Abstract

Corporate Social Responsibility has increased in importance over these decades. Due to several drivers it is important for companies to initiate and communicate these CSR initiatives, in order to benefit from them. This increased demand on responsibility from companies creates an urgency for the company to satisfy this need. This has led to the concept of “Greenwashing” which is a miscommunication of CSR values. This opposes the integration of CSR into the corporate strategy which is a more effective method of initiating CSR. This study will examine CSR initiatives alignment with corporate strategy, composing a case study on Electrolux Professional Laundry Ab.

Keywords

Corporate Social Responsibility, Corporate strategy, Sustainability

Acknowledgements

First and foremost, we would like to thank our families Mrs. Borlund and Ms Jonas and Ambrose, Jurgita, Rusel for the endless love and support.

We would also like to express our sincere gratitude to Dr Pejvak Oghazi for his encouragement and ideas.

In addition we want to thank our supervisor, Dr Tomas Nilsson for his support, guidance throughout this thesis and further to Peter Caesar, The Managers at Electrolux whose contribution is highly appreciated.
Contents

1 Introduction ................................................. 1
  1.1 Background ........................................... 2
    1.1.1 Electrolux Group .................................. 2
    1.1.2 Electrolux Professional Laundry ................. 3
  1.2 Problem Discussion .................................... 3
  1.3 Purpose Of Study ....................................... 4
  1.4 Research Question ..................................... 4

2 Theoretical Framework ....................................... 5
  2.1 Corporate Social Responsibility ....................... 5
  2.2 Sustainability .......................................... 6
  2.3 Triple Bottom Line ...................................... 7
  2.4 ISO Certification ....................................... 7
  2.5 Corporate Image and Reputation ....................... 8

3 Methodology ............................................... 9
  3.1 Research Approach ..................................... 9
    3.1.1 Inductive vs. Deductive Research ............... 9
    3.1.2 Qualitative vs. Quantitative .................... 9
  3.2 Research Design ....................................... 10
  3.3 Data Sources .......................................... 12
  3.4 Data Collection Method ................................ 12
  Source: (Yin, 2014, p.106) .................................. 14
  3.5 Data Collection Instrument ............................. 14
    3.5.1 Interview guide ................................... 15
  3.6 Sampling ................................................ 16
    3.6.1 Sample Frame ...................................... 16
  3.7 Data Analysis .......................................... 17
  3.8 Quality Criteria ....................................... 18
    3.8.1 Validity ............................................ 18
    3.8.2 Reliability ......................................... 20

4 Empirical Findings ....................................... 21
  4.1 Interview with Electrolux Managers .................... 21
    4.1.1 CSR definition at Electrolux Professional AB .... 21
    4.1.2 Corporate Strategy at Electrolux Professional AB .... 21
    4.1.3 CSR at Electrolux Professional AB .................. 22

5 Analysis .................................................. 25
  5.1 Corporate social responsibility Pyramid ................ 25
    5.1.1 Philanthropic ...................................... 25
    5.1.2 Ethical ............................................. 25
    5.1.3 Legal .............................................. 26
    5.1.4 Economic .......................................... 26
  5.2 Competitive advantage .................................. 27
6 Conclusion ........................................................................................................28
References ........................................................................................................29
Appendices .........................................................................................................I
  Appendix A - Interview Questions .................................................................I
  Appendix B - Interview transcripts ............................................................... III
1 Introduction

This research focuses on Corporate Social Responsibility (CSR), specifically it’s use as a strategy within a business. An overview of the subject CSR is presented along with the history of the company. Furthermore, a problem discussion is highlighted, resulting in the formulation of the purpose and development of research questions.

The concept of Corporate Social Responsibility (CSR) dates back to the mid-late 1800s during the industrial revolution, where the main concern were the employees. This concern was with regard to increasing their productivity (Carroll, 2008). Despite the lack of literature prior to the 1950s CSR started to develop in 1950s (Carroll, 2008). It was not considered popular, only being embraced by few companies at the time, until the 1970's. During this period CSR had no clear definition (Carroll, 1999). However in the 1980's to 1990's the practice of CSR changed its dimensions and themes, namely; stakeholder theory, corporate sustainable profitability, business ethics theory and corporate citizenship. The focus on discovering an appropriate definition for CSR went further, as an increased effort was made to encapsulate the concept (ibid). Reaching the 21st century the focus on CSR has moved from theoretical contributions to more emphasis on the empirical research of CSR (Carroll, 2008). Within business during this period, there is an increased interest in CSR’s “best practices” (Carroll, 2008).

During this time the demand for companies to assume more responsibility steadily increases, decade after decade. More so in recent years after corporate failures in the early 1990s has led to tighter corporate governance regulation (Jhunjhunwala, 2011). Although the conceptualization may have taken place several decades ago, the attention directed at the ethics, governance, and CSR by the companies has not been proactive or voluntary. Alternately the companies have reacted to public outcry and regulations, compelling them to change the way they strategically plan their business models and production processes (Jhunjhunwala, 2011).

The development of CSR over time has lead to two distinct views of the relationship between CSR and business. These views are polarized, the first perspective advocating for CSR while the second criticizes it. Advocates for CSR believe that long term success can be achieved by operating in light of CSR perspectives in order to increase long term profit as well as long term success. This contrasts the opposing view that
argues the role of a business is to generate profit, CSR would only detract from that (Buhr and Grafström, 2007). Milton Friedman (1970) believed that the creation of financial value is the traditional focus of company objectives.

This traditional focus coupled with the increased demand by the consumer for green products and processes have led companies to exaggerate claims of sustainability and CSR (Terrachoice, 2010). Companies have realized customers make their decisions not only based on the products but take several factors into consideration. These factors can be; human rights, environmental conditions (Nilsson, 2007). This all sums up the demand for companies to produce “greener products”. A study from American PR firm Edelman (2012) shows an increased concern for environmental issues. This increased pressure causes companies to quickly meet consumer demand, giving rise to the term “Greenwashing”. Greenwashing according to Gailus (2013) is explained as a strategy whereby companies misrepresent a product's environmental credentials with the intention of selling it.

Organizations are theoretically defined with goal-oriented properties (Jaffee, 2001). A corporation is an example of a formal organization that operates with a set of objectives. The objectives of a company is usually communicated through its mission, vision or core values. A strategy is now a means of executing the company's mission, vision or core values thus reaching its objectives.

1.1 Background

1.1.1 Electrolux Group

Electrolux Group is a large global company with its presence in more than 150 countries. Electrolux Group presently is the global leader in appliance manufacture, both household markets and steadily increasing in the industrial market. The company offers various innovative and sustainable solutions with product and service offerings ranging from refrigerators, dishwashers, washing machines, cookers and vacuum cleaners (Electroluxgroup, 2015). This amounts to the sales of more than 60 million products every year generating sales of more than SEK 124 billion (ibid). In order to achieve a competitive advantage Electrolux innovates its design with the customer in mind. The company was established in the year 1919 with its headquarters in Stockholm, Sweden. Throughout the history of this company, Electrolux has sculpted
its market with innovations that stand out. The company launched its first vacuum cleaner that could lie down in 1921. This innovation changed the landscape for future vacuum cleaners. Once again in 1959, Electrolux launched the first countertop dishwasher, the “D10 dishwasher”. This model of dishwasher enabled Electrolux to install a dishwasher in the consumer’s kitchen without having to perform major renovations (Electroluxgroup, 2015). Apart from innovating designs, Electrolux also innovates sustainability initiatives. In 2013 Electrolux was listed as industry leaders in the sustainability FTSE4 Good index, and found itself amongst the global 100 list of the world’s most sustainable companies. In the same year, the firm launched a certification program for quality, health, environmental and safety issues (Electrolux, 2015). Electrolux professional entering the industrial market began in 1994, with the Italian competitor Zanussi becoming part of the Electrolux group (Electrolux, 2015).

