## ARTICLE

# How to achieve sustainable procurement for "peripheral" products with significant environmental impacts

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Departing from previous theoretical and empirical studies on sustainable supply-chain management, we investigate organizational commitment (drivers and motivations) and capabilities (resources, structures, and policy instruments) in sustainable procurement of "noncore" products. By focusing on chemicals in textiles, the article explores the activities of differently sized organizations and discusses the potentials and limitations of sustainable procurement measures. The study is based on a qualitative and comparative approach, with empirical findings from 26 case studies of Swedish public and private procurement organizations. These organizations operate in the sectors of hotels/conference venues, transport, cinema, interior design, and hospitals/daycare. While this work demonstrates major challenges for buyers to take into account peripheral items in sustainable procurement, it also identifies constructive measures for moving forward. A general sustainability/environmental focus can, as an effect, spill over to areas perceived as peripheral.

KEYWORDS: environmental impact, social responsibility, business, resource management, consumer protection, standards

## Introduction

*Despite the fact that sustainability itself is rather an abstract goal, there can be no such thing as being "80% sustainable," and the effects of minor procurement add up along the entire supply chain* (Haake & Seuring, 2009).

Corporate greening tends to focus on products, services, and activities perceived as of strategic importance to the company. It is no coincidence that food retailers embrace organic labels, car manufactures advertise fuel-efficient vehicles, and packaging businesses engage in smart recycling solutions. However, if sustainability means reducing an organization's entire ecological footprint (in addition to social sustainability), it would have to consider the entire life cycle of, in principle, all material items and energy used in the different production steps. Moving beyond a narrow strategic prioritization is demanded, although very challenging. A crucial question, then, is how organizations and their staff become motivated and capable of considering a wider range of products, services, and activities in their sustainability work, including those perceived as peripheral but which might have significant environmental impact.

In a notable contribution, Haake & Seuring (2009) studied the sustainable supply-chain management (SSCM) of products not considered central with respect to profit contribution or supply and sustainability risks. Companies tend to adopt sustainable procurement strategies by prioritizing items of vital and strategic importance to the firm. This point of emphasis is also common on the part of nongovernmental organizations (NGOs) when they are formulating campaigning activities directed toward companies. This is problematic from a sustainability point of view, since "[g]oods and services that are considered minor at the firm level can…have a significant impact summed up over the economy as a whole" (Haake & Seuring, 2009). These authors illustrate the situation in terms of business travel and information-technology equipment, which most companies consider to be quite far removed from their core business, but which still have significant environmental impacts. Indeed, in any work environment, one can glance through the physical and social setting and quickly find a range of materials or practices that may have serious sustainability implications, but that have been neglected just because the frame from which the staff "see" things is defined by a particular core business imperative.

Haake & Seuring (2009) further argue that the literature on SSCM is biased toward core products,

focusing on drivers, barriers, and challenges to managing sustainability risks connected to different stages of the commodity chain (see Vermeulen & Ras, 2006; Srivastava, 2007; Seuring & Muller, 2008). Seuring & Muller (2008) define SSCM as "the management of material, information and capital flows as well as cooperation among companies along the supply chain while taking goals from all three dimensions of sustainable development, i.e., economic, environmental and social, into account which are derived from customer and stakeholder requirements." They argue that, compared to traditional supply chain-management approaches, the distinctive features of SSCM include: 1) taking into account a wider range of issues, and therefore, a longer part of the supply chain; 2) assessing a wider set of performance objectives, thus including environmental and social dimensions of sustainability; and 3) acknowledging a much increased need for cooperation among partnering companies. Their expansive literature review includes 191 published papers and reveals a growing body of research on this topic between the years 1994–2007. Haake & Seuring (2009) base their study on sustainable procurement of minor items in the same literature review. They find only nine articles in their assemblage that in some way, if often scant, consider minor items in procurement. Indeed, the literature has a clear tendency to focus on large, private actors, material products (compared with services), and core activities. Therefore, in studies of SSCM and sustainable procurement, there is warrant to include a broader range of actors, activities, and products.

Haake & Seuring (2009) develop a compelling argument that it is insufficient to focus only on vital and strategic products in sustainability activities. Whereas their study is primarily a literature review, inspired by their analysis, we have conducted a qualitative empirical study based on interviews with actors who procure textiles. We do not use the term "minor products," but are conceptually interested in the commitment and capabilities among organizations to engage in sustainable and responsible procurement in relation to products not considered "core" in their activities.

