

STOCKHOLM SCHOOL OF ECONOMICS

Major 3100 – Accounting and Financial Management

Spring 2009

Master Thesis (10 credits/15 ECTS credits)

Inter-organizational Governance towards Sustainability in a Commercial Property Company

Authors: Amelie Lingö (21451) Ida Fransson (20680)

Abstract: The purpose of this thesis has been to, within the field of management control in inter-organizational relationships; study how a commercial property company can implement its corporate sustainability policies with regard to waste recycling. The environmental threat is an increasingly important issue facing companies, forcing them to elaborate strategies for ensuring Corporate Sustainability including, not only activities taking place within the company, but also those undertaken by external stakeholders. Departing from theories of management control in inter-organizational relationships we have conducted a case study on how a commercial property company manages and controls tenants and suppliers in a shopping center to successfully implement waste recycling and thereby attain their environmental goals.

Findings included that the commercial property company's high demand for corporate sustainability had urged a complex process for sorting and recycling the waste, which in turn put increased demands on managing the actions of the involved parties. Although the relationships with both the supplier and the tenants essentially were based on exhaustive contracts there was a need to coordinate and integrate beyond that; either by social means, but also with more formal mechanisms in the latter relationship. Finally, we can conclude that the cooperation ran smoother in cases where there was a mutual interest for environmental issues and a comprehension for the potential cost benefits engaging in waste recycling implies.

Tutors: Assistant Professor Torkel Strömsten

Dissertation: 25st of May 2009, 13:15-15:00, Location: room 343

ACKNOWLEDGMENT

We would like to thank our advisor, Torkel Strömsten, for his direction and guidance. We also wish to express our gratitude to Unibail-Rodamco and their staff at head quarters and in the center studied, to Ragn-Sells for all their support and for giving us the opportunity to follow our interests and lastly to the participating representative of the tenants in Täby Centrum. Finally we would like to thank family and friends for proofreading and commenting.

TABLE OF CONTENTS

| | |
|--|----|
| 1. INTRODUCTION | 5 |
| 1.1 Background | 5 |
| 1.2 Definitions | 6 |
| 1.2.1 Inter-organizational Relations | 6 |
| 1.2.2 Management Control in Inter-organizational Relationships | 7 |
| 1.2.3 Corporate Sustainability | 7 |
| 1.3 Purpose | 8 |
| 1.4 Research Question | 8 |
| 1.5 Limiting the Scope | 8 |
| 1.6 Disposition | 9 |
| 2. METHODOLOGY | 9 |
| 2.1 The Research Process | 9 |
| 2.2 Selection of Subject and Research Question | 10 |
| 2.3 The Qualitative Study | 10 |
| 2.4 Literature Studies | 11 |
| 2.5 Empirical Study - The Case | 12 |
| 2.5.1 Case Selection | 12 |
| 2.5.2 Semi-structured Interviews | 13 |
| 2.5.3 Case Study Limitations and Weaknesses | 14 |
| 3. THEORY | 16 |
| 3.1 Corporate Sustainability | 16 |
| 4. THE CASE STUDY | 26 |
| 4.1 Unibail-Rodamco Sweden | 26 |
| 4.2 The Täby Center | 28 |
| 4.3 Waste Management in Täby Center | 29 |
| 4.3.1 Key Actors in the Waste Management Process | 30 |
| 4.3.2 The Waste Management Process | 32 |
| 4.4 Unibail-Rodamco and Ragn-Sells | 34 |

| | |
|---|----|
| 4.4.1 Objectives of the Cooperation..... | 35 |
| 4.4.2 The Nature of the Relationship with R-S..... | 36 |
| 4.4.3 Challenges | 37 |
| 4.5 Unibail-Rodamco and Tenants | 37 |
| 4.5.1 Objectives of the Cooperation..... | 38 |
| 4.5.2 The Nature of the Relationship with Tenants | 39 |
| 4.5.3 Challenges | 41 |
| 4.6 Summary of Empirics | 43 |
| 5. ANALYSIS | 43 |
| 5.1 Unibail-Rodamco and Ragn-Sells | 43 |
| 5.1.1 Coordination..... | 43 |
| 5.1.2 Control Mechanisms | 45 |
| 5.2 Unibail-Rodamco and Tenants | 46 |
| 5.2.1 Coordination | 46 |
| 5.2.2 Control Mechanisms..... | 47 |
| 5.3 Summary of Analysis | 49 |
| 6. CONCLUSION | 49 |
| 6.3 Further Implications..... | 51 |
| 6.4 Recommendations for U-R..... | 52 |
| REFERENCES AND APPENDICES | 53 |
| Transcribed Interviews | 53 |
| Non-transcribed Verbal Sources | 53 |
| Observations..... | 54 |
| Material from the case companies studied | 54 |
| Lectures at Stockholm School of Economics | 54 |
| Books | 54 |
| Articles from Academic Journals | 55 |
| Webpages..... | 57 |
| Appendices | 57 |

1. INTRODUCTION

1.1 Background

An increasingly important trend facing companies worldwide is the one of Corporate Sustainability. As noted by Hart (1997) “...many companies have accepted their responsibility to do no harm to the environment”¹. Werther & Chandler (2008) furthermore state that the consequences for companies ignoring their environmental responsibilities may be devastating, as it might imply criticism, negative publicity and in worst case legal sanctions.²

The notion of Corporate Sustainability has been described as the ultimate aim of activities undertaken by a company driven by the society’s expectations, populously referred to as Corporate Social Responsibility (CSR).³ The increased pressure on companies to implement CSR thinking is however not limited to concern its internal actions such as decision making and strategies, but will also affect partner selection as well as the interaction with suppliers, partners and other business relationships.⁴ This, in turn, directs our attention to another increasingly important tendency affecting the organization and operations of corporations today; the enhanced focus on business networks and inter-organizational relationships.

Strategic alliances, business networks and other types of inter-organizational relationships between firms and organizations have grown substantially over the past decades.⁵ “Networks seem to be everywhere,”⁶ as stated by Thompson (2003). Andersson & Sweet (2002) point out that this trend is highly valid in a sustainability context; “To implement new environmental strategies, e.g. for waste recycling, firms often have to act in and handle different arenas, or networks, with different network structures, different technologies, and different institutional rules and settings”⁷. This need of including external actors such as customers, suppliers, other companies and policy makers for achieving clear and fully integrated environmental strategies was

¹ Hart (1997). Page 67.

² Werther & Chandler (2008). Page 20.

³ van Marrewijk (2003). Page 101.

⁴ Werther & Chandler (2008). Page 6-8.

⁵ Kraus & Lind (2007). Page 269. Tomkins (2001).Page 161.

⁶ Thompson (2003). Page 1.

⁷ Andersson & Sweet (2002). Page 467.

also recognized by Hart (2000).⁸ Networking and building inter-organizational relationships, however, entails several challenges for firms in terms of how to coordinate and manage these relations. Accordingly management control systems will no longer be an intra-company matter existing within the company's border, but must be designed to also include counterparts.⁹

Against this background our focus in this study will be on how a company can manage inter-organizational relationships in order to achieve its sustainability goals. More specifically we will pursue a qualitative study of the work with implementing corporate sustainability strategies in a commercial property company with focus on how environmental friendly waste management is performed in one of their commercial centers. Successful realization of sustainability strategies requires efficient management of relationships with several external players; visitors of the buildings, government and municipalities as well as suppliers and tenants, with the latter two being the focus of our study.

1.2 Definitions

Before starting our research and analysis we found it useful to define some key concepts that will be frequently used throughout the thesis.

1.2.1 Inter-organizational Relations

An important feature that distinguishes inter-organizational relationships (IORs) from sporadic transactions is that the former are both closer and have a longer time-horizon than the latter.¹⁰ In accordance with Kraus and Lind (2007)'s description, we define IORs as follows: "When companies cooperate and, consequently to some extent adapt their activities and resources to suit each other, they become more closely tied to one another. Thus, interdependence is a central ingredient in inter-organizational relationships."¹¹ This view is supported by van der Meer-Kooistra & Vosselman (2006) who state that "Interfirm transactional relationships require the coordination of resources and activities between co-operating parties".¹²

⁸ Hart (1997). Page 75.

⁹ Kraus & Lind (2007). Page 269.

¹⁰ Kraus & Lind (2007). Page 269.

¹¹ Kraus & Lind (2007). Page 269.

¹² Van der Meer-Kooistra & Vosselman (2006). Page 228.

1.2.2 Management Control in Inter-organizational Relationships

The essence and meaning of control has been widely discussed over the years in accounting and management literature. Otley and Berry (1980) defined control as “...the process of ensuring that the organization is adapted to its environment and is pursuing courses of action that will enable it to achieve its purposes”¹³. Later on Anthony & Govindarajan (2007) maintained that “management control is the process by which managers influence other members of the organization to implement the organization's strategies”¹⁴. This view is shared by Das & Teng (1998) who defined control mechanisms as “...the organizational arrangements designed to determine and influence what organization members will do”¹⁵. Later, Dekker (2004) asserted that the purpose of control in IORs is “...creating the conditions that motivate the partners in an IOR to achieve desirable or predetermined outcomes”¹⁶, which is the definition that will be referred to throughout this paper.

1.2.3 Corporate Sustainability

In the United Nation World Commission on Environment and Development (WCED) publication from 1987; “Our Common Future” sustainable development was defined as “...development that meets the needs of the present without compromising the ability of future generations to meet their own needs”^{17,18}. This definition of Sustainable Development seems to be the base for what within business industry today is popularly referred to as Corporate Sustainability. Most definitions of Corporate Sustainability tend to include a notion of both the time horizon of an organization’s activities and of what effects the activities has on the ecological and societal environment it operates within.¹⁹ Consequently we decided to let both these notions be incorporated in to what we, in this paper, refer to as Corporate Sustainability.

¹³ Otley & Berry (1980). Page 231.

¹⁴ Anthony & Govindarajan (2007). Page 6.

¹⁵ Das & Teng (1998). Page 493.

¹⁶ Dekker, (2005). Page 30.

¹⁷ United Nation World Commission on Environment and Development (1987) “Our Common Future”.

¹⁸ United Nation World Commission on Environment and Development (1987) “Our Common Future”.

¹⁹ Werther & Chandler (2008) Page 7.

Moreover, we would like to clarify that we by using the concept of Corporate Sustainability are referring to the aim of the company's responsibilities. We have adopted what has been referred to as a hierarchical view of the relationship between Corporate Sustainability and Corporate Social Responsibility, where the latter is a prerequisite or a tool for corporation's to attain the ultimate goal of a business characterized by sustainability.²⁰ A more profound discussion of Corporate Responsibility and its sub issues will be pursued in the theory section.

1.3 Purpose

The purpose of this master thesis is to, within the field of inter-organizational relationships, study how a commercial property company coordinates and controls relationships with key external actors to attain its environmental goals and implement its sustainability policies. In particular we want to examine what governance forms constitute the ground for the relationships and what control mechanisms are used to manage the relations in order for the involved actors to behave in accordance with the company's sustainability strategy.

1.4 Research Question

What governance form constitutes the ground for a commercial property company's control of key external actors in order for these to comply with the company's sustainability strategy and what control mechanisms are used to manage these relations?

1.5 Limiting the Scope

This study is limited to study the nature of the coordination forms and what control mechanisms that are used by the commercial property company Unibail-Rodamco (U-R) in their inter-organizational relationships; i.e. how to influence counterparts to implement their Corporate Sustainability policies. To enhance the comprehension of the nature of U-R's inter-organizational relationships within their work with Corporate Sustainability we have chosen to focus our study to include only the economic and environmental aspects of sustainability. More specifically we will

²⁰ van Marrewijk (2003). Page 101.

address the matter of waste management and recycling, which has been classified as one of the basic steps of a company's organizational development of CSR.²¹

Further, we have chosen to see each relationship studied as “an isolated cooperative island”²², referring to dyadic relationships where explanations will be searched for within the relationships themselves, instead of as part of a network where external factors are accounted for additionally.²³ The logic behind this focus was to enable a more profound understanding of the relationships that showed to be the most important. We however, when discussing further implications from the material gathered and analysed take network effects into account in coherence with the approach adopted by Tomkins (2001), where the study of a single relationship was followed by a discussion of its effects in a network setting.²⁴

1.6 Disposition

The remainder of the thesis is structured as illustrated in the figure below.



Figure 1. Thesis Disposition

2. METHODOLOGY

2.1 The Research Process

The design of the case study has been elaborated on the base of the suggested process by Ryan et al (2002). Knowing that we were interested in companies' work with sustainability issues we soon found that this is a subject that demands for tight cooperation with external parties and also management control systems that incorporate key stakeholders. Accordingly, we started scanning previous literature of IORs and decided that the scope of our thesis would be to examine control of IORs in a sustainability context. Having contemplated about methodology and a theoretical framework, contact was established with the target company of our case study and

²¹ Carlisle & Faulkner (2004). Page 147.

²² Håkansson & Lind (2004). Page 55-56.

²³ Håkansson & Snehota (1995). Page 2-3.

²⁴ Tomkins (2001).

after a presentation of the study and its purpose our proposal was accepted. When all information was gathered we started the process of “identifying and explaining patterns”²⁵ which was ultimately, in the analysis phase, benchmarked with the selected theoretical frameworks for IORs with the aim of adjusting these for the specific situation of IORs in a sustainability context.

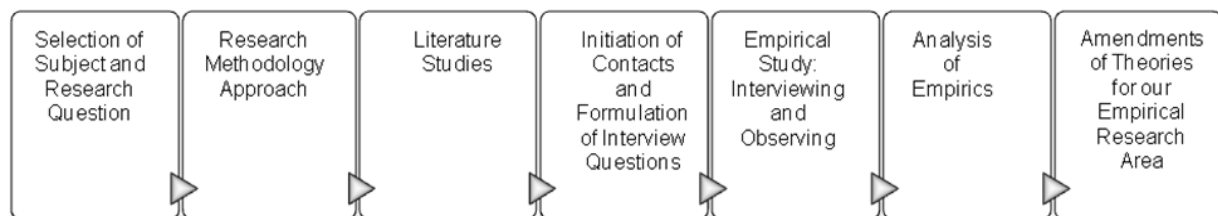


Figure 2. The Research Process

2.2 Selection of Subject and Research Question

As noted earlier sustainability issues is a pressing issue for companies, but also a subject of high interest for us. Combining this with the fact that relationships and networking has come to play an increasingly important role in the contemporary business climate stured the breeding ground for the idea of this thesis. With this in mind it is our conviction that studying a firm’s implementation of sustainability policies in an inter-organizational setting is an appealing subject of research that would possibly also open up for extensions of existing theories of inter-organizational relationships.

