Being On the Right Side

Corporate Social Responsibility Implementation in Large Firms – A Study within IKEA

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The thesis provided here is written for the Sustainable Urban Management one year master program at Malmö University, Malmö, Sweden. After completing this study program students may work with leading urban development processes and urban sustainability related projects. Students would be part of planning, developing and further managing urban projects that lead to better sustainable development. This study program provides solid knowledge within environmental, economic and social sustainability issues and the integration of various perspectives in relation to actual cases. The completion of this study program is awarded with a Master of Science degree with a major in Built Environment.
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Summary

Accounting for the environmental and social impacts produced by the business or Corporate Social Responsibility (CSR), has arguably been one of the main topics and requisites within urban sustainability. Large companies having more impacts on the environment and the society due to amongst others the more diverse background of stakeholders and the more use of resources are more in the spotlight to implement CSR in their business. Companies which carelessly aim mainly for profitability and give less care to the environment are more and more proving to loose sustainability in their lifeline (Waldman, Kenett, & Zilberg, n.d.).

This paper, using IKEA as a case study, has demonstrated the importance of CSR in larger firms. It has well demonstrated how and why large firms engage in CSR activities and how it could further enhance these activities in the upcoming demanding future. This has been done by presenting three theories, CSR communication, proactive and reactive CSR and motives for CSR. These theories principally show the effectiveness of CSR communication and a framework for successful internal and external communication; the difference and benefits of proactive and reactive CSR and which is more desirable; and finally the motives companies have to engage in both reactive and proactive CSR activities. With the help of these theories in the analysis section, this paper demonstrates how IKEA has used CSR in its framework to rebuild its reputation and how it has improved its sustainability by using proactive CSR strategies. The study further demonstrates how IKEA has proven that they are caring in gaining a sustainable future and presents some thoughts for further studies and practices.

Key words: Corporate Social Responsibility, Large Companies, Urban Sustainability, CSR Motives, CSR Communication, Reactive and Proactive CSR.
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1 Introduction

While a combination of environmental, social and economic performance is understood to be the foundation of sustainability; economical sustainability is argued to be the most significant component of them all (Doane & MacGillivray, 2001). Most agree that sustainability is desirable to avoid “corporate premature death” even though there is no collective agreement that businesses ought to be economically sustainable by business or trade agreements, regulations or by other means (Doane & MacGillivray, 2001).

Sustainable economic development could be defined as when the direction of investments, technological developments and the utilization of natural resources together with institutional changes or reformation are all not only sync with each other but also aimed at enhancing the current and future potentials for human needs. Wang (1996) argues that unsustainable economic development is not only inefficient, but as well ineffective in the long run. Tuppen and Zadek (2001) additionally relate these factors by mentioning: "Economic systems support sustainable social and environmental outcomes, where economics is the process through which humans create social and environmental outcomes" (Doane & MacGillivray, 2001).

More and more people are migrating to cities since the fast change and evolution of mega-cities has the potential of accelerating well-being. The need for shelter, housing, garbage collection, access to clean water, education and practically all urban services and resources would be results of this increase in population which in terms would cause a higher complexity of the task of urban government and management (Putnam 1993, cited in Buehler 2003). Rondinelli (1990, cited in Buehler 2003) has defined four key roles in which urban planning and management should fulfill. The four key roles are described as: “(1) Providing infrastructure essential to the efficient operation of cities, (2) provision of services that develop human resources, improve productivity, and raise the standard of living of urban residents, (3) regulating private activities that affect community welfare and the health and safety of the urban population, (4) providing services and facilities that support productive activities and allow private enterprise to operate efficiently in urban areas”.

Sustainable urban development which has to be driven by city management has to try to increase economic development, provide services and equity for the increasing number of its citizens in such a way not harming the ecological ground for future generations (Buehler, 2003). Current urban management according to Buehler (2003) faces mainly two kinds of problems making it hard to achieve these goals effectively. Firstly administrative and institutional complications and secondly issues with “technocratic” planning and management are hindering an effective and operational implementation of sustainable urban development.

Managing a business in a way that accounts for the environmental and social impacts produced by the business is often referred to as Corporate Social Responsibility (CSR) and this way of managing a business represents a commitment of developing policies for responsible daily business operations (As You Sow, 2011). More recently, not only because of the moral responsibilities, but as well for gaining competitive advantages, legitimacy and brand identification; businesses are aiming towards CSR and CSR activities. Nevertheless, understanding issues regarding CSR are quite complex, therefore making it tough for businesses to know what exactly what should be done and how they should be implemented and completed (Gronvius & My Lernborg, 2009). Implementation of CSR has grown as an important factor by many theoreticians and planners (Moir, 2001; Lindqvist and Llewellyn, 2003; Margolis and Walsh, 2003; Valor, 2005 cited in Blombäck and Wigren, 2009). What a business’s social responsibility is, could be amongst others, related to its functioning activities, environmental awareness, supplier and consultant selection and how their behavior although depending on the business, the CSR activities in the enterprise could also be related
to a very broader perspective in the society (Blombäck & Wigren, 2009). In order to understand these activities and relations, CSR needs to be defined together with the actions related to it. According to Blombäck and Wigren (2009) there are no agreed notions about which actions or tasks represents CSR although many attempts have been made in order to circle boundaries on the actions and responsibilities in which CSR actually represents and divide them into subcategories. In such an attempt, Carroll (1999) has separated the CSR errands into legal, economical, ethical and humanitarian categories (Blombäck & Wigren, 2009). This demonstrates CSR activities not only refer to core functions of the business but to objectives far beyond the firm’s core functions and processes as well. In other words, CSR defines the expectations and concerns and characterizes how the business could increase its moral standards and balance environmental, social and economic factors (CSRQuest, 2010).

Davis and Blomstrom (1975) define corporate social responsibility as “the managerial obligation to take action to protect and to improve both the welfare of society as a whole and the interest of organizations”.

The United Nations (UN) initiatives of “Global Compact” and the “Millennium Goals” have defined the principles for corporate social responsibility in the areas of human rights, labor standards, environment, health, anti-corruption and economic responsibility with key driving forces including the final user and the investor (CSRQuest, 2010).

The main motivations for companies to introduce and maintain CSR as briefly mentioned above are ranging from gaining reputation and achieving distinct brand identification to becoming the employer of choice, gaining market position, locking trust of financial markets, shareholder value and introducing green products and services (Blombäck & Wigren, 2009). Literature review also suggests that for firms to operate increasing profit is no longer enough, in addition, they also have moral and voluntary responsibilities to the society and to the people in which they need to fulfill (Maon, Swaen, & Lindgreen, Corporate Social Responsibility at IKEA: commitment and communication, 2007).

CSR activities are designed in a way to reduce negative environmental and social impacts and resultantly to create more attractive products. According to Cliff Stevensons Consulting & Simply CSR Ltd. (2008) customers are more recently concerned about the environmental qualities of the product or service the company is offering under the lifecycle of the product or service. They further state that CSR activities counter to the problems that could affect larger companies’ brands, it’s not surprising that much focus of CSR activities is on larger companies. This responsibility has often been the responsibility of certain departments i.e. marketing or accounting or even a separate CSR department in bigger companies wishing to drive and maintain CSR activities (Blombäck & Wigren, 2009). Important to mention, in larger firms due to the diversity of personnel, diverse stakeholder’s backgrounds and greater environmental challenges adding up with the more impacts on society these larger firms have, the implementation of CSR deems more important and even trickier.

For sustainability in the long run, CSR is becoming a more important factor for firms every day. Firms that follow the “profit motive” carelessly and have less respect to the environmental and social aspects are increasingly proved to lose sustainability in the long run (Waldman, Kenett, & Zilberg, n.d.).

1.1 Problem, aim and question

IKEA is an international furniture and home appliance store which is regarded as one of the most popular companies to work for and one of the most appreciated and consistent companies in Sweden (Gronvius & My Lernborg, 2009). IKEA aims to integrate the social,
economic and environmental sustainability aspects and to become the best practice company. In IKEA, environmental responsibility has always been a priority. According to Anders Dahlvig, president of the IKEA Group, good business is based on being socially and environmentally responsible. Anders further mentions: “*done in a sensible way, social and environmental work is good for business*” (ICMR India, 2006). However, with the everyday increasing population, large companies such as IKEA face increased pressure on usage and demand thus making it challenging to keep up with CSR activities and enhancements. This increase in demand could lead to less quality or less sustainable products or services if created in absence of necessary and relevant CSR activities in line with the production or service rate.

Due to this, this paper serves several purposes and aims. The first aim of this paper is to analyze and demonstrate the need of CSR in large companies with studying IKEA as a case study. The next aim of this paper is to demonstrate the challenges IKEA faces in the near future due to increase population resulting in demand increase, shortage of resources and climate change. Lastly, the study proposes insight to planners and policy makers within IKEA to help them confront in maintaining and enhancing CSR in the upcoming future and to generalize the findings.

The primary question of this paper deliberates on how IKEA as a large multinational company could improve its CSR activities in the near future and which strategies it could implement while considering the increase in demands and environmental awareness and how to interact about its activities.

Subsequently, the following theoretical questions would also be investigated:

- Why do large firms engage in CSR activities?
- How could CSR be integrated in these large firms?

