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***“You gain more than just the climate.
It’s also the community.”***

**Motivations for engagement
in environmental inter-firm alliances
in the Swedish fashion and textile industry**

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Abstract

The fashion and textile industry is publicly seen as one of the most environmentally unsustainable industries in the world. Due to its complex and highly dispersed value chain, a collaborative effort is needed in order to lower the industry's environmental pollution. Thus, many environmental alliances have emerged in the industry, on global and national level. Despite its apparent empirical importance, the area of why firms engage in environmental inter-firm alliances remains under-researched by academia. This thesis sets out a conceptual framework to analyze the motivations behind firms' decisions to join as well as further engage in such an environmental alliance. The framework provides a novel holistic approach that includes three distinct theoretical perspectives relevant for examining the topic: resource-based view, institutional theory and network theory. Using an abductive method, we conducted a qualitative case study in the Swedish fashion and textile industry and discussed our empirical findings through these theoretical lenses. As Sweden is globally known for being at the forefront in sustainability development, the national fashion industry has been active in taking collaborative measures to jointly reduce their environmental impact. In our case study, we examined firms' motivations to join and further invest in the environmental alliance STICA, the Swedish Textile Initiative for Climate Action, that engages competing fashion brands in the Swedish industry. Our findings reveal a variety of motivations, including the aspects of potential resource-attainment, collective legitimacy and network benefits. Further, our study indicates that when comparing the decision to join and the decision to further engage in the environmental alliance, the determining motivations shift from firm- or industry-level to the individual level of the respective member companies' sustainability manager.

Keywords: Environmental alliance, environmental collaboration, inter-firm collaboration, networks, environmental sustainability, fashion industry, textile industry

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Glossary

Assessment of climate emissions (World Resources Institute, 2019):

Scope 1	All direct emissions from the company's own operations
Scope 2	The company's indirect emissions from the generation of purchased energy
Scope 3	All indirect emissions that are not included in Scope 1 or 2, that occur in the value chain of the company, including both upstream and downstream emissions; Examples: suppliers, third-party logistics providers, retailers, employees, customers

Abbreviations

GhG emissions	Greenhouse gas emissions
NGO	Non-governmental organization
SFA	Sustainable Fashion Academy
STICA	Swedish Textile Initiative for Climate Action
SME	Small and medium-sized enterprises with fewer than 250 employees and an annual turnover not exceeding € 50 million

1. Introduction

In the Paris Agreement, the EU member states have legally committed to achieve climate neutrality by 2050 (Paris Climate Conference, 2015; European Commission, 2020a), which has increased the pressures across industries for taking climate action. In particular, the fashion and textile industry has experienced the growing pressure, as it is publicly seen as one of the most unsustainable industries in the world (Boström and Micheletti, 2016; Roy and Choudhury, 2014). If the industry was to continue on its current path, it could be responsible for 26 % of the global carbon budget by 2050 (Ellen MacArthur Foundation, 2017). Hence, the fashion and textile industry is in urgent need of finding ways to reduce its emissions.

However, due to its highly complex and globally dispersed value chains, with manufacturing taking place mostly in developing countries, reducing the industry's emissions is not straightforward (Kalchschmidt, Birolini, Cattaneo, Malighetti and Paleari, 2020; Majumdar and Sinha, 2019). The majority of the climate emissions stem from the production of garments at the supplier factories, hence they are not in the direct control of the fashion companies. The dispersed supply chains further imply that no single company is able to have a sufficient impact on reducing the industry's greenhouse gas emissions. Thus, the transition requires a collaborative effort (Sadowski, Yan, Cummis and Aden, 2019; Cai and Choi, 2020). Consequently, networks and partnerships addressing environmental sustainability have become increasingly popular in the industry, both on a global and national level (Beyers and Heinrichs, 2020). This makes collaborations for sustainability development in the fashion and textile industry a compelling empirical area for academic research.

Sustainable development is commonly referred to as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (Brundtland, 1987). While the term ‘sustainability’ encompasses social and environmental issues, this thesis focuses on the environmental aspects of sustainability in regard to clothing companies in the fashion and textile industry, i.e., the industry concerned with the design, manufacturing and distribution of textile and clothing products (European Commission, 2020b).

1.1 Purpose and research questions

Following the recent empirical developments, the academic interest towards environmental collaborative efforts that unite stakeholders has increased (Eweje, Sajjad, Nath and Kobayashi, 2020). Compared to traditional business alliances that focus on creating economic benefit for

participating firms (Nickerson and Zenger, 2007), environmental alliances aim at creating value not only for the members of the alliance, but also for the environment and society at large (Wassmer, Paquin and Sharma, 2014). Extending the purpose of the collaboration beyond pure economic reasoning raises questions about the motivations of firms to engage in such alliances (Niesten and Jolink, 2020; Weber, Weidner, Kroeger and Wallace, 2017).

Most previous research has explored environmental alliances among supply chain partners (Dzhengiz, 2020; van Zanten and van Tulder, 2018), which holds true for the fashion and textile industry (Beyers and Heinrichs, 2020). By contrast, collaborations that engage competing firms within the same national industry have received less academic attention (Volschenk, Ungerer and Smit, 2016; Manzhynski and Figge, 2020). The doctoral dissertation by Lernborg (2019) remains one of the rare works that shed light on the dynamics of motivations in environmental alliances uniting competing firms in the fashion context.

This thesis aims to add to filling the gaps in research by investigating environmental alliances in the fashion and textile industry. In particular, our thesis addresses motivations for firms to engage in environmental alliances with other companies, such as competitors. Here, we investigate firms' motivations both regarding the decision to join as well as to continue to engage in an environmental alliance.

Hence, this thesis seeks to answer two research questions:

1. *What motivates firms to join environmental alliances?*
2. *Why do firms continue to engage in environmental alliances?*

Scandinavia in general and Sweden in particular are globally seen as front-runners in sustainability development (Strand, Freeman and Hockerts, 2015). Exceeding the objectives of the Paris Agreement, the Swedish government has set ambitious goals of becoming climate neutral by 2045 and, subsequently, having negative emissions (Ministry of Environment and Energy, 2017). In line with this, environmental collaborations have become increasingly common in Sweden, especially in the national fashion and textile industry (Lernborg, 2019). This makes the Swedish fashion and textile industry an empirically intriguing geographical context for this thesis. Accordingly, our work seeks to answer the research questions by means of a case study of one particular Swedish environmental alliance: STICA, The Swedish Textile Initiative for Climate Action, co-founded by a non-governmental organization and three Swedish fashion companies.

2. Background

2.1 (Un)sustainability of the fashion and textile industry

The fashion and textile industry is one of the most polluting and unsustainable industries worldwide (Boström and Micheletti, 2016). Nowadays, textile production is accountable for 1.2 billion tons of GhG emissions annually, more than the international flights and maritime shipping sectors combined (Ellen MacArthur Foundation, 2017). Furthermore, the industry's production supply chain is complex and scattered across the globe (Shen, Li, Dong and Perry, 2017), making it hard for a single actor to achieve a significant environmental impact. At the same time, the worldwide textile consumption is assumed to increase by 63% until 2030 (Global Fashion Agenda, 2017), potentially worsening the industry's pollution. Therefore, sustainability has been identified as the biggest challenge as well as the biggest opportunity that the fashion industry currently faces (McKinsey & Company, 2019).

However, the industry has long been criticized for an overall lack of active measures (Aggarwal and Kadyan, 2011). With a rising public awareness about environmental issues, external pressures from, e.g., customers, media, governments and NGOs, to improve environmental sustainability in the fashion supply chain have grown (Desore and Narula, 2017; Palm, Elander et al., 2017; Greenpeace, 2017). Consequently, many firms have integrated the sustainability agenda as a reaction to these pressures. Other companies such as Patagonia have actively made sustainability innovation their strategic point of differentiation and have been found to be driven by sincere internal concern for environmental sustainability (Fowler and Hope, 2007).

2.2 The Swedish context

Scandinavian countries are renowned as world-leaders in social and environmental sustainability. Firms in Scandinavia, as opposed to US-based firms, have traditionally focused on “walking the walk”, i.e., proactively implementing measures instead of talking about vague improvement goals without an actual execution plan (Strand and Freeman, 2015). Outranking Norway and Denmark, Sweden is ranked as number 10 out of 144 countries in the World Economic Forum's ranking of sustainable competitive nations (World Economic Forum, 2014). In addition, Sweden ranks as global number one in the Good Country Index 2020 that rates how countries contribute to humanity and the planet outside their national borders (Anholt, 2020). Following the nation's longstanding concern for the environment, the Swedish government has set the climate goal of becoming climate neutral by 2045 and having a positive climate impact thereafter (Ministry of Environment and Energy, 2017). Thus, the national

fashion and textile industry's negative environmental impact has caused a growing concern in a country that generally aims to be at the forefront of sustainable economies (Palm, Elander et al., 2015; Strand, Freeman et al., 2015).

With an annual textile production of 27,000 tons and textile consumption of 173,000 tons, the fashion and textile industry is one of Sweden's major export markets and represents a significant part of the national economy (Volante Fashion Report, 2015). In regard to the industry's structure, excluding some of the largest companies, such as H&M, the Swedish fashion and textile industry is fragmented and consists mostly of SMEs: 95% of companies operating in the national industry have less than 10 employees (Tillväxtverket, 2016).

So far the Swedish government has not enacted any far-reaching restrictive policies regarding the production processes in the industry, which account for the lion's share of its GhG emissions (Ellen MacArthur Foundation, 2017). Instead, the government informs and encourages companies in their work with sustainability development and promotes an increased national and Nordic cooperation (Sveriges Riksdag, 2015).

2.3 Environmental collaboration in the Swedish fashion industry

The UN development goal 17 stresses the importance of partnerships for sharing knowledge and resources in order to reach the sustainable development goals (United Nations, 2020b). As the pressure for the fashion and textile industry to invest in sustainability is high and due to their varying size and market position expertise and resources are unevenly distributed between companies, a joint effort to address the issue seems necessary (Mistra Future Fashion, 2019).

During the last two decades, a variety of global sustainability initiatives have been founded, including a wide range of stakeholders in the industry. Likewise, following the ambitious climate goals set by the Swedish state and their promotion of environmental collaborations, many national sustainability initiatives have emerged. Notably, many of these national initiatives have either been founded by one or several competing firms in the industry or have emerged as an initiative driven by an NGO or research institute creating a neutral ground for competitors to collaborate. This kind of collaboration has a long-standing history of successful value creation in Scandinavia (Strand and Freeman, 2015). Table 1 summarizes some of the most prominent global and Swedish sustainability alliances that Swedish fashion and textile firms are or have been a part of.

Table 1: *Sustainability alliances in the fashion and textile industry*

Initiative	Scope	Est. Year	Initiative aim	Members	Reference
Fair Wear Foundation	Global	1999	Improvement of social sustainability issues	Brands, suppliers, trade unions, NGOs, governments	Fair Wear, 2020
Sustainable Apparel Coalition (SAC)	Global	2010	Improvement of environmental impact of the fashion and textile industry at all stages of the product life cycle and value chain	Brands, retailers, suppliers, NGO's, academic institutions and national governments	SAC, 2013
Dress Code	Swedish	1996	Improvement of labour conditions at supplier stage	Brands, labour unions, suppliers and NGOs	Egels-Zandén & Wahlqvist, 2007
Sweden Textile Water Initiative (STWI)	Swedish	2010	Development of guidelines for sustainable water and waste water management in textile supply chains; provision of trainings and support for suppliers in production countries (China, Bangladesh, India)	Brands, Stockholm International Water Institute	STWI; Lernborg, 2019
Mistra Future Fashion	Swedish	2011	Cross-sectoral development of solutions and prototypes to improve the Swedish fashion industry's sustainability; focus on the shift from linear to circular business models	Brands, researchers	Mistra Future Fashion, 2020
One Bag Habit	Swedish	2017	Decreasing plastic waste and raising awareness for impact of plastic on the environment by charging customers for plastic bags	Brands	One Bag Habit, 2020
STICA	Swedish	2018	Measurement and reduction of Swedish fashion & textile industry's climate emissions	Brands and NGO (SFA)	STICA, 2020

2.4 STICA - The Swedish Textile Initiative for Climate Action

STICA, The Swedish Textile Initiative for Climate Action, is a climate-focused initiative originated in the Swedish fashion and textile industry. It was founded in 2018 by the NGO Sustainable Fashion Academy (SFA), together with three Swedish fashion companies: H&M, KappAhl and Peak Performance. Currently, the initiative has 46 active member companies and 1 company as a supporting member. The alliance focuses on measuring and reducing the GhG emissions of the Swedish fashion and textile industry (STICA, 2020).

According to the STICA website, the reason for founding the initiative is two-folded. First, it aims at helping the national industry contribute to reach the Swedish government's target for Sweden to be climate neutral by 2045. Second, the United Nations have launched the "Climate Action in Fashion Initiative", due to which participating fashion and textile companies have agreed to reduce their GhG emissions by at least 30% by 2030. As an overall ambition, STICA states to "reduce [the industry's] climate impacts while strengthening [their] global competitiveness." The Swedish fashion industry should achieve this by becoming the first climate positive fashion and textile industry in the world before 2050 (STICA, 2020).

In practice, the initiative has set four goals: Firstly, supporting companies in setting science-based targets for GhG emissions; secondly, providing a neutral, non-competitive platform for members to exchange best practices for reducing their climate emissions; thirdly, supporting the companies in joint projects and environmental cross-sector collaborations; and finally, developing a roadmap and an action plan for the industry to reduce its emissions beyond the 1.5 C target. For individual companies, joining the initiative means first of all, to understand their climate impact. In a second step, members can then, based on science-based targets, develop a plan and processes for reducing and reporting the progress, with the aim of eventually creating benefits for the business, society and environment (STICA, 2020).

STICA frames itself as an "Action-Learning Network" for brands and retailers in the fashion and textile industry. STICA members get access to benefits such as on-going education and training, expert advice and reduced consulting rates as well as business intelligence regarding climate and textiles. In addition, STICA provides its members an opportunity to get in touch with a network of companies and their knowledge. The yearly fee for being a member in the alliance is 20 000 SEK for organizations with a yearly turnover of less than 150 million SEK and 35 000 SEK for the organizations with turnover of over 150 million SEK. The fees are used to cover the costs of developing and executing the network activities and supporting industry action activities (STICA, 2020).

3. Literature review

In order to answer our research questions of *what motivates firms to join environmental alliances* and *why firms continue to engage in environmental alliances*, we are going to provide a brief literature review on relevant previous academic work on environmental alliances. First, we will introduce the field of inter-firm environmental alliances (3.1), before highlighting the purpose of environmental alliances (3.2). The last section presents academic findings regarding motivational drivers for individual firms to engage in environmental alliances (3.3).