2.3 The Qualitative Study

Lately the trend of research within management control has been pointing towards qualitative methods and case studies,²⁶ which is a development running parallel with the increased practice of including social, behavioural and organizational theories in accounting research.²⁷ In contrast to quantitative research, which ultimately aims for asserting quantities and frequencies, the purpose of qualitative research is to assess

²⁵ Ryan, Scapens & Theobald (2002). Page 156.

²⁶ Lind. Lecture 2008-09-02.

²⁷ Ryan, Scapens & Theobald (2002). Page 145.

the characteristics of the object.²⁸ Accordingly, qualitative studies allow for the researcher to achieve a more profound understanding of management accounting and control practices in the field as one case will be thoroughly penetrated.²⁹ As maintained by Ryan et al (2002); “Case studies offer us the possibility of understanding the nature of accounting in practice; both in terms of the techniques, procedures, systems, etc. which are used and in which way they are used.”³⁰

Our choice of a qualitative study is primarily based on the belief that this is the method that best will capture all aspects and characteristics of the inter-organizational relationships studied. In our case this is especially valid since we have included not only traditional Transaction Cost Economics theory in our theoretical framework; we also assumed that social aspects such as trust would play an important role. Hence we believe that a quantitative approach would fail to describe the multifaceted nature of the IOR studied and in certain the more subjective variables such as social liaisons and counterpart trust.

2.4 Literature Studies

Given that IORs within sustainability is such a recently developed notion, we chose to include previous literature within the entire IOR field in our search for usable theories. When pursuing literature studies our point of departure was course literature from courses treating IORs and/or CSR at the Stockholm School of Economics. We then moved along to academic books and academic management journals to more thoroughly study aspects frequently referred to in this literature. Additionally, we asked our tutors for further recommendations to be able to cover a broader spectrum of relevant literature.

²⁸ Widerberg (2002). Page 15.

²⁹ Lind. Lecture 2008-09-02.

³⁰ Ryan, Scapens & Theobald (2002). Page 143.

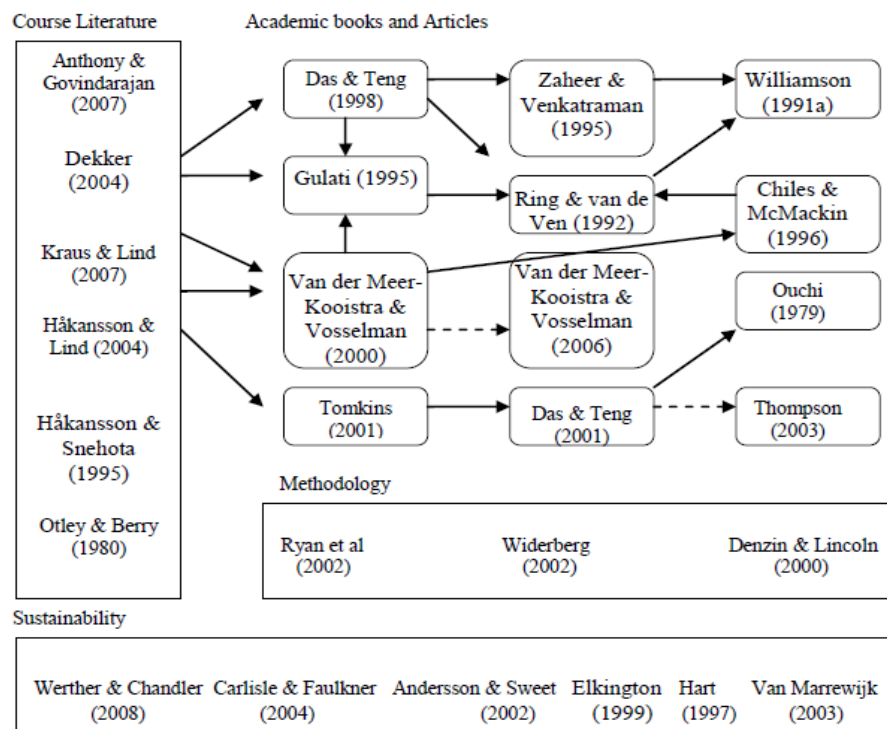


Figure 3. Literature Search Schedule

Furthermore, the following definitions were derived from the literature studies:

Corporate Sustainability: Hart, Werther & Chandler, Elkington, van Marrewijk

Waste Recycling: Carlisle & Faulkner, Andersson & Sweet

Management Control: Anthony & Govindarajan, Ouchi, Otley & Berry

Inter-organizational Relationship: Kraus & Lind, Van der Meer-Kooistra & Vosselman, Dekker

TCE, market and hierarchy forms of coordination: Håkansson & Lind, Kraus & Lind, Zaheer & Venkatraman, Van der Meer-Kooistra & Vosselman, Chiles & McMackin, Dekker, Gulati, Thompson, Williamson

Trust: Kraus & Lind Chiles & McMackin Dekker, Ring & van de Ven, Williamson, Van der Meer-Kooistra & Vosselman Gulati Zaheer & Venkatraman

Control in inter-organizational relationships: Kraus & Lind, Dekker, Das & Teng

2.5 Empirical Study - The Case

2.5.1 Case Selection

A case study commonly implies the review of one unit or one organization,³¹ which has also been the case in our study. We have primarily used the case in our study for illustrative purposes,³² as it shows how a company through managing its inter-organizational relationships has implemented efficient sustainability strategies.

An important criterion for the selected case is related to the empirical phenomenon of our study; we wanted to study a company that is working actively with environmental issues and where concrete action plans have been staged to implement sustainability issues. The focal company of our case study has since long engaged in corporate sustainability and has, in cooperation with tenants and resource and waste management companies, come up with several proactive solutions with regard to energy saving and recycling, and was therefore a suitable object for our study.

2.5.2 Semi-structured Interviews

Within the field of qualitative or case study research several modes of gathering information are embodied.³³ For example, the aspired result of using interviews is to get the same understanding of the phenomenon as the persons interviewed, while observation has the purpose of showing the phenomenon in action.³⁴ We decided to use both modes for collecting primary source information but with a focus on the interview, which we pursued in the most common way; as an individual, face-to-face verbal interchange.³⁵ This choice was based on Denzin & Lincoln's (2000) description of interviewing as “one of the most powerful ways in which we try to understand our fellow human beings” and their conclusion that we live in an “interview society”. However, interviews are not to be seen as neutral tools of data gathering but will rather be affected by the interviewers, which we found important to bear in mind throughout our case study.³⁶

The model for our interviews may be described as a mix between structured and unstructured. This implies that although we prepared interview guides with

³¹ Ryan, Scapens & Theobald (2002). Page 142-143.

³² Ryan, Scapens & Theobald (2002). Page 143.

³³ Ryan, Scapens & Theobald (2002). Page 154. Widerberg (2002). Page 16.

³⁴ Widerberg (2002). Page 17.

³⁵ Denzin & Lincoln (2000). Page 646.

³⁶ Denzin & Lincoln (2000). Page 645-646.

suggestions of questions beforehand, the intention was to use these mainly as a basic guideline and let the interviews develop in the direction that would shed the most light on our research question. In accordance with the unstructured perspective, we interacted in the interview and to some extent let our personal feelings influence us.³⁷ Therefore, we found it of importance to transcribe interviews where possible, as to better understand how the interviewees got influenced by our questions. Widerberg states that although time consuming, transcribing interviews is in many cases necessary to fully understand and analyse the material and we have found it to be valuable in our case study.³⁸

The interviewed persons have been headquarter staff responsible for sustainability and maintenance, the center manager and the floor manager at the focal company of our study as well as representatives for the waste management company and a tenant. A total of nine persons have participated in the interviews, but we have also had the opportunity of observing the waste management process; how the waste passes through all three actors involved in our study starting where the sorting is carried out at the center by tenants to the waste handling facilities managed by the waste management company.

Interview guides are presented in the appendices.

2.5.3 Case Study Limitations and Weaknesses

Generalization. Due to the strongly context specific characteristics of findings from a case study there is an obvious problem of statistical generalization. As the outcome of our field research will be benchmarked with frameworks of IORs from earlier studies we however see a possibility to modify existing theories in the direction of our findings. Hence instead of aiming for generalizing our findings we, in accordance with Ryan et al (2002), view the case study “...as a method by which theories are used to explain observations. The theories that provide convincing explanations are retained and used in other case studies whereas theories that do not explain will be modified or rejected. The objective of individual studies is to explain the particular

³⁷ Denzin & Lincoln (2000). Page 653.

³⁸ Widerberg (2002). Page 116.

circumstances of the case...”³⁹. This we find especially important to emphasize as our case elucidates the particular situation of IORs within sustainability, thus the aim has been to find what theories are applicable in this specific empirical context.

Objectiveness. Another implication regarding case studies can best be described through the statement by Ryan et al (2002); “There can be no such thing as an objective case study”⁴⁰. We have during the research study on several occasions visited the target company for our case study, whereby it would be problematic to claim that we are independent and neutral to the case of our study.⁴¹ We have however been aware of the risk of identifying ourselves with and becoming spokespersons for the company studied,⁴² rather than acting as independent contemplators. Therefore, with the purpose of increasing our credibility, we have interviewed not only staff at the focal company but its partners as well.

Further, since our empirics gathering was mainly focused on interviews it is of importance to consider the issue discussed by Denzin & Lincoln (2000) who state that; “As a society we rely on the interview and by and large take it for granted”⁴³. In accordance with this statement we have assumed that the interview material we retained was on the whole trustworthy and accurate. Additionally, we are aware of that our decision to use a semi-structured interview, rather than a strictly structured form, has increased the risk of subjectivity.

Selection of interviewees. Finally it is of importance to discuss how the choice of interview persons has affected our empirical findings. The fact that we did not make objective decisions of whom to interview, but was rather given suggestions on the subject by the company we studied, has most likely had an impact on the objectivity of the study’s result.⁴⁴

³⁹ Ryan, Scapens & Theobald (2002). Page 149.

⁴⁰ Ryan, Scapens & Theobald (2002). Page 159.

⁴¹ Ryan, Scapens & Theobald (2002). Page 152.

⁴² Denzin & Lincoln (2000). Page 655.

⁴³ Denzin & Lincoln (2000). Page 647.

⁴⁴ Widerberg (2002). Page 71-89.

3. THEORY

We will in the theory section begin with a discussion of the essence of corporate sustainability followed by a more profound literature review of previous research and theoretical frameworks that have been elaborated within the field of inter-organizational relationships. Transactional Cost Economic Theories (TCE) versus “softer” approaches to inter-firm transactions will be assessed as well as a classification of different coordination forms constituting a base for the relationships and different governance mechanisms that may be used for controlling inter-organizational relationships. Lastly we will make an application of the theories of inter-organizational relationships discussed against environmental and economic sustainability strategies of an organization.

3.1 Corporate Sustainability

Referring to the definition in the introduction, the essence of Corporate Sustainability is to ensure that a company’s activities can be pursued for a long period of time without having a harmful impact on their ecological or societal surroundings. The meaning and content of Corporate Sustainability also have a clear connection to the United Nation’s identification of three “interdependent and mutually reinforced pillars”⁴⁵; namely Economic, Environmental and Social aspects of business policy areas that must be considered to achieve Sustainable Development.

Dow Jones sustainability Index explains Corporate Sustainability as “...a business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments”⁴⁶. This definition is shared by Werther & Chandler that claim Corporate Sustainability to be “...business operations that can be continued over the long term without degrading the ecological environment”⁴⁷ and “...focus on the capacity to balance the “business case” with natural and social sustainability”⁴⁸.

⁴⁵ 2005 World Summit Outcome. www.un.org/summit2005/documents.html. 2009-05-05.

⁴⁶ Dow Jones Sustainability Indexes. www.sustainability-index.com/07_html/sustainability/corpsustainability.html. 2008-11-19.

⁴⁷ Werther & Chandler (2008). Page 7.

⁴⁸ Werther & Chandler (2008). Page 7.

The three activities involved in a company's work for achieving Corporate Sustainability has also been referred to as “the triple bottom line”⁴⁹ where one approach is that Corporate Social Responsibility serves as a link between the 3 p:s “profit”, “people” and “planet” and their ultimate aim; Corporate Sustainability.⁵⁰ It has been noted that companies to an increased extent are seeking to develop long-term strategies taking into account these three policy areas.⁵¹



Figure 4. Relationship 3P, Corporate Social Responsibility and Corporate Sustainability⁵²

For the purpose of our paper we found it relevant to pursue a more profound discussion of two of these three pillars or influential institutions underlying Corporate Sustainability. Firstly, as all companies involved in the organizational relationships in focus of our study are profit-oriented, they are probably concerned about whether their business operations; i.e. their economical capital; including physical, financial and human, is economically sustainable.⁵³ One may accordingly maintain that the “economic” or “profit” pillar has a central, if not determining role, in a companies’ sustainability strategies. Secondly, as we have chosen to focus our study on the ecological aspects of corporate sustainability; namely waste management, the “environmental” or “planet” pillar will be of interest. Corporate Responsibilities with regard to “people” or “social” issues are however beyond the

⁴⁹ van Marrewijk (2003). Page 101.

⁵⁰ van Marrewijk (2003). Page 101.

⁵¹ Elkington (1999). Page 11.

⁵² van Marrewijk (2003). Pag 101.

⁵³ Elkington (1999). Page 74.

scope of this thesis, thus, throughout our study significant attention will be paid solely to the two former pillars.

Within the sustainability literature there has lately been a high interest for combining the economic and environmental aspects of companies' operations which will result in less pollution simultaneously as increasing profits, a relationship that is also valid with regard to the companies' efforts of managing and reusing waste.⁵⁴ As Hart (2000) puts it: "...in the industries more and more companies are "going green" as they realize that they can reduce pollution and increase profits simultaneously"⁵⁵. Hence, the idea of the positive relationship between engaging in environmental issues and increasing profits will be underlying our analysis.

As discussed in the introduction the attainment of efficient environmental strategies requires for integrations of and smooth relations with external parties such as suppliers and customers, whereby the remainder of this theory section will be assessing theories of how this can be achieved.

3.2 Theories of Inter-organizational Relationships

Theories of transaction cost economics (TCE) has commonly been used to analyze the governance of IORs.⁵⁶ However, lately quite a number of researchers have included social theories and trust as an important ingredient as well, which is in line with our presumptions. Both TCE and social theory will accordingly play an important role in the theoretical framework for this study.

3.2.1 Transaction Cost Economics

By providing guidelines with regard to what governance form is appropriate for the transaction and how the control mix should be elaborated TCE is a useful point of departure for analysis of inter-organizational relationships.⁵⁷ In TCE theories the most important decision criteria for what governance form to choose are the

⁵⁴ Hart (2000). Page 67, 71.