### 1.2 Previous Researches and Policies

Numerous papers, articles and researches regarding sustainable development, CSR activities, definitions and research papers were examined and studied prior to writing this paper. Some of the most significant and relevant documents to this paper’s topic are described shortly in this chapter.

**MANAGING CORPORATE SOCIAL RESPONSIBILITY IN EXTERNAL SALES CHANNELS: A CASE STUDY OF VOLVO TRUCKS**

This is a very inclusive document by Karlander and Plestic on the management of CSR in external sales partner acts studying Volvo, to whether they are in accordance with their CSR policies and visions or not. Karlander and Plestic (2011) argue that Volvo Trucks have by many means (such as implementing OG, GC, DOS standards and guidelines) implemented economic, legal, ethic and philanthropic approaches. However, most are applied internally and regulatory focus has not been done upon the external division or not been so strict. They believe that this fact carries a great risk and requires increased control. The reason for them not to implement or make external sales channels more strict could be argued upon the flexibility and adjustments that are required to encourage a source within a desired market. Too strict requirements could possibly lead to the decrease of customer connection. They further argue that when analyzing the assurance of CSR visions within external sales channels, the requirements for a desired stakeholder are hard to define (due to the multinational characteristics of such large companies). The paper finds no “universal how-to guide” on how a large multinational company can assure its external sales is in accordance...
with CSR practices, however, it demonstrates how a strong corporate identity and mutual consensus build-up appears to provide clear benefits in order to assure CSR compliance (Karlander & Plerstic, 2011).

CORPORATE SOCIAL RESPONSIBILITY AT IKEA: COMMITMENT AND COMMUNICATION

The article by Maon, Swaen and Lindgreen (2007) demonstrated the importance of communication and commitment to the company’s stakeholders which they’ve shown was lacking in the existing literature. In the article on CSR at IKEA, they’ve shown that focusing on certain stakeholders prevents an overall analysis of CSR commitment. Maon, Swaen and Lindgreen picture the significance of transparency in the company’s commitments and being credible in communication. Different perceptions about the organizations CSR commitments by the stakeholders as well as different perceptions on transparency need to remain central to any research effort. External stakeholders’ such as NGOs, trade unions city councils and international research foundations roles in integration and development of CSR policies in IKEA is done according to the Figure 1.

![Figure 1: External stakeholders’ role in the integration and development of CSR policies in IKEA (Maon, et al., 2007, p28)](image)

From their perspective, IKEA needs to continuously and through dialog with various stakeholders reconsider CSR policies regularly. The feedback loop (see Figure 1) is important in order to have a successful communication between the organization and the external stakeholders (Maon, Swaen, & Lindgreen, Corporate Social Responsibility at IKEA: commitment and communication, 2007).
CORPORATE SOCIAL RESPONSIBILITY: A CASE STUDY OF STARBUCKS’ CSR COMMUNICATION THROUGH ITS CORPORATE WEBSITE

This document presents the comprehensive work on emphasizing the importance of effective CSR communication followed by presenting the company in question in terms of its CSR approach and environmental approaches (Bruhn-Hansen, 2012). The article shows how ethical responsibility has transformed into an “expectation” rather than an organizational legitimacy differentiation strategy. The article illustrates how Starbucks is engaged in CSR activities and how these activities lead to urban sustainability. Some of the mentioned activities range from community service projects, ethical sourcing programs, environmental concerns to corporation with NGO’s and CSR organizations. This research suggests companies such as Starbucks need to be conscious about framing their CSR communication to fit different stakeholders’ needs which needs to be implemented in the long run. Bruhn-Hansen (2012) suggests Starbucks as a large multinational company is a major player within CSR which is obvious through its corporate website. The company issues yearly CSR reports in a bid to communicate further its activities to suppliers, NGOs, investors, activists and governmental regulators (Bruhn-Hansen, 2012).

SUPPLIER CSR GUIDELINES: TOYOTA

Toyota has set policies for its suppliers to follow CSR activities. It has, through a “supplier CSR guideline”, set expectations for its business partners to support its initiative and act accordingly which are especially set towards correction and prevention of human rights and labor issues in the supply chain (Toyota Motor Corporation, 2012). Toyota urges fair corporate activities through all business activities and to comply with local, national and international law and build trust and fair communication with all stakeholders. Toyota believes in order to contribute to sustainable development, managing interactively with each and every stakeholder such as employees, customers, business partners, shareholders and global/local communities is of considerable importance. The initiative aims to contribute to a sustainable society by organizing the environment to create trust between managers and other workers, focusing all corporate activity on actual marketplace needs and build consensus and finally always striving for innovation and improvements by working together with its suppliers as one single company. The Toyota CSR initiative expects suppliers to undertake CSR activities by being in compliance with legal regulations, human rights and labor (the unacceptability of discrimination, harassment, child labor, forced labor...) and responsible towards the local and global community (Toyota Motor Corporation, 2012).

CSR CASE STUDIES: COCA COLA

This case study describes how the Coca Cola company benefits from CSR activities to protect its brand identity. It demonstrates how community based projects could be strongly linked to a company’s commercial success. In the case study which was undertaken in Vietnam, Coca Cola’s main challenge is described as finding the best way to localize its global CSR activities while ensuring brand image and distinction. As a beverage company, about 2.5 liters of water produces 1 liter beverage. Use of water in such a large scale has led to criticism by environmental and community activists. This paper shows how Coca Cola has responded to these concerns by initiating water replenishment and water saving projects (DaSilva, 2010). Arguing that since sustainable businesses require sustainable communities, the paper demonstrates how Coca Cola aims to implement CSR activities by gradually being “water neutral” through reducing the raw material (water), recycling the waste material and working with local stakeholders to replenish the used resources (DaSilva, 2010).
A CASE STUDY OF TESCO CSR PRACTICES THROUGH ANALYSIS OF TESCO REPORTS AND PRESS COVERAGE DURING THE YEARS 2002 AND 2007

The study done by Rana (2007) on Tesco –one of UK’s biggest supermarkets- shows how CSR communication to stakeholders is important for large organizations. Getting closer to 2007, Rana had understood that the reports had gotten clearer and written in a more committed way due to the fact that more and more people are getting aware of social and environmental issues. Tesco, since encountering social issues, has built a dedicated team especially in charge of CSR related issues. Comparing reports from 2002 and 2007, Rana had also understood that in the report issued in 2007 Tesco had been most transparent and had aimed to issue its concerns them to a more wider audience in contrast to previous reports in which they were mainly issued in order to increase the company’s reputation and therefore much more aimed at an investors and stakeholders level. The main reason for such a change in attitude is the stakeholders and judgments towards their practices. Being a large supermarket chain and holding a big market share, fears over bullying tactics and increased awareness had forced them to act more responsibly and making sure it is one of those “good corporate citizens” (Rana, 2007). However, Rana (2007) does not find any measures in how much companies need to “give back” to the society since companies’ prime function are to profit and increasing social pressure blurs the line in which they could or must operate responsibly.

COMMUNICATING CORPORATE SOCIAL RESPONSIBILITY: A DISCUSSION OF THE CSR PHENOMENON AND CSR COMMUNICATION WITH EMPIRICAL FOCUS ON NOKIA

This is a very comprehensive article on the importance of CSR activities and in particular communication concentrating on Nokia as one of the largest mobile and smart phone producers. Professional and honest CSR communication and taking corporate social responsibility seriously according to Jacobsen (2006) leaves the stakeholders with a “positive impression” of the organization. No final solution was found to the profit versus CSR equation in the article but it was stressed that there need not to be a conflict between profit and CSR. An interesting fact mentioned is that European consumers are actually eager to pay a premium for “ethical products” when buying a product or service from Nokia (Jacobsen, 2006). Some reasons mentioned in the article for Nokia to engage in CSR activities were described as the political consumerism movement and globalization. Two steps in corporate social responsibility were also presented; first to understand CSR and be socially responsible and second to communicate this in a right way to stakeholders. The document (Jacobsen, 2006) achieves the fact that Nokia understands the CSR concept and performs well compared to its competitors, which is strongly due to its understanding of the importance of communication and the fact that communication needs to be “as clearly and consistently as possible” for a company in the size of Nokia.

1.2.1 Research list of review

By looking into these previous researches, I have made a list of review, reviewing the articles and describing the main problem(s) their authors had mentioned in their articles and using them to problematizing my case study later in the article. One of the interesting articles mentioned above was regarding IKEA and their commitment and communication regarding their CSR activities. However, I would like to mention that this article could not be seen as an extension to that article but a combination of these two articles in parallel could be particularly useful and could generalize findings (which could also be a base for a future study).
### Case study

| Manage corporate social responsibility in external sales channels: a case study of Volvo trucks | Regulatory focus not set upon external division or not strict enough, most standards and guidelines internal |
| Corporate social responsibility at IKEA: commitment and communication | Focusing on certain stakeholders prevents an overall analysis of CSR commitment |
| Corporate social responsibility: a case study of Starbucks’ CSR communication through its corporate website | Long run implementation of framing CSR communication to fit different stakeholders’ needs |
| Supplier CSR guidelines: Toyota | Lack of set policies towards suppliers and sub suppliers |
| CSR case studies: Coca Cola | Criticism by environmental and community activists whilst consuming resources |
| A case study of Tesco CSR practices through analysis of Tesco reports and press coverage during the years 2002 and 2007 | The increase in social and environmental awareness generates CSR related issues in the media |
| Communicating corporate social responsibility: a discussion of the CSR phenomenon and CSR communication with empirical focus on Nokia | Not understanding the concept of CSR |
| | Failure to communicate clearly and constantly to the stakeholders |

Table 1: List of case study review

### 1.3 Disposition

Following the introduction chapter presented above, the next chapter presents the research design and data collection methods. Chapter 3 describes IKEA as the object of study and in chapter 4, theories and concepts are explained for further use in the analysis section. Chapter 5 is the analysis section presenting the results of my study which is then followed by the last chapter, chapter 6, in which I will finalize my study based on my findings and provide suggestions for future research in this field of study.
2 Methodology

2.1 Research Design

Research methods can be associated with various types of research design in which “case study” is presented as a method of research design (Bryman, 2008) which was chosen for this thesis. Although a case study demonstrates the details of a specific association, organization or society, but in order to collect research data other research methods are often required (Bryman, 2008). This study is carried out as a single case study on IKEA in order to help answer my questions on CSR engagement and integration in large multinational firms.

