CSR) strategy (ibid). A drawback of CSR policies are firms' set budgets directed to such activities and the individualistic approach being taken, offering little coordination across the global value chains. Hence, set in relation to the needs, the actual value being created and the impact on a global scale is limited (Rangan et al., 2015; Porter and Kramer, 2011). As Porter and Kramer (2011) further conclude; the major reason for developing CSR strategies is to build reputation responding to external pressure. They argue for organisations to better capture the mutual economic and societal benefits, improving businesses' trust and significantly aiming for better results, the concept of *Creating Shared Value* (CSV) could successfully be implemented instead. CSV is separated from CSR in the sense that organisations do not solely act on external pressure, trying to take an individual responsibility for greater reputation, but seeks to develop a shared value incorporated in its business model or core activities as to both reduce negative externalities and maximise profits. It is a way of adding sustainable competitive advantage (ibid). The strength and possibility of CSV becomes visible, as Porter and Kramer (2011) discuss, when the line gets increasingly blurred between successful non-profit versus profit organisations incorporating CSV in their business models.

In terms of reaching SDG12 and reducing food loss and waste, CSV strategies should offer great potential for organisations to become more sustainable. Both in terms of innovating internal processes preventing inefficient resource usage, as well as taking on initiatives to prevent food loss and waste across the entire value chain, considering the massively shared impact with both food loss and waste coming as a consequence of inefficient supply chains and unsustainable behaviour at consumer and distribution level (FAO, 2011). Since only within the EU the estimated annual cost from food waste reaches over 140 billion Euros (EU Fusions, 2016), potential savings are huge for food companies and partners thereof. Yet as earlier discussed, reduction in food waste normally entails costs for many actors as it is commonly less expensive to throw away food than re-using it. Therefore, as FAO (2011) argues, in order to combat food loss and waste, the change in processes and incentives must involve identifying alternatives that positively increase net benefits (or somehow contribute with value) for many stakeholders. Porter and Kramer's theory of CSV includes such measures, in contrast to less globally coordinated activities included in organisations' CSR strategies. Meanwhile, other positive societal and environmental effects on global food waste prevention come as a result and the shared value increases. An example of effort in innovating processes is the multinational fast-moving consumer goods giant Unilever and their "Wise Up on Waste" application, where chefs in initially the UK, but later in Denmark, Sweden and Norway, register their food waste. Thereby, chefs and restaurants get an overview of their food waste (Unilever, 2020a) while Unilever receives data on which type of food and products restaurants throw away; something that may be used for later strategic purposes (Unilever Food Solutions, 2020). Nestlé, the largest food company in the world, is also in a fight against food loss and waste. Amongst many shared value initiatives, Nestlé tries to track the milk supply chain from farm to factory, in order to determine where milk is wasted along the way. As a result, Nestlé had merely 0.3 percent milk loss in 2018, which benefits both Nestlé and its connected farmers. The latter avoid losing pre-harvest materials while the former can better utilise their raw materials in production in a more efficient manner (Nestlé, 2020a).

Multinational corporations (MNCs) offer the greatest resources and abilities to make the largest positive global contribution taking on a CSV strategy rather than CSR, with best practices on supply chain expertise, collaborative and R&D capabilities (Maltz and Schein, 2012; Porter and Kramer, 2011). To maximise value creation in MNCs, great coordination of activities across the

organisation becomes necessary (Birkinshaw and Pedersen, 2009). However, it is a fact that coordinating activities becomes more of an issue when organisational complexity rises and MNCs further internationalise (Ciabuschi et al., 2012). MNCs must already face the demand of many different stakeholders found both in internal and external settings, creating complex environments of stakeholder engagement and necessities management across borders (Ghoshal and Bartlett, 1990; Bondy and Starkey, 2014). Bartlett and Ghoshal (2002) imply that to create coordination consistency across the organisation, a more centralised approach may be required. Yet with such approach come less subsidiary autonomy and reduced local responsiveness (ibid). Companies' ability to create shared value is to a significant extent dependent on the external influences and willingness of the local society to collaborate with the company (Porter and Kramer, 2011), as it is the society that will be affected by the actions and initiatives. Having local responsiveness, market knowledge and autonomy would seem like important issues for a CSV strategy, as all actions may not be equally adaptive in every location (Tian and Slocum, 2014). A subsidiary may therefore experience differences between the needs and demands of the local society and the overall strategy of the organisation. Balancing the adaptation to local societies and following the overall organisational strategy may therefore be difficult (Bartlett and Ghoshal, 2002), especially when working with CSV. Nonetheless, finding the right balance of autonomy is important for the efficiency in headquarter-subsidary relationships (Ciabuschi et al., 2012). On one hand, a subsidiary operating with their own networks inclusive of external stakeholders in the host country is necessary to manage its operations (Bondy and Starkey, 2014 Ghoshal and Bartlett, 1990; Andersson et al., 2002), while on the other hand, the headquarters creates and distributes knowledge to its subsidiaries (Gupta and Govindarajan, 2000). Taking on the best CSV strategy requires comprehensive knowledge at all levels, hence the connection between headquarters and subsidiaries becomes decisive.

While CSV potentially is set to change how businesses operate and interact with stakeholders for a more sustainable development, few studies have given attention to how CSV activities can in fact be implemented and coordinated in MNCs (Dembek et al., 2016; Wójcik, 2016). Maltz and Schein (2012) and Matinheikki et al. (2017) are some of very few contributors of this field. The latter scholars investigated operationalisation of CSV within the health sector, however concluded

that future research should direct focus in other sectors too. Hence, this identified research gap demands further contributions in other settings.

1.3 Purpose Formulation

The aim with this study is to attain an increased understanding of how and why an MNC implements and coordinates its CSV activities, linking it to the issue of food loss and waste.

1.4 Research Question

How can MNCs implement and coordinate CSV activities across its international subsidiaries?

1.4.1 Breaking down the research question into sub-questions

- A. What (if any) are the challenges in implementing and coordinating CSV in MNCs and how may they be alleviated?
- B. How do MNCs create shared value?

1.5 Delimitations

CSV can cover many different aspects. The focus of this study is to connect it to the issue of food loss and waste, covering how three major food companies operate towards creating shared value. According to Porter and Kramer (2011), CSV initiatives can mainly be categorised as either *1) reconceiving products and markets*, *2) redefining productivity in the value chain* or *3) enabling local cluster development*. We do not search to conclude on the most, if existing, efficient type of strategy for CSV in the fight against food loss and waste, rather, we aim to assess how any of these categories may be implemented and coordinated for maximum effect. Not necessarily will the investigated firms provide insights on all of the three different CSV strategies. Hence, the focus may be unequally directed. Furthermore, since MNCs' operations stretch globally with sometimes multiple regional headquarters, it may not be possible, within the scope of this master's thesis, to cover every aspect of an organisation.

2. Theoretical framework

The theoretical framework takes its basis on the core of this study, i.e. the concept of Creating Shared Value, and introduces a review on theories and models relevant and closely connected to the coordination and implementation of CSV in MNCs. The framework builds on the three different types of shared value creation, outlined by the founders of the concept; Michael Porter and Mark Kramer.

2.1 CSV and the MNC

Soon a decade ago, Porter and Kramer (2011) introduced the concept of Creating Shared Value (CSV) and it has received a great amount of attention among scholars since, yet with a lack on practical implementation and coordination of CSV give us little insight on how it can really affect business and present for opportunities in more detail (Dembek et al., 2016; Wójcik, 2016; Crane et al., 2014). Is CSV merely a buzzword as the critics would want to acclaim? The benefits of CSV become more coherent when set in relation to the topic of food loss and waste, changing the way business understands value. Porter and Kramer argue that the traditional CSR approach firms commonly take to respond to external pressure and ‘do good attitude’ is not sufficient, for it disrupts the linkage between profit maximisation and social responsibility, due to the latter issue being treated in the periphery rather than incorporated in firms’ strategies and business models (Porter and Kramer, 2006; Porter and Kramer, 2011). With this type of approach, the implication on neither society nor business development becomes significant (Rangan et al., 2015). Instead, it becomes a question of responding to stakeholders’ requirements, underpinned by Freeman’s (1984) stakeholder theory describing that an economy is embedded in other societal values, rather than being a self-contained system. Further, organisations’ activities often result in negative externalities, for which some therefore take actions to reduce as part of their CSR ‘doing good’ approach (Haque, 2011; Wójcik, 2016), yet as Porter and Kramer (2011) point out, with several limitations on the actual effects.

The solution to reshaping the issue of treating other societal value activities in the periphery lies within the concept of CSV (Porter and Kramer, 2011). In contrast to CSR, it recognises that markets are being defined by societal needs, not separated. Likewise, it recognises that negative

externalities and rendered trade-offs of business activities on societal values, often weaken the success of firms and are costly for many parties along the affected value chain (ibid). This includes internal costs for the focal firm. Changing operating practices to combat relevant issues, where a connection between economic and societal development is established, gives enhanced competitiveness simultaneously as value within the environment which the firm is embedded in improves. Porter and Kramer (2011) define value as benefits relative to cost, not benefits alone. Hence, the major difference between CSR and CSV lies within how the latter is treated as part of the corporation's *strategy* rather than the corporation just taking its *responsibility*, which is commonly the case with the former (ibid; Wójcik, 2016; Alberti and Belfanti, 2019). Table 1 further helps to distinguish the differences between the two concepts.

Table 1: CSR vs CSV. Own compilation based on Porter and Kramer (2011) and Wójcik (2016).

	CSR	CSV
Value	Doing good	Joint economic and societal benefits relative to cost
Action drivers	Discretionary or response to external pressure	Integral to competing, profit.
Implementation	Individual approach, sustainability management	Joint company and community value creation
Profit	Separate from profit maximisation	Integral to profit maximisation
Resources	Set CSR budget and corporate footprint limit the impact	Realigned with the entire corporate budget
Strategy	Detached from strategy framework. Responsibility.	Incorporated with strategy framework and perspective. Business opportunities.
Social and environmental issues	Treated as separate from core business	Treated as integral and thus improvements as beneficial for the company
Example	Fair Trade Purchasing	Transforming milk procurement to reduce waste and increase yield

2.2 Creating Shared Value

According to Porter and Kramer (2011), CSV can be created in three distinguished ways; 1) by *reconceiving products and markets*, 2) by *redefining productivity in the value chain*, or 3) by *enabling local cluster development*.

The reconception of products and markets is characterised by firms realising unmet social needs, providing products and services in ways that meet these (ibid). As Porter and Kramer (2011) argue in their HBR article, organisations have to identify all relevant social needs that could be stipulated within the firm's product range. However, as also outlined, this requires a fundamental ability to adapt to changes since societal priorities shift, driven by evolutions in technology and economic development. A food company can e.g. create shared value by offering healthier nutrition, reducing the need of health care and thus consumers' costs, creating a positive spiral in the demand by the new product line, enhancing long term profitability (Jones and Wright, 2016). In many developing countries, people are suffering from deficiencies in important minerals, e.g. iron and zinc (WHO, 2013). Nestlé for instance helps to combat this issue by providing special milk products enriched with such minerals, hence meeting the social need. As a result, their affordable milk product line has rapidly grown at the same time as employment have risen (Nestlé, 2010), which is in line with, in addition to the concept of CSV, other scholars' theses on *bottom of the pyramid*, stressing that firms should attempt to capture the demand of lower-end consumers too, as they account for the majority of the population on earth (Moon et al., 2011; Prahalad and Hart, 1999). Through targeting unmet needs, Porter et al. (2012) argue that incremental revenues and profits can grow, with larger or new markets, at the same time as it results in social benefits, such as improved nutrition in the case of Nestlé's milk programme.

Redefining productivity in the value chain includes sustainable developments of processes and technologies within functions like procurement, resource usage, distribution, strategic location and employee productivity. These improvements lead to reduced internal costs for the focal firm, as negative externalities generally entail such costs, e.g. high carbon emissions due to unsustainable transport solutions resulting in fees and unnecessarily high logistic costs (Porter and Kramer, 2011). Creating shared value along global value chains requires extensive collaboration with many stakeholders in also inter-organisational settings, and an understanding that it is a constantly ongoing process of searching for improvements of business activities affecting the value chain (Moon et al., 2011; Matinheikki et al., 2017). An example of this is Walmart which is an organisation that has put much effort in innovating suppliers' processes to reduce their resource wastage, resulting in reduced cost (equals lower prices for Walmart) and a less carbon footprint, meaning a shared value has been created (Walmart, 2010), strengthened by Porter et al. (2012)

findings. Related to global food value chains, the reduction of food loss, particularly at supplier level where most food is lost in developing countries due to inadequate knowledge and technologies, illuminates that a shared value can be created (FAO, 2011). As has been argued for in chapter one, the cost of food being lost or wasted is enormous and food companies taking action to improve productivity along their external value chains can gain a competitive edge.

Enabling local cluster development emphasises on addressing deficiencies in the framework within a community where the firm is active. As Porter and Kramer (2011) highlight, improving local suppliers' capabilities through engagement and education, initiating workforce developments, as well as the locational selection of operational activities, create shared value due to improved productivity. Inefficient operations of local actors within the cluster result in higher internal costs for the focal firm, no firm works in isolation but is rather reliant on a competitive and supportive business environment. For this to be possible it is inevitably required to create close collaboration with the local actors to understand their and the surrounding community's needs (ibid). The shared value created by sourcing locally and enabling local cluster development can further be amplified due to spill-over effects contributing to the developments of other suppliers without a direct link to the foreign affiliate, hence CSV here creates a strong multiplier effect (UNCTAD, 2001; Porter and Kramer, 2011). As Ivarsson and Alvstam (2005) argue, this effect is most notable in developing countries. Nevertheless, cluster developments give a potential enlarged effect to other CSV activities' illumination. American multinational home appliance manufacturer Whirlpool promoted an Italian cluster initiative called SIFood, in order to help combat food waste by identifying social gaps at a consumer end, responsible for much of the food being wasted in Italy, through intensive collaboration with local actors (Alberti and Belfanti, 2019). As the authors found, Whirlpool recognised the high dependence between the actors to influence a change in consumer food behaviour, hence the cluster developments. Subsequently, many small- and medium sized firms joined forces, creating new job opportunities and emergence of innovative start-ups, presenting solutions for reducing food waste. Whirlpool and SIFood grew to become leading players among local actors. Shared value was created (ibid). An overview of the three different levels of CSV and their results can be seen in Table 2.

Table 2: Levels of CSV and results, adapted from Porter et al. (2012).

LEVELS OF SHARED VALUE	BUSINESS RESULTS	SOCIAL RESULTS
Reconceiving product and markets: How targeting unmet needs drives incremental revenue and profits	<ul style="list-style-type: none"> • Increased revenue • Increased market share • Increased market growth • Improved profitability 	<ul style="list-style-type: none"> • Improved patient care • Reduced carbon footprint • Improved nutrition • Improved education
Redefining productivity in the value chain: How better management of internal operations increases productivity and reduces risks	<ul style="list-style-type: none"> • Improved productivity • Reduced logistical and operating costs • Secured supply • Improved quality • Improved profitability 	<ul style="list-style-type: none"> • Reduced energy use • Reduced water use • Reduced raw materials • Improved job skills • Improved employee incomes
Enabling cluster development: How changing societal conditions outside the company unleashes new growth and productivity gains	<ul style="list-style-type: none"> • Reduced costs • Secured supply • Improved distribution infrastructure • Improved workforce access • Improved profitability 	<ul style="list-style-type: none"> • Improved education • Increased job creation • Improved health • Improved incomes

2.3 Implementing and maintaining effective Shared Value

While Porter and Kramer (2011) outline three different ways to create shared value, presented above, they offer little knowledge how MNCs, who they agree are the largest contributors in this field, can practically implement and maintain shared value initiatives. Because companies, and MNCs in particular, are embedded in not only intra-organisational, but also inter-organisational networks and activities, achieving shared value gets complicated by different institutional, organisational and socio-material environments and the relationships in between (Matinheikki et al., 2017). This indicates the importance of building a shared vision and enhancing cross-collaborative activities, as Rudd (2000) also argue are the most vital parts for building generalised trust and a collective action. This subchapter will introduce some models for successfully creating shared value in MNCs, later to be tested in the empirical evidence.

2.3.1 Shared Value in practice - '3C Framework'

Maltz and Schein (2012) conducted a study interviewing over 50 managers of MNCs involved in shared value initiatives, in order to comprehend how they viewed the creation of shared value, giving insight on implications and challenges. The study subsequently presents a framework for which includes three important aspects managers need to take into consideration for maximising

new CSV; *capabilities*, *consistency* and *cultivation*. Figure 1 further helps to explain the relationship of the 3Cs and CSV.

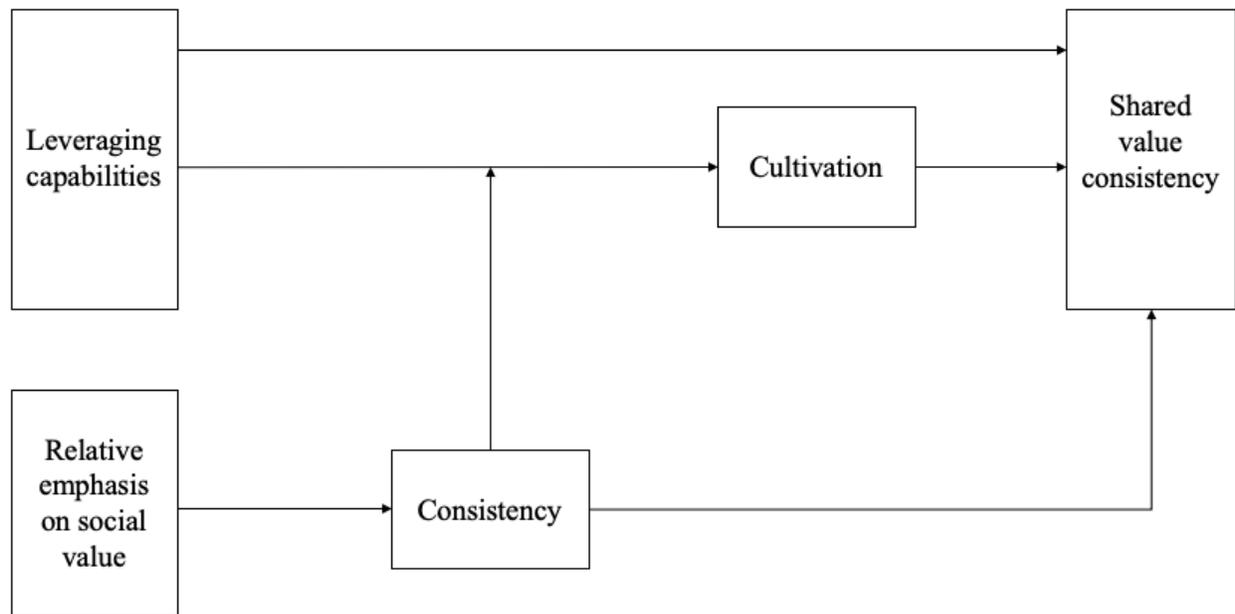


Figure 1: 3C Model, adapted from Maltz and Schein (2012).

Maltz and Schein (2012) found, later supported by Barraket and Loosemore (2018), that leveraging existing core competencies, or *capabilities*, is the first step for successful CSV. For example, a firm within the food industry having strong supply chain management capabilities can benefit from this when developing its global value chain and sharing knowledge, minimising food loss. As CSV must be incorporated in the firm’s business model across the organisation, requiring extensive collaboration between many stakeholders, internal and external, the *consistency* aspect in that all act towards the same purpose is crucial (Maltz and Schein, 2012). However, since the belief that social responsibility often negatively impacts short-term profit, the motivation for implementing a shared value initiative may be hindered and the outcome of it not optimised (Porter and Kramer, 2011). Thus, for consistency to be realised, impacting managers’ drive to implement the initiative need to be positively performed (Maltz and Schein, 2012), illustrated as relative emphasis on social value in figure 1. In this context the relationship between headquarters and subsidiary becomes interesting, balancing the struggle between subsidiary autonomy and control. On one hand, a more centralised approach with the headquarters operating as a governor, entails for greater coordinate

capabilities and mutual consistency towards the same organisational purpose (Bartlett and Ghoshal, 2002). Centralised decision-making could thus spur a smoother integrative process of new initiatives (Ciabuschi et al., 2012; Roth and Nigh, 1992). On the other hand, as Ciabuschi et al. (2012) concluded, when complexity rises in the internal and external environments which the MNC is embedded in, the headquarters' role is likely to reduce, requiring more subsidiary autonomy in the decision-making process. A decentralised approach as such gives greater local responsiveness due to knowledge being globally dispersed (Roth and Nigh, 1992), which may be beneficial in terms of gaining local knowledge across the different markets which the MNC operates in, determining greater emphasis on what value can be created. Although with less control and governing from the headquarters, the subsidiary becomes less responsive to integration demands from other parts of the MNC, giving rise to intra-organisational conflicts (ibid; Hymer, 1976). Maltz and Schein (2012) identified two perspectives impacting decision-making for consistency in shared value initiatives. First, the economic-first perspective stresses the necessity of carefully defining the time frame as well as the expected financial returns, in relation to shared value created. Firms falling under this perspective tended to have a larger focus on short-term profit. With the underlying belief of a trade-off between taking social responsibility and gaining financial returns, and the fact that business value often accrues later than when the social value is actually created, presents issues for firms measuring CSV with this type of perspective (Porter et al., 2012).