⁵⁵ Hart (1997). Page 67.

⁵⁶ Dekker (2004). Page 28.

⁵⁷ Kraus & Lind (2007). Page 282-283.

transaction costs of the exchange.⁵⁸ The basic idea is the need of governance structures and control mechanisms to minimize transaction costs and prevent opportunistic behaviour in inter-firm transactions.⁵⁹ Hence determining variables for the decision on what governance structure will be used by companies in transactions is according to TCE rationality, opportunism and risk neutrality.⁶⁰ A consequence of the narrow focus on the parties' potential opportunistic behaviour within TCE has resulted in a strong focus on contractual agreements as a way to ensure that the counterpart will act in best interest.⁶¹ Hence, where the market is imperfect and transaction costs are high, companies will integrate hierarchically to hedge against potential opportunistic behaviour.⁶² According to TCE all governance forms are comprised within the range of hierarchy and market coordination and the one with the lowest transaction cost will accordingly be chosen.⁶³ It has been argued that the most important purpose of TCE is to determine what governance structure is most suitable based on the characteristics of the transaction;⁶⁴ market, hierarchical or hybrid,⁶⁵ which will each be assessed more profoundly in chapter 3.4.

3.2.2 Social Theory and Inter-Organizational Trust

The TCE approach has been criticized to ignore important behavioural assumptions for explaining the selection of governance structures in inter-firm transactions,⁶⁶ and classifying relationships too narrowly within the range of the two extremes; market and hierarchy.⁶⁷ Lately several management researchers have incorporated trust as an important variable in hybrid forms of inter-organizational relationships (see for example Ring and van de Ven 1992, Chiles and McMackin 1996, Das and Teng 1998, Van der Meer-Kooistra & Vosselman 2000, Dekker 2005).⁶⁸ Yet other studies have focused exclusively on the role of trust in inter-firm cooperation (see for example Gulati 1995, Zaheer & Venkatraman 1995).

⁵⁸ Zaheer & Venkatraman (1995). Page 377.

⁵⁹ Van der Meer-Kooistra & Vosselman (2006). Page 228.

⁶⁰ Chiles & McMackin (1996). Page 73.

⁶¹ Dekker (2004). Page 31.

⁶² Gulati (1995). Page 87.

⁶³ Dekker (2004). Page 28-29. Van der Meer-Kooistra & Vosselman (2006). Page 228-229.

⁶⁴ Chiles & McMackin (1996). Page 73.

⁶⁵ Kraus & Lind (2007). Page 282-283.

⁶⁶ Chiles & McMackin (1996) Page 73, 85. Dekker (2004) Page 29. Ring & van de Ven (1992). Page 484.

⁶⁷ Williamson (1991a). Page 269.

⁶⁸ Van der Meer-Kooistra & Vosselman (2006). Page 231.

Chiles and McMackin (1996) maintain that trust constrains opportunistic behaviour among parties in inter-organizational relationships. Gulati (1995) performed a quantitative research on strategic alliances drawing upon both TCE and sociological theories and found that trust may be an important control mechanism and that it, to some extent can replace formal contracts in inter-firm alliances.⁶⁹ This statement is further supported by Zaheer and Venkatraman (1995) that found that trust was a highly significant variable beside elements of traditional transaction cost theories in inter-organizational relationships.⁷⁰ Hence, we will in our theoretical framework include a conjecture that relationships may partly be characterized and governed by trust.

3.3 Forms of Coordination

As mentioned, TCE provides useful ideas with regard to what governance structure to choose. Commonly these are divided into the two extremes hierarchy and market.⁷¹ Furthermore, with regard to the social oriented theories of relationships discussed above, we assume that in addition to the transaction forms comprised within the two extremes described above most coordination forms also include a social feature. These “mixed” governance structures are in this thesis referred to as inter-organizational relationships (IORs) and will accordingly be assumed to possibly include market, hierarchical and social aspects as modes of coordination. Dekker (2005) expresses the choice of governance form as follows: “The choice of mechanism to govern a transaction depends on a comparative analysis of the transaction costs of these alternatives, which costs relate to writing, monitoring, adapting and enforcing contracts.”⁷² Hence, the character of the transaction and expected transaction costs can be said to be the most important determinants of what governance structure to choose, where the transaction costs include the above discussed risks of opportunistic behaviour, which in turn is highly connected to features such as asset specificity and uncertainty.⁷³ Below follows a brief description of each of the governance structures.

⁶⁹ Gulati (1995). Page 105.

⁷⁰ Zaheer & Venkatraman (1995). Page 373, 379.

⁷¹ Kraus & Lind (2007). Page 283. Dekker (2004). Page 28.

⁷² Dekker (2004). Page 28.

⁷³ Kraus & Lind (2007). Page 283.

3.3.1 Market

According to Ring and Van de Ven (1992) market-based transactions are to be described “...as discrete contracts: relatively short-term, bargaining relationships between highly autonomous buyers and sellers designed to facilitate an economically efficient transfer of property rights.”⁷⁴ Decisions in the marketplace are driven by competitive prices and contractual agreements,⁷⁵ and the major regulating force to govern these “monetized agreements”⁷⁶ is the competitive marketplace. Necessary prerequisites for this governance mechanism to be efficient are that the product is non-specific, is traded among several independent traders and that transactions are governed by “classical contract law”.⁷⁷ Moreover a crucial assumption in market transaction relationships is that all players are “equal and legally free”⁷⁸, which stems from the ideas that social relationships are too costly to establish and not needed, but also a threat to the perfect competition.⁷⁹ Hence, in market-based control patterns management control tools are regarded as redundant.⁸⁰

3.3.2 Hierarchy

From a TCE perspective hierarchy is simply the result of market failure.⁸¹ High transaction costs in terms of asset specificity and uncertainty typically implies that the most suitable governance form is hierarchy.⁸² As a directed form of control,⁸³ the most important control mechanisms in hierarchies are administrative, i.e. regulations and formal control.⁸⁴ Hence dominating governance forms in hierarchies tend to be bureaucracy based patterns,⁸⁵ which ultimately aims for ruling and monitoring the organization member’s behaviour.⁸⁶ Dekker (2004) suggests that these types of governance mechanisms are certainly suitable where task complexity is high, as

⁷⁴ Ring & Van de Ven (1992). Page 485.

⁷⁵ Thompson (2003). Page 24.

⁷⁶ Ring & Van de Ven (1992). Page 485.

⁷⁷ Ring & Van de Ven (1992). Page 485.

⁷⁸ Ring & Van de Ven (1992). Page 485.

⁷⁹ Ring & Van de Ven (1992). Page 485.

⁸⁰ Kraus & Lind (2007). Page 284.

⁸¹ Thompson (2003). Page 67.

⁸² Kraus & Lind (2007). Page 283.

⁸³ Håkansson & Lind (2004). Page 52, 54.

⁸⁴ Thompson (2003). Page 23.

⁸⁵ Van der Meer-Kooistra & Vosselman (2000). Page 59.

⁸⁶ Håkansson & Lind (2004). Page 54.

merely coordinating the intra-firm interdependent tasks in these cases through contracts may be inadequate.⁸⁷

Some authors refer the hierarchical form of coordination primarily to governance structures within companies,⁸⁸ whereas others (Thompson, 2003) maintain that hierarchies may occur both within units in an organization and between independent organizations.⁸⁹ For the purpose of our study we assume that either of these views may be countervailing as the purpose of our discussion of different coordination forms is not to strictly classify the relationships studied within one single governance structure but rather to see to what extent the different coordination forms has influenced the control pattern of the relations.

3.3.3 Hybrid and Inter-Organizational Relationships

The hybrid governance form is within TCE theory claimed to be an intermediate inter-firm structure that includes a mixture of all governance tools used in the two extremes; hierarchy and market. Dissidents have claimed that TCE's view of the hybrid relationship as a homogeneous form of coordinating inter-firm transactions is somewhat too simplistic as inter-organizational relationships actually comprises a broad variety of coordination forms with varying objectives. It has accordingly been questioned whether classifying IORs within the span of the two extremes of hierarchy and a market is satisfactory as “IORs may use a wide range of transaction forms and can serve a great variety of functions, of which economizing on transactions may only be a part”⁹⁰. Thus, according to this view, reducing transaction costs is only one of the outcomes aimed for in inter-organizational cooperation.

With regard to our application of social theory in the previous section and the expected existence of some degree of trust in inter-firm transactions we however presume that IORs may not be restricted to be comprised within the range of market-hierarchy as it may also include a social feature. This view of IORs will underlie the analysis of the relationships in focus of our study.

⁸⁷ Dekker (2004). Page 30.

⁸⁸ Kraus & Lind (2007). Page 283. Håkansson & Lind (2004). Page 53.

⁸⁹ Thompson (2003). Page 24.

⁹⁰ Dekker (2004). Page 29.

3.4 Control Mechanisms in Inter-organizational Relationships

Ouchi (1979) classified control depending on the ability to measure output and the knowledge of the transformation process; where the output measures are possible goals and output control is preferable whereas knowledge about the working procedures favours a more bureaucratic-oriented control system.⁹¹ In line with Ouchi, authors within inter-organizational relationships have found that different governance forms implies different control patterns,⁹² a relationship that will be taken into account in our analysis. The three groups identified by Ouchi (1979) include formal control mechanisms; output and behaviour control, and informal or clan control,⁹³ which is also the returning classification in the literature of inter-organizational control (see for example Das & Teng 1998, Dekker 2004, Kraus & Lind 2007). Kraus & Lind (2007) state that this is a categorization of management control tools that are commonly used in the inter-organizational literature and that there is a “general consensus” that inter-firm control is attained through a mixture of these. They accordingly stress the importance of choosing an appropriate blend of control tools when framing the inter-organizational cooperation.⁹⁴ The remainder of this section will more in to depth describe the characteristics of formal versus informal control mechanisms.

3.4.1 Formal Control Tools

As mentioned in the section above formal control tools are commonly divided into output and behavioural control mechanisms depending on the ability to measure and monitor output versus the production process.⁹⁵ A common feature of these is that they may be based on contractual obligations,⁹⁶ like in the situation of a market or in a hierarchy.⁹⁷

⁹¹ Ouchi (1979). Page 843-844.

⁹² Kraus & Lind (2007). Page 284.

⁹³ Ouchi (1979). Page 843.

⁹⁴ Kraus & Lind (2007). Page 281, 284.

⁹⁵ Ouchi (1979). Page 843.

⁹⁶ Dekker (2004). Page 31.

⁹⁷ Ouchi (1979). Page 845.

Output control may, as the name indicates be used when the outcome from a process is measurable and is exercised through specifying “...outcomes to be realized by the IOR and its partners and monitoring the achievement of these performance targets.”⁹⁸ Goal setting, defined as “establishing specific and challenging goals”⁹⁹ is maintained to be an efficient formal control tool in inter-organizational relationships. Common objectives tend to be especially important as the lack of such might imply unsatisfactory knowledge about the counterparts' interests and incongruence of aims among the organizations involved in the cooperation. Furthermore joint goals serve as a point of departure for elaboration of other formal control mechanisms.¹⁰⁰ Another possible output control tool discussed in frameworks of control mechanisms in IORs includes incentive systems and reward structures.¹⁰¹

Behaviour Control is suitable where there is knowledge about the working process,¹⁰² and implies policies for behaviour and how surveillance of the pre-determined and aimed for behaviour should be exercised.¹⁰³ Das & Teng (1998) maintains that structural specifications such as rules and regulations are at the core of formal control, which to a great extent is a result of the difficulty to establish all agreed upon goals. Among routines for following up the structural arrangements reporting, checking routines, writing notifications of deviations from contracts and legal consequences are mentioned.¹⁰⁴ Dekker (2005) found that mechanisms falling within the category of behavioural control mechanisms include structural and behavioural specifications such as definitions of functional responsibilities and a cross-organizational board and specific task groups. Hence joint decision making and problem solving proved to be important structural arrangements for guaranteeing that decisions were mutual and that resources were used in the best interests of both parties.¹⁰⁵

3.4.2 Informal Control Tools

⁹⁸ Dekker (2004).Page 32.

⁹⁹ Das & Teng (1998). Page 505.

¹⁰⁰ Das & Teng (1998). Page 505, 506.

¹⁰¹ Dekker (2004). Page 32.

¹⁰² Ouchi (1979). Page 844.

¹⁰³ Dekker (2004). Page 32.

¹⁰⁴ Das & Teng (1998). Page 506-507.

¹⁰⁵ Dekker (2004). Page 43.

As seen above informal control has commonly been referred to as the third important way of controlling counterparts in inter-organizational relationships, and in turn the most important mode of informal control is often claimed to be trust.¹⁰⁶ Accordingly, certain interest in previous studies within the field of inter-organizational relations has been given to informal control and the issue of trust and what role counterpart confidence plays for the success of the cooperation. Van der Meer-Kooistra and Vosselman (2000) stated that trust is important in inter-organizational relationships that require close cooperation by the parties involved.¹⁰⁷ According to Das & Teng (1998) trust is a source of confidence in partner cooperation and may be generated by risk taking, equity preservation, communication or inter-firm adaptation.¹⁰⁸ Further, Dekker (2004) found some other activities that can contribute to trust in strategic alliances. With regard to the initial notion of trust partner selection and a cultural fit with matching cultures was claimed to be of importance, as well as having joint history, built up over a long period of time. Once the relationship was established important variables for developing and preserving trust proved to be the frequent interaction and the high level of transparency in-between parties. Other important social control tools that were found were interactive goal setting and shared decision making through alliance boards and task groups.¹⁰⁹

3.4.3 The Relationship between Formal Control and Informal Control

In line with the substantial interest in inter-organizational control for trust, the relation between formal control tools and informal control (trust) has been widely discussed in the literature.

Das & Teng (1998) suggest that trust and control are parallel concepts contributing to firms' confidence in each other in inter-organizational relationships. They state that control and trust have a supplementary relationship and that a company's confidence in its counterpart consists of the aggregated level of the two concepts. Later, Das & Teng (2001) elaborated an integrated framework for trust and control as the two

¹⁰⁶ Dekker (2004). Page 32.

¹⁰⁷ Van der Meer-Kooistra & Vosselman (2000). Page 58.

¹⁰⁸ Das & Teng (1998). Page 494, 497.

