

FROM PROFIT TO PURPOSE: EXAMINING THE INFLUENCE OF LEADERSHIP ON CORPORATE SOCIAL RESPONSIBILITY

A CASE STUDY OF GUBRA



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Abstract

This thesis is an investigation of the relationship between leadership and corporate social responsibility (CSR). In this thesis, the concepts of purpose-driven leadership and corporate citizenship are applied to the case organization Gubra to understand how leadership influences the organization's work with corporate social responsibility and the subsequent implications. The thesis is a hermeneutic research that applies qualitative methodology and a case study design with the purpose of exploring and understanding the phenomena. The thesis illustrates how Gubra views its responsibility towards society as going beyond financial benefit and legal responsibility - instead, recognizing the importance of businesses acting ethically and philanthropically. Gubra's commitment to passively invest 10% of their pre-tax profit in sustainable investments is unpacked - a strategic move that exemplifies their commitment to societal progress and solidifies their position as an exemplary corporate citizen. The thesis additionally challenges the win-win ideology in business and attempts to depict why a paradigm shift may be necessary in the business world's approach to corporate social responsibility. Gubra's co-founders, driven by a desire to improve health through scientific contributions and promote sustainable development, embody purpose-driven leadership principles by leading by example and prioritizing the intrinsic 'why' over the extrinsic 'what' and 'how'. This research thus illustrates the transformative power that purpose-driven leadership has on corporate social responsibility, employee engagement, and organizational unity.

In essence, this research aims to capture the journey of Gubra, exploring the interplay between their leadership, purpose, and approach to CSR. Through analysis of their practices and attitudes, it is discovered that the potential for businesses and CSR to coexist and thrive harmoniously is dependent on a paradigm shift - where businesses prioritize a utilitarian ethical position instead of ethical egoism. By understanding Gubra's philanthropically driven CSR and purpose-driven leadership, this research offers valuable insights that can inspire and inform future CSR strategies.

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1. Problem Area

Leaders in the 21st century must be adaptable to respond to a range of constantly evolving challenges. These challenges may encompass an uncertain future, increasing demands from stakeholders, and environmental- and social issues (Manyika & Tuin, 2020). Simultaneously, there is a growing expectation among stakeholders that businesses are responsible for solving many of these issues, as trust in policy and governments fail. This necessitates that leaders and managers adopt an innovative approach as well as novel strategies to ensure the prosperity of their organizations while also tackling various global and local social issues.

This has led to a rise in corporate social responsibility (CSR) in recent years. However, although CSR has risen in popularity, it is nowhere near a new research field. Since the 1950s, scholarly literature on CSR has been published, seeking answers to basic questions; what are businesses for, and what contribution should they make to society? (Crane et al., 2008).

In the midst of these changes and challenges, the role of leadership in addressing social and environmental challenges is crucial because a leader's values, attitudes, behaviors, and practices can significantly influence the way purpose and corporate social responsibility are implemented as well as the company's overall CSR performance (Swanson, 2008). Nevertheless, the effectiveness of leadership's ability to foster and execute the implementation of purpose and CSR across an organization varies, and all the factors that drive or hinder CSR implementation remain unclear.

In recent times, a paradigm shift in for-profit business leadership has occurred, with purpose-driven leadership emerging as a new way of conceiving leadership (Harvard Business Review, 2016). Research suggests that purpose-driven leadership could be the key to transforming organizations while also improving employee satisfaction and customer loyalty (ibid.). This paradigm emphasizes that businesses should prioritize making a positive impact on the world rather than solely focusing on profits. The rise of purpose-driven leadership is fueled by growing expectations from stakeholders, such as employees and customers, who demand more meaningful action on environmental and societal issues. Despite the fact that social entrepreneurs have integrated purpose at the center of their leadership for years by going beyond traditional business models, for-profit businesses are

now following the trend and starting to adopt it as well. As a result, the social entrepreneurial spirit of integrating purpose in the organization can now be seen in for-profit businesses that are using purpose as a means of transforming themselves as well as tackling social and environmental challenges (ibid.).

While leadership plays a crucial role in driving and implementing CSR initiatives within organizations, the influence of leadership style on CSR implementation remains a complex and underexplored area of research. This presents an interesting research opportunity to understand the specific influence the leadership style has on the Danish biotech company Gubra's implementation and actions on CSR. By examining the relationship between leadership, purpose, and CSR implementation at Gubra, valuable insights can be gained, which can shed light on effective strategies for fostering, executing, and implementing a meaningful CSR strategy.

These considerations have led to the formulation of the research question and sub-questions:

How does Gubra view corporate social responsibility and what influence does the leadership style at Gubra have on CSR implementation in the organization?

- How is corporate social responsibility perceived in the organization?
- How does Gubra's leadership style correspond to the understanding of purpose-driven leadership?
- What are the leadership factors that act as drivers or barriers to the CSR implementation at Gubra?

1.1 Purpose Statement

The purpose of this thesis is to understand if and how a for-profit business is integrating purpose and CSR into their organization through leadership. This research is heavily inspired by the principles of social entrepreneurship, and by exploring this relationship, the research seeks to understand how these social entrepreneurial principles are being adopted and applied within for-profit organizations. Therefore, this thesis aims to contribute to a discussion about the transformative potential of for-profit organizations. By highlighting the role that business leaders can play in addressing global social and environmental challenges, the research aspires to broaden the understanding of the impact purpose holds in achieving this.

2. Case Description

Gubra is a biotech and contract research company that specializes in the discovery of peptide-based drugs for metabolic and fibrotic diseases (Gubra, website, 2023). Gubra has around 200 employees and has recently (March, 2023) successfully raised DKK 500 million when they became listed on the stock exchange during their initial public offering (IPO) (ibid.).

Beyond this, Gubra has served 15 out of the 20 largest pharmaceutical companies in the world and currently also has 5 active partnerships with Boehringer Ingelheim, Bayer, and Silence Therapeutics (ibid.). The founders at Gubra write on their website that “*Gubra was founded out of a profound passion for science, coupled with a strong desire to make a meaningful difference in the world.*” (Gubra, website, 2023).

In the 2021 financial calendar year, Gubra’s revenue hit an all-time high of DKK 255 million, and in 2022 Gubra had revenue of DKK 199 million despite a challenging year with geopolitical instability (Gubra, annual report, 2023).

Apart from their primary business activity, Gubra has a particular focus on sustainability, primarily engaging in the fight against climate change and biodiversity loss (Gubra Sustainability Report, 2023). Gubra has made a considerable commitment to its sustainability mission, with one of Gubra’s key sustainability guidelines being a commitment of 10% of its annual pre-tax profit to sustainability-related activities and investments; the only company among the Nasdaq Copenhagen companies to do so. In 2022, this totaled 4,56 mDDK to donations, sponsorships, and sustainable investments, compared to their revenue of 199,4 mDKK.

Gubra’s five key sustainability guidelines include the following:

1. *“Investing 10% of our pre-tax profit. Commitment to invest 10% of our pre-tax profit in environmental activities every year through our subsidiary Gubra Green.*
2. *Being carbon negative. Carbon negativity implies absorbing more CO₂ than we are emitting by stimulating carbon emission reducing projects, planting trees and buying carbon offsets.*

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3. *Being nature positive. Our contribution to reversing the decline in biodiversity so that species and ecosystems begin to recover.*
 4. *Inspire and engage. Inspiring and engaging politicians and other companies to fight for a more sustainable world.*
 5. *Order in our own house. We practice a diverse, open and non-discriminatory work environment, insist on proper waste management, and support and encourage our suppliers to live up to environmental and social standards.”* (Gubra, sustainability report, 2023: 4)

In this thesis, Gubra's first guideline will be given more attention than its other guidelines. This is due to this guideline's contribution to making the case interesting to research and because an attempt to explore all other activities Gubra pursues would result in a superficial review. However, it is still important information to bear in mind as a reader that Gubra's activities go way beyond their 10% commitment. For example, in 2022: Gubra emitted 419 tons of greenhouse gasses but (although controversial) bought 3.000 tons of carbon offsets. They bought 16 electric bicycles for employees, now totaling 33. They encouraged employees to carpool, of which 45% participated. They had an internal tax on air travel which resulted in 311.000 DKK going to sustainable investments. They planted more than 150.000 trees, now totaling 367.000 trees and shrubs since 2021. All of which contributed to making Gubra a carbon-negative business (ibid.). Beyond this, Gubra actively engages in activities that promote employee engagement, well-being and satisfaction, diversity and inclusion, and animal welfare (Gubra, annual report, 2023).

3. Literature Review

The literature review aims to contextualize the research within the relevant field of study and provide an overview of the existing theoretical perspectives that will inform the analysis. In addition, the review seeks to establish the significance of the study by highlighting its relevance to the field of research.

3.1 Corporate Social Responsibility (CSR)

Corporate Social Responsibility is a vast scholarly field dating back to at least the 1950s before gaining popularity in the 1990s and the 2000s (Crane et al., 2008). Through the years, CSR has faced pushback and been discredited in favor of other ways of conceptualizing the business interface; however, in recent years, the responsibility and sustainability agendas have had an incredible rise in prominence, although at times under other names “[...] including corporate citizenship, sustainable business, corporate responsibility, and corporate social performance [...]” but also sustainability, sustainable development, shared value, etc. (ibid.: 4). Even though the literature extends far into the past and covers a wide range of topics the overall theme remains; what is the role of businesses in society? Considering the long history of CSR, it should be a straightforward answer, but as Crane et al. (2008) points out, there is still no clear definition or principle of what corporations' social responsibility should be or agreement on what it means to be socially responsible or if businesses should be responsible in the first place; and if so, to which extent. Moreover, the corporate world has embraced CSR; businesses use CSR as a way to brand themselves and, in many cases, try to do their share in tackling the many environmental and social issues the world faces.

As Carroll (2015) notes, CSR covers a wide range of concepts, and some concepts are “[...] significantly overlapping in terms of their meanings and applications.” (Carroll, 2015: 95). Thus, some concepts and frameworks not necessarily labeled as ‘CSR’ will also be included in this section if deemed relevant. Firstly, to understand the field of CSR, it is relevant to highlight the meaning of the words corporate social responsibility. Corporate refers to “[...] corporate forms of business organizations [...]” and “[...] has evolved to include all businesses, large, medium, or small.” (Carroll & Brown, 2018: 42). The term ‘social’ pertains to the well-being of society (ibid.). The concept of society covers a broad range of entities, such as communities, states, nations, and even the entire world, depending on the context

(ibid.). Society is commonly understood to include all stakeholders businesses' conduct might impact. Moreover, the contemporary understanding of society also encompasses other elements, such as the environment (ibid.). And lastly, the concept of responsibility pertains to businesses' accountability for the things under their power, control, or management (ibid.). Responsibility, in this sense, involves a sense of duty or a weight of obligation (ibid.).