Second, firms taking a mission-driven perspective indicated that results did not have to be as explicit, but a medium to long-term approach was rather being taken. Sustainability was already embedded in the firm and its strategy (Maltz and Schein, 2012). Hence, consistency is achieved through defining a time frame on a longer-term basis, while communicating follow-ups throughout the initiative is important (ibid). Additionally, Maltz et al. (2018) argue companies should implement benchmarks and other measurements of their sustainability activities to achieve consistency in their performance. The findings of the necessity of consistency in CSV are mostly in line with Matinheikki et al.'s (2017) conclusions that collective sustainability cannot be achieved by the individual firm, demanding for a shared vision within its entire business ecosystem, however, as the latter scholars further argue, this is best done through the formation of

inter-organisational bodies with focus on changing institutional challenges hindering shared value initiatives.

Shared value is as Porter and Kramer (2011) argue, created only when the community which the firm is embedded in, simultaneously develops, also benefiting the focal firm. Taking into account many different stakeholders leads us to the last aspect of the 3C model; *cultivation*. For effective CSV to be realised, the initiative must be cultivated, i.e. immersed and supported, by other stakeholders' operations (Maltz and Schein, 2012). This could be connected to Keast and Mandell (2014) who argue for the necessity of organisations to create connections, coalitions and mutual commitment, in order to facilitate integration with the society it operates in. As such, the sharing of core competencies may be necessary, since firms' capabilities as discussed are the toolbox for shared value creation. This is somewhat contradictory to the resource-based view which advocates firms to discover and leverage unique core competencies, being non-imitable of competitors, in order for long-term value for shareholders to be created (Barney, 1991). Because as Maltz and Schein (2012) mention, the imitation of core capabilities and shared value eventually will be beneficial for the focal firm. Taking an adaptive approach to the resource-based view, cultivation is achieved through four different ways; *supply-chain influence, competitive response, technology transfer* and/or *partnering up with NGOs* (ibid).

Supply-chain influence is, according to Maltz and Schein (2012), the most common approach in achieving cultivation among relevant stakeholders, where knowledge is shared to improve supply chain efficiency with quite rapid returns. Because of this, such an approach is suitable both for economic-first and mission-driven MNCs, albeit perhaps particularly beneficial to the former type. This is strengthened by Barraket and Loosemore (2018), who found that organisational capabilities in the form of supply chain expertise generate cultivation in shared value creation. As firms are increasingly embedded in global value chains with MNCs being the main drivers in adding value to these, it is arguably harder to achieve consistency in taking on CSR initiatives with a larger number of stakeholders in contrast to arms-length business (Cadestin et al. 2018; UNCTAD, 2012). The same logic can be applied to CSV coordination, yet with it being even more critical to achieve for shared value to be realised (Porter and Kramer, 2011). Walmart managed to engage many actors in improving supply chain practices, reducing resource waste yielding positive returns

to both suppliers and the major retailing firm through cost savings (Walmart, 2010). Hence, it can be linked to Porter and Kramer's (2011) CSV creation through *redefining productivity in the value chain*.

Competitive response on the other hand, is more linked to the *reconception of products and markets*, as it entails corporations' product management to reconsider customer demands and change its assortment to somehow capture this (Maltz and Schein, 2012). The authors present the example of Walmart who dramatically reduced their prices on generic drugs, in order to increase the inflow of customers to their stores with the aim to sell more of other products. At the same time, Walmart also attracted new low-income customers who prior to the price reduction could not afford the drugs, hence improving overall health in their community. As a response to the success, competitors to Walmart quickly took a similar approach, thereby cultivation was created and the collective impact larger. A competitive response-approach is most suitable for mission-driven firms, since gaining competitive advantage and maximising CSV demands for a longer perspective to be appreciated (ibid).

A third way of achieving cultivation and consistency is through the sharing of knowledge to other stakeholders. Maltz and Schein (2012) describe technology as an enabler of greater integration of processes, which benefits the consistency of other shared value initiatives through enhanced collaboration. Again, this type of approach is more suitable for mission-driven firms, since value may not be accrued in a short-term perspective (ibid).

Lastly, partnering up with NGOs can enable efficient cultivation since such collaboration creates complementation of capabilities neither the MNC nor NGO could have/achieve on their own (Maltz and Schein, 2012). As they argue, long term capabilities thus improve and give rise to greater shared value. This can be linked to better capture Porter and Kramer's (2011) idea of *enabling local cluster development*, which as mentioned required local knowledge and collaborative environments, something NGOs often have great access to.

To summarise, maximising CSV to a high degree depends on the capabilities for value creation, creating consistent understanding of the necessity for full implementation and the absorption of other stakeholders, utilising the power of MNCs.

2.3.2 The need for a collective impact in CSV

Consistent with Matinheikki et al. (2017), Kramer and Pfitzer (2016) also maintain that organisations may be hindered in its CSV strategies by different types of barriers, including governmental policies and culture, as no firm can effectively create shared value in isolation. Thus, they recognise that organisations need to include themselves in inter-organisational, multisector coalitions, and for this a framework has to be established. This framework takes the shape of the following five different elements, all needed for successful CSV and collective impact. 1) *A common agenda*, 2) *A shared measurement system*, 3) *Mutually reinforcing activities*, 4) *Constant communication* and 5) *Dedicated “backbone” support* (ibid). However, Kramer and Pfitzer (2016) also note that while a collective may not always be a necessity in terms of reconceiving products and markets or redefining productivity in the value chain, it is always needed for enabling cluster developments (Porter and Kramer, 2011).

A common agenda is mainly about ensuring that all actors participating in the shared value initiative have a shared vision and joint approach for this (Kramer and Pfitzer, 2016), similar to the findings of Rudd (2000). As they demonstrate, this helps both with aligning actions and defines each actor’s commitment, thus determining how knowledge and data must be shared internal and external the collective inter-organisational environment. It can be linked to general theory of project management in MNCs, where the importance of clearly defining different stakeholders’ roles in combination with knowledge sharing are highlighted (Byosiere and Luethge, 2007). Furthermore, a four-step life cycle for successful project management is discussed. These steps include 1) *conceptualisation*, where goals and necessary capabilities are identified, 2) *planning*, where tasks are allocated around the defined goals, 3) *execution*, which is the actual implementation and coordination of activities necessary for transforming plans into results, followed by 4) *termination* and 5) *evaluation* (Adams and Barndt, 1983; Pinto and Prescott, 1990; Jugdev and Müller, 2005). Within project management and its five-step model, key success factors

which have commonly been identified are; detailed plan, efficient communication, realistic and clear objectives, senior management support and client involvement (Fortune and White, 2006).

Sharing knowledge within MNCs can be said to consist of two parts; donating and collecting it (Monteiro et al., 2008; Van den Hoof and de Ridder, 2004). The donation of knowledge relies much on developing the proper conditions for knowledge sharing, such as employee commitment or a communicative capacity (Van den Hoof and de Ridder, 2004). This also involves reducing potential barriers inhibiting knowledge sharing in MNCs, which according to Yeşil and Hirlak (2013) can be divided into three different categories; *individual barriers* (defined as lack of trust, network and time, as well as significant differences in age, education or expertise), *organisational barriers* (lack of organisational vision and strategy) and lastly *technological barriers* (lack of support in IT, training or systems). The collection of knowledge is dependent on the absorptive capacity of the collecting unit, which includes both the ability to absorb knowledge as well as the capability and motivation to utilise it (Minbaeva et al., 2003; Gupta and Govindarajan, 2000; Zahra and George, 2002). For enabling a common agenda, as well as creating cultivation, knowledge sharing is an important aspect which should be facilitated (Maltz and Schein, 2012; Kramer and Pfitzer, 2016). Taking into account all participants' self-interests in a CSV initiative is also vital, however, individual organisations should not lead an agenda, yet they may initiate the process of the formation of one (Kramer and Pfitzer, 2016). The principle of achieving a common agenda is very much in line with other scholars' findings of the importance of mutual understanding, willingness and efforts to promote a shared value initiative (Maltz and Schein, 2012; Matinheikki et al., 2017; Porter and Kramer, 2011). Achieving a common agenda within an MNC may be facilitated by centralised decision-making, as it provides greater control and integration capabilities (Ciabuschi et al., 2012). Roth and Nigh (1992) argue for the importance of interdependence for efficient headquarter-subsidary relationships, regardless of a centralised or decentralised approach. This is achieved through the reduction of uncertainty, better access to organisational resources across the MNC, improved cooperative exchange and coordination (ibid). As the scholars argue in their study, such achievements can be advanced by integrating personal mechanisms and creating a mutually appreciated management culture.

A shared measurement system is needed for determining how success is measured, reported and subsequently, achieved or not (Kramer and Pfitzer, 2016). In addition, it also helps to formalise the common agenda, governing how organisations should proceed (ibid). Maltz and Schein (2012) also found this to be important, particularly for mission-driven firms, enabling for follow-ups and achieving *consistency*. Measuring food loss and waste helps organisations to understand the underlying factor for its occurrence and further, find incentives to develop joint solutions combating this issue (CEC, 2019). The incentives are there to be found, as argued in chapter one; huge economic benefits along with positive environmental and social contributions result in a shared value by food companies less waste creation (FAO, 2019; UNEP, 2009; CEC, 2019).

Mutually reinforcing activities are realised when many stakeholders do what they do best, engaging with each other for coordinated collaborative settings (Kramer and Pfitzer, 2016). To facilitate this, working groups can be created, each focusing on addressing a typical piece of the puzzle. This then builds on Maltz and Schein's (2012) *capabilities* and the necessity of utilising firms' core competence. Within an MNC, a decentralised approach in terms of headquarter-subsidiary relationship governing may be favoured for building capabilities, as greater subsidiary autonomy enables the capture of important local knowledge (Bartlett and Ghoshal, 2002).

Constant communication is vital for building trust and commitment within the actors needed for the creation of shared value activities, as well as coordinating mutual objectives and sharing necessary knowledge (Kramer and Pfitzer, 2016). Particularly for cluster developments this have been found to be important, as they very much rely on information and communication systems, resulting in shared value through knowledge sharing, increased collaboration etc. (Alberti and Belfanti, 2019). Some practical suggestions on how to succeed with communication within and outside clusters have been established, for example establishing a communication platform, regular meetings and events, establishing a mutual website and an online cluster database (ibid). Whirlpool's CSV initiative on reducing food waste, introduced in chapter 2.2, determined constant communication as vital, as Alberti and Belfanti (2019) found, the interconnection between different actors in the food supply chain were high. Thus, the final effect on stakeholders and customers behaviour was maximised through well-organised communication, with meetings of relevant actors several times per year.

Lastly, a **dedicated “backbone” support**, i.e. either an independent single organisation or multiple organisations, offering guidance in terms of vision, strategy and help supporting and mobilising operations, is necessary for a successful collective impact (Kramer and Pfitzer, 2016). The “backbones” should be as neutral as possible, or actors may try perceiving different short-term profits rather than aiming for the longer and sustainable purpose of the initiative (ibid).

2.4 Stakeholder policies

To find the right balance between what universally can be taken for granted and what should be adapted to local society stakeholders, in aspects such as cultural and ethical differences and similarities is, according to Bondy and Starkey (2014), essential for an MNC to succeed with its international operations within stakeholder policies, in relation to CSR. There are essentially two ways of dealing with this balance: 1) *efficiency responsiveness* and 2) *interpenetration* (ibid). The efficiency responsiveness perspective suggests that MNCs standardise their operations as much as possible for thereafter adapting to the needs of local stakeholders (Begley and Boyd, 2003; Immelt et al., 2009). Conversely, the interpenetration perspective suggests MNCs to combine both local and global viewpoints in their operations, in order to secure efficiency from global standardisation while still facilitating an adaptive approach towards local changes (Ritzer, 2003; Bartlett and Ghoshal, 2002). In both perspectives, the inclusion of a broad range of stakeholders in the MNC’s operations is vital (Bondy and Starkey, 2014), which strengthens Porter and Kramer (2011) core idea of CSV. Shared value requires distinctive collaborative environments across the value chain and cultivation towards other stakeholders’ operations is needed (Maltz and Schein, 2012).

2.4.1 Developing stakeholder policies

The development of stakeholder policies connected to their respective operations can according to Bondy and Starkey (2014) be achieved in two different ways; 1) the MNC submit an internal premade draft to relevant stakeholders for review or feedback, or 2) collaborate with relevant stakeholders when developing policies. A significant majority of the MNCs have been found to use the first approach and thereby experience a low degree of local external stakeholder challenges and issues in their considerations and operations (ibid), although a more collaborative approach in the development of stakeholder policies has shown to facilitate knowledge sharing and new insights (Ind et al., 2017). Yet, as noted by Crane et al. (2014), there will be situations where the

economic and social outcome will not be equal to all stakeholders. Hence, an MNC is more likely to focus on stakeholders that benefit the company over marginalised stakeholders (Khan et al., 2007; Levy, 2008). Additionally, the developed stakeholder policies of MNCs are commonly developed by a small group of people, often senior managers, thereby resulting in low degree of influence from other internal stakeholders (Bondy and Starkey, 2014).

2.4.2 Implementing stakeholder policies

A minority of the MNCs studied by Bondy and Starkey (2014) implemented the policies using a global approach and thereby not adapting it to local stakeholders needs. The remaining majority of MNCs incorporated their desired stakeholder policies using an integrated implementation strategy, meaning they implemented the policy developed by the headquarters but adapted it to local stakeholders and challenges (ibid; Khan et al., 2015). This approach is more suitably in line with the concept of CSV. Common for all the MNCs studied by Bondy and Starkey (2014) is the overall focus on universal challenges which thereby marginalise local stakeholders. Up until the last phase of implementation, local stakeholders are to a large extent ignored (ibid).

2.5 Summary of theoretical framework

To sum up the main points in this chapter, there are three different types of CSV according to Porter and Kramer (2011); reconceiving products and markets, redefining productivity in the value chain, and enabling cluster development. Managing these in MNCs, Maltz and Schein (2012) suggest a 3C framework consisting of capabilities, consistency and cultivation. Furthermore, for achieving a collective impact Kramer and Pfitzer (2016) propose five elements that managers should consider developing; a common agenda, a shared measurement system, mutually reinforcing activities, constant communication and dedicated backbone support. Managing activities in MNCs may be a complex story, as subsidiaries and subsequently stakeholders, exist across borders. Thus, headquarter-subsidiary relationships become decisive (Ciabuschi et al., 2012). A centralised approach may entail for greater control and a smoother integration process, whereas the opposite towards decentralised management creates greater local responsiveness and thus may capture knowledge of value to another degree (ibid; Roth and Nigh, 1992; Bartlett and Ghoshal, 2002).

3. Method

The method aims to provide the reader with an understanding of how the authors reached their conclusion, by analysing the scientific approach and perspective, research design, chosen paradigm and the process of collecting and structuring data. Included in these concerns is a critical reflection, determining the quality of research method of choice, along with ethical considerations.

3.1 Scientific approach

3.1.1 Ontology

Ontology refers to the way of viewing the world which can be divided into two different perspectives; *objectivism* and *constructionism* (Bryman and Bell, 2015; Persson et al., 2018). Taking the view of an *objectivist's* eyes, it is believed the world exists independently of humans and reality cannot be affected by the individual, although it can be measured (Bryman and Bell, 2015; Moon and Blackman, 2014). According to Persson et al. (2018), an *objectivist* ontology is often used within the field of natural sciences. As previously stated, CSV is according to Porter and Kramer (2011) about creating value for the focal company simultaneously as it benefits the society which it is embedded in. It is therefore clear that the shared value organisations create, derives from actions and initiatives developed and executed in mutual coherence by the focal company and other stakeholders (ibid). Value is therefore not seen as an objective concept in relation to food loss and waste. At the opposite spectre of the scale is *constructionism*, which is described as reality created by the people living in it, nothing therefore exists independently of mankind (Bryman and Bell, 2015). This view is according to Bryman and Bell (2015) more often used in social sciences, where behaviour indeed can be affected. The three researched organisations in this study have, through their approaches to coordination and implementation of their initiatives for reducing food loss and waste, created and affected the behaviour of internal and external stakeholders, and thus also the created value thereof. In other words, organisations and societies determine and impact not only what value is to them, but also how to transform this value into real life. Therefore, the authors perceive the research conducted through the perspective of *constructionism*, since shared value creation relies on human influences.

The two ontological perspectives, *objectivism* and *constructionism* (Bryman and Bell, 2015; Persson et al., 2018) connects with Burrell and Morgan's (1979) two paradigmatic assumptions, based on Kuhn (1970); *objectivist* which is an external view of an organisation and their processes and structures, while a *subjectivist* assumption is an organisation constructed by the individuals and their experiences. In the case of this study, the respondents contribute with their perceptions and experiences in relation to the developed questionnaire during the interview. A *subjectivist* assumption is therefore a foundation for this research, aligned with *constructionism* as chosen ontology.

3.1.2 Epistemology

Defining the truth of conducted research is the core question of epistemology according to Bryman and Bell (2015). They differ between the following three perspectives of epistemology; *positivism*, *realism* and *interpretivism*. Positivists believe in the possibility that social science can be conducted similar to that of natural science, where the findings can be quantified (ibid). Hence, positivist epistemology is commonly connected to quantitative research (Brett, 1994). Implying a positivist epistemology in this study would therefore require a greater use of quantitative primary data, for example by measuring the effects, either financially or by volume, of the coordination and implementation of CSV related to food loss and waste. This view is beyond the scope of this study. Conducting social science studies using realism epistemology can, however, be done using the same approach to data as natural science and vice versa (Bryman and Bell, 2015). Realism as an epistemology further divides into two major perceptions: *empirical realism* and *critical realism*. The former states that by using the best applicable methods it is possible to understand reality, it therefore shares similar characteristics as positivism (ibid). Conversely, the latter implies knowledge exists independently but is understood through interpretation by the individual (Bryman and Bell, 2015; Moon and Blackman, 2014). Lastly, interpretivism epistemology is a descriptive and qualitative approach to studies (Bryman and Bell, 2015), where each individual perceives their own reality (Moon and Blackman, 2014).

For this study, it is believed *realism*, with an increased focus on *critical realism*, is the best way of perceiving the conducted research as the respondents interpret knowledge differently, since initiatives which were proven efficient in some parts of the value chain may not be perceived as

the best at their focal market. Realism, and in this case more specifically, critical realism, is in line with the previously mentioned constructionism ontology (Moon and Blackman, 2014), and is therefore perceived applicable as a chosen scientific approach towards reaching the purpose of this study.

Defining the purpose of a study within its paradigm can according to Burrell and Morgan (1979) be accomplished in two ways: *regulatory* which is describing the processes, suggesting paltry improvements, without concluding whether it is right or wrong. *Radical*, on the other hand, is described as making judgements and recommendations based upon the conducted research. The purpose of this research is to investigate and describe how the appointed MNCs implement and coordinate CSV activities in relation to food loss and waste, as detailed recommendations of how the MNCs should in fact implement and coordinate CSV is beyond the scope of this study. Therefore, the desired purpose is mostly focused on the *regulatory* paradigm, where the suggested model may alleviate potential challenges of CSV coordination in MNCs yet is not judged to be the sole or best method, nor aiming to influence the chosen MNCs.

Based upon above mentioned ontological and epistemological discussion in section 3.1.1 and 3.1.2 respectively, the research will thus be conducted within an *interpretive* paradigm (ibid), meaning a focus on regulative sociology and subjective assumptions, further illustrated in figure 2.

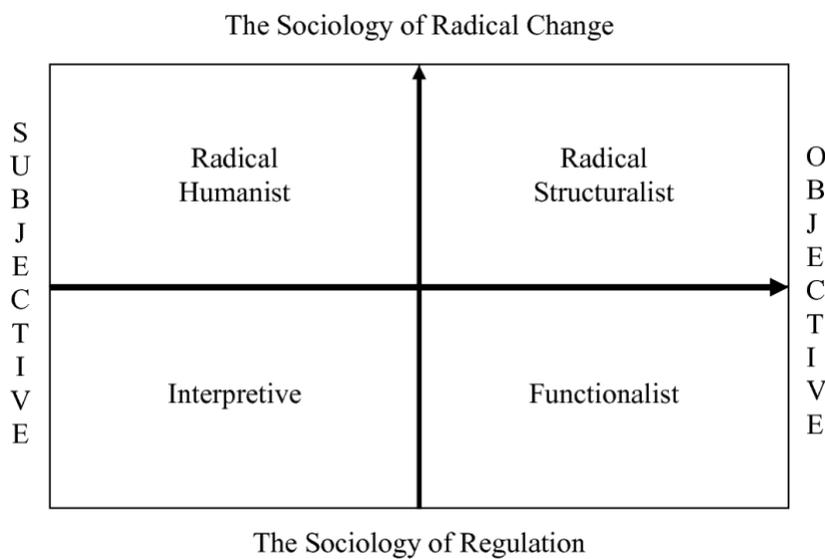


Figure 2: Paradigm overview. Adapted from Burrell and Morgan (1979).