Yin’s 1998 study identifies research design as “the logical sequence that connects the empirical data to a study’s initial research questions and, ultimately, to its conclusions... In this sense, a research design deals with a logical and not a logistical problem” (Tembo, 2003). This definition is supported by Merriam (1994) as mentioning ‘case study’ as the most suitable way to study a phenomenon (Gronvius & My Lernborg, 2009). Case studies present researchers to engage in a theoretical analysis of the case in question by examining the single case intensively (Swan, 2011) this is supported by the fact that in a case study, research is concerned with the details and complexity of the nature of the focused case according to Bryman (2008). A case study is also not bound to the use of particular types of data collection methods such as documents, archival records, interviews, observations, etc., (Swan, 2011) but any of these methods or combinations of them could be used. The greatest benefit of doing a case study could however be that a case study could shed light on situations of problems which are impractical or unreasonable to study in any other way (Calpoly, n.d.). Yin (2009) further argues that there are no set limits on whether qualitative or quantitative methods should be used in a case which make working with case studies much more practical and easier.

CHOICE OF COMPANY

IKEA is a large company with a market leading position within its field of business. In order to answer the research questions and follow the purpose of this paper, I found IKEA as an appropriate base to analyze and study and develop my understandings and draw conclusions from. On the other hand, IKEA has been involved in CSR activities (many environmental, ethical and social doings and annual CSR reports) and the activities they have done are well documented and available which I found easy to access and thereafter assess and relate to large companies.

2.2 Data Collection

The collected data for this study were from secondary sources. This method was chosen due to the availability of relevant data through these sources of information. Secondary data was collected through extensive study of books, literature, scientific papers, initiatives and policies together with e-research. The secondary data widely used in this study, according to Bryman (2008) corresponds to a reliable, cost and time efficient method of research if taken from reliable sources.

After collecting data one must analyze the data, conceptualize and identify themes in order to come to a conclusion and answer the research questions. The data might have come from one or several sources or settings which are later used to answer the research question (Lichtman, 2013). According to Lichtman (2013), one must look for themes in the collected data and make sense of them. In this study secondary data from various sources were collected and
then studied based on three theories. By identifying themes from the data collected in the analysis section, the data outcomes based on the three theories were then further processed in the discussion chapter to identify a main “concept” in how our case study has acted.

*E-research* or using the internet as a method of data collection is gathering data from websites and web pages as potential sources of both quantitative and qualitative data (Bryman, 2008). In e-research one could not find all necessary data and could sometimes be biased or influenced by many factors which could be one of the limitations of this method and further reflect in the results (Bryman, 2008). In e-research finding websites on a specific topic could also be as good as the keywords involved in the search process, finding information could require the use of multiple search engines and one must be aware that since the internet is continually updating with new websites appearing and old websites disappearing, some references could be unreachable or outdated (Bryman, 2008). Considering the research questions of this article and the limited time frame of this research, the reason of choosing e-research as a method for data collection is that it enabled me to gather a lot of various data and conduct research that is nearly impossible using traditional methods (Benson, 2011).

Most of the useful information about the case and the activities done were indirectly provided by IKEA. Many yearly reports from IKEA for instance their social and environmental sustainability reports from different years were available, which all inform on activities taken place by the company. As mentioned in IKEA’s social and environmental sustainability report (2005) “These reports play an important role in helping IKEA to monitor results step by step as they are achieved. This, in turn, helps to shape future social and environmental activities” (IKEA, 2005).

Nevertheless, these reports and documents do not present an underlying reality according to Atkinson and Coffey (2004) this information “should be viewed as a distinct level of reality in their own right” (Bryman, 2008). In order to have significant information and to reflect on an impression, annual reports and other secondary data should be observed carefully in detailed context with implicit readership (Coffey, 2004 cited in Bryman, 2008).

In my research study I have not only studied the official annual documents and websites provided by IKEA and base my conclusions on them, but also, I have studied other stakeholders’ such as governmental and non-governmental and NGOs’ documents and have drawn my own conclusions and assessments and by this I have took distance from being biased from documents from IKEA itself since according to (Atkinson and Coffey, 2004 cited in Bryman, 2008) documents are written to convey an impression which may intentionally or unintentionally be favorable to the writer or those whom the writer represents.

*Ethical issues* are also raised when conducting research using the internet which is correlated to the huge range of possibilities and environments in the form of web blogs, discussion groups, emails, newsgroups, etc. and behavior of users are varying among different segments (Bryman, 2008). There are some guidelines set by the Association of Internet Researchers in which they recommend researchers to follow for ethical decision making and internet research and one could follow (Bryman, 2008). For example they recommend we ask ourselves is there a site policy siting whether the site is public or private, whether there is a statement associated to the site or for example who are the subjects posters, authors or creators for example (Ess & AoIR ethics working committee, 2002). Bryman (2008) suggest one should follow the “traditional” ethical principles whilst doing e-research which is broken down to the four main areas of 1. *Harm to participants* 2.*Lack of informed consent* 3.*Invasion of privacy* 4.*Deception is involved* (Diener and Crandall, 1978 cited in Bryman, 2008). In my
study I have attempted to follow these guidelines and follow the four principles although some did not apply to this e-research since primary data is not used.

Due to the limitation of time and resources, I have chosen to only use the secondary data method. Depending on the method, other methods could give another view of the case. Generalizing based on my findings ought to be dealt carefully since the outcome of one single case study might not build up an inclusive image of reality.

2.3 Data reliability, validity

As mentioned by Steppingstones (2004) although to gain the essential information needed, the researcher only requires to locate the source of the data due to the nature of secondary data, but the drawback of secondary data could be that much of it is sometimes not useful for the current market conditions since they might be out dated.

The importance of reliability and validity was attempted to be considered in this study. The data used in this research have been mainly collected from credible websites to ensure their reliability in which would prove a lot of significance in my study. The noticeable strength of case study data collection is the option to use many different sources of confirmation (Yin, Applications of Case Study Research, 2003). When using e-research as a source of data, one must be careful while assessing the quality of the documents on whether they have the right authenticity, credibility and representativeness (Scott 1990 cited in Bryman, 2008). Secondary data analyses on the other hand, according to Bryman (2008), correspond to a reliable, cost and time efficient method of research. Considering this, I believe the secondary nature of my secondary does not affect its credibility and validity. Although secondary data are easier and less costly to gain than primary data care must be taken in order for them to be collected by great consideration (Kelly, 2012).

In research validity has two main parts:

Internal validity refers to the validity of the study and whether the findings are legitimate because of how the case or sample was selected and how the analysis was performed. A study could have a low level of validity for example if the confounding variables were not accounted or control groups were not accounted for (Handley, n.d.). Reliability is a common threat to internal validity according to Handley. Reliability could be at risk for example when assessments are taken over a period of time or the assessments are subjective. Reliability could also be at risk if assessments are taken by different people (Handley, n.d.). In my research, I have attempted to use less subjective assessments to increase reliability. With an increase in reliability, the research would have a higher grade of internal validity. To add to this, in my case of study since firstly all assessments have been done only by me and secondly the fact that the assessments are done in a less subjective matter over a short period of time, I would suggest the results of my case study have a high level of reliability and therefore internal validity.

External validity which is referring to the degree the findings based on a case study or simply any sample of objects or individuals could be generalized and valid for other cases (Kalaian & Kasim, 2008) would also further be used in the article while drawing results and conclusions to my findings. According to Bryman (2008) the question of whether the results of a study could be generalized or not makes the selection in a research study critical and therefore generating representative samples important for quantitative researchers.
Trochim (2006) describes the gradient of similarity for generalizing findings by concluding that one can generalize the results of a study to other people (or in my case the case study), places (the place in which the study was done), settings or the time of the study that are more like the study (Trochim, 2006). One can of course never with certainty generalize his/her findings and it’s always a matter of more or less similar (Trochim, 2006). External validity is stronger the more the study is replicated (Trochim, 2006).
Introduction to IKEA

2.4 Background of IKEA

IKEA is a privately owned worldwide furniture and appliance retailer, known for its low-cost designs. IKEA is based in Sweden and was founded in 1943 by Ingvar Kamprad, currently having 326 stores in 38 countries globally. The name of IKEA comes from Ingvar Kamprad (Name and family name of the founder) Elmtaryd (the farm which he grew up) Agunnaryd (a village in south of Sweden) (Hershman, 2011).

