

Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.

COLLABORATIVE GOVERNANCE TOWARDS SUSTAINABILITY

Empirical study comparing organisations' sustainability practices in New Zealand and in Brazil

A thesis presented in partial fulfilment of the requirements for the degree of

Master in Management (MMgt)

in Management

at Massey University, Auckland,

New Zealand

Marcelo Biagio Laquimia

2010

ABSTRACT

The sustainable development debate comprises the economic, environmental, and social challenges of the 21st century. These are unavoidable issues for organisations of all sectors. Private, public, and civil society organisations are pursuing ways to address such challenges individually and through collaborations. This study investigates how organisations in New Zealand and in Brazil address sustainability concerns through collaborative governance efforts with strategic stakeholders. A comparative analysis of the central management practices adopted by organisations in both countries is presented, and the goals, benefits and limitations associated with collaborative initiatives are investigated. Ten organisations are interviewed, five from each country. Thematic analysis is used to analyse the interview data.

The results revealed that organisations in both countries are employing similar management practices that focus on addressing sustainability concerns. Organisations perceive a number of value creation outcomes from sustainability practices. These include brand and reputational gains, improved supply chain management, and risk management attainments. Furthermore, organisations observe higher employee attractiveness and operational synergy gains between departments. In addition, companies observe that collaborative efforts with strategic stakeholders improve their ability to understand other management perspectives, and anticipate market pressures and opportunities. Thus, they can meet market demands and jointly develop innovative solutions toward sustainability goals by exchanging knowledge and enhancing their operational effectiveness. The results also revealed limitations of organisations concerning collaborative efforts. Organisations perceive lack of enough human resources to effectively collect, analyse and implement sustainability projects. Furthermore, there are internal limitations of organisations concerning how their executives and general staff incorporate sustainability issues into their organisations' strategic planning and operational decisions.

This study identifies implications for management and directions for future research. These are based on how organisations measure sustainability outcomes of management practices and collaborative alliances, and how organisations map upcoming sustainability demands of the market as the sustainable development debate continues to evolve.

ACKNOWLEDGEMENTS

It is my pleasure to acknowledge those special people in my life who have made my coming to study in Aotearoa New Zealand possible, and also contributed immensely to the wealth of learning experience that I have gained since living in this unique country. My two years' study at Massey University, Auckland has been a long, unforgettable and rewarding journey.

First and foremost, I would like to thank NZAID for granting me scholarship. Without the support, the invaluable experience of studying, learning, sharing knowledge, and earning a Master's degree would not have been made possible. This is a lifetime experience that will be forever etched in my memory.

I am ever so grateful to my family for the unconditional support, love, care, and motivational strength you showed me during those challenging moments. Undoubtedly, your communication bridged the gap and minimised the concerns that came with being alone in the other side of the world.

To my thesis supervisor, Dr Gabriel Eweje, words cannot quantify your guidance. You nudged me into achieving my goals through hard work and relentless support. This gratitude is extended to other brilliant Massey University academics and professionals from the School of Management, International Office, and Student Learning Centre.

My gratitude also goes to all the interviewees and organisations who offered valuable insights to my study. Your time and attention were much appreciated.

I also thank all my special friends and loved ones whose lists are inexhaustible. Finally, I thank the blue skies, the sea and all the beauty of nature; you have inspired me in many ways.