1.1.2 Electrolux Professional Laundry

Electrolux Professional Laundry began in 1902 as the company Värmelednings AB. They manufactured two products; heating systems and industrial use washing machines. The company changed its name again in 1918 to Coronaverken AB and later in 1940 to Electrolux-Wascator. The final name change occurred after several acquisitions between the years 1941 and 1996, to Electrolux Laundry Systems then eventually to Electrolux Professional Systems AB. Electrolux Professional Systems AB have production plants located in Sweden, France and Thailand with the one located in Sweden considered to be the forerunner (Electrolux, 2015). In 2005 the company engaged in Lean manufacturing philosophy which focuses on reducing lead times, increasing efficiency and eliminating waste which is harmful to the environment (Electrolux, 2015).

1.2 Problem Discussion

Arguably the benefits of initiating CSR for companies is improved financial performance and profitability; reduced operating costs, improved reputation and brand value amongst others, according to Comfort, Hiller and Jones (2006). Those benefits linked with four key drivers; workplace, investment climate, marketplace and civil society creates an atmosphere where companies mislead or communicate deceptive environmental claims in order to reap the benefits of being a “Green” company (Carlson et. al, 1993; Comfort et. al, 2006). Another example, many studies have shown that if
customers like what firms are selling, they can as well invest more resources into that firm and not specifically in capital rather time as well (Rosenbaum-Elliott, et. al, 2011). Furthermore, lack of awareness of a firm's CSR is stumbling block for firms that wish to gain competitive advantage from their CSR (ibid).
Ultimately Greenwashing harms the stakeholder and damages the reputation of the company, creating distrust in society (Furlow, 2010). This approach to communicating CSR initiative is not sustainable.

1.3 Purpose Of Study
The purpose of the study is to examine Corporate Social Responsibility applied as corporate strategy.

1.4 Research Question
- Is CSR aligned with the corporate strategy?
- How is CSR aligned with the corporate strategy?
2 Theoretical Framework

In this section the theoretical framework relevant to this paper will be presented.

2.1 Corporate Social Responsibility

Corporate Social Responsibility (CSR) is a term used to signify an accumulation of rules organizations can take after. It basically implies a thought that shows obligations an organization attempts, that backings how they impact the general public in a conservative, social and in addition natural point of view. Besides, it demonstrates how a business is overseen with respect to moral inquiries, social standards and in addition laws. There is no solid interpretation of CSR, it is almost difficult to discover one decisive definition. One reason behind that is incompletely in light of the fact that social standards are totally subjective (Hur et al., 2014).

The Pyramid of Corporate Social Responsibility

The CSR concept had been arranged in four different areas in order to understand its activities. The four areas are economic, legal, ethical and philanthropic.

Figure 1: source Carroll, 1991
Philanthropic Responsibility
In this perspective, to create a positive positioning and image, Carroll 1991 further quotes that CSR adds to the notion that “the corporation has not only economic and legal obligations, but ethical and discretionary responsibility as well” (Carroll, 1991). Corporations are compelled to behave like a good corporate citizen and engage actively for the welfare of the community.
In integrating CSR, employees and managers can deliberately help in humanitarian activities within their community and also engage in those activities in other to improve the communities quality of life (ibid)

Ethical Responsibility
Ethical responsibility means that corporations are expected to engage in the activities that are acceptable by the community and its environment. And today ethical responsibility is one of the CSR business ethics which is important to act according to the expectations and adapt to societal new norms. Protecting the human rights and more so abide by the ethical norms which will pay off on the long run and also maintain corporate objectives at large (Carroll, 1991).

Legal Responsibility
Corporations operate with its intention to maximize returns. As they do so, they are expected to comply by the rules and regulations provided by the state and communities. These regulations are the foundation and will be the ground on how all the activities must operate.

Economic Responsibility
Economic responsibility according to Carroll, argues that businesses are termed as economic entities and further mentioned “ all other business responsibilities are predicted upon the economic responsibility of the firm, because without it the others become moot considerations” (Carroll, 1991). In order to stay competitive in the market, corporations need to set their purpose and work efficiently and consistent as possible with the end goal to maintain a strong and long lasting positive position in the business (ibid).

2.2 Sustainability
Research has demonstrated that sustainability is an important variable within the practices of CSR. When companies plan future endeavours, sustainability assumes a critical role. As resources are limited and the population is increasing exponentially, it is
important for governments, individuals and organisations to explore various methods of operations. These operations should enhance their communities (Jagdish N. Sheth & Mona Sinha 2015). According to the English Oxford Dictionary sustainability is defined as ‘maintenance, to keep a person or environment…’, depending on the context the concept of sustainability can be narrow or wide.

2.3 Triple Bottom Line
The triple bottom line is a theory with spotlight on monetary development, social and environmental outcomes. The triple bottom line theory, additionally called the 3 P’s, connotes Profit, Planet and People. Organizations have actualized the 3 P’s as a system keeping in mind the end goal to survey their benefit in an all encompassing methodology. Besides, the theory is connected for undertakings that craving to expand their perspective and movement their viewpoints from just considering outside variables as making benefits, to likewise think about social and natural issues (Dahlsrud, 2006). The 3 P's have amid the late years turn out to be more basic and normal among organizations, it has developed to a pattern which has been pertinent to more firms. The hypothesis recommend that achievement ought not be measured only by an association's budgetary execution additionally its social and ecological execution. In addition, the movement has been produced using the more customary way to deal with a modernized one (ibid).

2.4 ISO Certification
According to Zadek (2004) argue that firms do not rise to top model citizens overnight, and for firms to gain competitive edge, there are certain steps to follow. there are few business strategy a firm can adopt, ISO which stands for international organization for standardization plays a significant role in business and consist of regulations on how a firm, be more socially responsible towards environment and people. It also serves as a strong link towards improving firms current practices at large. Furthermore, Hemphill et al. (2013) mentioned ISO perceived social responsibility to be essential part of a business strategy and the overall aim is to assist companies in carrying out efficient, quality and standard work environment.
2.5 Corporate Image and Reputation

Corporate image is the quick mental picture of what people have of a company. Corporate reputation, usually, demonstrates a worth judgment about the company's traits. Usually, corporate reputation develop after some time as a consequence of predictable execution, fortified by viable correspondence, corporate images can be formed more rapidly through thoroughly configured communication programs. Organizations need to extend a precise and positive image to their partners. They likewise want a positive notoriety in the psyches of these constituents. Hence, its picture and notoriety according to its partners is essential to the organization. The main partners with whom most extensive enterprises must be concerned are: clients, wholesalers and retailers, suppliers, joint venture partners, monetary establishments and experts, shareholders, government administrative offices, social activity associations, the overall population, and staff members (Gray and Balmer, 2002).
3 Methodology

This chapter presents the research approach conducted by the authors. Each stage will aid in the clarification of procedure the author utilized in gathering the relevant data.

3.1 Research Approach

As different research approaches exist it is important that the authors select the one that will meet the papers research purpose. This section will compare deductive vs. inductive approaches and qualitative vs. quantitative methods in order to establish the relevant reasoning to this investigation.

3.1.1 Inductive vs. Deductive Research

There are two main philosophies to consider when conducting research; inductive and deductive. Deductive reasoning presents itself as the approach with the most common view between theory and research (Bryman & Bell, 2011). The researcher uses what is known about a specific research area, taking into consideration established theories or generalized concepts. This forms a hypothesis which will be tested using the established theories or generalized concepts to determine its validity (Bryman & Bell, 2011). In contrast inductive reasoning observes the particular instance in the attempt to create theories and generalized concepts based on this observation (Sachdeva, 2009).

This paper has focused on the examination of the theoretical concepts; Corporate Social Responsibility and Positioning. The empirical data gathered is scrutinized with the theoretical framework in mind thus allowing the application of deductive method.

