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Mona Margareta Ericson
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1 Travelling a World of Strategy Practising

This book travels a world of strategy practising through the aroma and taste of 'Löfbergs coffee', whose vast varieties and subtle nuances are reflections of good things in life. Once known as the Wine of Arabia, coffee has become one of the world's most valuable trading commodities (Wild 2004). Prompted by the psychoactive substance caffeine, coffee is associated with enhanced cognition and related clarity of expressions, a beverage enjoyed by people throughout the world. By using Löfbergs coffee as a hub from and around which a study of strategy practising radiates and flows, we also realize that 'good' is an ethical aspect, pronounced through the practising of morality as will and values.

At present, from the deictic here and now (Herman 1995), will and values extend into a past and a future, promoting a temporal-relational understanding of moral human agency (Emirbayer and Mische 1998). In order to advance our understanding of strategy as practice we must direct attention to morality and examine how moral human agency unfolds in practising as a fluid and open-ended process (Tsoukas and Chia 2002) as it is constituted in activities with which practitioners entwine.

The aim of the book is to contribute an insightful and interesting supplement to existing strategy-as-practice research through offering a temporal-relational conceptualization of moral human agency in association with 'good' as will and values. The conceptualization develops via a rather detailed examination of the agency-focused parts of strategy-as-practice research, positioned in relation to business ethics research in integration with corporate social responsibility (CSR) and stakeholder research, and via an excursion into moral-philosophical works before it is furnished with contours in an empirical-theoretical discussion of practitioners' ongoing exercise of moral agency. Devoted to the pursuit of research that substantially integrates practising and morality in recognition of the practitioner's existential entwinement with a world of Löfbergs coffee, the book intends to open up a new perspective of strategy practice. Like a piece of music worth listening to with sequences

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of sounds, interconnected melodies and themes, it triggers the development of new insights and experience.

Against a Dark Background

Against a dark background of unethical conduct in the business world an urgent need is to enhance our focus on morality in research on strategy as practice. As business schools have been held partly culpable for the financial crisis in 2008, there has been a considerable rise in demand for courses and programmes that prepare students for futures as leaders capable of creating sustainable value in business and for the social good (Chan, Fung and Yau 2013). Yet, as Ghoshal (2005: 75) asserts, business schools 'do not need to create new courses; they need to simply stop teaching some old ones . . . Our theories and ideas have done much to strengthen the management practices that we are all now so loudly condemning.' Prescriptions that flow from the *Homo economicus* models have socialized students into an ethics of limited accountability (Gintis and Khurana 2008); 'Economic Man' is cold and calculating and does not worry much about morality (Stout 2008).

In order to promote and inspire responsible management and education we need to encourage strategy-as-practice scholars to dedicate more interest to research on ethics in practising. Society's trust in business has been eroded by actions that make people wonder whether business leaders have lost their moral compass and are motivated only out of self-interest (Nohria 2013). 'Business can be pure hell, because it is relentless in the pursuit of its goals: goals that need to be aligned with those of the society to whom it is responsible and to whom it should have allegiance and to whom it should ultimately seek to be subservient', remark Svensson and Wood (2008: 306).

More than two decades ago, Lewis and Wärneryd (1994) gave plenty of examples of deceptive practices in branches of business and industry. Still today, whistleblowers reveal corruption, embezzlement and fraud, and, as a consequence, boards of directors, CEOs and other strategy practitioners are replaced. Corporate accounting scandals and related financial irregularities have received considerable media attention in recent years. Enron, World Com, Tyco International, Arthur Andersen and Skandia, for example, all claimed explicitly that they had a code of ethics and based their operations on ethical values but were not effective in communicating and living the code and the values (Svensson and Wood 2008). Willmott (2011: 90) refers to the spectacular rise and fall of Enron: 'Enron presented the appearance of a highly reputable company whose commitment to probity was broadcast by its values statement

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and detailed in its sixty-four-page code of ethics.' But we need also to observe that there was a business system, comprising bankers, regulators, politicians, accountants, lawyers and capital market intermediaries that validated Enron's business methods, as Willmott (2011) points out.