TABLE OF CONTENTS

Abstract	ii
Acknowledgements	iii
List of Figures	vi
List of Tables	vi
Chapter One - Introduction	1
1.1 Sustainable Development in New Zealand and Brazil	8
1.2 Motivation Of The Study	16
1.3 Research Purpose, Significance and Questions	18
1.4 Research Framework	19
1.5 Structure of the Report	20
Chapter Two - Literature Review	22
2.1 Introduction	22
2.2 The Sustainable Development Debate	22
2.3 Governance and Sustainability Issues	30
2.3.1 Governance Issues in the Global Economy	33
2.4 Collaborative Governance	38
2.4.1 Intersectoral Partnerships	39
2.4.2 Drivers and Motivators for Collaborative Partnerships	44
2.4.3 Partnerships Implementation	45
2.4.4 Learning Process & Developing Good Governance	47
2.5 Sustainability Issues as Strategic Drivers for Organisations	49
2.5.1 Business Management Practices and Tools	51
2.6 Global Economic Paradigms and Sustainable Development	69
2.7 Conclusion	72
Chapter Three - Research Method And Design	73
3.1 Introduction	73
3.2 Overview of the Research Strategy	73
3.3 Research Design	74
3.4 Sample Size and Criteria	76
3.5 Data Collection	78
3.5.1 Communication with Key Sustainability Executives	80
3.6 Thematic Analysis	81
3.6.1 Phases and Processes of Thematic Analysis	82
3.7 Research Validity And Limitations	84
3.7.1 Reliability	84
3.7.2 Ethical Considerations	85
3.8 Conclusion	86
Chapter Four - Findings and Discussion	87
4.1 Introduction	87
4.2 Economic Pillar	90
4.2.1 Sustainability Initiatives as Strategic Goals	90
4.2.2 Annual Reports and Sustainability Reporting	96
4.2.3 Shareholder Pressure Concerning Sustainability Targets	97
4.2.4 Sustainability Governance	102
4.2.5 Codes of Conduct	109

4.3 Environmental Pillar	110
4.3.1 Sustainability Initiatives and Resource Management / Innovation	110
4.3.2 Business Process Management (BPM) and Key Performance Indicators (KPIs)	114
4.3.3 Sustainability and Environmental certifications	119
4.4 Social Pillar	122
4.4.1 Pressures from External Stakeholders	122
4.4.2 Collaborative Partnerships and Stakeholder Engagement	126
4.4.3 Benefits and Limitations of Collaborative Partnerships and Stakeholder Engagement	133
4.4.4 Supply Chain Management Strategy and Sustainability Goals	137
4.4.5 Participation of Employees on Sustainability Initiatives	143
4.4.6 Change Management towards Sustainability Culture	147
4.5 Research Framework Revisited	153
4.6 Conclusion	155
Chapter Five - Conclusions, Implications, Limitations, and Directions for Future Research	156
5.1 Implications for Management	162
5.2 Limitations of The Study	166
5.3 Directions for Future Research	167
References	170
Appendices	191
Appendix A - Green Project Massey	191
Appendix B - Letter of Approval from Human Ethics Committee	197

LIST OF FIGURES

Figure 1.1: New Zealand and Brazil in the World Map	9
Figure 1.2: Research Framework	20
Figure 3.1: New Zealand GDP Growth in 2009	77
Figure 3.2: The Three Pillars of Sustainability	79
Figure 3.3: The Phases and Processes of Thematic Analysis	82
Figure 3.4: The Coding Process	83
Figure 4.1: Sustainability Governance Structure	108
Figure 4.2: Improved Business Process Management	117
Figure 4.3: Pressures from External Stakeholders	123
Figure 4.4: AA1000 Standards	132
Figure 4.5: Supply Chain Management - Value Chain Perspective	141
Figure 4.6: Research Framework Revisited	155

LIST OF TABLES

Table 3.1: Participating Organisations in New Zealand and in Brazil	78
Table 4.1 Codes and Themes	88
Table 4.2: Sustainability initiatives as strategic goals	91
Table 4.3: Shareholder Pressure Concerning Sustainability Targets	98
Table 4.4: Sustainability Governance	103
Table 4.5: Sustainability Initiatives and Resource Management / Innovation	111
Table 4.6: Business Process Management and Key Performance Indicators	114
Table 4.7: Sustainability KPIs	119
Table 4.8: Sustainability / Environmental Certifications	120
Table 4.9: Collaborative Partnerships and Stakeholder Engagement	127
Table 4.10: Benefits and Limitations of Collaborative Partnerships and Stakeholder Engagement	135
Table 4.11: Supply Chain Management Strategy and Sustainability Goals	138
Table 4.12: Participation of Employees on Sustainability Initiatives	144
Table 4.13: Change Management towards Sustainability Culture	148