3.1.1 Historical Roots

One of the oldest definitions of CSR comes from Bowen (1953), who argued that the role of the businessman was “[...] *to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society* [...]” (Bowen, 1953: 6). Arguably way ahead of his time, Bowen created a definition of CSR that is still rather relevant today and therefore he is considered the father of CSR (Carroll, 2008). Bowen's work helped establish the concept that businesses have a responsibility towards society and that they should consider the business's impact on society and the environment. Furthermore, as a foundation for CSR literature, Bowen questioned which role businesses should be expected to have, arguing that the largest companies in the world influenced society and citizens in many ways, which is the question the field is still trying to answer today (ibid.).

In the 1960s, there was considerable debate about whether the focus of CSR should be on ‘responsibility’, ‘accountability’ or ‘action’, as there is a conceptual difference depending on whether the emphasis is on the motivation, or the results created for society (Carroll & Brown, 2018). Scholars argued that companies should be responsive to social issues and obligations and that it was, in fact, the results that should be at focus, not necessarily the responsibility aspect (ibid.). These thoughts later became the foundation for the corporate social performance model (ibid.).

Another classic example of CSR (or criticism) comes from Milton Friedman (1970), who argued that the firm's responsibility was to increase profits. His idea originated from the thought that CSR considerations would harm businesses by reducing efficiency and undermining the free market system (ibid.). He also asserted that CSR activities could be inappropriate because they spent resources on unjustifiable causes (Lapati Agudelo et al., 2019). Though a broadly contested concept and arguably infamous, Friedman's ideas are still prevalent in the corporate world today, as several influential people still view shareholder

value and the free market system as the priority - especially proponents of neoclassical ideologies.

However, even though many definitions of CSR have been proposed, as Moon notes, the definitions encompass these key features:

- “[...] *business responsibility to society (i.e. being accountable)*
- *business responsibility for society (i.e. in compensating for negative impacts and contributing to societal welfare);*
- *business responsible conduct (i.e. the business needs to be operated ethically, responsibly, and sustainably);*
- *business responsibility to and for society in broad terms (i.e. including environmental issues); and*
- *the management by business of its relationships with society.”* (Moon, 2015: 2).

3.1.2 Contemporary Approaches to CSR

A prominent modern CSR perspective is creating shared value (CSV), which springs from the thoughts of Harvard Business School professors Michael Porter and Mark Kramer (2011). They define the concept of creating shared value as:

“[...] policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. Shared value creation focuses on identifying and expanding the connections between societal and economic progress.” (Porter & Kramer 2011: 2)

According to Porter & Kramer, shared value is achieved when a business creates economic value by addressing a social or environmental issue and integrates social and environmental considerations in its core business strategy and operations (ibid.). CSV differs from traditional CSR by focusing on solving social issues with new business models or, as Porter and Kramer write: *“[...] by reconceiving products and markets, redefining productivity in the value chain, and building supportive industry clusters at the company’s locations.”* (ibid.: 5). Thus, Porter & Kramer argue that while CSR focuses more on the responsibility of the business, CSV focuses more on shared value through the creation of new market opportunities from social problems.

Their approach has been widely accepted and used in the corporate world, but it has also faced immense scrutiny and criticism from academics. Crane et al. (2014) offer a notable critique by acknowledging that CSV has the potential to drive social value, however, they also highlight several problems with the CSV concept. First, they argue that CSV does not consider the power dynamics and potential conflicts of interest when addressing a social issue with market solutions (ibid.). Second, the CSV framework downplays the role of governments and policymakers in driving social change (ibid.). In addition, the CSV approach may not be sufficient in addressing larger societal root causes of social issues. Thirdly, Crane et al. argue that the CSV framework does not consider the complexity of social and environmental issues and the interdependence between different issues, and therefore the approach could lead to addressing symptoms rather than solving systematic issues. But even so, Crane et al. argue that the CSV framework could benefit sustainable development if implemented thoughtfully and critically (ibid.).

The critique posed by Crane et al., ties into a more prominent discussion and critique of CSV, the so-called win-win ideology. Arguing that companies can simultaneously create economic and social value is called the 'win-win' ideology. This approach suggests that CSR and profitability are not mutually exclusive, but rather can complement and reinforce each other. The win-win ideology (or rhetoric) has a growing influence on corporations' approach to CSR, and it can be argued that it is a substantial paradigm shift away from the understanding of good corporate citizenship, which emphasizes doing activities beyond those which are in self-interest (Brandtner & Bromley, 2021). The discussion and critique of CSV arises because win-win ideology promotes the idea that companies are only green or responsible as long as it is economically worth it or if a market need can be monetized. Or maybe, more simply put, the critique of the win-win ideology in modern CSR is that all businesses portray themselves as responsible companies as long as it does not cost them anything on the bottom line. A study shows that executives that believe in the fair market ideology (viewing market-based outcomes as inherently fair) were more likely to subscribe to the idea of the win-win or business case for CSR, but they were also less likely to be "[...] *morally outraged by ethical problems.*" (Hafenbradl & Waeger, 2017: 1601). The study also shows that executives who held the fair market ideology were less likely to engage in CSR because they had a lower emotional response to ethical dilemmas compared to those who did not hold a fair market ideology (ibid.). This study reveals another interesting perspective on the win-win business

case for CSR, considering that the study hints that more ethical executives were less likely to believe in the business case for CSR while also being more likely to engage in CSR activities (ibid.).

3.2 Leadership

Leadership has been a topic of interest for humans since ancient times persisting throughout different cultures and time periods. According to Cox (2011), the study of leadership can be traced back over 5000 years to ancient Egyptian hieroglyphics. As a result, leadership has undergone development and evolution over the years, with numerous authors adding to a wide range of theories. In recent times, the field of leadership has experienced a surge of interest with the publication of new journals, books, and research (Ford et al., 2019). This section will provide an overview of some relevant literature and discussions, which will aid in understanding the thesis and provide a foundation for further research.

3.2.1 Great-Man Theory and Trait Theories

Trait theories are an important historical artifact, as this was the way to conceive of leadership at the start of leadership studies (Ford et al., 2019). According to Khan et al. (2016), Great-Man theory was one of the first trait theories to emerge in the literature. This theory was developed in the 19th century by Thomas Carlyle, who asserted that a leader by birth possesses certain inherent traits that make them suitable for leadership (ibid.). The Great-Man theory has been influenced and reproduced by the stories told of what great leaders have accomplished, most commonly in works such as biographies, where leaders tell the story of their lives, often creating narratives of how they possessed certain traits that made them a 'born leader' (ibid.). Because humans are often intrigued and drawn to stories of great leaders, this reproduces the idea that certain individuals were born leaders because of certain traits - and the better the story told about the 'great' leader, the stronger the effect, and thus more believable it seems that the traits they possessed were the reason they were 'born' to be great (ibid.).

Trait theory, similar to Great-Man theory, emphasizes the significance of specific traits and characteristics in leaders, including hereditary traits (emergent traits) such as height, intelligence, attractiveness, and self-confidence, as well as effectiveness traits such as charisma, acquired through experience and learning (Khan et al., 2016).

Although trait theories are outdated by most modern standards, there is still lively debate among researchers regarding the validity of these early leadership theories (Ford et al., 2019). Trait theories have thus been largely disproven, considering that researchers could not single out traits that leaders had in common, meaning that it is likely other factors contributed to their leadership skills (ibid.). Even so, trait theories still remain in research, educational programs, and leadership development programs, as they offer an easily accessible framework in which people can understand leadership (ibid.).

3.2.2 Transformational Leadership

Leadership studies have since shifted from leader-centric leadership theories to more follower-centric theories, with Ford et al. (2019) noting that transformational leadership theory has been the most widely used approach over the last thirty years. Developed by James McGregor Burns in 1978, this theory centers around leaders and followers uniting around common goals for the benefit of the organization or society (ibid.). To facilitate this alignment, transformational leaders may utilize charisma, inspiration, intellect, and purpose (ibid.). Transformational leaders are also characterized by “[...] *encouraging creativity, recognizing accomplishments, building trust, and inspiring a collective vision.*” (Northouse, 2019: 264). Furthermore, they lead with emotions, appealing to their followers' feelings to encourage them to go above and beyond to achieve their organizational goals (Ford et al., 2019). Transformational leadership has gained popularity due to its association with more productive, effective, and contented employees (ibid.).

Transformational leadership theory stands in contrast to transactional leadership, which posits that the relationship between leaders and followers is an exchange-based relationship where each party gets something out of the exchange (Northouse, 2019). An example of transactional leadership could, for example, be managers who “[...] *offer promotions to employees who surpass their goals [...]*” (ibid.: 264). The downside of transactional leadership is that employees do not associate this type of leadership with “[...] *creating trusting, mutually beneficial leader– member relationships.*” (ibid.: 264). The shift from transactional leadership to transformational leadership ties into a larger paradigm shift in society, which can be connected to CSR, where organizations are moving away from simple transactions towards an increased focus on positive organizational impact and societal contribution. Thus, transformational leadership not only represents the departure from simple exchange-based leadership styles but rather it also establishes a connection to CSR. This can

be argued because a shift towards more humanistic leadership, such as transformational leadership, allows organizations to prioritize CSR more due to the increased focus on values and visions that go beyond financial gains (ibid.). The emphasis on relationship-building can also be extended to CSR because organizations with transformational leaders recognize the significance of creating meaningful connections with stakeholders and society. Transformational leaders also empower employees to reach their full potential, which can encourage them to make contributions not only to the organization but also to society (ibid.). By prioritizing values and visions that go beyond profit, organizations can, therefore, actively contribute to positive social change and sustainable development. Thus, by shifting from transactional leadership to transformational leadership, organizations are better equipped to prioritize CSR because it enables them to balance financial success and their broader responsibilities towards employees, customers, communities, and the environment.

Furthermore, it can be argued that the theoretical perspective applied in this research, purpose-driven leadership, is a subset or specific approach within the greater framework of transformational leadership. However, the difference is that transformational leadership is arguably more focused on inspiring and empowering the followers, while purpose-driven leadership emphasizes the importance of meaningful work where personal purpose, self-management and organizational unity are at the center.

4. Methodology

The following section will elaborate on the methodological choices and reflections made in the research. By providing an overview of the choices and reflections, the aim is to elucidate the rigorous approach taken to ensure credibility, dependability, transferability, and confirmability. In addition, the choices made throughout the research process were guided by the ambition of answering the research question in the most suitable way.

4.1 Philosophy of Science

The philosophical point of departure for this thesis will be hermeneutics. Hermeneutics is an interpretive philosophy of science because, in this tradition, the individual attributes meaning to the phenomena (Egholm, 2014). The epistemology of hermeneutics is based on the interpretation of language in text of spoken form (ibid.). Historically, hermeneutics has roots in ancient Greece, where philosophers such as Plato and Aristotle discussed the importance of interpretation (ibid.). Another major historical contributor, Schleiermacher, in the 19th century, proposed that interpretation and the hermeneutical approach was a way to not only reveal the meaning of text, but also that the text's meaning revealed the author's intention, and therefore texts should be used in this manner (Egholm, 2014). In this research, the hermeneutical departure is inspired by H. Gadamer, who famously proposed that understanding emerges from the exchange between the interpreter and the interpreted (ibid.). He also argued that the interpreter could never be disconnected from their prejudices and preconceptions, and therefore this forms the only basis for interpretation - without context, it is consequently impossible to reach an understanding (ibid.).

