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A multifocal framework for developing *Intentionally Sustainable Organizations*

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This paper briefly reviews recent interesting work in the field of sustainable organizations research, encompassing domains such as institutional theory, resource-based view, stakeholder theory, framing, and paradox theory. Drawing on these it develops a *Multifocal framework for developing Intentionally Sustainable Organizations (ISO)*, which, inter alia, incorporates and applies new concepts such as *balanced bifocal stakeholder management* and *paradox approach to organization design* to this field. It makes the case that the Icehotel in Jukkasjarvi, Sweden, is an ISO and presents evidence that it manifests all aspects of the theorizing in this paper.

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Although the origins of the enquiry on the nexus between ecology and organizations can be traced back either to the 1800s (e.g., [1,2]), or the mid-1900s (e.g., [3,4]), this research stream only began gaining traction and momentum in the late 1980s/early 1990s, with events and developments like the Brundtland Commission Report (1987), the founding of the *Organization & Environment (O&E)* academic journal (1987), the Rio de Janeiro Earth Summit (1992), the establishment of the *Organizations and Natural Environment* interest group by the Academy of Management (1994) and the 1995 special issue of the *Academy of Management Review* on sustainable development [5•]. Since there are already several recent excellent literature reviews (e.g., [5•,6–8,9•,10–13]), this paper will focus on the more interesting recent theoretical and research developments.

Definition

Almost every managerial decision, whether technical (i.e., design, manufacturing, marketing) or social (i.e., business responsibility toward society, communities, and employees) impacts the natural environment even though the organization may be unaware of what these impacts are [5•,14]. Not surprisingly, a clear and uncontested definition of what is actually included and excluded from the definition of corporate responsibility toward the environment is lacking [15]. Further, there are an almost overwhelming number of constructs for sustainability, some of which are more effective than others [16]. It appears [9•] that top academic management journals use terms such as *corporate sustainability* (e.g., [17,18]), *ecological sustainability* (e.g., [19,20]), *sustaincentrism* (e.g., [21]), and *sustainable development* (e.g., [22,23]), whereas practitioner management journals use terms such as *sustainable organization* (e.g., [24]), '*ideal*' *sustainable organization* (e.g., [25]), and *sustainable enterprise* (e.g., [26]). In general, practitioner-focused definitions tend to be more prescriptive whereas academic-focused ones tend to be more holistic, complex, and philosophical [9•].

Whatever the construct or the definition, it is generally agreed that the interdependence between an organization and the natural environment is a complex phenomenon, involving multiple-levels, system relationships, stakeholders, temporal aspects, and paradigms — among others. With regard to levels, the Globally Responsible Leadership Initiative delineates three levels, that is, individual ('I'), organizational ('we'), and systemic ('all of us'). System relationships include inputs, outputs, values, strategies, feedbacks and thought processes. Stakeholders could include customers, suppliers, investors, employees, local communities, society, government, trade unions, trade associations, political groups, competitors, employees of supply chain partners, the poor and disadvantaged, other species, and the natural environment, among others. Temporal aspects include short-term versus long-term and reactive versus proactive. Finally, examples of multiple paradigms include sustainability-related such as technocentrism, ecocentrism, and sustaincentrism [21] or sociological such as functionalist, interpretative, radical humanist, and radical structuralist [27].

A recent conceptualization that reflects this complexity is the *truly sustainable business* construct [28•]. Other recent conceptualizations are the Anthropocene, which refers to a new historical phase when natural forces and human forces became so intertwined that the fate of one

determines the fate of the other [29], and the Anthropocene Society, which refers to a new form of social structure that accepts and engages this new reality [30]. These conceptualizations reframe and expand the discussion in the early days of the field around sustaincentrism as an integrative mechanism between technocentrism and ecocentrism [21].