¹⁰⁹ Dekker (2004). Page 43, 45.

antecedents of risk in inter-organizational settings. They maintain that different types of relationships are best addressed with different modes of trust or control and that trust smooth the controller/controllee relationship. This is further supported by Kraus & Lind (2007) who state that high trust in inter-organizational relationships reduces the need of extensive formal control. They furthermore affirm that trust facilitates the elaboration of mutually accepted frameworks for output and behavioural control in inter-organizational relationships.¹¹⁰

3.5 Summary of Theory

As a starting point, we asserted that corporate sustainability is the ultimate aim of a firm's operations. Thereafter, we narrowed down the scope of this paper to include only the economic and ecological aspects of sustainability, leaving behind the social component. Also, we decided to agree upon the view of IOR's as dyadic relationships, where TCE is the most common foundation. We then stated that the purpose of TCE is to determine which governance structure is most suitable; hierarchy, market or IOR, based on the characteristics of transactions and the transaction costs of the exchange. As a complementary to TCE theories, we then incorporated the concept of trust as a feasible variable in governing relationships. In the further theory, we studied how the governance structure then implies different control patterns; formal control mechanisms, divided into output and behaviour control, and informal (trust/clan) control.

4. THE CASE STUDY

4.1 Unibail-Rodamco Sweden

The corporate group Unibail-Rodamco (U-R), resulting from the merger in 2007 between the French Unibail and the Dutch Rodamco, is a leading commercial property company in Europe. The company is present in 14 European countries and operations include three major areas; shopping centers, office buildings and

¹¹⁰ Kraus & Lind (2007). Page 281.

exhibitions and conventions. U-R Sweden has a total number of 14 shopping centres, including Täby Center, Solna Center and Forum Nacka.¹¹¹

In line with United Nation's definition of the three strategic policy areas included in the notion of sustainability, U-R strives toward building a durable business with regard to economic, environment and social aspects.¹¹² The aim with the Corporate Sustainability strategy is described as: "...creating economic growth and employment whilst reducing its environmental footprint and providing a healthy, safe and stimulating workplace."¹¹³ Hence matters of sustainability assessed in the Life Cycle analysis of a U-R property include environmental issues such as waste- and water management, energy consumption, transport, but also social issues connected to labour rights, health and safety.¹¹⁴

Although U-R released its first Corporate Sustainability Report in 2007 the corporation has since long been engaged in sustainability issues,¹¹⁵ in Sweden in particular within environment and waste management. As one of our interviewees at U-R's head quarter in Sweden puts it; "We have since long cared about environmental issues and waste management, it's just that it is from now that we have put a label on it."¹¹⁶ The company today works internally with international 5-year sustainability goals and is striving towards becoming certified in accordance with ISO14001,¹¹⁷ an internationally accepted standard for sustainable environmental management.¹¹⁸ Another important action taken by U-R to improve the environmental performance is the establishment of the Unibail-Rodamco International Environmental Performance Committee which is a group with representatives from all regions and areas of competence of U-R. Questions considered in this group include future visions of U-R's environmental work and what corporate policies and management devices to adopt, but they also coordinate local initiatives and pilot projects with the aim of enhancing cross-regional learning.

¹¹¹ Unibail-Rodamco. www.unibail-rodamco.com. 2008-10-15.

¹¹² Interview U-R Headquarters 2008-10-21.

¹¹³ Unibail-Rodamco Corporate Sustainability Report 2007. Page 8.

¹¹⁴ Unibail-Rodamco Corporate Sustainability Report 2007. Page 6-7.

¹¹⁵ Unibail-Rodamco Corporate Sustainability Report 2007. Page 4.

¹¹⁶ Interview U-R Headquarters 2008-10-21.

¹¹⁷ Interview U-R Headquarters 2008-10-21.

¹¹⁸ International Organization for Standardization. www.iso.org. 2009-04-28.

Best practice from each locality will ultimately constitute the ground for an Environmental Management System which will be put into practice in new constructions, but also in old ones on a longer term perspective.¹¹⁹

4.2 The Täby Center

With a yearly turnover of about € 268 million (2006) and approximately 9 million visitors, Täby Center is Sweden's biggest shopping center.¹²⁰ The building comprises around 167 tenants from several different segments of business (please see below).

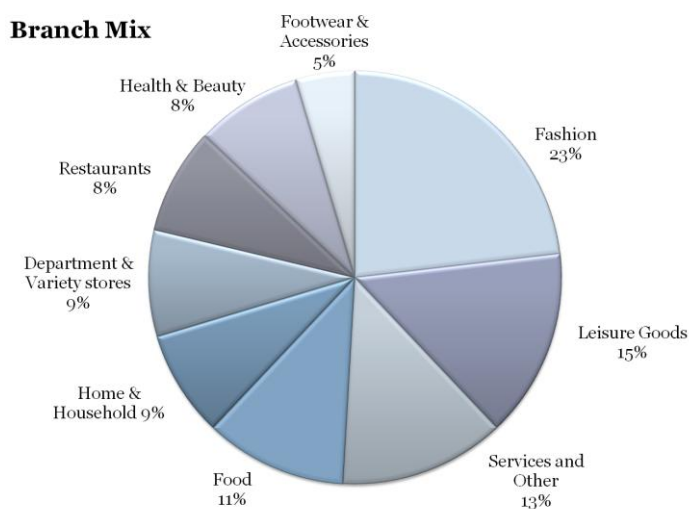


Figure 5. The Branch Mix in Täby Center¹²¹

The operating, day-to-day activities in Täby Center is directed by a management of eleven people,¹²² including a Center Manager, Marketing Manager, Operations Manager, Floor Manager,¹²³ and a handful of other people engaged in the administration of the center.¹²⁴ Except for the Center Management Täby Center employs two full time workers at the parking, four people working with security, one with waste and four cleaners.¹²⁵ Concerning more strategic and capital intense

¹¹⁹ Unibail-Rodamco Corporate Sustainability Report 2007. Page 5, 9.

¹²⁰ Unibail-Rodamco. www.unibail-rodamco.com. 2008-10-15.

¹²¹ Unibail-Rodamco. www.unibail-rodamco.com. 2008-10-15.

¹²² Interview U-R Center Manager 2008-11-26.

¹²³ Interview U-R Headquarters 2008-10-21.

¹²⁴ Interview U-R Center Manager 2008-11-26.

¹²⁵ Interview U-R Center Manager 2008-11-26.

decisions such as what equipment and techniques should be used in the center the decisions are centrally taken at the headquarters of U-R Sweden.¹²⁶

4.3 Waste Management in Täby Center

As U-R in 2007 started to issue a yearly Corporate Sustainability Report there has been an increased focus on the environmental work in the regional entities, since it is important to be able to assure that information delivered in the Corporate Sustainability Report is in consensus with the activities that actually takes place in the local centers.¹²⁷ With regard to the extensive volumes produced, an essential aspect of sustainability in a shopping center is how waste is handled and ultimately recycled; both for environmental and economic reasons. In the Corporate Sustainability Report, U-R states that “Waste management is more than a technical challenge. It requires an educational effort to forge genuine partnerships with local contractors and tenants and develop a common commitment to sustainability.”¹²⁸ At U-R, waste management activities include waste recycling facilities, a waste management plan, monitoring and a tenant workshop. For the period of 2008-2009 the 5-year action plan states that the company should reduce waste production, improve waste monitoring, include environmental criteria in all the suppliers’ contracts, share best practices with key retailers and organize workshops with 5-10 major suppliers and tenants discussing how to reduce the environmental impact.¹²⁹

In Täby Center around 1800-2000 tons of waste is produced every year.¹³⁰ This is also one of the centers in Sweden where U-R has gone the furthest with sustainability,¹³¹ and has developed a well-functioning system with advanced tools for sorting and measuring the center’s waste together with Ragn-Sells (R-S),¹³² one of Sweden’s leading waste management companies.¹³³

¹²⁶Interview U-R Headquarters 2008-10-21.

¹²⁷ Interview U-R Headquarters 2008-10-21.

¹²⁸ Unibail-Rodamco - Corporate Sustainability Report 2007. Page 20.

¹²⁹ Unibail-Rodamco - Corporate Sustainability Report 2007. Page 23.

¹³⁰ Interview R-S 2008-11-25.

¹³¹ Interview U-R Headquarters 2008-10-21.

¹³² The Recycling Process, Högby Torp, 2008-10-25. The Recycling Process, Lunda Wellpapp, 2008-10-25. The Waste Sorting Process. Täby Center, 2008-10-26.

¹³³ Ragn-Sells. www.ragnsells.se. 2009-04-28.

4.3.1 Key Actors in the Waste Management Process

Sorting and recycling waste is a complex process that typically demands for services and involvement by several independent players. Hence, synchronizing actions with external actors is crucial. To make matters even more complicated the waste management procedure is highly impacted by factors beyond the control of the firm, such as policies and standards set by the counties. Below follows a description of key actors in the waste management process in Täby Center and their roles in the process of sorting and recycling waste.¹³⁴

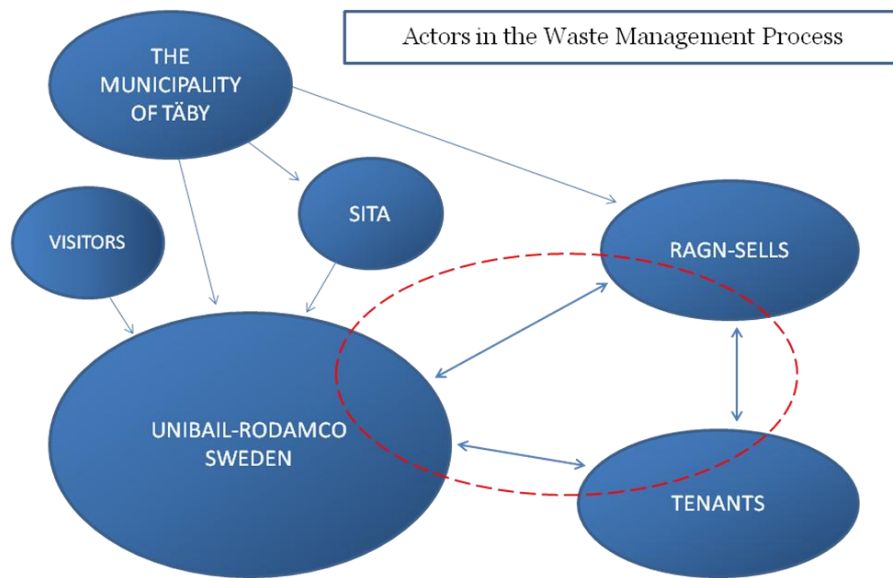


Figure 6. Actors in the Waste Management Process

Unibail-Rodamco Sweden (U-R): As the property owner, U-R has the ultimate responsibility for the center’s sustainability and has to nurse important relations with tenants, but also with the waste management company, Ragn-Sells, as well as other key stakeholders.¹³⁵ Regarding U-R’s perception of their own function in the waste management process they maintain in their Corporate Sustainability Report that: “Unibail-Rodamco’s role is to provide the infrastructures and pro-actively encourage its tenants to adopt best practices in waste management.”¹³⁶ The focus of our study will be U-R Sweden, and not the international corporate group, since decisions

¹³⁴ Interview U-R Headquarters 2008-10-21.

¹³⁵ Interview U-R Headquarters 2008-10-21. Unibail-Rodamco - Corporate Sustainability Report 2007. Page 22.

¹³⁶ Unibail-Rodamco - Corporate Sustainability Report 2007. Page 20.

regarding which actors to contract, how interaction with tenants and other stakeholders should be performed and in what way the sustainability policies best can be implemented are taken by the headquarter in Sweden and not by the French headquarters.¹³⁷

Ragn-Sells (R-S): In the work with waste management, the cooperation with the supplier of recycling services, R-S, is of importance on an operative as well as strategic level. Except for collecting the sorted waste from tenants in Täby Center as well as incinerating and recycling it, R-S also provides U-R with important statistics and support, such as recycling information for tenants. The cooperation has sprung from a market-based competition where Ragn-Sells won the 5-year contract.¹³⁸

Tenants: Being the ones that perform the first step in the actual waste sorting process tenants play an important role in U-R's sustainability strategies. In the Corporate Sustainability Report the role of the tenants is described as follows: "Waste management requires working closely with tenants to reduce the amount of waste and improve the amount of recycled waste."¹³⁹ Moreover, to be able to assemble truthful and reliable statistics to use as parameters for cost distribution, U-R must try to control and measure how much waste different groups of tenants, like shops or cinemas, actually generate.¹⁴⁰

The Municipality of Täby: As a policy setter this player has a significant impact on the objectives and procedures of U-R's waste strategies, but as U-R has limited abilities to influence the actions of the municipality less attention was paid to this relationship in our study.¹⁴¹

Sita: Assigned by the municipality of Täby, Sita holds a monopoly on providing domestic waste services in Täby and accordingly in Täby Center. Thus, since U-R cannot neither affect the choice of what waste company should take care of the

¹³⁷ Interview U-R Headquarters 2008-10-21.

¹³⁸ Interview U-R Headquarters 2008-10-21.

¹³⁹ Unibail-Rodamco - Corporate Sustainability Report 2007. Page 20.

¹⁴⁰ Interview U-R Headquarters 2008-10-21.

¹⁴¹ Interview U-R Headquarters 2008-10-21.

domestic waste nor negotiate the contract and terms with Sita, they have little or no power to govern this actor. Hence we assigned little focus on this specific relationship.¹⁴²

Visitors and Other Stakeholders: The public is becoming increasingly concerned about the environment and is therefore pressuring companies to take courses of action towards a more sustainable way of conducting business. Hence, the visitors of Täby Center and shareholders of U-R are regarded as stakeholders thrusting U-R to increase its awareness of the waste management processes.