3.1.2 Qualitative vs. Quantitative

When research is being conducted, the collection of reliable data is vital for a successful investigation. The data can be collected using qualitative method or quantitative method, each method providing guidelines rather than strict rules (Creswell, 2014).

Quantitative research method is usually formalized, highly structured examination of objective theories, by an evaluation of variables. The connection between variables is what is tested and measured in order for the numbered data to be analyzed using statistical procedures (Creswell, 2014).

Qualitative research method is a more exploratory approach, providing a comprehensive meaningful insight into a specific area of choice (Sachdeva, 2009).
Table 3.1 illustrates the difference between qualitative research method and quantitative research method based on several research agendas.

### Table 3.1: Differences between Quantitative and Qualitative Research methods

<table>
<thead>
<tr>
<th>Research Agenda</th>
<th>Qualitative</th>
<th>Quantitative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus</td>
<td>Understand and interpret</td>
<td>Describe, explain and predict</td>
</tr>
<tr>
<td>Involvement</td>
<td>High as researcher is participant and catalyst</td>
<td>Researcher keeps himself away to reduce bias</td>
</tr>
<tr>
<td>Purpose</td>
<td>In-depth understanding, theory building</td>
<td>Describe, predict and test theory</td>
</tr>
<tr>
<td>Sample design</td>
<td>Non-probability, purposive</td>
<td>Probability</td>
</tr>
</tbody>
</table>

Source: (Sacheva, 2009p. 185)

As the purpose of this study is to critically examine Electrolux’s CSR initiative and how it affects its positioning, qualitative approach is chosen by the authors. The research questions required the authors to conduct an in-depth individualized interview, detailing the effects of CSR on brand positioning. Furthermore the information’s source must be easily identifiable and an overall insight to how Electrolux Laundry System initiates its CSR.

### 3.2 Research Design

Selection of an appropriate design is critical, a large portion of research activities are affected, as the design facilitates the answering of the research objectives and framework used in answering the research question (Churchill and Iacobucci, 2006; Oghazi, 2009). A range of dimensions of the research processes have been given priority in the process of selecting the correct design (Bryman & Bell, 2011). Bryman &
Bell (2011), state that there are five prominent research designs; experimental, cross-sectional design, longitudinal design, case study design and comparative design.

**Experimental research design** being true to its name does not occur frequently in the business or management research. ‘Yardstick’ is what Bryman & Bell (2011) describe the function of a true experiment upon which non-experimental research is evaluated. The internal validity of this research design is very strong (Bryman & Bell, 2011).

When **cross-sectional research design** is employed the collection of data from multiple cases at a single point in time occurs. This takes place in order to collect a body of quantifiable data which connects multiple variables permitting the detection of patterns (Bryman & Bell, 2011). This design does not coincide with the research as only one case will be the source of data. **Longitudinal research design** is usually presented as a structured interview within a cross-sectional research design or an extension of a social survey based on a self-completion questionnaire. This is used to map change in business and management research over a period of time (Bryman & Bell, 2011). Being defined as a ‘...strategy for doing research, involving an empirical investigation of a particular phenomenon within real life context, with the aid from multiple sources…’, **case study research design** involves the detailed and intensive analysis of a single case (Saunders et al. 2009; Bryman & Bell, 2011). In order to acquire a wealth of knowledge from Electrolux Laundry AB concerning their CSR initiatives and its impact, the use of a case study as a research design and research strategy has been chosen by the researchers. As a research strategy it allows the researchers to question ‘What?’,'how?’ and ‘why?’ in regard to the research questions (Saunders et al. 2009). The research focuses on one case, Electrolux Laundry Systems AB so a single case opposed to multiple cases will be critically analysed in order to investigate ‘what they do?’ in terms of CSR and ‘how?’ it affects the company. The last research design presented by Bryman & Bell (2011) is a **comparative research design** which incorporates the logic of comparison. Usually used to increase understanding of social phenomenons by comparing relations of two or more contrasting cases or situations (Bryman & Bell, 2011). These cases or situations generally present themselves as organizations, nations, people etc, with data collected from each one commonly in a cross-sectional design format (Bryman & Bell, 2011).
3.3 Data Sources

When collecting empirical data for a study, there are two basic approaches, of which can be utilized in certain situations. Primary and secondary data. In Primary data, the researcher collects data firsthand from the source using channels which are presumed the most appropriate. This approach is made for a specific study where the data needs to be up to date, thus aiding to broaden the understanding of the chosen area of study and the method of collecting information is linked with the principal source (Yin, 1994).

Nevertheless, secondary data refers to data that had been collected and is accessible from other sources, it saves time and costs (Yin, 1994). Being that the data was collected for another purpose, but still yields relevant information to this purpose a mixed source of data was used by the researchers (Jacobsen, 2002). Although the researchers have chosen to utilize both secondary and primary sources, primary sources were the main source of information. The use of both data sources increases the credibility of the collected data by means of triangulation according to Patton (1999).

Primary data was gathered through in-depth interviews, while the secondary data was gathered from archives and used to aid the authors in the construction of the interview session. As Well as support the responses of the interviewee.

3.4 Data Collection Method

As stated above, the research design chosen was a case study design, Yin (2014) defines a case study as an “empirical inquiry that investigates a contemporary phenomenon (the "case") in depth and within its real-world context, especially when the boundaries between phenomenon and context may not be clearly evident.” (Yin, 2014, p. 16).

There are basically six different sources of evidence within a case study; physical artifacts, participants observation, direct observations, interviews, archival records and documentation. Table 3.2 below shows a list of sources with their strengths and weaknesses (ibid).
Table 3.2: Six Sources of Evidence with Strengths and Weaknesses

<table>
<thead>
<tr>
<th>Source Of Evidence</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentation</td>
<td>• Stable; can be reviewed repeatedly</td>
<td>• Retrievability; can be difficult to find</td>
</tr>
<tr>
<td></td>
<td>• Unobtrusive; does not attract attention</td>
<td>• Biased selectivity, if the collection is incomplete</td>
</tr>
<tr>
<td></td>
<td>• Exact; contains exact names, references and details of an event</td>
<td>• Reporting bias; reflects (unknown bias of author)</td>
</tr>
<tr>
<td></td>
<td>• Broad coverage; long span of time, many events and settings</td>
<td>• Access; may be deliberately withheld</td>
</tr>
<tr>
<td>Archival records</td>
<td>• [Same as those for documentation]</td>
<td>• [Same as those for documentation]</td>
</tr>
<tr>
<td></td>
<td>• Precise and usually quantitative</td>
<td>• Accessibility due to privacy reasons</td>
</tr>
<tr>
<td>Interviews</td>
<td>• Targeted; focuses directly on case study topics</td>
<td>• Bias due to poorly articulated questions</td>
</tr>
<tr>
<td></td>
<td>• Insightful; provides perceived causal inferences and explanations</td>
<td>• Response bias</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Inaccurate due to poor recall</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Reflexivity; interviewee gives what the interviewer wants to hear</td>
</tr>
<tr>
<td>Direct Observations</td>
<td>• Reality; covers events in real time</td>
<td>• Time consuming</td>
</tr>
<tr>
<td></td>
<td>• Contextual; covers context of “case”</td>
<td>• Selectively; broad coverage difficult without a team of observers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Reflexivity; actions may proceed differently because they are being observed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Cost; hours needed by human observers</td>
</tr>
</tbody>
</table>
Since the chosen research strategy for this research is a case study, the next step was to select the appropriate evidence source to obtain the most relevant data. In doing so, the authors have chosen archival records and interviews to gather the necessary information, in order to accomplish the aims and purpose of the study. It is essential to know that interviews are one of the greatest sources of information provider when conducting a case study. When conducted it must be organized as a conversation to keep the flow instead of a query.