3.1 Inter-firm environmental alliances

Firms engage in environmental collaborations in order to both exploit opportunities and neutralize threats related to environmental issues (Wassmer et al., 2014). These collaborations then aim to create value not only for the members of the alliance, but also for the environment and society at large. The value created is discussed as socio-environmental value, and includes, e.g., decreased emissions or increased biodiversity (Volschenk et al., 2016). Many collaborations that aim for creating socio-environmental value have taken the form of multi-stakeholder partnerships, bringing together governments, businesses, civil society, financial institutions and academia, as such cross-industry collaboration has been widely encouraged by the United Nations (United Nations, 2020a; 2020b). Consequently, multi-stakeholder partnerships have been the focus of a large part of recent academic research on environmental collaboration (Eweje, Sajjad et al., 2020). Here, research focuses mainly on alliances among multinational companies in the context of supply chain co-operations (Dzhengiz, 2020; Radnejad, Vredenburg and Woiceshyn, 2017; Valentine, 2016; van Zanten and van Tulder, 2018; Zhu and Sarkis, 2007). By contrast, alliances engaging competitors have received little academic attention and lack empirical insights (Volschenk et al., 2016; Manzhynski and Figge, 2020). Due to its highly diversified and complex global supply chain, most research in the fashion and textile industry has been conducted on supply chain level (Beyers and Heinrichs, 2020; Shen et al., 2017). Therein, the focus has traditionally been on collaborative efforts that improve social sustainability, e.g., labour conditions, (Schanberg, 1996; Huq and Stevenson, 2020; Köksal, Strähle, Müller and Freise, 2017; de Brito, Carbone and Blanquart, 2008), as the environmental discussion has only recently emerged in the industry. Therefore, we can conclude that more research is needed to examine the collaborative efforts that target environmental issues and engage competing firms in the fashion and textile industry.

As environmental inter-firm alliances are an emergent research area, there is no consistency in terminology yet. These alliances have been referred to by terms such as ‘environmental collaborations’ (Wassmer et al., 2014; 2017), ‘environmental networks’ (Valentine, 2016) and, if among competitors, ‘environmental coopetition’ (Volschenk et al., 2016; Manzhynski and Figge, 2020). This thesis utilizes the term *environmental alliance* as an umbrella term for all collaborative environmental business activities engaging two or more firms, and potentially other stakeholders. Following the conceptual definitions by Niesten and Jolink (2020), Wassmer et al. (2014) and Volschenk et al. (2016) we define an environmental alliance as *a voluntary cooperative agreement between two or several firms, or firms and third party actors, that aims at generating positive environmental impacts while exploiting emerging sustainable market opportunities.*

3.2 Purpose of environmental alliances

The actions carried out in an environmental alliance include, but are not limited to, sharing or co-developing environmental knowledge, sharing resources and technologies and creating regulative agreements or practices that support the natural environment (Delmas and Montes-Sancho, 2010; Niesten and Jolink 2020; Wassmer et al., 2014; Lin, 2012; Meier, 2018). Sharing and co-developing knowledge can be seen as a key activity of environmental alliances. The critical resources and knowledge needed to develop solutions for environmental challenges are seldom, if ever, available within one single firm. Thus, firms benefit from collaboration regarding knowledge-sharing and learning (Lin and Darnall, 2015). For solving complex issues alliances are a particularly fitting format, as alliances are essentially platforms for learning and explicitly well-suited for transferring knowledge that is complex and less codified (Parmigiani and Rivera-Santos, 2011).

Regulative environmental agreements and practices initiated by businesses are common in environmental alliances. These agreements aim to promote the transition to a more sustainable society (Fischer and Pascucci, 2017) by, e.g., creating shared environmental performance reporting mechanisms (Meier, 2018; Villena and Dhanorkar, 2020). According to Wassmer et al (2014), the absence of formal governmental regulation can be a reason for alliances to create self-regulative environmental policies. This view is supported by Fransen (2012) suggesting that in the era of globalization, national governments or inter-governmental organizations cannot effectively manage global issues, such as climate change; firms and private actors move into this governance gap and engage in initiatives and arrangements dealing with environmental issues on a voluntary basis. Whereas the lack of regulation can initiate proactive alliances, existing external pressures such as governmental regulations and

public criticism can lead to reactive alliances (Dzhengiz, 2020). The purpose of such alliances lies in reacting to externalities: “cleaning up after problems occur” (Lin, 2012). Empirical examples of reactive alliances can be observed in the oil and gas industry (Radnejad et al., 2017; Escobar and Vredenburg, 2011).

3.3 Firms’ motivations to join and engage in environmental alliances

As the outputs of environmental alliances go beyond pure economic reasonings, the question of what motivates firms to join and engage in them arises (Weber et al., 2017). However, compared to economic alliances, these motivations remain under-researched by academia (Niesten and Jolink, 2020; Wassmer et al., 2014). Here, the existing literature focuses mainly on the area of stakeholder collaborations. The literature review by Todeschini et al. (2020) lists 24 drivers for stakeholders to engage in environmental inter-firm alliances. The most prominent driver for companies is the possibility to obtain a competitive advantage through the collaboration. Other recurring reasons include competitive pressures stemming from, e.g., suppliers, competitors or consumers, as well as external pressures from governments or other stakeholders. Additionally, the prospect to get access to resources and capabilities through the alliance was identified as a significant driver, coming with the potential for firms to increase their economic value through, e.g., jointly developed environmental innovations (Lin and Darnall, 2015; Niesten and Jolink, 2020; Todeschini, Cortimiglia and de Medeiros, 2020). This need for resources has been suggested for future research to examine especially within the less studied context of SMEs that typically have limited resources (Bendell, Collins and Roper, 2010).

Interestingly, Lin and Darnall (2015) find a relationship between the type of motivation driving a firm to become part of environmental alliances and the way environmental issues are perceived by the firm’s managers. If environmental development is seen as a business opportunity, i.e., positively, the firm would be motivated to engage in alliances by the prospect of resource-attainment: as collaboration presents learning opportunities, it could enhance the firm’s innovation competencies and long-term success. On the other hand, if environmental issues are perceived as a threat, i.e., negatively, the firm’s management would be motivated to join environmental alliances as a protective mechanism driven by external pressures (Lin and Darnall, 2015). As the managerial mindset is partly a product of internal vision and strategy, if a company sets sustainability as a strategic priority and aims for proactively obtaining a point of differentiation in the market, such action would lead to increasing motivations for

businesses to engage in green business opportunities, such as environmental alliances (Gonzalés-Benito and Gonzalés-Benito, 2006; Desore and Narula, 2017).

The reasons for firms to stay engaged in environmental alliances have received less academic attention (Niesten and Jolink, 2020). As discussed, future competitive advantage is one such motivation. In addition, scholars have approached the topic through shared objectives, such as the need to confront a common enemy (Valentine, 2016; Lashley and Taylor, 2010) as the existence of similar aspirations between collaborating companies aligns the companies' self-interests with the partnership's shared interest (Nidumolu, Ellison, Whalen and Billman, 2014) and keeps them engaged. Moreover, Wassmer et al. (2014) argue that in an environmental alliance, a common vision, shared values and shared ways of working are determinants for the success of the alliance. As potential future success would motivate firms to stay invested in a collaboration, we can assume that a clearly established common goal and shared understanding of the strategic importance of environmental issues likely plays a significant role in member firms' motivations to stay engaged in the alliance.

To conclude, while there is scarce research on environmental alliances among competitor firms (Volschenk et al., 2016), let alone in the context of SMEs (Bendell et al., 2010), previous literature on environmental alliances in general has introduced a variety of reasons for why firms collaborate (Todeschini et al., 2020). The most prominent reasons observed include external pressures and demands from competitors, suppliers, consumers, governments, stakeholders or society at large; in addition, the need to expand the firm's existing knowledge, resources and capabilities to meet the complexity and uncertainty arising from environmental issues have been identified as drivers to join (Niesten and Jolink, 2020; Lin, 2012). Further, firms' internal strategy and the way their managers perceive the issue seem to impact their motivation for engaging in environmental alliances (Lin and Darnall, 2015; Gonzalés-Benito and Gonzalés-Benito, 2006). The motivational reasons for continuous engagement in an environmental alliance remain under-researched, yet, we can conclude that potential future benefits and joint value creation as well as a clear common goal have explanatory significance for why firms remain engaged in such alliances (Desore and Narula, 2017; Valentine, 2016; Niesten and Jolink, 2020).

4. Conceptual and theoretical framework

In the following chapter, we will introduce the conceptual and theoretical framework of this thesis and reason its composition (4.1). Then, we will introduce our three theoretical perspectives and how these theories relate to motivations to join and engage in environmental alliances in more detail. In the following sections 4.2, 4.3 and 4.4 we will present how we apply the three respective theoretical lenses to examine firms' motivations to join and continue to engage in environmental alliances and the concluding section 4.5 summarizes the essence of the framework and argues for the holistic stance of it.

4.1 Conceptual framework for environmental alliances

Most scholars who have studied firms' motivations to engage in environmental alliances have utilized a single theory (Lin and Darnall, 2015). However, based on our literature review we can conclude that the motivations to join and stay engaged in environmental alliances vary greatly. Therefore, we see value in using a holistic approach and a combination of several theories in answering our research questions. This decision is supported by researchers such as Barringer and Harrison, (2000) and Parmigiani and Rivera-Santos (2011) who suggest using multiple theoretical perspectives in examining firm's motivations to join and engage in inter-firm collaborations. Consequently, the conceptual framework of this thesis (see Figure 1) is built on three theories: the Resource-based view to examine asset-related motivations stemming from firms' need for additional resources; Institutional theory to examine external pressures deriving from different stakeholders; and Network theory to study the motivations that are related to inter-firm relationships.

Resource-based view and institutional theory have both been used extensively by previous scholars to explain economic alliance formation (Barringer and Harrison, 2000; Dacin, Oliver and Roy, 2007; Eisenhardt and Schoonhoven, 1996; Rivera-Santos and Inkpen, 2009). Our literature review indicates their relevance for the context of environmental alliances, too, as the need for resources and capabilities and external pressures were some of the key motivational drivers explaining why firms engage in environmental alliances (Niesten and Jolink, 2020; Lin, 2012; Todeschini et al., 2020). Hence, these two theories form the base of our conceptual framework. In addition, Eisenhardt and Schoonhoven (1996) argue that when faced with a new market situation firms tend to collaborate to create social opportunities. Supporting this, Valentine (2016) and Lernborg (2019) who have examined environmental alliances in Scandinavian contexts, suggest that, on the one hand, existing network-based relations and on the other hand the opportunity to obtain new social relations can be impactful

reasons for firms to become part of environmental alliances. Further, Wassmer et al (2014) argue that the network-based perspective, yet underutilized by academia, could be valuable for explaining the motivations of individual firms to join environmental alliances. Hence, we have integrated network theory to our conceptual framework (see Figure 1) as our third theoretical perspective.

In addition, our literature review highlights that a future competitive advantage and other long-term benefits seem to be significant aspects motivating firms to join and stay invested in environmental alliances. Therefore, our conceptual framework (see Figure 1) includes the consideration of these benefits. We distinguish between firm-level benefits, alliance-level benefits and system-level benefits, as these benefits are not necessarily co-dependent and should be observed separately (Manzhynski and Figge, 2020; Wassmer et al., 2014; Volschenk et al., 2016). Here, firm-level benefits refer to potential benefits for each individual member of the alliance; alliance-level benefits refer to the benefits shared by the alliance, seen as general alliance success; and system-level benefits refer to environmental contributions of the alliance, e.g, having a positive impact on the environment or the society at large. We see these future benefits as empirical rather than theoretical drivers, hence they will be further discussed in Chapters 6 and 7, where we present our empirical results.

To sum up, our conceptual framework (see Figure 1 below) includes the following sections: Firm characteristics, such as firm's resources and strategic alignment, examined using the theoretical lens of resource-based view; environmental pressures, explored through the concepts of institutional theory; and network characteristics, studied using the perspective of network theory. In the sections following Figure 1 we will explore each of these three motivational aspects separately through the concepts of their respective theories. In addition, our conceptual framework includes benefits on firm-, alliance- and system-level that will be discussed further in this paper conjointly with our empirical findings.

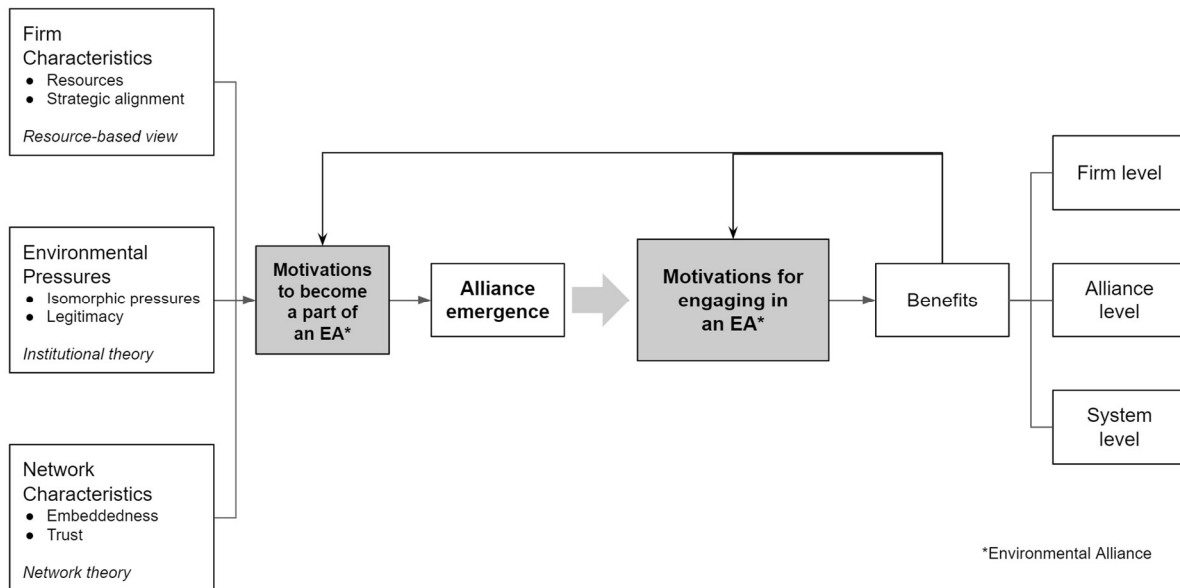


Figure 1: Conceptual framework

4.2 Firm characteristics – Resource-based view

Gaining access to knowledge and resources acquired by others can be an important aspect for why firms are motivated to join environmental alliances (Wassmer et al., 2014; 2017). This type of motivation constitutes the resource-based view, which focuses on the access to or development of resources and competencies that potentially lead to competitive advantage (Barney, 1991; Eisenhardt and Schoonhoven, 1996). Here, a company's motivation to join an alliance is influenced by both the level of its own available resources and the amount of resources potential alliance partners can add (Rangan, Samii and Van Wassenhov, 2006). These resources can be tangible, intangible or human-based. Tangible resources are, e.g., financial resources and physical assets; intangibles mean, e.g., firm's reputation and technology; and human-based include, e.g., skills of the employees (Grant, 1991).

When applied to the context of complex environmental issues, firms can be motivated to pool their existing resources with those of other partners, because combined resources can be used to develop new competencies, which in turn can provide a competitive advantage (Lin, 2012; Lin and Darnall, 2015; Darnall and Edwards, 2006; Das and Teng, 2000). Additionally, firms can be motivated to increase their organizational learning, i.e., the development of new insights, knowledge and efficiency-oriented reflection on processes (Fiol and Lyles, 1985). The alliance facilitates the flow of valuable information among participating firms, creating an optimal platform for learning and development of new knowledge that may create a competitive advantage for the firm, and consequently, such potential motivates firms to join

an alliance (Hamel, 1991; Hunt and Auster, 1990; Desore and Narula, 2017; Gulati, 1998; Sharma and Vredenburg, 1998)

Moreover, previous research finds that when faced with complex environmental issues, firms with strong internal competencies and capabilities are more likely to regard environmental issues as strategic priority and a business opportunity that could increase their competitive advantage, which can enhance their eagerness to proactively engage and stay in collaborations with intentions to solve such issues (D'angelico and Pontrandolfo, 2015; Lin and Darnall, 2015). Further, aligning environmental issues as a strategic priority can enhance the firm's organizational learning (Sharma and Vredenburg, 1998), thus increasing its motivation to stay engaged in the alliance.