4.3.2 The Waste Management Process

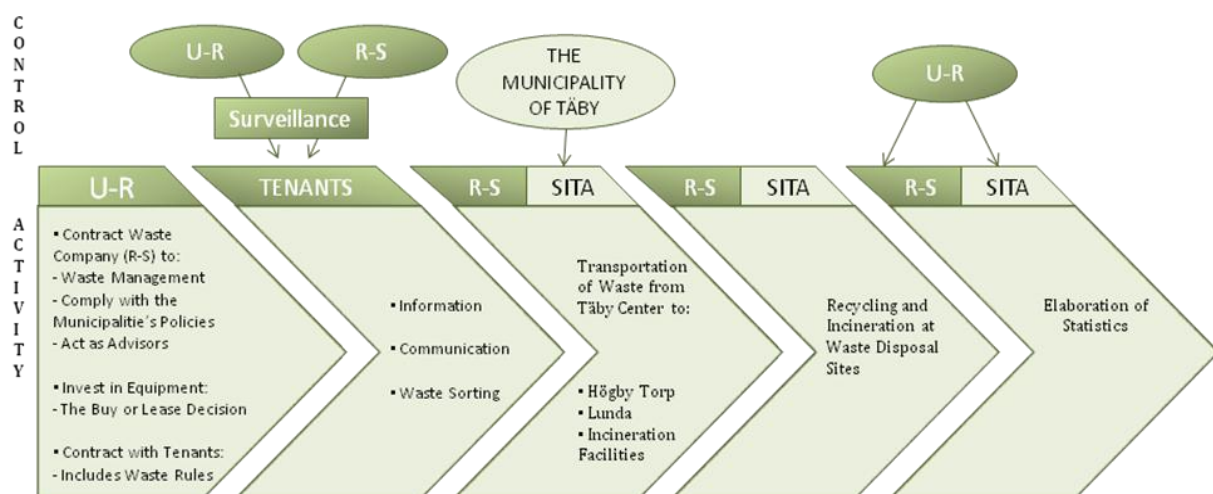


Figure 7. The Waste Management Process

The process of sorting and recycling waste in Täby Center starts out at the negotiation table of U-R. Within the frames of the standards and rules set by the municipality in Täby, U-R negotiates for contracts with waste service suppliers and tenants. The waste gathering in a shopping center is split into two parts depending on the type of waste. The first category; domestic waste, is entirely controlled by the municipality who assigns one supplier with a monopoly of providing everybody within the municipality with domestic waste gathering services. In Täby, Sita is assigned to account for this service. However, concerning the second type of waste, waste from

¹⁴² Interview U-R Headquarters 2008-10-21.

the shopping center's operations, U-R may freely choose who to source their services from; in the Täby Center case the selected company is Ragn-Sells.¹⁴³

In addition to negotiations with waste and recycling service companies U-R has to make agreements with tenants concerning their behaviour with regard to what should be recycled and how the sorting should be carried out. Being the ones performing the first step in the waste sorting process in Täby Center, tenants play a crucial role for the process of recycling to run along smoothly; their accurateness in sorting will have an impact on all subsequent actors' work. Accordingly this step of the process is carefully monitored both by Täby Center's management and Ragn-Sells' representatives working in Täby Center,¹⁴⁴ but also by the security guards.¹⁴⁵

The system of waste sorting in Täby Center is administrated by what is called *The Recycling Key*.¹⁴⁶ This system builds on that all tenants are divided into different categories depending on the characteristics of their activities; for instance restaurants, offices or retailers and whether they are certified in accordance with ISO 14001, they then pay the rate per square meter decided upon for their type of business.¹⁴⁷

Once sorted by the tenants, the waste is picked up by Ragn-Sells and transported to Högby Torp, Lunda Corrugated Cardboard Recycling or whatever station the collected waste can be recycled. Once the waste reaches the recycling station its weight is digitally registered and booked on U-R's customer account. When the container has been emptied, wrongly sorted waste is resorted; a process which is both costly and time-consuming as a substantial part of it has to be performed manually. Sometimes the waste is so erroneously sorted that the whole content of a container cannot be used for its intended purpose. For instance, if someone has thrown poisonous chemicals or items with stains in a compressor intended for corrugated cardboard, none of it can be recycled and the customer is charged a fine. Finally the sorted waste is sold at R-S raw material market. Money for the waste material that is recycled is paid back to customers through what R-S calls material remuneration,

¹⁴³ Interview U-R Headquarters 2008-10-21.

¹⁴⁴ Interview U-R Headquarters 2008-10-21.

¹⁴⁵ Interview U-R Floor Manager 2008-11-26.

¹⁴⁶ Interview U-R Headquarters 2008-10-21.

¹⁴⁷ Interview U-R Headquarters 2008-10-21.

which in turn is paid back to tenants by U-R. Hence U-R should not gain anything on the waste management;¹⁴⁸ it is supposed to be a zero-sum game.¹⁴⁹

However, the process of waste management does not end at R-S' recycling facilities or at the incineration station. In order to gain stakeholders confidence a part of U-R's corporate sustainability strategies is to demonstrate how they take care of the waste produced in their centres, which is done by compiling statistics. Statistics are elaborated by R-S and handed over to U-R every quarter of the year.¹⁵⁰ Further, the main distribution of the material is to the U-R headquarters in France, where statistics from all centers around Europe are collected. Also, the Center Manager makes the decision as for what information to communicate to the tenants and how, but the company has had to move towards including the tenants earlier in the waste management process to reach its sustainability goals.¹⁵¹

As seen in the description of the actors and the process schedule of recycling in Täby Center, the relationships that are the most important for U-R to manage to successfully implement their waste management strategies in are the ones with R-S and tenants. These are the external players that U-R works the closest with to realize the waste program, both on a strategic and operative level, but also the players whose actions U-R can truly affect and control. Hence these are the relationships that will be of focus in our study of how U-R manages and controls the waste management process. The information below is based upon the material given to us by U-R, a representative for the tenants and Ragn-Sells.

4.4 Unibail-Rodamco and Ragn-Sells

Ragn-Sells is one of the largest companies in Sweden within environmental and recycling services.¹⁵² They have worked together with U-R for several years in different shopping centers,¹⁵³ and are today providing recycling and waste management services in about 50 percent of U-R's shopping centers in Sweden.¹⁵⁴ The cooperation between U-R and R-S in Täby Center started in 2002 and may be

¹⁴⁸ Interview R-S 2008-11-25.

¹⁴⁹ Interview U-R Headquarters 2008-10-21.

¹⁵⁰ Interview R-S 2008-11-25.

¹⁵¹ Interview U-R Headquarters 2008-10-21.

¹⁵² Ragn-Sells. www.ragnsells.se. 2009-04-28.

¹⁵³ Interview R-S 2008-11-25.

¹⁵⁴ Interview U-R Headquarters 2008-10-25.

described as one of the more challenging projects for R-S, due to the many additional constructions of the center performed in several phases, which accordingly has required for heavy investments and finding new ways of communicating.¹⁵⁵

4.4.1 Objectives of the Cooperation

The role of R-S in the waste management process in Täby Centrum is to provide consultancy with regard to the design of the system, analyse how the waste ultimately can be recycled and to manage the practical work of monitoring the sorting, transporting and recycling of the waste. To be able to do this R-S provides U-R with all the leased equipment that is needed in the 13 recycling stations in Täby Center; fifteen compressors, three containers, three internal containers and one electric forklift, but they also have one employee on site to take care of practical issues and provide tenants with necessary information.¹⁵⁶

The idea is for U-R is to have a partner that can be trusted to provide safety and efficiency; i.e. that makes sure that activities taking place are according to laws and regulations and that offers solutions and services at a competitive price.¹⁵⁷ Another important function of R-S is to produce statistics,¹⁵⁸ which is crucial for U-R to be able to show for stakeholders how they attain their environmental aims.¹⁵⁹

Being the party that has the full perspective of the recycling process; from the second that the tenant throws the waste away until it is recycled and reused, incinerated or sold at the second hand market for re-used raw materials, only R-S possesses the necessary knowledge of how tenants should behave when performing the first sorting and what consequences mistakes at this basic steps imply. They accordingly play an important role in communicating this knowledge to the tenants.¹⁶⁰

¹⁵⁵ Interview R-S 2008-11-25.

¹⁵⁶ Interview R-S 2008-11-25, Complementary question R-S 2008-12-10. Interview R-S 2009-01-30.

¹⁵⁷ Interview R-S 2008-11-25.

¹⁵⁸ Interview R-S 2008-11-25.

¹⁵⁹ Interview U-R 2008-10-21.

¹⁶⁰ Observation in Högbý Torp and Lunda Well Papp 2008-11-25 and Täby Centrum 2008-11-26.

4.4.2 The Nature of the Relationship with R-S

Coordinating the Relations with R-S

1. The Contract
2. Formal and Informal Interaction on a:
 - a) Strategic Level
 - b) Operating Level

Contracts between U-R and R-S are extensive and include detailed information about how the supplier (R-S) should behave with regard to the environment and what prices are prevailing. The contracts are stretching over a somewhat longer period of time than U-R's contracts normally do, due to heavy investments in technology and assets described above.¹⁶¹

Besides exhaustive contracts, frequent interaction on several levels is an important way for the counterparts to feel confidence in each other and to find solutions to problems that might arise. Both parties mentioned the fact that they “grow together” and that the relationship is mutually reinforcing. R-S said that they were driven by the fact that U-R as a major partner with wide-ranging activities instantly poses new challenges for them, forcing them to keep up the evolution and instantly find new working methods.¹⁶² U-R, on their part claimed that whatever problem they have it is plausible that R-S have either encountered it before, or can provide a creative and flexible solution to it;¹⁶³ hence U-R feel that they learn a lot about sustainability issues such as waste and energy from the partnership.¹⁶⁴

U-R maintains that on a scale on 1 to 10, the interaction with R-S has moved from a 3 to a 7 during the last years, which is a development driven by the increased pressure U-R Sweden has to perform in accordance with U-R's global sustainability policies.¹⁶⁵ The different levels of interaction stretches from the management level with strategic decisions, down to the floor and the recycling stations where the actual sorting of the waste takes place. Interaction between U-R and R-S occurs on a daily basis, as critical

¹⁶¹ Interview U-R Head Quarters 2008-11-25.

¹⁶² Interview R-S 2008-11-25.

¹⁶³ Interview U-R Floor Manager 2008-11-26.

¹⁶⁴ Interview U-R Headquarters 2008-10-21.

¹⁶⁵ Interview U-R Headquarters 2008-10-21.

issues and urgent situations in the center instantly need to be dealt with.¹⁶⁶ Furthermore, R-S has one full time employee working in Täby Center who is highly integrated in the organization of U-R.¹⁶⁷ This employee interacts directly with tenants in the interest of U-R.¹⁶⁸

R-S is also a part of the Environment Group in Täby Center and sometimes participates in breakfast meetings where they inform and interact directly with tenants. They also communicate through written documents such as the “*Centrum Binder*” with all necessary information for owners and employees in Täby Center, the monthly News Letter sent out to all tenants of the center,¹⁶⁹ but also by announcing the rules for waste sorting at the sorting station in Täby Centrum.¹⁷⁰

4.4.3 Challenges

Waste management is one of the heavier cost items in the budget of a shopping center.¹⁷¹ Costs of the services connected to managing waste and recycling are substantial and requires for heavy investments in terms of compressors and other necessary equipment for performing the recycling process accurately.¹⁷² Furthermore, finding efficient solutions for recycling systems in facilities with the size of the ones of U-R has urged some major investments in technology and know-how.¹⁷³

Lastly, the fact that R-S to a great extent interacts directly with tenants poses a challenge for U-R as they will have to find a way to assure that what R-S communicates to these is congruent with the visions and strategies of U-R. After all, it is U-R that has the ultimate responsibility towards their tenants.¹⁷⁴

4.5 Unibail-Rodamco and Tenants

As seen above the tenants of Täby Center are companies from all business sectors pursuing widely differing activities stretching from grocery stores to offices. The majority of the tenants do not have stricter environmental policies or higher recycling

¹⁶⁶ Interview R-S 2008-11-25, Interview U-R Floor Manager 2008-11-26.

¹⁶⁷ Interview U-R Floor Manager 2008-11-26. Interview R-S 2009-01-30.

¹⁶⁸ Interview R-S 2009-01-30.

¹⁶⁹ Interview U-R Center Manager 2008-11-26.

¹⁷⁰ Interview U-R Headquarters 2008-10-21.

¹⁷¹ Interview U-R Center Manager 2008-11-26.

¹⁷² Interview R-S 2008-11-25, Interview U-R Floor Manager 2008-11-26.

¹⁷³ Interview R-S 2008-11-25.

¹⁷⁴ Interview U-R Headquarters 2008-10-25.

demands than the recycling services that is already offered by U-R.¹⁷⁵ There are a few exceptions though; for instance larger chain stores that has demands from their corporations to follow.¹⁷⁶

Challenges

1. Heavy Investments in Equipment and Relation Specific Solutions
2. Direct interaction between R-S and third parties (tenants)

4.5.1 Objectives of the Cooperation

From U-R's point of view it is of high importance to attract the tenants to participate in the waste management program to be able to govern their behaviour with regard to waste issues. This is driven by the desire of U-R to control and account for the entire flow of waste from Täby Center, to handle it in accordance with the company's sustainability visions and accordingly to provide reliable reporting of the center's waste activities.¹⁷⁷

Once tenants participate in the waste management program, U-R's major concern is to increase their awareness of the corporations sustainability policies and to encourage them to be more cautious when sorting the waste, which will not only be positive for the environment but will also result in cost savings. U-R considers it important to show tenants that the waste process is a zero-sum game, where tenants only pay for the waste produced without increasing the profit of U-R. It is also essential to show tenants initially that accurately sorted waste implies lower costs as it will not have to be re-assorted later in the process. The goal for U-R is to become fairer when distributing the waste cost, and to be perceived as such by the tenants, which makes transparency a key principle for what attitude U-R adopts in the relationship with the tenants.¹⁷⁸

U-R has tried to engage the tenants in the corporate sustainability strategies by offering a possibility to lower their costs by being upgraded in the recycling key

¹⁷⁵ Interview U-R Center Manager 2008-11-26. Interview Tenant 2009-01-30.

¹⁷⁶ Interview U-R Headquarters 2008-10-21.

¹⁷⁷ Interview U-R Headquarters 2008-10-21.

¹⁷⁸ Interview U-R Headquarters 2008-10-21.

system to a category that pays less for waste services. This may be achieved by the tenant by showing that they sort their waste in compliance with the directions given by U-R or if the tenant is certified in accordance with ISO.¹⁷⁹ According to information from tenants, the knowledge about this possibility, however, seems to be somewhat limited.¹⁸⁰

4.5.2 The Nature of the Relationship with Tenants

Driven by the intensified pressure facing U-R with regard to sustainability aspects of the company's activities there is an enhanced need for control of and interaction with tenants, which occurs in several different ways that will be discussed below.¹⁸¹

Coordinating the Relations with Tenants

1. Contractual Arrangements with Explicit Rules
2. Written Information (center binder and monthly news)
3. Monitoring and Fines
4. Interaction and Communication Through:
 - a) The Environment Group, Breakfast meetings
 - b) The Floor Manager and on site representative from Ragn-Sells

The first important way of communicating rules and policies with regard to waste management is through the contract, whose content has become increasingly detailed over the years. In the past, the responsibility of implementing sustainability policies was mostly put on the tenants. As a tenant signed a new contract, the two-liner regarding waste issues was the only interaction between U-R and tenants. Moreover, there were not any explicit obligations as for how the tenants should act with regard to sustainability, or what would be the penalties for ignoring the waste recycling policies. Today, the contract is still the base for what rules there are with regard to waste management, but its content has become much more precise. Hence, the two-liner included ten years ago has been complemented with a full page describing the waste and recycling system, specifying explicit obligations and penalties. In addition,

¹⁷⁹ Interview U-R Center Manager 2008-11-26.

