
The Contradictions and Tensions of Organisations in Transitions to Sustainability

Professor **Eglė Staniškienė**

School of Economics and Business, Kaunas University of Technology

egle.staniskiene@ktu.lt

At the United Nations Sustainable Development Summit on 25 September 2015, more than 150 world leaders adopted the new 2030 Agenda for Sustainable Development, including the Sustainable Development Goals (SDGs). The role of businesses and other organisations in achieving sustainable development in the world was recognised as extremely important. Sustainability transitions are long-term, multi-dimensional and fundamental transformation processes through which established socio-technological systems shift to more sustainable modes of production and consumption. Examples include the ongoing transformation of the energy sector towards renewable technologies, the emergence of electric vehicles, regional climate change initiatives and shifts in consumption practices related to food and water. Socio-technical transitions differ from technological transitions in that they include changes in user practices and institutional structures, in addition to the technological dimension. Sustainability transitions pose formidable challenges as an area of research and study. Any sustainability transition is complex, uncertain, values laden and political. Moreover, transitions are multi-dimensional, as they entail organisational, institutional and technological changes and implicate a variety of intertemporal tensions and potential trade-offs across multiple stakeholders. These features make it particularly interesting for organisational scholars to apply, scrutinise and expand existing theoretical frameworks and approaches. Organisations (e.g., corporations, social movements, industry associations, NGOs,

governments and regulators) individually and collectively play critical roles in sustainability transitions as they develop new products, processes and technologies, establish common industry standards, lobby for regulatory support, engage in societal discourses and problem framing, or create collective expectations. At the same time, organisations may also work against transitions, for instance, by maintaining existing infrastructures, industries, technologies and institutions, mobilising resources against major changes in environmental regulation, or perpetuating established technologies by associating them with sustainability. The relevance and timelines of research into sustainability transitions is represented not only by the amount of scientific publications, but also by Sustainability Transitions Research Network established a few years ago (<http://www.transitionsnetwork.org/>). The analysis of ongoing studies on this topic in Lithuania reveals a tendency that management field scientists examine Lithuanian organisations' management systems in the context of transformations and responsible innovation management. At the same time, technology field researchers offer technological solutions to organisations in sustainability transitions. The problem is interdisciplinary and organisations in sustainability transitions should integrate social and technological challenges.

Some studies have begun to pay more attention to the roles and responsibilities of business leaders in creating momentum for social and environmental issues. At the same time, some investigations raise

important but understudied issues: It might be overly optimistic to assume that once a sustainability strategy has been developed its roll-out will take off without any problems. Rather, there are indications that internal resistance exists, where employees might be reluctant to engage in new and unfamiliar sustainability transition issues. At the same time, middle-managers and employees with strong prosocial motivations might be important actors that push sustainability issues from the bottom up and create something like an internal social movement for more social responsibility. Thus, more research is needed to fully understand the dynamics of the processes and actors which might either accelerate, slow down or prohibit comprehensive implementation of sustainability transitions.

The questions actual for future researches are: How does individual behaviour of employees in business companies promote or prevent the implementation of sustainability transitions? How does employee resistance against or activism for sustainability transitions at different hierarchical levels influence the overall sustainability uptake in an organisation? What is the importance of the relationship between those pushing for sustainability and those pushing against sustainability? Which intra-organisational factors influence the implementation process of sustainability transitions and what is their specific influence on this process? What are the main (informal and formal) triggers and barriers of realising sustainability transitions within firms? How do managers generate decisions with regard to planning, allocation of resources and development for sustainability initiatives and how do their decisions (effectively) influence the sustainability transitions project? What are the micro-political dynamics and the role of power in the context of sustainability engagement within organizations?

In 2016, the research project (S-MIP-17-122) dealing with some questions mentioned above and financed by the Lithuanian Research Council started. The project addresses the research topic of the contradictions and tensions of organisations between 'looking sustainable' and 'being sustainable', in a way that sustainability is achieved through increasing broad range stakeholders' participation, so that transparency is maximised and trust can be built with lasting benefits. Another topic is the role of organisations in sustainability transitions. The objectives of this project

are to design possible organisational pathways in sustainability transitions and to disclose the contradictions and tensions of organisations in socio-technological transitions. Originality and relevance of the tasks being addressed in this project stem from the research in a systematic way that examines technological and social issues as a whole and focus on the connections between them. The transdisciplinarity of project researchers' group enables them to perform this task in a professional way. The project addresses the question of the contradictions and tensions within organisations during transition towards sustainability. Investigation on those issues is based on systematic literature review, content analysis of sustainability reports and organisation web-pages, survey of customers, interviews with top and middle management and case studies of organisations. Project results comprise not only the theoretical model of the contradictions and tensions management, but also design of possible pathways towards sustainability.

Preliminary results of the project have already addressed and tested a model that explains the relationship between (I) employee perception of sustainability and organisational trust; (II) employee perception of sustainability and sustainability importance to employee; and (III) sustainability importance to employee and organisational trust. Research results have indicated both theoretical and managerial implications. The study suggests that the more positively employees perceive their organisation's sustainability activities concerning customers, the more they trust the organisation. Employees view the care of them as a mandatory aspect in order to put trust the organisation. The expectations of employees that the organisation will make decisions and perform in consideration with their interest and welfare increase if employees more positively perceive organisation's actions concerning them. Hereby, treating employees fairly, encouraging them to develop their skills or providing conditions for work and life balance will help employees to trust the organisation more. The findings demonstrate that organisations that invest resources in sustainability activities create value for themselves by increasing organisational trust. However, for direct application, organisation managers should explore the pilot study for the moderating effect of the organisation's size and other respondent's data which can make a significant impact on research conclusions.