Textiles are an apt focus as they constitute both core and peripheral products depending on the specific business. Our focus is on chemical risks (in textiles), an issue with worldwide and substantial sustainability implications as well as with considerable regulatory and management challenges (Eriksson et al. 2010; Boström et al. 2012). We specifically selected organizations that varied according to their core-periphery, public-private, and large-small dimensions (see Boström et al. 2011). Businesses that include textiles in their core activity are those that,

for example, sell clothes or other textiles. However, numerous other organizations, including hotels, transport companies, hospitals, and cinemas, have other activities as their "core" while at the same time procuring textiles in large volumes.

This article explores how organizations can develop sustainable procurement practices for products and processes that are not considered core to their business. Our purpose is not just to confirm the lack of attention and other difficulties regarding the companies, as this is to be expected. We also aim to understand what actors actually do and can do to identify appropriate measures and to discuss the possibilities and limitations of these interventions. Our objective is to determine whether it is possible to discern spillover from a general environmental/ sustainability concern in core business to less central aspects.

After this introduction, we introduce the method and the theoretical basis of the study. This is followed by a section on organizational commitment and one on organizational capabilities. We subsequently discuss constructive pathways before summing up in a conclusion.

## Method

The research takes a qualitative and comparative approach with empirical findings from a set of case studies of Swedish public and private procurement organizations of different sizes. Between 2008 and 2012, we conducted and transcribed qualitative, semi-structured interviews (and in some cases complementary document studies and participatory observation) with representatives of 26 Swedish public and private organizations. Some organizations had textiles as their core business activity, such as selling clothes. This article only indirectly contains material from these "core" cases, for comparative purposes. We focus more directly on respondents that had another activity as core, but nonetheless procured large volumes of textiles. These cases operated in sectors such as hotels/conference venues, transportation (e.g., buses, trams, trains), cinemas, interior design, and hospitals/daycare facilities. All these organizations regularly bought sizeable amounts of textiles: working clothes, uniforms, seats, curtains, sheets, carpets, and so forth. The buying and using of textiles necessarily involves the chemical industry, since a large number of industrial materials are used today to meet new performance requirements for textiles, such as multi-functional weather protection, flameproofing, impregnation for stain removal, and a variety of functions for specific and extreme needs. Chemical management is generally one of the most pressing and challenging environmental issues today (Eriksson

et al. 2010); thus we found that chemical risks constituted a representative sustainability issue on which to focus among both core and peripheral cases.

Haake & Seuring (2009) argue that companies that embark on sustainability improvements are likely to begin focusing on strategic products and only after an initial period expand toward minor items. Therefore, as we would not expect actors to be concerned with peripheral products or processes unless they already had active sustainability/environmental initiatives, we selected only companies that demonstrated such a program through their respective websites. Our research included organizations of various sizes, including large transnational ones as well as local small and medium-sized organizations. We did not use any fixed criteria to distinguish various sizes. Rather, for explorative purposes we found it important to include organizations of a range of scales. However, in the analysis, the perception of smallness or largeness (for example vis-à-vis suppliers) is crucial, as we discuss.

## Commitment and Capabilities in Relation to Peripheral Products and Activities

The SSCM literature provides a useful point of departure for theorizing about our topic. We focus on the commitment and capabilities of these organizations to shoulder responsibility for peripheral products *in addition to* core products, not *instead of* core products.[1] Before moving into the concepts "commitment" and "capabilities," we need to consider the term "periphery." "Core" and "periphery" are relative terms. Core has been defined as elements central for an organization's survival, or in terms of organizational routines that have "large influence" on other organizational routines or on resource allocation (see Yuan et al. 2011). We do not focus here on organizational routines, but rather on material items that organizations sell or in other ways consume, or that are constituent parts of the services that they sell or deliver. There cannot be any absolute demarcation between core and periphery, and both material (e.g., relative volumes of the procured item and its economic impact) and discursive aspects need to be part

of the definition (cf., Haake & Seuring, 2009). Discursive refers to the interpretative frames that actors use to make sense of a complex reality, and which can include, for example, ideological, strategic, and ethical aspects. The relevant question is: Does the organization sell, deliver, or incorporate textiles as an essential part of the business concept in both a material and discursive way? It is wise to think of degrees of peripherality, which can shift over time. Taking the material, discursive, and dynamic aspects into account, the cases of cinemas, transportation companies, and hospitals appear as more peripheral than hotel chains and interior design companies.