¹⁸⁰ Interview Tenant. 2009-01-30.

¹⁸¹ Interview U-R Headquarters 2008-10-21.

there is a need to make room for adjustments in the contracts, for example so that U-R easily can change waste company if needed.¹⁸²

Except for the contracts, written information about rules with regard to waste policies in Täby Center is communicated through a monthly newsletter and a center binder with Q&A regarding sustainability issues is distributed to all tenants.¹⁸³

The waste sorting is monitored by the Center Management, security staff,¹⁸⁴ but also by the employee from Ragn-Sells operating in Täby Center. Where erroneously sorted waste is encountered pictures are taken to prove the infraction in case the responsible would deny his guiltiness. In these situations; where U-R has a problem with its tenants not complying with recycling rules the routine is to have a discussion at first and then, if necessary, follow up with mail correspondence and as a last action give a fine. There is a necessity to be tough and express that there is a zero tolerance for those tenants that ignore the rules.¹⁸⁵ Lack of time and resources however makes it difficult to be as strict on these rules as desired by U-R, thus mistakes by tenants rarely lead to fines.¹⁸⁶

There are several forums for joint discussions and problem solving for U-R, R-S and tenants. Communication mainly takes place through monthly meetings in an Environment Group consisting of around seven representatives for U-R, R-S and tenants.¹⁸⁷ The tenants in the Environment Group have been selected with regard to their waste volume, interest and engagement in environmental issues among others.¹⁸⁸ The Environment Group is an important institution to increase the transparency in the decision making process and to give representatives of tenants a chance to discuss changes and make their opinions heard. The purpose of the board is on one hand for the tenants to exchange suggestions and advice on how to manage the waste process, on the other hand to function as a sounding board prior to negotiations.¹⁸⁹ The topics discussed in the group cover both smaller operational

¹⁸² Interview U-R Headquarters 2008-10-21.

¹⁸³ Interview U-R Center Manager 2008-11-26

¹⁸⁴ Interview U-R Center Manager 2008-11-26.

¹⁸⁵ Interview U-R Center Manager 2008-11-26

¹⁸⁶ Interview R-S. 2009-01-30.

¹⁸⁷ Interview U-R Center Manager 2008-11-26

¹⁸⁸ Interview U-R Floor Manager 2008-11-26

¹⁸⁹ Interview U-R Center Manager 2008-11-26

tasks and more strategic visions.¹⁹⁰ It must however be mentioned that tenants connotes that yet no revolving changes have been attained even though they regard this as an important initiative with a large potential.¹⁹¹ Another forum for discussing environmental issues is the regular breakfast meetings where U-R and all tenants participate. There have for instance been meetings where representatives from R-S have been participating, highlighting critical issues and opened up for questions.¹⁹² According to R-S, such meetings have helped to increase the tenants feeling of meaningfulness of sorting waste and accordingly enhanced their performance.¹⁹³

Furthermore U-R frequently interferes and communicates with tenants on a daily basis in several different, more informal, ways. The Center Manager is responsible for the contact with the 250-300 tenants located at Täby Center, including questions regarding waste management, but the tasks of monitoring and providing tenants with information is coordinated by the Floor Manager. Communication between U-R and tenants takes place through daily telephone contacts between tenants and the floor manager.¹⁹⁴ Lastly, a large part of the daily contact with tenants regarding waste issues is performed through the representative from R-S that works in the building,¹⁹⁵ as it is agreed on that the waste management company should have daily contact with tenants on the behalf of U-R.¹⁹⁶ According to information from tenants, the knowledge about this possibility, however, seems to be somewhat limited.¹⁹⁷

4.5.3 Challenges

As seen in Figure 5 the tenants of Täby Center are a motley crowd of companies, aiming to satisfy all needs of the customers that go shopping in Täby Center. The fact that it is ultimately the demands of the visitors of Täby Center that is providing input for the mix of tenants in Täby Center poses a challenge for U-R when it comes to governing them with regard to sustainability issues, mainly for two reasons. Firstly the widespread characteristics of tenants implies that there might be diversified goals, visions and activities of the tenants which in turn will request for very

¹⁹⁰ Interview U-R Floor Manager 2008-11-26

¹⁹¹ Interview Tenant. 2009-01-30.

¹⁹² Interview R-S 2008-11-25.

¹⁹³ Interview R-S 2009-01-30.

¹⁹⁴ Interview U-R Floor Manager 2008-11-26.

¹⁹⁵ Interview U-R Center Manager 2008-11-26, Interview Tenant 2009-01-30.

¹⁹⁶ Interview U-R Headquarters 2008-10-21.

¹⁹⁷ Interview Tenant 2009-01-30.

advanced cost and control systems to control and account for waste production and measurement. Moreover the fact that the tenants are not selected based on their commitment for environmental issues might imply that some of them are actually rather, if not totally, uninterested in recycling activities.¹⁹⁸

Challenges

1. Diversity of Tenants
2. Low Commitment to Environmental Issues and Lack of Time
3. Old Contracts

In sum it seemed as if some tenants are highly committed, whereas others are more or less indifferent to the question of waste sorting. As an illustration of how this might imply a complication for efficiently implementing U-R's environmental policies in Täby Center it has showed that the tenants participating in the Environment Group predominantly are the ones with a relatively high interest in environmental issues. Hence there is a risk that the forum becomes more of a club for mutual interests than a group for straightening out disagreements. Another indication of the tenant's low commitment is that even though U-R offers a possibility for those who prove to be carefully sorting their waste to lower their costs few capture this opportunity. This might be due to the fact that the estimated cut in costs is not that significant, according to the Center Manager.¹⁹⁹ This was also supported by the interviewed tenant that connoted that the efforts made by tenants are low due to lack in motivation and the fact that they see no substantial economic gain involved in sorting.²⁰⁰

A consequence of the lacking interest or the prioritizing of other tasks is that store managers seldom have enough time to educate their staff in environmental issues. Insufficient focus on instruction of waste sorting is especially problematic among those tenants that have a large amount of part-time staff and a high employee turnover. Finding an efficient way of communicating with all these is highly complicated, if not impossible, for U-R to achieve. Overall, the employees are not as

¹⁹⁸ Interview U-R Headquarters 2008-10-21.

¹⁹⁹ Interview U-R Center Manager 2008-11-26.

²⁰⁰ Interview Tenant 2009-01-30.

motivated and committed as the store managers and might take short cuts in the waste sorting.²⁰¹ This is especially problematic as it seems to be self reinforcing; if waste is left unsorted by a tenant, this often releases a chain reaction among others to ignore the process.²⁰²

A third problem is related to tenants that are still complying with old contracts and hence cannot be penalized for breaking the waste recycling rules. However contracts of 10-15 years are exceptional; the majority of them are on a 3-year basis and in the future U-R expects them to be 5 years.²⁰³

4.6 Summary of Empirics

To summarize, trust plays an important role in the relationship between U-R and R-S since there are several long term investments involved in the cooperation and both companies gain valuable knowledge from interacting with one another.

As for the tenants, U-R has increased both the formal demands in the contracts and penalized tenants for not fulfilling the requirements stated, as well as broadened its communication, making the waste management process more fair and transparent.

5. ANALYSIS

In the sections below we carried out a comparison of the case results against the theoretical models by doing a thorough analysis of the relationship between U-R and R-S, which was then followed by an equally comprehensive analysis of that with tenants and ultimately concluded through a brief summary of the analysis executed. In both of the former cases, we started off with forms of coordination, followed by a study of the control mechanisms utilized.

5.1 Unibail-Rodamco and Ragn-Sells

5.1.1 Coordination

Essentially the relationship between U-R and R-S is market-based. A detailed contract specifies the obligations of the two autonomous parties, and accordingly

²⁰¹ Interview U-R Floor Manager 2008-11-26.

²⁰² Interview U-R Floor Manager 2008-11-26.

²⁰³ Interview U-R Headquarters 2008-10-21.

constitutes a ground for mutual expectations. It can however clearly be stated that the relationship between U-R and R-S goes beyond that; we found a salient social feature of the relationship, which was confirmed by the fact that the commitment from both parties was deep and beyond the arms-length principle prevailing in a pure market situation. This, in turn, may have its roots in several of the characteristics of the value exchanges taking place. Firstly the transactions were highly frequent; waste management is a heavy cost in the operation of a shopping center. Moreover; handling waste in an environmentally sustainable way in a shopping center with 250-300 tenants with different background and business activities is a highly complex task that requires for tailor made solutions services that neither of the parties could work out on a standalone basis. Whereas R-S has widespread knowledge of how to handle the waste in an environmentally, as well as economically, superior way U-R possesses the necessary understanding of the nature of the tenants that will actually perform the primary sorting of the waste. Thus, there is no standardized waste management arrangement traded in the market place that could be applied on the complex reality in Täby Center. To design and implement a successful recycling system in Täby Center it has accordingly been inevitable for the two parties to take the relation beyond being purely market-based; interacting in a more cooperative manner has been necessary. Also, integrating more extensively in order to develop a sense of mutual trust has probably been a way for the parties to hedge against the risks connected to the heavy investments in know-how and relation specific assets included in the waste management in Täby Center.

5.1.2 Control Mechanisms

| Control Mechanisms U-R and R-S | |
|--|--|
| <p>FORMAL</p> <p>Output Control</p> <ul style="list-style-type: none"> • Strategic goals <p>Behaviour Control</p> <ul style="list-style-type: none"> • Rules and policies for how the waste should be handled <p>Reporting;</p> <ul style="list-style-type: none"> • Recycling key, joint planning and budgeting • Deviation reports • Compiling of statistics | <p>INFORMAL</p> <p>Social Control</p> <p>Partner selection:</p> <ul style="list-style-type: none"> • Reputation, expert knowledge in corporate sustainability • Cultural fit, i.e. mutual commitment to environmental issues • Long lasting joint history <ul style="list-style-type: none"> • Frequent interaction and open communication • Cross-organizational working groups for joint problem solving • Length of contracts |

Although U-R's contracts with R-S are extensive with detailed clauses of how the supplier should behave, complications for U-R to monitor the process of R-S waste management activities exist for at least two reasons; firstly a substantial part of R-S work is performed off-site; at the facilities of R-S and not of U-R. Secondly U-R's know-how in environmental issues and the impact of different types of waste is limited and lower than the one of R-S, who is to be viewed as experts. Accordingly it is close to impossible for U-R to supervise the recycling activities of R-S by traditional means of monitoring as to assure that they are performed in the way agreed on. Instead the control exercised by U-R has mainly three features; firstly the companies jointly each year elaborate a recycling key; a budget for the costs and revenues from recycling with specifications of templates for how much each tenant should pay. Secondly R-S provides U-R with statistics of how much waste that is produced, how much is incinerated and what is recycled. One might question, then, how U-R can assure and rely on that what is reported by R-S is fair and truthful. The answer leads us to the third and maybe most important variable that enables U-R to place such a responsibility on R-S with regard to the environmental pillar in their corporate sustainability policies; namely trust.

Several means of social control has enabled U-R to rely on R-S as a competent and solid supplier of recycling services. To start with the two companies have a far-reaching joint history and have cooperated in several of U-R's properties in prior to

Täby Center. Hence, when contracting R-S for Täby Center U-R knew that this was an entrepreneur they could rely on. Furthermore, with regard to R-S high commitment to pursuing operations in accordance with their own sustainability visions it is obvious that R-S had a widespread dedication to managing waste in an environmentally friendly way. Since it is in the core of R-S business model to recycle all that can be recycled and sell it further through their raw material market, it is obvious that it lies in the supplier's interest to comply with U-R's strict environmental policy of recycling. There also seemed to be a mutual understanding of the economic perspective of recycling; that sorting waste is an activity that will pay off due to the above described ability of selling the sorted waste further. To conclude U-R and R-S shared beliefs in the environmental and economic potentials of recycling may be compared to what in the literature commonly is referred to as a "cultural fit" as both companies have an interest in working in an environmentally sustainable way at a reasonable cost.

Having stated what features initially allowed the two parties to establish a sense of trust it is in place to say something about how this notion has evolved and been enforced over time. We found the most important contributing factor to be frequent interaction and open communication; both on a strategic and operating level. Joint problem solving is mentioned as an important mean of rendering the sustainability work in Täby Center more efficient and the earlier described mutual feelings of "growing together" emphasize how highly developed and well functioning these institutions are.

However, other than purely social means of establishing a notion of trust could be noted, among which the length of the contract was the most important. The time horizon of the contracts with R-S is longer than U-R's other contracts, which was described as a necessity due to the heavy investments in cooperation specific assets and technology.

5.2 Unibail-Rodamco and Tenants

5.2.1 Coordination

The relationship between U-R and tenants can be seen as mainly market-based, given that tenants, if they consider the service poor or costly, have the possibility of

changing waste service provider to another than R-S, who is the supplier offered by U-R. Hence, a relevant concern for U-R is to maintain competitive prices in the waste management process in order to certify that all tenants choose to participate in their arrangement. Besides keeping competitive prices U-R and R-S seek to keep the process and system for cost allocation of waste services highly transparent and works actively to inform customers about what they are paying for and why the system used is functional; i.e. information is of high importance.

In addition to the market-based coordination of the relationship, U-R has lately tried to develop a more social relationship to be able to jointly solve issues related to the environmental work and waste management. This social interaction is seen as a necessity to reduce costs due to the tenants' errors or misunderstandings and hence argues against the view of the relationship of U-R and tenants to be purely market-based.

5.2.2 Control Mechanisms

| Control Mechanisms U-R and Tenants | |
|---|--|
| <p>FORMAL</p> <p>Output Control</p> <ul style="list-style-type: none"> • Goals (zero tolerance) • Incentive systems (possibility to lower costs if recycling carefully) <p>Behavior Control</p> <ul style="list-style-type: none"> • Definitions of functional responsibilities • Rules and regulations • Monitoring • Fines if contracts are violated | <p>INFORMAL</p> <p>Social Control</p> <ul style="list-style-type: none"> • High level of transparency → Trust • Communication; both written and verbal • Joint task groups; forum for commonly discussing improvements and solving problems |

Due to the fact that it is actually the tenants that are customers buying services from U-R, we assumed that it might be problematic to pressure them too hard with strict rules and procedures for handling waste. But in spite of this, U-R needs to guarantee that the waste handling is executed in compliance with the goals that have been set up for their properties in the Corporate Sustainability Report. Hence, there is a need to control the tenants' to make sure that they sort their waste in compliance with the corporation's sustainability policies.

