Annual Report

Institute for Strategic Management: Stakeholder View
Dear Reader,

Welcome to the Institute for Strategic Management: Stakeholder View. Our research competence has been developed over many years and derived in the main from former research projects, international professional contacts and continuous cooperation with practitioners and academics. We have always been committed to address the need for a comprehensive strategic management approach that considers mutual value creation with and for stakeholders as a source for improving the quality of life for human beings and sustainability for the natural world. Therefore, we constantly strive to advance our understanding of a comprehensive management approach, called the Stakeholder View. As we understand stakeholder management as an applied science, we make an effort to apply our knowledge to the development of practical solutions to problems as they arise.

Another year has passed and my research group and I look back on an inspiring and challenging time with interesting insights gained from our research and a transfer of these insights to bachelor and master students. Marc Moser completed his dissertation and has since left the Institute, while Claude Meier also finished his thesis and has since assumed the role of associate head of the institute.

An important occurrence of the year 2013 was the completion of the German book “Strategisches Management – Eine neue Perspektive”. It was published as an e-version; a bound version is expected to be forthcoming in the spring of 2014 as part of the HWZ series for business administration and education economics. It is aimed at the students of the HWZ as well as all kinds of leaders who would like to “solve the problems of tomorrow not only with the mindset and methods of yesterday, but who would like to pursue new paths.”

We are herewith pleased to submit to your kind attention the Annual Report 2013 of the Institute for Strategic Management: Stakeholder View at the University of Applied Sciences in Business Administration Zurich (HWZ Hochschule für Wirtschaft Zürich). We hope that you will find this booklet
interesting. If you wish to find out more about us, please visit our homepage. If you would like to receive additional information or have a question, please do not hesitate to contact us (shv@fh-hwz.ch).

Best wishes,

Prof. Dr. Sybille Sachs

Head of the Institute for Strategic Management: Stakeholder View
For firms, stakeholders are indispensable contributors to mutual value creation who help to improve quality of life for human beings and sustainability for the natural world.
Leadership-Project

Towards a New Narrative of Leadership

Business legitimacy depends on public confidence in business, as well as its leaders. This precondition became problematic during the first decade of this century due to diverse critical incidents. Business executives striving for even more shareholder value often took on enormous, even dangerous amounts of risks in finance and management alike. Small-scale patchwork such as sharper control mechanisms and selective regulations is not sufficient to correct the situation. Basically a new orientation in the understanding of leadership has to be sought.

Against this background, we continue our research project that aims to develop such a new narrative of leadership. With the participation of interested practitioners and various academicians and on the basis of the newest empirical methods of collecting data to capture and investigate their perceptions and expectations, the project attempts to clarify the challenges of leadership in firms and stakeholder groups. Moreover, we want to apply a new understanding of business and leadership in practice. Through our current ongoing data collection, such as qualitative expert interviews, we are gaining concrete insights and reference points on how the new way of thinking can become anchored in practice. We further analyzed selected strategy literature to evaluate mindsets of different management approaches.

As part of the ‘People for People’-Initiative at the Academy of Management, the Leadership-Project has been launched to establish a network of diverse participants – or what we call an arena for engaged leadership.

Our purpose is thereby to contribute teaching and research to strategic management that puts people at the center of attention. People create value in networks of firms and stakeholders that enhance benefits and reduce risks of all involved parties in a spirit of mutuality, rather than profit maximization by single parties constrained by impersonal markets and endless regulation.
The ‘People for People’-Initiative has been promoted throughout the year and has been at the center of several of the Institute’s further activities.

For more information visit our Leadership-website or read our ‘People for People’-blog.

Other Projects

We also launched a pre-study to a research project pertaining to the “methodological competence” for the increased flexibility of the offers to leaders. This study will be carried out in conjunction with the Zurich University of Teacher Education (Pädagogische Hochschule Zürich / PH Zürich).