*Organizational commitment* encompasses the drivers and motivations among organizations to develop or take part in responsible procurement (see Boström et al. 2013). These impulses can originate from external factors such as legislation, public risk communication, pressures from NGOs and consumers, or internal factors such as new management priorities and motivated staff, or their combination (Vermeulen & Ras, 2006; Seuring & Muller, 2008). For example, public risk communication, NGO campaigning, and other external pressures may induce greater care for reputation management and activities pertaining to public relations and corporate social responsibility. Such external drivers may be lacking and thus help explain inattention to SSCM (Nawrocka, 2008). Haake & Seuring (2009) primarily focus on external drivers to explain the neglect of minor items—"the public image of a company is usually associated with its main products."

External pressure is never automatically integrated in an organization but can translate to commitment only if the internal organizational culture is sufficiently sensitive (Fernandez et al. 2003). Drivers—or barriers—can also originate from the action of individual, committed leaders or subunits in an organization (Prakash, 2000). For example, staff may have an environmental education or personal experience working with an environmental NGO.

Commitment can be expressed in official statements such as sustainability reports, although such declarations certainly can fulfill purposes other than mere window-dressing. To study commitment, it is important not just to do text analysis of sustainability reports, but to investigate the efforts and practices behind them, for example by asking detailed questions to key informants through semi-structured interviews.

Organizations, or subunits of larger entities, may express commitment but still lack capacity to develop or take part in responsible procurement. Our analysis accordingly needs to take into account *organizational capabilities*. Capabilities for developing green supply must be accumulated. Bowen et al. (2001) focus on

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[1] The latter (*instead of*) could be that organizations, in searching to improve their sustainability image, only focus on easy targets such as providing fair-trade labeled coffee for its personnel and customers while ignoring sustainability challenges in core activities. Porter & Kramer (2002) had a similar discussion in relation to corporate social responsibility (CSR). Should companies relate philanthropic activities toward peripheral (e.g., sponsorship, donations to civil society groups) or central/strategic parts of their businesses? They famously argued that the latter approach will result in competitive advantages and much more social and economic benefit than just symbolic CSR work done by a separate public relations department searching only for goodwill.

capabilities such as liaison between purchasing and other functions (e.g., green supply may be facilitated by cross-functional team-working), a collaborative and learning-oriented approach with suppliers, a general understanding of environmental issues and how they affect supply, technical skills of the purchasing personnel, as well as detailed procurement policies and procedures. A focus is needed, first, on various resources, and, second, on organizational structures and procedures, including the development and use of relevant policy instruments (see Boström et al. 2013; cf., De Bakker & Nijhof, 2002). Bowen et al. (2001) argue that a proactive corporate environmental approach, that is organizational commitment, can itself foster the development of capabilities. As we see it, such capacity includes different types of resources, for instance, material (financial resources and staff with a mandate to work on, for instance, sustainable procurement), cognitive (experiences and relevant expertise as regards key sustainability/environmental/chemical risks), and social (access to important networks, such as professional contacts within and external to the organization). Organizational structures and procedures regard, for example, the existence of communication channels and forums, training activities, and routines for risk analysis. Of particular relevance here is the development, use, and combination of various policy instruments (Boström & Karlsson, 2013), including external ones such as legislation, ecolabels, and available guidelines (e.g., chemical-restriction lists) and internal ones such as sustainability strategies, self-constructed codes of conduct, and particular policies regarding risk management. The reflective use and combination of such policy instruments can bring organizational capabilities to bear on risk challenges.

## Committing to Responsible Procurement of Peripheral Items

After this theoretical overview, we now proceed to a presentation, analysis, and discussion of our results. Unsurprisingly, our research shows that organizations are more attuned to developing a proactive, responsible approach to procurement when textiles are constitutive of their core activity (cf., Boström et al. 2011; 2012). To be sure, having textiles in the core business does create specific dilemmas and challenges of less concern for the "periphery" cases. In particular, the rapid pace of fashion cycles causes problems for activities such as labeling and inspection in the apparel sector (Boström et al. 2011; 2012; Boström & Karlsson, 2013). Nevertheless, very few respondents from our group of periphery cases referred to any type of external pressures in relation to sustainable procurement of textiles and specifically

chemical risks. We did observe some proactive measures also among periphery cases, but these were a result not of pressure but of external political support (for public organizations) and of internal drivers (ecoprofiling of a business in combination with motivated staff).

In general, the buyers of peripheral products face very limited external pressure from end-use consumers. A focus on chemicals could be introduced indirectly if consumers address health issues such as allergies. For instance, one interviewee from a cinema chain told us that this focus was possible, but that people very seldom address environmental issues. They want to have fun when going to the cinema and not to think about ethical issues. "Many [moviegoers] want to sort waste, but this is actually the only environmental aspect we have received questions about."