We found the strongest formal mean of control applied on the tenants of Täby Center to be the contract, including rules and specifications of expected behaviour with regard to recycling activities. The directions in the contract are followed up by monitoring of the waste sorting facilities and in case fraud is discovered penalties are issued. Other formal control tools include the set up of goals for the tenants regarding recycling and to communicate that there are common objectives such as cost savings involved in handling the waste properly and following guidelines. In the theory section we saw that joint goals are the foundation for the development of further formal control mechanisms. Accordingly, a problem for U-R might be that tenants do not feel affected and engaged by the objectives of recycling in Täby Center as many of them have not been active in elaborating these goals. We however found that U-R are taking actions to include tenants in the formation of policies which is illustrated through the trend of moving towards an increased transparency in the waste system for cost distribution, for instance by the implementation and usage of the Recycling Key. As a last formal control tool, in connection to the recycling key, there is an economic incentive used for tenants to improve their recycling; if they sort more carefully they will be charged less.

As U-R has discovered that written specifications and agreements of how the waste management process should be performed is not enough to achieve smooth cooperation and coordination of tasks they have extended the practice of social control. The ultimate aim is to achieve intensified and more interactive cooperation between U-R and tenants in Täby Center to be able to jointly solve problems and render the process more efficient. The joint boards and forums to discuss environmental and waste issues set up by U-R are today numerous. The Environmental Group, exclusively dealing with this type of issues is however not an optimal way of engaging all the tenants as they are here only represented by a few companies, who not seldom are the ones with the highest commitment to “green thinking”. Lastly, U-R encourages informal communication as there is a possibility for tenants to always call either the R-S representative on site or employees of U-R in case they would need further information or help.

Despite all the social efforts of U-R we found the relationship between U-R and tenants in general to be characterized by what is called a cultural misfit, with unequal

interest and focus on sustainability. This we can conclude for several reasons; unlike R-S, who was selected as a supplier partly because of its long history of reliable recycling activities, tenants are not chosen on the basis of their commitment to environmental issues or routines for waste sorting. This results in difficulties when controlling their behaviour since they have different waste sorting aspirations and in some cases lack environmental policies of their own. Furthermore we observed that the economic incentive system offered by U-R and R-S had had a relatively frail response, which might be due to prioritization of other aspects of the business or the fact that the interest for sustainability and waste management among tenants in general can be described as lower than that of U-R. It must however be noted that the tenants should not be viewed as one, large, homogenized group. Whereas some tenants have their own environmental policies which in much correlate with those of U-R, other tenants may hardly have any demands whatsoever from within their organizations. One last indicator of the relatively low interest for environmental issues among tenants is the default of initiatives for improvements.

From the discussion above our overall conclusion is that the notion of trust is rather weak between the parties; U-R has to act as the main driver in the waste management activities and accordingly is in need of its far-reaching level of monitoring.

5.3 Summary of Analysis

Both relationships studied are essentially based on market coordination, but while U-R and R-S has a far-reaching joint history and mutual interests which creates a foundation for trust, the notion of trust for the tenants as a group is lower and they accordingly need to be monitored. With R-S, frequent interaction and open communication on both a strategic and operating level is executed on a daily basis, while the strongest formal mean of control for tenants still is the contract. However, the latter has been complemented by an increase in the transparency of the waste system for cost distribution.

6. CONCLUSION

In this section, we answer our research question and draw some conclusions from the analysis as well as present further implications regarding our current view on this topic.

The purpose of the study was to examine how a commercial property company can coordinate and control relationships with the involved external parties to successfully implement its corporate sustainability policies. From our findings we can conclude that U-R has been urged to elaborate a recycling system that fulfill several requirements and which must be efficient both from an economical and ecological perspective due to the increased focus on pursuing activities in Täby Center with regard to the environmental goals. The complex process of waste sorting and reporting in the center is performed by external actors in several different steps and has implied intensified inter-organizational cooperation, but also an augmented need to control the actions of the counterparts. Moreover, to achieve an efficient process and to avoid potential bottle necks in terms of erroneously sorted waste which would generate losses both in terms of money and environmental performance, it has been necessary to promote a smooth flow of information between the parties involved, which has been achieved through extensive communication both by formal and informal means. Hence it is our conclusion that even though the relationships between U-R and the two key external actors were essentially market-based, there was a need to integrate beyond that, which occurred mainly by social means through frequent interaction and communication. The social feature was ultimately a necessary requirement to handle the complexity of achieving a smooth recycling process that would constitute the ground for a successful result and to enable the production of reliable reporting of sustainability activities.

When analyzing the respective relationships with R-S and the tenants we found that a necessary prerequisite for successful cooperation towards sustainability is that both parties have relatively the same level of interest and corporate awareness; i.e. that there is a cultural fit or some ideological consensus around the issues on topic. In the case of U-R and R-S we found that mutual awareness about environmental issues and the cost savings potentials as well as revenue possibilities in waste sorting were an important source of confidence in the counterpart. Our impression is that many tenants, on the other hand, seemed to consider it to be the responsibility of U-R to provide them with a cost efficient waste service, and were accordingly somewhat unaware or uninterested of both the economic and environmental gains from engaging in waste sorting.

Except for selecting a partner with values and “the right approach”, frequent interaction and joint problem solving proved to be of high importance for strengthening the relationships. Again the relationships with R-S and tenants proved to be widely differing. In the case of U-R and R-S both parties claimed that the way they challenge each other and accordingly have to develop has implied a mutual feeling of “growing together”. As for tenants on the other hand we rather had the feeling that it was more a question of a one way communication from U-R, as the majority of them was described to show low interest for engaging in environmental activities and seldom came up with suggestions of how to improve the waste management process. As a consequence there was an increase for monitoring. It must however, again, be emphasized that all tenants should not be equalized as some of them seemed to show higher commitment than others. This in turn brings us to one of the most difficult implications discovered to successfully implement a smooth waste management process; the diversity of the tenants. However it was not only the difference between tenants that implied complications, but also the task of establishing social forums and achieve efficient communication with all 250-300 tenants. It stood clear that it is easier to negotiate, collaborate with and control one counterpart, in this case with the supplier Ragn-Sells than with hundreds of tenants with different characteristics of activities, values and objectives.

To sum up, it can be argued that market coordination with increasingly detailed formal contracts is the predominating governance form. It can also be agreed on that as the focus on sustainability has intensified, the informal control in terms of both interaction and communication has intensified between the actors, but in different aspects.

6.3 Further Implications

The focus of this thesis has been to study the dyadic relationships between the focal company and its key external partners. However, as a suggestion for further research within the area we find it interesting to study how external factors, i.e. relations with third parties, would affect the focal relationship. This would imply the use of theories based upon the business networks approach. For example, laws and regulations can be seen as a strong external control mechanism, resulting in a need of interacting more comprehensively with the authorities (the municipality’s office) since a huge

amount of the waste is being undertaken by their waste service suppliers and hence cannot be controlled by U-R in any way.

6.4 Recommendations for U-R

As seen throughout the analysis, the cooperation between U-R and R-S is well-functioning. However, there is a possibility to improve the relations with tenants. For example, we have been discussing solutions of stricter formal control systems including surveillance cameras and other monitoring tools, but found that such initiatives would not resolve the underlying problem with increasing awareness among tenants about the existing environmental policies. Another issue for the waste management recycling process to run smooth has been the necessity of finding a way to communicate “all the way down”; i.e. to ensure that information discussed in top management groups is carried on further into the organizations to the individuals that actually perform the waste sorting. As one of our interviewees on the center management level suggested, this might for example be achieved by creating a mandatory net-based environmental test, thus requiring tenants of all levels to engage in staff education and increasing the awareness among floor personnel. Such a test would incorporate knowledge in the everyday operations of the tenants’ activities.

REFERENCES AND APPENDICES

Transcribed Interviews

Akterwall, Lars-Göran. Purchase Manager, Unibail-Rodamco Headquarters.
Unibail-Rodamco Headquarters, 2008-10-21 and Högby Torp, 2008-11-25.

Tolgén, Lars. Ragn-Sells. Information and Communication. Högby Torp, 2008-11-25.

Eklund, Anders. Head of Projects, Maintenance and Purchasing, Unibail-Rodamco Headquarters. Unibail-Rodamco Headquarters, 2008-10-21.

Scherdin, Peter. Markets and Sales. Ragn-Sells. Högby Torp, 2008-11-25.

Sherrington, Fiona. Täby Center Manager, Unibail-Rodamco Center Management.
Täby Center, 2008-11-26.

Non-transcribed Verbal Sources

Claesson, Nicklas. Täby Center Floor Manager, Unibail-Rodamco Center Management. Täby Center, 2008-11-26.

Eklund, Anders. Head of Projects, Maintenance and Purchasing, Unibail-Rodamco Headquarters. Unibail-Rodamco Headquarters, 2008-10-21.

Representative of the tenants. Manager at renting company at Täby Center. Täby Center, 2009-01-30.

Kangemo, Heléne. Administrator Lunda Wellpapp, Ragn-Sells. Lunda Wellpapp, 2008-11-25.

Mattsson, Christine. Personnel Ragn-Sells at Täby Center. Täby Center, 2009-01-30.

Observations

The Recycling Process, Högby Torp, 2008-10-25.

The Recycling Process, Lunda Wellpapp, 2008-10-25.

The Waste Sorting Process. Täby Center, 2008-10-26.

Material from the case companies studied

Unibail-Rodamco Corporate Sustainability Report 2007.

Lectures at Stockholm School of Economics

Lind, J. Lecture 2008-09-02.

Books

Anthony, R., Govindarajan, V. (2007). *Management Control Systems*. McGraw Hill, Singapore.

Denzin, Norman K, Lincoln, Yvonna S (2000). *Handbook of Qualitative Research Second Edition*. Sage Publications Inc, California.

Elkington, John (1999). *Cannibals with Forks*. Capstone, Cornwall.

Håkansson, H., Snehota, I. (1995). *Developing Relationships in Business Networks*. Routledge, London.

Kraus, K., Lind, Johnny (2007). *Management control in inter-organizational relationships*. Ur Hopper, Trevor, Northcott, Deryl and Scapens, Robert Issues in Management Accounting (2007). Prentice Education Limited, Dorset.

Hopper, Trevor, Northcott, Deryl and Scapens, Robert (2007). *Issues in Management Accounting*. Prentice Hall, Dorchester.

Ryan, B., Scapens, R., Theobald, M. (2002). *Research Method & Methodology in Finance & Accounting*. Thomson, London.

The World Commission on Environment and Development (1987). *Our Common Future*. Oxford University Press, Oxford.

Thompson, Grahame F (2003). *Between Hierarchies & Markets – The Logic and Limits of Network Forms of Organization*. Oxford University Press, Great Britain.

Werther Jr, William B, Chandler, David (2006). *Strategic Corporate Social Responsibility – Stakeholders in a Global Environment*. Sage Publications Inc, London.

Widerberg, Karin (2002). *Kvalitativ Forskning i Praktiken*. Studentlitteratur, Lund.

Articles from Academic Journals

Andersson, Per, Sweet, Susanne (2002). *Towards a framework for ecological strategic change in business networks*. Journal of Cleaner Production 10.

Carlisle, Ysanne M, Faulkner, David O (2004). *Corporate Social Responsibility: a stages framework*, European Business Journal.

Chiles, Todd H., McMackin, John F. (1996). *Integrating Variable Risk Preferences, Trust, and Transaction Cost Economics*. Academy of Management Review. Vol 21, No 1.

Das, T.K and Teng, Bing-Sheng (1998). *Between Trust and Control: Developing Confidence in Partner Cooperation in Alliances*. Academy of Management Review. Vol 23, No 3.

Das, T.K and Teng, Bing-Sheng (2001). *Trust, Control and Risk in Strategic Alliances: An Integrated Framework*. Organization Studies 22/2.

Dekker, Henri C. (2004). *Control of Inter-Organizational Relationships: Evidence on Appropriation Concerns and Coordination Requirements*. Accounting, Organizations and Society 29.

Gulati, Ranjay (1995). *Does Familiarity Breed Trust? The implication of repeated ties for contractual choice in alliances*. Academy of Management Journal Vol 38. No 1.

Hart, Stuart L. (1997). *Beyond Greening: Strategies for a Sustainable World*. Harvard Business Review. January-February 1997.

Håkansson, Håkan, Lind, Johnny (2004). *Accounting and Network Coordination*. Accounting, Organizations and Society 29.

Otley, D.T, Berry, A. J (1980). *Control, Organizations and Accounting*. Accounting, Organizations and Society. Vol 5, No. 2.

Ouchi, William G. (1979). *A Conceptual Framework for the Design Organizational Control Mechanisms*. Management Science. Vol 25, No 9, September.

Smith Ring, Peter, Van de Ven, Andrew (1992). *Structuring Cooperative Relationships Between Organizations*. Strategic Management Journal. Vol 13.

Tomkins, Cyril (2001). *Interdependencies, Trust and Information in Relationships, Alliances and Networks*. Accounting, Organizations and Society 26.

van der Meer-Kooistra, Jeltje, Vosselman, Ed G.J. (2000). *Management Control of Interfirm Transactional Relationships: the Case of Industrial Renovation and Maintenance*. Accounting, Organizations and Society 25.

van der Meer-Kooistra, Jeltje, Vosselman, Ed G.J. (2006). *Research on Management Control of Interfirm Transactional Relationships: Whence and Whither*. Management Accounting Research 17.

van Marrewijk, Marcel (2003). *Concepts and Definitions of CSR and Corporate Sustainability: Between Agency and Communion*. Journal of Business Ethics, Vol. 44, No. 2/3.

Williamson, Oliver E. (1991a). *Comparative Economic Organization: The Analysis of Discrete Structural Alternatives*. Administrative Science Quarterly 36, 2.

Zaheer, Akbar, Venkatraman, N. (1995). *Relational Governance as an Interorganizational strategy: an Empirical Test of the Role of Trust in Economic Exchange*. Strategic Management Journal. Vol 16.

Webpages

Dow Jones Sustainability Indexes.

www.sustainability-index.com/07_html/sustainability/corpsustainability.html.
[2008-11-19].

International Organization for Standardization. www.iso.org [2008-12-03].

Ragn-Sells. <http://www.ragnsells.se> [2009-04-28]

Unibail-Rodamco. <http://www.unibail.rodamco.com> [2008-10-15].