3.1.3 Qualitative research method

A research method can essentially be divided into two different categories; quantitative versus qualitative methods (Bryman and Bell, 2015). For the purpose of this study, the latter form has been utilised. A qualitative research method was deemed to be most suitable, as we pursued a deeper understanding of how some of the most prominent MNCs within the food industry manage CSV and coordinate with different stakeholders across borders. This requires interpreting different processes (for managing CSV) and the meanings behind those, set in a certain context (food loss and waste), for which qualitative methods become useful (Silverman, 2020 p.6). Although a quantitative method, e.g. in the form of predefined polls, could have enhanced generalisation with larger samples, it would not be able to as efficiently capture more complex issues in depth. The questions and subsequently, the results, would be heavily influenced by our own as well as previous researchers' understanding of managing CSV in MNCs, giving less opportunity for the respondents to come with personal insights on what should in fact be considered. Qualitative methods provide greater flexibility because it enables an entirely different level of adaptation, by efficiently reproducing the participants viewpoints and own suggestions, which could be argued to be the main purpose of a qualitative study (Yin, 2013).

3.1.4 Research approach – induction, deduction and abduction

In what way the theoretical framework facilitates with reaching the purpose of a study is determined by the chosen research approach (Alvesson and Sköldbberg, 2009). The original idea first introduced by Peirce as early as in 1868, explains mainly two different approaches, *inductive* versus *deductive*, where the former is illuminated as new theory building through exploratory and empirical research (Rodrigues, 2011). The latter approach on the other hand, is merely described as testing an earlier established theory, where all information needed for reaching a conclusion is in the premises (ibid). In more recent ethnographic research, a combination of the both approaches have been considered, called *abduction* (Alvesson and Sköldbberg, 2009; Rodrigues, 2011). An abductive research approach is described as “*the process of forming an explanatory hypothesis*” (Rodrigues, 2011 p.137), where a conclusion can suggest that something *may* be in a certain way. Furthermore, the abductive approach makes use of prior research as validating the empirical findings, which endorses recommendations and future research based on this analysis (Alvesson and Sköldbberg, 2009; Collis and Hussey, 2013).

3.1.4.1 Abduction – further elaborated

This study took an abductive research approach, hence the process on switching focus between theory and empirical findings were continuously moving back and forth, in accordance with the findings of Welch et al. (2011) and Dubois and Gradde (2002), as well as reflecting forthcoming discussion on the three different types of case studies (exploratory, descriptive and explanatory). Initially, examining prior research on the topic of CSV, MNC coordination and headquarter-subsubsidiary relationships were necessary to gain insight of, as to efficiently conduct interviews and extract relevant information from the respondents. Not only did this knowledge lay the foundation of the theoretical framework, it also, as previously discussed, helped to synthesise the development of the interview questionnaire. Yet through the empirical findings, new discoveries made it interesting to search for more theory to validate the findings. For example, evidence from the case interviews suggested a necessary focus on project management as to create consistent CSV across the MNC. Subsequently, it became relevant to learn more about project management and include scholars discussing this topic in the theoretical framework (e.g. Fortune & White, 2006; Adams and Brandt, 1983; Byosiere and Luethge, 2007). This enabled for more accurate analysis to be conducted and facilitated in responding to our set research questions. As Dubois and Gradde (2002) also argue, theory cannot be completely understood without the conduction of empirical research, and vice versa. Unexpected findings may require adaptations of prior research or shedding light to other perspectives earlier overlooked, which is the approach taken in this study.

3.1.5 Research design

In order to best capture challenges and potential measures which may be taken for overcoming them, in the context of implementing and coordinating CSV activities in MNCs within food loss and waste, a case study was conducted. Case studies are the most common research approach within the field of International Business, with the benefits of efficiently capturing complex issues for which the researchers have little to none control over (Welch et al., 2011; Yin, 2013). A case study enables the researchers to capture more sudden and deeper insights compared to other methodologies, hence providing greater flexibility (Blumberg et al., 2011). As Bryman and Bell (2015) also maintain, case studies are preferred when the study tries to provide answers of *how* and *why* questions. This study indeed tries to impose a greater understanding of how MNCs can coordinate CSV activities and come with suggestions on what firms can do to alleviate found

issues. Providing such a suggestion requires a discussion on why it could be an appropriate measure for MNCs within the food industry, taking its basis on the theoretical framework aligned with primary data from the empirical findings. To facilitate a deeper discussion and create a sense of comparability, aiming for better particularising on the research questions, three different MNCs but within the same industry were chosen, hence the study takes a *multiple-case study design*. Yet there are different types of approaches which can be taken in case studies. Specifically, Yin (1994) distinguishes between *descriptive*, *exploratory* or *explanatory* case studies. Descriptive case studies rely on theory to guide and shape the collection of empirical material, which to some extent indeed was true for this study. The interview guide was formed and influenced by gathered theory, for instance. Prior to this, and in light of developing the research questions, theory further heavily influenced this process as the study seeks to explain coordinate issues in MNCs, and of CSV activities explicitly. However, CSV is a relatively new concept, and research connecting it with MNC coordination is minimal, even though the concept is reliant on coordination (Porter and Kramer, 2011). The study of a new phenomenon is commonly described as an exploratory research approach, which thus also highlights the approach of this study.

In the end, the purpose has not been to merely describe what theory already could tell us, but to provide answers on how MNCs can implement and coordinate CSV activities and how challenges connected to this can be alleviated. This focus has reflected the gathering of empirical material, where previous cases could give indications on what to put more focus on in the next, and theory has been used to analyse this material to eventually answer the research questions. This is similar to an explanatory research approach as the study goes beyond description (Yin, 1994). Thus, a combination of all three types of multiple case studies have had an impact on the outcome of the study, only during different stages.

While case studies may not be able to create generalisation (Bryman and Bell, 2015; Yin, 2013), they do provide with valuable insight in the formation of theoretical recommendations when set in a specific context (Tsang, 2014), such as CSV in relation to the fight against food loss and waste. Thus, this study also strives to enrich the theoretical understanding of managing shared value initiatives in MNCs, through a qualitative case study design explained above, giving potential for

best practices to be developed. A quantitative method would likely be less successful in capturing the complexity within this issue.

3.1.5.1 The three cases

Three main criteria were set which companies had to meet in order to be considered for the study. First, part of their core activities had to be within the food business and related sub-functions, since the context of the study is within food loss and waste. Second, firms had to be categorised as MNCs, thus with operations and stakeholders stretching across multiple borders. Last but certainly not least, the firms all were of course required to have *considered* a CSV or CSR concept within their line of business, where the inclusion of reducing food loss and waste is actual. However, as the research questions are formed in a way which invites a discussion on potential challenges MNCs view with the implementation and coordination of CSV activities, they were not required to currently realise CSV within their strategy, as long as it had been considered in the past. Thus, discussions could still be made on why the concept was put on hold. The three cases that were chosen, fulfilling all set criteria above, are outlined in table 3:

Table 3: Outline of investigated cases.

Corporation	Description	Interviewed
Unilever	Operates all over the world. Has a wide product portfolio within the food category. Interviewed office focuses on downstream activities.	Regional office, Sweden (one interview).
Nestlé	Operates all over the world. Has a wide product portfolio within the food category. Focus on upstream- and downstream activities.	HQ, Switzerland (three interviews). Interviews were only for clarification of available secondary data. No quotes from the interviews were allowed.
Orkla	Mainly operates within the Nordic countries. Wide product portfolio within the food category. Focus on upstream- and downstream activities.	HQ, Norway (two interviews) and subsidiary, Sweden (one interview).

The small number of cases reflect the research purpose on achieving depth rather than breadth. Both inter-organisational and intra-organisational relationships are vital parts in managing efficient CSV in MNCs, which have been researched for the three case companies.

3.1.5.2 Hermeneutics

In extension of the abductive approach previously described, the research has furthermore been conducted with a hermeneutic approach. Throughout the research period, it has been necessary to understand the different sub-elements of the empirical findings in order to understand the investigated MNCs and their way of implementing and coordinating CSV as a whole for thereafter setting it in a theoretical context, which is the core of hermeneutics, i.e. understanding each part of the research to understand the whole for thereafter facilitate in the final understanding of each part (Bryman and Bell, 2015). It is a constant loop in line with an abductive research approach (Feil and Olteanu, 2018) where one goes back and forth between theory and empirical data. According to Eger (1993) and Ginev (1995), the problem with hermeneutics arises as double hermeneutics occur when research is based upon previous studies that have already been interpreted. In 2011, Porter and Kramer set the foundation of CSV, which several scholars since then have conducted research upon (e.g. Maltz and Schein, 2012; Wójcik, 2016; Alberti and Belfanti, 2019). Existing research on CSV and how it can be managed have been examined by multiple scholars before subsequently being interpreted and put into context in this study. Previous scholars' personal bias may therefore, unintentionally or not, have affected this research as it sets the theoretical foundation for the conducted research.

3.1.6 Overview of the scientific approach

The research of this thesis is conducted with a *constructionist* ontology as CSV is not a natural phenomenon but rather created and coordinated by organisations and the employees. Hence, CSV relies on human influence to exist. In continuation of the constructionist ontology is a *subjectivist* paradigm assumption due to the empirical findings are based upon the respondents' personal perceptions and experiences of their work with CSV and food waste and loss. This is furthermore related to the applied epistemology which is set to be *critical realism* as activities are objectively implemented, but the respondents interpret the effects and relevance of the activities themselves. The purpose of this thesis is to alleviate processes of how the chosen MNCs implement and coordinate CSV activities. The focus is therefore on the *regulatory* purpose paradigm. To achieve a deeper understanding of the processes, a qualitative study has been conducted as this method allows the authors greater flexibility and allows for the respondents' viewpoints to be brought forward. A *multiple-case study* of three MNCs within the same industry has been conducted to

establish increased comparability while achieving desired particularising on the research questions. An abductive research approach has been used as each interview with the respondents provided new insights and perspectives to be adapted for the theoretical framework. The scientific approach altogether is summarised in figure 3.

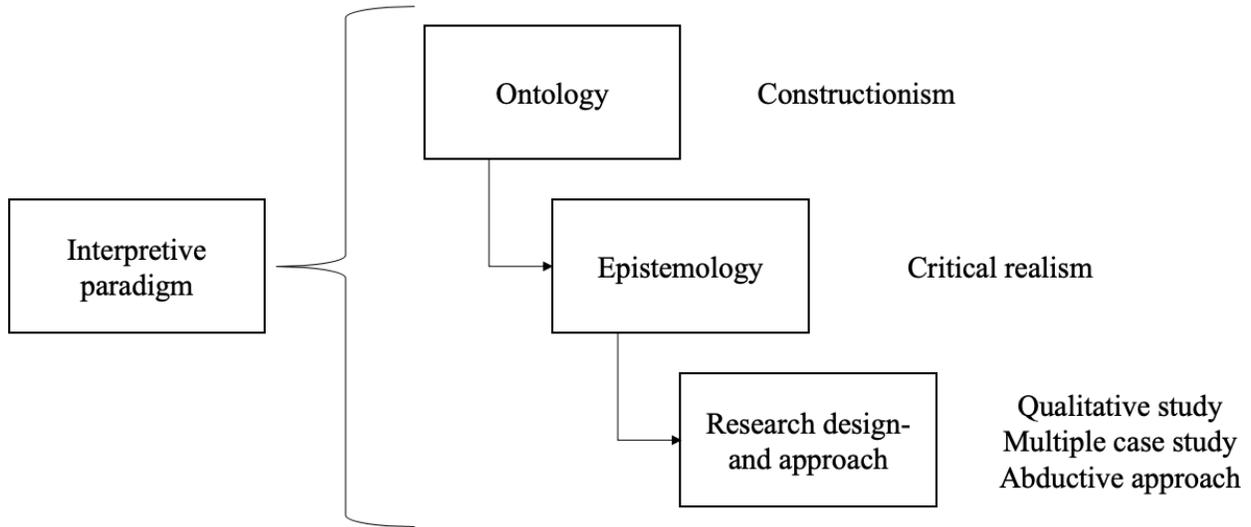


Figure 3: Summarisation of scientific approach. Own compilation.

3.2 Establishing a theoretical framework

A literature review was conducted primarily for two reasons. First, it aims to support empirical findings while allowing for a discussion to be conducted, in order to answer the research questions. To our knowledge, not many studies have investigated how MNCs can coordinate CSV activities in practice, nor set in different industries, yet there is much information to obtain regarding CSV as a concept and MNC coordination and headquarter-subsidiary relationships in general. Thus, combining prominent studies within these areas with the concept of CSV and setting this in relation to the empirical findings, in the context of food loss and waste, provides for greater recommendations in the end.

Second, the theoretical framework further facilitates as a guide for primary data collection, like argued as a necessity within the abductive approach above. Interpreting and making use of the framework, it facilitated the structuring of primary data into different categories (see figure 5, Chapter 3.3.3 *Data analysis*). In the search for relevant articles and studies to contribute to the theoretical framework, a consistent combination of keywords was used, where the most common

were: Shared value, CSV, Created Shared Value, MNC coordination, knowledge sharing MNC. The search was mainly done on databases such as ScienceDirect, Google Scholar and through the “Super Search” function provided by the library at University of Gothenburg. The aim was to make use of prominent journals, like Harvard Business Review or Journal of Management, which all have been peer-reviewed, for increased credibility. Moreover, all articles have also been peer-reviewed by other researchers. Prior to the search of academic articles used for the formation of a theoretical framework, creating an understanding on the topic of food loss and waste was done to get a grasp of the global issue and further, if CSV as a concept could help combat this. These sources were mainly, in contrast to the theoretical sources which thus constituted from articles of academic journals and books, collected from organisational reports from large organs like the UN, World Wildlife Fund (WWF) and FAO. The reports were gathered through Google searches combining keywords of ‘food loss and waste and ‘UN’ etc.

3.3 Collecting the empirical material

3.3.1 Primary data

Primary data has been collected through interviews with internal stakeholders in the form of employees from headquarters and subsidiaries. Collecting primary data in the shape of interviews gives the advantage of providing deep insights and new knowledge to our research (Adams et al., 2007). In addition, this type of data is often regarded as to create more legitimacy to the reader, as it is derived from a real-life perspective and personal experiences, which may be more suitable when trying to describe a complex issue (Guercini, 2014). The interviews have been conducted with a semi-structured approach, providing with flexibility since answers to predefined questions will be given while at the same time, there is a possibility of gaining new information that was not initially considered when structuring the interview guide, thus also providing the opportunity for elaboration of certain themes and aspects (Bryman and Bell, 2015; Silverman, 2020). Additionally, in line with the approach suggested by Saunders et al. (2009), due to the nature of this study being primarily explanatory with the aim to through an enhanced understanding of CSV in practice conclude with recommendations, qualitative interviews allowed the examination of causal relationships between different stakeholders and factors. Thus, to conclude, semi-structured qualitative interviews were the most suitable method for the gathering of primary data for this study.

The plan was to conduct all interviews face-to-face at the firms' local offices, however due to the unfortunate COVID-19 pandemic outbreak during the study, firm policies excluded us to meet in person for safety reasons. Hence, all interviews had to be conducted digitally through either Skype Business or Microsoft Teams video application. A more thorough description of the COVID-19 effects on this study can be found in Appendix III. The interviews were recorded with confirmed permission from the respondents, which was indeed helpful in the following work of structuring and analysing all data, since with transcription reducing the risk for information to fall short, as also suggested by Bryman and Bell (2015). Understanding the coordination across MNCs' organisations and the complexity therein, relationships had to be investigated. To best capture this, interviews were conducted across borders on organisational levels, studying global and regional headquarters, and subsidiaries with the same type of approach. However, Orkla was the only organisation which agreed to participate at different organisational units, i.e. both the global headquarters and a connected subsidiary. All respondents have been top managers, such as Sustainability Director/Vice President Sustainability or Regional Lead with high tenure.

The initial contact to respondents were made using LinkedIn, who, if not being the most suitable person, provided the name of a new contact. Thereby, a snowball sampling method was used (Browne, 2005; Atkinson and Flint, 2001; Jacobsen, 2002). As noted by Silverman (2020), choosing the right respondents is also a matter of what the setting allows, since time and resources are limited. In addition to the snowball method, purposive sampling has been used as it has been evaluated that respondents had the knowledge to contribute to the study by answering questions related to the interview guide, thereby providing the best foundation for the empirical material (Jacobsen, 2002; Silverman, 2020). The respondents from the three cases have been as followed (the names of the respondents are fictitious however titles are not):

- Olive, Nordic Foods Lead, Unilever (Regional HQ, Sweden)
- Bran, Vice President Sustainability Corporate Communications & Corporate Affairs, Orkla (Global HQ, Norway)
- Brie, Senior Vice President EHS, Orkla (Global HQ, Norway)
- Kobe, Environmental Manager, Orkla Foods Sweden (Subsidiary, Sweden)
- Daisy, Sustainability Manager, Nestlé (Global HQ, Switzerland)

3.3.2 Secondary data

Combining multiple sources of evidence is particularly useful for giving body to the investigation of relationships (Eisenhardt, 1989). In our study, the usage of secondary data was done for triangulation purposes, as to enhance the validity of the collected primary data as well as to gain additional insights in what may have been overlooked during the interviews. It was also a necessity for increasing the scientific strength of the study, with less actual primary data than initially planned for, due to the ongoing COVID-19 pandemic. The secondary data mainly consist of annual and sustainability reports from each of the three organisations part of the study. These have been found published online on the organisations' official web pages, and only the most recent reports have been considered, when applicable. In the case of Nestlé, there has been a larger focus on finding important secondary data, for two reasons. First, the official in-depth interview with the planned respondents had to be cancelled, hence there was a necessity to replace this lost data in other forms. Second, because Nestlé indeed puts much of its attention on CSV in different formats, there is for this study's purpose much valuable information to gather from various reports, including their officially released CSV report in 2020. Part of the secondary data from Nestlé was subsequently discussed with the contact at the global headquarters for clarifying purposes.

3.3.3 Data analysis

Although analysis of data within qualitative methods as a multiple-case study normally does not entail a strict order which may be required for in a quantitative study, some type of structure is needed for conclusions to be efficiently developed (Yin, 2013). By using an abductive and hermeneutic research approach, as argued for in chapter *3.1.4 Research approach*, data analysis was done simultaneously as the development of theory, moving back and forth between theory and primary data. During this method, a general discussion between the two authors was first done

after each interview to recap the main points that were brought up and to reduce the distance of information. This was also partly done as to reflect on the procedure and what could have influenced the data that were obtained. Followed by this, transcription was conducted for each interview in order to control interpretations and facilitate when analysing the results, in line with the recommended procedure given by Bryman and Bell (2015). Transcription further allows for validating with the respondents afterwards, whether they consent with the answers given or if there is something that they think should be added or deducted from the results. The transcribed material was organised as headquarters, subsidiary or external stakeholder. Using an abductive approach, organising the data through transcription makes it convenient for the authors to compare the results with available theory, and the need for finding additional secondary data to support the findings (Yin, 2013).

To analyse the empirical data, the “Gioia method” was used. The Gioia method is an approach to grounded theory (Gioia et al., 2013) where empirical primary and secondary data are grouped into different categories (Gioia et al., 2010; Yakob, 2018). Firstly, open coding was used to group first-order categories, which is based upon quotes from primary sources combined with relevant information from secondary sources (Van Maanen, 1979). Afterwards, axial coding (Strauss and Corbin, 1998) was used to find relationships and similarities between first-order categories. As one may note, the different perspectives of the 3C framework (Maltz and Schein, 2012) have been chosen over Kramer and Pfitzer’s (2016) collective impact framework for the second-order categories, as they best cover the overarching themes of the first-order categories. The theory of a collective impact with regards to CSV, connected to the empirical findings, covered more specific aspects, hence linked to the first-order categories. Conclusively, the 3C framework as second-order themes contributes with a broader perspective to the data analysis while the collective impact framework is more detailed, still supporting the aspects of the 3C framework. All categories are related to the keywords; “coordination” and “implementation”, the overarching dimensions.