IKEA was originally started as a low cost pen, wallet, frame and watch store working through mail order from Kamprad’s house. Furniture first came into the selection in 1948 and in 1955 IKEA started designing its own furniture. The first IKEA store later opened in Ålmhult (Hershman, 2011). In order to reduce transportation costs and assembly volumes resulting in lower price for clients, IKEA’s assortment largely consists of products designed to be assembled easily by consumers (Hershman, 2011). IKEA is the world’s third largest wood buyer; wood which come from responsibly managed forests (Rainforests, n.d.).

IKEA has been committed to place its stores in various locations worldwide not only to profit, but IKEA sees opening a store boosting the locations retail offer and jobs. Locations should be well located with nearby public transport and close to major network roads. The location needs to be sufficiently large for all IKEAs internal departments such as the showroom, market hall, warehouse, restaurants and the customer service facilities (IKEA, 2013a). IKEA sees their stores as “attractions for the city” and seeing their stores as a destination shop which would boost the economy and jobs.

![Figure 3: Planned IKEA store in Sheffield. Image courtesy of (IKEA, 2013a)](image)

Whilst planning for new stores IKEA cooperates with city councils, highway agencies and the public transport sector to make improvements to keep traffic running in rush hours and busy periods. IKEA encourages their coworkers to travel by more sustainable means such as car-sharing, public transport and if possible by bicycle or pedestrian access (IKEA, 2013a). These attempts are made to have a more environmentally friendly transport to and from the store by both the customers and the coworkers.
As mentioned, IKEA keeps trying to reduce their impact on the environment in the commercial zone by encouraging sustainable transport. It has also committed to “compactize” their products which in terms would result in fewer transports, less fuel consumption and less emissions. It has also worked for the increase in use of passive solar use and the increase of green spacing and planting trees (IKEA, 2013b). By taking these steps, as it would be seen in the coming chapters, sustainability could be increased in the urban form (Jabareen, 2006).

2.5 Company vision and commitments

One of IKEA group’s daily work efforts as a natural part of the company is being responsible to the environmental and the social issues it faces which has shown ambitions within IKEA to corporate social responsibility (Maon & Swaen, Integration and Communication of CSR Principles by IKEA: An Analysis of the Influence of and on Exteernal Stakeholders, 2006). In order to later study the CSR activities and the corporate business activities at IKEA I would start by introducing IKEA’s vision and business ideas introduced by Kamprad since its establishment. IKEA’s vision is “to create a better everyday life for the many people –our customers, co-workers and the people who produce our products” (IKEA, n.d.).

Its business idea is “to offer a wide range of well designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them” (Global Sources, 2007). Proven by the business idea, the waste of resources at IKEA is considered as a “sin” and cost awareness is a strong part of it (Gronvius & My Lernborg, 2009). According to Kamprad, IKEA’s function around the world has been found as “beautiful, inexpensive and durable furniture for the majority of people” (Edvardsson & Enquist, 2008) he has also stated “IKEA should stand on the side of the majority of people, which involves taking on more responsibility than might at first seem to be the case” (Edvardsson & Enquist, 2008).

Additionally, in order to present a better future for IKEA’s customers and to demonstrate that by working for IKEA results in working for a better society and eventually a better world, Kamprad had another goal: “dream of good capitalism” which in his thoughts, he links the
good in a profit making business with an enduring social vision (Gronvius & My Lernborg, 2009).

Probably one of the most important components of the corporate culture in IKEA according to their homepage is based on “shared values”. IKEA claims that they don’t just want to fill jobs but also want to partner up with people by describing some of their shared values as togetherness, cost consciousness, respect and simplicity (IKEA, 2010b). On the other hand IKEA’s ambition in CSR matters could be seen in their objective to “make products which have minimum impact on the environment and to manufacture them in a socially responsible way” demonstrates their desire to incorporate and observe environmental and social aspects into their everyday operations (Maon & Swaen, Integration and Communication of CSR Principles by IKEA: An Analysis of the Influence of and on External Stakeholders, 2006).

2.6 Challenges faced by IKEA

CSR is related to social and environmental responsibility based on legal requirements (IKEA, 2010a). Although IKEA has had CSR goals and social and environmental values were in focus since the establishment of the company, but in order to integrate CSR, IKEA has been faced with various challenges and issues mainly at the end of 80’s and during of the 90’s; challenges such as using hazardous products, obscure wood sources from Russia and Indonesia, child labor, and questionable conditions for workers and its employees (Maon & Swaen, Integration and Communication of CSR Principles by IKEA: An Analysis of the Influence of and on External Stakeholders, 2006). The challenges faced by IKEA would be described more detailed in section 5.2.
3 Theory and Concept

In order to answer the research questions, after reviewing numerous theories and concepts I found it essential to study concepts having direct relevance to CSR and further analyze the case study in regards to these theories. The business environment today is built of many multinational companies and suppliers interacting with each other in an everyday basis. These organizations affect each other either by competing, performing or by other interactive means. These interactions gradually create social expectations in which one way companies could respond is through their CSR strategies. I believe the basis for implementing, managing and further enhancing CSR activities lies within clear internal and external communication and a company’s will for CSR endeavors. Therefore, the fundamental theories which I consider would enable me to have a more dynamic understanding of the company’s social responsible activities and engagement would be to look into the motives for CSR and different CSR strategies (proactive and reactive) together with required CSR communications of the company in question.

It could be worth to mention that in contrast with larger companies, smaller companies have too few or less resources than larger companies to address CSR emerging issues. Many theorists argue that smaller companies are urged to avoid negligent activities instead of taking proactive stands towards social and environmental issues (van Auken and Ireland, 1982; Thompson and Smith, 1991; Petts et al., 1999; Longo et al., 2005; Revell and Blackburn, 2007 cited in Nejati and Amran, 2009).

3.1 CSR Motives

Corporate social responsibility is as previously mentioned getting more and more important for companies to integrate. However, according to (Guzman & Becker-Olsen, 2010) the motives significantly vary. Some companies regardless of costs or rewards believe it is the right thing to do and are fundamentally interested in engaging in CSR. These companies have CSR as a part of their internal strategic plan and are highly committed to it whilst other companies are motivated by external forces such as legislations, NGO’s, advocacy groups and investors. In this case “compliance” and the related costs and awards scheme is the driving force for the corporate (Guzman & Becker-Olsen, 2010).

In order to understand what encourages a company to engage in CSR activities studying research literature reveal different kinds of motives and patterns. Over the past few decades the top focus of corporate social responsibility had been the debate over the appropriate relationship in between the society and businesses (Klonoski 1991, cited in Schwartz and Carroll 2003). In an effort over this debate and to fill the gap between economics and other expectations Carroll (1979) has attempted to define and graphically categorize CSR into the “Three-Domain Model of Corporate Social Responsibility”. According to Carroll (1979) CSR could be defined as “The social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time” (Schwartz & Carroll, 2003).

Schwartz and Carroll (2003) define the three-domain model of CSR responsibilities as economic, legal and ethical.
According to Schwartz and Carroll (2003), the legal domain of CSR relates to the corporation's actions and responses to legal expectations in the form of federal or jurisdictional law in which legality could be viewed as either anticipation of the law, civil lawsuit avoidance or compliance to law. These named legality aspects could be seen as this domain's motives behind a company's will to engage in CSR activities. Legality for a corporate business could be described as standards, initiatives or other legal requirements that it must follow and could include guidelines on waste, labor conditions, services and products set by various NGO’s, governments or other legal bodies (Bruhn-Hansen, 2012). Therefore the direct motive for a company to fit into this domain would be to obey the law.

The Ethical domain refers to the ethical responsibilities of the corporate to the environment which is anticipated by the community and the stakeholders in which could be either at a global or a local level (Schwartz & Carroll, 2003). The direct motive for a company to act in this domain would be to sustain legitimization. Suchman (1995) describes legitimacy as “a generalized perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norm, values, beliefs and definitions” (Moir, 2001).

Those activities which consist of having direct or indirect influence on the economy of the company include in the economic domain. Direct activities increase stakeholder value or the company’s profit with a direct impact but indirect activities which are less definable according to Bruhn-Hansen (2012) could be activities such as actions involving improvements to the company’s image leading to future sales or actions improving suppliers working conditions which in turn increases the quality and outcome of the company. Despite the direct or indirect nature of the activity, the direct motive behind a company’s will to engage in such activities is clearly the profitability aspect.

Motives behind solely economic CSR activities in order to increase profit are no longer adequate (Bruhn-Hansen 2012). Several theorists agree that companies who base their CSR activities entirely focusing on the economic characteristics of the activity often neglect to understand the negative impact they have on their stakeholders, on the community or on the environment.
society and therefore ultimately damaging their legitimacy (Schwartz & Carroll, 2003). As seen in figure 5, due to the interdependent nature of the three ethical, legal and economic domains, are often intersecting each other. An ideal activity would be seen in the middle of the intersected domains thus including legal, ethical and the economic domain altogether namely the “equitable social ecology” (Schwartz & Carroll, 2003). According to Schwartz and Carroll (2003), this category confronts to Carroll’s “moral management” which is “profitability, but only within the confines of obeying the law and being sensitive to ethical standards”.