To conclude, Table 2 summarizes how the theoretical concepts of resource-based view introduced in this section explain firms' motivations to join and continue to engage in environmental alliances.

4.3 Environmental pressures – Institutional theory

Institutional theory is utilized to explain how and why organizations adopt practices and strategies other than profit maximization under certain environmental or institutional pressures. Institutional theory approaches firms from a standpoint of sociology and social embeddedness, and a central concept of the theory is that of legitimacy (DiMaggio and Powell, 2000; Baum and Oliver, 1991). In short, legitimacy can be seen as the acceptance of an organisation by its external environment (Deephouse, 1996; DiMaggio and Powell, 2000), and this external environment could be said to comprise the stakeholders of the organization (Freeman, 2015). More extensively, legitimacy of an organization has often been defined as a 'generalized assumption that the actions of a company are desirable, proper or appropriate within some socially constructed system of norms, values, beliefs and definitions' (Suchman, 1995). Thus, the perception if a company is legitimate or not rests on the view held by constituencies such as the society at large and the media (Suchman, 1995).

Institutional theory examines firms' pursuit of legitimacy through a process called isomorphism. According to the theory, initially, organizations are dissimilar but over time, they adopt similar structures, strategies, and processes that are considered legitimate in their industry, hence they become homogeneous (Deephouse, 1996; DiMaggio and Powell, 2000). Institutional theory introduces three types of isomorphic pressures: *coercive*, *mimetic*, and *normative* (DiMaggio and Powell, 2000). *Coercive* pressures can be described as pressures

deriving from powerful stakeholders, such as governments or dominant firms in the industry, or from the cultural expectations within which the firms operate. In the context of sustainable business, these pressures would be to incorporate social, environmental and economic responsibility considerations into the processes of the firms. (Zhu and Sarkis, 2007; DiMaggio and Powell, 2000; Radnejad et al., 2017). *Mimetic* pressures can be defined as a reaction to uncertainty that encourages corporations to imitate other firms. When confronted by uncertainty and ambiguity from, e.g., technical or environmental change, organizations will model themselves after other organizations that are or have historically been perceived successful (Haunschild and Miner, 1997; DiMaggio and Powell, 2000). The third isomorphic pressure is *normative* and it stems internally from a company's employees: when employees of a firm and industry share the same education and training, their shared values, beliefs, and characteristics shape the practices a firm puts at place (DiMaggio and Powell, 2000). Normative pressures may also arise from professional networks as professionals try to collectively improve their operations, thus enhancing the industry's legitimacy (Lin and Darnall, 2015).

Strategic literature has discussed coercive, mimetic and normative pressures under the concept of social legitimacy (Baum and Oliver, 1991; Dacin et al., 2007). An organization's need for social legitimacy depends on the characteristics the organization has as well as on its context: social legitimacy is needed especially when the size of the firm is relatively large, or when it operates in an industry where public issues, such as the environment, are particularly salient (Dacin et al., 2007). In this case, a firm would join an alliance in order to enhance its "license to operate" with stakeholders such as public interest groups and customers. As legitimacy helps firms in overcoming risks and uncertainty (Deephouse, 1996), research on environmental alliances finds that obtaining legitimacy constitutes one of the main motivations for alliance formation; firms seek to partner up with legitimate stakeholders, such as NGOs or other organizations, when faced with complex environmental sustainability issues and stakeholder pressures to act upon these issues (LaFrance and Lehmann, 2005; Grey and Stites, 2013; Niesten and Jolink, 2020; Wassmer et al., 2017).

While legitimacy is a product of stakeholder acceptance, not all stakeholders are equally capable of conferring legitimacy to an organization through a partnership (Deephouse, 1996). Governmental organizations are traditionally considered an alliance partner that is particularly capable of providing the organization with legitimacy due to their authoritative position (Baum and Oliver, 1991). In the context of corporate sustainability, due to their influence on the public opinion, another such legitimizing stakeholder can be a well-known NGO (Egels-Zandén and Wahlqvist, 2007; Galaskiewicz, 1985). Historically, this has led to

multi-stakeholder environmental initiatives as the most common form of sustainability collaboration: by partnering up with legitimate stakeholders such as governmental institutions and environmental NGOs, firms have been able to gain, maintain or repair their legitimacy (Fransen, 2012; LaFrance and Lehmann, 2005; Wassmer et al., 2017).

However, environmental alliances uniting various stakeholders such as businesses and NGOs can face a legitimizing issue. Alliances built to self-regulate global issues such as climate change without a governmental actor need to obtain democratic legitimacy, which depends on input legitimacy and output legitimacy (Mena and Palazzo, 2012). Input legitimacy of an alliance refers to the alliance governance and includes, e.g., democratic inclusion of relevant stakeholders and justness of alliance structures and processes (Mena and Palazzo, 2012). Output legitimacy refers to the effectiveness of the alliance in solving problems that require collective solutions (Mena and Palazzo, 2012; Scharpf, 1999). Here, an environmental alliance has to be able to provide credible proof that its work indeed is effective and has improved or will improve the state of the collective issue, such as climate emissions, that the alliance has been set out to solve. Output legitimacy has traditionally been the focus of environmental alliances initiated by businesses (Lernborg, 2019). Enhancing the legitimacy of the alliance naturally reinforces the legitimacy of its members, consequently motivating the members to further engagement.

To conclude, Table 2 summarizes how the theoretical concepts of institutional theory introduced in this section explain firms' motivations to join and continue to engage in environmental alliances.

4.4 Network characteristics – Network theory

Research on interfirm collaborations has increasingly focused on how firms are socially embedded in networks of relationships (Inkpen and Tsang, 2005). This indicates the importance of network theory for exploring the emergence of interfirm social relations such as environmental alliances. One central concept of network theory is called embeddedness. The logic of embeddedness implies that all economic action is embedded in ongoing structures of social relations (Granovetter, 1985). Granovetter (1985) sees the reality of economic life between the classical economists' undersocialized and the anthropologists' oversocialized view: he argues that both classical economists as well as anthropologists ignore the embeddedness of a market actor's purposive action within her social network (Granovetter, 1985). Thus, the logic of embeddedness of social relations in a market economy considers the

human pursuit of both aspects, profit-maximization as well as social legitimacy (Ketokivi and Schroeder, 2004).

Previous research has distinguished between two types of network embeddedness: relational embeddedness and structural embeddedness. The former is concerned with the qualities of the relationship, whereas the latter refers to the characteristics of the network position a firm is situated in (Gulati, 1998). Regarding relational embeddedness, Granovetter suggests a combination of strong and weak ties. The strength of a tie is determined by a “combination of the amount of time, the emotional intensity, the mutual intimacy, and the reciprocal services” (Granovetter, 1973). Hence, strong ties are characterised by trust and a high frequency of exchange, and weak ties by rather loose connections. However, weak ties lead to greater integration into the community and may offer more novel information (Granovetter, 1973). Later studies find that in order for an alliance to be most successful, relational and structural embeddedness should be considered jointly, because both factors influence each other (Gilsing and Duysters, 2008; Rowley, Behrens and Krackhardt, 2000).

According to Uzzi (1997), embedded exchanges develop mostly through third-party referral networks, i.e., meta-organizations, or previous personal relationships. His analysis of the premium apparel industry in New York shows that networks with embedded ties are based on trust between the exchange partners, which accelerates decision-making (Uzzi, 1997); they lead to a fine-grained information transfer and enable joint problem-solving arrangements, which enhances the communication and learning and reduces the likelihood of the exit of a network partner. This conclusion has been supported by later research: relationships that are based on trust and reciprocity are likely to promote the exchange of valuable knowledge and accept the risk of spillover to competitors (Dyer and Singh, 1998; Uzzi and Gillespie, 2002).

Additionally, research suggests that previous relationships play an important role in forming new alliances, as priorly closely collaborating firms, linked by strong ties, are more likely to collaborate in the future (Gulati, 1995). Stronger ties have been found to improve the information transfer and degree of learning in an alliance (Gulati, 1995; Inkpen, Andrew and Dinur, 1998; Kale, Singh and Perlmutter, 2000). In addition, strong ties strengthen the trust between partners and enhance their knowledge about resources and capabilities in their social network. The increased level of trust potentially further improves the attitude, collaborative work and performance of the network (Sydow and Windeler, 1998; Dirks and Ferrin, 2001). For creating motivations to engage in the pursuit of long-term goals within environmental alliances, a network built on strong ties seems therefore crucial.

In conclusion, Table 2 presents a summary of the key theoretical concepts of network theory, and of the previously introduced resource-based view and institutional theory, and how these concepts explain firms' motivations to join and continue to engage in environmental alliances.

Table 2: Theoretical concepts in relation to motivations

<i>Motivational driver</i>	<i>Theoretical lens</i>	<i>Explanation for motivation</i>	<i>Impacts the motivation to join</i>	<i>Impacts the motivation to stay engaged</i>	<i>References</i>
Firm characteristics	Resource-based view	Organizational learning: pooling of existing knowledge and resources or joint development of new knowledge, skills and resources leading to a competitive advantage	x	x	Barney (1991), Grant (1991), Eisenhard & Schoonhoven (1996), Das & Teng (2000), Sharma & Vredenburg (1998), Darnall (2006), D'angelico & Pontrandolfo (2015), Rangan et al. (2006), Lin & Darnall (2015), Gulati (1998), Fiol & Lyles (1985), Wassmer et al. (2014; 2017)
	Resource-based view	Internal competencies, sustainability as a strategic priority and business opportunity	x	x	
Environmental pressures	Institutional theory	Coercive, mimetic and normative isomorphic pressures deriving from stakeholders to act on environmental issues	x		DiMaggio & Powell (2000), Baum & Oliver (1991), Deephouse (1996), Suchman (1995), Haunschild & Miner (1997), Lin & Darnall (2015), Dacin et al. (2007), Grey & Stites (2013), Egels-Zandén & Wahlqvist (2007), Mena & Palazzo (2012), Lernborg (2019)
	Institutional theory	Obtaining legitimacy via collaborating with legitimate actors (e.g., government, NGO).	x		
	Institutional theory	Output legitimacy: ensuring and proving the alliance's effectiveness in solving the environmental issue		x	
Network characteristics	Network theory	Embeddedness: existing social ties and previous collaborations impact firms' future collaboration choices	x		Granovetter (1985), Uzzi (1997), Uzzi & Gillespie, (2002), Dyer & Singh (1998), Inkpen & Dinur (1998), Inkpen & Tsang (2005), Gulati (1995; 1998), Kale et al. (2000), Gilsing & Duysters (2008), Sydow & Windeler (1998), Dirks & Ferrin (2001)
	Network theory	Strong ties enhance trust which deepens the ties between alliance members		x	
	Network theory	An embedded network enhances efficiency and effectiveness of the work of the alliance		x	

4.5 Holistic perspective of the conceptual framework

To conclude, as both Figure 1 and Table 2 illustrate, the conceptual framework of this thesis utilizes a combination of three theoretical perspectives and their key concepts to explain firms' motivations for collaborating in environmental alliances. As the summary in Table 2 demonstrates, resource-based view sees the managerial approach to sustainability and the

potential organizational learning as central motivational drivers, impacting both the decision to join an alliance as well as firm's continuous engagement in it. Then again, the concepts of institutional theory, such as isomorphic pressures and need for legitimacy, have most value in elucidating why firms join an environmental alliance. Network theory and the notions of embeddedness, strong ties and trust shed a particular light on firms' motivations to stay engaged in the alliance, yet, existing network relations have been observed as impactful reasons for firms to join environmental alliances as well. Additionally, our framework (Figure 1) includes benefits for the firm, the alliance as well as for the society at large as motivational drivers for both joining and engaging in the alliance.

Prior to this thesis, scholars such as Lin and Darnall (2015) represent the few that in their work have utilized a combination of several theoretical perspectives in explaining firms' motivations to engage in environmental collaborations. In their work they have combined the perspectives of resource-based view and institutional theory (Lin and Darnall, 2015). However, their work aims to polarize the motivational reasonings stemming from resource-based view vs. institutional theory instead of observing them conjointly. In this thesis, we take the opposite stance and acknowledge the co-existence of several motivational drivers stemming from different theoretical perspectives. This holistic perspective, we believe, is needed in adding to the overall understanding of the complexity of firms' motivations for alliance engagement. We will further explicate these motivational reasonings by applying our conceptual framework in the context of STICA, The Swedish Textile Initiative for Climate Action.

5. Methodology

The following chapter outlines the methodological choices for our research. First, we will explain our qualitative research approach and abductive research process as well as outline research considerations (5.1). Then, we will explain our case study selection (5.2). Thereafter, we will outline the details of our data collection (5.3), including interview design (5.3.1), interview setting (5.3.2) and interview sample (5.3.3), before describing how we analysed the collected data (5.4). The chapter concludes with a discussion of the research quality (5.5), considering the validity (5.5.1) and reliability (5.5.2) of our study.

5.1 Research approach

For our research, we have decided to use a qualitative method. An extensive literature search has revealed that there is little existing theory on motivational drivers for environmental collaboration among competitors within the fashion industry. Therefore, a qualitative approach fits our purpose best, as it allows for an in-depth exploration of the under-researched area (Eisenhardt, 1989) of what motivates firms to become part of and engage in environmental alliances in the Swedish fashion and textile industry.

We used both primary data, constructed by ourselves through semi-structured interviews for our research purpose, and secondary data, defined as research material previously generated by other persons or institutions for a different purpose than this thesis (Hox and Boeijs, 2005). The secondary data we gathered consists of publicly available data on websites of STICA and the participating firms and was used to provide a coherent background review and confirm information obtained through our interviews.

We have conducted our study in an abductive way, which allowed us to systematically combine the theoretical foundation, relevant publicly available data and our empirical data collected during the research process and to modify the conceptual framework accordingly (Dubois and Gadde, 2002). This has been especially valuable as our topic of research is yet under-explored. Thus, a preliminary framework was needed to guide our empirical research that could subsequently be adjusted according to our findings. Here, we preliminarily chose to analyze our interviews through the lens of the resource-based view and institutional theory. After examining our transcribed interviews, we realized that for a holistic illustration of motivations taking into account network theory would be essential.

We have developed a conceptual framework derived from the integration of these three theoretical approaches, the resource-based view, the institutional theory and the network theory (Chapter 4). This relatively wide scope of theoretical lenses allows for a holistic view on motivational drivers, which is in line with our aim to provide an umbrella model. Hence, we created an integrated framework that not only allows for a comprehensive analysis of our empirical findings, but could also inform future research about the relevance of a respective theoretical lens regarding the examination of specific motivational aspects in the context of sustainability investments in the fashion and textile industry.

We as researchers acknowledge that in an exploratory study such as ours, even though we strive for scientific objectivity, making sense of the interviewees' perception of motivational drivers cannot be fully neutral (Bell and Thorpe, 2013; Leitch, Hill and Harrison, 2010). However, both authors were present at each interview, allowing us to commonly reflect on our understanding of the interviews and thus minimize the risk of deviation from the interviewees' intentions.

5.2 Case study

In this thesis, a case study approach has been chosen as the research method. This is because, firstly, our research questions ask for *why* and *how* motivations regarding the contemporary relevant issue of environmentalism unfold (Yin and Robert, 1994). Secondly, according to Neale et al. (2006), "the case study gives the story behind the result by capturing what happened to bring it about": we see motivations as part of a story behind the goal of more sustainable industry practices, hence we deemed the approach suitable.