Numerous other examples exist of businesses that officially ensure that they maintain high ethical standards but in actuality fail to do so. Media also report on family-owned businesses that engage in unethical conduct. Even if a family-owned business, as opposed to a non-family-owned business, is expected to be particularly concerned about ethics (Adams, Taschian and Shore 1996), ethical lapses occur. Ethical lapses in business conduct could result from an excessive focus on short-term results at the expense of long-term financial health (Nevins, Bearden and Money 2007).

Strategy-as-practice research must be carved out in the nexus of practising and ethics with a focus on moral human agency. By pulling back the firm-level curtains, in brighter light we can identify how morality is expressed and practised.

Ethical and Moral Reflection Required

Largely unaddressed in strategy-as-practice studies are questions of morality and moral human agency. Reviews of practice-based research elicit that doing strategy means actively participating in micro-strategizing activities and interactions in relation to macro-level structures (e.g. Golsorkhi *et al.* 2015). Scholars view agency in relation to structure, defining agency as the human potentiality to participate in social systems or refuse to do so (Whittington 2015).Without a concern for morality, human agency is consolidated in a single individual and elaborated through processes of sensemaking, discourse and materiality (Golsorkhi *et al.* 2015).Generally, human agency is derived in an organizational context and ascribed to an individual practitioner whose actions are consequential for the organization's direction and survival (Jarzabkowski, Balogun and Seidl 2007), seemingly ignorant of morality. As Clegg, Kornberger and Rhodes (2007) point out, we need to develop theoretical tools for ethical analyses of what people actually do when they engage with ethics at work. As does Bauman (1993) they accentuate the practical aspect of ethics.

Ethical and moral reflection is required in practice-based strategy research, Balogun, Beech and Johnson (2015) emphasize. We cannot ignore that ethical and moral issues run through every aspect of organizational and managerial work (Watson 2006). The notions that people have an intrinsic propensity for acting on conceptions of morality and need to

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be affiliated with groups make room for *Homo moralis,* the moral human being (Skitka, Bauman and Mullen 2008). But we should not limit our focus to a single moral human agent since morality is expressed and effectuated in relation to the Other (Ricoeur 1992). As I have pointed out elsewhere (Ericson 2014), with reference to Cooper (2005), we must not lose sense of a human world constituted of dynamic and mutable relations. This requires considering how agency in association with morality unfolds in strategy practising, exercised (lived) in relation to the Other, between practitioners. Practitioners are 'always responding to and anticipating an "other"' (Cunliffe 2015: 442). Practitioners are beings-with-each-other (Raffnsøe, Møl Dalsgaard and Gudmand-Höyer 2014). In the social dimension that emerges of people in relations to others (Plessner Lyons 1983), morality is not reduced to a discrete moment of individual choice of actions (Luco 2014).

How to distinguish the meanings of the terms 'ethics' and 'morality' has been debated. As Ricoeur (2007: 45) admits, 'Etymology is no help in this regard, inasmuch as one of the terms comes from Latin, the other from Greek, and both refer in one way or another to the domain of moral behavior.' Ricoeur (1992: 170, emphasis in original) reserves ethics for 'the *aim* of an accomplished life and the term "morality" for the articulation of this aim.' The term 'ethical aim' is translated from French *la visée ethique* and does not strictly mean 'aim', however; it refers to an intention that we are not necessarily aware of, emphasizes Franck (2014). Ethics and morality concern how we relate to other human beings and not only what is right to do, Taylor (1989) adds. This prompts, in the passage from the ethical aim to morality, a dialogic structure that incorporates otherness (Ricoeur 1992).

Otherness is also implied in sustainability, an important aspect of ethics and morality (Jennings 2010; Van Horn 2015). It directs our attention to nature as an Other to which we relate. Sustainable practising has increased in importance to the survival, growth and profitability of a business, and to be sustained over time a business must take into account its ecological and societal impact. Sustainability encompasses values that range from the preservation of human health to the biosphere (Hirsch Hadorn *et al.* 2006). Thus it is important to introduce a nature–Other with respect to coffee as a 'component' of the biosphere.

Historically, there has been little focus on the sustainability aspect in connection to coffee. During the seventeenth and eighteenth centuries, the spread of coffee cultivation was largely the result of the expansion of European trade and colonialism with slaves playing an important part in the establishment of plantation economies and coffee companies. As Wild (2004: 121) notes: 'The white masters ruled the roost. The pattern

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was initiated by the Spanish, followed by the Portuguese in Brazil in the late sixteenth century, and later by the British and French in the West Indies, and perfected in the American colonies.' With recent proliferation of sustainability labels such as Fairtrade, Shade Grown, Bird Friendly and Organic coffee, the focus has shifted towards the coffee farmers and their living and farming conditions. In Sweden, sustainability-labelled coffee is strongly associated with Löfbergs. With reference to Löfbergs coffee we gain insights into how moral agency unfolds through a range of activities with which practitioners entwine.