The aim of applying hermeneutics in this research is to understand and account for how the respondents from Gubra perceive CSR and the leadership's influence on the organization's work with CSR (Egholm, 2014). In addition, using hermeneutics will impact how the empirical data is collected, e.g., how the interviews are conducted and what the analysis will conclude. It will also impact the research because the phenomena will be studied based on the respondent's life-world, which means that the data will be impacted by their prejudices and experiences.

The reason for choosing to study the phenomena with a hermeneutical perspective springs from the ontological view that human beings and social phenomena must be studied

differently than anything natural (ibid.). Ontologically the worldview from the hermeneutical tradition is that phenomena exist in the real world independent from the researcher; however, it is the role of the researcher to identify these (ibid.). It can also be added that the hermeneutical approach emphasizes the importance of context and background when studying the phenomena to reach an understanding fully.

In this thesis, hermeneutics will be used to interpret the qualitative data collected, as well as secondary data such as reports, policies, or other available material, as this will provide more context and allow the research to reach a deeper understanding of Gubra. Furthermore, because the research aims to understand the phenomena rather than explain them, hermeneutics is perceived to be an appropriate approach to answer the research question. The secondary data is essential in the analysis according to the hermeneutical approach, as this will allow a deeper understanding of the phenomena because both written and spoken language attribute meaning and further the understanding (ibid.).

Due to the active involvement of the researcher in a hermeneutical study, it is important to point out that the research is not value-free. This is in part because the researcher's values, prejudices, and preconceptions are a factor that allows the researcher to interpret the phenomena (ibid.). Thus, the researcher is not necessarily an outside observer, but rather the hermeneutical research emphasizes the collaboration between the respondents and the researcher to interpret the phenomena. By applying the hermeneutical approach, the knowledge produced cannot be separated from the interpreter (ibid.).

4.1.1 Hermeneutical Circle

A concrete way that this research will apply the hermeneutical approach is through the tool or concept referred to as the hermeneutical circle. Philosophers F. Wolf and F. Ast first proposed the hermeneutical circle in the 19th century (ibid.). The hermeneutical circle aids researchers in reaching informed interpretations by emphasizing the interdependence of the 'whole' and the 'parts' (Juul & Pedersen, 2012). The hermeneutical circle thus accentuates that the perception of the parts shapes the researcher's comprehension of the whole, and the perception of the whole is influenced by the comprehension of the parts (ibid.). This method aids this thesis in reaching a consistent interpretation because it stresses the importance of a holistic interpretation as there is a constant back-and-forth between the parts and the whole.

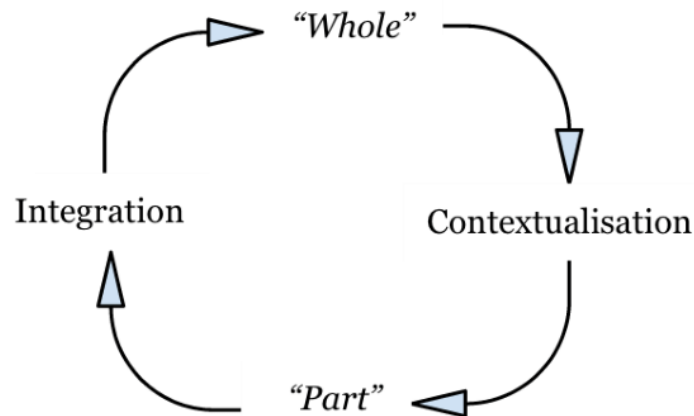


Figure 1: Hermeneutic Circle (Bontekoe, 1996).

Another strength of this method is that it promotes consideration of the broader perspective by making the researcher consider the context of all parts of the data. Therefore, the method relies on an intuitive holistic view from the researcher because it argues that the connection between the parts and the whole creates meaning and understanding (ibid.). In practice, the hermeneutical circle is applied in the research design and research questions; by understanding both the leadership style at Gubra, but also how they perceive CSR in Gubra, these two parts become part of the whole, which is how the leadership style at Gubra influences the CSR in the company.

4.1.2 Accounting for Biases and Prejudices

Reflecting on the subjectivity present in this thesis is essential to the hermeneutical approach. Furthermore, it is important to reflect on the biases present in the research to mitigate objectivity and bias for verification as much as possible. The hermeneutical study aims to challenge the researcher's prejudices, therefore, to secure more transparency and methodologically follow the hermeneutic approach; this section will elaborate more on this topic.

First, the case organization was chosen because they were assumed to be a front-runner among responsible companies¹. This is because Gubra communicates sustainability-related agendas on its website, and most accessible information about them online mentions their attachment to CSR. Most notably, their 10% pre-tax contribution to sustainability-related investments (primarily in climate and biodiversity areas), can be seen as a testament to the

¹ Case selection will be further elaborated in the case study section.

assumption that they are an industry leader within CSR. This presumption will, however, be explored further, as it will be elaborated in the next point.

Second, this is the researcher's third semester doing a case study with a research question relating to CSR, and second semester doing research on leadership and its connection to CSR. The experiences from previous research projects could influence the interpretation of this thesis. However, arguably this point also contributes to data sensitizing, which could lead to deeper understanding and more reliable interpretation. By having prior engagement with the literature, concepts, and themes, the experience within this field will aid in the identification of valid points of interest. A tangible way this previous experience in the field aids the thesis is by always staying critical, as many companies portray an outward image that often does not reflect the actual reality.

4.2 Case Study Design

This thesis will be conducted with a case study design. This section will elaborate on how the case study will be applied and why this approach has been chosen. The goal of the case study in this thesis is to understand the “[...] *particularity and complexity of a single case, coming to understand its activity within important circumstances.*” (Stake, 1995: xi). Case study designs are a valuable research method in social science, especially when studying complex social phenomena such as leadership and CSR. Using a case study design, it is feasible to understand the mechanisms of phenomena by investigating a situation-specific context.

In this thesis, the research will be structured as a case study design, drawing mostly on the highly influential work of Bent Flyvbjerg (2001), who famously proposed that case study designs are misunderstood in five distinct ways².

Flyvbjerg reinterpreted the Aristotelian intellectual virtues, which are:

² Misunderstanding 1. General, theoretical (context-independent) knowledge is more valuable than concrete, practical (contextdependent) knowledge.

Misunderstanding 2. One cannot generalize on the basis of an individual case; therefore, the case study cannot contribute to scientific development.

Misunderstanding 3. The case study is most useful for generating hypotheses; that is, in the first stage of a total research process, while other methods are more suitable for hypotheses testing and theory building.

Misunderstanding 4. The case study contains a bias toward verification, that is, a tendency to confirm the researcher's preconceived notions.

Misunderstanding 5. It is often difficult to develop general propositions and theories on the basis of specific case studies. (Flyvbjerg, 2001: 66-67)

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- *Epistemé (universal truth). Also referred to as scientific knowledge, commonly used and applied in the natural sciences, epistemé is the virtue of universal truth and is demonstrable logical reasoning.*
 - *Techné (technical know-how). Associated with practical knowledge or expertise such as practicing art, skill, or craft.*
 - *Phronesis (practical wisdom on how to address and act on social problems in a particular context). Associated with the management or study of human affairs, the ability to make good decisions and judgments but also practical common sense, intuition, and experience. (Flyvbjerg et al. 2012: 1).*

This thesis will emphasize phronesis, drawing on phronetic social science practices following the interpretive philosophical departure. Drawing from phronesis is particularly relevant in this thesis, as the case study design will enable situated knowledge creation by using context-specific narratives to reach a deeper understanding of the phenomena (Flyvbjerg, 2001). According to Flyvbjerg, social scientists should avoid trying to emulate the natural sciences, instead, they should use the strengths of social science, which is the context-specific knowledge that can be created through case studies, narratives, and the study of complexities in social relations, which natural sciences struggle to capture (Flyvbjerg et al. 2012: 2). Hence, by using phronesis as a social scientist, it allows social science to be strongest where natural science is weakest (Flyvbjerg, 2001). Phronesis is particularly relevant when discussing case studies and this thesis, as Aristotle argued that case studies were central to the practice of phronesis (ibid.). Accordingly, this research will use these strengths to understand the complexity and particularity present in Gubra, with the hope of achieving a deep understanding of the phenomena which can contribute to knowledge of how leadership influences CSR through purpose.

Given the study focus of this thesis is leadership and CSR, which are complex social phenomena, the phronetic approach is ideal, as when studying humans and social relations etc., to focus on universals and generalizations is not optimal (ibid.). This ties into the first misunderstanding of case studies, which Flyvbjerg dismisses by asserting that:

“Predictive theories and universals cannot be found in the study of human affairs. Concrete, context-dependent knowledge is therefore more valuable than the vain search for predictive theories and universals.” (ibid.: 73)

Those in opposition to the case study as a scientific method argue that case studies are not desirable as one cannot generalize based on one case, however, while this assertion is incorrect, it is also not necessarily desirable, according to Flyvbjerg (2001). Therefore, generalizations are just one of the ways to do scientific work (ibid.). This thesis will thus not necessarily try to generalize the phenomena under study; however, try to add knowledge by highlighting a context-specific case which is a process that, over time, adds knowledge to the field and provides scientific innovation (ibid.). Even if generalization was the ideal, case studies are highly useful to generalize in the context of falsification and, therefore, often used to falsify taken-for-granted ideas or concepts. Nevertheless, the power of a good example should be prioritized in this thesis rather than attempting to generalize, and subsequently add knowledge to the field by going more into depth with a single case rather than doing superficial generalizations.

This case will be studied as an extreme case. A unique case has been chosen for this research, which will attempt to implement phronetic practice to interpret the complexity present in the leadership and CSR field. The selection of the case has been based on information-oriented selection. This means that significant considerations went into choosing Gubra for this research, but essentially it was based on the uniqueness of the case, as it was deemed that this case could be the most worthwhile to research. An extreme case was also chosen because extreme cases are assumed to provide the richest data and information about the phenomena (ibid.). In addition, cases deviating from the norm may provide insight into the mechanisms at play, so these types of cases can clarify the causes rather than describe causes (ibid.). First, the purpose of selecting an extreme case, according to Flyvbjerg, is: *“To obtain information on unusual cases, which can be especially problematic or especially good in a more closely defined sense.”* (ibid.: 79). Thus, Gubra, because it is assumed they are a front-runner on their approach to CSR, has been chosen to deeply understand how leadership in the organization could be a driver of the CSR-implementation or a barrier, based on the findings in the analysis.