The buyers of peripheral products that we studied could be clearly proactive on issues close to the core (e.g., organizations engaged in transportation focus on sustainable energy/fuel) while being completely passive and ignorant on issues perceived as peripheral (e.g., chemicals in the seats of a vehicle or in the uniforms of their personnel). However, this is not the complete picture and we did find significant internal motivations.

Table 1 summarizes findings from the various sectors on which we focused. In these sectors, attention to chemical risks in a variety of textile products competes with several other sustainability/environmental issues. For example, as Table 1 shows, hotels and conference facilities encounter several issues of potential relevance. Interviewees representing these cases mentioned many issues as more central than possible toxic chemicals in textiles. These concerns included organic breakfasts, environmentally friendly washing, use of ecolabeled chemicals for washing and cleaning, energy utilization, and waste disposal. For instance, the washing of textiles is considered far more important than the materials embedded in the textile products themselves. Based on feedback from respondents, washing appears, economically speaking, to be a more critical activity than procurement of sheets, curtains, and carpets. Furthermore, if hotel guests ask about environmental issues, their questions usually concern food or whether the hotel is certified or environmentally labeled (with the Nordic ecolabel "the Swan").

Several interviewees representing hotel chains maintained that their environmental work is part of developing their trademark or sustainability profile. In this way, their general commitment to sustainability issues could spill over to measures preventing toxic chemicals in textile products. For example, one of our more focused case studies—the Stockholm County Council (SLL), which has among its core

**Table 1** Periphery cases

| Sectors [Number of Cases] | Perceived Core Environmental Activities | Textiles In… | Chemical Needs |
|---|---|---|---|
| **Transport** (bus, trams, trains) **[4]** | Focus on fuel and energy (climate issues), chemicals for vehicle maintenance and cleaning. | Seats, uniforms, sheets, blankets | Flameproofing, impregnation for stain removal |
| **Hotels and Conference Facilities [5]** | Focus on food (e.g., organic breakfast), washing of textiles (energy, use of water), ecolabeled chemicals for cleaning and washing, waste disposal | Sheets, pads, towels, curtains, tablecloths, carpets, uniforms, etc. | Flameproofing, impregnation, chemicals for washing, colors (aesthetic, light, sound, tone), ironing-free textiles |
| **Cinema Chain [1]** | Focus on waste disposal | Chairs, wall-to-wall carpets, uniforms | Flameproofing, impregnation for stain removal |
| **Interior Design [1]** | Focus on interior design products in general | Furniture, curtains | Flameproofing, ironing-free textiles |
| **Health Care [3]** | General, no particular focus | Sheets, towels, medical uniforms, furniture textiles, carpets, etc. | Specific demands for cleanliness, safety and health, flameproofing |
| **Defense Equipment [1]** | General, no particular focus | Uniforms, sheets, shoes, safety equipment, diving suits, etc. | A variety of functions for specific and extreme needs, flameproofing |

activities the provision of healthcare—had both external political support for sustainable procurement and internal drivers for sustainability work. The case study reported a variety of measures for reducing chemical risks in textiles (Lidberg, 2011). In healthcare, the association with terms such as "clinical," "healthy," and "cleanliness" could be both an obstacle and a bridge toward a focus on chemical risks. On one hand, according to several respondents from SLL, the very purpose of their activities is to treat and cure, and thus to promote public health. Interviewees explained that the county council is dedicated to ensuring that people actually are healthy and do not need care, which provides strong incentive to restrict the use of hazardous chemicals. They have, therefore, established an internal work process to phase out hazardous chemicals and to develop a code of conduct to be used with suppliers. On the other hand, the security and health of the patients and medical staff always takes priority, which implies that function and hygiene come first so that clashes may occur between these objectives and environmental considerations. Functional requirements may concern, for example, tightness in surgical fabrics. Surgical suits must have a protective barrier between patient and doctor, which may require certain chemicals. Another very frequently mentioned functional aspect among all studied cases is that a textile product must be flameproof. This requirement applies both to hotel rooms and public spaces, such as surgical rooms, waiting rooms, cinemas, and collective vehicles. Flame retardants thus appeared difficult to avoid completely, although, in general, interviewees could discuss better and worse alternatives.

To sum up, while we noticed a lack of discernible external pressures, our interviews demonstrated different levels of internal motivation. This motivation could relate to a personal interest in sustainability issues, as well as to earlier training in life cycle analysis or other types of environmental education. Such motivation was developed in combination with a sustainability or environmental profile of the organization as well as with an expressed ambition to work for continuous improvement and search for better solutions. We noted such a type of environmentally sensitive organizational culture in both small and large organizations (cf., Fernandez et al. 2003). Such general commitment can affect—spill over to—activities seen as a bit more peripheral.