'Löfbergs coffee' is a term used in association with the brand 'Löfbergs Lila' (Löfbergs Purple), but is not limited to the brand. It dissolves into a variety of strategy-oriented activities – from bean to cup. 'Löfberg' is also the name of a family who owns a group of companies, the Löfbergs Group,[1] envisioned as 'the most sustainable coffee group in Europe that with passion, strong brands and the best tasting coffee delivers increased value for our customers and owners' (*Annual Report* 2014/2015: 8). Anders Löfberg, owner, former CEO and Chairman of the Board of Directors (personal communication, November 4, 2015) summarizes: 'Löfbergs coffee does not only refer to a specific material content . . . it opens up to a number of activities and experiences, including the customer's and the consumer's experience of an ethically good product and a company that focuses on sustainability throughout the entire value chain: from bean to cup.'

A Beautiful Group Portrait

The human Other actualizes a moral agency that cannot be reduced to an individual as a detached subject. Nor can moral agency be sought in and determined solely by sustainability. Moral agency extends beyond issues of sustainability, constituting interactions and relationships among practitioners. However, the missing dimension in strategy-as-practice research, defined in terms of 'moral human agency in business', cannot be constructed directly. The portrayal of the sustainable coffee group in public websites, annual reports and other official documents cannot be ignored. It immediately attracts our attention in its beautifully described ethics interlinked with sustainability.

We are informed about a coffee group, consisting of the Swedish parent company AB Anders Löfberg with subsidiaries in Norway, Denmark, Finland, England, Estonia, Latvia and Lithuania, that produces

[1] More information about this group, its ownership and subsidiaries is provided in Chapter 4.

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about 10.5 million cups of coffee per day and in dialogues with its stakeholders takes responsibility for people and environment, ensuring that profitability concerns go hand-in-hand with climate concerns. This group represents great keenness for and devotion to morally good practising, ingrained in the owner-family's responsibility for the coffee farmers, the employees, the customers and others and even the biosphere. Representing the third and fourth generations, the Löfberg family considers this responsibility to be a prerequisite for a long-term sustainable, profitable and competitive business.

Nevertheless, a group portrait that highlights ethics can create an illusion of a whole that operates in conformity with moral standards and rules. It is thus imperative to reach beyond an organization-level description, critically examining *how* practitioners articulate the ethical aim when engaging morality in practising. The Löfbergs Group, envisioned as the most sustainable coffee group in Europe, represents a beautiful portrait that calls for presentation. At the same time, this portrait mounts a springboard that provides impetus for centring the focus on practitioners' morality-imbued practising. The empirical-theoretical focus thus shifts away from a predefined group context towards a context that forms as practitioners and others entwine with a variety of activities. Being committed to a relational ontology and *geisting* means effectuating this 'from–towards' movement.

Committed to a Relational Ontology and *Geisting*

Ontologically, 'human science' derives from a translation of the German *Geisteswissenschaften*. As opposed to the English word 'mind', which has mainly cognitive connotations, the word *Geist* refers to moral and emotional atmospheres that may reign in a lived space (Van Manen 1990). *Geisting* closely relates to lived experience as used by Dilthey (1985) for an exploration of pre-reflective dimensions of human existence. The notion of lived experience implies an understanding that extends beyond the practitioner's subjective experiences, causal explanations and generalizations (Van Manen 1990). Informed by Heidegger's phenomenological thinking, lived experience suggests a movement through a world as 'a kind of mindless *dwelling* that precedes any subject/object and hence any reliance on mental content' (Chia and MacKay 2007: 230, emphasis in original). Also Gadamer (1989), a student of Heidegger, saw lived experience as an ongoing integrative life process through which the practitioner relates to the Other and a past. From Gadamer's philosophical-hermeneutical horizon, it is necessary to mark a distinction between experience as *Erlebnis* and *Erfahrung*. *Erlebnis* permits plurality,

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referring to *experiences* a subject has, whereas *Erfahrung* in its singularity overcomes subjectivity and is something a subject undergoes. Thus a world comes into being in lived *experience* (as used in the singular form). Time in terms of temporality, accordingly, conveys existential entwinement with the world.