4.3 Abductive Method

The thesis will employ the abductive method to address the research question. This method promotes the use of pre-existing understandings to gain new understandings of the phenomena (Kristensen & Hussain, 2019). Abduction is about the derivation of connections,

which means to construct reasoning, interpretation, or explanations based on several different observations which lead to a plausible interpretation or explanation (Fuglsang et al., 2013). Therefore, in this research, abduction is about interpreting the reasons behind the data which is collected (ibid.). This methodology was selected as it aligns with the case study design and the researcher's prior knowledge, allowing to move between known and unknown aspects to generate new understanding. This corresponds with the hermeneutical approach, where the process of recontextualization of part to whole and from whole to part will utilize existing knowledge to gain new understanding. Accordingly, the abductive method is applied through the iterative process of the hermeneutical circle to generate plausible interpretations when analyzing the gathered data. This approach involves interpretation at each stage of the research, such as in the initial research of the case and literature of the phenomena in different contexts, the narratives provided by the respondents during interviews, and the subsequent interpretation of the gathered data during coding, theme generation, and analysis. By applying the hermeneutical circle as an abductive tool, the research consistently recontextualizes the data and interpretations throughout all stages of the research, aiming to arrive at a more credible and plausible interpretation. This process ensures that the research constantly reassesses and refines the understanding of the data.

4.4 Data Collection

The main source of primary data for this thesis will be collected through qualitative semi-structured interviews. The analysis will draw on interviews which are conducted with the co-founder of Gubra, a former employee, two current employees, and an expert interview.

However, secondary data such as reports, interviews, and speeches will also be considered to get a better holistic perspective of Gubra. This is based on the assessment that the available secondary data is of high quality and quantity, which can provide a better understanding and context in order to answer the research questions.

4.4.1 Interview Design

Semi-structured interviews are characterized as a qualitative interview approach that allows for follow-up questions outside the interview guide while still being able to direct the conversations toward topics deemed important to the research questions (Brinkmann, 2014). Kvale and Brinkmann (2015) define the semi-structured interview by stating that it is “[...] *an interview with the purpose of obtaining descriptions of the life world of the interviewee in*

order to interpret the meaning of the described phenomena.” (Kvale & Brinkmann, 2015: 21). This approach to qualitative interviewing was chosen exactly for this reason, as it is deemed as the most suitable method for knowledge creation by allowing the researcher and the respondent to co-create knowledge by highlighting points that are of importance to the conversation and phenomena (ibid.).

In this thesis, the semi-structured interview is used to provide first-hand descriptions of the phenomena through concrete examples based on the respondents’ experience. As a result, there are no right or wrong answers from the respondents; it is merely their perspective and experience which is of interest. The goal is also to interpret the meaning of the respondents’ descriptions, which will be done through the interpretation of what is said and how it is said but also what is left unsaid and their voice, facial expressions, and other gestures (Kvale & Brinkmann, 2015). The focus of the interviews is to be aware of all these factors and ask questions that will allow the respondent to produce fact- and meaning-based answers. This method will therefore support gathering the needed data to understand the phenomena.

During the interview process, Brinkmann (2014) also argues that an interviewer should build the interpretations into the interview itself. The conducted interviews will thus align with the hermeneutical departure as the hermeneutical circle will be integrated into the interview process and thereby arguably lead to a deeper understanding of the phenomena. This will be done by giving the respondent a chance to clear misinterpretations during the interview by asking clarifying follow-up questions or asking for specific examples. A factor that was also prioritized was keeping track of the different narratives the respondents produced during the interviews, as this will facilitate a better hermeneutical understanding of the phenomena by producing more valid interpretations.

4.4.2 Interview Guide

An interview guide for each interview was prepared before the interview, containing key topics and examples of questions that could be asked. Interview guides for each interview will be made available in the appendices. For all the interview guides the central topics were: *leadership, corporate social responsibility, and purpose*. These topics were explored with a range of questions prepared in the interview guides, however, it is important to note that the questions were guide questions and were only prepared to be able to cover all the areas which

were deemed relevant by the researcher in accordance with the literature and questions relevant based on Gubra as a specific case.

The interview guides were designed to follow a funnel design, starting out with more open and broad questions where the respondent had the opportunity to bring up points from their life world, and later in the interview, asking questions that were more specific (Kvale & Brinkmann, 2015). This is also done to secure correlation with the abductive approach of the research, as this interview technique aims at knowledge creation in known and unknown aspects, which is achieved by gaining new knowledge and recontextualizing already known knowledge. All the interviews were subsequently transcribed to facilitate the analysis. As instructed by the thesis supervisor, the interviews were transcribed in Danish and subsequent citations used in the analysis were translated to English.

4.4.3 Sampling

The sampling technique used in this research is purposeful. The respondents were carefully selected within the boundaries of what was possible to access. All the respondents are very relevant in order to answer the research question as they possess key insights and influence on the organization's leadership and work with CSR. Because the aim of the research is not necessarily to generalize, the quantity of respondents is less important, rather it is “[...] *their relatedness to the core concept, and the clarity and robustness of the latter that plays a role.*” (Flick, 2022: 5).

Here the interviews will be presented to familiarize the reader with the respondents and data sets which will be explored later.

Jacob Jelsing: Appendix 1

Jacob Jelsing co-founded Gubra in 2008 with his partner Niels Vrang where he is currently the Chair of the Board. Jelsing has a Ph.D. within the field of biology (Appendix 1). Jelsing is a source of important insight for this research because he, along with the other co-founder, laid the foundation for Gubra's CSR approach and therefore has the greatest insights on the motivation and thoughts behind it, along with strategic insights on changes and developments of their CSR profile. This interview was conducted face to face at Roskilde University campus.

Margit Bloch Avlund: Appendix 3

Margit Bloch Avlund is the Head of CSR at Gubra and is responsible for all CSR-related initiatives and activities while also being the CEO of Gubra Green (Appendix 3). She is also a biologist by profession and has been at Gubra for seven months (ibid.). Avlund is a source of important information for this research because she is in charge of the day-to-day developments and initiatives which Gubra pursues. Therefore, she has the greatest insights on these topics and is highly relevant to the sampling. This interview was conducted face to face at Gubra's headquarters in Hørsholm.

Sofia Pitt Boserup: Appendix 4

Sofia Pitt Boserup is Lead Communication and Culture Partner, People & Culture at Gubra, and is responsible for the organization's internal and external communication of CSR. She has a Master's degree in Communication and has over 20 years of experience, four of which are at Gubra. Boserup is a relevant source of information for this research because of her responsibility and engagement in the organizational communication and planning of CSR (Appendix 4). This interview was conducted online through video meeting.

Claus Strue Frederiksen: Appendix 5

Claus Strue Frederiksen is the former Head of CSR at Gubra, and worked at Gubra in 2019 for a year and eight months (Appendix 5). He has a Ph.D. in Philosophy. He was responsible for co-creating the foundations for Gubra's CSR strategy and approach alongside the co-founders. Frederiksen is a source of valuable information because he had great involvement, among other things, in creating Gubra's 10% philanthropy policy. This interview was conducted face to face in Copenhagen.

It is important to mention that Frederiksen was important in gaining access to Gubra, and facilitated the cooperation between the researcher and the case organization. Furthermore, Frederiksen and the researcher are currently employed in the same company, where Frederiksen has a leadership position. Therefore, the relationship between the researcher and Frederiksen could play a part in the data's trustworthiness. However, as Frederiksen is a Ph.D. in Philosophy, previously a professor at Copenhagen University, academic and book author, he possesses the necessary insights to lay aside the affiliation to secure the necessary credibility and dependability of the data.

Jacob Dahl Rendtorff: Appendix 6

Jacob Dahl Rendtorff is a professor in management philosophy and business ethics at Roskilde University (Roskilde University, 2023). He has a Ph.D. and a doctorate in the field of ethics and administration. He has also authored hundreds of articles and books on management, ethics, and CSR and is considered an expert in the field. Rendtorff is a useful source of information due to his expert opinions on CSR and leadership matters, and can thus contribute to trustworthy argumentation and conclusion. This interview was conducted face to face at Roskilde University campus.

4.4.4 Ethical Considerations

In correlation with Kvale & Brinkmann (2015), the respondents were introduced to the notions of informed consent, confidentiality, consequences, and the researcher's role. Informed consent was received verbally after explaining the research and its scope, and the ability to withdraw from the research as well as providing the respondents the citations which will be used in the analysis (something which was requested from the case organization). Confidentiality was considered by asking each respondent if they wished their interview transcription to be publicly available, to which each respondent agreed that it could be made public if desired. The consequences of the interviews were considered by giving the respondents the ability to approve citations so as to not inflict the respondents' negative consequences. The role of the researcher was also considered, in accordance with Kvale & Brinkmann, and all actions were performed with integrity and within ethical guidelines to secure an unbiased research approach.

4.4.5 Secondary Data

Secondary data has been included in the data collection for the research because this is assessed to provide a more holistic view of Gubra following the abductive approach. This also aligns with the hermeneutical circle because the secondary data will allow a broader understanding of the parts and, therefore, the whole. When using secondary data in the analysis, it is important to be mindful of the sender's intention. Consequently, reports will primarily be used to access facts about the case organization and to support points already made based on the qualitative data collection. Furthermore, secondary data will be used by including an interview with one of the co-founders, Niels Vrang, which will be coded with the same methodological approach as the primary qualitative data from the interviews - the

interview with Niels Vrang is available in Appendix 2. The interview originates from the book ‘Vinduespynt og samfundssind’ by Frederiksen & Andersen (2020).

4.5 Reflexive Thematic Analysis & Coding

This section is to inform the reader about what was done in the analysis as well as why and how. The theoretical understanding which will be applied here is furthermore inspired by the reflexive thematic analysis and coding literature by Braun and Clarke (2006) and the later contribution by Byrne (2021). Reflexive thematic analysis is a common strategy for qualitative analysis and is characterized by being a method that is used for “[...] *identifying, analysing and reporting patterns (themes) within data.*” (Braun & Clarke, 2006: 79). The reflexive thematic analysis emphasizes the active engagement and reflection of the researcher, and by using this method, it is possible to interpret the meaning that arises from the data, which will produce a deeper understanding of the phenomena.

Firstly, it is important to distinguish what counts as a theme, as there are different ways to decide what warrants a theme. Braun & Clarke define a theme by stating that themes capture “[...] *something important about the data in relation to the research question, and represents some level of patterned response or meaning within the data set.*” (Braun & Clarke, 2006: 82). Themes are identified by prevalence in the data set, however more prevalence in the data set does not warrant a theme to be more important than other identified themes (ibid.). By applying a hermeneutical approach to the analysis, besides prevalence, the meaningfulness of the information will also be considered when determining themes in the data. Most importantly, themes are based on the researcher's judgment and whether or not it is deemed that the theme is crucial in relation to the research questions.

As this research employs an abductive approach, both inductive and deductive themes will be used to answer the research question. This aligns with the hermeneutical circle, which emphasizes that themes or the ‘parts’ should reflect the whole and vice versa. This is achieved by identifying both data-driven and theory-driven themes, which is deemed as an appropriate approach, as this will ensure that influential themes the respondents produce are not ignored while still allowing the researcher to identify themes that are related and relevant to the chosen theoretical framework.