With all these projects we look forward to sharing the results with you.
Sybille Sachs

At the annual Academy of Management conference, in Orlando, Florida, Sybille Sachs organized, together with Professor Joe Mahoney from the University of Illinois, an “All Academy Session” to the topic “Redesigning Capitalism – New Narratives for a Firm’s Value Creation”. She was, moreover, invited as a co-organizer for two further AoM professional development workshops.

For the annual conference of the Strategic Management Society 2013 in Atlanta, Georgia, Sybille Sachs was member of the conference committee and associate chair of the Stakeholder Strategy Interest Group. In this context, actively supported by Thomas Schneider, she organized and published two newsletters of the Stakeholder Strategy Interest Group. For 2014 she will assume the position of Program Chair for the Stakeholder Interest Group.

Edwin Rühli

Edwin Rühli participated in the annual conference of the Strategic Management Society 2013 in Atlanta, Georgia.

Claude Meier

The paper “Effectiveness of TSIs Regarding Labor Rights: Applying a Comparative Case Study Design and Process Tracing to Cope with Complexity” was accepted for presentation at the Workshop “Compliance and Beyond: Assessing and Explaining the Impact of Regional and Global Governance Arrangements” at the University of St. Gallen.
Conference Attendance and other Engagements

Thomas Schneider

Thomas Schneider participated at the International Association of Business and Society (IABS) 2013 in Portland, Oregon, USA where he presented the paper “Stakeholder Identities and Mutual Value Creation”.

He participated and presented his research at the 13th biannual congress of the Swiss Psychological Society in September in Basel. The poster presented was entitled “The impact of social identities and legitimacy on cooperation in issue-based stakeholder networks”.

Vanessa McSorley

Vanessa McSorley participated in a course in mixed methods at the Summer School Lugano. The course thought when, how, and why to integrate a qualitative and a quantitative research component within one research design. The school was held end of August in Lugano, Switzerland and was thought by Max Bergman, a methods specialist.

Vanessa McSorley also participated at the congress of the Swiss Psychological Society, 11. / 12. of September in Basel on the topic “crossing borders”. Besides very interesting presentations on current topics in the field of psychology, there was an insightful key note speech on the power of meaning in life by Laura A. King.
Conference Attendance and other Engagements

Manuel Dawson

Manuel Dawson participated at the 5th annual PRME Summit in Bled, Slovenia, in September, which following the HWZ commitment to the PRME Principles provided valuable impulses as well as a good networking opportunity.

He also participated in the Gemeinwohl Ökonomie (GWÖ) Zukunftskonferenz (Economy of the Common Good Future Conference) in Innsbruck, Austria, which explored alternatives to the current capitalistic economic status quo.

Doctoral colloquiums

Institute for Strategic Management, HWZ

Several doctoral colloquiums were held which permitted doctoral candidates to present their research in an atmosphere of constructive critique.
The emphasis in the area of the academic publications was the elaboration of the book “Strategisches Management – Eine neue Perspektive” in the monograph series of the HWZ. The authors Sybille Sachs and Edwin Rühli write, among other things, in the introduction: “The herewith presented book treats the strategic management as an applied theory. This means, on the one hand, that it rests upon the theoretical foundation as we elucidated in our book “Stakeholders Matter – A New Paradigm for Strategy in Society” (Cambridge University Press, 2011). On the other hand, it orients itself around the core questions and approaches as one can frequently observe in the practice of strategic management… We hope that this shall also be a valuable textbook for the students of this University. We look forward to the reactions and feedback of the leaders that wish to ‘solve the problems of tomorrow not only with the mindset and methods of yesterday, but who would like to pursue new paths.’ It is to them that this book is dedicated.”

Further Sybille Sachs and Edwin Rühli created a paper on the subject of “Positive Narratives” based on the analysis of selected strategy literature of different mindset streams which is under review.

The following non-academic publications by Sybille Sachs were of more general interest:

- Publication in HR Today, April 2013, “Menschen tun gerne Gutes”.


- Interview in the KV Magazin Context, Heft I 2013, on the topic “Die neuen Manager setzen vermehrt auf den Menschen”.