After categorizing CSR into three main responsibility areas and naming the three main direct motives companies have towards CSR activity engagement, other evident motives have also been studied in which either directly or indirectly refer to one or more of the main motives. Garriga and Mele (2004) for instance define the major CSR motivations as long term profit making, contributing to a better society by doing what is right to do and integrating social demands. Lynes and Andrachuk (2008) argue that the motives a company has to engage into environmental and social activities are within its interactive layers of external, internal and sector specific influences. Many diverse theorists (Bansal and Roth, 2000; Egri et al., 2004; Henriques and Sadorsky, 1996; Sharma, 2000 cited in Lynes and Andrachuk, 2008) as well describe a firm’s CSR motivations both across and within segments of a firm.

Lynes and Andrachuk’s (2008) model of motivations for corporate social responsibility at the corporate level has been introduced in order to illustrate how a company initially interprets and processes motivations which are resulted from the business area specific segment or the external factors and resultantly the company takes actions based on its level of obligations towards environmental and social issues. The external and business area specific factors which firms are influenced by are items such as industry agreements and standards, current technology, the status of the economy, etc. (See appendix 1 for the diagram). A number of themes regarding a firm’s motivation could be evident by these systems of influence which include being a good corporate citizen, brand enrichment, a desire to avoid or delay legal actions, long-standing financial strategies (such as investing in low-emission or efficient technologies) as well as to gain competitive advantage (Annandale and Taplin, 2003, Bansal and Roth, 2000, Bull, 2003, Henriques and Sadorsky, 1996, Kiernan, 2001, Prakash, 2000, Sharma, 2000, and Tullberg 2005 cited in Lynes and Andrachuk, 2008). A firm’s level of commitment to CSR amongst others could be viewed through social and environmental performance for continual improvement, external validation as well as corporate policies (Andrachuk & Lynes, 2008)

Porter and Kramer (2006) also describe the motives for CSR as “moral obligations, sustainability, improved reputation and license to operate” which all are in line with the theories by Carroll, Garriga, Mele and other described earlier. The moral obligations according to Porter and Kramer are to do with companies being good citizens and to do the right thing. These moral obligations cover ways for companies to honor ethical values and to respect the society, community and the environment. Sustainability as a motivation could be described as stewardship of a company emphasizing the environment and the community. Companies need to avoid short-term activities which are environmental or socially wasteful, by doing this they can secure their long-term economic performance. Thus, reputation is motivated in order to define CSR activities on bases of company’s image improvement, brand strength and stock value increase (Porter & Kramer, 2006).

With the license to operate approach, firms identify social matters which are important to stakeholders and then take decisions about them in which raises dialogues with legal bodies such as activists, regulators and other officials. Reputation and license to operate normally
seeks to satisfy external spectators which in larger companies often lead to marketing campaigns (Porter & Kramer, 2006).

<table>
<thead>
<tr>
<th>CSR Motives</th>
<th>Ethical</th>
<th>Legal</th>
<th>Economic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obeying the law</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustaining legitimization</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increasing stakeholder value and company's profit</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Contributing to a better society</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Brand enrichment / improved reputation</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Gaining competitive advantage</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Moral obligations</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainability</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Avoiding or delaying legal actions</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Long-standing financial strategies</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Improving suppliers and workers working conditions</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Product quality</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

Table 2: CSR Motivations

### 3.2 Proactive and Reactive CSR

As a result of the everyday growing competitive markets and unclear economic infrastructure together with the increasing pressure to act responsibly towards the environment and the community, companies are progressively looking towards other ways to distinguish themselves from competitors and offer their brand a social meaning and value (Guzman & Becker-Olsen, 2010).

Proactive CSR activates could address future changes of a corporates stakeholders needs and address their environmental strategies (Burke & Logsdon, 1996). Bowman’s (1980) significant research on risk management has shown CSR as a mean for reducing business risk in which firms with proactive approaches engage in environmental and stakeholder management (Husted, 2005). Proactive CSR activities in contrast to reactive activities create much more positive feedback and attitudes which are perceived as assisting the cause as well as the corporate itself. The reactive strategies however are perceived more profit-driven and egocentric (Ven, 2008). Becker-Olsen et al. (2006) state that “corporate credibility, corporate positioning and purchase intentions are all enhanced when the initiatives are proactive” (Ven, 2008). Guzman and Becker-Olsen (2010) argue that if companies create a brand identity with the support of a strong proactive CSR program it would not only increase consumer purchase but it would as well drive the brand value, strengthen the corporates reputation, build better employee loyalty and would eventually assist a more lively community. Groza, Pronschinske and Walker (2011) argue that increased values of attributes are typically assigned to a proactive strategy than to a reactive one.

As reactive strategies would refer to a firm’s internal policies and procedures which are intended to increase legitimacy and efficiency (Baum and Wally, 2003; Henderson and Cockburn, 1994 cited in Fang, et al., 2010), in order to highly benefit from reactive strategies,
corporates need to have a flexible organizational structure and invest in employee training and technological innovations (Fang, Huang, & Wei-Ling Huang, 2010). By doing this they could not only respond to changing regulations and laws but they could as well react faster to social or legal demands.

As mentioned in the previous chapter, there are many motivations for companies to engage in CSR activities such as being better corporate citizens. Research has shown companies which are better corporate citizens encounter less risk for consumer and activist embargos and social rejections (Luo and Bhattacharya, 2009; Vogel, 2005 cited in Groza, Pronschinske and Walker 2011). Considering this fact, many corporations have proactively been involved in CSR activities which have shown to increase consumer responses in a positive manner (Becker-Olsen et al., 2006; Ricks, 2005 cited in Groza, Pronschinske and Walker 2011). Technological advancements in many fields such as social networking has together with increased media attention and public awareness has led to a broad variety of information to the public (Wagner et al., 2009 cited in Groza, et al., 2011). The increased complication of the worldwide supply chain management has led to an increased amount of “irresponsible” social behavior incidents in which with the given social and media network the behavior is sooner or later revealed (Amaeshiet al., 2008 cited in in Groza, et al., 2011). Research has shown while customers and the public respond positively to proactive CSR, consumers in general don’t act so positively to reactive CSR activities (Becker-Olsen et al., 2006; Wagner et al., 2009 cited in Groza, Pronschinske and Walker 2011).

<table>
<thead>
<tr>
<th>CSR Strategies</th>
<th>Reactive</th>
<th>Proactive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mostly profit-driven and egocentric</td>
<td>Addresses future challenges</td>
<td></td>
</tr>
<tr>
<td>Intended to increase legitimacy</td>
<td>Addresses future environmental impacts</td>
<td></td>
</tr>
<tr>
<td>Provoked by sudden unexpected occurrences</td>
<td>Creates positive feedback and attitude</td>
<td></td>
</tr>
<tr>
<td>In response to negative consumer/activist actions</td>
<td>Corporate credibility and positioning</td>
<td></td>
</tr>
<tr>
<td>Undesirable customer attitudes</td>
<td>Increase consumer purchase</td>
<td></td>
</tr>
<tr>
<td>Intended to increase legitimacy</td>
<td>To avoid negative consumer/activist actions before they happen</td>
<td></td>
</tr>
</tbody>
</table>

Table 3: Proactive vs. Reactive CSR strategies

Whilst there are many different reasons for planners and managers to engage in either proactive or reactive CSR activities or both, firms which engage in proactive CSR actively work to avoid any negative consumer or activist actions before they happen (Du et al., 2007 cited in Groza, et al., 2011). Due to its philanthropic nature, consumers generally recognize proactive CSR positively (Ricks, 2005 cited in Groza, et al., 2011). According to a study by Becker-Olsen et al. (2006) purchase intentions were increased and favorable attitudes were created towards the company with proactive strategies whilst contrariwise, progressively undesirable customer attitudes was created towards the company with reactive CSR strategies (Groza, Pronschinske, & Walker, 2011). This could be obvious since proactive CSR strategies requires planning, special consideration and could be done under a longer time
span, whilst reactive CSR strategies are normally provoked by sudden unexpected occurrences (Groza, Pronschinske, & Walker, 2011).

3.3 Communication

Unfavorable attributions combined with low stakeholder awareness towards the company’s CSR strategies are the main weakness in a company’s effort to benefit from the CSR activities in which highlights the important role of effective communication of CSR to the stakeholders (Du, Bhattacharya, & Sen, 2010). Stakeholder involvement in corporate activities is becoming increasingly important for guaranteeing that the stakeholders’ expectations stays in line with the company (Morsing & Schultz, 2006).

Apart from communicative methods and sorts, the overall approach to communicating CSR is different between various organizations which could vary between location (Chappel & Moon, 2005; Baughn et al., 2007; Welford et al., 2007 cited in Ziek 2009), size (Esrock and Leichty, 1998; Spence et al., 2003; Graafl and et al., 2003 cited in Ziek 2009) and the department in which the communicative conduct initiated (L’Etang, 1994; Frankental, 2001; Hockerts and Moir, 2004;Chamorro and Bañegil, 2006; Porter and Kramer, 2006 cited in Ziek 2009).