Key theories: recent developments

Drawing on an existing literature review methodology [31] I have identified key theories based on those which have been included multiple times in recent literature reviews (e.g., [5•,6–8,9•,10–13]). Only three theories featured more than once in these reviews and are therefore included in this review. These theories are, institutional theory [9•,10], resource-based view (RBV) [9•,10] and stakeholder theory [6,9•,10]. The first theory is at the 'all-of-us' level, whereas the latter two are at the 'we' level. Since no theories at the 'I' level were identified through the process, this lacuna has been filled by choosing two related individual-level cognitive theories, that is, framing and paradox theory [32••,33], that have recently been applied in the sustainable organizations research domain. The five theories are briefly reviewed in the following five subsections.

Institutional theory

Institutional theory explores how social choices are shaped, mediated, and channeled by the institutional environment [34]. Its main tenets as applied to the Anthropocene in the domain of organization and the natural environment include the basic principles of institutional theory, the socially constructed nature of the Anthropocene, and institutional change in the Anthropocene [30].

Resource-based view (RBV)

RBV emphasizes the role of resources and capabilities as a source of competitive advantage. The natural-resource-based view of the firm (NRBV) was developed because the RBV ignored the interaction between an organization and its natural environment [35]. The NRBV posits that there are four key strategic capabilities which are build upon different key resources and provide different sources of competitive advantage: pollution prevention, product stewardship, clean technology, and bottom of the pyramid [23].

Stakeholder theory

This theory argues that all entities with legitimate interests in an enterprise should obtain benefits without prima facie prioritization of one set of interests and benefits over another [36,37]. Though not interchangeable, there are several fundamental similarities between sustainability management and stakeholder theory, in that they both take a view that extends beyond maximizing short-term shareholder value or accounting-based profits to a more holistic understanding of interdependencies and the non-separability of ethical issues from business [38•]. Stakeholder involvement was identified as a key ingredient in Patagonia's product stewardship efforts [23,39].

Framing

This is an individual-level cognitive process which involves the assigning and attaching of meaning to external events and organizational initiatives in relation to organizational goals [33]. The differences between two cognitive frames — business case and paradox — with regard to managerial sensemaking of sustainability issues have been recently theoretically delineated [32••]. Using an instrumental case study it was found that 'frame decoupling', that is, the identification, separation, and prioritization of frames before a new language or frame was selected for the collective organizational goal helped overcome conflicts due to variation in how individuals cognitively connected different frames together [33].

Paradox theory

A paradox refers to contradictory yet interrelated elements that are logical individually but absurd and irrational when juxtaposed [40]. A paradox theory approach suggests a move away from either/or decisions to a both/and approach [41,42]. It argues that long-term sustainability requires continuous efforts to meet multiple, divergent demands [32••,43•]. Though all four categories of organizational paradoxes [43•], that is, learning, belonging, organizing, and performing, are relevant, the last-mentioned is particularly important since it emerges from the plurality of stakeholders and the tensions that surface from their differing and often conflicting demands [43•].

Conceptual framework

I draw upon and integrate these research streams in the '*Multifocal framework for developing Intentionally Sustainable Organizations*' depicted in Figure 1. It depicts the Anthropocene, and the Anthropocene Society (which is also the 'People' aspect of 3BL) which interacts with it and is therefore depicted by a dotted-line sphere. The other two aspects of 3BL, that is, profits and planet, which are represented in the upper and lower half respectively, distinguished by a dashed line which once again cues interaction and interdependence.

The *Intentionally Sustainable Organization (ISO)* is so-called because, analogous to deliberately developmental organizations [44], it is intentionally created for a particular purpose, that is, sustainability in this case. The ISO is embedded in the Anthropocene Society and straddles the profits/planet line so that it lies equally in each hemisphere, with its business model and related stakeholders (i.e., customers, suppliers, and shareholders) in the profits hemisphere, and its organization model and related stakeholders (i.e., employees, society/communities, government and trade/industry associations) in the planet hemisphere. The ISO has the sustaincentrism paradigm at its core, with its technocentrism and ecocentrism paradigms