## Developing Capabilities

We now proceed with our analysis by focusing on the development of capabilities and begin by examining various resources and thereafter organizational procedures and policy instruments.

### *Resources*

#### *Material Resources*

Several of the "core" cases invested considerable financial resources into chemical-risk management, by employing personnel working daily with chemical issues or by hiring external experts and consultants. Attention was devoted to developing codes of conduct or other internal policies (also among some of the periphery cases), and to meeting suppliers, to inspecting factories, and to conducting sample testing of end products, which included chemical analyses. In a study by Scruggs & Orlando (2011), which focused on how progressive "downstream" companies handled informational challenges to manage chemical

risks, a common characteristic was that the companies devoted significant resources 1) to determining which chemicals were used in their supply chains and products and 2) to researching the effects of those chemicals. However, all other things being equal, it is easier to prioritize resources for responsible work on chemicals for matters that could be perceived as core (Haaking & Seuring, 2009). For most periphery cases, such extensive work is not feasible.

*Cognitive Resources*

Among all of our cases, including the core examples, the knowledge and information challenges are gigantic (Boström et al. 2011; 2012; 2013). There are tens of thousands of chemicals in the global market (many of them considered to be hazardous), while there also is considerable knowledge uncertainty regarding the toxicity of a huge number of chemicals (Eriksson et al. 2010). Moreover, diffuse risks such as chemical hazards make risk management more demanding than if risks are just locally situated and easily observed. Interviewees often wanted to discuss aspects of their environmental work other than the peripheral cases about which we inquired. For instance, one respondent from a hotel chain deflected our questions about chemicals, preferring instead to talk about organic food. In general, focusing on core environmental activities made it easier for them to explain their approach to procurement.

Among the periphery cases (and also some core), information about risks, such as regarding flame retardants, often comes from mass media. Information is retrieved ad hoc and unsolicited, not as a result of a conscious and systematic learning approach. Other sources mentioned, both on general environmental issues and specific aspects connected to textiles, are the Internet, contacts with suppliers, or information from environmental journals. A few of our respondents also mentioned environmental education, for example given by industry associations, which is then used as a reference for internal training. Several individuals have noticeably established generic expertise on environmental issues over years of practical work experience. While these interviewees are not specialists on chemicals, such generic knowledge could be employed to reflect on possible chemical hazards and on available mitigating opportunities. Buyers' sensitivity to risks is facilitated particularly on issues connected to user safety and health (e.g., allergic reactions). This is especially the case for hotels, the cinema chain, and medical clinics.

Several interviewees mentioned that suppliers provide important knowledge. In contrast, in some of the "core cases" when buyers are large, focal actors in the supply chain, we noticed that they assume a pedagogical role regarding sustainability issues in relation to the supplier (Boström et al. 2011; 2012; 2013). In the periphery cases, the opposite was more common. In these instances, the supplier has the expertise and provides information on a variety of aspects—technical, risk-related, and possibly alternative products. A problem then is that the buyer lacks her own independent knowledge with which to assess the claims put forth by suppliers.

*Social Resources*

By "social resources," we mean access to networks. Staff in large, transnational organizations may look for the relevant expertise in a different unit, division, or geographical location in the organization's internal network by, for example, seeking out a cross-functional team (see Bowen et al. 2001; Gold et al. 2010). Staff also need to look for expertise in external networks. Because buyers in general have little expertise around peripheral products, an important strategy could be to query industry "colleagues" or to hire external experts for specific procurements. For example, a transportation company hired another firm to administer a process of procuring uniforms, and this external firm assisted in the setting of sustainability requirements, including a focus on chemicals. In this way, buyers are able to use expertise and obtain relevant lists of restricted chemicals, but fail to invest in their own expertise and learning.

Social resources can furthermore be used to increase a buyer's leverage in relation to its suppliers, compensating for relative smallness. "To be sure, together we have an enormous volume," a respondent from a hotel chain argued. Among our cases, there were numerous examples of how actors create and join various umbrella organizations and networks to increase their opportunities to develop, to set, to submit, and to follow up requirements with suppliers. Several interviewees were also personally active in various networks to develop policy tools, including ecolabel schemes, procurement guidelines, questionnaires, environmental management systems (EMSs), and substitution manuals.