The empirical findings in chapter 4 will later be presented in additional headlines, because several of the second-order themes are interdependent with each other. Thus, it was found to best be presented to the reader by the chosen formation, establishing new headlines inclusive of second-order themes as such. Here we structured it as Joint value creation or Capabilities with regards to

implementation. Coordination is divided between intra-organisational and inter-organisational. The former includes second order themes internal stakeholder collaboration, headquarter-subsubsidiary relationship, internal knowledge sharing, consistency, and internal cultivation across the organisation. In the latter, data on external stakeholder collaboration, consistency and external cultivation is presented. The decision to separate between implementation and coordination was to simply provide a more efficient overview, as some of the themes connect greater to one dimension than the other. This does not mean that the two dimensions are argued to be completely separated. In the following analysis in chapter 5, the division between implementation and coordination is repeated, yet structured as to what has been considered interesting in accordance to both the theoretical framework and the empirical findings.

Figure 4 shows the data structure of the empirical findings while table 4 shows quotations related to themes and categories as supportive evidence.

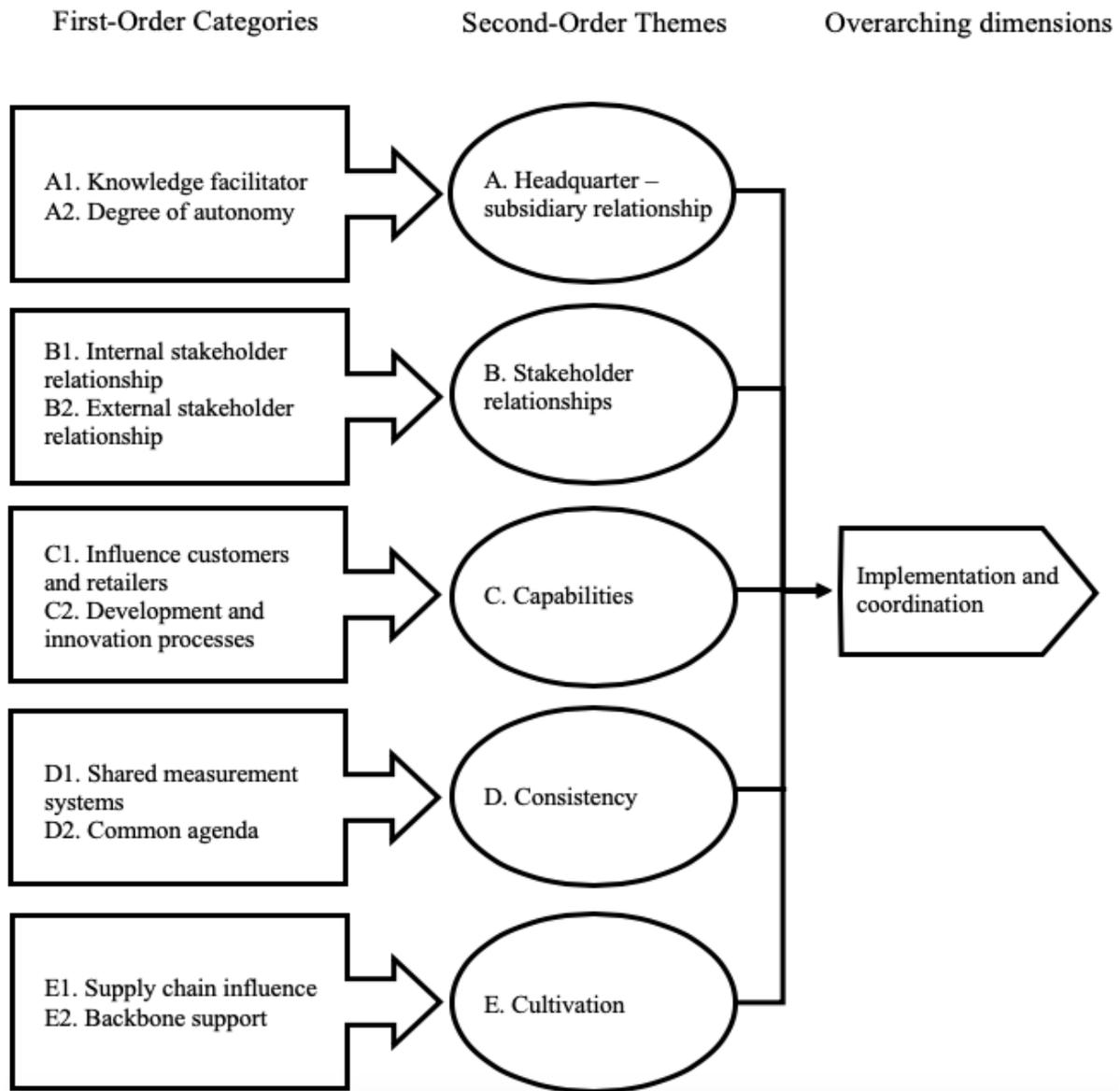


Figure 4: Data structure. Own compilation based on Gioia et al. (2010) and Yakob (2018).

Table 4: Themes, categories and quotations.

Themes and categories	Representative quotation
<i>Headquarter-subsidiary relationship</i>	
A1. Knowledge facilitator	<p>A1. “The head office inspires, and shares knowledge and measures from third markets. Successful activities related to food loss and waste could be implemented into our Nordic market.” - Unilever</p> <p>A1. “Markets (subsidiaries) were supported with investigative guidelines and best practices, as well as escalation procedures.” – Nestlé (2020b)</p> <p>A1. “We have worked a lot to share competencies. In one project we gathered factories with similar production to build best-practice and share learnings, with good results.”- Orkla HQ</p> <p>A1. “It’s crucial that there’s a link between central and local goals and action plans. The HQ sets requirements and helps to share knowledge across different markets” - Orkla Foods Sweden</p>
A2. Degree of autonomy	<p>A2. “The approach is decentralised. Our collaboration with the HQ from a central point is very much about inspiration, visibility and goals.” – Unilever</p> <p>A2. “Being as decentralised as possible to optimally respond to the needs of consumers, within the framework defined by our fundamental policies, strategic directions and operational efficiencies.” - Nestlé (2011)</p> <p>A2. “It’s very decentralised. While HQ set targets and requirements on reporting, it’s up to the local subsidiaries to implement activities they see best fit.” - Orkla Foods Sweden</p>
<i>Stakeholder relationships</i>	
B1. Internal stakeholder relationship	<p>B1. “This year we have set a target of 50 percent reduction in business waste. I have put it on my entire team, and it will affect their bonus whether or not they reach this target.” - Unilever</p> <p>B1. “[sustainability champions] help engage colleagues on sustainability, support our leadership teams to identify local priorities, and review progress against our targets” - Unilever (2020b).</p> <p>B1. “We educate all employees to live by the Nestlé corporate business principle on environmental sustainability. We make Nestlé resourceful” - Nestlé (2013)</p> <p>B1. “Our internal sustainability network with connected sustainability managers from each unit, have an overarching responsibility to reduce waste. In this internal network, new innovations are shared and spread across the MNC” - Orkla HQ</p> <p>B1. “It is important that we have objectives that are rooted in management” - Orkla Foods Sweden</p>

Table 4 (continued).

B2. External stakeholder relationship	<p>B2. “Recently, we developed a mobile game together with Flaire for the purpose of raising an awareness of food waste to the consumer. We have also done podcasts on how to save food together with Hellmann's.” – Unilever</p> <p>B2. “We benefit from engaging with diverse stakeholders, and, by working together, we maximize what can be achieved. These stakeholders include multilateral agencies, international organizations, governments, academia, non-governmental organizations (NGOs) and industry bodies.” – Nestlé (2020c)</p> <p>B2. “We work quite a lot in networks, both with competitors and others in the industry on specific issues.” - Orkla HQ</p>
<i>Capabilities</i>	
C1. Influence consumers and retailers	<p>C1. “For all brands it is essential to reduce our own food loss and waste, but for Hellmann's specifically we have taken it a step further as we try to influence the consumer with our communication, inspiring for reduced food waste. At Knorr, we have a different focus when communicating with the consumers for this purpose.” - Unilever</p> <p>C1. “Nestlé wants to help consumers make informed choices through credible, substantiated communication and by providing tips and recipes that can help them avoid food waste.” - Nestle (2015)</p> <p>C1. “We engage in B2B food waste reduction by advising professional bakers on how waste may be reduced. Not so much towards consumers yet.” - Orkla HQ</p>
C2. Development and innovation processes	<p>C2. “Our market team in Sweden develops innovations and analyses different business cases...” - Unilever</p> <p>C2. “Nestlé’s R&D network looks for innovative waste recovery options to optimise their value.” - Nestle (2015)</p> <p>C2. “A subsidiary has e.g. developed products that enable you to make day-old bread into snacks instead of throwing it away” - Orkla HQ</p>
<i>Consistency</i>	
D1. Shared measurement system	<p>D1. “...the global HQ set goals in how much savings we should do on business waste reduction (...) where they visualise how much money we waste on [food] waste. There is a non-acceptance of it from both a business and sustainability point of view, and we put much effort in conducting reports and doing follow-ups, with pressure coming from the global HQ.” – Unilever</p> <p>D1. “Since 2016, we have been reporting the food loss and waste generated in our factories according to the World Resources Institute’s Food Loss and Waste Protocol.” - Nestle (2019)</p> <p>D1. ”To ensure a consistent and coherent implementation worldwide, Nestlé submits all its manufacturing sites to ISO 14001 certification by independent accredited bodies and is expanding this programme to all its units.” - Nestlé (2013)</p>

Table 4 (continued).

	<p>D1. “Measuring shared value, and more generally sustainability reporting is an important, but challenging area (...) We are dependent on receiving reports on numbers and activities from all our companies, and it’s challenging to aggregate data on different types of value streams” - Orkla HQ</p>
D2. Common agenda	<p>D2. “We’re putting sustainable living at the heart of everything we do. That includes our brands and products, our standards of behaviour within and beyond Unilever” - Unilever (2020)</p> <p>D2. “Nestlé is therefore committed to environmental awareness training and education for our employees, alongside effective communication with employees and recognition of their initiatives and achievements towards environmental improvement” - Nestlé (2013)</p> <p>D2. “A mutual cultural understanding is very important in reducing food loss and waste, we cannot completely rely on technical solutions. Leadership is a vital part in this” - Orkla HQ.</p> <p>D2. “It is important to cultivate sustainable practices to all departments in the organisation. Everyone has a role to play on this matter, as well as a responsibility in their duties. It must be integrated as part of the organisational culture and that all employees feel it’s a natural part of the job, e.g. to reduce food loss and waste.” -Orkla Foods Sweden</p>
<i>Cultivation</i>	
E1. Supply-chain influence	<p>E1. “...it is important to get every internal stakeholder motivated to influence their external partners.” - Unilever</p> <p>E1. “We foster environmental sustainability in the supply chain through: ...the Farmer Connect Programme which supports the farming communities where we source agricultural raw materials, and provides technical assistance on sustainable production methods; we also optimise the delivery of raw materials up to the factory; the Sustainable Agriculture Initiative at Nestlé which shares best practices and lessons learned.” - Nestlé (2013)</p> <p>E1. “We work with innovation and advice for professional clients. It’s a win-win solution. There you see shared value where we contribute with knowledge and innovations which in turn enable our customers to offer a better product range and reduce costs.” - Orkla HQ</p>
E2. Backbone support	<p>E2. “The SDGs are a once-in-a-lifetime opportunity to create a better world. Our scale and reach mean we can both contribute to, and benefit from them.” – Unilever (2020d)</p> <p>E2. “Linking the SDGs with CSV and our material issues helped us look more closely at where we can have the biggest impact. Today, our sustainability strategy is carefully mapped against the 17 goals, with each commitment and impact area corresponding to one or more of them.” - Nestlé (2020d)</p> <p>E2. “Our environmental work contributes to the achievement of the UN global Sustainable Development Goals 12, 13 and 17.” - Orkla (2020a)</p>

3.4 Quality of research

3.4.1 The scientific strength of qualitative studies

With qualitative research being more time consuming with regards to collecting data and therefore often has less representative population compared to quantitative research, and the fact that qualitative data is affected by researchers' subjective interpretations (Eriksson and Kovalainen, 2015), Bryman and Bell (2015) suggest four alternative methods to ensure trustworthiness of the research: *credibility*, *transferability*, *dependability* and *confirmability*. These methods are, according to Bryman and Bell (2015), more appropriate for analysing the strength of conducted qualitative research compared to classical methods as reliability and validity.

3.4.1.1 Credibility

Determining the credibility of a study is by Bryman and Bell (2015) considered similar to internal validity. What determines the credibility of a study is the sampling method (Lincoln and Guba, 1986). Although the qualitative study cannot represent a significant large part of the population (Eriksson and Kovalainen, 2015), the respondents providing the primary data have been chosen based on their position in the organisation, expertise and knowledge that relates to the research question, allowing for particularisation and comparative analysis to be conducted. The aim is not to generalise the entire food industry and actors work on CSV, but rather increase our understanding of it.

3.4.1.2 Transferability

Transferability, similar to external validity, is defined as how relevant the findings are in other contexts (Bryman and Bell, 2012; Lincoln and Guba, 1986). When conducting case studies, a generous description of the findings and the background thereof should be provided, in order to encourage other researchers to understand the context of which the study was conducted in, to facilitate their own reasoning (Geertz, 1973; Lincoln and Guba, 1986). Although this study has been conducted in the context of MNCs implementation and coordination of CSV related to food loss and waste, the scope of the CSV concept is wide and can be applied to organisations working with other challenges (Porter and Kramer, 2011). In other words, the study's transferability is high.

3.4.1.3 Dependability

To secure the dependability of the conducted research, which is similar to reliability (Bryman and Bell, 2015), the same interview guide has been used when conducting all interviews. Thereby, consistency has been secured which is an important aspect when achieving dependability (Leung, 2015). Transparency of the empirical data is another important aspect of dependability (Bryman and Bell, 2015), which has been achieved by recording and transcribing the interviews to be able to recapture and confirm the collected data. Lincoln and Guba (1986) state that by presenting thoughts and discussions related to the research question, research approach, sampling and data analysis, it is possible to achieve a higher degree of dependability. These thoughts and discussions have been presented throughout chapter 3. For this thesis, the dependability has been increased through individual supervision sessions with the supervisor, Dr. Ramsin Yakob. Additionally, through a disposition where scientific approaches were eventually defended.

3.4.1.4 Confirmability

Equivalent to objectivity, confirmability is related to the objectivity of the researchers and chosen method (Lincoln and Guba, 1986). As none of the researchers are, nor have acquaintances, related to the respondents, combined with an interview guide consisting of neutrally formulated questions, the confirmability of the research and findings ought to be of high level. If opted for, it was indeed possible for the respondents to receive a copy of the transcript from the interview and object if they disagreed with the transcript, although they did not have any later influence of the conducted analysis. Certain citations however, had to be adjusted by request.

3.4.2 Ethical considerations

Throughout the research process we have carefully considered different actions' implications on respondents with a clear communication to achieve consensus. All respondents have been offered anonymity, yet we are pleased that we came to a collective agreement that organisation name and position could be highlighted, since it enhances the credibility of the study greatly. The initial approach with the contacts were done through LinkedIn's premium message function, where a short introduction to the purpose of the study was given, as well as the preferred structure of the interviews. This indeed fired up the prior mentioned 'snowball effect', when company representatives who agreed to participate, could give further recommendations on valid persons to

contact, given our research purpose and approach. This was particularly evident for the case of Orkla.

To further clarify on what was expected from the respondents and to ensure they were comfortable in the upcoming interviews, an interview guide was developed and provided with. This guide, found in Appendix I, includes a short summary on the research subject, some practical information as well as all the planned interview questions. Additionally, a digital, less formal meeting was done before the actual interview took place, as to further increase the mutual understanding of expectations. With some organisations, this was done multiple times. All respondents were asked whether or not they would approve for recording to be conducted. Further during the interviews, personal questions or subjects that could present as uncomfortable for the respondent were avoided. One person had main responsibility for asking the questions whereas the other took paper notes. The reason for this was to create a more equal and perhaps less stressful environment, as to avoid the respondent developing a feeling that he/she is put against a corner in a two against one scenario.

Following the interviews, as mentioned, respondents were given the opportunity to validate their answers by providing them with the transcripts in text. This is both for ethical and practical reasons, as it ensures our perception of the respondents' point of views are correct and gives them a chance to consider and approve their response, possibly making corrections. Bryman and Bell (2015) call this respondent validation. Some citations were indeed necessary to adjust, after communication with the respondents.

3.4.3 Reflection on chosen method

With research focusing on internal processes of MNCs, using a qualitative research design, there is always a risk of polished answers where researched companies' flaws and problems may not be outspoken to its actual extent. Although evidence found from publicly available reports, e.g. annual and sustainability reports, indeed support the empirical findings, the risk still remains and could only be further reduced by taking in a larger number of third parties involved in the shared value initiatives. However, this risk is determined as low and does not prevent reaching the purpose with the study, with a focus on an *increased* understanding of implementation and coordination of CSV activities in MNCs. The small sample of respondents (compared to the total number of employees

employed by the MNCs globally) may be critically acclaimed to provide a skewed perception of how the majority of the employees perceive the processes.

Although CSV is reliant on a collaboration between organisations and external stakeholders (Porter and Kramer, 2011), it has not been possible within the scope of this study to conduct interviews with the latter. The organisations' perception therefore has to be taken for granted. Lastly, it has not been possible to secure interviews with both headquarters and subsidiary for every chosen case company. The consistency of the method thus reduces yet the authors found the gathered data of the case where only part of the organisations could be studied, to still facilitate the discussion. The reason for this is based on what Yin (1994) contend for being important when selecting multiple cases to be part of a study, i.e. the results can be predicted to be similar to the other cases. Unilever directly competes with both Orkla and Nestlé, with many similarities in their corporate structure and a defined mission to work towards UN's SDG12, hence the need for reducing the global food loss and waste.

4. Empirical findings

This fourth chapter presents the empirical data from Unilever, Nestlé and Orkla divided between implementation and coordination of CSV, the overarching dimensions. Due to the interdependence of second order themes, they are structured as explained in 3.3.3 Data analysis. A summary of all findings will be presented at the end of the chapter.

4.1 Implementation of CSV

4.1.1 Joint value creation

It is evident that **Unilever** incorporates shared value practices in their strategy, as it has been doing for over a century. Doing good is part of their business and the Unilever Sustainable Living Plan, which is maintained throughout each of the over 400 brands which the company has ownership of (Unilever, 2020c). Exactly how CSV is implemented, however, may differ across the many brands and locations of the firm, depending on local capabilities and focus. In the context of food loss and waste, the two major Unilever food brands Hellmann's and Knorr have two different focuses, as explained by Olive. Whereas the former brand put much work in reducing food waste, by initiatives aiming to change consumers' behaviour towards food (where food waste is most visible in developed nations), the latter brand also put an increased focus on ensuring sustainable food value chains for reduced food loss.

“I intend to build further on Unilever’s century old commitment to responsible business. It is not about putting purpose ahead of profits, it is purpose that drives profits.” Alan Jope, CEO,

Unilever

Unilever in Sweden does not have their own production facility but rather receives their products from other regional facilities and suppliers. For Hellmann's and Knorr products supplying the Nordic markets, these facilities are located within Europe. Accordingly, it was described as challenging for the subsidiary in Sweden to influence upstream activities, hence their utmost focus is on downstream activities and taking relevant measures to minimise food waste in these parts of the supply chain.

“For all brands it is essential to reduce our own food loss and waste, but for Hellmann's specifically we have taken it a step further as we try to also influence the consumer with our communication, inspiring for reduced food waste. At Knorr, we have a different focus when communicating with the consumers for this purpose.” Olive, Unilever

To secure a high standard on their products, Unilever set pessimistic expiring dates on new products being launched. The reasoning behind this is that Unilever does not want to risk the product taste or smell poorly when approaching the expiration date. In the time afterwards, Unilever evaluates the quality of the products to discuss whether or not the chosen expiration date is reasonable or not. If the quality maintains a high standard after the first desired expiration date, it provides the opportunity for Unilever to postpone next product launch for up to a month.

Nestlé argue that reducing food loss and waste, as part of their CSV initiatives, is significant both for their own future success as well as their stakeholders. Hence, aligning interests often come down to ensuring the correct prioritising of activities, which have the greatest impact on both the organisation and its stakeholders, as well as the community which Nestlé operates in (Nestlé, 2019). For this reason, a ‘materiality process’ has been carefully designed for ensuring that activities which are implemented does in fact create a shared value among several stakeholders. It defines focus areas (such as food waste) and determines the level of impacts these would have on both Nestlé and external stakeholders. As such, common issues can be identified, and it facilitates in the decision making on where to direct internal resources (ibid). One of these issues Nestlé has taken action on is the improvement of farmers’ chilli and red rice production processes in Malaysia, where knowledge has been shared to a large number of farmers in the location, through the ‘Contract Chilli Farming Project’ (Nestlé, 2010). This has resulted in greater economic conditions for the farmers, improved productivity, less waste and subsequently, increased food security for Nestlé (ibid). Hence, shared value has been created.