Ziek (2009) identifies the various methods of communication between stakeholders as:

- **Annual reports:** Which most organizations are forced to publish but most often are used by them as CSR evaluation tools (social, financial and environmental performance).
- **Annual shareholders letter:** Often written by Chief Executive Officers (CEOs) and is an important aspect in organizational communication of CSR.
- **Indexes and organizational linkages:** Network based standards could provide the organization with a basis of assistance. Union associations help organizations to instrument a proactive attitude at a significant symbolic and material level.
- **Information on philanthropy:** Communication plays an important role since strategic philanthropy could be used to improve organizational competitive context communication by firm’s
- **Nonfinancial reports:** Although not mandatory, many companies have committed to publishing such reports to increase transparency and disclose behavior (Frankental, 2001 cited in Ziek 2009)
- **Organizational codes:** Which could be both voluntary (Bindu and Salk, 2006 cited in Ziek 2009) and mandatory (Graafl and et al., 2003 cited in Ziek 2009) codes of conduct
- **Dedicated nonfinancial Web Pages:** Which are the best mediums for organizations to relay socially responsible data (Guimarães-Costa and Pina e Cunha, 2008 cited in Ziek 2009)

The communication could hence be either internal or external. Research has been done and proved the need and impending business benefits of both internal and external communication to stakeholders (Maignan et al. 1999 cited in Morsing and Schultz, 2006). However care must also be taken in communication not to attract negative critical attention since the more organizations expose their social and ethical motivations the more likely they are prone to fascinate critical stakeholder attention (Ashforth & Gibbs 1990, Vallentin 2001 cited in Morsing and Schultz, 2006).

CSR engagement needs to be communicated sufficiently and effectively, too much CSR communication could lead to stakeholders in believing the company is exploiting a social
cause and not communicating efficiently might lead to stakeholders believing the organization is hiding upon something (Schiefelbein, 2012). Schiefelbein (2012) prefers companies to have reactive communicative CSR strategies since most consumers don’t proactively look after CSR engagement of companies but not totally skipping communicating their engagement since awareness has become a major player in CSR effectiveness (Bhattacharya & Sen, 2004 cited in Schiefelbein 2012 ). If stakeholders be suspicious CSR communication could have an antagonistic reaction and could create undesirable effects therefore the key challenge in CSR communication is to create promising corporate social responsibility attributions and to surmount skepticism according to Du, Bhattacharya and Sen (2010). Morsing and Schultzn (2006) by referring to a study by Ashforth and Gibbs (1990) suggest minimal release of CSR initiatives since “conspicuous” attempts to increase public or stakeholder legitimacy might actually decrease legitimacy in the long run.
4 Analysis

The following chapter presents the results of the corporate social responsibility analysis of IKEA based on the chosen concepts and theories.

4.1 CSR Motive Results

IKEA, being a large multinational company has had many obvious and important reasons for integrating CSR in its business. Some of the CSR motives were introduced in chapter 4.1. Some of the presented motives could be contributing to a better society by doing what is right to do and integrating social demands, brand value and image enrichment in which could be clear in IKEA’s vision and commitments. IKEA’s vision as mentioned in chapter 3.2 is “to create a better everyday life for the many people —our customers, co-workers and the people who produce our products” (IKEA, n.d.); which together with their objective to “make products which have minimum impact on the environment and to manufacture them in a socially responsible way” (Maon & Swaen, Integration and Communication of CSR Principles by IKEA: An Analysis of the Influence of and on External Stakeholders, 2006) evidently shows their desire and commitment to social responsibility at a corporate level. This shows IKEA has CSR as a part of its internal strategic plan. Although IKEA has shown itself keen into applying CSR attributes from the start, internal and external stakeholders has also had a great role in this. In order to better understand the motives and pressures on IKEA and actions taken by them, I would start with IKEA’s sustainability reports printed between financial years¹ 2005 and 2012 to relate to theory.

Having the three-domain model of CSR by Schwartz and Carroll in mind and considering other motivations mentioned in chapter 4.1 I would precede with my analysis. In 2009 IKEA planned to equip 150 of its stores with solar powered energy in step forward for their commitment in achieving 100 percent renewable energy. This has been kicked off together with four new projects with WWF (World Wide Fund for Nature) and being the biggest corporate partner with both UNICEF (United Nations Children's Fund) and Save the Children fond (after making a commitment in which 100 million children would benefit in the next few years) (IKEA, 2009). IKEA sees their coworkers as their most valuable resources and stresses that the company grows when the co-workers grow therefore commit themselves to also be a “good employer” and arrange yearly surveys to collect feedback from their co-workers. These all fall into the ethical domain of the Schwartz and Carroll’s (2003) model.

According to IKEA’s yearly reports, IKEA has been engaging in systematic dialogues with various organizations and NGO’s. To name some of these, IKEA has since 2009 been the founding member of Better Cotton Initiative (BCI), in regular talks discussing working conditions and addressing matters about social responsibility with Building and Wood Workers’ International (BWI). IKEA and CIWF (Compassion in World Farming) work together setting standards to IKEA’s food business and improving farm animal wellbeing, IKEA works with Greenpeace and discusses environmentally related issues regularly. It engages in dialogs with International Labor Organization (ILO) regarding labor standards and working conditions. IKEA’s wood procurement practices are normally provided by the “Rainforest Alliance”. Since 1994, “Save the Children” and IKEA have worked together on a global basis to make a change for children around the world and help them achieve a

¹ Each financial named year is defined from 1st of September the previous year to 31st of August the named year.
cheerful, healthy and safe childhood. IKEA is also a member of Business for Social Responsibility (BSR), Clean Cargo Working Group (CCWG), European Retailers Round Table (ERRT), Forest Stewardship Council (FSC), Global Compact, Global Forest & Trade Network (GFTN), Global Social Compliance Program (GSCP), and The Network for Transport and Environment (NTM) together with the Roundtable on Sustainable Palm Oil (RSPO) foundation (IKEA, 2009).

IKEA has implemented special code of conducts for its suppliers and sub-suppliers to ensure that they are not having child labor, forced labor, environmental pollution and safety hazards with inspectors conducting regular checks together with a third party auditor running random checks on suppliers with special emphasis on child labor. These kinds of code of conducts not only fall into the ethical domain but also into the legal domain in order to avoid civil lawsuit (IKEA, 2011). IKEA has put several environmental standards to reduce costs (economic domain), avoid legal action (legal domain) and to promote ethical responsibilities (ethical domain) such as work to decrease consumption, reduce pollution, handling of chemicals and hazardous wastes and making sure that their employees have adequate training when dealing with such stuff. (IKEA, 2009). In an ethical approach IKEA has put demands on its suppliers saying that their sub-suppliers are subject to the same standards and demands from IKEA in the form of child labor, forced labor, etc. Although this is not seen as a direct legal prerequisite it is certainly a way of increasing brand value by making sure such kind of labor and products are not used in their final products sold to their customers. In a bid to reduce cost (economical) and increase sustainability IKEA has implemented industry specific requirements for their catalog suppliers such as the origin of the wood must be known and documented, clean bleaching processes must be used, minimum 50% renewable energy must be used and limits have been specified for air and water emissions (IKEA, 2009). Activities leading to improving the suppliers’ working situations either directly or indirectly results in the increase of quality and finally the company’s outcome (Bruhn-Hansen, 2012). In order to extend corporate activities with WWF, requirements and minimum criteria levels for wood used in IKEA products have been set in the IKEA forestry standards by IKEA. These standards describe that for example the wood should not be used from illegally harvested forests, forests with social conflicts or for instance forests in the tropical and sub-tropical regions (IKEA, 2011).

One other motive for IKEA is to be a good corporate citizen. In a bid to be a “good employer” IKEA has made available a sustainable e-learning training for all co-workers, imposed safety trainings and has given access to safety gear and tools to its employees, created a database named “VOICE” in order to survey and monitor how employees view different aspects of their employment at the company (IKEA, 2009). According to their 2009 sustainability report, IKEA has strived for equal opportunities and diversity within their company in which diversity could be seen as a company’s moral obligation to honor ethical values and to respect the members of the society (Porter & Kramer, 2006) and could be seen as a motive for CSR. As an example IKEA has co-workers from 20 various nations in their Brent Park store in the United Kingdom (as of September 2009) (IKEA, 2009).

Porter and Kramer (2006) see corporate’s image improvement, brand strength and stock value increase as a motivation called reputation as discussed in 4.1. IKEA has opened a new testing center in Shanghai in January 2010 to test its products for burning resistance capabilities, testing corrosion values and to test their products built chemistry. IKEA’s restaurants as of 2009 serve only UTZ certified coffee meaning that the bean could be traced all the way back to the plantation (IKEA, 2010c). Campaigns such as IKEA’s soft toy campaign (one euro for every soft toy sold donated to UNICEF and Save the Children foundation), the Sunnan Lamp campaign have also added ethical value to IKEA. Facts of
these natures have strongly increased the brands image and strength since customers are getting more aware of the environment and care more, thus increasing IKEA’s reputation. IKEA sees great potential for their customers in them moving towards a more sustainable home (IKEA, 2010c).

Motivated by sustainability, IKEA has set the “Sustainability Product Score Card” to help guide them towards selecting the best alternative that during a product lifecycle has impact on its sustainability profile. For a product to be classed as more sustainable to its preceding product it needs to earn specific points on the chart list. The chart (which is an internal tool) is built upon items such as amount of renewable/recycled material used, environmentally better material, product quality, raw material utilization at supplier and transport efficiency (IKEA, 2010c). In order to reduce water by about 30%, the company has equipped its entire kitchen taps in 2010 with a pressure reimbursing aerator and low energy lamps together with LED lamps have replaced incandescent lamps as of 2010 (IKEA, 2010c).