A relational ontology with its strong connection to lived experience gives primacy to an interpretive study that provides dialogical openness to a Löfbergs world of practising. If we use variables to identify what things are, a category like dependency to represent possible relationships between variables and generalities such as classes (Helin *et al* 2014), we risk neglecting lived experience. Stefanovic (2000: 263) underlines, 'The selection and classification of indicators cannot proceed as if it were merely a technical matter of identifying a single set of "correct" variables.' Instead, we should refer questions of knowledge back to lived experience (Van Manen 1990), offering a temporal-relational conceptualization of moral human agency in recognition of a human's existential entwinement with the world (Sandberg and Dall'Alba 2009).

From a lived-experience perspective, inspired by Heideggerian phenomenology and Gadamerian philosophical hermeneutics, the practitioner existentially connects to a Löfbergs world of practising, entwined with strategy-oriented activities that constitute practising in association with morality. 'A single action at a point in time is not a practice; it is the passage of time that converts action into practice ... any attention to practice also demands an attention to history and, in particular, to time' (Ericson, Melin and Popp 2015: 516). 'Passage of time' is a linear sequence of activities but also implies non-linearity because of simultaneous and overlapping temporal orientations, unveiled in practising lived at present.

Method Accentuating Interpretation and Understanding

Implied in a relational ontology and adjacent lived-experience perspective is a qualitative method that accentuates interpretation and understanding and draws on empirical material generated via documents and dialogues with practitioners. There are no data 'out there' ready to be gathered; '*research is creation and construction*' (Grand, von Arx and Rüegg-Stürm 2015: 90, emphasis in original). Dialogues help the researcher to get at least some glimpses of an ongoing integrative life process in which the practitioner is absorbed. Unable to grasp the richness of lived experience fully, the researcher can only rely on the language used, that is, practitioners' orally uttered and written words. Research committed to a relational ontology and *geisting* interrelates

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a human being's life movement with language, promoting the idea that language has its 'true being only in dialogue, in *coming to an understanding*' (Gadamer 1989: 446, emphasis in original). Understanding, intertwined with interpretation, fundamentally connects with language.

Dialogue is a form of talk that can take us to whatever the practitioner finds it appropriate to talk about. It begins in an interrogative space that allows the researcher to cross over into the world of the Other (Risser 1981). Referring to Wittgenstein (1953) and Bakhtin (1984), this suggests, according to Shotter (2006), an understanding of how we relate to the other person and make otherness available to us in the activities occurring between us and the Other. It requires responding to the utterances of our dialogue partner, refraining from following a checklist questionnaire. A dialogue emphasizes *participation* and is a process of direct face-to-face encounter; in a dialogue two or more people are making something in common, not only conveying certain ideas or viewpoints but ready to go on to something different that takes shape in mutuality. But as people can be very polite to each other and avoid issues that lead to tensions and conflicts, topics that upset are likely not to be brought up, resulting in 'cozy adjustment', as Bohm (2004: 15) observes.

In order to maintain relational consistency in method it is crucial in the dialogue not to reduce the 'practitioner' to individuality, being aware that the practitioner through 'absorbed involvement in the world' (Chia and Holt 2006: 639) is always exposed to, affected by and vulnerable to the Other (Ricoeur 1992). A singular body 'is not individuality; it is, each time, the punctuality of a "with" that establishes a certain origin of meaning and connects it to an infinity of other possible origins' (Nancy 2000: 85). This sustains a relational reality where being-with constitutes an irreducible phenomenon, as Christians (2003) highlights. The interpersonal results from the actualization of reciprocity and a willingness to meet the Other openly in dialogue with no intention to dominate, as Roger observes in dialogue with Buber (Anderson and Cissna 1997).

Practitioner is not just something you are but something you are continuously in interaction with others. Practising presides over the practitioner but since practising is not equipped with a voice we must listen to the voice of the practitioner and pay careful attention to what is disclosed about what goes on between practitioners. When the focus pans out of an agent's physically discrete position we are able to gain insight into that which happens between agents, expressed in dialogues with me as a researcher. It is through my encounter with this agent that the potential for inquiring into and contributing to the advancement of an understanding of temporal-relational moral agency arises. I make myself a co-author, not as to existence, but as to moral agency in

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business, expressed and effectuated by the practitioners in reflection of their specific reality.