To determine the relevant themes, the data sets will be subjected to a coding process to guide the interpretation of the present patterns. Codes are “[...] *shorthand descriptive or interpretive labels for pieces of information that may be of relevance to the research question(s).*” (Byrne, 2021: 1399). By coding the data sets, themes will be produced by subsequently organizing the codes into larger themes. In correspondence to the hermeneutical process of this thesis, the coding will use a latent approach to interpret the underlying meanings of each code instead of describing it (Byrne, 2021). The first step is to become familiarized with the data in order to code it. This will be achieved by performing the interviews, listening to the interviews, transcribing the data manually, and reading the transcripts. The researcher becomes immersed in the data through this process, and initial codes are written down. Later, these initial codes from the transcription process were revised to form the final codes and subsequent themes. The coding was also done on different occasions to avoid being stuck in a specific train of thought.

Once all the codes were generated, the codes were organized into themes. This was done using the accumulated codes to generate relevant themes across the data sets. This process was performed by attempting to find links between codes which involves interpretation and consideration of the research question to produce consistent and representative themes based on the data set. As mentioned, prevalence and meaningfulness were two guiding principles when deciding which themes were relevant to answering the research question. Doing the coding is a very analytical exercise, as each code has to be labeled within a theme, while ensuring that the theme fits into the overall interpretation and represents a portion of the data set itself. During this process, several sub-themes were also discarded as they were deemed to not fit with the rest of the themes, as it was concluded that too many themes would make the analysis too incoherent. Reviewing all the gathered themes to create the thematic framework also requires an analytical approach, as it is important to ensure that it is representative of the data set while also being coherent enough to create a direction and narrative. After these processes, the thematic framework was finalized, and data extracts for each theme were identified. The finished thematic framework with themes and sub-themes can be seen in fig. 2:

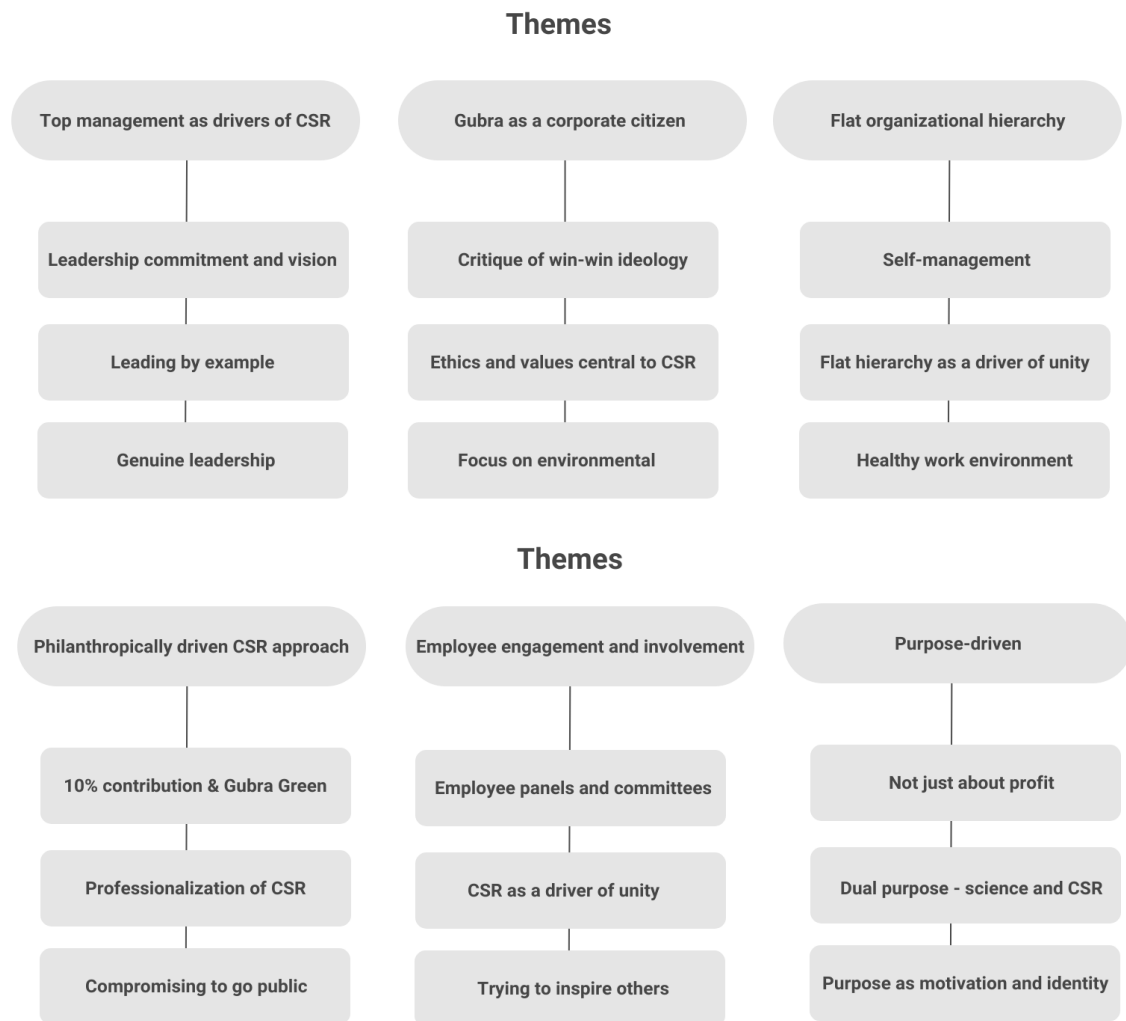


Figure 2: Thematic framework

4.6 Quality Criteria

To assess the quality of this research project, the qualitative quality criteria related to trustworthiness will be explored to allow the reader to understand which measures were taken. In qualitative research, it is important to consider trustworthiness, as one must persuade the reader and self that the findings of the research are trustworthy and, therefore, worth paying attention to. Within the conventional paradigms, researchers often talk about validity, reliability, and objectivity, however, due to the chosen philosophical position and the interpretive nature of the research, it is not possible nor desirable to use these quality criteria as they do not fit with the research design (Guba & Lincoln, 1985). According to Guba and Lincoln (1985) for the research to be trustworthy the researcher must consider four quality criteria; credibility, dependability, transferability and confirmability.

4.6.1 Credibility and Dependability

According to Guba & Lincoln, the credibility quality criterion refers to the extent to which the research accurately represents the respondents' experiences, and the quality criterion dependability is connected to the notion of consistency, which is established through stability and coherence between research choices, findings and documentation (ibid.). Guba & Lincoln suggest addressing these two quality criteria together as “[...] *there can be no validity without reliability (and thus no credibility without dependability), a demonstration of the former is sufficient to establish the latter.*” (ibid.: 316). In order for the findings to be truth-value, the research must, therefore, accurately and believably interpret the data consistently to find credible and dependable interpretations. Guba & Lincoln emphasize credibility, as in qualitative research, it is important to demonstrate credibility for the readers to perceive the findings as authentic (ibid.). To secure credibility and dependability several measures were taken during the data collection process as well as the writing process.

The triangulation technique by sources was used by carrying out interviews with similar questions with three current and one former member of Gubra, where the multiple sources of data could allow cross-checking the findings, which arguably reduces the likelihood of reproducing just one perspective. During the interviews, measures were also taken to understand important parts of the narratives by, for example, asking follow questions and asking the respondents to give examples. This can be argued to improve the probability of understanding what the respondents actually meant with their statements. Triangulation was also applied by using the thesis supervisor, fellow students, and other academics to give their opinion and feedback on the findings of the research - this could arguably reduce the likelihood of biases and extreme subjectivity, thus making the research more credible. Furthermore, because the research applies three theories in the analysis, this also somewhat improves credibility and dependability as the research is not overly reliant on just one theoretical perspective. A relevant reflection to add, is that the research could better live up to these criteria by having prolonged engagement with the respondents and persistent observation, however, this was not possible due to the time constraint of the research project (ibid.).

4.6.2 Transferability

The transferability quality criterion relates to the extent to which the research can be generalized or applied in other settings, but to directly transfer a qualitative research of this

nature is impossible due to its subjective nature (ibid.). But one way in which the research aims to live up to the transferability criterion is to provide the readers a thick description of the case organization and the respondents. This is done by providing the reader a description of the case and why it is being researched, as well as providing a description of each respondent and their job position at Gubra.

4.6.3 Confirmability

The quality criterion confirmability refers to the objectivity, impartiality, and neutrality of the research findings, methods, and processes (ibid.). To adhere to the confirmability criterion means to minimize bias and to ensure that the researcher's preconceived assumptions or personal beliefs do not disproportionately influence the research process or outcomes (ibid.). It is therefore crucial to provide the reader insight into the considerations that went into the research and to ensure that the interpretations in the analysis are grounded in the collected data. The research intends to be consistent with the confirmability criterion by being reflexive over the choices made throughout the research. This will be done by providing the reader in each section of the methodological design and theoretical design with a clear description of why the specific method or theory was chosen. Furthermore, this will be done by addressing personal biases and assumptions and as mentioned in the previous section, by having supervisor and colleague review throughout the research processes.

While the confirmability criterion is attempted to be achieved through the above-mentioned techniques and processes, Guba & Lincoln argue that it is important to have an audit trail for the reader to follow (ibid.). The research, therefore, aims to adopt an audit trail by having the interview guides, transcripts, and coding schemes accessible in the appendices.

5. Theoretical Framework

The following section will elaborate on the theory choice for this research by presenting the chosen theories and reviewing them in relation to this thesis. This will be done by providing an overview of the theories, including key concepts and definitions. Presenting the theory in this manner provides a framework wherein the research question can be answered.

5.1 Purpose-driven Leadership

A recent leadership paradigm, purpose-driven leadership, emphasizes a more humanistic approach to leadership, where the idea of organizational and personal purpose is at the center (Rey et al., 2019). The purpose is, in this case, defined as what drives the individual in their contribution to society and their ‘why’ (ibid.). This concept of purpose in organizations has risen as a notable trend in recent years and will likely continue to grow due to the stakeholder push for meaningful organizations in which purpose is a central element. According to Rey et al., the benefit of purpose-driven organizations is that employees are more satisfied and find their work meaningful which results in employees that are willing to exceed expectations. Purpose-driven leadership also emphasizes an approach referred to as shared leadership, where the traditional concept of leaders and followers is challenged by asserting that the new organizational environment demands leaders surrounded by leaders united towards a common goal (Cardona et al., 2019).

The organizational purpose is often misunderstood by organizations, as it is often misidentified as the mission or vision statement. However, this is an incorrect understanding of the organizational purpose, which instead should be understood as the foundation from which the mission and vision are articulated (ibid.). The organizational purpose should be the reason for the organization's existence, such as e.g., “[...] *making a difference, or improving lives, or reducing harm [...]*” (Rey et al., 2019: 4). Furthermore, it is important to differentiate purpose alignment from top-down, and shared purpose that is formed by the people in the organization. Previously the first approach was preferred as it was assumed to promote better performance, however, Cardona et al. (2019), argues that purpose is “[...] *in the hands of all who share the purpose and thus are eager to make it come to life in their work.*” (Cardona et al., 2019: 58). Hence, purpose-driven leadership insists on a more humanistic approach to leadership, where the individuals in leadership positions should distribute the leadership

among the individuals in the organizations - it is not a top-down or a bottom-up approach, purpose is concentric and influences in all directions (ibid.).