One of our cases, a conference facility, is a member of the umbrella organization and portal, Svenska Möten (*Swedish Meetings*).[2] All members of Svenska Möten have to be certified according to the Nordic ecolabel, a process that enables the group to regulate its members and to create a common standard for interacting with suppliers. In turn, Svenska Möten uses a procurement company, Nores, to assist individual hotels and restaurants in satisfying their purchasing requirements.[3] Again, this relationship creates a level of professionalism in the procurement

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[2] See http://www.svenskamoten.se/en/conference.

[3] See http://www.nores.se/Forsidan.

process, but also implies a failure to invest in own expertise. This point was revealingly highlighted by one of our respondents, who noted that "if you procure through the Nores agreement, then…I do not really know how their requirements look. Rather, we are actually promised that if we procure through Nores then [there] won't be…any bad things." Own expertise is replaced by reliance and trust in the external actor.

In sum, several of our cases found ways to cope with a situation of resource scarcity. Companies are not developing much of their own expertise, but rather are relying instead on a building up of social resources, which can facilitate responsible procurement in various ways. The drawback is that the buyer fails to create an independent platform to assess risks and constantly needs to rely on external sources, which may be fallible.

## Procedures and Policy Instruments

Resources cannot just be gathered, controlled, and combined—they need to be organized to become effective. Particularly among small organizations, procedures for the development of a responsible approach can be part of their "tacit knowledge" (Boiral, 2002), that is, knowledge for which the procedures are often not written down, but that exists where managers and staff have developed an implicit thinking and doing around sustainability issues. However, procedures can be facilitated and become more systematic, as well as be communicated internally, by explicit written rules, policies, and strategies. Organizations can use a number of mandatory and voluntary policy instruments in their chemical-risk management (see Boström & Karlsson, 2013). Our interviewees referred to public guidelines for green procurement criteria for chemicals in textiles, various lists of restricted chemicals, ecolabeling schemes, and criteria (the Nordic ecolabel, Öko-tex, organic cotton), and EMSs (particularly ISO 14001 issued by the International Organization for Standardization) (see also Fransson, 2012).[4] Ecolabeling applies to both demarcated products (e.g., curtains) and, in the case of hotels, the entire company (designated hotels according to the Nordic ecolabel).

Oftentimes, though, certification in the form of an EMS is the only tool used for selecting and assessing suppliers in terms of environmental criteria. In our material, buyers very much relied on this tool. For several of them, the presence of ISO 14001 is of

paramount importance and is perceived as a sufficient requirement for selecting a supplier. The certificate is treated as proof that the provider is environmentally friendly and reliable, and it becomes just something to check off. Detailed issues, such as particular chemicals in textiles, can easily be neglected because EMSs exemplify a standard that only stipulates what kind of organizational procedures a certified organization must have, not any prescriptive criteria. The standard encourages self-regulation. It is up to the certified organization to define its own goals and measures, and this absence of externally set criteria has generated criticism regarding this kind of ecostandard (see e.g., Boström & Klintman, 2008). Nonetheless, among some buyers, we have seen that having one's own organization certified according to the ISO 14001 standard could improve environmental activities. The standard was an important internal tool for structuring environmental efforts and became a motivation for continually trying to improve them. It also spurred a particular focus on chemicals in textiles that gained influence over time.

Ecolabels, such as the Nordic Swan, can contribute to concreteness in that the buyer can require that particular hazardous chemicals, such as a specific flame retardant, are removed. However, this almost total reliance on EMSs and labeling in the interaction with suppliers is problematic because these instruments are not sufficient to cope with all problems around chemicals. In ecolabeling, in the example of the hotel business, the focus is far greater on chemicals for washing and cleaning than textile products as such. And interviewees saw the range of ecolabeled products as too limited. Several respondents requested more options and complained about the narrow range of ecolabeled products, which is problematic when there are many functional criteria to consider.

Furthermore, there is an overly strong trust of different labeling schemes (cf., Boström & Klintman, 2008). For many companies, those products that carry ecolabels are seen as environmentally sound, without any room for subtle differences or nuance. This strong (blind) trust may depend on a lack of ability to raise other demands. Ecolabeling thus functions as a substitute for knowledge, and is a type of tool that basically all interviewees strongly trust (if no other options are available). This kind of endorsement can be problematic, however, because ecolabeling is fallible and no ecolabeling scheme covers all possible risk topics (Boström & Klintman, 2008; Boström et al. 2011).