In this study, in-depth interviews will be conducted with members of the Electrolux Professional Laundry Ab staff. Specifically the managers and leaders of various departments. The reason behind this is to get facts and the managers impression on certain situations (Yin, 2014). The other source which will be used in this study is archival records which are charts, computer files and company websites (ibid). The overall aim is to gather enough data that will be utilised as a supporting tool, applied on the interview replies, to reduce the level of inaccuracies, bias and increase validity.

3.5 Data Collection Instrument

When conducting a case study, Yin (2009) states that interviews are a crucial source of data, resembling guided conversations rather than structured queries. Qualitative research utilizes this method often with its ability to be flexible providing its allure (Bryman and Bell, 2011). The purposeful discussion between two or more individuals
as described by Kahn and Cannell (1957) can be conducted in three forms: Semi-structured, Unstructured and Structured (Bryman and Bell, 2011).

As stated above in table 3.2 the use of interviews as a data collection instrument has its strengths and weaknesses respectively. These attributes should be taken into consideration as they can affect the investigation such as ill prepared questions or an ill-advised interviewee (Yin, 2009).

A structured interview also known as a standardized interview, is an interview conducted in a scheduled manner. The interviewees are given identical backgrounds in respect to the questions so that the interviewee’s replies can be aggregated (Bryman and Bell, 2011). This approach coincides with a quantitative study.

Qualitative interview encapsulates both unstructured and semi-structured interviews. These ‘non-standardized’ interviews allow the recipients to provide an in-depth detailed answer. Semi-structured interviews are conducted when the researcher administers the questions based on fairly specific topics which can observed in the interview guide below. Unstructured interview differentiates itself, by the researcher conducting the interview using an outline of a range of topics, allowing the respondent to respond freely (Bryman and Bell, 2011).

3.5.1 Interview guide

As stated previously by the authors, interviews can be conducted in three forms; unstructured, semi-structured and structured (Bryman and Bell, 2011). The authors have selected to use semi-structured interviews. As semi-structured interviews involve the interviewee using fixed questions or keywords throughout the interview to get the necessary data concerning the interviewee perception of Electrolux’s CSR initiative, sustainability and their brand. The questions were designed to probe as much as possible in order to get in depth opinions into various departments at Electrolux.

The use of long questions in the design by the author was limited. The length of the questions increased especially with respect to gathering the interviewee opinions. Bryman and Bell (2011) argues that when the focus is on behaviour, longer questions have a certain positive feature in interviews. The authors made an attempt to avoid double-barreled questions, but its occurrence is prevalent in the design despite the goal
is to ask specific questions. Double-barreled questions are questions that give a Yes or No reply followed up by a different question. Asking specific questions is vital as questions that are general lack a frame of reference according to Bryman and Bell (2011). A precaution against developing questions that lead the interviewee was made by the authors.

3.6 Sampling
In the process of collecting data from a population in qualitative research, large amounts of information is gathered from few participants. Ideally data from the entire population would be required in order to conduct a census. Nonetheless that would exhaust resources so the authors have chosen to select a sample frame from the population. (Neuman, 2003; Oghazi, 2009). When conducting qualitative investigation researchers often choose the sample selection out of convenience or opportunity, thus utilizing two sampling methods; Probability and nonprobability sampling (Bryman and Bell, 2011). Commonly associated with survey-based research strategies, probability sampling is dependant on the chance or probability, of each case being selected from the population equally and with knowledge of whom they are (Saunders et al. 2009). Unlike probability sampling the chance in non-probability sampling of each case being selected from the total population is unknown. The authors of this study utilized non-probability sampling therefore generalization of the results can not be performed, as not all the individuals are given chances of being selected.

3.6.1 Sample Frame
A sample frame is the list of the population that the sample is chosen from (Bryman & Bell, 2011). In the interest of establishing the appropriate sampling frame, defining the initial population is imperative. As a case study tasked with the investigation of determining the affect CSR has on various variables on the company, managers at Electrolux professional Laundry AB were selected.

Quota sampling, convenience sampling, purposive sampling, snowball sampling and self-selection sampling are a few subsampling approaches that can be executed within non-probability sampling. This research utilized both convenience sampling and snowball sampling. Convenience sampling involves the selection of cases that are easiest to access, as a result of restricted access to Electrolux Laundry Systems
personnel (Bryman & Bell, 2011; Saunders et al. 2009). Secondly snowball sampling was used, because of the difficulty of identifying specific members of the desired population. This is done by making initial contact, which was done with Björn Sandström the purchasing manager. He identified other possible interviewees that provided data.

3.7 Data Analysis

The fundamental objective of qualitative data study is to form a structure that would guide the data analysis, furthermore researchers pointed out there are four analytical methods; data reduction, pattern matching, grounded theory and analytical induction. Analytical induction is simply based on examining data, developing analysis by seeking clarification of a specific phenomenon and to present the findings. However, grounded theory originally derived from data and is consistently evaluated during its whole course. Within this method theory, the analytic process and data collection are related to each other (Österberg & Oghazi, 2003). Pattern matching and data reduction are in close line with data derived from qualitative methods, for example, interviews. In order to carry out data reduction method, the researchers can administer a process of selecting, simplifying, focusing, abstracting and reconstructing the data (Bryman & Bell, 2011; Oghazi, 2014; Hyde, 2000). To minimize and organize the information gathered into relevant data, it is appropriate to implement a process of matching points and styles to reduce difficulty in the process of designing a decent and valid conclusions (Bryman and Bell, 2011; Ghauri and Grönhaug, 2005, Oghazi 2013).

In this study, the method used in analyzing the data are pattern matching and data reduction method, it is termed to be the most appropriate method when conducting this type of qualitative study.

The data analysis process is divided into five parts; part one is arranging and organizing data for the analysis. It is based on transcribing the information from the interviews, visually inspecting the materials, writing notes and organizing the collected data according to the source of the information.

Part two is reliant on examining, reading in order to reflect and comprehend the entirety of the data collected (Creswell, 2014).

Part three the researchers starts to code all the data in form of a mixed pile of information under a specific coded section, and labeling the important ideas into specific section will add in developing data in the whole analysis process.
The fourth part stands for the coded data which will be in a narrative form to transmit the results of the analysis, which might be developed out of events. Researchers conducting qualitative research also use visuals for example, tables. The last part displays an interpretation of the findings and outcomes, it could also be the author's reflection or personal interpretation, experience. Ways of interpretation can take different forms such as flexible, to transfer personal meanings (Creswell, 2014).

In this section the authors focused mainly on transcribing the recorded data which were interviews with Electrolux professional Laundry AB managers. The aim of this process was to simplify the selection of relevant information. After the interviews were transcribed the authors reviewed the answers and its meanings in order to understand if the information is sufficient to fulfill the purpose of the study. After careful cross-examination of all the interview results, the authors summarized the results in a way to clarify the common points among the interviewees' results to compare and certify its validity.

3.8 Quality Criteria

This chapter will highlight the most vital aspects of validity and reliability in this research and the required quality criteria. For the study to measure the intended variables in the research, validity is considered an important aspect within the study. It oversees the integrity of the conclusion drawn from research (Bryman & Bell, 2011).

3.8.1 Validity

Validity is an essential part of a qualitative method, which is explained as the degree to which an instrument whether or not measures what it destined to measure. Yin (2014) pointed out four evaluation concepts which are utilized in proving the quality of any empirical study, which case studies are amongst this type of research. The case study tests in table 3.3 are applicable and should be of high importance when handling a case study research (Yin, 2014; Mostaghel et al, 2012).
**Table 3.3 Four Design Tests for Case Study Tactics**

<table>
<thead>
<tr>
<th>Tests</th>
<th>Case Study Tactic</th>
<th>Phase of research in which Tactic occurs</th>
</tr>
</thead>
</table>
| Construct Validity | • Use multiple sources of evidence  
                     • Establish chain of evidence  
                     • Have key informants review draft case study report | Data collection  
                        Data collection  
                        Composition |
| Internal Validity | - Do pattern matching  
                     • Do explanation building  
                     • Address rival explanations  
                     • Use logic models | Data analysis  
                        Data analysis  
                        Data analysis  
                        Data analysis |
| External validity | • Use theory in a single studies  
                     • Use replication logic in multiple-case studies | Research design  
                        Research design |
| Reliability      | • Use case study protocol  
                     • Develop case study database | Data collection  
                        Data collection |

Source: (Yin 2014, p.45)

Creswell (2014) mentioned that *construct validity* arises when researchers apply sufficient variable measures and definitions. In case study research, the idea of conducting construct validity can be demanding because of the inability of the researchers to establish suitable operational measures (Yin, 2014). Table 3.3 above shows the main three tactics to increase construct validity in a case study.