In order to apply this new way of thinking about leadership and management, there must be a shift in management logic. Essentially, Rey et al. argue that most modern businesses are in the neoclassical logic of management where “[...] organizations are seen as “machines” or “organisms” that are “designed to achieve predetermined goals in different environments.” (ibid.: 5). However, to have a purpose-driven organization, there must be a shift to a postindustrial management logic, which asserts that “[...] the meaning of work for the individual is something unique, of immense value, and is perceived as his or her deepest purpose in life.” (ibid.: 6). The main difference between these two management logics is that in the neo-classical management logic, the leader makes sure the employee knows what to do and how to do it, and in postindustrial management logic, the leader emphasizes why they do it instead (ibid.). Based on this, Rey et al. establish three main traits which are dominant in purpose-driven leadership:

- *“Personal purpose—introduces the idea of individual purpose in the organizational arena, the second—*
- *self-management—is the context where personal purpose flourishes within the organization, and the third—*
- *unity—is the natural connection between the personal and organizational purpose. “*
(ibid.: 6)

5.1.1 Personal Purpose

In a constantly changing business environment, organizations can no longer ignore and neglect the personal purpose of their employees. Nowadays, employees are looking for purposeful and meaningful work to fulfill them, where the top-down organizational purpose is no longer sufficient (ibid.). According to Rey et al., purpose should be a collaborative process between the top management and the rest of the organization, where each employee should find their personal purpose under the umbrella of the overall organizational purpose. This collaborative process should be facilitated by the organizational leadership, where they should help each individual find the purpose in their work through listening and understanding each individual and guiding the development of each employee's personal purpose to harmonize with the organizational purpose (ibid.). This can be done through workshops or development talks, where the employees can be guided to reflect on their

purpose, as they should organically find their own 'why', rather than having it imposed upon them. (ibid.). Cardona et al. (2019) argues that purpose discovery and rediscovery “[...] *is not a destination but a path [...]*”, emphasizing that purpose-driven leaders have to discover their own purpose and question why they want to become leaders, then influence others (ibid.: 64).

Purpose-driven organization can be seen as a major shift in modern societies, where primarily employees but also other stakeholders demand more from organizations, and thus they have to be adaptable to meet these new complex shifts. In this new organizational environment, the employees are more driven by finding meaning in their work than hitting performance-related goals (Rey et al., 2019). This is arguably one of the reasons why purposeful organizations have an easier time attracting talent.

5.1.2 Self-management

The second characteristic of purpose-driven leadership is self-management. As mentioned above, an individual’s purpose cannot be dictated from the top down, as according to Rey et al. this will result in a manipulative attempt to manage the individual’s purpose from the outside (ibid.). To freely and voluntarily discover their purpose, employees should reflect on “[...] *why they exist, the point of their work, and how is the world better because of it.* “ (Rey et al., 2019: 9).

Self-management is therefore an essential ingredient on the journey to personal purpose, as the individual needs to discover their own purpose in their own way. Personal purpose involves self-management because the individual has to take on leadership of their own purpose, and therefore the organization needs to allow their employees the freedom to “[...] *think and act independently on behalf of the organization.*” (ibid.: 9).

Self-management is arguably difficult to achieve in most organizations, especially larger ones, which rely on hierarchy and governance to secure effective processes. However, Rey et al. specify that it is not necessary to give up on hierarchy to achieve self-management. Instead, the leadership should focus on allowing the employees enough self-management to find the meaning of their work without necessarily managing them:

“[...] managers must be capable of facilitating self-management in their teams and allowing as much autonomy as possible within the boundaries of needed coordination and alignment.” (ibid.: 9)

The emphasis needs to be on the term ‘manage’ as purpose-driven individuals will resist this, as it will feel unnatural to them to be controlled (ibid.) Cardona et al. (2019) also stress the significance of intimate relationships between individuals in the organization, as leaders, through this can help others discover their purpose. This includes sharing your own purpose while also listening and embracing other individuals’ purposes, to which Cardona et al. add a metaphor: *“Helping others to discover their purpose is like a dance where the other person establishes the rhythm and the tempo.”* (Cardona et al., 2019: 65). Purpose-driven leadership thus relies on close relationships between people in the organization, as trust and friendship are crucial for effective purpose-driven leadership.

5.1.3 Unity

Finally, the third trait of purpose-driven leadership is unity which is achieved when each individual’s purpose connects and forms a shared purpose in the organization (ibid.). The concept of unity, in this case, forms when the organization has a common purpose, which should be on a *“[...] person to person basis [...]”* (Rey et al., 2019: 10). Unity in the organization should be viewed as a process, as whenever an employee connects with their purpose, the level of unity in the organization will increase (ibid.). Purpose-driven leaders should focus on fostering the purpose in the organization, as this will lead to better unity in the organization. Cardona et al. (2019) add that when a purpose-driven leader connects their personal purpose to the organizational purpose, their influence increases. In this way, leaders can draw authority from their personal purpose and the organizational purpose and act as a leader. It is therefore necessary that the leader puts the organizational purpose at the center.

It is also worth adding that purpose goes beyond the understanding of teamwork, commitment, or collaboration, as purpose is something highly personal and needs to come from within each individual. Therefore, it is arguably a difficult balancing act for leaders, as purpose should be fostered and developed in the employees, without seeking to manipulate it from the outside (ibid.). Unity in the organizations can also be thought of as what *“[...] connects the “why” of the organization and the “why” of the persons [...]”* (ibid.: 10). In fig. 1, it is visualized how personal purpose in the employees connects to create a shared purpose

in the organization and thus unity, where the emphasis is on co-creation between people and organization (ibid.).

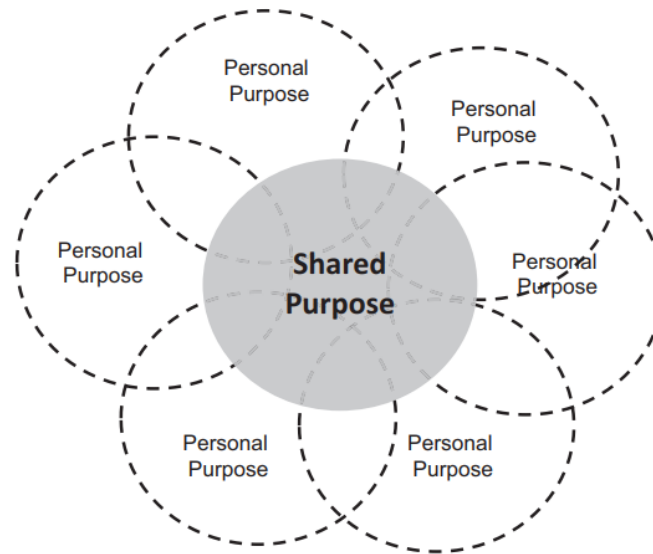


Figure 3: Symbolic representation of unity (Rey et al., 2019: 11)

5.2 Corporate Citizenship Theory

Another theory that emphasizes a broader and more holistic understanding of an organization is the Corporate Citizen (CC) Theory which proposes that businesses should be responsible and good citizens by contributing to the well-being of society and the environment (Melé, 2008). Good corporate citizenship is increasingly expressed by organizations globally, and generally, it is understood to encompass “[...] *actively engaging in acts or programmes to promote human welfare or goodwill [...]*” (ibid.: 68). Thus, corporate citizenship is associated with the organization’s responsibility towards society and the activities which the organization engages in beyond those required by law (ibid.). Corporate citizenship proposes a different way of viewing the business in relation to society, and compared to other CSR theories, it asserts that instead of discussing the responsibilities of the business as an external affair, one should consider the business as a part of society (ibid.). This represents a shift in the conceptual understanding of the business and how businesses should act in society as businesses should go beyond traditional and generally expected outcomes and instead become good corporate citizens (ibid.). Businesses should focus on their “[...] *duties, responsibilities, and possible partnerships [...]*” with other societal groups as well as institutions (ibid.: 71). Corporate citizenship theory stands in strong contrast to the Friedman Doctrine, where it is proclaimed that businesses are independent entities and thus should not be required to participate in society to address environmental and social issues (ibid.).

Corporate citizenship was first introduced in political science but has since evolved into the fields of business, management, sociology, and environmental studies. Historically, the corporate citizenship theory evolved from and with traditional CSR literature, though differentiating itself from others by suggesting that businesses have to take on an active role to combat problems such as environmental and social problems by proactively engaging as citizens in society. In the 1990s, the corporate citizenship approach to corporate action increased in popularity, driven primarily by some of the world's largest businesses adopting corporate citizenship rhetoric (ibid).

Corporate citizenship theory will be used in this thesis to analyze how respondents from Gubra view the organization as a corporate citizen and how they perceive Gubra's role in society. This is relevant to analyze to gain a deeper understanding of how their leadership style influences their view on CSR, and vice versa. The understanding of corporate citizenship elaborated in this section will also allow the analysis to assess the contribution that Gubra is making to environmental and social issues in society and how they exercise their citizenship.

The concepts of corporate citizenship theory and purpose-driven leadership are closely connected, because both emphasize that businesses should make a positive contribution to society and the environment. While purpose-driven leadership is about creating a sense of shared purpose among stakeholders, corporate citizenship theory, on the other hand, provides a framework for understanding the different aspects of corporate responsibility and how businesses can make a positive impact on society and the environment.

5.3 The Pyramid of Corporate Social Responsibility

Another valuable perspective to add to the theoretical framework for this thesis is arguably the most influential CSR theory, the pyramid of corporate social responsibility authored by Archie B. Carroll in 1991. This theory adds value to the theoretical framework and already explored concepts by providing a framework for understanding the different levels of CSR the organization engages in. Carroll proposed four components to CSR, economic, legal, ethical and philanthropic (Fig. 2). This model represents a holistic understanding of CSR, where all the different components together represent the whole of CSR in businesses and according to Carroll “[...] *the total corporate social responsibility of business entails the*

simultaneous fulfillment of the firm's economic, legal, ethical, and philanthropic responsibilities.” (Carroll, 1991: 43).