The mentioned materiality process is repeated every other year to stay up to date, while allowing time for prior implementations to be evaluated. Additionally, to align self-interests and also to engage further with relevant stakeholders, Nestlé holds regular convenings with key persons from their entire network (Nestlé, 2020e). Accordingly, highlighted issues of these are later

communicated to senior management and thus, initiatives can be developed for addressing the issues and creating a shared value. Participating stakeholders in the convenings include “*investors, multilateral organisations, governments, NGOs, academia, local communities, suppliers, consumers and customers*” (ibid). Most recently, it was held in London where a total of 70 stakeholders were present, as well as the CEO of Nestlé and other top management and Board Executives.

Orkla is, throughout all of their over 100 production facilities in around 30 different locations, working with various initiatives on local levels, in order to secure that all factories at every market are operating towards a 50 percent reduction on food waste until 2025. Orkla and their subsidiaries are collaborating with local external stakeholders to achieve a greater impact. Especially engaging with professional customers is a great focus area for Orkla, as the MNC through collaboration and participation in product innovation has the possibility to affect customers and their operations to align with Orkla’s self-interests.

“We have a business area that delivers ingredients to professional kitchens, bakers and that kind of thing and it is not only food waste but in general, where our companies push and advise the professional customers in how they can handle these challenges and strengthen their business.”

Bran, Orkla HQ

An increasing focus for Orkla is collaborating with local authorities, to create synergies and affect regulations on different communities’ waste management, hence they collaborate in the same network. This is to ensure sustainable growth for both Orkla and communities they are embedded in. In general, Orkla has a predominant internal focus on reducing food loss, and through their internal processes using product and process innovation as a main driver, influencing consumer behaviour towards food waste.

4.1.1.1 Trade-offs

Unilever is determined that all reduction of food loss and waste will always be favourable and create value internally, considering both lost revenue in an unsold product, the cost of the process of wasting food, and the negative contribution to food security which contradicts the purpose of

Unilever *'to make sustainable living commonplace'*. The internal trade-off which comes with different CSV initiatives is time. Implementing and coordinating operations across functions and borders is indeed very time consuming. Every department and relevant member must take their time to influence its external stakeholders.

"First, you need internal commitment. Then and only then can we reach out to create external commitment. We in our market team cannot reach out to a key account manager's partners from the sales team all of a sudden. It is important to get every internal stakeholder motivated to influence their external partners." Olive, Unilever

Nestlé combats potential financial trade-offs, both internal and external, which may be due to any CSV activity, by its measurement procedure. E.g. in collaboration with consultancy firm Ernst & Young, for which it connects financial with non-financial value creation (Nestlé, 2019). Accordingly, calculating all generated societal and business value on every level, with each stakeholder in mind, helps to take the proper measurements for improved CSV with less trade-offs. The "impact valuation methodology" being used has been peer-reviewed by the mission-driven consultancy firm FSG, co-founded by one of the two founders of the CSV concept (M. Kramer) (ibid).

Orkla highlights that food loss and waste is not only a waste of energy and resources unutilised to fulfil its complete potential, it is also a waste of financial resources. It is thus necessary, according to Orkla HQ, to focus on multiple aspects of the benefits when reducing food loss and waste. The saved resources, either in form of raw materials or monetary resources, can then experience better utilisation in other production procedures or projects. Kobe at the Swedish subsidiary, states that better utilisation of resources combined with improved finances are some of the synergy effects Orkla are aiming for when working with CSV. The great focus on synergies is not limited to food loss and waste, but also for other CSV activities. Additionally, both Orkla HQ and Orkla Sweden mention time as an important factor since working with new food loss and waste initiatives is indeed time consuming.

4.1.1.2 Headquarter-subsiary relationship

Unilever is a decentralised organisation, where each subsidiary is given large freedom to implement the initiatives they think are the most suitable at their market. The Nordic regional headquarters in Sweden therefore has a large degree of autonomy to implement the initiatives they consider most appropriate and effective to minimise food loss and waste, if they reach the desired business waste target (see upcoming section 4.2.1). Despite operating with a decentralised approach, the global Unilever headquarters serves as a knowledge facilitator who shares ideas from one subsidiary to another. E.g., if an initiative in Canada had a positive impact on their reduction of food loss and waste, this will be distributed to subsidiaries all over the world by the global headquarters. This is done through Unilever’s internal systems. Furthermore, when Unilever in Sweden conducts workshops to discuss new initiatives, either radical or incremental, a person from the global headquarters in the Netherlands attends to provide inspiration and knowledge to the discussed solution. In return, the employee has gained new ideas and information he/she can bring back to the headquarters for thereafter sharing these to other subsidiaries.

In the case of **Nestlé**, they have a structured internal governance of CSV strategy, as visualised in Figure 5 below.

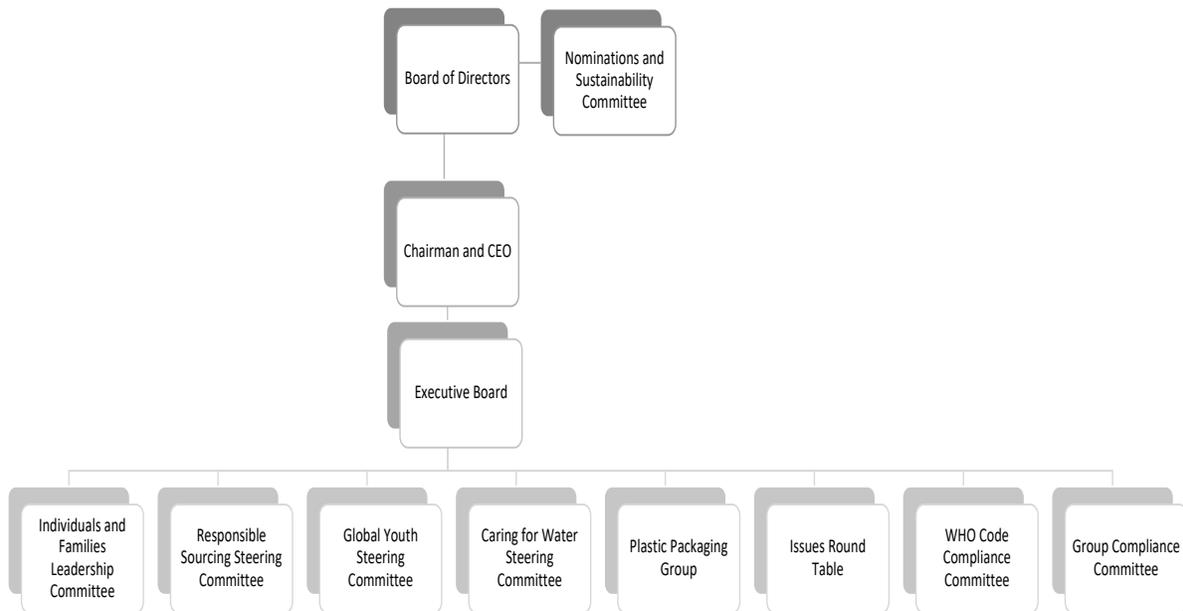


Figure 5: Internal CSV Governance Structure of Nestlé. Own compilation based on Nestlé (2020e).

The top part of the hierarchy, i.e. the Board of Directors, Chairman, CEO and Executive Board, have responsibility of both supervising and managing Nestlé's role in society, ultimately developing future CSV strategies (Nestlé, 2020b). The overseeing of implementing and coordinating CSV activities is thus seemingly centralised, with support and ideas coming from bottom-up, which are illuminated as the different internal management bodies and committees in Figure 6. This is at a headquarter level. However, the internal governance structure then receives support from many other networked parties, whereas some are specifically designed to function as "*external advisory groups*" to CSV (ibid). As described from here, one of these groups is 'The Nestlé Creating Shared Value Council', with members from different important partnerships that Nestlé has created for CSV purposes. Prior mentioned Co-founder of both the concept of CSV as well as FSG consultancy services, Mark Kramer, also sits in this very council. Many of Nestlé's CSV initiatives are executed on a regional level, where the different regional subsidiaries are engaging in different external networks. An example of this is Nestlé in the Latin America and Caribbean who launched the '#SinDesperdicio' initiative with external regional partners (Nestlé, 2019). However, as an organisation Nestlé is still considered to be decentralised, in order to increase local responsiveness and flexibility towards its consumers (Nestlé, 2011).

Orkla has for the last five years been operating with their own operational division which controls their factories across markets and business areas. The focus for Orkla HQ and their operational division is therefore to support the different production lines, push them to implement various initiatives through projects, combined with other operational issues related to food loss. Despite the support from HQ, the responsibility of working with initiatives related to reducing food loss at the production sites is on each individual factory. The high degree of autonomy is also reflected in the administrative aspects of the work with reducing food loss and waste. The different markets are encouraged to create internal and external initiatives they find most effective at their focal market. The subsidiary in Sweden is therefore free to create partnerships with relevant Swedish actors without first receiving permission from the organisational headquarters beforehand, as explained by Bran from Orkla HQ. Even though a high degree of autonomy, the markets and business areas have to report progress of reducing food loss and waste to the HQ regularly. This can be both statistical and activity progress. The link between the set goals from the HQ and the

local action plans plays an important role according to Kobe, who furthermore emphasised this as vital for ensuring consistency across the organisation, with regards to targets and value creation.

“It is crucial that there’s a link between central and local goals and action plans. The HQ sets requirements and helps to share knowledge across different markets” - Kobe, Orkla Foods Sweden

4.1.2 Capabilities

All of the researched firms have been major food companies at an international market, two of which are global leaders (Unilever, Nestlé). In that sense, as highlighted, they have great capabilities to manage a significant impact on the global food loss and waste issue, striving for the SDG12. **Unilever** described their major significant capability in terms of CSV as being very efficient to share knowledge and activities across the MNC, which drives consistency among the many initiatives and operations, and consequently a larger impact of shared value. This strengthens the already strong purpose for making sustainable living commonplace with every operation across the entire organisation and the hundreds of brands under Unilever’s possession.

Nestlé distinguishes their size, resources and local know-how as enablers of global impact (Nestle, 2019). More specifically, Nestlé highlights their vast collaborative partnerships on a global level as strong capabilities to advocate for change and make a collective impact. This, in coalition with their formed model for change, also known as the “Theory of Change model” (ToC) (Nestle, 2020f). The key aspect of the model, which basically is a set model for any project implementation beginning with identifying key issues and ending with measuring results, is essentially that it may be adapted to local needs which may differ across markets (Nestle, 2020g). In the context of food loss and waste, a developed R&D network gives capabilities for innovating processes which strengthens previously mentioned model’s efficiency (Nestlé, 2015). To better capture the needs of sustainable products and processes, Nestlé has implemented a special programme (Sustainability by Design Programme) with the aim to assess and optimise environmental performance, thus including food loss and waste, across its global value chain (Nestlé, 2013). Consistency and cultivation are ensured through the mentioned network which seeks for improvements across different international operations and units (ibid).

“Nestlé’s R&D network looks for innovative waste recovery options to optimise their [farmers] value.” (Nestlé, 2015).

Orkla has developed different internal initiatives to reach their desired food loss goal of a 50 percent reduction. An increasingly overarching focus has for this purpose been on knowledge and competence sharing across Orkla’s markets and business units. A project across the whole organisation was established with the purpose of connecting cross-functional groups who were facing similar problems, for thereafter jointly developing solutions to these issues and sharing experiences. This project established the foundation for all future projects related to food loss and waste, as this way of collaborating secure optimal use of resources, according to Brie. Furthermore, these groups, when created by the headquarters, are working as one independent unit, with complete autonomy given. The different groups have contributed with new ideas and proposals to not only update processes but also develop technical solutions for minimising food loss and waste.

It is not just internally Orkla collaborates within networks. The firm is also partaking in several external networks, where they collaborate with competitors and other actors in the industry. Within these networks, the industry operates for solving common problems, for thereafter implementing the solutions separately in their own organisations. Collaborating through these networks creates a larger impact on the society, in comparison to if each organisation should work independently, as the networks attract organisations who might have the time or resources to develop the food loss initiatives themselves. These networks are not limited to Northern Europe, but also range to e.g. the tropical rainforest at Borneo.

4.2 Coordination of CSV

4.2.1 Intra-organisational coordination

In order to coordinate operations and initiatives aiming to reduce food loss and waste, creating a shared value, **Unilever** emphasises the need for efficient cross-organisational communication. For example, setting up workshops with all the relevant markets and international teams to discuss new implementations, advising how these can be coordinated with various daily operations. It also includes collaborating for forecasting production demands and expected volumes to be sold, of the

many different food products under the Unilever brand (with a focus on Knorr and Hellmann's in the Swedish regional HQ). The discussions must be on many levels and include all relevant internal stakeholders, otherwise it may be difficult to find consistency, even though it is always beneficial for Unilever as an organisation to take actions on reducing its food loss and waste. However, because operations may be time consuming and due to the size of the organisation, as well as the fact that different departments may need to consume more time on a certain implemented initiative than others, as Olive argues, all must be included for a joint effort and optimal result. Furthermore, in an effort to find consistency and coordinate activities internally, Unilever has set employees in different key functions in different countries and divisions, labelled as “sustainability champions”. Their job is to *“help engage colleagues on sustainability, support our leadership teams to identify local priorities, and review progress against our targets”* (Unilever, 2020b).

Olive explains that the role of Unilever’s global headquarters specifically on the subject of CSV and initiatives to reduce food loss and waste, is three-fold; to set targets, inspire and visualise results. In regard to setting targets, it comes down to deciding on how much saving that needs to be achieved through the reduction of food loss (or business waste as they call it). To coordinate this, the different Unilever subsidiaries regularly establish reports and follow ups directed to the headquarters, measuring how close to the target they currently are. This is done also to visualise how much monetary resources are wasted on food loss across multiple markets. If a subsidiary does not live up to the targets, the headquarters will put pressure to reach the target through new initiatives or other forms of inspiration. In 2020, Unilever has put a target of 50 percent business waste reduction throughout the whole organisation. Olive has therefore put this as the target for her local team. Whether or not the team reaches this target will affect the team members’ bonuses and thus additionally motivate and create incitements to find innovative solutions and work towards already implemented shared value initiatives. In terms of the headquarters’ role of visualising and inspiring its international markets and subsidiaries, knowledge sharing is important. What has worked in North America e.g., could perhaps be an efficient way to transform the Nordic operations as well. Despite the global headquarters setting the targets and functioning as a source of inspiration, Unilever indeed is a decentralised organisation where each subsidiary is given large autonomy to coordinate their own activities in the way they opt for being most suitable, as highlighted by Olive. Therefore, each subsidiary has a large degree of freedom of how the implemented activities in section 4.1 should also be coordinated in their markets.

Nestlé creates internal coordination and efficiency by incorporating CSV and sustainable development embedded in the organisation's business strategy, governing activities from the headquarters as prior explained and visualised at figure 6 in section 4.1.1.2 (Nestlé, 2013; Nestlé, 2020). Sustainability progress and CSV is further connected to the company's KPIs, although the food loss and waste is limited on this matter (Nestlé, 2020f). In addition to this, Nestlé has formed "The Nestlé Corporate Business Principles", which regulates operations across the organisation, based on its values and company culture, including their CSV strategy (Nestlé, 2020e). As explained, every employee must agree to comply with these principles through "the ongoing implementation of relevant business codes, policies, processes and tools" (ibid). To ensure commitment and consistency, training is offered as well as constantly assessing the need for potential changes or innovations, which could improve its effectiveness. The principles are further reviewed by the Executive Board and seeks alignment with international best practices (ibid). Effectively communicating and recognising employees' successful initiatives towards other units in the organisation helps with integrating CSV and best practices in the MNC as well as the local communities (Nestlé, 2013). In the fight against food loss and waste, Nestlé emphasises the need for collective action, which includes collaboration both with internal and external stakeholders. For instance, innovating packaging is part of the CSV initiative in reducing food loss and waste, where Nestlé drives an alliance with relevant stakeholders across ten different markets (Nestlé, 2020f). Within the alliance, a range of different projects and initiatives are shared to enhance collaboration across borders (ibid). Manufacturing is an important stage of the value chain where taking the right measures ensures food security. To create a consistent shared value across the MNC and eliminate waste, a set certification is maintained in every facility.

To ensure a consistent and coherent implementation worldwide, Nestlé submits all its manufacturing sites to ISO 14001 certification by independent accredited bodies and is expanding this programme to all its units. (Nestlé, 2013).

Orkla has connected their food loss and waste measures to relevant KPIs, in order to secure consistency amongst their different markets and business units. These measures therefore help Orkla to track their development towards their set target of reducing food loss. This target is for the entire organisation, hence all of Orkla's brands and companies must globally be creating

initiatives in line with this goal. Kobe emphasises the importance of the Orkla HQ to develop and maintain updated goals and what top management wants to focus on, so they understand under what circumstances the focal subsidiaries are working under.

“It is important that we have objectives that are rooted in management” - Orkla Foods Sweden

For the headquarters to have the full overview of how the markets and business areas are progressing, they are dependent on receiving reports with numbers related to KPIs, activity information and other relevant data from the subsidiaries. The flow of bottom-top information is crucial for the headquarters, for continuous improvements which are dependent on follow-ups. The reports are therefore highly prioritised process actions at Orkla. Although the headquarters receives these reports on an annual basis, the investigated subsidiary engages in more frequent follow-ups of measures and initiatives. Additional to the different project groups mentioned in section 4.1.2, Orkla operates with an internal sustainability network with a sustainability manager from each business unit, CEOs and other relevant managers. The sustainability network receives information from the headquarters about new initiatives, share cases and learnings. The flow of information communicated is two-way, where the sustainability manager receives information from the headquarters and the network, but also provides with local knowledge and best practices developed in the focal business unit. The relation between the sustainability networks and headquarters is therefore based upon dialog and creating common ground.

“Our internal sustainability network with connected sustainability managers from each unit, have an overarching responsibility to reduce waste. In this internal network, new innovations are shared and spread across the MNC” - Orkla HQ

Despite reports, KPIs and multiple initiatives, the most important aspect for Orkla is to create an organisational culture where managers are working continuously by educating all employees on why it is important to reduce food loss. Both for sustainable societal and environmental development, as well as the value it creates for Orkla and its future success. Brie emphasises that Orkla should not just work with technical solutions but reducing food loss and waste should be an incorporated part of the organisational culture, hence it is easier to consider this perspective through all processes, for example when developing a new product. Therefore, strong leadership is vital for Orkla to achieve this. Emphasising the importance of reducing food loss is especially

important, as the biggest internal risk for Orkla is as mentioned time, which both Bran and Brie consider the largest barrier towards sharing knowledge for reducing food loss and waste. Hence, time must be efficiently managed, and projects coordinated around all the stakeholders' individual schedules. The utilisation of internal networks helps with this cause, enabling for more efficient communication on a frequent basis. The both respondents from Orkla HQ and their arguing on time as the largest barrier and thus challenge for coordinating initiatives for less food loss and waste, is indeed supported by Kobe from the subsidiary, who particularly lifted the time issue as problematic for staff involved in production. The producing units need to manage both innovations in food products and packages, and connected processes for less *food waste*, likewise, as to oversee current processes for reduced *food loss*.

“One challenge is time. There is always an internal competition of managing different business cases. To alleviate this, decentralised activities must be presented to the management team at HQ, visualising benefits of the implementation and the necessity linked towards the corporate's set goals” - Orkla Foods Sweden

4.2.2 Inter-organisational coordination

Unilever, in this case specifically exemplified by its brand Hellmann's, has integrated in their purpose to create a 'movement' around food waste directed towards the consumer, according to Olive. This is because in the developed world, food waste is the most critical issue and derives from either the customer or the retailer, as also have been discussed in the background, section 1.1. These initiatives are driven in collaboration with different external stakeholders, who use their expertise to contribute to different shared value activities, operating in compliance with 'Unilever Sustainable Living Plan' (Unilever, 2020c). An example of this is a gaming application Hellmann's introduced in collaboration with the consulting firm Capgemini and gaming company Flaire, where the purpose was to reach out to the consumer, advocating for the importance of less waste and how the consumer can do this in their own kitchen, and what the benefits of it are. Through external expertise, the initiative has proven to be very successful and changed consumer behaviour. Similar initiatives have been made through developing podcasts and other media collaborations. This is exemplified by a collaboration with the Swedish newspaper Expressen, where different campaigns advocate for initiatives such as 'food waste wraps' where it is shown how leftovers can be used in wraps. Through these initiatives, Unilever strengthens their brand purpose and visualises for the

consumers that Unilever is a caring organisation, creating value to the society too. Additionally, Unilever collaborates with the Swedish online supermarket Matsmart whose sole purpose is to sell food that otherwise would have been thrown away. Through this collaboration, Unilever has an easy way of selling some of that food that otherwise would have been burnt or thrown away as they could not be sold in supermarkets. Unilever thereby creates income instead of costs. Olive describes Matsmart as a game changer in their way of dealing with business waste.