Furthermore, *internal validity* involves making inference all the time, an event would not be directly observed and the specific strategy for achieving this outcome are tough to find when conducting a case study. (ibid)

However, *external validity* deals with the question whether the results of a study can be generalized exceeding the limited research context (Bryman & Bell, 2011). The issue of external validity has been an obstacle when performing case studies (Yin, 2014). In this research, primary and secondary data were both used to boost external validity, this was
achieved by using the secondary data to support the primary data retrieved from the interviews.

3.8.2 Reliability

Reliability is stated to refer to the consistency of a measure of a concept by Bryman & Bell (2011), including whether the results or findings are repeatable or consistent. Measurement instruments and their ability to remain consistent are included in reliability (Winter, 2000). *External reliability* refers to the degree of which a study can be replicated. To increase external reliability the authors of this research have stored necessary detailed documents, so replication can be achieved if desired.

*Internal reliability* refers to a study with more than one observer, the multiple members of the research team all agree on what is observed and heard. In order to increase the case studies internal reliability the authors recorded the interviews in order to later transcribe them. Once this is done the authors come to an agreement on the meaning of the data.

There are a four hazards that affect reliability as stated by Robson (2002) and Saunders et al. (2009). These threats are as follows; subject or participation error, subject or participant bias, observer error and observer bias. The authors were fully aware of these hazards and took the necessary precaution.
4 Empirical Findings

In this chapter we will present the empirical data gathered from the interviews with the managers at Electrolux Professional in order to understand their CSR activities. The information will highlight how they define CSR, the corporate strategy they employ and the effects of CSR.

4.1 Interview with Electrolux Managers

4.1.1 CSR definition at Electrolux Professional AB

In the pursuit of uncovering how Electrolux Professional defines CSR, the authors discovered that Electrolux Professional does not define CSR in the conventional manner. Although not having a term for CSR in the past, it did not hinder Electrolux Professional from implementing various initiatives with effects on the stakeholder, environment and socially.

Carl Johan Svensson (2016), the business intelligence manager, explained that Electrolux Professional would define CSR more in terms of sustainability than Dahlsruds (2008) conclusion involving the five dimensions. Sustainability to Electrolux Professional is something that goes beyond the environment, planet and people. It is creating better solutions for the customers, consumers, environment with people in mind, and the society at large. Sustainability is also found in all aspects of their “supply chain”, from raw material to finished product, including the whole product's life cycle. The concept of sustainability is very important to Electrolux, and also part of the strategic decisions they make.

4.1.2 Corporate Strategy at Electrolux Professional AB

During the interview, Carl Johan Svensson (2016) revealed that there are four areas which enclose their core values namely; passion for innovation, customer obsession and drive for results. This occurred while he explained the strategic framework of Electrolux Professional. The strategy involves not only focusing on customers or shareholders but also taking into consideration the stakeholders.

These core values are built on the foundation of culture and diversity, ethics and integrity, safety and environment.
*Drive for results,* links how the firm should think, provides a guideline or target in terms of investing in what would benefit and increase their revenues.

*Customer obsession* is an aspect that continuously changes as the trends change. Other firms attempt to communicate this but few implement it correctly. As regards to Electrolux there is a shift from thinking only about the product and its manufacturing, to focusing on customer needs. This focus on customer needs prompted Electrolux to conduct surveys referred to as the “70% test”.

This test is done with focus groups in order to know what they think and their needs concerning the brand. This aids in identifying the most preferable brand. If the test presents less than 70% of the consumers having a specific need in the test group, the brand will be discontinued.

Their *passion for innovation* at Electrolux attracts, develops, maintains and retains the best people with strong values. This is one of the reasons why they have presence in more than 150 countries.

When observing the core values, *culture and diversity* is part of its foundation. *Culture and diversity* at Electrolux Professional is the multi nationalism of the employees, this creates a diverse team with different cultural backgrounds, who can learn from each other. *Ethics and integrity* is another part of the foundation to the core values as all employees are educated via online courses which informs employees on the appropriate behaviour. This will affect all their activities, making sure they respect the law, maintain corporate citizenship and apply the same standard and respect to human rights. For example communicating with suppliers, they are made aware of the ethical policy. *Safety and environment* is the last part of the cores foundation. This is very important for Electrolux Professional, as a safe conducive work environment is crucial for sustainable work production. An example at Electrolux Professional is the presence of monitors that display the number of accident free days, employees wearing safety boots whenever present in the production area, visitors must wear colored vests, and follow the yellow lines.

**4.1.3 CSR at Electrolux Professional AB**

Despite being defined at Electrolux as more of a sustainability concept, according to the interview with Björn Sandström (2015) CSR only comprises of the social and environmental aspects out of the triple bottom line’s three aspects.
In addition, the firm follows the (ISO) international organization for standardization. ISO 1400, ISO 900 stands for the quality of the environment. This contribution has led the company to be leaders in the respective industry, being awarded in the Dow Jones index as one of the best companies in sustainability and in the united nations respectively.

They have implemented a code of conduct, which means that all the product made by Electrolux are manufactured with consideration of human rights, safety, respect and environmental friendly. when it comes to professional for example, which is an expensive brand, they sell their solution by putting its benefits together which are, less water consumption, less detergent which means a lot of savings for the customer for purchasing the product. when looking at, if the customer will choose this product, They think the life cycle cost which in turn links to their CSR.

The production/ intelligence manager explained that Electrolux had been and will continue to offer internships and seminars to assist university students. Other areas which the firm is participating actively in creating solutions which will benefit the society, for example maintaining good contact with social insurance (försäkringskassa), medical care and also taking part to assist refugees in society in form of jobs which part of integration.

Adding to the issues regarding sustainability and environment, Electrolux had been actively engaged in ethical responsibilities. Being green is the main goal. Each group of the firm contributes to meeting the ISO standard sustainability objectives. All their head of departments communicates to all members of their various teams on what they are allowed to do and what not. In each department one person has the responsibility of reporting sustainability issues and updates to the management.

Electrolux Professional Laundry is registered in Sweden with it’s branches in other countries, As a good corporate citizen, they must abide by the laws that governs wherever they have presence, and willing to adapt to new laws and regulation. From the interview conducted with the intelligence manager, It was clear that they do not invest or see CSR as a source to maximize profit but as a brand promise in creating sustainable products. Electrolux invest a lot in granting university students seminars,
because they believe by assisting students will help in developing the best people with strong values which is something that may benefit them and the entire society at the long run. More so the general reason for implementing CSR is to keep the brand promise as a sustainable appliance company and to maintain it’s position in the eyes of the society and the customers.

Electrolux are taking part in many corporate social responsibility program for example, helping refugees to integrate. They have certain requirements from customers and they go more steps ahead of customers expectation, for example, less consumption of detergent, electricity and also maintaining quality standard on all products, which means that all products are tested and certified to make sure that they maintain the ISO rules and they are constantly creating more efficient appliances, eliminating hazardous substances, respecting labor and human right, making the society and its consumers save money and live better.

Furthermore, the purchasing manager explained that firms do not need to live just at the minimum required from its customers and the society rather they should set their target above the minimum expectations and this will add to a firm's competitive advantage. Environmental issues had always been their number one goal which they referred as sustainability. issues concerning sustainability have always been vital and contributing to this, issues of safe working conditions, quality and business ethics had been a contributing factor in strengthening the CSR policy.
5 Analysis

In this chapter we will analyze the empirical data withdrawing results from the case study interviews and aligning them with the theoretical framework.