Some level of monitoring of suppliers could be a useful antidote to excessive trust (although there is excessive trust in auditing as well; Power, 1997; see also Boiral, 2012). This kind of oversight could en-

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[4] A common example is the KEMI PRIO database although it is most often referred to for "core" cases. KEMI stands for the Swedish Chemical Agency and PRIO is a tool for risk reduction of chemicals. See http://www2.kemi.se/templates/PRIOframes____4045.aspx.

compass the auditing of suppliers, inspection of factories, or testing of end products through chemical analyses. All of these activities are time consuming and difficult. They require substantial economic resources and independent expertise, are very demanding, and can be faulty even for large buyers, with textiles as core and with strong power vis-à-vis suppliers (Boström et al. 2011; 2013). We cannot expect that buyers that have textiles as peripheral products can engage in any strong monitoring work. Only a few of our periphery cases made the effort to visit their suppliers, but even in such meetings the communication tended to focus on what is perceived as closer to the core. The buyer may demand corrective actions reactively, after something is revealed, as the following interviewee from a hotel chain discussed: "It's really hard to double check that they follow it 100%, but what do you do…it is written on paper so if it would appear that they do not [comply] they would be in a pretty big trouble."

In sum, we note some development of capabilities as a side effect of an environmental focus and general development of environmental expertise and social networking. Buyers applied various policy instruments that they retrieved from external sources. By contrast, much of the work took place ad hoc and there was a risk of neglecting many important aspects. A strong reliance and (blind) trust toward existing policy tools and supplier claims may obstruct investment in independent expertise and experiences.

## Constructive Pathways

It is not realistic to expect the same level of engagement among the periphery cases as for products (or services) that are defined as core and have great strategic relevance at the organizational level. Yet,

we do argue that buyers can take important steps toward constructive pathways, and the previous analysis has already indicated the existence of resources (particularly social resources) and policy tools for initiating such steps, although a possible trap is development of excessive reliance and trust in available materials. Among some of the periphery cases, interviewees expressed considerable reflection and responsibility-taking. They tried to assume extended responsibility beyond their own organizational border (Kovács, 2008), and they engaged pragmatically in the issues; that is, they systematically attempted whatever appeared feasible (Boström et al. 2012). Our respondents were motivated and the organizational culture facilitated sensitivity to sustainability/environmental risk issues (Fernandez et al. 2003). One case in point is a small, family-owned interior design firm that was committed to extended and pragmatic responsibility. Box 1 below summarizes how this company engages in general environmental issues which could "spill over" to cover chemical issues.

One potentially constructive pathway is to facilitate dialogue with suppliers. For example, supplier visits could better develop two-way communication and foster mutual learning (cf., Bowen et al. 2001). Without adopting a policing attitude (cf., Locke et al. 2009), the committed procurer can assess the resolve and capacity of suppliers and their factories—do they have environmentally sound equipment, effective procedures, and relevant expertise and does the staff express strong motivations? Such assessments could pave the way for reflexive trust relationships (Boström & Klintman, 2008; cf., Möllering, 2006) beyond the blind trust that otherwise is a central characteristic of most supplier-buyer relations (cf., Boström et al. 2011). The sheer possibility of looking

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**Box 1** Constructive pathway: case of a small interior design firm.

**Social networking:** Active member in a trade association with 22 members (the director has been the chair), which developed a specific environmental management system for the sector (prior to the growth of ISO 14001), and which organized environmental education activities for its members. The director took part in the work of the Swedish Environmental Management Council process to develop guidelines for green procurement

**Internal education:** The environmental education at the trade association formed the basis for internal education at the firm.

**Procedures for learning:** The interviewee receives new information by listening to news, reading environmental magazines, and searching the internet.

**Procedures for improvement:** The firm has become ISO certified (14001 and 9000) and has set a goal that "most" of its suppliers should be ISO-certified. The notion of "continuous improvement," expressed in the ISO-standard, is taken seriously, as the firm regularly and systematically tries to find new areas to make improvements.

**Communicating with suppliers:** The firm has a routine to call potential and existing suppliers and ask them how they perform their environmental work, if they have done something beyond certification, and, if relevant, about a particular chemical that was highlighted in the media. Occasionally, the firm visits suppliers to confirm that statements appear correct.

**Key challenges:** Related to the low levels of capacities, including its size vis-à-vis suppliers.

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into how people are working, what equipment they have, what machines are used, what sewage system is in place, and so forth, can establish reflexive trust that the supplier has the capacity to comply with social and environmental standards and is committed and honest.

Certainly, as field visits require personnel and resources, this will be feasible mostly for strategic and high-volume products. Yet, interviewees from the SLL case (defined as a periphery case) talked about such visits, and argued that the most important way to follow up requirements is to develop long-term trust relationships. Indeed, monitoring through field visits can play an important role not just for controlling suppliers, but also for establishing mutual obligations around social and environmental responsibility issues (cf., Locke et al. 2009).