Publications
Sybille Sachs was interviewed as part of an article in Annabelle, March 2013, on the topic of “Arbeit oder Kinder: Teilzeit-Job für Männer ein Karriere-Knick?“.

Various interviews and contributions in the newsletter of the alumni association of the HWZ.


The Newsletter of the Stakeholder Strategy Interest Group (SSIG) of the Strategic Management Society (SMS) was edited by Sybille Sachs and Thomas Schneider and was published in May and December 2013.
Forthcoming Publications

Two theoretically oriented articles were submitted for publication and are currently in the review process. Various persons from the institute were involved.

Cambridge University Press published a reprint edition of the book “Stakeholders Matter” by Sybille Sachs and Edwin Rühli, specifically for the South Asian market. A paperback and e-version of “Stakeholders Matter” was also made available.

Claude Meier’s dissertation was officially completed on Nov. 1, 2013 and will be published under the title “The effectiveness of transnational standard initiatives (TSI) in the apparel industry: an empirical examination of two cases” in January/February 2014 by the Haupt Verlag (Bern, Switzerland).

Marc Moser’s dissertation “Commercial Investment and Mission Drift in Microfinance: A Qualitative Analysis of Stakeholder Perceptions in Switzerland” was officially completed on Aug. 14, 2013 and will be published in the near future by the Haupt Verlag.

People for People Blog

We continue to actively develop our blog in accordance with our ‘People for People’- Initiative as part of the Leadership-Project. Team members and guests are taking turns to author blogs that associate the main message of the initiative with news and current events. Since its launch a bit over two years ago on the 31st of October 2011, we’ve already had over 20,000 page views from all over the world. The blog will be continued with a German edition starting this January of 2014, in order to more directly target the local Swiss and German speaking public so as to better leverage networking and collaboration opportunities. Upon subsequent evaluation, the English version may be brought to an end.

Visit our ‘People for People’-blog.
Sybille Sachs was invited as an expert speaker at numerous events aimed at practitioners:

- At the 5th Annual Schaffhauser Marketing Day 2013 she gave a speech on the topic “Crisis as a chance?”
- Presentation entitled “Achtsamkeit in der Führungsbeziehung” at the Hospital Forum 2013, a conference for leaders and experts in the medical field.
- Presentation entitled “Dare to Care” at an event organized by Credit Suisse to the subject “Eldercare im Daily Business”.
- Presentations at the University for Seniors of Winterthur and Zurich on the topic “Eigennutzung oder Gemeinwohl – Schicksalsfrage der Wirtschaft”.
- Sybille Sachs is also the Associate Program Chair of the Stakeholder Interest Group (SSIG) of the Strategic Management Society (SMS), where she and Thomas Schneider edited its spring and summer 2013 newsletter.

Sybille Sachs on Swiss Television

Sybille Sachs was interviewed for the Swiss national prime time news format “Tagesschau” on the topic of part-time work for men. It was broadcasted on the 26th of May, 2013. Have a peek view here.

Sybille Sachs was also interviewed on Swiss Television on the 30th of October 2013, for the news program “10 vor 10” on the subject of fathers working part-time and thus having more time available for children. You can watch the program online here.
By making the findings of our research projects available to a larger community of business practitioners, politicians and other stakeholders, we contribute to a positive development of society.
### Teaching Activities

**University of Applied Sciences (HWZ)**

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Teaching Activities

University of Zurich (UZH)

Lecture on Business & Society  
Autumn semester 2013  
Lecturer: S. Sachs

Seminar on Business & Society  
Spring semester 2013  
Lecturers: S. Sachs, V. McSorley, T. Schneider

Doctoral Students

Besides, the doctoral students assumed numerous other teaching responsibilities at the HWZ and University of Zurich. Several of the doctoral students also were guest speakers in the Business & Society lectures at the University of Zurich.