For our case study, we selected the context of the fashion and textile industry, defined as the industry concerned with the design, manufacturing and distribution of textile and clothing products (European Commission, 2020b), because it is known to be among the most unsustainable industries worldwide (Boström and Micheletti, 2016; Ellen MacArthur Foundation, 2017). Therefore, the general need for environmental progress is apparent. In addition, the industry has a complex global supply chain that complicates the matter of collaboration significantly (Lis, Sudolska and Tomanek, 2020). As a consequence, therein we see the greatest potential in providing useful insights for theory and practice. Since Sweden is seen as a forerunner in sustainability development, we assumed studying motivations to be most fruitful in a Swedish alliance (Strand, Freeman and Hockerts, 2015). STICA as the case subject fits our research purpose well, because the alliance has emerged two years ago, meaning that we could interview most of the actual decision-makers for the accession.

Additionally, the rapid growth of the alliance that consists of 47 members today makes it an interesting subject for analyzing member motivations for continuous engagement.

STICA includes member companies from different areas within the Swedish fashion and textile as well as adjacent industries. A number of firms concentrate on a sub-sector of fashion and textile, such as home textiles, outdoor, workwear, leather goods or accessories, thus are not directly competing with each other. Other STICA members are retail companies. To maximize the comparability within the research sample, we have excluded such members and limited the STICA member firms relevant for our study to 19 competing fashion brands that focus on women's, men's and children's fashion. This approach allowed us to take the network relationship between competing members of STICA into account, which was essential for our research aim (Ridder, Hoon and McCandless, 2009).

5.3 Data collection

5.3.1 Interview design

We have conducted our study with semi-structured interviews, because they maximize the potential for exploratory insights, while keeping the results comparable. As we explored the members' perspectives and compared the results between them to identify common themes, the semi-structured method that allows for flexibility and open-ended questions while keeping a certain structure for comparability fit best (Guest, Namey and Mitchell, 2013).

The interview guide was divided into four sections: the first section included basic questions to ascertain facts about the interviewees' background and position and obtain their consent to record the interview. Here, we tried to establish rapport and a positive atmosphere. The second section consisted of open-ended questions regarding the STICA members' motivation to found, or respectively join, the alliance. In the third section, we asked about realized and potential benefits from STICA and motivations to further engage in the alliance. In the last section, we asked about any further contributions to the topic and the interviewees' consent to use their respective company name in our thesis (Appendix: Interview Guide).

5.3.2 Interview setting

Due to the ongoing global pandemic situation, all but two of the interviews have been conducted remotely as video meetings. This allowed us to replicate a face-to-face setting in the best possible way and improve the mutual understanding and atmosphere during the interview. Observing non-verbal gestures and expressions, we could ask more precisely corresponding follow-up questions. The length of the interviews varied between 20-50

minutes with most of them being held within around 30 min. At the request of the respective interviewees, one interview has been held via phone and one interview has been answered in written form. With the participants' consent, all interviews have been recorded, so that they could be transcribed for the research analysis. Both authors have been present at all of the interviews.

5.3.3 Interview sample

For our case study, we contacted 19 relevant companies within STICA, of which 12 responded and eight agreed to be interviewed. Due to the unfavourable economic situation the fashion industry experiences and the ongoing global pandemic, we had great difficulties in receiving answers and scheduling interviews with the firms. The interview sample includes a total of 11 interviews with sustainability managers of eight different firms that are part of STICA, including the Heads of Sustainability of all three co-founding members, as well as the director of STICA from the Sustainable Fashion Academy. All interviewees are responsible for their brand's engagement and contribution to the initiative. The effort we put into being directed to the person inside a company that is primarily involved with the STICA work paid off, as we got valuable insights for our study from each interview. An overview of all interviewees can be found in Appendix 1.

5.4 Data processing

After we conducted the interviews, we transcribed the recordings for textual analysis. To organize the transcribed empirical data, we followed an approach called the Gioia Methodology that consists of a step-by-step process with three analyses. We started by creating 1st-order categories based on the interviewees' quotes and their direct meaning. For example, several quotes revealed that participants believed sustainability managers would share similar characteristics conducive for being part of STICA, such as personal ecological values and their somehow detached working position inside the company. We then integrated these categories with our three theoretical concepts to develop a structure that informs our research questions, called 2nd-order themes (Gioia, Corley and Hamilton, 2013). Following the example, we grouped these categories into the theme of individual sustainability managers' motivations to be part of an environmental alliance. Looking for similarities among the 2nd-order themes, we grouped them into more general aggregate dimensions. The aggregate dimensions allowed us to assign the relevant interviewee's statements to the information of one research question or the other. Furthermore, they facilitated the reflection on the fit of theory to the empirical findings. In the aforementioned example, we identified that the motivation on individual level stemmed mainly from personal network and legitimacy benefits

and answered primarily our second research question of why firms continue to engage in environmental alliances.

We deemed this approach as most suitable, as the Gioia Methodology minimizes the influence of a single researcher's bias by requiring the researchers to find a consensus on interpretation before framing 1st-order concepts and 2nd-order themes (Gioia et al., 2013). Based on the results of our analysis, we extended our conceptual and theoretical framework with empirical insights (Chapter 7.4).

5.5 Quality of study

5.5.1 Validity

In qualitative studies, validity is seen as a rather ambiguous construct aimed at confirming the quality and trustworthiness of the research process (Golafshani, 2003). The concept of internal validity generally refers to whether a researcher actually measured what she intended to measure (Flick, 2009). To increase internal validity, we used primary and secondary data to verify information. Moreover, we analyzed our data in a step-by-step process to ensure that we could incorporate the matter of depth and frequency of the obtained data. External validity concerns the question whether the results of a study “can be generalised beyond the context where the data was collected” (Bell and Thorpe, 2013). To maximize the potential for generalization, we spread our interview sample across eight different companies, ranging from small firms with less than 20 employees to a large-scale enterprise with 179,000 employees (H&M, 2019), as well as the founder of the initiating NGO. Due to the national context, the empirical results can be assumed to be best, but not exclusively, transferable to Nordic countries with a similar cultural background. Regarding the conceptual framework, we see a high generalizability: As it on purpose comprises a variety of theoretical perspectives, it allows future research to shift the weightiness according to the relevance for the respective context from one theory lens to the other.

5.5.2 Reliability

The concept of reliability refers to whether future research can repeat the study and come to the same conclusions that have been made in the research at hand (Yin, 2009). Literature on rigor in qualitative studies argues that the term reliability does not fit the nature of qualitative research: as the best test for a qualitative study is its ability to enhance the reader's understanding in a trustworthy way, reliability can be seen as a consequence of validity (Lincoln and Guba, 1985; Patton, 1990; Stenbacka, 2001). However, the fact that we transcribed all interviews for analysis and documentation of evidence adds to the

aforementioned arguments for the validity of our research, further enhancing the trustworthiness and reliability of this thesis.

6. Empirical findings

In the following chapter, we will present the empirical results of our interviews in regard to our research questions. The first section concerns company motivations to join the environmental alliance STICA (6.1). It starts with a description of the situational context (6.1.1), followed by insights regarding firm strategies and industry structure (6.1.2), the impact of external conditions (6.1.3) and the importance of micro-level relationships for the firms' motivations to become part of the alliance (6.1.4), and lastly, the role and motivations of the different actors in STICA's emergence (6.1.5). The second section addresses the question of why firms continue to engage in STICA (6.2). Here, we will elaborate on the impact of the alliance structure (6.2.1), the shared mindset (6.2.2), the network characteristics (6.2.3) and the occurrence of a global crisis (6.2.4) on STICA members' motivation to invest in the alliance. Then we will present identified risks (6.2.5) and future aspirations (6.2.6) that potentially influence the motivation for further engagement. Additional interview quotes supporting our arguments can be found in Appendix 3, Table 4.

6.1 What motivates firms to join environmental alliances?

6.1.1 Setting the stage and context

To understand the motivations of fashion and textile brands to become part of a climate-focused alliance in Sweden, we first need to look at the context of sustainability discussions from an industry perspective. Our interviews revealed that, before the formulation of the Paris Agreement, the industry's sustainability work had revolved primarily around social aspects. The focus was on improving labour conditions, supporting the labour rights of the workers and preventing child labour. This was in line with the global media attention at that time that had been paid to the inhumane labour conditions of the "sweatshops" of Asia (Radin and Calkins, 2006). The environmental dimension addressed by the Swedish brands mainly dealt with hazardous chemicals that the textile industry used (Kemikaliegruppen, 2020). This was partly due to the early national discourse about chemicals that stemmed from the local experiences of chemical pollution in Borås, Sweden.

However, before the global attention on climate issues increased, some Swedish fashion brands had included preventive climate-related actions in their business processes without classifying them as "sustainability driven", as the term had not been widely adopted yet. These brands paid attention to a wider range of environmental issues, starting from what materials they used in the production and how the clothes were produced, up to how their offices and stores were built. Without the pressure from external parties, such "pre-sustainability"

activities were mainly driven intrinsically by the values of the founders or owners. Here, the importance of sustainability for the Swedish culture in general becomes apparent:

SFA: "Sweden has this tradition of really being perceived as a global leader around the range of sustainability issues. We advocate globally for Sustainable Development Goals, we are often at the lead in those forums."

6.1.2 Strategic alignment and industry structure

As sustainability had been integrated into the strategies of Swedish fashion brands to some extent, several sustainability managers described their motivations for joining STICA as a self-evident "natural step" for the brand, and sustainable business as "the only way of doing business in the future". All interviews revealed coherently that the management and the owners of the companies have made sustainability a strategic priority. This strategic importance seems to stem from both, sustainability driven as well as economic motivations:

Nudie Jeans: "For us, it has been a part of our vision and mission and our work from the very start. [...] investing in sustainability is something that we've always done and something that we will continue doing because that's how we believe we should do. We want to take responsibility for the impact that we create."

H&M: "If we don't do that, there will be no company in the future. So we want to be a successful company going forward."

Consequently, the member firms seemed to be already before STICA's foundation both internally and externally aligned in their strategic sustainability integration. However, it was equally evident that no single company could achieve their environmental goals alone. As discussed in Chapter 2, most of the brands in the Swedish fashion and textile industry are SMEs. In addition, the most significant sustainability issues in the industry are caused during textile production at the suppliers' factories. Brands have little control over the processes of their much larger suppliers, who produce for many brands at the same time. Moreover, the production of Swedish fashion products is almost exclusively outsourced to Asian manufacturers, who work with different regulations in a different culture. This complexity of the supply chain makes a holistic sustainability development, as one of the managers put it, "too big of an issue even for the biggest brands to solve alone". Collaboration with other brands in order to approach common suppliers as one front was perceived as the only way to achieve change:

KappAhl: "If you think of a river. And you're thinking that H&M has one factory at the side of the river, and the polluted water just ran into the water of the river. And if they clean the water in that factory, it doesn't help if there are 25 of the factories along the same river that pollute the water. So it really needs everyone on the river to clean up their mess."

Tiger of Sweden: “Being a medium sized company in Sweden, we have to collaborate to be able to make the change, for example at the fiber supplier. We wouldn't be able to make that shift on our own.”

Even though the intention to “do better” seemed a common feature, the firms’ progress hereof differed notably. An obstacle the majority of managers mentioned was a general lack of knowledge regarding how to even measure the company’s climate impact. Most brands had started to calculate their scope 1 emissions and some stated that they had made estimations about their scope 2 emissions (for definitions, see Glossary). Very few managers said that their firm had begun to calculate scope 3 emissions before they joined STICA. As an estimated 70-90% of production emissions stem from scope 3, it becomes obvious that the majority of Swedish fashion and textile firms were at the very beginning of the path towards improving their climate reporting. Working in an SME, the managers stated a lack of resources to go further on their own. Consequently, an opportunity to share knowledge and learn from others, especially from the larger companies with more resources and presumably more knowledge, was a key motivational factor:

Peak Performance: “We are a quite small company... In Sweden we are quite big, but if you look globally we are super small, and we are to be seen as a small and medium enterprise. So that means that we don't have a big sustainability department and we don't have huge resources to drive those kinds of questions. Quite early we realised that with no support from others it would take much longer for us to improve.

To conclude, the internal strategic priority of sustainability topics and external unison hereof set favourable conditions for an environmental collaboration. Due to the complexity of the fashion industry’s supply chain and the relatively small size of Swedish fashion firms, cooperation seemed necessary to achieve meaningful change. A general lack of knowledge and resources has been perceived as an important motivation to join STICA. However, the concurrency of a strategic focus on production issues and the apparent overall sense of urgency to act on climate problems raises questions about the impact of stakeholders and external conditions.

6.1.3 External conditions

The motivation to actively reduce a firm’s ecological footprint apparently did not only evolve top-down but has also been brought up by employees. H&M’s Head of Sustainability for example stated that the company’s staff is “pushing for it” internally. In addition, there are external drivers for the textile industry to change their unsustainable processes. One manager pointed out the downstream pressure coming from retailers in their supply chain that demand certain standards of the brands they resell. Another key factor was seen in the media pressure. After the Paris Agreement, global and national media had paid increased attention to

environmental issues, making the Swedish society more aware of sustainability in general and the climate impact in particular. The national media was described as highly active in pushing the sustainability agenda in Sweden, which fuelled the general societal pressures to act on climate. Customers became more aware of the topic and started to approach national fashion and textile brands with questions and demands. The fear of “getting exposed” by the consumers, undoubtedly increased the urgency to progress on climate issues. One manager stated the evident gap between customers’ expectations and the scarce climate-related knowledge the brands actually had:

*Totême: “I think customers... they think that we know this.
That's the kind of expectation that the customers have.”*

In addition, having a track-record and resources to investigate and expose sustainability issues of companies, the national media was perceived as a potential publicity threat. Such negative media exposure would potentially harm a firm’s image and decrease its value. Thus, risk-prevention can be seen as a motivation to join a climate alliance.

Notably, despite these societal discussions, the Swedish government was perceived by the sustainability managers as passive regarding measures to reduce the fashion industry’s emissions. The few actions they had taken were perceived as slow and inadequate by most of the managers. Being a former researcher, KappAhl’s Head of Sustainability explained that the missing pressure from the government stems from its lack of jurisdictional impact outside of Sweden. The main cause of emissions stems from the production, which has been outsourced overseas. Accordingly, the Swedish government focuses its legislative efforts on the part of the value chain that takes place in Sweden, which is textile waste management. These political efforts draw attention from the production, which constitutes the lion’s share of GhG emissions, towards textile waste:

KappAhl: “Since we basically don't have any textile production in Sweden, it means that the government's jurisdictional influence is zero on textile production. We don't solve and we don't produce tools in Sweden from a policy side that really supports the textile business as a whole, since there's a focus on waste.”

Gina Tricot: “[...] the government is really slow, so it takes a lot of time, and I think that's why all of these initiatives and collaborations have been started; because we feel we don't have any requirements from the government for climate actions. Of course, we need to take responsibility, [...] We hear the public debate about it, but not much action.”

To sum up, the regulations from the governmental side were found lacking. However, the pressure to implement impactful climate actions coming internally on firm-level as well as from external stakeholders, fuelled by the media, was too high to brush aside. Therefore,

several sustainability managers stated that without sufficient governmental measures, they felt to be left with the responsibility to proactively initiate changes towards emission reductions in their supply chain. Therefore, the interviewed firm managers perceived a collaborative approach as the only chance to get the whole Swedish fashion and textile industry on the right path.