On the Danish market, Unilever has, through their Knorr brand, in collaboration with the Danish food waste platform Too Good To Go (TGTG) changed their labelling from only containing “best before” to “best before, often good after” with the purpose to educate consumers, that food can be consumed after the date on the package. By doing that, TGTG and Unilever tried to encourage the consumers to make their own judgement of the quality of the food to lower the food waste. Something that has had a significant influence according to Olive who refers to internal consumer studies. Coordinating operations also must include relevant suppliers. In the Nordic countries, it is a huge drawback for the goal of reaching SDG12 and reducing food waste, that there are quite rigid rules, where Olive refers to short expiration dates and commitment on set orders. It may be challenging persuading suppliers to cooperate under the conditions demanded by Unilever, especially with regards to large minimum order quantities which are bound to create business waste. Thus, close collaboration must take the form of effective negotiations, which of course may require that Unilever accepts a higher price on inbound material, in order to reduce waste and warehousing costs. However, as Olive highlighted, this is not easy unless that very supplier has a personal commitment to also contribute to the reduction of global food loss and waste, they of course need to create maximised value for their business likewise as Unilever. Unfortunately, this often comes down to maximising volume sold to large multinational organisations.

Conclusively, Unilever creates inter-organisational coordination by developing vast collaborative relationships with a wide range of external stakeholders, and these relationships are built locally. That is accordingly the most crucial step to take, both for reducing food waste and loss. In a global context, Unilever through their Knorr brand in collaboration with World Wildlife Fund developed a report focusing on food loss called “The Future 50 Foods” that *“can boost the nutritional value of our meals whilst reducing the environmental impact of our food supply”* (WWF and Knorr,

2019). Additionally, as one of the largest fast-moving-consumer-goods (FMCG) companies in the world, Unilever aims to follow and contribute to all 17 UN SDG. To achieve these, Unilever has joined different external partnerships and networks (Unilever, 2020d). To fulfil UN SDG12 and specifically target 12.3, Unilever, represented by their CEO Alan Jope (Champions 12.3, 2020a), is a member of ‘Champions 12.3’ which is a coalition of executives from different entities who show dedication to opt for achieving UN’s SDG 12.3 by 2030 (Champions 12.3, 2020b). This is done using guidelines and methodologies from NGOs such as Consumer Good Forum (CGF) and World Resources Institute (WRI), using the ‘Global Food Loss and Waste Standard’ (Unilever, n.d.) while making PWC oversee the reporting (Unilever, 2020d; Unilever, 2020e).

Nestlé drives collaboration with external stakeholders to a large degree and creates mutual alliances for a collective impact. They have also joined a variety of different coalitions and joint projects for the purpose of creating shared value and reducing food loss and waste. Often, these are concentrated in different local regions and markets, e.g. “#SinDesperdicio” in Latin America, which is a platform for sharing activities related to reducing food loss and waste in the region. This platform includes other MNCs and is coordinated by the Inter-American Development Bank (Nestlé, 2019).

“We benefit from engaging with diverse stakeholders, and, by working together, we maximize what can be achieved. These stakeholders include multilateral agencies, international organizations, governments, academia, non-governmental organizations (NGOs) and industry bodies.” – (Nestlé, 2020c)

Another example of this statement is demonstrated in Nestlé’s membership of ‘Champions 12.3’ (Nestlé, 2020a; Champions 12.3, 2020b). In order to reach this goal, Nestlé oversees its own food loss using measurement guidelines from WRI with EY overseeing their reporting (Nestlé, 2019). As a first step, they identify key commodities upstream in its value chain where food loss is most significant. This is done in collaboration with the various suppliers to Nestlé. Then, it is possible to “locate hotspots for food waste and loss and work with farmers to devise solutions” (Nestlé, 2020 p.51). Nestlé here contributes with knowledge sharing, resource allocation and other types of CSV initiatives towards its many suppliers, under its ‘Farmer Connect Programme’ and other

controlled joint initiatives (ibid; Nestlé, 2013). A major challenge in the effort of reducing food loss is the high diversity of suppliers' understanding of losses, as well as the absence of measuring how much food actually is lost and thus the impact this has on both the organisation and society as a whole (Nestlé, 2020d). Nestlé collaborates with its suppliers, where many are smallholders, to alleviate these issues for a greater food security and thus, larger incomes for its suppliers (ibid).

There are many other active external partnerships which all are important for reducing food loss and waste and creating shared value, but to ensure consistency Nestlé have established a certain set of criteria which must be met for any entity to be considered as a partner (Nestlé, 2020c). It serves as a guideline for Nestlé and the organisation to stay committed to its purpose and principles, when stakeholders share the same mindset. Additionally, The Nestlé Supplier Code further regulates how its connected suppliers should in fact take measures for optimising consumption of natural resources and minimising food waste (Nestlé, 2015).

As of now, **Orkla** has not had significant collaboration with their suppliers on how they jointly can reduce their food loss and waste, as the focus instead has been on other ethical issues. Despite this, Bran emphasises an increased collaboration with focus on food loss and waste is a possible focus area in the future. Generally, Orkla's experience is that external stakeholders do not have the same focus on food loss and waste as Orkla, although Norwegian and Swedish authorities have had an increased focus on this. Orkla, though, admit having pushed on other focus areas for their external stakeholders, although they lately have experienced increased focus on the area of food loss and waste. Orkla's suppliers, though, have to live up to Orkla's 'Supplier Code of Conduct' (Orkla, 2020a). Bran mentions the UN SDG as an important vision and guideline for Orkla and their operations, where Orkla with their different initiatives covers eight of the 17 UN SDG. According to Orkla (2020a), three of these cover environmental goals, respectively number 12, 13 and 17. Orkla's sustainability reporting is done in compliance with the Global Reporting Index (GRI), which is then independently verified by Cemasys (ibid).

While Orkla has a low degree of food loss and waste collaboration in their upstream activities, they have significantly higher collaboration degrees in their downstream activities. This is especially related to professional customers such as bakeries, restaurants and professional kitchens. For these professional customers, Orkla has a specific business area focused on these customers.

Within this business area, Orkla pushed for sustainable initiatives for this segment. This is done through selling more sustainable products but also providing consultancy on how they can handle different sustainability challenges, amongst them reducing their food waste. Providing consultation for their customers, Orkla helps them stand operational and economically stronger. Besides selling products and consultancy, Orkla also uses their customers for product innovation. An example of this is a mixture where customers can take their day-old bread and transform it into snacks. By doing that, the customers reduce their food waste while additionally creating a wider product range and sources of income. Orkla provides shared value through knowledge and product innovations for their external stakeholders in their downstream activities. Additionally, Kobe states that the main focus for Orkla is through internal production and production planning. These activities are planned in collaboration with customers, mostly retailers, professional kitchens and bakeries, so Orkla has the best possibilities to produce the right number of products to avoid food waste.

Unlike Unilever, Orkla has not made campaigns or similar towards the consumer. Instead, they affect the consumer through product innovation processes, for example through portion size where they aim to make the right size to consumers does not throw away any food, and product design where the size of the ketchup hole makes it easier to empty the bottle and get as much ketchup as possible out. Bran, though, believes more campaigns and direct focus towards the consumer will come in the future.

4.3 Summary of empirical findings

A summary of the empirical findings, consisting of both primary and secondary sources, can be found in table 5 and 6 of CSV implementation and coordination respectively.

Table 5: Implementation of CSV.

Implementation of CSV	Unilever	Nestlé	Orkla
<i>Food loss and waste</i>			
Joint value creation	Mission-driven, Strategic CSV, subsidiary focus on food waste. Utilising local capabilities and needs. External collaboration.	Mission-driven, Strategic CSV, HQ focus on both food loss and waste. Materiality process for projecting mutual impact. External collaboration.	Mission-driven, Strategic CSV, both HQ and subsidiary overarching focus on food loss. External collaboration, especially with retailers.
Trade-offs	All reduced business waste is creating value. Time major internal trade-off. Requires internal commitment first.	Measuring CSV on all levels, internal and external. Must connect financial with non-financial value. Collaborates with consultancy firms for measuring CSV.	Measuring CSV on all levels, mostly internal but some external. Aiming for synergy effects across the MNC. Time internal trade-off.
HQ-sub relation	Decentralized. HQ as knowledge facilitator, promotes and set targets, push for follow-ups. Cross-border workshops with subsidiaries and HQ.	Semi-centralized. Clear CSV governance hierarchy. Control top-down but innovation bottom-up, including external advisory groups (CSV council).	Decentralized. HQ as knowledge facilitator, promotes and set targets, push for follow-ups. Own operational division controlling all markets.
Capabilities for CSV	Internal knowledge-sharing driving consistency. 'Most successful purpose-driven firm in the world.' (Unilever, 2020)	Size, resources, local know-how enables for global impact. Collaborative partnerships and networks.	Internal knowledge-sharing through networks. Cross-functional collaborations. External network for global impact.

Table 6: Coordination of CSV.

Coordination of CSV <i>Food loss and waste</i>	Unilever	Nestlé	Orkla
Intra-organisational	<p>Cross-organisational communication, workshops for cultivating all relevant stakeholders in the MNC. ‘Sustainability champions ‘ in each division and market, report to HQ for follow-ups, internal rewards and knowledge sharing.</p>	<p>Embedded in strategy, centralized governing structure. Consistency through business principles and training. Rewarding innovations and formation of alliances for cultivation and collective impact.</p>	<p>Organisational culture, internal sustainability network across the MNC, workshops. Reporting to HQ, connecting food loss and waste targets to KPIs. Objectives rooted in management, knowledge sharing.</p>
Inter-organisational	<p>Alliances for collective impact, coalitions and local joint projects and partnerships for shared capabilities. High local responsiveness. Champions 12.3 member. Supplier collaboration, mutual commitment. Backbone support (UN).</p>	<p>Alliances for collective impact, coalitions and regional joint projects. Rewarding innovations. Champions 12.3 member. Supplier collaboration, knowledge sharing. Set criteria must be met by CSV partners. Backbone support (UN).</p>	<p>Collaboration for downstream activities. Cultivation through selling consultancy services. External sustainability network connected to its internal network, with focus on customers. Backbone support (UN).</p>

5. Analysis

Chapter five analyses the empirical findings with help of the theoretical framework. First, a discussion on implementation of CSV will be conducted, with a focus on joint value creation, the role of headquarters and its relationship with subsidiaries, as well as the importance of a common agenda. Second, an analysis of the coordination of CSV will take place, categorised as either intra-organisational or inter-organisational coordination. For each of the two, striving for achieving a collective impact and the governance of the relationships will take place. As previously noted, the separation between implementation and coordination is done for practical reasons, because some themes connect more to each dimension, yet they are still interconnected.

5.1 Implementation of CSV

5.1.1 Joint value creation

The empirical findings through the three investigated MNCs highlight a common approach for reducing food loss and waste, creating shared value. While initiatives may vary, successful implementation is first and foremost reliant on integrating CSV, in the context of food loss and waste, within firms' business strategies and purposes. This is also one of the core prerequisites for CSV as claimed by Porter and Kramer (2011), differing from traditional CSR where social responsibility is treated in the periphery. The researched MNCs' inclusion of sustainability and food loss and waste in their strategy, therefore, shapes all operations in such fashion, all from farming to packaging towards post-consumer influences. Due to the necessity of collaborating with a broad range of stakeholders at many levels to create joint value, all employees must be motivated to adapt to new implementations. Thus, as a first step the MNCs strategies and purposes need to have a sustainable approach, reflecting in how the firms operate and further implement projects. Indeed, this is connected to what has been argued as important for successful CSV in the theoretical framework, creating a common agenda (Kramer and Pfitzer, 2016; Keast and Mandell, 2014; Maltz and Schein, 2012). This will be discussed in more detail in section 5.1.2.3 *The importance of a common agenda and organisational culture.*

Unilever takes different approaches on implementing CSV initiatives depending on its local capabilities and needs, determining its local focus yet commonly driven by its corporate purpose

on making sustainable living commonplace. In the Nordic region, the regional HQ in Stockholm explained its work on reducing food loss and waste with an overarching focus on reducing food waste. This is mainly due to food waste being of main concern in the Nordic countries, strengthened by FAO (2011) who conclude food wasted per capita is higher in the developed world compared to its counterpart. Another reason is that the subsidiary in Sweden finds it more challenging to influence upstream activities. Actions taken for this purpose at Unilever Sweden has through the brand Hellmann's been dedicated to affecting the consumer behaviour, i.e. downstream activities, by influencing the consumer to make use of their products in their cooking to reduce food waste from other products (not explicitly Unilever products per se). This helps to combat food waste and benefit the environment, as well as it gives the possibility to create economic benefits for the consumer better utilising its food resources together with Hellmann's. Simultaneously, it creates value for Unilever through potential increased sales and larger market shares, as it markets its products on how it can be used in new innovative ways, apart from more traditional cooking. Along with strengthened brand image, it can drive profitability and create shared value connected to Unilever's strategy and purpose. This implementation relates well to the first level of CSV creation; reconceiving products and markets (Porter and Kramer, 2011). Additionally, the benefits explained are included in Porter et al.'s (2012) findings on business and social results of this type of CSV creation; increased revenue and profitability, market share, reduced carbon footprint and improved education (on food waste). From the interviews with Orkla, likewise findings were also suggested yet with an increased focus on another level of CSV; redefining productivity in the value chain.

As respondents from Orkla suggested, much emphasis is on improving internal operations in the value chain for reduced waste. Thus, the general focus of Orkla is the reduction of *food loss*, connected to the second level of CSV according to Porter and Kramer (2011); redefining productivity in the value chain. Specifically, it is argued that internal operations drive productivity and reduce risks, profiting business through reduced costs, secured supply and an increase in quality and profits. Orkla, as well as Unilever, was determined that all reduction of internal waste indeed creates financial value in their respective organisation, through reduced costs (the process of dealing with food waste is costly), greater utilisation of resources and inputs. Nestlé further agrees that reducing food loss at supplier level, e.g., creates food security and improves global supply chains. In line with the discussion by Porter and Kramer (2011) and FAO (2011), redefining

productivity in food value chains also creates external value for Nestlé's suppliers with improved processes, reduced waste and ultimately higher incomes per input.

The third level of CSV, enabling cluster development (Porter and Kramer, 2011), our empirical findings indeed also found support for. Nestlé in particular is said to implement initiatives in the context of food loss and waste, which falls under this category. In Malaysia, they have implemented a programme with the purpose of sharing knowledge to clustered suppliers on how to reduce waste, better utilise resources but also improve working conditions. It was suggested that the initiative led to both improved productivity and social well-being for the connected farmers as well as increased food security for Nestlé.

Regardless of what type of CSV that is implemented, all the three MNCs stressed the importance of having a common agenda and creating joint partnerships in different forms, which leads us into the following analysis; collaboration.

5.1.1.1 CSV implementation: collaborating for success

Implementing measures to combat food loss and waste is facilitated by collaboration, including both internal and external stakeholders. Internally, because activities often require cross-functional communication and furthermore because prior successful implementations can be shared and adapted to new markets, thus making effective usage of local best-practices and capabilities. Externally, because it helps to create a mutual understanding of stakeholders' demands and thus better allocate resources to find solutions that benefit all. Likewise, and as a result of mutual benefits, because inter-organisational collaborations are essential for affecting other parties' operations for a collective impact. Internal collaboration was argued by Unilever as a way to align different self-interests and further, to share projects which can facilitate consistent implementation of purposeful activities across the MNC. This was also determined as one of the most significant capabilities Unilever possessed with regards to its fight against food loss and waste. As Maltz and Schein (2012) and Kramer and Pfitzer (2016) also conclude, knowledge sharing is vital for achieving a common agenda and cultivating CSV across the organisation. Orkla has created a network of internal actors to facilitate knowledge sharing and competencies to help with implementing activities in a successful manner. Through the network, communication is enhanced and other than knowledge sharing, benefits with such an approach is according to Kramer and

Pfitzer (2016), greater coordination of mutual objectives by constant communication. This will be analysed in detail under chapter 5.2 *Coordination of CSV*, however, we argue communication to be vital in the implementation phase too, per the suggestions by the respondents. Because as communication helps to create a common agenda, the latter also supports aligning actions and to define each of the relevant stakeholders' commitment and demands, ruling how knowledge should be shared (Kramer and Pfitzer, 2016). Efficient communication is likewise a proven success factor within project management (Fortune and White, 2006). Like discussed, determining stakeholders' demands, both internal and external, is vital for shared value creation. Thus, it also becomes relevant to consider internal communication across the MNC for the implementation phase. Supporting this, Orkla's network further helps to allow different stakeholders to do what they do best, whether that be the R&D unit or production facility, they all can contribute in minimising food loss and waste. That is, subsidiaries and units within the MNC utilise their capabilities for a joint purpose (Maltz and Schein, 2012). Similar findings from Unilever explained how all employees can contribute in their own way, thus cross-functional communication is again of huge importance. Kramer and Pfitzer (2016) call this 'mutually reinforcing activities' which is one piece of the puzzle in achieving a collective impact. Nestlé has created an R&D network to develop widespread capabilities in the organisation with the purpose to improve global operations. Further, different programmes help with mutually reinforcing activities and ensure efficient implementation at subsidiary levels.

In light of external collaboration, there is undoubtedly a necessity in developing close partnerships with relevant external stakeholders. For the sake of effective implementation, these collaborative environments serve the purpose of raising focus themes. Unilever and Orkla took the approach of conducting workshops and the incorporation in external networks. Nestlé, while also being present in external networks, utilise their materiality process as a way to detect common issues and direct decision-making over necessitated implementations for shared value creation. Thus, it enables for projecting potential impacts of a certain activity before implementation, on both Nestlé and other stakeholders they are embedded with. Through these collaborations discussed above, greater leverage of capabilities can be attained (Maltz and Schein, 2012). Interestingly, it involves not only internal capabilities due to joint demands but likewise external, since projects of the MNCs often are implemented in coalition with others. Thus, there is also a dependency on external actors' implementations and capabilities for achieving a collective impact (Kramer and Pfitzer, 2016).

Matinheikki et al. (2017) maintain how the development of inter-organisational bodies particularly facilitates changing institutional challenges which could hinder CSV. Both Unilever and Orkla expressed the issue of the Nordic regulations on expiration dates, which are shorter than other regions in an effort to secure food safety. This drives unnecessary waste hard to currently avoid since there easily becomes a mismatch in supply versus demand. Unilever in particular elaborated on this as an issue, because suppliers often sell products in set volumes for scale advantages, hence it becomes increasingly important to be very detailed in projections on sales. However, a powerful joint collaboration with competitors and relevant external stakeholders, could potentially advocate for a change in regulations, reducing food waste and creating shared value, supported by Maltz and Schein (2012).

Engaging in inter-organisational networks for a collective impact, a first question which should be imposed is of course; who to collaborate with? Because CSV differs from CSR in the sense that the former must also impose some sort of value to the focal organisation responsible for the initiative, carefully validating on who to collaborate must also include personal interests. This can be done by stakeholder policies, differing between internally premade drafts or policies developed in collaboration with the stakeholders (Bondy and Starkey, 2014). The trio of Nestlé, Unilever and Orkla all seem to follow the first method, with set codes of conducts and stakeholder requirements which needs to be fulfilled in order to collaborate with the MNCs. This could facilitate in maintaining a common agenda as argued by Kramer and Pfitzer (2016). While stakeholder collaborations will present unequal situations in value creation sometimes, hence MNCs giving more attention to stakeholders offering the most value to the firm (Crane et al., 2014; Khan et al. 2007; Levy, 2008), this may not be always an absolute truth for the investigated MNCs albeit indeed display a quite accurate picture to measures taken. Moreover, it is interconnected with how the concept of shared value is fundamentally managed, differing from traditional CSR (Porter and Kramer, 2011). Nestlé, for instance, uses their mentioned materiality matrix to identify issues and analyse measures which all bring value to its stakeholders but also to the MNC in certain forms. Focus is thus put on issues for which are identified as significant for future success to Nestlé together with its stakeholders. Food loss and waste is described as a significant focus area to develop both for Nestlé and external stakeholders, which illustrates in the company's many measures taken to improve in this field.