5.1 Corporate social responsibility Pyramid

5.1.1 Philanthropic

Electrolux is committed in doing good and not just to earn money. The firm is committed in various charity donations, with the high growing disease rate in the society today, they have donated over 10,000 straws to the school's staff and decision makers in 2015, in what they called space to breathe initiative, this is because they noticed over 14% of kids are suffering from various diseases which Asthma is one of the major reasons of children school absenteeism, and many excluded from sports. “With medication, better knowledge about the disease and improved indoor air quality, no child should have to stay home from school or get excluded from the community,” in a statement by Henrik Sundström, Electrolux Vice President.

In addition, another form of philanthropic activities by Electrolux laundry professional is the creation of sustainable appliances which has potential impact on the environment, all products are designed to meet the ISO standard, taking part in the integration of refugees by offering jobs, granting seminars to university students and internships in order to promote learning in the community. It is important and it's a two way idea, when promoting learning is also training leaders of tomorrow which granting internship also provides job and experience for the students and in one area saves employment cost for the company hence the student will bring ideas from knowledge gained from studies, this will help in saving the society for a better tomorrow.(Ricks et al. 2005).

5.1.2 Ethical

Electrolux considers ethical issues crucial in all their activities, with the growing knowledge of consumer buying interest in “sustainable” products. Being green is a requirement from the society today. Presently a lot of companies started presenting to be environmentally friendly without having nothing to show for it. The way firms are trying to cover the greenwashing action is to implement codes of conduct which is a way of summarizing a firm's ethical views. Codes of conduct is voluntary and not
required by law. But if a firm decides to publish one, they are obliged to obey and keep to it. But since it is corporate decision and nobody monitors and ensures if it is implemented. One thing is clear, commitment to code of conduct and its implementation are different things. In the case of Electrolux being green is their goal which each group contributes to meeting their sustainability objectives, another good aspect in the pursuit of their ethical activities is that in each department, the head of department communicates to all members of their various teams what they are allowed to do and also reports all the sustainability issues and updates to the management. The idea of splitting the function among different groups is to make sure that all staffs follows the code of conduct and if there would be a defect or problem, the head of department can file report to the management for immediate action.

5.1.3 Legal
Whatever outstanding financial performance a firm has, abiding by the laws that govern the firm's operational location is favourable. Electrolux professional Laundry is registered in sweden with its branches in other countries. Mervis et al (2006) argue that laws will drive and affect companies to make their CSR grow up. The good practice of legality become a foundation of establishing positive business image for the entire stakeholders. The anticipation of new laws is classified as the portion of legal domain which requires firms to be aware of regulatory changes and take immediate measures (Schwartz and Carroll, 2003). In the case of Electrolux they are always ready and adapt to new regulations in this way they are perceived as a strong organisation and this makes them have a competitive advantage over their competitors.

5.1.4 Economic
Carroll (1991) argue that economic capability is one of the firm's essential necessity. Firms with good financial success stands to gain more market share if they invest more time and resources in sustainable practices. Taking a closer monitoring at Electrolux strategy they have evidently paid much attention to CSR, and have implemented a strategy which goes in line with its core values in order to be environmentally responsible. In their 2015 annual report, a chapter covers employee benefits, customer section, environmental protection and some
other facts and figures. In the first quarter of 2016 the firm recorded revenue of 1,268 million SEK (Electroluxgroup, 2016).

The interesting part the authors noticed, is that the strategic manager mentioned that CSR activities has lead to maintaining common goals and sharing of ideas among employees in the company.

5.2 Competitive advantage

Companies are doing their level best in order to be on top, as they do so, they are constantly in search of ways to meet its financial goals. By always adding more steps ahead of your competitors is a clear act of competitive advantage (Goldsmith, 2013). By means of using CSR in their corporate strategy has given them an advantage and Electrolux's passion for innovation, product efficiency, creation of sustainable products, Eliminating hazardous substances has been the driver in gaining strong position in the market.
6 Conclusion

This chapter will summarize and conclude the analysed data with the aim of answering the research question.

(Yes it aligns with their corporate strategy, and does so by incorporating sustainability to the foundation of their core values which forms their corporate strategy)

As population growth increases, so does the growing concern for the protection and conservation of the environment. This includes the development of various sections of society which has lead to governments and the public to increase their expectations of company responsibility (Jhunjhunwala, 2015).

The driving forces for CSR consists of four forces; workplace, investment climate, marketplace and civil society (Laudal, 2011). An increased pressure by these forces have led companies to engage with CSR in various ways. Companies seeking to satisfy their brand image have a tendency of presenting themselves as “green washers” opposed to companies that integrate their CSR initiatives into their core strategy, influencing all aspects of their business practices.

Electrolux Professional integrates the foundation of their core values with CSR initiatives they execute. Electrolux’s philanthropic ventures coincide with their sustainable business practices. Ethics and integrity lay the foundation to their core values, the philanthropic action of training tomorrow's leaders by offering seminars and internships, provides Electrolux with future workforce thus providing sustainable employment possibilities. This goes beyond conventional philanthropic action of contributing to society for example donating to charities which is done as well.

Fulfilling the legal aspect of CSR, adhering to regulations and rules is incorporated in the safety and environment aspect of the foundation of core values. Electrolux is in possession of ISO certifications as well as being awarded by the Dow Jones Sustainability Index which attests to their commitment to sustainability.
References


Morsing, M., 2006. *Strategic CSR communication: telling others how good you are* (pp. 238-246). Springer Berlin Heidelberg.


*Luleå University of Technology.*


**Personal Interviews**


**Websites**


Market Overview 2013/2014. Available at:

Electrolux group2015 Available at:
Appendices
Appendix A - Interview Questions
Exploratory Questions
CSR
Branding
Competitive Advantage
Benefits of Electrolux Professional products?
How does Electrolux define Corporate Social Responsibility?
How were the activities before implementing CSR?
Is there any department in charge of CSR?
Do you deal with suppliers?
How will it be in terms of positioning if CSR is lacking?
Could you tell us something about positioning, strategy wise?
Is CSR a way to maximize profit?
How do you see CSR activities in future?
Does the firm have after sales care?
Can you please tell us your position and responsibilities in the company?
What influence do you and your department have on CSR?
How does your CSR promote brand loyalty?
Does your ISO certification factor into your CSR initiative?
Do you feel that having this initiative puts you ahead of your competitors?
How do different departments and their managers influence the environmental mindset?
What do you guys do to be better than your competitors? Any specific management strategy?
What is your brand identity? How do you associate with the brand Electrolux? What do you think of when you think of your brand?
Any challenges pertaining to initiating CSR initiatives at Electrolux?
Do you think one could say that Electrolux use their CSR initiative has a way of brand positioning strategy? Invest a lot?
Does Electrolux have any certifications and prizes?
Do you guys have a specific process to minimize waste?
Do you consider this an indirect CSR approach?
When is it not a win-win situation? Affecting Electrolux negatively?
What will happen to Electrolux’s reputation and brand without CSR?
How does your future look in terms of CSR, the brand and your position?
How did Electrolux begin with being environmentally conscious?
Does HR department have a large influence on all the aspects of CSR?
Does Electrolux utilize LEAN in its production and manufacture?
Do you have three steps? Economic, social and environmental?
What does ’sustainability’ mean to Electrolux?
How does your CSR initiative affect purchasing and selling?
How does your CSR initiative affect your employees?
How does CSR effect different departments?
Appendix B - Interview transcripts

Interview Transcript 1

<table>
<thead>
<tr>
<th>Interviewer</th>
<th>Christopher Borlund &amp; Augustine Nnakwu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviewee</td>
<td>Carl Johan Svensson</td>
</tr>
<tr>
<td>Interviewee position</td>
<td>Business Intelligence Manager</td>
</tr>
<tr>
<td>Setting</td>
<td>Face to face interview</td>
</tr>
<tr>
<td>Duration</td>
<td>46 minutes</td>
</tr>
</tbody>
</table>

17th May 2016.