In Practice

Due to the publications on our research projects in the last years, more and more firms, professional institutions and governmental agencies invited us to present our results in conferences, workshops and management development courses.
Claude Meier: Completed his dissertation with the title “The effectiveness of transnational standard initiatives (TSI) in the apparel industry: an empirical examination of two cases”. He will be granted his full PhD from the University of Zurich upon its publication by the Haupt Verlag (Bern) in Jan/Feb 2014. Committee: Prof. Dr. Dieter Ruloff, Prof. Dr. Sybille Sachs

Claude Meier started his doctorate in July 2009 and completed his dissertation in October 2013. In his investigation, he compares the effectiveness of different kinds of transnational standard initiatives (TSI) after their implementation in different Swiss companies. The author hypothesizes that the institutional designs of the initiatives, such as monitoring demands, specificity of rules, transparency to stakeholders, sanction mechanisms influence implementation and thus its effectiveness. The cases investigated were the Business Social Compliance Initiative (BSCI) and the Fair Wear Foundation (FWF). Claude Meier was enrolled at the Department for Political Science at the University of Zurich.

Marc Moser: completed his dissertation with the title “Commercial Investment and Mission Drift in Microfinance: A Qualitative Analysis of Stakeholder Perceptions in Switzerland”, having been granted his Doctor in Business Administration (DBA) from the Faculty of Business at the University of Southern Queensland (USQ), Australia. Committee: Dr. Bruce Millett, Prof. Dr. Sybille Sachs

Marc Moser started his doctorate in March 2010. Referring to a former project of the Institute, his research focuses on the western side of microfinance – the provision of funds through commercial investors for refinancing microfinance institutions in developing markets more concretely. He applies the current ‘mission drift’ debate in the microfinance literature as a means to investigate similarities and differences in perceptions among Swiss stakeholders of the microfinance investment community. In doing so, his research is expected to provide new insights on an increasingly important part of the microfinance sector.
Thomas Schneider: “The Impact of Stakeholder Identities on Mutual Value Creation in Issue-Based Stakeholder Networks”, University of Bern.
Committee: Prof. Dr. Sabine Sczesny, Prof. Dr. Sybille Sachs, Prof. Dr. Jörg Dietz

Thomas Schneider started his doctorate in January 2010. In his research, he explores the impact of stakeholder identities on mutual value creation. This interdisciplinary focus blends frameworks from the fields of social psychology, instrumental stakeholder theory and strategy theory’s resource-based view. If stakeholders are conceptualized as social groups related to a focal issue, the corresponding inter-group processes and consequences for mutual value creation in stakeholder networks can be analyzed. However, due to inter-group biases, mutual value creation in an issue-based stakeholder network may be contingent on a perceived superordinated stakeholder identity based on shared benefit and risk potentials in different stakeholder relations. To investigate these effects of stakeholder identities and intergroup-processes in stakeholder networks, Thomas Schneider uses an experimental approach to validate the hypothesis derived from his theoretical model.

New members 2013

The Institute for Strategic Management welcomed two new members, Vanessa McSorley and Christian Stutz, both initiating research for their PhD. An overview of their topics and approach follows, although the final concretization will take place in the course of the next year.

Vanessa McSorley: “A new perspective on value creation for stakeholders: What is positive psychological value and how is it created?”
Vanessa McSorley is looking into what kind of value is created for the stakeholder employee. Most people spend a lot of their time and energy at work in their role as an employee. It is not only a place for them to earn money but also to interact in a social environment and pursue personal goals. By making positive experiences at work employees can strengthen their psychological health by experiencing e.g. more self-efficacy which then helps them in their pursuit of a positive state, such as happiness. In a time where work related depression is at an all time high, it is important to look at how firms can support the “psychological immune system” of their employees and in the end help to create psychological value for society. A construct in organizational behavior (with a rather instrumental focus) is called Positive Psychological Capital, which claims that hope, resiliency, self-efficacy and optimism of employees are an important asset for an organization and for an individual’s well-being. She finds this a very interesting expansion of the concept of value and would like to have a closer look at these valuable resources and their predictors in value creation in her PhD project. The broader framework is an intrinsic stakeholder orientation that is concerned with material and immaterial values that are created for the people themselves and society as a whole.

**Christian Stutz** explores in his research the diffusion process of strategic management paradigms, as contended in scientific research, into the practices of corporations.