Probably the most important recent step by IKEA in which falls into all three domains by Schwartz and Carroll (2003) is the IKEA sustainability direction 2015 by IKEA. The initiative by IKEA is a five year strategy influencing the entire lifecycle of their products from design to life end (IKEA, 2011). Some of the points described in the direction relate to the legal domain such as goals to actively participate in developing tools to measure the company’s positive climate impact. Some relate to the environmental/ethical domain such as requiring all material for home furnishing products to come from recycled, recyclable or renewable material or to reduce CO2 emissions by offering products which promote a more sustainable life at home (IKEA, 2011). By studying the directions one could see that most of them clearly benefit both the end customer and IKEA economically as well. To promote the more “sustainable life at home”, in a pure ethical step IKEA has committed itself through its 2012 CSR report to amongst others, convert all the lightening they sell to LED by the financial year of 2016, launch new products and solutions supporting a more sustainable life at home and using energy consuming products with much more efficiency than before (IKEA, 2012a). These ethical-domain related steps taken by IKEA could be anticipated much positively by the stakeholders and by this they could sustain their legitimization (Schwartz & Carroll, 2003).

4.2 Proactive vs. Reactive CSR Results

Since the very beginning, IKEA had been facing a lot of critics from its stakeholders, activists, NGO’s and other third party groups. To discuss some of these challenges in the late 80’s criticism intensified about PVC plastics containing dioxins in Germany which are hazardous for the environment as well as the use of chlorine bleached paper and number of cut trees each year in the result of publishing IKEA catalogs. In 1994 a TV documentary by a Swedish television channel alleged IKEA has been involved in selling hand woven carpets made by young children under bad conditions which was later investigated by human rights activists and consumer watchdogs and later led to demonstrations and widespread boycott of the firm (Glen 1995 cited in Maignan & Mcalister, 2003). Later on in 1997 IKEA faced massive new allegations concerning minors working as suppliers to IKEA with reports from India and Vietnam and also factories from the Philippines engaging in child labor (Maon & Swaen, 2006). Other happenings in the 90’s were for example the attack from another Swedish documentary blaming IKEA of various supply chain scandals and showing children working on IKEA products in Pakistan (C. Esty & Winston, 2006). In a bid to rebuild its postion and brand image regarding child labor, IKEA has since 2000 launched its “The IKEA Way on Preventing Child Labour Code of Conduct” and has worked with the “Save the
Children’s foundation in order to prevent child labor by its suppliers and sub-suppliers, improve their education and commit to fight for the rights of children in third world countries (IKEA Foundation). A scandal published by the media, showing the use of illegally high levels of formaldehyde in the popular IKEA’s Billy bookcase dropped the sales around 25% in Denmark alone (C. Esty & Winston, 2006) after that IKEA setup a big testing laboratories and introduced new requirements from its suppliers. Almost the same thing happened in Germany and IKEA then deepened its efforts to initiate a plan of actions towards its environmental policies (Maon & Swaen, Integration and Communication of CSR Principles by IKEA: An Analysis of the Influence of and on External Stakeholders, 2006).

Due to these type of external pressures and scandals in which IKEA had been involved, it had been forced to take reactive measures and implementing CSR strategies inline with global standards and principles which in turn shows the importance of external pressure in the development of CSR strategies in the company. The reactive steps taken by IKEA are most likely done since it what the society expects from them. But since then IKEA has understood that taking proactive strategies are much better than reactive strategies. The proactive strategies also create much more positive feedback by customers and all other stakeholders (Ven, 2008). By being a better corporate citizen, companies face less risk for boycotts and social rejections (Luo and Bhattacharya, 2009; Vogel, 2005 cited in Groza, Pronschinske and Walker 2011) which could be seen by doing various proactive CSR activities.

<table>
<thead>
<tr>
<th>IKEA’s CSR Strategies</th>
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<tbody>
<tr>
<td><strong>Reactive</strong></td>
</tr>
<tr>
<td><strong>Criticism/Scandals</strong></td>
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<tr>
<td>Child labor</td>
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<tr>
<td>The use of chlorine bleached paper</td>
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<tr>
<td>Illegally high levels of formaldehyde in Billy bookcase</td>
</tr>
<tr>
<td>Scandal in Germany of using toxic material in their products resulting in the reduction of sales</td>
</tr>
</tbody>
</table>

Table 4: Some examples of IKEA’s Proactive and Reactive CSR strategies
As described in chapter 5.1, IKEA has been engaged in systematic discussions and getting direct feedback from NGO’s and various governmental organizations in a bid to implement proactive strategies. IKEA has set internal initiatives and policies for its employees and its whole supply chain in order to ensure that sustainability is a part of their everyday work (IKEA, 2012a). In their CSR report 2012 they state that in their public policy that they “take a proactive approach to advocacy on sustainability issues, working with regulators and others to move the debate forward”. IKEA’s proactive approach to CSR could be seen in their trade association memberships as well. IKEA participates in REAP (Retail Environmental Action Programme) which is a commit to control illegal logging (IKEA, 2012a). IKEA is as well as other groups mentioned in chapter 5.1, membered in the Eurocommerce (representing the trade sector in europe), Green Freight Europe and Green Freight Asia (monitoring carbon emissions in the trasport sector) and the European Retail Round Table (working on sustainable consumption related issues and consumer information) together with governmental bodies such as the european commission and the European parliament (IKEA, 2012a). By implementing these proactive strategies IKEA has tried to integrate corporate social responsibility in its corporate language and minimizing the risk of taking further reactive strategies or facing environmental criticism or scandals. This could be supported by the Becker-Olsen et al. (2006) study mentioned also before that favorable attitudes were created towards companies with proactive strategies whilst some undesirable customer attitudes were created towards companies with reactive CSR strategies.

4.3 CSR Communication Results

To benefit from CSR activities companies need to communicate their activities in a proper way. Low stakeholder awareness joint with unfavorable attributions could eventually lead to a negative image of the company. As mentioned in chapter 4.3 the internal and external communication needs to be adequate, not too much either which could lead to stakeholders believing the company is hiding something (Schiefelbein, 2012). Unsurprisingly, IKEA also believes in “impactful, relevant and unique communication” (IKEA, 2012a). IKEA uses many different methods to share what they are doing, for example they have a special website showing issues like CO2 emissions and food waste (IKEA, 2012a).

They have created a forum (IKEA FAMILY) for regular customers in which members receive regular communications from IKEA (IKEA, 2012a). The IKEA management team sees internal communication as a foundation for their employees to learn and develop, perform their tasks and give a sense of value to them (IKEA, 2011). IKEA sends out annual social and environmental reports and shareholder letters together with nonfinancial reports and non-financial web pages such as the CO2 emissions website stated above which are in line with the various methods of communications suggested by Ziek (2009).

IKEA is signatory to the UN (United Nations) Global Impact initiative and regularly communicates on how their anti-corruption, labor standards and environmental goals are progressing (IKEA, 2010c). This communication is divided into four categories. In the category of human rights, the principles are to make sure that they are not involved in human rights abuse and business is in respect to internationally agreed human rights. In the environmental standard category, IKEA promises to communicate the environmental challenges it faces and undertake initiatives to increase environmental responsibility (IKEA, 2010c) (See Appendix 4).

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2 With over 55 million members worldwide as of 2012 (IKEA, 2012a)
The general communication strategy between 1996 and 1999 towards the customers at IKEA has been more or less to show the coherent benefits of the wide range, innovative and simple products. However, between years 2000 to 2002 the strategy had been more shifted from “IKEA: I’ll show you what I’ve got” to “I the consumer feel that IKEA is with me to confront the changes in my life” (Barrie, 2008) communicating the step taken by IKEA from being a ‘company’ to a more ‘innovative and versatile company’. IKEA has integrated communications in its strategy to further promote the IKEA brand to the audience which has presently neglected it and to increase the long term relationship it has with its current customers (Hernandez, 2011), increase brand strength and to reflect IKEA’s values (IKEA, 2012b). IKEA has setup a special department for marketing and communication consisting of interior designers, art directors and project leaders working together with the IKEA catalog, IKEA websites, internal communication, public relation and so on (IKEA, 2012b).

Due to the reactive CSR strategies and external pressures IKEA had faced, leading into IKEA collaborating with NGO’s and other parties, IKEA found out what needs to be changed in the organization and resulted in initial CSR communication efforts which were later intensified and progressed towards a higher level of commitment (Gronvius & My Lernborg, 2009). By implementing a CSR coordinator for every store and communicating through posters and other various channels, IKEA has started to communicate more directly to customers in the store front (Gronvius & My Lernborg, 2009). Even though IKEA’s commitment to CSR is quite high the management generally prefers to “not self-promote itself” but it rather seeks to “get promoted” via its partners and media and having them communicate its initiatives instead (Gronvius & My Lernborg, 2009).

5 Discussion and Conclusion

In this section of the paper I will present a discussion on weather IKEA has been able to integrate and well-engage in regards to corporate social responsibility and how this responsibility could lead to improved urban sustainability. I will further discuss the motivations and communication IKEA has to engage in such kind of activities and what it should do to further improve its engagement in the upcoming future.