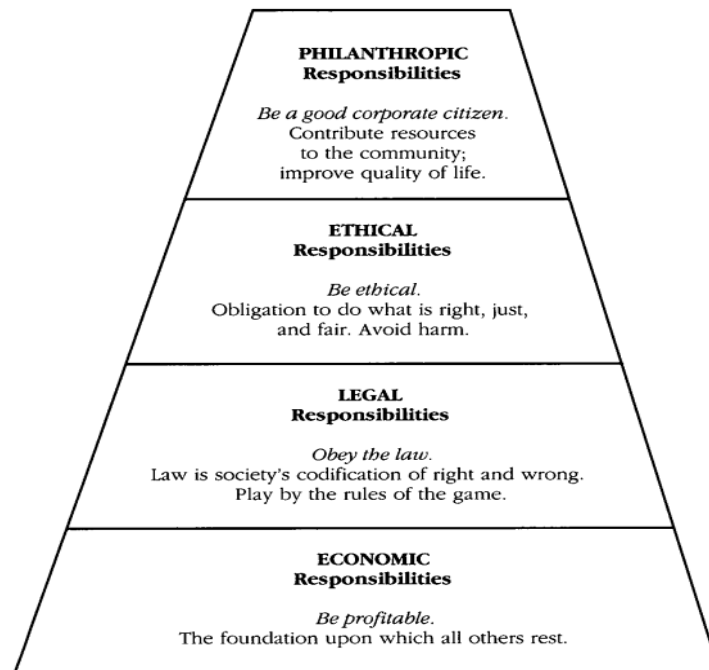


Figure 4: The Pyramid of Corporate Social Responsibility (Carroll, 1991: 42)

5.3.1 Economic Responsibilities

The first component in Carroll's CSR pyramid is the economic responsibilities of the business because, before any other factor, businesses have a basic economic responsibility to fulfill towards society (ibid.). This responsibility is evident as businesses are responsible for providing e.g., goods, services, and employment. Carroll further argues that at some point, the economic responsibility changes to a pursuit of maximum profits, which is still evident today (ibid.). Nonetheless, the economic responsibility of the firm is the base component of the pyramid because without this responsibility, all other components are irrelevant (ibid.).

5.3.2 Legal Responsibilities

The next component in the pyramid is the legal responsibility of the business. Carroll argues that the legal responsibility of the business is to “[...] *comply with the laws and regulations promulgated by federal, state, and local governments as the ground ailes under which business must operate.*” (ibid.: 41). Businesses are expected to comply with the “social contract” between society and businesses, where the pursuit of profits are within the boundaries of the law (ibid.). Furthermore, the legal responsibility of the business is the first component where ethics are considered as the laws “[...] *reflect a view of "codified ethics" in*

the sense that they embody basic notions of fair operations as established by our lawmakers.” (ibid.: 41).

5.3.4 Ethical Responsibilities

Carroll defines the ethical responsibilities of the business as “[...] *those activities and practices that are expected or prohibited by societal members even though they are not codified into law.*” (ibid.: 41). In this way, ethical responsibilities go beyond what is expected by the law, and encompasses the standards and norms that are expected by the businesses’ stakeholders and society as a whole (ibid.). The ethical responsibilities of the business change over time - they emphasize different problems based on the societal and environmental problems which are relevant (ibid.). The ethical and legal responsibilities of the business are also always expanding and broadening, and the ethical norms of society often result in new standards and requirements codified into the law (ibid.).

5.3.5 Philanthropic Responsibilities

The component at the top of the pyramid is the philanthropic responsibilities of the business. Carroll defines this component as “[...] *those corporate actions that are in response to society's expectation that businesses be good corporate citizens [...]*” (ibid.: 42). This component involves the activities that the business engages in that promote human welfare and goodwill, such as contributions of financial resources to activities that promote the well-being of the stakeholders and society as a whole (ibid.). A business that engages in these activities is actively engaging in good citizenship, which was elaborated on in the corporate citizenship theory section, and Carroll states that this is desired by society but not expected (ibid.). Therefore, this component represents the voluntary activities that are beyond what is expected of the business, which is what distinguishes philanthropic responsibilities from ethical responsibilities.

As such, the pyramid of CSR will provide a valuable framework for assessing Gubra’s corporate social responsibilities, and combined with the corporate citizenship theory, a deeper understanding can be achieved. The pyramid of CSR also ties in with hermeneutics, as elaborated in section 4.1.1, to understand the whole, there must be an understanding of the parts - and in this case, this is expressed by the four components of the CSR pyramid, which combined, portrays the organization’s corporate social responsibility approach.

To strengthen the theoretical understanding of philanthropic responsibilities and corporate philanthropy in general, the theoretical framework looks to Shaw & Post (1993), who argue for the moral basis of corporate philanthropy. They draw from a utilitarian ethical position to expand on the understanding of corporate philanthropy, asserting that a moral basis for corporate philanthropy is morally fulfilling while also being “[...] *the greatest good for the greatest number.*” (ibid.: 746). They argue that corporate philanthropy should have the primary goal of bringing the greatest amount of utility to the greatest number, meaning that corporate philanthropy is moral because it promotes well-being.

Shaw & Post also argue that a moral basis for philanthropy is more compelling than an ethical egoism position of corporate philanthropy, which is based on the notion of ‘self’ in the center of philanthropy to maximize positive self-interest (ibid.). This could include, for example, being philanthropic due to brand image or reputation, or seeing philanthropy as a strategic tool to benefit the company in some way or another. Businesses following the ethical position of egoism will thus seek to rationalize corporate philanthropy in terms of what it adds to the bottom line, or in terms of employee morale or loyalty, etc., which is largely a Friedmanian (or win-win) approach to corporate philanthropy (ibid.). Shaw & Post disagree with this view and urge corporate management to apply a utilitarian ethical position by focusing on the collective moral conscience of stakeholders, while also advocating corporate management to be good corporate citizens by advancing the greatest good for the greatest number, because it is their responsibility to exercise moral responsibility on behalf of all stakeholders (ibid.).

6. Analysis

6.1 How is corporate social responsibility perceived in the organization?

For this part of the analysis, several themes and sub-themes were identified as a part of the coding process. These themes will be further explored to interpret how the respondents from Gubra view its role in society, what characterizes their CSR efforts, and to what extent these efforts align with good corporate citizenship. It is important to note that Gubra's³ perception of CSR plays a significant role in shaping its actions and impact on society.

6.1.1 Gubra as a corporate citizen

In order to understand Gubra's approach to CSR, it is essential to interpret how they view their business in relation to society, as this is a determining factor in good corporate citizenship. This section will focus on Gubra from an ethical responsibilities perspective. During the interview with co-founder Jelsing, he expressed that businesses have a much larger role than just making a profit, and added:

“I think it's great to have a company that grows and creates jobs and pays taxes back to society. But I also believe that a company has a higher social responsibility than that. I'm not sure if I have a good argument for it, I don't necessarily think I do. No, but it just means a lot to me.” (Appendix 1: 13)

It can therefore be argued that he views CSR as an ethical responsibility, emphasizing that a business' responsibility is to exceed what is expected by the law. This demonstrates a commitment to societal well-being and suggests that Jelsing believes that Gubra aims to have a positive impact beyond profit. By surpassing its legal obligations, Gubra can showcase its dedication to acting in an ethical and socially responsible manner. Jelsing further states this point by saying that *“[...] right from the beginning, we were in agreement that this company should be based on some sound principles.”* (Appendix 1: 9). Relating these statements to the ethical responsibilities in the CSR pyramid, Jelsing demonstrates the importance of what is right or wrong, aligning with Carroll who argues, that the ethical responsibilities of a business should be to act within ethical norms expected by stakeholders, and to be based on moral and ethical values (Carroll, 1991). This can be interpreted as the fundamental view of CSR in

³ The analysis, in several instances throughout, uses the terms 'Gubra' and 'respondents from Gubra' interchangeably - but it is important to note that the viewpoints presented primarily reflect the views and experiences of the respondents.

Gubra, where Jelsing's statements imply the acknowledgment that businesses have to be ethical and abide by societal expectations. Because he depicts a commitment to ethical ways of conducting business activities and is rooted in morals and principles, it could be argued he promotes good corporate citizenship in the organizational conduct. This view is also shared by the other co-founder Vrang, who states:

“What should we do as a company? We can pay our taxes. We can refrain from engaging in tax optimization. But what else can we do? (...) If we want to uphold our social responsibility as a company, we must look at the problems existing in society - what can we do to solve them? How can we help? Companies have a responsibility towards the country they operate in and earth as a whole.” (Appendix 2: 3)

Here, Vrang also relates Gubra's responsibility to society as ethical, giving the example of taxes as a legal responsibility and then stating that businesses should do more than that to solve societal problems. The perspective of both co-founders thus supports a commitment to ethical responsibilities, and it can be interpreted from their statements that they view Gubra, and businesses generally, as active members of society who have to live up to ethical norms to fulfill their responsibility. Overall, all respondents agree on this view of Gubra's role in society; for example, the Head of CSR, Avlund, states that Gubra is “[...] willing to see their role in a larger perspective. It's not just about maximizing profit. It's also about leaving a better world behind.” (Appendix 3: 11), and former Head of CSR Frederiksen, says:

“[...] it's not enough to simply comply with legislation and then try to say that “we have worked on all of this”, but that one actually needs to do some more. What exactly that entails? Well, that can be subject to discussion.” (Appendix 5: 6).

This outlook was also shared by Rendtorff, who emphasized the need for an ethical approach to CSR for businesses that truly value CSR. He argued that this not only ensures the establishment of strong corporate citizenship but also guarantees the business's meaningful contribution to all stakeholders (Appendix 6: 9). However, even though all these statements are commendable, as Carroll argues, stakeholders expect businesses to live up to their ethical responsibilities, as this is arguably what gives them ‘license to operate’ and what legitimizes their business (Carroll, 1991). To fulfill all the components of the CSR pyramid and thus be a good corporate citizen, the philanthropic responsibilities of Gubra must be examined.

Therefore, it is necessary to examine Gubra from a philanthropic responsibility perspective to understand how they perceive CSR and how they might differentiate themselves from other businesses.

6.1.2 Philanthropically driven approach to CSR

As previously mentioned, a defining characteristic of Gubra compared to other businesses is their commitment to invest 10% of pre-tax profit in sustainability-related passive investments. This theme was among the most prevalent across all data sets, and therefore it represents an influential narrative that can be used to understand Gubra's practice and view on CSR. Carroll defines philanthropy as "[...] *actively engaging in acts or programs to promote human welfare or goodwill [...]*" with, for example, contributions of financial resources (Carroll, 1991: 42). With Gubra's commitment to spending 10% of their pre-tax profit on sustainable investments, Gubra is voluntarily exercising their corporate citizenship by exceeding what is expected by society. Co-founder Vrang states:

"[...] we spend money on something that we believe is important. We want others to embrace the idea that if a company wants to fulfill its social responsibility, it's not enough to pick the low-hanging win-win fruits. No, it comes at a cost." (Appendix 2: 3)

Based on this extract, it can be interpreted that Vrang connects CSR with costs, taking a philanthropically driven approach to CSR. This approach was also evident when the other co-founder Jelsing said during the interview that they founded Gubra based on the notion: *"[...] it wasn't just about making money, but also about using some money to do something good."* (Appendix 1: 9). This same narrative was evident across all interviews, where the respondents stated that CSR activities come with a cost and that they believe it is the responsibility of businesses to use some of their profits towards CSR-related activities. Another example can be seen in Avlund's statement:

"I believe that all companies should give a percentage of their profits to charity or to sustainable causes. [...] it's essential that companies play a bigger role in halting the climate and biodiversity crisis, and I hope that we, with our 10% commitment, can really inspire others to do the same." (Appendix 3: 12)

Together, these data extracts suggest that they perceive CSR as an investment in society rather than a mere expense. Although they acknowledge that there are costs associated with CSR, they view these costs as necessary and morally justifiable. The implication here, in relation to the research question, is that the respondents from Gubra view their responsibility to society as a necessary expense due to their moral principles, which dictate them to contribute financial resources towards the betterment of society.