6.1.4 The importance of micro-level relationships

In the course of our interviews, it became evident that collaboration was not only seen as necessary, but also personally appreciated by all participants. Most of the brands had previously worked together in joint sustainability initiatives, and they had experienced the work not only as successful but also, as one of the interviewees put it, as “extremely nice”. These previous collaborations, such as the Sweden Textile Water Initiative (STWI) or the research project Mistra Future Fashion, had united brands and stakeholders across the industry and yielded valuable results. The managers stated that these environmental collaborations had mitigated the issue of resource limitations most SMEs struggled with. This enhanced both the personal as well as goal-driven motivation to form future partnerships:

KappAhl: “We were also founders of STWI. There were 34 different companies. And I worked a lot together with Lindex and Indiska. All of us three thought it was also enormously nice to do it. You share knowledge and you're talking and you're moving forward.”

Peak Performance: “From putting in place a (sustainability) strategy and looking into where we are today: I would say that that would never have happened if we hadn't collaborated with others and joined in different kinds of affiliations and memberships.”

It is worth noting that the strong connections these previous collaborations had formed were not simply inter-organizational relations between operating firms. Rather, they seemed characterized by deep connections, even friendships, between the individuals working in the respective sustainability department of the brands. Supporting this argument, we noticed that all of our interviewees referred to each other with first names rather than their position or respective company. Many managers mentioned to be in frequent contact with each other and that they could always call each other, no matter how big or small the issue.

An enabler for these strong relationships can clearly be found in the position of the sustainability manager within their company. In most Swedish fashion and textile firms this could be described as a “lone wolf”: sustainability managers are mostly working alone, seldomly in small teams, on sustainability matters. In order to exchange thoughts and get support in complex issues, they have formed inter-organizational connections and even unofficial clubs with like-minded sustainability managers of other brands. In addition, several

interviewees have worked for many years in the industry, enabling deep connections to form over time. This comes along with a shared mindset of these managers in regard to sustainability, which differs from the profit-driven mindset of businesses in general: our interviews revealed that the topic of sustainability was seen as something detached from the strive for market share. Compared to innovation or R&D developments, which is kept secret as a competitive advantage, sustainability-related knowledge was widely seen as to be shared with the whole Swedish industry in order to generate positive spill over effects:

KappAhl: "I think also it has been very natural to talk about sustainability because it's completely separate to the business part of the company. We never talk about pricing. "What do you buy that T-shirt for" or anything like that. We are talking about the material or the process and that type of things, never of the price. [...] Maybe the things that I have enjoyed most in my work is to work with others. It has been extremely nice."

An antecedent for this notable openness in sustainability matters can be found in the impact of the Paris agreement. The demands of the shareholders and consumers that increased after the Paris agreement pushed brands to more transparency both in their annual reports as well as with the information about processes and suppliers they provided on their websites and in stores:

Totême: "From the beginning, it was very closed, I think. Now, I could even go and see what suppliers Filippa K are working with. I mean, it's visible on the homepage. That was not 10 years ago, that was a very well-kept secret, what kind of suppliers you worked with. So, I think there has been a big shift in the industry, becoming more transparent in general."

Based on our interviews, we could conclude that the speed of this shift in transparency and the collaborative spirit in Sweden seems to be partly due to the cultural context. At the time STICA emerged, many Swedish fashion companies were part of global sustainability initiatives and experienced stark differences regarding the agility of processes and collaborative aspects of the work. Thus, the fundamental promise of action-orientation of STICA was well-received: many Swedish firms had been frustrated by previous global sustainability initiatives that were perceived, as one interviewee put it, as "country clubs" that were talking rather than acting. It became apparent that most managers therefore preferred joint efforts on a national rather than on an international level, which in turn promoted the motivation to join a national climate alliance:

SFA: "There's been a slight tradition of Swedish and Nordic companies working very closely together. It's a relatively small part of the world, people jump from company to company and know each other very well so there's a sort of some degree a common culture of collaboration that you may not find in other parts of the world."

KappAhl: "I think when you're talking to people in other countries, they still think it is extremely strange that you dare to work together. But here everyone thinks that is the way."

To sum up, working together seemed equally motivated by the rational strive for a solution to climate problems and by social relations. The joint work on environmental issues appeared to be separated from business competition on the shop floor, which eliminated the risk of losing a business advantage on the market. Lastly, the Swedish culture, promoting a mindset of transparency and collaboration, represents a driver to found and join a national alliance for climate work.

6.1.5 STICA emerges from existing networks and personal passion

It became clear that before STICA was founded, the thought to work proactively together with national industry peers on the climate issue had occupied many Swedish fashion and textile brands. However, all interviewees agreed that the initiating push for founding an alliance to act on the topic came from the director of the NGO “Sustainable Fashion Academy”:

SFA: “I’ve been working for 10 years with global networks and Nordic networks. So, I know all these people, we have relationships. If not specifically with individual people I have relationships with the companies they’re working from, and actually both: I know a lot of these people as well. I’ve trained them in education, I’ve worked with their managers, their CEOs, so I know all these people for many years. And when we identified that this was something, that it was the right time to do. I knew who to go to talk to, to get input, and to get by.”

This view is aligned with the insights about the characteristics of the tight network among the Swedish sustainability managers: the director of SFA, too, was seen in the network not so much as representing an NGO, but rather as a passionate individual with an abundance of valuable knowledge on the topic. His deep involvement had made him aware of the managers’ frustration regarding the lack of governmental policies on climate and the industry’s need to progress on the path towards climate improvements. He was also aware of who to approach as potential co-founders and how to shape the initiative in order for it to be well-received among the industry at large. The responsible managers from the co-founding brands KappAhl and H&M indicate the perceived effortlessness of the foundation process due to the pre-existing network and aforementioned conditions:

KappAhl: “I think sometimes it is the situation that makes it. I went to a conference in Vancouver and I met [the director of SFA] there, and I have been talking to him many times before that, and I think we were the only two from Sweden. So we talked at the coffee breaks. He had just been to Europe and signed this agreement to lower their carbon emissions. We started talking and I asked, “Shouldn’t we do something similar in Sweden?” So it was not a big thing, we just talked [..]. It was quite amazing how quick he managed to make so many companies join STICA. It seems that all companies really had this on their agenda and felt that this is a good way to learn.”

H&M: “Just because we meet at different other networks, that’s how we started it [STICA].”

In order to increase the breadth and depth of knowledge and resources, Peak Performance as an SME from an adjacent textile sector, sports and outdoor fashion, was invited to join the founding members:

Peak Performance: "One big driver for me personally, is to make a big difference, to drive change. And I really like to collaborate with others, I'm getting a lot of energy being social and talking to others, so I saw this as a great opportunity to be able to create something bigger."

This view was repeated in several of our interviews, both by the managers of co-founding and joining companies: they expressed a passion for driving environmental change, which constituted an impactful personal motivation to engage in initiatives such as STICA. When asked about the peer pressures for engaging in STICA, all interviewees framed it positively as pushing everyone in the right direction rather than a negative pressure. The interviews revealed that a strong passion towards sustainability is a typical character trait of a sustainability manager in the Swedish fashion and textile industry. Thus, initiatives such as STICA present opportunities for managers to drive their personal values, pushing the focal company and consequently the whole industry towards sustainability. It became clear that the tight network in the industry was not merely based on a formal position that comes with certain business connections, but rather based on values and a shared personal passion. This in turn facilitated an engaged and efficient collaboration.

In line with this, KappAhl and H&M mainly stated altruistic motives for co-founding STICA: sharing their knowledge about calculation and reduction of climate emissions would get other brands on board, so that together they could make a significant impact. Even though it has not been explicitly mentioned, we see reputational and network-positioning benefits as further potential drivers for the founding companies:

KappAhl: The bigger companies that are a little bit more advanced or have more possibilities to afford consulting should help the smaller ones to be able to move the whole textile industry forwards. Because we need to be all in it for it to be any good for anyone."

H&M: "Part of our vision is to lead the change, so this is part of helping others to tag along to the journey. So that was our part when we discussed it [...] It was not a pressure that we need to start working with it, we already had [...]. But for us, we want as many as possible to climate calculate because otherwise you don't know what to change. So the initiative for us was really to help others."

From the perspective of joining members, the fact that one of the co-founders of STICA was H&M was seen as highly valuable: collaborating with a global clothing giant gave the partnership reputational credit and, more importantly, the opportunity to benefit from the brand's extensive climate-related experience and knowledge:

Totême: "H&M, for example, they are also a part of this STICA project, and everyone knows that they do a lot. They have been doing so for many years and have good knowledge of how to do things. [...] we can learn from them how to do it better."

To conclude, SFA's director played a critical role in putting the existing idea of climate-action into practice. Founding and joining the alliance has been seen as a highly promising "self-evident" step from the perspective of all managers. Co-founding companies benefit from getting industry peers to follow them on their existing path and joining SMEs get access to a much wider range of knowledge and resources.

6.2 Why do firms continue to engage in environmental alliances?

6.2.1 An alliance structure that enables quick wins

Due to the overall circumstances and their prior experiences, the firms joining STICA clearly had certain expectations about the benefits and the way of working in the collaboration. In the course of our interviews, it became apparent that the anticipated improvements regarding the smaller firms' lack of resources and climate-related knowledge had materialized: the managers, particularly of the smaller brands, were seemingly satisfied, almost surprised, to have learned so extensively during the course of the first two years of STICA. These "quick wins" reinforced their motivation to keep further engaged in the alliance.

Concerning this, we see a mediator in STICAs non-hierarchical structure and way-of-working that is characteristic of the Swedish business culture: there are frequent general meetings for all members to join as well as smaller working groups focusing on specific topics. Members can choose to fill their knowledge gaps and deepen their expertise in areas that benefit their company the most. This structure has allowed for versatile learning about climate emissions both on an overall and detailed level, e.g. regarding the climate impact of plastic. In addition, each company has been expected to work on their individual climate calculations, engaging the members via "hands-on" work. Getting access to tools and acquiring practical skills and holistic knowledge has been perceived beneficial and motivating both from the perspective of each firm and the individuals:

Peak Performance: "I would say that if we would not have been in the STICA, at least half of what we have learned and what we have been doing, we would have missed. For us as a company we have learned more on the obstacles of measuring and calculating all three scopes."

Gina Tricot: "Actually [the director of SFA] was a bit surprised I said I find it to be fun to collect data, but I think for me also it's a new challenge. [...] So it's like a big detective work of how to get

the right figures and what we should do with them. [...] I am a textile engineer, so maybe it's the engineering brain of me that really likes trying to make improvements."

Within the non-hierarchical structure of the alliance the members have learned in a multilateral way. Here, the alliance has provided a knowledge-sharing platform that proved to be an asset for all members: while the smaller companies have learned much from the larger brands, their ability to run agile experiments in the local context has been seen as beneficial by the larger firms with slower processes. All managers expressed that they see this collective way of learning as highly beneficial, hence motivating, at present and for the future.

6.2.2 A common mindset for a collective goal

Although the STICA members seemed aligned in their strategic goals regarding climate reduction, only the collaboration has brought them on a common path to reach their ambitions. Within the alliance, managers have jointly established a shared way of sensemaking regarding climate issues and an agreement on how to approach them. Thus, they stated that the collaborative work had been effortless and enjoyable, increasing their motivation to keep engaged in STICA.

When joining STICA, companies publicly commit to the shared ambitions of the alliance. On the one hand, this makes them accountable towards STICA as well as the public: in a network as tight as the Swedish fashion and textile industry, there is a significant reputational value at stake when entering such a commitment. On the other hand, STICA's shared ambitions allow the members to benchmark themselves against each other. This can generate peer pressure and healthy competition inside the alliance. Consequently, both aspects encourage the members' motivation to actively invest and engage in the collaboration.

Tiger of Sweden: "The benchmarking between companies, I see as a real advantage. And I think that's going to be more important in the coming years. Everyone has set at least the same target, making the reductions until 2030, but then you can also see that you are in line with your peers, in a way. So I think that's a really good motivation to speed up the process and learn from each other."

H&M: "But as soon as you set a goal externally, you need to work on it. Because if you don't get better, then you... Obviously, you're competitive so you want to get better as well, which I think is good. That's what I like with STICA: you actually have to calculate, so you start calculating and start working and taking actions on it"

Since STICA's foundation, larger brands have shared climate-related knowledge that they had acquired from consultancies. Such information, if kept in-house, would have given them a potential competitive advantage. However, instead they shared it within the alliance, motivated by a potentially larger future benefit:

KappAhl: “We had a meeting last week. There, we shared the consulting work that we have paid for, with everyone. So we had a one hour meeting and Lindex shared what they have done in 30 minutes and we shared what we have done in 30 minutes. So of course that was for free and we gave all our PowerPoints and take-aways to everyone. We have paid quite a lot of money for it, but we gave it to everyone for free [...] I think that is the beauty of a partnership or a cooperation: That you give and take. So I think we share this now and then we will have more back in the future.”

It seems that in the context of STICA, the common goal of climate-reduction the alliance has set as its mission encourages members to prioritize the overall alliance- and system-level benefits over direct firm benefits. This notion of a “common enemy” goes hand in hand with the fact that sustainability is seen as non-competitive in the Swedish fashion and textile industry, motivating firms to work on one issue together instead of against each other. This mindset has become ingrained in the ideology of STICA, so that transparency in sustainability-related knowledge becomes natural. However, we observed a slight distinction in this “common enemy” perception related to the size of the member company. The larger scale firms, such as H&M and KappAhl, were particularly vocal about their long-term interests in getting the whole industry on board with them driving the change, whereas the SME members seemed to focus on a shorter time span, being motivated by mainly the resources and knowledge the alliance would provide the focal firms; overall alliance success was perceived positive but not essential. This indicates that particularly for the larger firms the expected firm-level benefits could be related to improved reputation and other aspects that would materialize only after the alliance has been proven successful.

6.2.3 A motivating network

One key factor contributing to the alliance members’ engagement can be found in the strong relationships between the managers, that were also a key motivation for them to join STICA in the first place. Many of our interviewees mentioned being in frequent contact with other managers they got to know through STICA even outside the meetings organized by the alliance. This implies that STICA has contributed to mitigate the “lone wolf” aspect of the role of a sustainability manager. In addition to these emerging friendships, STICA has strengthened the pre-existing bonds between many members. The close collaboration seemingly created trust between the newly acquainted managers and enhanced existing trust between managers who knew each other before. These deep relations created a casual and friendly working atmosphere, perceived as highly pleasant by all interviewees. It is worth mentioning that even though we did not ask specifically about the working atmosphere, many of the managers elaborated on how pleasant they perceived it. Such a working environment naturally enhances the individuals’ engagement in the alliance and thus sets the optimal stage for joint learning.

Gina Tricot: "I think when we discuss with other brands, and we share troubles we've had or any obstacles we found and "how should we calculate this, what did you do, how was your way doing it?" [...] It could be just a phone call away to talk to another brand and then ask, "what did you think of this, I don't know what to do" [...].

Peak Performance: "Everytime when we have met in the workshops people were like: "Yey, I've been looking forward to this workshop, it's so nice to be in STICA!". I'm always going home with a lot of energy and new findings and feeling encouraged to drive the work even further [...] I think it's more than just the climate you are gaining. It's also the community."