General information about Electrolux Group and Electrolux Professional.

Electrolux is a big company, if we don't look at professional only, the company is made up of two groups, one deals with the food service only which is in Italy and laundry which is mostly based in Sweden. They have three factories in three countries, Sweden, France and Rayong, Thailand. If we concentrate on laundry they have sales about 2.5 billion sek and 1100 people. We have a lot of representatives which is about 20 sales companies and a lot of importers around the globe. We maintain long term relationship with them which is about 50-60 years and some more are recent. Professional is a small part of Electrolux together maybe 6-6.5 billion sek. It is a very profitable business that is one thing when it comes to b2b, it is more profitable than in b2c. In b2c for Electrolux there is a big place for competitors Samsung, Lg, whirlpool and a lot of other place china's is higher and the margin are quite small. In Electrolux there is fewer place and the concentration rate if you look at the five biggest probably up to 60%, We control one of the 60% of the market share and then you have the small ones that specialize doing one thing. So for laundry we have one big competitor which is Alliance modern systems which is American company recently bought another place in Europe, they are more than twice Electrolux's size, but to compare Electrolux is a small company.

How does Electrolux define CSR?

He started with their purpose and strategic framework which he said there vision is to be the best appliance company measured in terms of customer, employers and shareholders. Here was recently added you don't focus only about the customers or
shareholders and whatever but have to take into consideration about all the stakeholders involved). at the strategic area he mentioned maybe is only the people at the leadership that could have interest in it. When you look at the core, you get values, foundation.

Value are passion for innovation, drive for results, while in foundation you get culture and diversity, ethics and integrity, safety and environment. and the company provides online courses which everyone needs to take on how to act. eg, when you want to talk to suppliers, customers and some of them are aware, and it is in this you can know how you can influence for example the local government. This is just a kind of framework.

To be the best appliance company is also something that connects to sustainability. In the last few years Electrolux has been mentioned in Dow jones sustainability index many times as one of the best and that is all of the Electrolux group. Being the best appliance company means supporting the customers with all the necessary services to make their lives easier, that is how it should be. That is how the best appliance company is measured by the customers. For employers is all about how people should interact with each other both as colleagues but also management, employers and also within the future appointments.

The 3rd one is as measured by the shareholders, which means to generate whatever goals they set up whether by cash flow. As you know a lot do focus on profit and you look at the private owned companies they are more interested in maintaining market share and also revenues. These are all about the stakeholders. For a lot of stock companies there is a focus on profit and each quarter when the management is mentioned, if it drops the company have problems and that's the way things are.

Lets look at the core values which the foundation is one it, we want to attract, develop, maintain and retain the best people with strong values, I will go into passion for innovation, customer obsession, drive for results.

Drive for results links you back to how you should invest and customer obsession goes how a company of stock market, how you should be mentioned as the best in the appliance company by the customer. These things can interact with each other.

Core foundation, respect and diversity, ethics and integrity, safety and environment (safe work environment) for example, tv showing the number of accident free days, and signs one have to follow when in the factory, yellow lines, where to go with safety
boots and also where to pay attention because of forklifts and so on. Visitors need to wear reflective vests. There is much more information on safety.

_Ethics and integrity_ - everyone's been made aware of what you are allowed to do and what not.

_ Respect & diversity_ - he uses his team which his headquarter is in Italy (for Electrolux professionals) and that is one sector of Electrolux. Electrolux as a whole is based in Stockholm. Professional sector is made out of food and laundry. The employees in this sector have different cultural backgrounds. They meet every time there are meetings and some people despite coming from another background, after a while working together he or she becomes part of you and you find it easier to work with.

_Values_ - should always have passion for innovation, creating new product and product solutions for the customers.

_Customer obsession_ - here he mentioned back in the days it was only the product, manufacturing that they were thinking, but trends have changed, now they think about what the customer wants and this leads them to ask and also conduct surveys and also what is called 70% test which is a kind of focus groups in other to have idea. After these you can know which brand is which they want to buy.

He gave examples if you want a car the marketer will talk about the abs and all is the features but they need to talk about the benefits.

_Benefits of Electrolux Professional products?_

Easy to handle or operate, energy saving, less water consumption/ soap.

_How does Electrolux define Corporate Social Responsibility?_

Electrolux defines CSR, sustainability as something that goes beyond just the environment, planet and people are involved.

He further mentioned, having better solutions, for customers, consumers. You think about the operations how you do it with people and environment in mind and also the society as a whole. Provide sustainable solutions for everyone.

_How were the activities before implementing CSR.?_
Electrolux started talking about sustainability for a long time, being green and so on. Later they shifted to a broader concept.

They usually go for classes, maybe 2hrs, then you have some online courses you have to finish, it could be about ethics or sustainability and that is how CSR message are been delivered internally.

When it comes to professional, it is an expensive brand, how they sell their solution in the market is they communicate their CSR and benefit as well, eg, less water, less detergent which means there are a lot of savings for the customer for using the equipment. Which when looking at this if the customer will choose this product and it goes to life cycle cost and is how they communicate their CSR as well. Is one of the best sustainable solutions on the market. In Denmark this product saves a lot of cost through less water consumption, which in Denmark water bills are so high, but in some other countries are opposite. All in all it does not change the message of Electrolux as a sustainable solution.

Is there any department in charge of CSR?

Actually, there is no department in charge of CSR, but in each group there is a kind of contact person in charge of sustainability, white goods and professional are very different in products, eg in white goods there is a lot about certifications and labeling which soon you will need to certificate and label your product also in professional washers and dryers on EU basis. Soon they will extend their lab to test the machines in other to be able to report to make sure all products produced will follow the same way.

Do you deal with suppliers?

From a central point we deal with sales companies and some importers in some countries. Sales companies they have their own usual set of customers or partners but in most cases partners, in some places they have key accounts. eg if the partner is Sweden then he is in charge of selling the product, service and maintain, they still have after sales. In another country like the USA, they have one big importer and they have all the dealers in all the 50 states. In their case they talk about the consumers while Electrolux talks about the customers.
They have a kind of two segments, one is to buy machines and another is the launderer who makes money out of it. You can use Bostader as example, they don't make money with the machines in the houses, while if it is in a hotel they use it to make money.

He further mentioned that they have a lot of stakeholders, one could be the guy who sold the machines or the local distributor, or the guy that supplies detergent, the importer.

Electrolux is quite credible on how they communicate their CSR and being that all machines are been tested and passed the test.

**How will it be in terms of positioning if lacking CSR?**

One thing is what you say another is what you do. One needs to be careful when communicating the brand, not to do like BP oil company. That can damage a brand. You need to have a clear idea what to do and what you want to do. It could lead to saying something and doing another. That affects the credibility. It usually takes long time to build credibility especially if you've messed up.

**Could you tell us something about positioning, strategy wise?**

They have declared already where they would like to be, they know where they are now and also they have future plan where they would like to be which is expanding their lab.

**Is CSR a way to maximize profit?**

YES/NO because in one way you send a message about the brand or the company, on the other hand if people like the brand it will yield profit also.

**How do you see CSR activities in future?**

Most firms are becoming transparent, especially via social media. Before it was only people you meet, if you have a kind of bad experience you talk, but today all are on facebook and news spread so fast.

It would be good to be part of the society and interact more.

**How does your Lean strategy work? Is it part of your CSR?**

I am not sure, maybe I could be wrong but all I know is a way to keep down the cost, be able to gather the right product at the right time for the c, also shorten the lead time,
Does the firm have after sales care?