Due to the more diversity in personnel and other stakeholders’ backgrounds, brand image significance and the greater environmental impact larger companies have, larger companies in certain, have been in the spotlight of most CSR activities which is both important for the company itself and for the societies it relates to due to the effects these activities and responsibilities have on local and global sustainability.

Concluded by the analysis section of this paper it could be understood why IKEA engages in CSR activities, why CSR is integrated in its business plan and which strategies it has chosen. IKEA has been involved in major environmental and social scandals and disasters but in order to maintain its brand image and shareholder value, it has undergone several reactive CSR strategies. But what’s important for such a company is to engage in proactive strategies and build up confidence in its stakeholders since proactive CSR strategies are more likely to create positive feedback and attitudes in contrast to reactive strategies which are mainly perceived profit driven and ‘brand rescuing’. Not only due to the external pressures and incidents of scandals, but also what the society expects from IKEA, IKEA has fixed many guidelines, standards and has increased its corporation with NGO’s and legal bodies thus increasingly engaging in proactive CSR activities. These proactive CSR strategies not only benefit the end customer but also would contribute to sustainability. For instance IKEA’s role
in the Rainforest Alliance, Better Cotton Initiative, Greenpeace, Sustainable Palm Oil foundation and so on not only elevates IKEA’s brand image but also contributes to sustainability. By implementing proactive CSR strategies companies can reduce the risk of taking further reactive strategies and confronting environmental criticism thus becoming a “good corporate citizen”.

What is also important in this context is to understand why companies engage in CSR activities which could vary between different companies depending on their business, position and the expectations the society has in regards to them. IKEA as a large international company has for instance many motives besides the external pressures and expectancies behind its engagement in these activities which all fall directly or indirectly under Schwartz and Carroll’s (2003) three-domain model of corporate social responsibilities such as brand enhancement, moral obligations, environmental responsibilities and profitability which proves to be necessary for a company to continue to exist in the long run. To benefit from all these activities it is extremely important that the activities be communicated sufficiently and precisely to stakeholders. The communication needs to be done both internally in the corporate and also externally since low stakeholder awareness could sooner or later affect the brand’s image. IKEA has been recently very active in both internal and external communication. It has amongst others, printed out annual reports, CSR reports, it has sent out shareholder letters and strengthened its organizational linkage with the United Nations (via the Global Impact initiative), has established a special department for marketing and communications and has dedicated pages on its website sending out information on CSR and sustainability to communicate with its shareholders which all are in line with the various methods of communications identified by Ziek (2009).

It has been shown throughout this paper how CSR in larger corporations affect sustainability in urban development. Modern cities today have been seen as sources of environmental troubles (Alberti et al., 2003 cited in Jabareen, 2006). Policies for sustainable urban development should therefore provide encouraging ways for environmentally friendly and energy efficient forms of transport and also reduce the need for movement (Jabareen, 2006) which in line with this fact, IKEA has made lots of efforts in order to promote sustainable transportation. IKEA has also been active in green space planning and compacting goods to reduce transport and therefore reduce emissions and their impact on the environment as well as using passive solar use in their stores and have even considered selling such products in the near future for consumers (The Guardian, 2013). With the integration of such features (greening, compactness, passive solar use, sustainable transport, etc.) sustainability would eventually be increased in the urban form (Jabareen, 2006). Large companies therefore need to more carefully look into possibilities to integrate these features into their business strategies and their ways of acting in a global scale.

Since the compilation of social, environmental and economic performances together are said to be the basis for sustainability and since large companies (as well as any other companies) play effective roles in urban development they would largely affect this sustainability, making the managing of the business responsibly accounting for the environment and social impacts is particularly important. It’s the characteristics of the CSR activities which eventually guides the companies towards better sustainability and respectively leads to increased urban sustainability. The CSR activities, driven by the planners and managers of the large firms need to account for the increase in economic development, service equity for costumers and not harming the ecological resources for the next generations would result in sustainable urban development (Buehler, 2003).
With this said, in order to be more sustainable in the short and long run, the need for responsible social practices are deeming more and more necessary for companies. These needs and additionally motives for implementing CSR both within companies and towards the society have thus both been discussed in general and specifically for IKEA throughout this article. But with the everyday increasing population, higher demands and the need for less expensive products due to poverty and corporate competition I believe IKEA needs to continue with implementing more and more proactive CSR strategies globally which are shaped in ways to reduce the undesirable social and environmental effects and engaging even more NGO’s. Crucial to a productive workforce are education and health care together with equal opportunity in which safer products and safer working conditions not only do lessen the internal accidents and costs but would eventually also attract customers and increase demands (Porter & Kramer, 2006). IKEA in my opinion must impose strict controls over their external sales channels as they have done with their suppliers and sub suppliers though considering the flexibility and adjustments needed for the various markets they are engaged with. Internal and external communication (either directly or indirectly through a third party) of a corporation to all stakeholders such as their customers, employees, business allies and shareholders needs to be done sufficiently and unnecessary information flow should be avoided. Managing the communication interactively with each stakeholder and organizing a corporation in which trust is created between the stakeholders eventually contributes to sustainable development (Toyota Motor Corporation, 2012).

Companies have proved to lose sustainability in the long run when they show less respect and attention towards the environment social aspects and when they hastily follow their profit motivations (Waldman, Kenett, & Zilberg, n.d.). In order not to lose sustainability but to integrate it, larger companies must consider CSR strategies in their frameworks not only because they have a significant impact on the society and the environment but also to create customer satisfaction and strong brand value. But how much activities are needed or necessary depends on a lot of factors and only by implementing various CSR initiatives and activities one could not be sure that they are on the safe side towards sustainability. IKEA has implemented major proactive steps and has acted reactively towards scandals and external pressure but since there are various definitions for sustainability and numerous points of views regarding boundaries for CSR activities it’s impossible to determine exactly weather IKEA is towards sustainability or not but when comparing IKEA’s activities towards literature and the theories, I can argue that it is certainly on the right side and could be serve as a model for larger companies globally.

This case study approach has been valuable in identifying the importance of implementing and expanding corporate social responsibility activities and initiatives in IKEA in which ultimately benefit social, economic and environmental sustainability. However, to better understand how these activities actually assist in urban sustainability, a more evaluative study would be beneficiary to this article. Since this paper is based on the three concepts, namely communication, CSR motives and proactive and reactive CSR, evaluating CSR activities with the use of other concepts would be beneficiary. Including primary data such as observations, interviews and sending out questionnaires to different stakeholders and evaluating the results could result in another understanding of the company’s activities and the level of their sustainability. External validity could be done by finding similarities between this case study object and other companies with similarities as described by Trochim (2006). The external validity would be stronger when the study is replicated and consequently generalized. Further research on other large companies would be beneficiary in the validity and generalization of this article.
6 Bibliography


IKEA. (2010a). *Sustainability Report*. Corporate PR, IKEA Services AB.


IKEA. (2010c). *Social & Environmental Responsibility Report*. Corporate PR, IKEA Services AB.


Appendix 1: An introduction to IKEA in a nutshell. A reproduction from (IKEA, 2012a)

THE IKEA GROUP
As of August 31, 2012, the IKEA group had operations in 44 countries, including 30 service trading offices in 25 countries. We also had 33 distribution centres and 11 customer distribution centres. The IKEA Group had a total of 298 stores in 26 countries.

CO-WORKERS PER FUNCTION
Retail: 106,500
Purchasing, distribution, wholesale, range and other: 14,500
Industry group: 18,000
Total IKEA Group co-workers in FY12: 139,000

CO-WORKERS PER REGION
Europe: 99,000
North America: 18,000
Asia & Australia: 11,000
Russia: 11,000

PURCHASING PER REGION
Europe: 63%
Russia, Asia & Australia: 33%
North America: 4%

SALES PER REGION
Europe: 79%
North America: 14%
Russia, Asia & Australia: 7%
Appendix 2: Lynes and Andrachuk’s (2008) concept model of motivations, influences and facilitators on a corporates level of commitment to CSR.
Appendix 3: Steps towards a sustainable IKEA reproduction from (IKEA, 2010c).
<table>
<thead>
<tr>
<th>Human Rights</th>
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</thead>
<tbody>
<tr>
<td>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</td>
</tr>
<tr>
<td>Principle 2: make sure that they are not complicit in human rights abuses.</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Labour Standards</th>
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<tbody>
<tr>
<td>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</td>
</tr>
<tr>
<td>Principle 4: the elimination of all forms of forced and compulsory labour;</td>
</tr>
<tr>
<td>Principle 5: the effective abolition of child labour; and</td>
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<table>
<thead>
<tr>
<th>Environment</th>
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<tbody>
<tr>
<td>Principle 7: Businesses should support a precautionary approach to environmental challenges;</td>
</tr>
<tr>
<td>Principle 8: undertake initiatives to promote greater environmental responsibility; and</td>
</tr>
<tr>
<td>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</td>
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<tr>
<th>Anti-corruption</th>
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</thead>
<tbody>
<tr>
<td>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</td>
</tr>
</tbody>
</table>

Appendix 4: Initiatives IKEA promises to communicate with the UN Global Compact. Reproduction from (IKEA, 2010c).
Appendix 5: IKEA store in Malmö, Sweden (picture taken 2013-03-25)