Notably, the director of SFA has also been perceived as a member of this close network, "being only a phone call away". In addition, he was seen as a valuable connector between the STICA network and external contacts, adding knowledge and best practices not only from the industry but also from other sectors. For example, he invited a sustainability manager from the Swedish hamburger chain Max, who shared the company's best-practices for climate calculations with STICA. Such cross-sectional learning proved to give valuable insights, increasing the members' motivation to keep investing in the alliance.

It became apparent that the rapid growth of STICA, uniting almost the entire Swedish fashion and textile industry, has enabled its members to use the alliance as a leverage within their respective firms. As most of the sustainability managers are the only one or one of few working on environmental topics within the company, the membership within STICA has given them concrete proof of the significance of their work. This strengthens their internal position in the company as well as the credibility of the role they represent, which in turn enhances their negotiation power regarding internal company resources and strategic priorities. Consequently, this clear benefit motivates the individuals to invest in and drive the work of the alliance:

Peak Performance: "The collaboration as such, being in discussions weekly with [the director of SFA] and the other girls, is also something that is very valuable. That means that you can bring those new learnings into your own company and say: "Okay, this is what everyone else is doing. Do you, my management team, want us to lack all of this?" And of course they don't. [...] So it's also a driver where every one of us working in STICA, us sustainability managers [...] can push this back to our companies and drive change."

6.2.4 Proof of concept: Covid-19 crisis

In overarching crisis situations, characterised by onerous conditions, severe state-run measures and uncertainty, the strength of motivations is truly tested. This is especially true for a global pandemic of unprecedented scale, such as Covid-19. The pandemic that emerged in the beginning of 2020 has significantly decreased the demand for the whole global fashion and textile industry. Consequently, the impacts of the pandemic have hit the member companies of STICA severely: we were informed about dismissals and re-prioritization of

projects. However, despite or due to the Covid-19 crisis, the interviewed managers have rather unanimously expressed their strong motivations to continue working with STICA:

KappAhl: “We had that discussion now with Covid-19: What type of resources every company has. And the answer is that everyone says that these are tough times, but they really want to keep STICA and want to spend as much time as possible on the project.”

H&M: “Due to 2020, it’s also hard now with a lot of companies. How should we continue working with the climate goals? You have cut-downs in the companies, do you have the resources to still, both the personnel and money-wise? [...] We need to continue working on this. Now more than ever.”

The strong motivation to continue working with STICA despite the economic contraction caused by Covid-19 can be attributed to the internalization and combination of the aforementioned incentives. This speaks for STICA being perceived by members as an exceptionally well-functioning environmental alliance. Taken together, the non-hierarchical structure, strength of relations, shared mindset, feeling of belonging and notable joint advancements add to the pleasant overall atmosphere. This implies that the individuals have become invested in the STICA collaboration emotionally, which further makes them prioritize the work of the alliance over other collaborations:

KappAhl: “It’s a very nice cooperation and I hope that everyone that joins feels this good and nice atmosphere. You’re not more than human yourself so I think when it comes to the budget and you have to say no to any of your projects, you will keep the one that you think is the nicest. So you think “I feel that I’m belonging there, and I am heard”, so that is a large advantage.”

6.2.5 Inhibitors and risks

While we have presented many motivational drivers to engage in STICA, there are, however, also inhibitors and risks that can decrease the motivation of each respective firm to continue investing in the alliance. During our interviews we discovered that one of its early members, Filippa K, had decided to leave STICA. The firm is owned by Axel Johnson, one of the largest global trade and services conglomerates. The group drives a similar initiative for their firms, aiming all reporting to be systematic within its company portfolio. As Filippa K has to adopt these internal tools and measures and does not have the resources to execute two ways of climate calculations, the company decided to leave STICA. This implies that as firms across industries become more aware of the issue on climate, similar initiatives will emerge that potentially diminish the unique selling points of STICA.

Furthermore, another company we interviewed, Nudie Jeans, was more advanced in their environmental work than fellow SME members of STICA, since they had placed sustainability as a strategic priority long before the public climate discussion emerged. Due to their lead in knowledge, they perceived the pace of progress in STICA as rather slow. Hence, the company

started to work separately with the consulting firm 2050 that they got connected with through STICA. For Nudie Jeans, the value of STICA seemed to stem mainly from the network benefits, such as individual connections and being part of a bigger voice in the industry, and less from the learning aspect itself. However, the brand's sustainability manager sees the network aspect on its own as motivating enough to engage in STICA:

Nudie Jeans: And I think we realized that it is valuable to be part of this network, even though we do this work with a consultant on the side, all the practical work we do parallel to STICA. But we still see the value of being part of the network also as sort of being part of a bigger Swedish collaboration and a bigger voice when it comes to climate, like debates in Sweden, but also more globally. So I think being part of something bigger, even though we might be working practically more outside of STICA than inside of STICA."

These two examples imply that firms involved in STICA have varying capabilities, needs and owner structures which impact their motivation and resources to keep engaged in the alliance. Due to the urgency of climate issues, similar initiatives will likely emerge nationally and globally, within the fashion and textile industry as well as across industries. In this presumably increasing competition, STICA will have to find unique points of differentiation in order to keep its members engaged and motivated.

6.2.6 Future aspirations

In order to prove their progress on the path towards reduction of climate emissions, STICA is going to issue a report by the end of the year 2020 that all member companies are part of. Forward-looking, the interviews revealed potential future benefits from the work of STICA that kept the member firms motivated to engage. For many STICA members, a key driver for joining and engaging in STICA was to be part of a larger, more powerful voice, on national and global level, impacting governmental policies and the practices of suppliers. In addition, the aspiration for STICA to inspire other industries was seen as an aim many managers felt motivated by. In general, personal future aspirations were clearly visible: many managers wanted to see their effort paid off, to have proof that the tools and the action plan developed within STICA led them on the right way, and that the way would indeed lead to the desired substantial reduction in climate emissions:

*Gina Tricot: "Can we, together in STICA, push the government or the local government?
It quickly becomes a bigger question, I think."*

KappAhl: "My hope is that in, let's say three or four years ahead, we have laid out our route forward. Then we have started mapping our suppliers, we know where we can make a change. [...] That we see that this way that we have started is the right way to continue on. So my hope is that we will see that this STICA alliance works. Now we just sort of hope that it will work, but we don't know yet. I hope this is the way forward and that everyone has a strategy and we see that this is the right way. So hopefully then we will have so much resolved that we can see that this is the road forward."

7. Discussion

In the following, we will discuss the empirical findings of our research through the lenses of the theories in our conceptual framework: Resource-based view (RBV), Institutional theory and Network theory. First, in section 7.1 we will present our results for *what motivated companies in the Swedish fashion and textile industry to join the environmental alliance STICA*. Then, in section 7.2, we will present the insights our findings give about *STICA members' motivations to further engage in the alliance*. The overview of our empirical results in Table 3 showcase that all three theories are essential in explaining firms' motivations in both of the research questions. Notably, we identified differences regarding whether the motivational drivers stemmed from the firm or from the individual. These overarching findings will be further discussed in section 7.3. Lastly, section 7.4 inhibits the completion of our initial framework, taking into account the integration of the presented theories and empirical findings.

Table 3: Summary of empirical findings in relation to theoretical lenses

<i>Why did firms join STICA?</i>			
Empirical motivational driver	Theoretical concept explaining motivation	Firm-level motivation	Individual motivation
Sustainability as strategic priority Lack of resources	RBV: Strategic alignment Organizational learning	x	
Environmental pressures from media, consumers and Swedish society	Institutional theory: Isomorphic pressures Legitimacy	x	
Previous collaborations, existing networks and network benefits	Network theory: Embeddedness		x
<i>Supportive enablers:</i> Sweden's collaborative culture, sustainability seen as non-competitive, transparency of the industry, personal values of the sustainability managers, NGO as an initiator			
<i>Why do firms continue to engage in STICA?</i>			
Empirical motivational driver	Theoretical concept explaining motivation	Firm-level motivation	Individual motivation
Common goal and shared values Multilateral learning and "quick wins"	Master frame RBV: Organizational learning	x	x
Frequent inter-personal contact, friendships, feeling of belonging	Network theory: Embeddedness Strong ties & trust		x
Internal leverage of the managers towards their respective companies	Institutional theory: Legitimacy		x
<i>Supportive enablers:</i> Non-hierarchical structure of the alliance, "hands-on" action-oriented work, public commitment, key members driving the engagement			

7.1. What motivated the firms to join STICA?

Here, we present the main findings for our first research question of *what motivates firms to join environmental alliances* in the context of our case study. Institutional theory had particular theoretical relevance in answering this research question, hence we will further discuss it in section 7.3.

7.1.1 Strategic priority, external pressures and existing networks as main drivers

Our empirical findings, summarized in Table 3, showcase that, prior to joining STICA, firms had placed environmental sustainability and climate concerns as a strategic priority. However, since most firms in the Swedish fashion and textile industry are SMEs, they lacked the required knowledge, skills and resources to start improving their current status of climate emissions. Hence, we propose that the opportunity for organizational learning, driven by strategic prioritization of the climate issue, motivated particularly the SMEs to join STICA. Our findings contribute to the need for more empirical insights on why SMEs join environmental alliances (Bendell et al., 2010).

Additionally, our results imply that Swedish fashion and textile firms had experienced increasing isomorphic pressures, particularly coercive pressures, to act on climate-related sustainability issues. We argue that these pressures stemmed from the Swedish society as a whole: they were reflected in the internal expectations employees had towards their respective companies, in increased consumer pressures, and in the demands that business partners such as retailers communicated towards the firms. These pressures were further fuelled by the national media and raised a strong motivation among the firms to engage in environmental work. Notably, governmental regulatory pressure, often one of the most influential coercive pressures (Bigliardi, Yarahmadi and Higgins, 2012; DiMaggio and Powell, 2000; Stadtler and Lin, 2017), did not appear in the case of STICA. This, in turn, could have alerted the firms to the need for action initiated on industry-side. Thus, we conclude that the strength of the general societal pressures combined with the lack of governmental action pushed firms to act in the form of an environmental alliance. Hence, STICA was an effort to self-regulate the industry (Wassmer et al., 2014).

Previous synthesis on alliance motivations by Lin and Darnall (2015) makes a distinction between environmental alliances that are motivated by organizational learning, and alliances where motivation stems from external pressures, i.e., legitimacy. They suggest that when motivated by legitimacy, firms engage in an alliance to signal their “compliance” towards

environmental matters without the intention to truly improve their own or the industry's practices (Lin and Darnall, 2015). Our empirical findings contradict this: STICA combined motivations of both alliance types, organizational learning and legitimacy. Further, STICA's member companies communicated their strong aim to transform the unsustainability of the industry, thus the motivation was not simply to comply with external demands. This, we argue, is due to the existing strategic prioritization of the environmental issues that the member companies had before joining STICA. Therefore, we assume that in explaining the motivations to join an environmental alliance the firm-level motivations are particularly important.

In addition, our findings suggest that previous collaborations and existing embedded networks were a significant enabler motivating the firms to solve the issue at hand through national collaboration. Here, the perspective of the individual sustainability managers is vital: a significant part of the managers had built embedded interpersonal networks consisting of strong ties and trust through their previous collaborations. They had experienced these previous collaborations to be pleasant and effective, which motivated them to collaborate further. This conclusion is aligned with previous research in which existing relationships have been proven to positively impact the formation of new ties and future collaborations (Gulati, 1998; Gulati 1999; Valentine, 2016) and where trust has been presented as a crucial antecedent for a company's motivation to join an alliance (Dyer et al., 2001; Gilbert and Behnam, 2012).

7.1.2 Other enabling factors impacting the motivation to join

In Table 3 we have listed additional supporting enablers found to impact the firms' motivation to join STICA. Among these, our findings reinforce those of Lernborg (2019): first, the strong personal values of the sustainability managers who strive to actively implement environment-related changes and promote the initiative in their respective firms was a significant enabling motivation. Additionally, the "non-competitiveness" and transparency of the sustainability-related industry departments was important in enabling smooth cooperation to take place. Further, we found the empirical context of Sweden, with its values encouraging transparency and collaboration, as an enabler directing the firms towards national rather than international collaboration. This corroborates with previous studies discussing the favourable collaborative attitudes of Scandinavian cultures (Strand and Freeman, 2015; Valentine, 2016). Additionally, the director of SFA turned out to be an essential initiator who brought the co-founders together to form STICA.

7.2 Why do the firms continue to engage in STICA?

In this section we will present our findings for our second research question of *why firms continue to engage in environmental alliances* in the context of STICA. We will focus on the main findings; the larger overview of the motivations can be found in Table 3. Here, in particular, network theory provided interesting insights on individual motivations of the sustainability managers, which we will elaborate on in section 7.3.

7.2.1 A collective goal, quick wins and strong ties as main drivers

Our empirical findings indicate that one significant reason explaining why firms have stayed engaged in the alliance was the clear future vision that STICA had established. The alliance aligned the firms on a shared path towards reducing emissions, and in the near future could give them collective negotiation power towards suppliers and even in political forums. Accordingly, such unanimous alignment of a “master frame” has been identified to be crucial in order to empower the members to engage in the work of the alliance (Lashley and Taylor, 2010) and for the collaboration to be effective (Nidumolu et al., 2014). In this empirical case, particularly the bigger companies were motivated by the future aspirations of STICA, as these objectives were aligned with the sustainability goals and reputational ambitions that their own firms had established.

Further, we suggest that for the SMEs, the collaboration through STICA has already turned out beneficial during the first two years: SMEs have gained climate-related knowledge and tools by learning from large member firms and from external parties (Appendix 3, Table 4). These learnings can be described as “quick wins”, which in turn reinforced both the personal motivations of the sustainability managers as well as the firm-level motivations of the companies to remain engaged in the alliance, similarly as observed in the environmental alliance STWI (Lernborg, 2019).

We discovered that in answering our second research question, the strongest motivations seemed to stem from the individual sustainability managers instead of from the firms they represented. Via collaborating in STICA, the managers have broadened their network, and their existing ties have become stronger, deepening the network’s relational embeddedness (Gulati, 1998). The cordial relations that the sustainability managers stated to have, their frequent interactions and first name referrals to each other all indicate that their strong connections are based on personal rather than organizational relationships. In line with previous academic findings, we suggest that strong interpersonal relationships created a reinforcing mechanism in the form of deepened trust, which has created collaboration benefits

that in turn have reinforced the level of trust within the alliance (Gilbert and Behnam, 2012; Gulati, 1998; Sydow and Windeler, 1998). Hence, we argue that interpersonal trust makes the members motivated to stay engaged in STICA.

With regard to the strength of ties, our findings contradict the work of Lin and Darnall (2015), who argue that firms that are motivated to join an alliance by legitimacy would develop weak ties with their partners, and might in fact join the alliance with greenwashing intentions, i.e., to make their image look more environmentally-friendly than their operations actually are (Aggarwal and Kadyan, 2011), which would threaten the legitimacy of the whole alliance (Mena and Palazzo, 2012). Our findings establish that, even though the decision to join STICA was motivated by legitimacy, once in place, it led to commitment, trust and explicit knowledge exchange between the alliance members (Mena and Palazzo, 2012; Parmigiani and Rivera-Santos, 2011; Uzzi, 1997), enhancing the strength of the interpersonal ties. Further, we observed that because the ties have become more personal, they have enhanced the individual managers' commitment and made them emotionally invested in the mission and work of STICA. Therefore, we argue that strong ties can be a significant mediator enhancing individual managers' motivations and reducing the likelihood of greenwashing in an alliance.