2005 World Summit Outcome. <http://www.un.org/summit2005/documents.html>.
[2009-05-05].

Appendices

Appendix 1 – Interview Guide U-R Headquarters

Appendix 2 – Interview Guide U-R Center Management

Appendix 3 – Interview Guide R-S

Appendix 4 – Interview Guide Tenants

Appendix 1

Intervjuguide 1 - Koncern Sustainability i Unibail-Rodamco Fallstudie; återvinning och avfallshantering i Täby Centrum

Kort beskrivning av position och ansvarsområde/arbetsuppgifter.

Sustainability i Unibail-Rodamco

1. Varför började Unibail-Rodamco arbeta med CSR?
2. Hur har fokus på CSR traditionellt sett ut? Vilka förändringar har skett över åren?
3. Hur ser organisation och struktur ut för arbetet med utformning av CSR strategier ut på internationell respektive regional nivå?
4. Vilka beslut gällande CSR tas på internationell respektive regional nivå?
5. Finns det någon ansvarig för CSR internationellt / i Sverige och när tillsattes denna position?

Fallstudie; återvinning och avfallshantering i Täby Centrum

6. Hur ser styrning och organisation ut omkring ett köpcentrum?
7. Vilka aktörer är med och påverkar miljöarbetet i Täby Centrum?
8. Beskriv relationen Unibail-Rodamco – inhyrande företag i köpcentrumen samt hur/om denna relation har förändrats då fokus på miljöarbetet blivit viktigare för Unibail-Rodamco?
9. Ungefär hur många anställda från Unibail-Rodamco arbetar i Täby centrum och vilka funktioner har dessa?
10. När påbörjades arbetet med återvinning i Täby Centrum och hur har utvecklingen sett ut sedan dess?
11. När skrevs återvinningspolicyn ner i ett officiellt dokument?
12. När började CSR krav ställas på samarbetspartners och affärer och företag som hyr i Täby Centrum?
13. Hur fungerar avfallssorteringen idag på Täby Centrum rent praktisk?

MILJÖSTYRNING AV FÖRETAG SOM HYR LOKALER I TÄBY CENTRUM OUTPUT KONTROLL

14. Vilka mål finns för återvinning i Täby Centrum? Övergripande mål och/eller mål för varje affär / företag?
15. Vem sätter dessa mål?
16. Hur sätts dessa mål?
17. Hur mäts / följs målen upp?

BETEENDE KONTROLL

18. Finns det policies med riktlinjer för hur företag som hyr i Täby Centrum ska bete sig med hänsyn till sopsortering / miljö?
19. Finns det skriftliga regelverk med explicita regler / rutiner för hur sorteringen av avfall ska gå till? Hur detaljerade är dessa planer? Ge exempel på hur de kan se ut!
20. Hur mycket i fråga om avfallshantering lämnas till det enskilda företaget/affären att själv besluta om?
21. Hur utarbetas riktlinjer för regelverk gällande sopsortering?
22. Rutiner för rapportering:
 - a) Hur rapporterar företagen i Täby Centrum sitt arbete med avfallshantering?
 - b) Hur ofta rapporterar företagen?

23. Vilka är konsekvenserna om något företag / affär i köpcentret skulle avvika från dessa planer?
24. Utbildas hyrande företag i Täby Centrum i Unibail-Rodamcos miljöstrategier?

SOCIAL KONTROLL

25. Upplever ni att era CSR-värderingar ligger i linje med de tillämpade av företagen som hyr i Täby Centrum, ie har de ofta CSR-program som påminner om ert eget?
26. Känner ni att ni strävar mot samma mål beträffande återvinning och sustainability som företagen som hyr?
27. Hur ser hyrande företags arbetssätt att implementera CSR strategier ut i jämförelse med era?
28. Hur ser processen för val av hyresgäster ut? På vilka kriterier sker detta?
29. Hur lång löptid har hyreskontrakten?
30. Förekomst av trans-organisatoriska CSR-arbetsgrupper med representanter från såväl Unibail-Rodamco som företag och affärer som hyr i Täby Centrum?
31. Hur ofta träffar ni företagen som hyr i Täby Centrum och diskuterar CSR-strategier samt hur implementering av dessa kan genomföras?
32. Har företag som hyr i Täby Centrum möjlighet att påverka köpcentrets återvinningsstrategier?
33. Anpassar ni era arbetssätt för att underlätta återvinningsarbetet för hyrande företag? Hur?
34. Investerar ni tillsammans med hyrande företag i forskning/redskap för att utveckla miljöarbetet?

Intervjuguide 2 – Koncern

Sustainability i Unibail-Rodamco

Fallstudie; återvinning och avfallshantering i Täby Centrum

MILJÖSTYRNING I SAMARBETE MED RAGN-SELLS

OUTPUT KONTROLL

1. Vilka mål sätter man upp för Ragn-Sells med hänsyn till sopsortering
2. Hur kontrolleras dessa?
3. Vilka åtgärder vidtas om målen inte uppfylls?

BETEENDE KONTROLL

4. Finns det policies med riktlinjer för hur Ragn-Sells ska bete med hänsyn till sopsortering/miljö?
5. Hur kontrollerar man att dessa efterföljs?
6. Vilka är konsekvenserna om Ragn-Sells skulle avvika från dessa planer?

SOCIAL KONTROLL

7. Hur länge har Unibail-Rodamco samarbetat med Ragn-Sells i avfallshantering?
8. Hur uppkom samarbetet med samarbetet med Ragn-Sells initialt?
9. Vilken tidshorisont sträcker sig kontrakten över?
10. Har samarbetet förändrats över tiden?
11. Vad var Unibail-Rodamcos förväntningar på Ragn-Sells tjänster innan man kontrakterade företaget för att ta hand om avfallshantering i Täby Centrum?

12. Förekomst av transorganisatoriska miljöarbetsgrupper med representanter från såväl Unibail-Rodamco Ragn-Sells?
13. Hur ofta träffar ni Ragn-Sells för att diskutera frågor som rör avfallshantering?
14. Sker kommunikation med Ragn-Sells angående avfallshantering även på en mer informell nivå?
15. Kommunicerar /kontrollerar Ragn-Sells hyresgästerna direkt och i sådant fall vilka direktiv finns för detta?

Appendix 2

Intervjuguide – Centrumledningen Sustainability i Unibail-Rodamco Fallstudie; återvinning och avfallshantering i Täby Centrum

Kort beskrivning av position och ansvarsområde/arbetsuppgifter.

TÄBY CENTRUM

1. Hur ser styrning och organisation ut omkring ett köpcentrum?
2. Hur många anställda från Unibail-Rodamco arbetar i Täby centrum och vilka positioner och ansvarsområden har de?
3. När påbörjades arbetet med återvinning i Täby Centrum och hur har utvecklingen sett ut sedan dess?
4. Vilka miljöpolicies finns idag i Täby Centrum avseende avfallshantering?
5. Vilka interna och externa aktörer är med och påverkar avfallshantering i Täby Centrum?
6. Beskriv relationerna Unibail-Rodamco – hyresgäster i Täby Centrum – Ragn-Sells samt om / hur dessa relationer har förändrats då fokus på miljöarbetet blivit större hos Unibail-Rodamco?
7. Vilka miljökrav ställer Unibail-Rodamco på hyresgästerna i Täby Centrum?
8. Hur fungerar avfallssorteringen på Täby Centrum rent praktisk?
9. Vilka problem har uppkommit rörande avfallssorteringen och hur har dessa lösts?

Relationen Centrumledningen – Hyresgäster i Täby Centrum

10. Hur säkerställer ni att hyresgästernas miljöarbete med hänsyn till sopsortering upprätthåller den kvalitet ni efterfrågar?

OUTPUT KONTROLL

11. Finns det mål uppsatta för sophantering bland hyresgästerna i Täby Centrum?
12. Hur kontrolleras att dessa uppfylls?
13. Vilka åtgärder vidtas om målen inte uppfylls?

BETEENDE KONTROLL

14. Finns det policies med riktlinjer för hur företag som hyr i Täby Centrum ska bete sig med hänsyn till sopsortering/miljö?
15. Hur kontrollerar man att dessa efterföljs?
16. Vilka är konsekvenserna om hyresgästen skulle avvika från dessa planer?
17. Utbildas hyrande företag i Täby Centrum i Unibail-Rodamcos miljöstrategier?

SOCIAL KONTROLL

18. Upplever ni att era miljövärderingar ligger i linje med de tillämpade av företagen som hyr i Täby Centrum, i.e. har de återvinningspolicies som påminner om era miljöstrategier?
19. Hur ser hyrande företags arbetssätt att implementera miljöstrategier ut i jämförelse med era?
20. Finns transorganisatoriska miljöarbetsgrupper med representanter från såväl Unibail-Rodamco som företag och affärer som hyr i Täby Centrum?

21. Hur ofta träffar ni företagen som hyr i Täby Centrum och diskuterar miljöstrategier samt hur implementering av dessa kan genomföras?
22. Sker kommunikation med hyresgäster angående avfallshantering även på en mer informell nivå?
23. Har företag som hyr i Täby Centrum möjlighet att påverka köpcentrets återvinningsarbete?
24. Anpassar ni era arbetssätt för att underlätta återvinningsarbetet för hyrande företag? Hur?

Relationen Centrumledningen – Ragn Sells

25. Vad är Ragn-Sells huvudsakliga roll / ansvarsområde i avfallshanteringen?
26. Hur säkerställer ni att Ragn-Sells tjänster / arbete upprätthåller den kvalitet ni efterfrågar?
27. Vilka är konsekvenserna vid avvikelser från överrenskommelser avseende återvinningsarbetet?
28. Hur länge har ni samarbetat med Ragn-Sells?
29. Har ni som centrumledning möjlighet att påverka vilket sopbolag som sköter avfallshanteringen? Om ja, varför föll valet på just Ragn-Sells?
30. Hur ofta träffar ni representanter från Ragn-Sells?
31. Sker kommunikationen främst på formell nivå (via möten etc) eller har ni även daglig, mer informell kontakt?
32. Kommuniserar Ragn-Sells direkt med hyresgäster? I vilka frågor i sådant fall?

Appendix 3

Intervjuguide – Ragn Sells

Sustainability i Unibail-Rodamco

Fallstudie; återvinning och avfallshantering i Täby Centrum

Kort beskrivning av position och ansvarsområde/arbetsuppgifter.

Ragn-Sells

1. Berätta om Ragn-Sells affärsidé och vision?
2. Vilka miljöstrategier arbetar ni efter?
3. Har Ragn-Sells roll som miljö- och återvinningsföretag förändrats över åren med hänsyn till miljö frågor? Om ja, hur har Ragn-Sells förändrats och vad har drivit denna förändring?
4. Hur ser marknaden för miljö- och återvinningstjänster ut? Vilka är de viktigaste aktörerna?

Avfallshanteringen i Täby Centrum

5. Berätta om processen för avfallshantering i Täby Centrum!
6. Berätta om avfallshanteringen och kretsloppsarbetet på Högbjörp!
7. På vilket sätt kan den avfallssortering som utförs i Täby Centrum kopplas ihop med hanteringen i Högbjörp?
8. Vilka är huvudaktörerna i processen med avfallshantering i Täby Centrum?
9. Vilka problem kan uppstå?
10. Hur löses problemen?
11. Hur rapporterar ni ert arbete till Unibail-Rodamco?
12. Hur prissätter ni era tjänster?

Relationen med Unibail-Rodamco och centrumledningen i Täby Centrum

13. Hur etablerades kontakten med Unibail-Rodamco initialt?
14. Hur länge har ni levererat tjänster till Unibail-Rodamco?
15. Hur har er roll som leverantör av miljö- och återvinningstjänster förändrats över åren?
16. Hur lång löptid har kontrakten?
17. Hur sker kommunikationen med central nivå respektive centrumledningen i Täby Centrum och vilka parter har ni mest kontakt med?
18. Sker kommunikationen mest på ett formellt plan (genom möten etc) eller kommunicerar ni även på en mer informell basis?
19. Har ni direkt kontakt med hyresgäster? I vilka frågor?
20. Vad är er roll i den miljögrupp som finns i Täby Centrum?

Appendix 4

Intervjuguide – Tenants

Sustainability i Unibail-Rodamco

Fallstudie; återvinning och avfallshantering i Täby Centrum

Kort beskrivning av position och ansvarsområde/arbetsuppgifter.

Om företaget

1. Berätta om Er affärsidé och vision?
2. Vilka miljöstrategier arbetar ni efter?
3. Har Ni engagemang i miljö frågor och avfallsåtervinning förändrats över åren?
Om ja, hur och vad har drivit denna förändring?
4. Har ni internt någon som är ansvarig för CSR frågor eller en miljögrupp?
5. Finns det ett officiellt dokument för miljö-policyn i företaget?
6. CSR rapporterar ni?

Avfallsåtervinning i Täby Centrum

7. Berätta om processen för avfallshantering i Täby Centrum!
8. Vilka är huvudaktörerna i processen med avfallshantering i Täby Centrum?
9. Vilka problem kan uppstå?
10. Hur löses problemen?
11. Skulle ni säga att det är stor skillnad mellan olika hyresgästers intresse och engagemang i miljöfrågor och återvinning?
12. Hur arbetar Unibail-Rodamco för att miljörutinerna/policies i Täby Centrum för återvinning och avfallshantering ska efterföljas?
13. Hur stor del av avfallhanteringen beslutas av Unibail-Rodamco och hur stor frihet har den enskilda hyrestagaren att besluta om sitt eget arbete?

Koordinering och kontroll

14. Vilka mål skulle ni säga är uppsatta för avfallshanteringen i Täby Centrum?
15. Finns några (ekonomiska) incitament från Unibail-Rodamcos sida för att öka hyresgästernas miljömedvetenhet och sorteringsgrad?
16. Finns det regler för hur företag som hyr i Täby Centrum ska bete sig med hänsyn till sopsortering / miljö?
17. Hur sker utformningen av mål och regler för avfallshantering i Täby Centrum?
18. Hur övervakas regler för avfallshantering?
19. Hur rapporterar ni ert arbete till Unibail-Rodamco och hur ofta?
20. Hur länge har ni varit hyresgäster hos Unibail-Rodamco?
21. Investerar ni tillsammans med Unibail-Rodamco och Ragn-Sells i forskning och redskap för att utveckla miljöarbetet?
22. Vad är er roll i den trans-organisatoriska miljö-arbetsgrupp som finns i Täby Centrum?
23. Hur ofta träffar ni Unibail-Rodamco/Ragn-Sells och diskuterar CSR- strategier samt hur implementering av dessa kan genomföras?
24. På vilken nivå sker mötena med Unibail-Rodamco och Ragn-Sells; formell eller informell kommunikation – eller både och?
25. Upplever ni att era CSR-värderingar ligger i linje med Unibail-Rodamco och Ragn-Sells, ie har de CSR-program som påminner om ert eget?