To be sure, dialogue is far from a panacea for misplaced trust. The essence of reflexive trust is that the vulnerability and uncertainty of the relations are recognized. Still, an ever-remaining risk in a trust-building process is that the trust relationship becomes path-dependent and taken for granted (cf., Kroeger, 2012), thus that the reflexive component gradually dissipates. However, in the cases that we discuss it is a scarcity and not an excess of face-to-face dialogue that is the problem. The research literature acknowledges the important role of "facework" in the development of interpersonal and organizational trust (see Kroeger, 2012). One of our SLL interviewees explained that physical meetings are important because it is hard for the supplier "to lie to someone right up in your face."

A less demanding approach, more feasible for smaller actors and for the majority of the cases in focus here, but still potentially effective, could be just to ask unexpected questions on sustainability topics (beyond sending a standard questionnaire). Some respondents talked about the importance of making a phone call and posing simple, concrete, and unanticipated questions, which function as a reminder to the supplier that there is a *real* interest in the issues and that the buyer is aware of potential problems behind the facade. Several interviewees mentioned how their questions prompted irritated comments, while, after a period, a change in the requested direction nevertheless appeared (e.g., the supplier had a new assortment or became environmentally certified).

In terms of taking steps toward constructive pathways, we do note differences among the sectors that we investigated, such as a higher level of proactivity in the hotel sector than in the transportation sector. A possible interpretation for this variation is that the difference relates to different degrees of peripherality. Textiles are seen as closer to the core in the hospitality sector than in the transportation sector,

for example. This difference in degree may also relate to the fact that the hotel sector faces a different market structure with different customer relations and experiences more explicit sustainability pressures from end-use consumers.

## Conclusion

Our study shows that it is not straightforward to develop a proactive, responsible approach to procurement, including organizational commitment and investment in organizational capabilities, for products seen as peripheral. However, we need to ask what the "periphery cases" are currently doing and what they can do in the future. Lists of restricted chemicals, ecolabels, and EMSs appear as the primary instruments for the periphery cases, which also rely extensively on external consultants, procurement companies, and other contacts.

These formal instruments and resources are essential, as they create channels to work on peripheral cases. Yet, given the degree to which ecolabels and EMSs are treated as salient tools, it is important to address the risk of excessive trust. We have stressed the importance of face-to-face meetings with suppliers and of posing simple and concrete, but at the same time unexpected, questions. Informal face-to-face dialogue is also fallible, however, because familiarization may prevent people from asking critical questions. Nevertheless, our cases reveal more of a scarcity than an excess of "facework" in relation to sustainable procurement.

Furthermore, internal sustainability policies, strategies, manuals, and codes of conduct—which express commitment—can help to create a holistic view and foster sensitivity to a wide range of sustainability issues. Thus, a general sustainability focus can, as an effect, spill over into areas seen as less central. A key factor is that systematic work requires staff with sufficient time and motivation who can work on a long-term basis to gain experience and competence (cf., Bowen et al. 2001; De Bakker & Nijhof, 2002). Indeed, it is clear that many of our respondents developed a personal commitment together with a motivation to work on these issues, and had long-term experience. Based on our empirical findings, we are able to offer a few examples of proactive and constructive methods, for instance 1) persistently seeking information and trying to find alternative products; 2) facilitating internal education and continuous learning (both formally and informally); 3) asking simple, concrete, and unexpected questions to arouse the attention of suppliers and sensitivity to the focused issues; 4) making efforts to develop long-term relationships and two-way communication with suppliers (which may lead to reflexive trust); 5) en-

gaging in social networking with others to acquire recommendations and knowledge, to develop policy instruments, and to exercise pressure on common suppliers, as well as to make oneself appear "bigger" in relation to suppliers.

Although it may, for an individual buyer, seem impractical to invest in measures to prevent risks in products that are not perceived as strategic (core) to one's business, there are nonetheless important opportunities, which we, in line with Haake & Seuring (2009), have endeavored to demonstrate. Furthermore, what is originally seen as peripheral may not remain so further out into the future. We have argued that peripherality has both material and discursive features, is a matter of degree, and can shift over time. Indeed, if an organization assumes a more thorough, holistic, and integrated approach to sustainable procurement, the very distinction between core and peripheral products might in the end be challenged or dissolve altogether. Committed and knowledgeable staff can make "peripheral" items less peripheral and understand the entire physical and social environment of their work and business as a central sustainability concern.

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