Additionally, we suggest that for some of the sustainability managers the STICA membership has increased their leverage in their firms by strengthening the importance of the agenda that the managers and their departments represent. This improved internal position within their respective firms we see as increased individual legitimacy. Based on our results we can say that this enhanced legitimacy presumably has reinforced the managers' motivation to stay engaged in the alliance. Moreover, in regard to legitimacy, our findings are in line with Lernborg (2019) and Mena and Palazzo (2012) when it comes to the output legitimacy of an environmental alliance. First, firms engage in an alliance in order to be perceived legitimate. Then, the alliance has to be organized effectively to enable it to achieve legitimacy in the society via achieving expected outputs. As the outputs increase the alliance-level legitimacy, the member firms' legitimacy is also enhanced. Based on our empirics we can suggest that STICA's output legitimacy is two-folded. In the first place, from the perspective of effective organization and governance, the members' public commitment to the climate goals of the alliance strengthened the output legitimacy of STICA (Mena and Palazzo, 2012). Secondly, one of the alliance's collective goals for the end of year 2020 is to produce a report on the progress of the alliance members thus far. The report was not yet available, but the members discussed it with anticipation. We suggest that if publicly released, this report would further STICA's output legitimacy, enhancing the alliance-level legitimacy, as well as the individual-level legitimacy of the sustainability managers (Mena and Palazzo, 2012; Lernborg, 2019). Consequently, the

report would aid in maintaining the members' motivation to engage in the alliance, especially if it were to be reported, hence endorsed, by the media (Deephouse, 1996). Thus, when it comes to legitimacy as a motivator to stay engaged in an alliance, we see a reinforcing interdependence between all three levels: alliance-level legitimacy, firm-level legitimacy, as well as the legitimacy of individual sustainability managers.

7.3 Whose motivations are impactful?

When reflecting on our insights regarding both of our research questions we discovered an interesting pattern: our results suggest that the key motivations for joining STICA occurred on a firm-, or even on an industry-level, whereas the motivations to stay engaged stem mostly from the personal motivations of the individual sustainability managers. In the following, we will elaborate on these insights.

7.3.1 Societal pressures lead to collective motivation

As discussed, external pressures were one of the main motivations for firms to engage in STICA, and these pressures stem from the Swedish society as a whole, including consumers, employees and the media (Appendix 3, Table 4). This finding is aligned with academic work on Scandinavian societies: they require exceptionally high sustainability performances from Scandinavian companies, and a wide stakeholder view that goes beyond firm benefits towards shared value (Strand and Freeman, 2015). Our results show that this demand is particularly strong for industries such as fashion and textile, for which environmental issues are exceptionally salient and seen as a public concern (Dacin et al., 2007). In order to fulfil the societal expectations and be perceived legitimate, the fashion and textile companies had to act on environmental sustainability.

We can take this thought further and argue that the “responsibility gap”, the difference between the expected and the current performance of the companies (Deephouse, 1996), in climate-related aspects seems to be an issue of individual Swedish fashion and textile companies as well as of the national industry. Our empirical findings indicate that becoming more sustainable was perceived as the only way to do business in the future. Additionally, the fact that the industry needs to create the change together was emphasized by virtually everyone. Hence, obtaining environmental legitimacy is perceived both business-critical, and critical for the survival of the industry, which blurs the lines between firm-level and industry-level motivations. As the need for legitimacy is collective, engaging in collective action was needed for obtaining it. As a result, an alliance uniting competitors was born.

Our findings on legitimacy as a collective concern contradict some previous literature that often depicts firm-level legitimacy as the central motivation driving alliance engagement (Grey and Stites, 2013; Radnejad et al., 2017). Further, as STICA was founded due to a collective concern, the partner selection had less significance in the legitimization process, which also opposes some previous research (Dacin et al., 2007; Wassmer et al., 2017; Bigliardi et al., 2012). When becoming part of the alliance, the Swedish fashion and textile companies were not primarily seeking legitimacy via collaboration with a legitimate partner, such as an NGO, but rather seeking to engage as many competing companies as possible. Here, SFA was an important enabler and connector, but not the legitimizing partner per se. However, it is to be noted that partner-selection was important for the SMEs, as for them one motivation to join stemmed from the fact that bigger companies such as H&M were part of the alliance. Still, these motivations derived equally from their need for resources as for legitimization.

Previous literature presents the need for collective legitimacy as typical in post-crisis situations, as an act of repairing lost legitimacy (Delmas and Montes-Sancho, 2010; Huq and Stevenson, 2020), or when the aim is to protect industry's current practices or reputation via joint lobbying (Oliver, 1991; Lin, 2012). However, our findings add to this that collective legitimacy may be particularly needed in societies such as the Scandinavian ones that demand high environmental performance from firms. This holds true especially for those operating in media-salient industries (Dacin et al., 2007). As fashion has an immense impact on culture and trends, it has always been in the spotlight of the media; however, these days fashion's glamorous image has become stained by the public awareness of its unsustainability. We conclude that in similar societal and industry contexts, the pursuit for collective legitimacy can be a prominent motivation for firms to engage in self-regulative environmental alliances with their competitors.

7.3.2 Personal motivations drive the engagement

As aforementioned, we conclude that strong ties, general embeddedness and significant network benefits are some of the main reasons why firms are motivated to continue engaging in STICA. Further, we argue that some of these network benefits have materialized as personal benefits rather than firm-level benefits, making personal motivation the key driver to stay engaged in the alliance. We suggest that this is due to the solitary role of the sustainability manager in most of the Swedish fashion and textile companies: as STICA is able to provide like-minded support, even friendships, managers are personally and emotionally motivated to keep engaging in it. Adding to this, their shared mindset regarding the importance of sustainability issues contributes to the managers' personal motivation to generate

environmental system-level benefits (Appendix 3, Table 4). This conclusion is further supported by the perseverance of personal motivations, proven during the Covid-19 crisis.

The skills and knowledge that the individual managers have obtained by engaging in the alliance can be classified as additional network benefits, benefitting first and foremost the individual sustainability managers, thus enhancing their personal motivation. Moreover, the collective leverage of STICA that the managers are able to use in their respective companies is another such benefit motivating particularly the individual managers. While strong individual motivation indeed incentivises the members to stay invested in the alliance, it comes with risks. Our results indicate that some members have become the key drivers of the alliance, enhancing the motivation of others. However, such dependence on certain individuals can be dangerous in the long run: an exit of a core member could have a detrimental impact on the motivation of others to stay engaged in the alliance. Nevertheless, the risk might be mitigated by the strength of interpersonal ties (Uzzi, 1997).

To conclude, our results continue the path established by Lernborg (2019): she made the distinction between the motivational drivers of the organizations and those of the individual sustainability managers in the context of the environmental alliance STWI. Following her footsteps, our results, too, question who indeed is the member in environmental alliances; the firm or the individual sustainability manager? Whose motivations are paramount when firms take decisions on joining and continuing in investing in an alliance? How do these motivations evolve, and how do they relate? Based on our findings we can claim that regarding the decision to join an alliance, the main motivational drivers can be found on organizational-, even industry-level, yet personal motivations do have an enabling impact. However, when exploring the motivations to stay engaged in an alliance, we can state that personal motivations can indeed dominate the organizational motivations.

7.4 Integration of empirical findings with the conceptual framework

Following the integration of previous academic literature with our empirical findings, we have extended our conceptual framework accordingly, as shown in Figure 2. Our results prove the importance of all three theoretical perspectives for the examination of our research questions. Additionally, regarding firms' motivations to join an environmental alliance, our findings reveal a significant impact of three empirical enablers; the Swedish culture that advocates collaboration; the distinct characteristics of a firm's sustainability department encouraging transparency and non-competitiveness; and the personal values of the sustainability managers

who strive to actively implement environment-related changes, hence promoting the initiative internally. Moreover, SFA as a third-party NGO played an essential role in bringing the founding firms together and putting the idea of a climate-related collaboration into practice. Regarding firms' motivation to further engage in STICA, we see a positive reinforcing mechanism in the notion of shared values among the alliance members, in individual legitimacy and in interpersonal trust among the individual managers. In line with this, realized and potential benefits for the firms and particularly for the individual sustainability managers have been shown to enhance their motivation to stay engaged in the alliance. We conclude that the determining motivations shift from firm- or industry-level when joining the alliance to the individual level of the respective member company's sustainability manager when continuing to engage in the alliance.

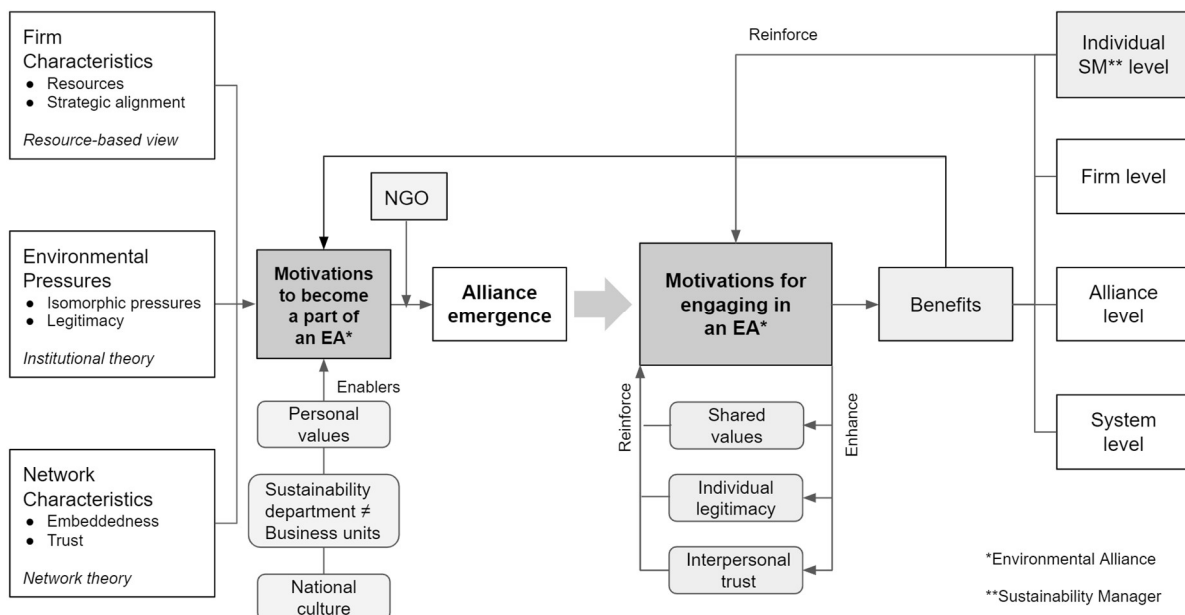


Figure 2: Integration of empirical findings with the conceptual framework

8. Concluding remarks

In this chapter, we will present the concluding remarks of our thesis. The first section addresses the main findings to our research questions (8.1). Thereafter, we will highlight the theoretical (8.2) and practical contributions of our study (8.3). Then, we will outline the limitations of our work (8.4) and, lastly, address promising options for future research (8.5).

8.1 Addressing the research questions

The purpose of this thesis was to investigate the drivers behind environmental alliances between competing firms in the fashion and textile industry. More precisely, we explored firms' motivations to become part of as well as to stay engaged in environmental alliances. Therefore, we developed the following research questions:

What motivates firms to join environmental alliances?
Why do firms continue to engage in environmental alliances?

In order to answer our research questions, we conducted a case study in the Swedish fashion and textile industry. Sweden, known as a role model in sustainability development, provided an intriguing empirical context. Here, we explored the environmental alliance STICA, The Swedish Textile Initiative for Climate Action. The alliance emerged two years ago and engages competitors in the Swedish fashion and textile industry, which makes it a suitable subject to address both of our research questions.

When it comes to the motivations to join STICA, we discovered that they emerged mainly on the firm-level. The motivations were impacted particularly by the individual firms' and the fashion and textile industry's pursuit towards legitimacy, driven by a variety of societal pressures. Here, firms' shared perception of the strategic importance of environmental issues and existing networks established by previous collaborations between the firms were important additional motivations. While SMEs and moderate-sized firms primarily strived for extending their limited resources, larger corporations saw importance in aligning the Swedish industry on a common path towards climate improvements.

Regarding the second research question, we found anticipated firm-, alliance- and system-level benefits to be a crucial motivation for STICA members to stay invested in the alliance. However, our findings further revealed a paramount importance of personal motivations of the individual sustainability managers on a firm's continuing engagement in STICA. Here, the

aspects of shared values, individual legitimacy, interpersonal trust and benefits for the individual seem to be largely accountable for answering our research question.

8.2 Theoretical contributions

The combination of the three theoretical perspectives in this study, resource-based view, institutional theory and network theory, offers a holistic approach for examining the motivations of firms to join and continue to engage in environmental alliances. Our conceptual framework answers the call to utilize several theoretical lenses for exploring the motivational variations for alliance formation (Barringer and Harrison, 2000; Parmigiani and Rivera-Santos, 2011). Previously, Lin and Darnall (2015) have examined the theoretical lenses of both the resource-based view and institutional theory in this context. We have extended this multi-theory approach by introducing the underutilized yet empirically relevant perspective of interpersonal networks (Wassmer et al., 2014; Lernborg, 2019; Valentine, 2016). Our findings argue for the paramount significance of network theory particularly in explaining the firms' motivations to stay engaged in environmental alliances.

In general, our work provides empirical insights on the variations of firms' motivations for engaging in environmental alliances (Niesten and Jolink, 2020; Todeschini, 2020), contributing particularly to the understudied stream of coopetitive alliances (Volschenk et al., 2016; Manzhynski and Figge, 2020). Further, our work adds empirical insights to the yet scarce understanding of the motivations for SMEs to engage in environmental alliances (Bendell and Collins, 2010). Finally, the result of our work is an overall conceptual and theoretical framework that, we hope, will fuel interest in investigating the multi-faceted phenomenon that environmental alliances are through a multi-theory perspective. Our conceptual framework will likely be of use in examining environmental alliances in similar societal contexts and in industries equivalently in the centre of the public's attention as the fashion and textile industry is (Dacin et al., 2007).

8.3 Practical contributions

Our study illustrates that one of the main motivations for the members to join STICA was to acquire skills and knowledge regarding climate calculations and to learn from other member firms. The way that STICA is structured enables the members to fulfil these needs. It allows for a multilateral knowledge exchange between partners of different sizes. Members learn simultaneously about the topic of climate emissions in general while working more focused on sub-topics in smaller working groups. Further, members are required to commit publicly to the goals of the alliance and to work "hands-on" on their own climate calculations and then

report those back to STICA. The clarity of this roadmap inevitably makes the work engaging and stimulating. As these methods were proven prosperous in sparking and maintaining the motivation of the member firms, we can recommend similar structures for other environmental alliances still to come. Notably, STICA has successfully created a non-hierarchical, pleasant and friendly working atmosphere among the members which makes the work emotionally rewarding, too. One could assume that such ambience is a product of pre-existing interpersonal connections and trust between many of the members, and of the Swedish national culture underlining collaboration and equality. Yet, we believe that striving towards a similar way-of-working in any environmental alliance will likely be a crucial element in making the work of the alliance successful in the long-run.