5.1.2 The role of headquarters and subsidiaries

5.1.2.1 Subsidiary autonomy

Finding the right balance between centralised efficiency and decentralised flexibility can be difficult for MNCs, who are operating in complex inter and intra-organisational networks (Bartlett and Ghoshal, 2002). At least two of the investigated MNCs, Unilever and Orkla, aim for mixed cooperative management, where the headquarters set goals and targets to secure consistency within the organisation, something that align with the findings of Maltz and Schein (2012), Bartlett and Ghoshal (2002), on a global scale while trying to take advantage of the benefits of local responsiveness as further stated by Roth and Nigh (1992). The subsidiaries of Unilever and Orkla are met with a high degree of trust and autonomy to find solutions that work in their local markets. The high degree of autonomy supports the theory by Ciabuschi et al. (2012), which state that large organisations typically require a higher degree of autonomy due to internal and external complexity in the focal markets. Despite a large degree of autonomy, the empirical findings do not find any signs of explicit intra-organisational conflicts which Hymer (1976) and Roth and Nigh (1992) argue might arise in decentralised organisations, albeit, subsidiaries not achieving the desired goals and targets in the cases of Unilever and Orkla will receive more attention from the headquarters with regards to why set goals and targets were not met.

Unlike Unilever and Orkla, Nestlé seemingly uses a more centralised approach with CSV operations on a regional level, where the headquarters have more control of the subsidiaries' CSV activities, as decisions are approved from central hold. With Nestlé's less decentralised focus, regional operations and external networks therefore could entail greater consistency (Bartlett and Ghoshal, 2002; Ciabuschi et al., 2012; Roth and Nigh, 1992). Nestlé is, though, still an MNC with a decentralised approach in general, however with regards to CSV in specific, the headquarters' involvement is more profound.

5.1.2.2 The headquarters as knowledge facilitators

Common for all the three investigated MNCs is that the headquarters of each organisation plays an essential role for serving as a knowledge facilitator. Despite knowledge being captured and created at the subsidiaries through internal and external initiatives – locally and regionally – in all three cases, as also found typical by Bartlett and Ghoshal (2002), the respective headquarters are

responsible for distributing these best practices to other local and regional subsidiaries. Unilever and Orkla both stress the importance of collaborative settings; where the former MNC achieve this through setting up working groups and workshops amongst their subsidiaries, and the latter through both working groups and engaging in cross-sectional networks. These initiatives are in line with Kramer and Pfitzer's (2016) findings on mutually reinforcing activities for creating shared value. Furthermore, Unilever and Orkla aim to share and leverage core competencies of each subsidiary to all other subsidiaries throughout the organisation, something Maltz and Schein (2012) as well as Barraket and Loosemore (2018) have found essential for an organisation to succeed with their CSV activities. When Unilever and Orkla are making decisions to secure consistency, they can be classified as mission-driven companies, with sustainability embedded in firm strategies and purposes, rather than to solely chase short-term profit. Developed initiatives and processes are set to accrue value on a medium to long-term perspective. The headquarters and the respective subsidiaries of Unilever and Orkla are therefore mutually dependent on each other to inspire and provide inputs for CSV activities, which is in line with Roth and Nigh (1992) who argue for the mutual dependency as an important factor for achieving consistency. However, since the decision making in Nestlé seemingly is more centralised with regards to their CSV, where the headquarters' role as a knowledge facilitator is strengthened, the interdependence could be argued as even higher. The global headquarters is dependent on receiving best practices from regional subsidiaries and external advisory groups, but also to efficiently distribute these, due to the lower degree of subsidiary autonomy in comparison to Unilever and Orkla. The need for Nestlé to achieve consistency follows Maltz and Schein's (2012) findings, as Nestlé also can be seen as a mission-driven firm, due to their large engagement in different CSV activities embedded in strategy. Additionally, with Nestlé being the only of the investigated MNCs having indicated cluster development, as described in section 5.1.1, their headquarters and subsidiaries are especially dependent on mutual knowledge sharing (Alberti and Belfanti, 2019).

Unilever stated that the Nordic countries are among the world leaders when it comes to operating towards reduced food waste, which entails strong regional capabilities to be leveraged in accordance with Maltz and Schein (2012) and Barraket and Loosemore (2018). The investigated headquarters as knowledge facilitators can therefore serve as important players for subsidiaries who do not have the capabilities to develop initiatives and processes related to food loss and waste.

Additionally, a significant focus area during the conducted interviews was that the work with food loss and waste is time consuming and presents challenges, therefore. According to Yeşil and Hirlak (2013), lack of time is a barrier against knowledge sharing. Hence, by utilising the headquarters as a knowledge facilitator could save time and allow the subsidiaries implement activities which have proven to be successful at other locations, only focusing on adapting it to local demands. For example, partnering up with local food banks to reduce waste of unsold quantities.

5.1.2.3 The importance of a common agenda and organisational culture

A common perception of Unilever, Nestlé and Orkla is the need for a shared vision and strong organisational culture. This perception aligns with Kramer and Pfitzer's (2016) first element for a collective impact (i.e. common agenda), all internal and external actors must share the same vision and furthermore approach towards a solution and ultimately, shared value. As argued, it helps to align actors' efforts and determine knowledge needed to be shared (ibid). This was emphasised by the Orkla headquarters, who argued having a strong organisational culture which fosters motivation when working with environmental initiatives is crucial, and that this to a large extent is more important than having the technical solutions. In this context, it was emphasised by Orkla's subsidiary in Sweden the necessity of senior management's involvement and support in governing targets and actions required for this purpose, throughout the organisation. This, in line with Fortune and White (2006) findings of success factors in project management, further builds a stronger corporate culture. Similar findings were found in Unilever and Nestlé. Having a strong organisational culture can, according to Roth and Nigh (1992), be of significant importance as the effects will increase the interdependence between headquarters and subsidiaries through reduced uncertainty and increased knowledge sharing.

All of the investigated MNCs explain that they are well aware of the differences between the subsidiaries affected by local environments and internal capabilities, which Van den Hoof and de Ridder (2004) emphasise as important factors when donating knowledge. Donating knowledge is according to Yeşil and Hirlak (2013) dependent on an organisation's ability to break down barriers that might hinder knowledge sharing. As previously mentioned, Unilever and Orkla stated time as the largest barrier towards the consistent work in reducing food loss and waste. The lack of time is therefore an individual barrier for the two companies and their knowledge sharing. However, it

is alleviated by other strong elements necessary for knowledge sharing, such as networks and clear organisational visions and strategies, with the latter linked to having a strong organisational culture (Kramer and Pfitzer, 2016). Building strong networks and organisational culture is also the case for Nestlé whose business principles are based upon CSV and its culture on acting for sustainable development, including their CSV strategies (Nestlé, 2020e). Yeşil and Hirlak (2013) furthermore determined technological barriers as hindrance towards knowledge sharing, but no empirical findings highlighted this as a problem. Enlighten the authors of this thesis, the rapid technological development since the publishing of Yeşil and Hirlak's (2013) article and the fact that interviews were conducted in high technological developed countries might be a reason for this. The previous mentioned differences amongst subsidiaries with regards to local environments and internal capabilities are furthermore emphasised when collecting and utilising knowledge. Several scholars, amongst them Minbaeva et al. (2003), Gupta and Govindarajan (2000) and Zahra and George (2002), highlight the importance of the receiving unit to have the capabilities and motivation to utilise the knowledge into actions. These observations are in line with the empirical finding of this thesis, where each receiving subsidiary needs to understand the inspiration provided by the headquarters to determine whether or not elements can be used, for thereafter adapting the idea to its market. An example of this is Unilever in Sweden, receiving inspiration from their global headquarters of initiatives conducted in other markets. Additionally, the strong organisational culture amongst all MNCs based on the empirical findings, suggest each organisation has succeeded with this. It illustrates that the investigated MNCs possess these capabilities and a motivation to utilise gained knowledge.

5.2 Coordination of CSV

5.2.1 Intra-organisational coordination

5.2.1.1 Collective impact

Because CSV is indeed *shared*, it involves including several stakeholders' perspectives and thus, collaboration is key (Porter and Kramer, 2011). A collective impact is to prefer above individualistic achievements, and as Kramer and Pfitzer (2016) point out, is facilitated by having a common agenda. As discussed in the previous section of 5.1.2.3, the three investigated MNCs of Unilever, Nestlé and Orkla, have supported this greatly to what they consider as important when creating shared value through the reduction of food loss and waste. To increase internal

commitment and maintain a common agenda, the MNCs have emphasised the need for embedding food loss and waste issues in the organisational culture as well as corporate strategies, something that must take its starting point in top management. As Orkla pointed out, this helps to ensure that duties on different levels, divisions and markets includes the necessary work to be done. In other words, it increases the level of consistency of measures across subsidiaries but likewise creates internal cultivation when there is mutual understanding of the value and thus the importance of reducing food loss and waste (Maltz and Schein, 2012). Not only does it help to create motivation for implementing CSV, it, according to the respondents, helps with coordination too. In this aspect, efficient cross-functional communication seems crucial. Unilever is very determined to connect internal stakeholders' operations with each other in terms of reducing food loss and waste, which is done by the many workshops the company utilises for this purpose. As presented, this approach also operated in Orkla, along with the sustainability network which helps to coordinate activities and increase communication across the MNC. Constant communication between the relevant stakeholders drives a collective impact (Kramer and Pfitzer, 2016) and must not only exist to create external coordination but as the MNCs indicate; internal. Additionally, as Orkla and Unilever stressed, is interconnected with the development of a common agenda. Following up on initiatives consistently with subsidiaries helps to ensure those taken are efficient towards reaching set long-term goals, which all MNCs have developed quite similar in the context of food loss and waste. Communicating follow-ups and defining a long-term time frame are also argued by Maltz and Schein (2012) as important factors for achieving consistent CSV for mission-driven firms, which we concluded Unilever, Orkla and Nestlé to be. The role of the global headquarters here becomes vital as it requires subsidiaries to communicate its results, but like Orkla and Nestlé, embedding in internal networks support knowledge sharing and increase consistency. However, to better control how stakeholders should in fact behave, corporate business principles are further developed. 'The Nestlé Corporate Business Principles' and Unilever's 'Sustainable Living Plan' are examples of this, which serves as common guidelines and expectations on how all employees should behave, and why it matters. Connected to this, employees receive training on the issue of food loss and waste and the improvement of processes related to their operations.

The combination of a strong organisational culture and training is important, since the absorptive capacity of knowledge sharing in MNCs is dependent on both individual motivation and

capabilities (Minbaeva et al., 2003; Gupta and Govindarajan, 2000). Orkla found the development of internal networks with Sustainability Managers from each business unit, to best combat challenges in this regard, which mostly are linked to time and lack of knowledge. They allow key people from each division to stay engaged and informed on best practices for reducing food loss and waste, which can be further distributed in their local operations.

5.2.1.2 Governing shared value initiatives

Having a shared measurement system is an important element for a collective impact, as it increases the level of control in initiatives engaged by several stakeholders and thus governs how they should proceed (Kramer and Pfitzer, 2016). Nestlé is careful to measure CSV on all levels across each of its global operations and for this, they report food loss and waste in accordance with the WRI Food Loss and Waste Protocol. As Maltz and Schein (2012) argue, being coherent in measuring progress enables for follow-ups along the projects and thereby helps to maintain consistent CSV. Unilever emphasised the headquarters' strict requirements on subsidiaries' regular reporting. Further, Orkla is connecting internal food loss and waste to KPIs for this purpose, with subsidiaries therefore regularly reporting to the headquarters. Accordingly, Maltz et al. (2018) found it beneficial for consistent CSV if benchmarks and other types of measurements were indeed connected to sustainability activities. Supported by the subsidiary Orkla Foods Sweden, this creates a common agenda that measures on the issue will have to be consistently implemented and maintained for delivering positive KPIs.

The headquarters are the governors for setting performance targets and developing standardised measurement frameworks, yet it is up to the subsidiaries to innovate processes for reduced waste. With Unilever supporting this, labelling the headquarters' role as three-fold; set targets, inspire and visualise results for further motivation; decentralised structures seem to be preferable. Since reducing food loss and waste as a way to create shared value is embedded in firms' strategies, that may reduce usual challenges with decentralised decision making, entailing for less control and integration capabilities (Ciabuschi et al., 2012; Roth and Nigh, 1992; Hymer, 1976). Knowledge is globally dispersed, and since reducing food loss and waste as argued requires distinct collaboration with external local or regional stakeholders, that may again entail for larger subsidiary autonomy as beneficial. Of course, due the size of the investigated MNCs, with Unilever

and Nestlé as two of the world's largest organisations and leaders in the FMCG industry, centralisation would be difficult to manage (Ciabuschi et al., 2012). Rather, to find internal consistency, the headquarters will operate as a knowledge facilitator like discussed in section 5.1.2.2, with the utilisation of internal networks and ruling of workshops. Nestlé's packaging alliance enhancing cross-border collaboration and Orkla's sustainability network are examples of this. Furthermore, the UN SDGs have been included by all the MNCs' missions, functioning as a backbone support to all units in *why* and *how* food loss and waste is reduced. Likewise, it shapes the firms' strategies and builds a higher degree of cultivation, as Maltz and Schein (2012) argue partnering up with NGOs can achieve. Kramer and Pfitzer (2016) further claim a neutral dedicated backbone support to be an element for a collective impact, offering guidance in the development of visions and strategies, as well as support of operations. Orkla, Nestlé and Unilever all collaborate to some extent with the UN in different markets.

5.2.2 Inter-organisational coordination

5.2.2.1 Collective impact

As argued in section 5.1, all of the investigated companies are operating within external networks. These networks are important factors for all three companies as they coordinate activities with a wide range of external stakeholders, amongst them competitors and NGOs, something Kramer and Pfitzer (2016) allude on as an important factor to provide a shared vision and joint approach to achieve a common agenda. Unilever and Nestlé are, as mentioned in section 4.2.2, both members of 'Champions 12.3', where different significant stakeholders share knowledge and initiatives while Orkla participates in different external national networks. The general finding of an inclusion of UN SDGs within the organisations, the MNCs thereby follow Kramer and Pfitzer's (2016) idea of establishing a common agenda as the initiatives are not led by a single organisation but multiple actors who are involved in this, as well as a dedicated backbone support to provide guidance and vision for the CSV initiatives. We mentioned earlier that the UN might function as *internal* backbone support, but Champions 12.3 is another example which relates also to *external* backbone support for a common agenda, while it additionally fosters cultivation through NGOs' support with a common way forward for all stakeholders (Maltz and Schein, 2012). As members of 'Champions 12.3', Unilever and Nestlé have the possibility to influence the work and policies of SDG 12.3, following Bondy and Starkey's (2014) idea of collaborating with relevant stakeholders

when developing policies. Orkla here misses out on the opportunity to gain knowledge from competitors and other external experts, yet as we have discussed, their focus is mainly on internal food loss. For this purpose, Orkla's stakeholder policy development as explained in section 5.1.1.1 is beneficial.

Kramer and Pfitzer's (2016) recommendation of sharing knowledge with external partners to achieve greater impact are followed by all three companies, who do so with other participating stakeholders in the networks, including close competitors. The three companies thereby align with Maltz and Schein's (2012) and Barraket and Loosemore's (2018) findings, advocating for sharing core capabilities, which in this case are related to food loss and waste. Albeit, sharing capabilities in the form of firm specific advantages contradicts Barney's (1991) resource-based view. Rather, the investigated MNCs are instead operating in line with Kramer and Pfitzer's (2016) vision of the need for realising mutually reinforcing activities, with Unilever and Nestlé doing this at a global scale by being Champions 12.3 members. Moreover, the three MNCs are doing this further within different regional and national networks. Operating on a global scale as Unilever and Nestlé do with Champions 12.3 can create greater impact, while initiatives on regional and national level are relatively creating lesser impact, although these to a larger extent have the possibilities of capturing local knowledge and nuances in their coordination, following the findings of Bartlett and Ghoshal (2002). As previously mentioned, though, Unilever and Orkla state the lack of time as a challenge for knowledge sharing, both with regards to donating and receiving it. Time is likewise important when coordinating as it is in implementing CSV. Therefore, time to coordinate activities within external networks is an important resource for both Unilever and Orkla as employees must prioritise in order to fulfil implemented activities for consistent work against food loss and waste. Yeşil and Hirlak (2013) argued time as a trade-off in knowledge sharing, which needed to be alleviated. Hence the importance of having a backbone support such as UN and Champions 12.3, lowering the organisational barriers through ensuring a shared vision and strategic developments, for a collective impact (Kramer and Pfitzer, 2016).

To further achieve a collective impact and successfully coordinate CSV activities related to food loss and waste, constant communication with *external* stakeholders have also been indicated by the MNCs, which again supports the findings of Kramer and Pfitzer (2016) on CSV and Alberti

and Belfanti (2019) on global food loss and waste in particular. Due to the high interdependence among the actors in the food value chain, there is a high demand of constantly involving different parties for efficiently coordinating implemented activities. For this reason, the external networks formed by Orkla and Nestlé create a forum for which communication can flow more easily, and where it becomes natural to share knowledge in inter-organisational settings. Unilever emphasised communication as vital for this purpose in reducing waste in downstream activities, influencing consumer behaviour, which is the overarching focus of the investigated Swedish subsidiary. However, it was also expressed as a challenge to coordinate upstream activities, due to individual differences in value created, particularly for suppliers. Alleviating these issues, as also pointed out by Unilever, efficient communication for realising mutual interests, is likely to be an important factor. Increasing communication and subsequently collaboration, could in this regard be facilitated by implementing external networks as particularly Orkla do. Because one major benefit expressed by Orkla for developing both internal and external sustainability networks is the fact that knowledge is easier shared through greater communicative capabilities, which helps to direct all stakeholders in the desired way, (i.e. reducing food loss and waste). This is strengthened by Yeşil and Hirlak (2013) who define potential barriers towards knowledge sharing in one part as individual barriers. These develops as a consequence of a lack of trust, *networks* and time. As we know, time has indeed been regarded as a major challenge of both Orkla and Unilever towards CSV.

5.2.2.2 Governing shared value initiatives

As the empirical data suggest, internal governing is often inclusive of external governing, i.e. there seem to be similarities in how Unilever, Orkla and Nestlé control both internal and external stakeholders. Scholars agree CSV to be necessitated by joint inter-organisational collaboration when implementing the activities (Porter and Kramer, 2011; Moon et al., 2011; Matinheikki et al., 2017), thus is also coordination of both internal and external stakeholders bound to be related. In addition to prior mentioned aspects in internal governing of building mutual trust and commitment, utilisation of a backbone support and having a shared measurement system, seemingly it also becomes important to form a common agenda through the help of codes of conduct. Just as in the case of internal governing, ruling how internal stakeholders should in fact behave, e.g. through Nestlé's Corporate Business Principles, the three investigated MNCs have used codes of conduct

for external governing too. This is directed to how external stakeholders should behave for CSV to be realised, e.g. the Nestlé Supplier Code. The findings correspond to what Bondy and Starkey (2014) determine the most common approach for governing stakeholder policies; internal premade drafts. A centralised approach as such for securing consistency part of the 3C framework (Maltz and Schein, 2012), could spur a smoother process as Roth and Nigh (1992) also indicate. At the same time, it may facilitate in securing new external partners who want to collaborate with the MNCs, sharing the same vision on creating shared value and reducing food loss and waste. Due to the investigated firms being mission-driven, and knowledge sharing has been found as an important way to achieve cultivation, e.g. through Nestlé's development of suppliers' operations, to enhance the consistency and further cultivate such external stakeholders to operate towards reducing food loss and waste, firms' premade stakeholder policies likely facilitate in this. Matinheikki et al. (2017) similarly concluded that it is vital to create a shared vision throughout the business ecosystem for coordinating joint operations, thus including inter-organisational relationships.

With regards to having a shared measurement system for achieving a collective impact as argued by Kramer and Pfitzer (2016), this has been discussed as important for external coordination as well as internal. Nestlé finds a major challenge to reduce food waste in supplier operations, especially smallholders, due to the lack of knowledge on why it matters and how it can be reduced. Thus, they help to coordinate measurement procedures to raise the matter on how much monetary resources are being wasted as well as the impact it will have on environmental and societal issues. When realisation has occurred through measuring food waste, actions can be taken (CEC, 2019). Therefore, further on this matter, we argue that the three MNCs usage of a dedicated backbone (i.e. UN SDG 12) could support this, as CSV initiatives in collaboration with external stakeholders can better be coordinated when everyone finds common ground in how and why to measure its food waste. For this purpose, measuring and reporting food loss and waste in a coherent way is done through collaborating with external stakeholders such as the CFG, PWC and WRI in the case of Unilever, Nestlé collaborates with WRI and E&Y while it in the case of Orkla is GRI and Cemsys.

6. Conclusion

The conclusion represents the main ideas from the analysis while answering the research question 'How can MNCs implement and coordinate CSV activities across its international subsidiaries?'. Following the conclusive discussion, an overview of the study's theoretical contributions and managerial implications will be presented, ending with suggestions for future research.