We have a lot of after sales care in order to reduce down time

**Interview transcript 2**

<table>
<thead>
<tr>
<th>Interviewer</th>
<th>Christopher Borlund &amp; Augustine Nnakwu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviewee</td>
<td>Björn Sandström</td>
</tr>
<tr>
<td>Interviewee position</td>
<td>Currently Purchasing Manager; previously production employee Manager</td>
</tr>
<tr>
<td>Setting</td>
<td>Face to face interview</td>
</tr>
<tr>
<td>Duration</td>
<td>39 minutes</td>
</tr>
</tbody>
</table>

**Can you please tell us your position and responsibilities in the company?**

I have an employee responsibility and a responsibility that certain results are achieved within production. I have worked here several years so I feel relatively comfortable. I am a middle manager. In the past production leader role was both the process side and employee side, but now we have split the responsibility so now we have employee responsibility and process is taken care by the technicians. That is how we have it today, tomorrow it could change.

**Does the market control this or is it the organization?**

It is the organization within the company. They have decided to use this strategy of not mixing or oversaturating a position with responsibility so to increase specialization. This is contrasting the broad approach so each person concentrates on a particular section, so in my case it’s the employee well-being, and development.

**How do you define CSR here at Electrolux?**

I will get back to you with an appropriate answer. We do have a policy towards society.

**What influence do you and your department have on CSR?**

We take part in integration, such as integrating refugees in society. We have good contact with försäkringskassa and medical care, so we do a lot in the form of creating solutions geared at benefiting the society.

**Does Electrolux have a specific department for CSR?**

No we do not have a specific department. I would say that Humane Resources have a slightly more responsibly than other departments.
How does your CSR promote brand loyalty?
That is also a question I will have to come back to you with an answer.

Does your ISO certification factor into your CSR initiative?
The certification is divided into two parts environment and quality. We should think with the environment in mind, so that includes us take care of what we make and produce ensuring it is environmentally friendly. We have a paint station that is 100% environmentally friendly. Zero dangerous emissions. That is one of the types of responsibility we have towards the environment.

And that is where the technical aspect is involved?
Yes as many of the processes must have minimal environmental footprint not only the finished product. We even construct the washing machines to be as recyclable as possible. Not sure of the exact percentage but it is a large amount of the machine that is recyclable. We find a lot of solutions to aid the environment.

Do you feel that having this initiative puts you ahead of your competitors?
Yes absolutely. Our brand Electrolux is globally recognized for quality and having the environment in mind. The whole washing machine development process has produced washing machines that have more than halved the usage of resources (Water, detergent) and emissions.

How do different departments and their managers influence the environmental mindset?
All the departments are geared to be as environmentally conscious as possible. We have recycling stations positions at various locations on the factory floor. It is each department’s responsibility that it is done correctly.

What do you guys do to be better than your competitors? Any specific management strategy?
It is to ‘over meet’ our customers’ expectations when it pertains to our product or service. That is a key thing for us, if I was to sell a washing machine to you, you should feel that it is even better than you expected. That is what we want the customers to feel and think about us. In both the washing quality, economy and environment. That is the strategy that exists.

What is your brand identity? How do you associate with the brand Electrolux? What do you think of when you think of your brand?
I think of a stabile good company. That is able to produce great products, great environmentally friendly products. That is the thing, we produce great products here.
That is something we are known for, since years ago. I feel proud about the brand, also proud to work for Electrolux, that is how I feel.

Any challenges pertaining to initiating CSR initiatives at Electrolux?
I will have to return to you with the answers of those questions.

Do you think one could say that Electrolux use their CSR initiative has a way of brand positioning strategy? Invest a lot?
Yes we invest a lot. We invest a lot of money in our CSR approach. We invest a lot in to the economy, the environment and people. We are going to expand and upgrade our lab for a couple of millions in order to build up the competency level. This is to continuously strengthen our brand.

Does Electrolux have any certifications and prizes?
Yes we are both environmentally and quality certified. ISO 1400, ISO 900. We have won prizes internally.

Do you guys have a specific process to minimize waste?
We work a lot with waste. Do you mean the material we use?
Yes the byproduct of manufacturing.
I can say that we have an employee dedicated to waste management. We have reduced the cost of waste significantly this year alone. We dedicate a lot of time towards ‘Waste’.

Do you consider this an indirect CSR approach?
Yes as we end up helping the environment as a plus. We also reduce costs by doing this. Everyone benefits from less waste. This is a Win-Win situation.

When is it not a win-win situation? Affecting Electrolux negatively?
I cannot think of anything negative from it at the moment. But when we talk about social responsibility we do not have to gain or profit from it as we value its importance. We can even take social responsibility to the point that it might seem as financial loss, that is how we think.

What will happen to Electrolux’s reputation and brand without CSR?
It would affect Electrolux negatively if we don’t live up to the requirements. To avoid this we set our own requirements which go beyond the norms. If you have the minimal expectations by society, we set our way above.

How does your future look in terms of CSR, the brand and your position?
Since we have established a stable foundation, we can only see positive future. Also because we believe that we do this very well. At the same time we are aware that it will
only strengthen our brand especially as the customers become fully aware. It all adds up to a positive future.

*How did Electrolux begin with being environmentally conscious?*

Yes, it is something that has been developed with time, 20-30 years ago it wasn’t exactly a focus in the same way it is now. It has accelerated in the past few years, for example global warming. So presently we are really up to date with the environmental part of it. It has always existed but not on this level. I think that applies to most companies and institutions. 10 years ago you didn’t even have environmental stations all over the city.

*Does HR department have a large influence on all the aspects of CSR?*

HR is the communication hub for sending out information to different departments when it involves employees. When it comes to the financial and the environment each department had to meet its respective goal. For example ‘scrap’ is something we try to reduce as much as possible to save money. Each department has a goal to reach annually. Another example is the factory, it is in charge of reducing the emissions and electricity consumption, and other things that could impact the environment.

*Does Electrolux utilize LEAN in its production and manufacture?*

Yes we do. We work very hard with it. It minimizes waste, and resources. We work a lot with the LEAN philosophy. The byproduct of LEAN adds value to CSR initiative.

**Interview transcript 3**

<table>
<thead>
<tr>
<th>Interviewer</th>
<th>Christopher Borlund &amp; Augustine Nnakwu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviewee</td>
<td>Björn Sandström</td>
</tr>
<tr>
<td>Interviewee position</td>
<td>Currently Purchasing Manager; previously production employee Manager</td>
</tr>
<tr>
<td>Setting</td>
<td>Telephone interview</td>
</tr>
<tr>
<td>Duration</td>
<td>17 minutes</td>
</tr>
</tbody>
</table>

*How does Electrolux define Corporate Social Responsibility?*

Social and environmental responsibility. We do not have a direct translation, so we use the English term.

*Do you have three steps? Economic, social and environmental?*
Only Social and environmental.

*What does ‘sustainability’ mean to Electrolux?*

Being sustainable in all aspects of the ‘chain’, from raw material to finished product. Including the whole product's life cycle.

*How does your CSR initiative affect purchasing and selling?*

I can answer that as purchasing manager. All our suppliers have to sign an Electrolux code of conduct and environmental policy. For all our new suppliers that we will do business with, have to be audited with the focus on both the environment and ethics (Code of conduct). Electrolux global even has its own department “sustainable affairs” that performs audits based on the environment and the ethics of suppliers that we class as risk suppliers. The risk suppliers are those usually located in east Europe and the rest of the world.

*How does your CSR initiative affect your employees?*

We have KPI’s that measure energy and water consumption and recycling. All our employees know that Electrolux’s largest selling point is that the products produced in Ljungby have a significantly lower energy and water consumption than our competitors.

*How does CSR effect different departments?*

Purchasing department secures this within the supply chain. The sales department uses it as a selling point. After sales should have all reserve parts saved for at least 10 years (so our products are no throwaway products). The marketing department uses sustainability for marketing.