Furthermore, our findings revealed that all interviewed member companies have collaborated with several fellow STICA member firms in other national sustainability alliances, such as in STWI for more sustainable water management or in Dress Code in order to improve labour conditions for workers in the supply chain. A consolidation of these common sustainability alliances among the firms in the Swedish fashion industry would enable member companies to be part of one national alliance, while working on selected sustainability-related areas. Member companies could choose which topics are of most relevance for their business and attend respective working groups. We see a number of potential long-term benefits in such a consolidation: First, the organizational effort for individual members that have been shown to have limited resources would be minimized. Second, the network benefits would be maintained or even enhanced by including the whole Swedish fashion and textile industry. Thirdly, the broad spectrum of sustainability topics covered would likely keep the members in the alliance, which would lower the risk of the exit of members, thus again enhancing the alliance's network benefits. This applies for instance to the aforementioned case of Filippa K that decided to exit the alliance, because the content and tools generated within STICA proved to be redundant for the company.

8.4 Limitations

The findings in this study are subject to some limitations. Scandinavian cultures have equally shown to place high demands on corporations when it comes to sustainability issues and in general are at the forefront regarding environmental investments. Moreover, due to Scandinavian countries' relatively small number of inhabitants, their respective national fashion and textile markets are limited in size. Therefore, our study is likely to be generalizable across Scandinavia. However, when it comes to other societal contexts with a different approach to sustainability issues and larger market size, such as the US and large parts of Asia,

the transferability of our findings cannot be ensured. Further, as the fashion and textile industry can be described as a media-salient industry, especially regarding sustainability, our findings might not be generalizable for a large number of other industries.

Since our study focuses on competitors, i.e., fashion companies, within the Swedish fashion and textile industry, only 19 out of 47 member companies of STICA were deemed relevant for our interviews. Our final interview sample of 11 interviewees represents 8 member companies of STICA as well as the initiating NGO, Sustainable Fashion Academy. Our sample includes all founding members of the alliance; however, the sample can be argued to be rather narrow for generalizable results. The overall unresponsiveness regarding our interview inquiries was largely due to the global pandemic Covid-19, as it set unexpected limitations when it came to the resources of the member companies to participate in university research. Many of the member firms of STICA had been heavily impacted by the pandemic and been forced to cut down resources. Therefore, most contact channels, such as phone lines and online inquiries, were closed. Due to the resource constraints, several of the companies turned down the offer to be interviewed, or they did not respond to our repetitive attempts to reach them.

8.5 Future research

Following the findings of this study, there are several areas that future research on environmental alliances may investigate. As our case study has been conducted in the industry context of the fashion and textile industry and the societal context of Sweden, it would be valuable to use our holistic framework to explore whether the findings we have made apply to different industries and societal settings.

Further, our findings on the interplay between the motivations of the firms and the individual sustainability managers open up intriguing avenues for future research. A viable option for future work would be to explore these differences further by focusing on one alliance and interviewing the representatives of the general management as well as the sustainability managers of the member firms. Such a research setting would likely yield insightful results when it comes to the distinctive motivations of the firm and the individual at different stages of the environmental alliance engagement. Additionally, as STICA has been active only for two years, a continuum study building on the results of our work could be conducted to explore how the motivations of the member firms and of the sustainability managers evolve as the alliance progresses towards its jointly established goals.

Lastly, future research may study more in-depth the possible relationships between the three theoretical perspectives within our framework that can influence firms' motivations regarding collaboration with competitors on environmental issues.

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11. Appendices

Appendix 1: List of respondents and interviews

	Organization	Response to interview enquiry	Position	Interview type
1	SFA / STICA	Yes	Director of SFA and STICA	Phone Call
2	Peak Performance	Yes	CR & Quality Manager	Video Meeting
3	KappAhl	Yes	Head of Sustainability	Video Meeting
4	KappAhl	Yes	Sustainability Production Manager	Video Meeting
5	H&M	Yes	Head of Sustainability, H&M Sweden	Video Meeting
6	H&M	Yes	Strategy Lead for Climate & Water	Written Response
7	Filippa K	Yes	Compliance Manager	Video Meeting
8	Totême	Yes	Sourcing and Production Director	Video Meeting
9	Tiger of Sweden	Yes	CR & Quality Manager	Video Meeting
10	Nudie Jeans	Yes	Environmental Manager	Video Meeting
11	Gina Tricot	Yes	CSR & Quality Manager	Video Meeting
12	ACNE Studios	No		
13	House of Dagmar	No		
14	Lindex	No		
15	Polarn O. Pyret	No		
16	Eton	-		
17	Mini Rodini	-		
18	Odd Molly	-		
19	Björn Borg	-		
20	Hope	-		

Appendix 2: Interview Guides

Interview Guide: Founding Members of STICA

Intro

Clarifying the interviewee's name, company X and position.

- Do you agree with us transcribing this interview for the purpose of our Master thesis?
- How long have you been working at company X? Do you have previous work experience in sustainability?

Emergence of STICA

1. What are the main reasons company X has invested in sustainability in the past years?
 - a. Regarding consumer demands? [Follow-up Q]
 - b. Regarding governmental demands? [Follow-up Q]
 - c. Regarding pressures from within the industry? [Follow-up Q]
2. Have you faced sustainability challenges that were too big to solve on your own?
3. What do you think about collaboration with other brands when dealing with sustainability issues?
4. Is collaboration among competitors common in the Swedish fashion industry?
5. Could you tell us about the co-founding process of STICA?
 - a. Has the motivation to collaborate been driven more by individuals within company X, by the management or by external industry factors? [Follow-up Q]

Motivations for collaboration & future outlook

6. Has company X benefitted from the STICA collaboration?
 - a. How?
 - b. Do you see other parties outside STICA benefitting from the work of the alliance?
7. Does company X currently have an active role within STICA?
 - a. What motivates you to invest in the collaboration?
8. What are company X's expectations for future collaboration through STICA?
 - a. How do you see company X's role in it?
9. Is there anything else you would like to add?

Appendix 2: Interview Guides (continued)

Interview Guide: Members of STICA

Intro

Clarifying the interviewee's name, company X and position.

- Do you agree with us transcribing this interview for the purpose of our Master thesis?
- How long have you been working at *company X*? Do you have previous work experience in sustainability?

Emergence of STICA

1. What are the main reasons *company X* has invested in sustainability in the past years?
 - a. Regarding consumer demands? [Follow-up Q]
 - b. Regarding governmental demands? [Follow-up Q]
 - c. Regarding pressures from within the industry? [Follow-up Q]
2. Have you faced sustainability challenges that were too big to solve on your own?
3. What do you think about collaboration with other brands when dealing with sustainability issues?
4. Is collaboration among competitors common in the Swedish fashion industry?
5. Could you tell us more about *company X*'s decision to join STICA?
 - a. When did *company X* join STICA?
 - b. Was the motivation driven more by individuals within *company X*, by the management or by external industry factors? [Follow-up Q]

Motivations for collaboration & future outlook

6. Has *company X* benefitted from the STICA collaboration?
 - a. How?
 - b. Do you see other parties outside STICA benefitting from the work of the alliance?
7. Does *company X* have an active role within STICA?
 - a. What motivates you to invest in the collaboration?
8. What are *company X*'s expectations for future collaboration through STICA?
 - a. How do you see *company X*'s role in it?
9. Is there anything else you would like to add?

Appendix 3: Interview quotes - Table 4

Motivational driver	Interview quotes
Sustainability is in many firms' DNA	<p>"You could include a lot within the framing of sustainability...of course the high quality level of our products, that has been the key focus from our brand since the beginning: To create long lasting garments that stand the test of time. So we've always invested in sustainability." Tiger of Sweden</p> <p>"The initial driver [for general sustainability work] definitely came from the insight perspective because of the owners, they are so engaged in sustainability." Nudie Jeans</p> <p>"Coming from Åre [...] we have always been keen on the outdoor side [...] It's in our DNA to care, for nature and for the people that are handling our products." Peak Performance</p>
Firms have placed environmental sustainability as a business-critical strategic priority	<p>"We know that we have a huge impact both on people, and on the environment. If we would like to exist in the future, it's super important for us to make our business more responsible [...]" Peak Performance</p> <p>"If we want to be a company in the future we need to invest in it. In the bigger perspective, if we all want to live the life we're living and our children and grandchildren, we need to invest. [...]" There will not be any ways of doing business. Unless it's more sustainable we believe." Gina Tricot</p> <p>"If we don't do that [focus on sustainability] there will be no company in the future." H&M</p>
SMEs lack resources to work on climate: collaboration is the solution	<p>"We hadn't really worked much with the climate aspects of our sustainability work. We have talked about it, but we didn't really know how to start it." Nudie Jeans</p> <p>"We're so small that for us, collaboration is key. It's one of our most important activities, the collaboration, because we need it." Gina Tricot</p> <p>"A company like Filippa K, we are an SME. We are not able to set aside a specific department to do this work." Filippa K</p>
"Lone wolf" position of a sustainability manager	<p>"I would say that it's a quite lonely job, if you're not working at H&M which has a huge department for sustainability." Peak Performance</p> <p>"A lot of smaller companies only have one person working with these issues and of course when you work alone [...] you're very lonely. This cooperation makes them being able to get some friends." Kappahl</p>
Swedish societal pressures	<p>"I think it's more of the pressure from society that you should. It's everything about the Paris Agreement, and aligning all the businesses with that." Totême</p> <p>"I think the whole society in Sweden and Scandinavia is sort of driving the environmental and sustainability questions [...]" It's not only the mentality of the brands but the society in total." Gina Tricot</p>
Societal pressures: consumers and business partners	<p>"The consumer market is changing a lot [...] I think that the next generation and the Gen Z consumers are not gonna accept anything else than sustainable thinking in all aspects of the products." Tiger of Sweden</p> <p>"Another driver is of course that there is a bigger demand from the end consumers, they do know more about sustainability and they are putting demand [on us]. And I would say that the biggest press is more or less from our business to business partners." Peak Performance</p> <p>"Externally, you have the customers and their demands." H&M</p>
	<p>"I get a lot of comments or questions [on sustainability] from our team who is meeting our customers on a daily basis in our stores." Tiger of Sweden</p> <p>"Everyone [of consumers] is moving forward and has more knowledge today than what they had five years ago. I think we get more questions both in our shops and to the offices about sustainable materials and processes" Kappahl</p>
Societal pressures: Media fueling the industry to act together	<p>"This has become more and more highlighted, the impact of our industry" Filippa K</p> <p>"I think that's the largest risk, that media texts about misbehaviour in the textile industry." Kappahl</p> <p>"We have an active media base that is also pushing [companies towards sustainability]." Gina Tricot</p> <p>"I think this [joining STICA] was after the really warm summer we had in Sweden, and the climate debate was all over. And we all had this in mind, like what should we do? [...]" So where should we join, we need to have something together [...]" Gina Tricot</p>
Previous collaborations and personal relations make firms eager for future collaborations	<p>"There are quite a few initiatives in which we are supporting each other: "I'm always welcome to call a colleague in another company, or they are welcome to call me." Filippa K</p> <p>"I also knew a lot of people working with STICA, and I know all the brands and I knew that they were doing something that we could benefit from our point of view.... I worked for Peak Performance in the past. Åsa, she's also very involved in STICA, so I talked to her of course." Totême</p> <p>"I must say that from the first day that I worked together with others, I have really enjoyed that. We started actually working with Lindes, which is our biggest competitor. And it worked extremely well. [...] I've never been disappointed when I've been working on a project. [...] I think it's been a great way to come forward." Kappahl</p>

Appendix 3: Interview quotes - Table 4 (continued)

Motivational driver	Interview quotes
Personal values of the sustainability managers drive action and collaboration	<p>"I think everyone working with sustainability in any industry, you have to be passionate, as a person [...] So it's something that we had to do because I personally am passionate about it [...]" Tiger of Sweden</p> <p>"One big driver for me personally, is to make a big difference, to drive change. And I really like to collaborate with others, I'm getting a lot of energy being social and talking to others, so I saw this as a great opportunity to be able to create something bigger." Peak Performance</p> <p>"It's my favorite goal, this goal 17, partnerships and collaboration" H&M</p>
Sustainability is seen as a "non-competitive" unit	<p>"I think [tight collaboration] is quite unique for sustainability. When it comes to innovation and R&D, I would say that is more something that you would like to keep within the company." Peak Performance</p> <p>"We [the fashion industry] are very transparent. And we are also very good to have our annual report, all the brands, and I think we were also very early to put all our suppliers on the website." Kappahl</p>
Transparency of the fashion industry	<p>"In the fashion industry in Sweden, we collaborate a lot in this question [sustainability]. Of course we are competitors in many ways, but we believe that in this topic we all need to support each other because in the global textile market we are super small." Gina Tricot</p> <p>"It's very open in Sweden. I feel that I have someone at all Swedish companies that I can call and ask if I would like to know something [...]" We have a very open collaboration. "Totême</p>
Sweden has a generally collaborative culture that increases the motivation to collaborate nationally	<p>"In Sweden, we are quite used to collaborating, we have been doing that for so many years. We have realised that we might be competitors on the shop floor, but when it comes to sustainability, we are quite open and we are sharing what we are doing." Peak Performance</p> <p>"I think it's a very Swedish cultural thing, to collaborate. The Swedish industry is perhaps better on that" Kappahl</p> <p>"We need to take serious and big action, and I think having a Swedish or Scandinavian network collaborating is the best way for us, because it's hands on [...]" Tiger of Sweden</p> <p>"All of the initiatives have some focus. In Sweden, we've had this Swedish chemicals group, chemicals, we had the Swedish textile water initiative for water. So, for climate it was only logic that we need the initiative there. I think that STICA covers an area in Sweden that has not been covered before." Kappahl</p>
STICA members have common goals and shared understanding of the issue at hand	<p>"[collaboration] will not decrease our competitiveness but will actually lead to that we all can put the same requirements on suppliers." Kappahl</p> <p>"We want to be part of this bigger voice on the bigger movement." Nudie Jeans</p> <p>"We get to inspire other industries as well to work together to reach the goal." H&M</p> <p>"The bigger companies that are a little bit more advanced or have more possibilities to afford consulting should help the smaller ones to be able to move the whole textile industry forwards. Because we need to be all in it for it to be any good for anyone." Kappahl</p>
STICA has enabled "quick wins" and multilateral learning	<p>"It [STICA] has set the framework for our climate work." Nudie Jeans</p> <p>"Sharing knowledge and the collaboration with other companies [in STICA] has been really beneficial." Tiger of Sweden</p> <p>"On a personal level, I have gained a lot of more knowledge, looking into different kinds of tools, how to measure." Peak Performance</p> <p>"You can learn a lot from local, smaller brands that can be [...] quicker, and do things in a different way, that we can learn about and maybe apply certain parts" H&M</p> <p>"I think in one of the seminars we had as well Max, the hamburger chain, because they provide a Co2 calculation for each hamburger [...] How they make the climate compensation." Filippa K</p>
Previous initiatives were "Country clubs", whereas STICA is action-oriented	<p>"There are so many 'country clubs', you pay your member fee and then you're very good... This should not be a Country Club, it should be action." Kappahl</p> <p>"Before there were more donations to charity organisations [...], now it's also about doing action. So that is also putting time and resources into the new way of working with sustainability by actually taking action in it yourself and not only donating away the problem [...]" Gina Tricot</p> <p>"It's a learning network, and a way where everyone can feel that you constantly are progressing" Peak Performance</p>
STICA has curbed the "lone wolf" aspect of the sustainability manager role	<p>"There is also only one person working with sustainability within their brands. [...] If I don't know an answer to a question or if I'm struggling "Should I do like this or should I do like that?", then I can call him asking: 'How are you thinking in these questions?' and then we can discuss them on the same level. Because it will never be on the same level when I'm talking to colleagues not working with sustainability." Peak Performance</p>