This study set out to examine MNCs' implementation and coordination of CSV activities related to the significantly growing global issue of food loss and waste. Our aim was to contribute with an increased understanding of how CSV may be managed in complex business environments and why this is important, as for MNCs to maximise their shared value. That is, value benefitting both the company and the society which it is embedded in (Porter and Kramer, 2011). Within the given context, this maximisation of shared value can subsequently enhance food companies' positive contribution towards the United Nations Sustainable Development Goal 12; *ensuring sustainable consumption and production patterns*. For this, we synthesised a theoretical framework based on previous scholars' contributions on CSV and MNC management theories, such as headquarter-subsidary relationships (e.g. Bartlett and Ghoshal, 2002; Ciabuschi et al., 2012), knowledge sharing (e.g. Gupta and Govindarajan, 2000). The framework helped to guide us in collecting and analysing the empirical findings. These findings were gathered through conducting a multiple case study on three leading mission driven MNCs within the food industry. Several of the models presented in the theoretical framework show to be closely related to each other and, in fact, often interdependent and positively correlated. Maltz and Schein's (2012) 3C framework for consistent CSV across the MNC, was positively correlated by all of the five elements presented by Kramer and Pfitzer (2016). For example, a common agenda along with constant communication creates consistency in CSV activities, as well as it can enhance its cultivation within and outside the MNC. At the same time, constant communication enhances the common agenda of the relevant stakeholders included in the CSV initiative, thus increasing consistency and cultivation. An amplified consistency leads to the development of a stronger organisational culture and common agenda.

The empirical findings suggest shared value to be created connected to reducing food loss and waste, by redefining productivity in food value chains, reconceiving of food products (incl. packaging) and markets, and enabling local cluster developments. Our study thus supports the aspects highlighted by Alberti and Belfanti (2019), who set out to research cluster developments in food loss and waste specifically, as well do we set the developed concept of the three different levels of CSV by Porter and Kramer (2011) in a business context. There is a joint belief that reduced waste will always be beneficial for the MNC, through e.g. reduced costs and secured supply. Likewise, as initiatives from the investigated MNCs have shown, external stakeholders benefit through e.g. improved processes by absorbing knowledge from the MNCs, greater utilisation of resources and less food insecurity. This indicates the importance of why CSV must be effectively managed across the organisation. Studies from FAO (2019a; 2019b) and Ishangulyyev et al. (2019) both confirm reduced food loss and waste to enhance suppliers' productivity and resource usage, which can in the long run equal to lower prices MNCs have to pay. Considering the world's many hundreds of million people starving and the increased demand of calories with a fast-growing population, it is a development which is indispensable. It also helps slow down global warming with less carbon dioxide emissions.

The results further confirm the importance of embedding CSV and sustainability in MNCs' strategies and visions (see Porter and Kramer, 2011), shaping how all units operate. Reduction of food loss and waste can be advanced in a variety of business units, such as farming, food processing and production, packaging innovations, marketing and sales or logistics. All subsidiaries, departments and moreover, employees, have unique capabilities to influence its organisation's impact in creating shared value through less waste and thus, a responsibility to do so if the matter is inclusive of firm strategy. Coordinating this, our findings suggest it as beneficial to embrace food loss and waste in corporate business principles, facilitating a higher level of consistency in the MNC. By incorporating food loss and waste in strategies, it further contributes in the development of a strong organisational culture where it is natural to operate in this regard. This is necessary for managing CSV activities across the MNC, because having a shared vision increases the mutual trust and commitment in collaborating for implementing and fulfilling activities related to reducing food loss and waste. It adds to what Maltz and Schein (2012) argue

for necessary to create consistent CSV; establishing a relative emphasis on social value for impacting managers drive to implement initiatives.

Collaboration is key for both implementation and coordination of CSV in MNCs, regardless of what type of shared value is being created. Internally, because activities related to food loss and waste often require significant cross-functional and cross-border teamwork, as well as sharing successful projects with subsidiaries across the organisation. Externally, since food value chains stretch across several borders and where suppliers and other parties contribute to food loss and waste. With many stakeholders involved in the value chain, there are many demands to consider in order for shared value to be created, and as Alberti and Belfanti (2019) explain, the interdependence between them is high. To increase all stakeholders' incentives to operate for reduced waste and to allocate resources needed, it therefore requires inter-organisational cooperation.

Internal collaboration is first driven by developing efficient communicative capabilities within the MNC, where the connection of different sustainability managers from each subsidiary have been found to be utilised. This can be done through the formation of internal networks with a focus on implementing CSV activities towards reduced food loss and waste, or by conducting multinational workshops. Communication helps to utilise subsidiaries and its different departments' individual capabilities for a collective impact. Supporting Kramer and Pfitzer (2016) and Malt and Schein (2012), constant communication in combination with a strong organisational culture on the matter, facilitates in aligning different self-interests within the organisation and increases consistency of CSV, ensuring that every employee is working towards achieving the set targets. Further on this purpose, training is offered to educate about the necessity of reducing food loss and waste, conducting reports and how it may be done. The role of the headquarters is here interesting as the findings suggest a very decentralised approach, albeit with requirements in form of set corporate or individual targets and development of shared visions coming from top-down. Fortune and White (2006) found senior management support to be a major success factor for project management and this seem to be true for effective CSV within MNCs as well. Whereas external partnerships and subsequently, innovations, often are created in local or regional settings due to a need for local responsiveness. Challenges are often found on a regional, if not local, level. Hence the general

usage of a strategy providing with large subsidiary autonomy. Still, successful projects in one region may well be implemented in another, for which the headquarters serves as a knowledge facilitator, sharing local know-hows and success stories within the MNC, also positively contributing to the common agenda. This is further improved by the connection of sustainability managers from every market. The headquarters' role in governing subsidiaries is not necessarily reduced due to the increasingly complex business environment the MNC develops, as outlined by Ciabuschi et al., (2012), rather, it is redefined towards distributing knowledge instead of developing it.

Sharing knowledge efficiently, with help of the headquarters but also through mentioned networks and workshops, in combination of a strong organisational culture, are all important in order to combat the mutually recognised major barrier towards CSV within food loss and waste; *time*. Headquarters' visualisation of successful shared value motivates managers to stay committed to the mission of the organisation, and the subsidiaries are required to regularly report their progress. Measuring food loss and waste in a consistent way is critical since it enables for follow-ups and, in line with Kramer and Pfitzer's (2016) five elements for a collective impact (a shared measurement system), increases control in coordinating the implemented activities when comparisons could be easier performed. Yet as they argue, it is for creating consistency in an inter-organisational setting. We further conclude it critical for achieving *internal consistency* within organisations. MNCs make use of internationally recognised measurement procedures and reporting. Connecting CSV to KPIs further facilitates this and improves consistency, since it increases the pressure on subsidiaries to deliver positive KPIs according to the headquarters' requirements and also ensures regular reporting. Connecting sustainability to benchmarks is suggested as the next step for sustainable business models by Maltz et al. (2018). Moreover, it contributes by connecting financial and non-financial value created with the initiatives. Because the reduction of food loss and waste not only creates monetary savings, therefore realising and visualising that, helps to increase incitements for a need to change.

External collaboration is dependent on most of the factors which drives internal collaboration forward, in particular having a common agenda to ensure consistent CSV and overcoming challenges linked to differences in self-interests and local regulations hindering initiatives to be

successfully implemented. Furthermore, to ensure measures taken are cultivated by all relevant stakeholders in order to achieve a collective impact (Maltz and Schein, 2012). The findings suggest MNCs' engagement in external networks to facilitate in maintaining a common agenda, as when information can greater flow within the connected stakeholders to the network, it is easier to determine mutual interests by the outcome of various measures and taking necessary adaptive decisions. The development of networks creates settings which increase long-term potential to share key knowledge for reducing food loss and waste and utilise organisations' individual capabilities for a larger impact. This drives cultivation and ultimately, consistent CSV.

Supplementary to engaging in united coalitions and external networks, the usage of what Kramer and Pfitzer (2016) define as dedicated backbone support has been encouraged. MNCs working to create shared value by combating food loss and waste, benefit by allowing to guide strategies and missions according to the UN SDG, specifically SDG12 as shown. In connection, it can shape stakeholder policies developed by MNCs, through internally premade drafts (Bondy and Starkey, 2014) with set criteria that must be fulfilled in order to partner up in MNCs' shared value creation. Codes of conduct further help with coordination issues, as it governs how both internal and external stakeholders should operate for ensuring sustainable consumption and production patterns.

6.1 Theoretical contributions

Existing literature on CSV in MNCs have emphasised the need for engaging with external stakeholders, in order for a collective impact to be achieved (Kramer and Pfitzer, 2016; Porter and Kramer, 2011; Moon et al., 2011; Maltz and Schein, 2012). However, not much attention has been directed towards *how* these relationships should be developed, nor what type. We have in this study shown that firms within the food industry develop collaborative settings with the inclusion of direct competitors, as to share organisational capabilities for reduced food loss and waste. Thus, the shared value which can be created enlarges. This indicates that coopetition may play a more significant role in CSV than what in prior mentioned studies suggest, and within food loss and waste minimisation in particular. This is so, because stakeholders in global food supply chains are interdependent and the issue affects us all. Coopetition is defined as interfirm learning where competition and cooperation are simultaneously combined for complementing knowledge (Rai, 2016; Fredrich et al., 2019). Coopetition could however give rise to opportunistic behaviour,

amplified by the existence of diverse goals between different parties in the alliance (Fredrich et al., 2019). This is closely linked to the concept of CSV where many stakeholders' demands need to be considered, which could be alleviated by creating a common agenda and efficient communication means, as argued by Kramer and Pfitzer (2016) and later supported from the findings of this thesis on food loss and waste.

Our study further contributes by visualising the connection of the vital role of the headquarters in implementing and coordinating CSV within the MNC. To our best knowledge, previous CSV studies (e.g. Maltz and Schein, 2012; Porter and Kramer, 2011; Kramer and Pfitzer, 2016) have not really directed attention towards this connection. Headquarters function as knowledge distributors and main drivers of the creation of a strong organisational culture. This ensures an effective utilisation of subsidiaries' focal capabilities and the development of a common agenda, as well as alleviating challenges with implementing and coordinating CSV activities related to food loss and waste, with time being the most prominent. This study thereby adds to existing literature of organisational culture and time as important aspects to consider for knowledge sharing in MNCs, and thus the understanding of CSV as a successful concept.

Lastly, by connecting CSV to food loss and waste, this study helps to put the concept in business practice, which indeed has been a shortcoming in previous research (Dembek et al., 2016; Wójcik, 2016; Crane et al., 2014). We disagree with critics who acclaim CSV as a buzzword. The concept does provide new potential for business opportunities and sustainable development, for which collaboration is key to put it in practice. MNCs' reduction of food loss and waste have exemplified this.

6.2 Managerial implications

Managers and other practitioners can with the findings from this thesis discover different methods of how to implement and coordinate CSV activities within their organisation. Part of any method should be to facilitate knowledge sharing within the organisation, between headquarters and subsidiaries, and with the latter's local external environment and stakeholders. This may include competitors. Actively seeking to engage in both internal and external networks is recommended. However, as the findings suggest, both internal and external knowledge sharing are time

consuming and can inhibit CSV. Managers should therefore realise both the necessity of allocating time on CSV activities and that it subsequently could present for trade-offs with other organisational activities. To successfully implement and coordinate CSV, minimising trade-offs, managers must re-think current strategies and embed a shared value within it, with clear organisational missions and visions. Additionally, the findings show the time barrier can be further alleviated through a strong organisational culture that ultimately should come top-down, since such an approach cultivates into the subsidiaries, when the latter comprehend top management's serious approach on relevant CSV measures. Thus, creating a closer link between headquarters and subsidiaries in the communication of CSV should be considered. Managers can experiment between engaging in e.g. internal sustainability networks or by conducting workshops as part of this development. Including the UN SDGs within a CSV strategy, allowing for the goals to shape the operations, where the CSV itself directly contributes to the achievement of the goals, we think is a beneficial approach towards more sustainable businesses. It has shown to both facilitate the implementation and coordination of CSV. One thing is certain however, increased collaboration, internally and externally, will increase the shared value created and its collectively global impact.

6.3 Future research

Although implementation and coordination of food loss and waste as CSV activities have been identified, the CSV concept is still very wide and yet to be further explored. Nevertheless, our study helps to create a foundation for future research on the topic. Researchers should continue to explore the benefits of incorporating CSV as part of business strategies and how it may change the world for a better simultaneously as driving economic growth for organisations. Conducting research on CSV connected to UN SDGs, we thus deem as particularly interesting and important, as it to us seem like a powerful duo. Moreover, as our study has been conducted with a focus on global yet solely European organisations, with both headquarters and origins from Western Europe, future research may therefore study the same issue in organisations and subsidiaries not originating from Europe. For example, it would be interesting to conduct a similar study on MNCs from a developing country, where technological developments are not as far come.

Lastly, because as this study has taken an inside-out approach directed to organisations and their own experiences with CSV and food loss and waste, future research may provide additional

contributions by further investigating external stakeholders' roles. For example, NGOs, local authorities and intergovernmental organisations, or any other relevant stakeholders in the global food value chains, vital for to the battle against food loss and waste. Such research could thereby provide additional insight to farmers and suppliers of food products.

7. References

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Appendix I – Interview guide

Background of the problem and its challenges

It is estimated that a third of all the world's produced food is lost somewhere along the supply chain or goes to waste after distribution for various reasons, approximately reaching 1,3 billion tonnes on an annual basis. Consequently, huge economic and environmental issues unnecessarily arise on a global level. It is moreover a waste of many resources as we need to produce more food in order to make up for the loss, hence creating inefficient land usage and giving rise to unnecessary water spillage, both critically affecting our climate in a negative way.

Creating Shared Value - why it matters

Creating Shared Value (CSV) emphasises corporations to minimise trade-offs between economic, societal and environmental issues, in order to increase shared value for several stakeholders, as well as for the focal firm. On the global issue of food loss and waste, Shared Value e.g. could be created through educating suppliers and other parties involved in the supply chain for increased productivity and less food loss. Such methods give economic benefits to several parties involved in the supply chain, as well as it entails for reduced costs for the individual firm. At the same time, more optimal resource usage with the reduction of food loss and waste minimise carbon footprints etc.

Purpose of the study

The purpose of this study is to provide new perspective(s) to the concept of CSV by attaining an increased understanding of how an MNC coordinate its CSV activities and operations within its organization from headquarters to subsidiaries, collaborate with its internal- and external stakeholders and work with knowledge sharing.

Interview questions

Introduction

1. What is your role in the organisation and how long have you been working there?
2. How does your organisation currently work with food waste/food loss?
3. Where is food loss and waste most visible in your food supply chain?
 - a. Where can you as a company most notably take actions to reduce the waste or loss?
 - b. Where can you/your department most notably take actions to reduce the waste or loss?
4. What are the main capabilities of your organisation which can be used to fight food loss and waste?

Creating Shared Value, CSV

5. What is Shared Value for you?
6. How do you believe that trade-offs between economic, sustainability and social value creation can be minimised? (e.g. profits vs effect on respective issue)
7. How do your organisation's actions on reducing food waste/loss create value for the environment and society you operate in? (e.g. knowledge sharing, improving processes and technologies, supply chain productivity, cluster developments)
 - a. Does the work involve trade-offs, such as financial profits negatively/positive?
 - I. If negative; how can these trade-offs be alleviated?
 - II. If positive; elaborate on the reason for success.
8. What are the main challenges for your organisation when adapting shared value into your business model?
9. How will new products be affected by your CSV strategy?
10. How do you measure the created shared value?
11. How (if applicable) has the focus on CSV affected daily operations?

Stakeholder collaboration

12. Who are, in your perspective, your organisation's most important stakeholders in relation to Food loss and waste?
 - a. Internal/external?

- b. Local/global?
13. How do you work with the mentioned stakeholder(s)?
 14. Have stakeholders influenced your organisation's way of working with food loss & waste?
 - a. If yes, how?
 - b. If no, why not?
 15. How do you create value for the mentioned stakeholders?
 16. How do you cultivate trust and commitment with different stakeholders?
 17. How is a new CSV initiative on reducing Food loss and waste communicated, external and internal?
 18. Do you want to collaborate more with other stakeholders to reduce Food loss and waste?
 - a. If yes, please explain with whom and how.

Collective impact

19. What is your take on how to successfully achieve a collective impact (i.e. collective collaboration with many stakeholders)?
 - a. What is most important?
 - b. Have you experienced challenges with stakeholders opting for trade-offs in short-term profits with an initiative within food loss and waste? If yes, how did you cope with this?
20. How do you think a collective impact initiative should be organised?
 - a. Leadership?
 - b. Governing and following-up collective stakeholder collaborations?
21. Do you collaborate with NGOs on the issue of Food loss and waste?
 - a. If yes, what are the main benefits in doing this?

HQ-sub relationship

22. Are there any subsidiaries/markets who are more influential in the question of Food loss and waste?
 - a. If so, why do you think it is like that?
23. Is your organisation, in your perspective, working with Food loss and waste using a centralized or decentralized approach? (i.e. if initiatives derive from HQ or from subsidiaries?)
 - a. Would you in your opinion have preferred some other way of working?

24. How do you ensure that the initiative is supported across the organisation? (from HQ to subsidiaries or vice versa).

Knowledge sharing

25. How do you share knowledge within the organisation (internal stakeholders)?

a. Do you experience any challenges or barriers?

26. How do you share knowledge with external stakeholders? (e.g. farmers, retailers etc)

a. Do you experience any challenges or barriers?

27. How do you transfer initiatives from one subsidiary to another?

a. What does the process/communication look like? What is most important for success?

28. How do you acquire, implement and utilize newly acquired knowledge into your operations?

a. From internal stakeholders?

b. From external stakeholders?

29. Are you open to share core competence to external partners if it helps to reduce Food loss and waste?

Others

30. Is there anything else you would like to add that you feel is important, or something that needs clarification?

Appendix II – Overview of investigated MNCs

Unilever

With its over 400 brands, sold in 190 countries, consumed by two and a half billion people every day, Unilever is one of the global leaders within the FMCG industry (Unilever, 2020f). The Anglo-Dutch MNC, with a turnover of 52 billion Euros in 2019 and 155.000 employees, produce and sell products within Foods & Refreshment, Beauty & Personal Care and Home Care under popular brands such as Knorr, Hellman's, Dove, Lipton and Omo (ibid). Reducing food loss and waste is an important piece of its support of UN Sustainable Development Goals and the organisational purpose; making sustainable living commonplace (Unilever, 2020a). Unilever has global headquarters split between two locations; London and Rotterdam. Our interview was conducted with the Nordic regional headquarters in Stockholm.

Nestlé

Holding a portfolio of over 2000 different brands, present in 187 countries, Nestlé is the largest food and beverage company in the world (Nestlé, 2020h). Its turnover in 2019 was approximately 87 billion Euros and employed around 291.000 people worldwide (Nestlé, 2020b). Some of its globally familiar brands included in its portfolio are Nescafé, KitKat, Nesquik and Nestea. Supporting UN Sustainable Development Goals and with CSV clearly defined as part of its strategy, Nestlé find the reduction of food loss and waste a significant focus area (Nestlé, 2020a; Nestlé, 2020h). We interviewed the global headquarters located in Vevey, however, our collaboration only included elaboration on available secondary data, and the interview guide was not used for this purpose.

Orkla

Orkla is a leader within the FMCG industry in its main markets found in the Nordic and Baltic countries yet withhold a strong position on the global market as well (Orkla, 2020b). In 2018, the Group's turnover reached over 4 billion Euros, employed nearly 19.000 people and owned 300 brands. Products are sold through the different units comprised of Orkla Foods, Orkla Confectionary & Snacks, Orkla Care and Orkla Food Ingredients, whereas Orkla Foods is the largest business area (ibid). Example of some popular brands are Felix, OLW, Abba and Jordan.

UN Sustainable Development Goals are high on Orkla's agenda, hence also the reduction of food loss and waste. The global headquarters are located in Oslo, which we conducted two interviews with. Orkla Foods Sweden is a subsidiary with its main office in Malmö, also interviewed.

Appendix III – COVID-19 effect on study

The pandemic gave the study some setbacks in the collection of empirical data, thus affecting our results. First of all, it altered the way interviews had to be conducted, moving from face-to-face meetings to digital platforms. The initial plan to conduct some interviews abroad of course had to be cancelled. Although, due to it being replaced with video interviews, the effects of this are not considered to be significant. Second, it has limited some of the participated MNCs' number of business units which could be interviewed. During our initial contact with the chosen organisations, for each of them we planned for conducting interviews with both the headquarters and several connected subsidiaries. In the end, this was not always possible, and plans were unfortunately changed. Lastly, initial discussions with other MNCs fulfilling the selected criteria were conducted, yet agreements became difficult to close due to COVID-19, thus reducing the numbers of organisations participating in the study.

Nevertheless, we want to point out that the end result of our study is still to our satisfaction and the amount of empirical data was never really a large issue, due to the high commitment and flexibility of the participants as well as the available secondary data to complement shortfalls.