Applying a historical approach, corporate strategy development is analyzed as a social practice of practitioners embedded in particular historical conditions. Drawing on theories that highlight the potency of language in shaping our world, the study seeks to understand the transformative power of strategizing on ‘reality’ in order to reconsider the history of ‘shareholder primacy’. The strong empirical ground of the study is based on written records of the Swiss multinational Landis & Gyr as e.g. minutes of meetings of the board of directors which are secured up to the late nineties of the last century in the
Archives of Contemporary History at the ETH Zurich. This interdisciplinary project brings together descriptive stakeholder theory with different fields of historiography such as the History of Knowledge. Christian Stutz started his PhD thesis project in June 2013.

External Dissertations 2013

**Reto Imhasly**: “Financial industry in transformation: case research on the contemporary understanding and application of leadership in a large Swiss bank”

Leadership in tough times is vital for the Swiss financial industry that has moved from growth and confidence toward uncertainty and change during the global financial crisis. Prior to initiating new leadership development measures to support bank executives in their duties, it is necessary to comprehend the actual state of leadership understanding and practice, as well as how leadership has been influenced by external change. The qualitative case research contributes to this issue by providing a rich description of the phenomenon as well as guidance for further actions.

**Sabrina Stucki**: “Fighting Corruption through Stakeholder Collective Action, an Empirical Evaluation”, University of Basel. Committee: Prof. Dr. Laurent Goetschel, Prof. Dr. Sybille Sachs

Since September 2011 Sabrina Stucki is enrolled as a doctoral student at the Department of Political Science at the University of Basel. Her research focuses on corruption prevention through collective action. In her investigation she compares the mobilizing structures, corporate opportunities and framing strategies of the stakeholders from different kinds of multi-stakeholder and long-term initiatives.
Academic/Practical Commitment & Memberships

Academic Commitment of Prof. Dr. S. Sachs

- Associate Program Chair of the Stakeholder Strategy Interest Group of the Strategic Management Society (SMS)
- Invited expert for the EU Framework Program for Research (2011-2013)
- Member of the Multi-Stakeholder Advisory Council of the European CSR Platform
- Member of the Expert Advisory Committee of the MAS in Business Communications at the University of Applied Sciences (HWZ)
- Member of the Editorial Board of the Journal “Business and Society”
- Member of the Editorial Board of the Journal “Corporate Citizenship”
- Member of the Editorial Board of the Journal “Business and Professional Ethics”

Practical Commitment of Prof. Dr. S. Sachs

- Member of the school board at the University of Applied Sciences for Business Administration (HWZ) since October 2008
- Member of the board of the Forum Stakeholder View
- Associate Professor University of Southern Queensland (USQ), Australia
- Member of the Advisory Board of the NSW/RSE Netzwerk für sozial verantwortliche Wirtschaft (network for a socially responsible economy).
Memberships

- Academy of Management (AoM)
- International Association for Business and Society (IABS)
- Schweizerische Gesellschaft für Betriebswirtschaftslehre (SGB)
- Verband der Hochschullehrer für Betriebswirtschaft
- European Academy for Business in Society (EABIS)
- Strategic Management Society (SMS)
- Academic Network of the Global Compact
- Schweizerische Gesellschaft für Kommunikations- und Medienwissenschaft (SGKM)

Forum Stakeholder View Activities 2013

The Forum Stakeholder View as a society was dissolved in the autumn of 2013.
Content by the Institute for Strategic Management: Stakeholder View:

Manuel Dawson
Reto Imhasly
Vanessa McSorley
Claude Meier
Marc Moser
Edwin Rühli
Sybille Sachs
Thomas Schneider
Sabrina Stucki
Christian Stutz

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HWZ Hochschule für Wirtschaft Zürich
Main Entrance: Lagerstrasse 5
Office: Woodtli Building, 5. Floor, Lagerstrasse 1
8021 Zürich

Tel. 043 322 26 45
Fax 043 322 26 01
www.fh-hwz.ch/ism

Contact us under shv@fh-hwz.ch

Map