Generation of Empirical Material The generation of empirical material through face-to-face dialogues with practitioners associated with the Löfbergs Group, the Löfbergs-practitioners, started in October 2011 and a few dialogues were conducted during 2012. In this early phase of the study, the dialogues into which I entered with the practitioners mainly revolved around the practitioners' involvement in activities carried out in the chronology of time. Although my initial intention was to focus on strategic activities associated with development and growth, I soon realized that focus needed to be shifted to morality in association with 'good' as will and values. The practitioners often referred to a good will based on the five values of responsibility, commitment, long-term approach, entrepreneurship and professionalism, when talking about their involvement in strategically oriented activities – from bean to cup. A reorientation towards ethics and morality was apparently needed in my study.

In 2015, the generation of empirical material intensified through numerous dialogues with Löfbergs-practitioners holding positions as directors and managers as these play a key role in the development and maintenance of ethical standards and the practising of codes of conduct and moral values (Carroll 2000; Nohria 2013). Once again I met with owners, the present and former Chairman of the Board of Directors, the present and former CEO, the Chief Financial Officer (CFO) and the Human Resources Manager. In order to provide some variation in the empirical material, practitioners not designated a formal position as director or manager were invited and dialogues were carried out with people working as administrator, employee representative, production technician, process operator, receptionist and tour guide. The very first contact (in 2011) was with one owner, at that time the Marketing and Communications Director. I continuously communicated with her for advice on practitioners to meet as the study proceeded. The bean-to-cup chain constitutes activities that link together efforts made by other practitioners than those directly associated with the Löfbergs Group. Coffee farmers, representatives of development and certification projects, customers and consumers of Löfbergs coffee were also provided room for making their voices heard, some of which only echoed in written material. By participating in a guided tour through the production facilities there was also an opportunity for me to gain information about the machinery and equipment with which Löfbergs-practitioners interact.

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The practising described is of strategic character. Strategy generally implies 'mobilizing resources in ways that strengthen the focal organization's command of its environment and/or weaken the position of competitors' (Alvesson and Willmott 1996: 129). In this book, the focus is on moral human agency as it unfolds in practising that constitutes strategic-oriented activities that practitioners entwine with when developing the coffee business over the long run. From-bean-to-cup activities orient towards a future characterized by sustainable and profitable growth that generates competitive advantages and is therefore considered to be constitutive of a practising that is strategic in nature. But it is important to note that an organization is not 'there' and that strategy cannot be unequivocally defined. We must critically reflect on how to use the term 'strategy'. Blom and Alvesson (2015: 423) 'sound a warning about the tendencies of overusing and inflating the signifier and discourse of strategy.' The current study refers to *strategic-oriented* activities, and the practitioners involved in these activities are not necessarily strategy practitioners or strategists. It is difficult to use the strategy label for all practitioners. In the following, the term 'practitioners' refer to Löfbergs-practitioners (including three owners) while coffee farmers, representatives of development and certification projects, customers and consumers are referred to as 'other people' or 'others' with whom the Löfbergs-practitioners interact.

The face-to-face dialogues with the Löfbergs-practitioners, ranging from approximately twenty to ninety minutes, took place at the headquarters and in the Löfbergs café Rosteriet, located in Karlstad, the largest city of the province of Värmland, Sweden. I live in Karlstad and the geographical closeness of the headquarters, production facilities and the café Rosteriet has been a great advantage. Most dialogues took place in the café, a location arranged by the practitioners. For each of us, the café appeared to provide a comfortable and enabling environment for a dialogue. The dialogues initially focused on the name 'Löfbergs', its connotations and meanings and what it is like to represent Löfbergs. Further, the talk revolved around the historical development and the practitioners' interactions with others, their current involvement in activities and challenges faced.

The practitioners made references to sustainability and good will in association with values, and they were then asked to describe will and values and explain how they are expressed through activities. Consistent with a relational ontology, the dialogues centred on morality as inherent in the practitioners' activities, rather than as something they related to as being external to them. They revealed how morality in relation to the idea of the good comes alive and what it means to practise the values of

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