This approach can be interpreted to align with the concept of corporate citizenship, where businesses are perceived as active members of society with ethical and philanthropic responsibilities beyond financial profit. By acknowledging the costs associated with CSR and committing to spending resources for societal good, Gubra demonstrates its awareness of the broader role that businesses can play in contributing positively to society. The presented data support this argument because it shows that Gubra views themselves as a part of society which invokes a sense of duty and responsibility.

To understand Gubra's philanthropically driven approach as a show of good corporate citizenship, the interviews explored the win-win narrative prevalent in modern businesses' approach to CSR. As highlighted in the literature review, there is a prominent debate on whether or not CSR should be business-driven or philanthropically driven. This narrative will be explored further to understand and interpret how Gubra views their responsibility to be good corporate citizens beyond win-win outcomes.

“Win-win is not bad. There is nothing inherently wrong with making money, but it's not taking responsibility. It's profit optimization. Social and environmental activities are chosen based on whether they can benefit the bottom line - whether it's something that can be used in their CSR report. It's a kind of inverted world. CSR is not seen as something that should do good for people or the environment. It's seen as something that should be reported on, as if it makes a difference in itself. CSR is used as an advertising pillar.” (Appendix 2: 2)

As seen in the extract above, co-founder Vrang provides a critique of the win-win ideology and states that the win-win ideology is not acting responsibly. This reinforces the idea that Gubra sees their role in society and CSR as a philanthropic endeavor, and the win-win ideology is contrary to this approach. Their main emphasis is on spending resources in areas

that are not in self-interest, which is also seen in this data extract from the other co-founder Jelsing:

”My policy and also Niels', which is what we founded it on, was that CSR shouldn't be a win-win, so I wasn't. We didn't do it to earn extra money. We saw it as an expense. And we are 100% committed to the fact that it costs money to make a green transition. It costs us as a company to give something away, and we don't necessarily need a positive return on investment on the green initiatives we undertake.” (Appendix 1: 14)

In addition, across all data sets, the main theme on the subject of CSR and businesses' role in society was an emphasis on philanthropic responsibilities, which Gubra promotes and wants to inspire others to follow, and critiquing win-win ideology. An example of why Gubra believes win-win ideology is flawed can be seen here:

“If sustainability and profit go hand in hand, then there wouldn't be so many problems in the world. It's what Christianity has been plagued by for many years. It's like (...) with the idea that if God is all-knowing, all-powerful, and all-good, well then there shouldn't be evil in the world, but hey, we clearly see that there is. (...) And it's somewhat the same here. If it were truly the case that they go hand in hand, why would some people use slave labor? If it doesn't even pay off to do so? Why do some businesses emit huge amounts of CO2 or pollute the environment when it doesn't even make economic sense? Then one would have to claim that there are just many bad businessmen. I don't believe that. It's nonsense.” (Appendix 5: 14)

Here, former Head of CSR, Frederiksen, explains the ethical dilemma of win-win ideology, stating that if sustainability and profit inherently go hand in hand, then why do climate issues still persist? This is a fundamental critique of the win-win ideology and the reason why Gubra advocates being a good corporate citizen by spending resources even if they do not necessarily profit from them. Being responsible only when it is in self-interest is not being responsible from their point of view, and to promote a better future, it is important to consider other stakeholders before profit. This also connects to the understanding of corporate philanthropy, as explored in the theoretical framework. Based on the data extracts presented in this section, it can be argued that Gubra fundamentally disagrees with the ethical egoism position, showcasing a more morally founded approach to corporate philanthropy which

aligns with the utilitarian ethical position - which states that businesses should aim to do the greatest good for the greatest number of people.

Rendtorff likewise expressed a critique of the win-win ideology, stating that it is important to view CSR from an ethical perspective of what is right and wrong and that e.g., Porter and Kramer's CSV approach in practice becomes about competitive advantage instead of responsibility, as seen here:

"[...] if you have a view like Porter and Kramer, who say that it is about creating shared value for companies and society, where they are actually very focused on the economic aspect of value creation. [...] But then they almost forget ethics, because then CSR becomes something about creating a competitive advantage, it's about positioning yourself, it's about making it a CSR strategy." (Appendix 6: 9).

The critiques presented can be interpreted as targeting the oversimplification of win-win ideology by arguing that the environmental issues will not be solved by just doing business-as-usual - it takes more to solve the underlying complexities of environmental and social issues; so while win-win at times is sufficient and responsible (for example clean energy) a paradigm shift away from self-interested businesses towards more ethical and philanthropically driven businesses is necessary, according to Gubra. Their stance also challenges the notion that profitability should always be the primary goal for businesses; instead, Gubra emphasizes the importance of considering the social and environmental impact of business decisions and prioritizing the common good over profit maximization. It can also be interpreted that Gubra does not necessarily think that win-win is bad, as co-founder Vrang said, but for a business to be responsible, it simply has to be willing to be responsible also when it is not a win-win. Therefore, based on these arguments, Gubra can be understood to view their role in society through the lens of philanthropic responsibilities and their active involvement in the betterment of society while adopting a utilitarian ethical position towards their responsibilities.

It is worth noting that during the data collection, both the co-founders and the employees were able to identify areas where they believe that win-win actually exists when it comes to CSR and business - for example, solar energy, attracting talent and investors, and positive company image. Nevertheless, the main point is that although Gubra recognizes that CSR and

business at times can go hand in hand, they point out that responsible businesses should support their claims with financial commitments and view CSR as a morally necessary cost that promotes the well-being of people and the planet.

6.1.3 Professionalization of CSR

A sub-theme that is important to unpack in connection to the philanthropically driven CSR approach is that, prior to their IPO, the 10% pre-tax commitment was based on charitable donations to NGOs and other sponsorships. Since the investors joined, Gubra changed their 10% policy to be aimed towards passive sustainability investments through their new subsidiary Gubra Green rather than outright donations.

To this point, co-founder Jelsing acknowledged that Gubra had to make a compromise in order to go public with the company, and also added:

“We also found out that for many investors, it was actually more or less impossible to invest in a company if they used funds for donations. (...) So we had to come up with some kind of arrangement where we said, okay, let's refrain from donating because we actually have difficulty managing it and finding the right projects. So let's invest instead. And then we hope that maybe that way we can make a greater impact.”

(Appendix 1: 12)

This raises an important question of whether Gubra lost their philanthropically driven CSR approach following the stock exchange listing. However, it can be interpreted from the quote that Gubra views this shift as a positive development, citing the difficulty of finding the right projects and, therefore, the administrative burden related to their donation approach as difficult to maintain. Head of CSR Avlund also brings up a point, saying that the shift is an advantage because Gubra now keeps ownership over their CSR initiatives which allows them to re-invest their financial resources to buy new land and build more nature and forests while also having a larger impact (Appendix 3: 15). These two arguments support the interpretation that Gubra has gone from a virtuous philanthropic approach to a more utilitarian philanthropic approach, as they seek out projects that have the greatest impact for the greatest number. This can, e.g., also be seen in their 2022 sustainability report, where they state: *“We believe sustainable investments will enable us to increase our impact and spur green innovation, and to reach our goals combating the global climate and biodiversity crises.”*

(Gubra, sustainability report, 2023: 3). Their view, therefore, aligns with Shaw & Post and their assertion that a utilitarian approach to corporate philanthropy is the most compelling one.

The expert interview with Rendtorff explored the problematization of the shift in corporate philanthropy approach, and he said:

“But well, you could say it's a professionalization of philanthropy. Investors come in, there is a shift in the company's structure. (...) And when you become a public company in that way, you have to professionalize certain things. (...) You professionalize CSR activities by incorporating them into such a company.”
(Appendix 6: 15)

He also argued that the argument for this being a positive change is that the philanthropy is less random and that professionals can choose the CSR initiatives or programs which have the greatest impact (Appendix 6: 15). Co-founder Jelsing also identified various problems with the previous donation-based approach beyond the administrative burden of finding the right projects:

“It was fair enough to give the money away, but for me, there was also the aspect that I had to face the employees and say, 'We have done this,' so I would have liked something in return that we could share with our employees. Now we have given a million to something. What happened with that million? Well, it just didn't work for us.” (Appendix 1: 11)

It can be interpreted from this data extract that true philanthropy comes with its own downsides, where it is important that the top management can vouch for the donations based on some rationalization or impact it has had. If it is not legitimized internally to the employees, then they could question whether or not that money would be better spent by raising their salaries. The expert Rendtorff, however, argued to this point, that when philanthropy loses its spontaneity and becomes bureaucratized, it is not ‘pure philanthropy’ (Appendix 6: 16). By structuring and institutionalizing the CSR approach, there is a risk that the human element and empathy associated with traditional philanthropy might be diminished. This raises questions about the authenticity and genuineness of Gubra's CSR

efforts under the new approach. By switching to an investment-based philanthropy Gubra also loses the ability to make short-term change, relying more so on longer-term impact through their investments, and while the respondents from Gubra emphasize the advantages of the new approach, there will likely be concerns among other stakeholders that the company's philanthropic spirit has been somewhat compromised.

However, the point here is that this shift can be interpreted as the professionalization of Gubra's philanthropically driven CSR approach, even though it has its positive and negative sides - Gubra has considered the consequences and decided that the positives presented in the analysis outweigh the negatives (Appendix 6: 15-16). A way to combat the downsides of this shift would be to increase transparency on the subject and release regular updates on the outcomes which the investments are generating, as well as informing their stakeholders of why this approach can align better with their long-term sustainability goals.

Beyond the changes in the philanthropic approach, respondents Avlund and Boserup identified several changes which were going to take place in the next coming months. For example, an increased focus on reporting was identified as a sub-theme to professionalization of CSR, where Avlund said that they want to be front-runners on CSR reporting and that up until now, they had done their reporting voluntarily in a 'rebellious' manner - going forward they are going to use more widely accepted frameworks for reporting on CSR (Appendix 3: 11-12). Boserup said that Gubra was going to establish more CSR targets and work to achieve them (Appendix 4: 12). These two examples from the data sets showcase how professionalization of CSR can be perceived as a positive evolution of Gubra's approach to CSR following their IPO.

6.2 What characterizes Gubra's leadership style and how does it correspond to the understanding of purpose-driven leadership?

To explore the leadership style at Gubra and its relationship to purpose-driven leadership, themes, and sub-themes from the data sets will be analyzed to answer the second sub-question. After exploring Gubra's approach to CSR, this section will provide a deeper understanding of Gubra's leadership style, with the aim of these two parts forming a holistic picture of how leadership at Gubra influences CSR. Considering that corporate citizenship and corporate philanthropy are driven by purpose and ethics, it is therefore considered

essential to understand what drives and motivates the respondents from Gubra, as well as which influence this has on the leadership style and CSR.

Gubra's mission is to *"Take action and inspire others in the fight against the climate and biodiversity crisis."*, and their vision is *"To become leaders in the fight for a more sustainable and healthier world."* and, across all data sets, the respondents identified the Gubra's organizational purpose as a dual purpose aligning with their stated vision (Gubra, sustainability report 2022: 2-3). The respondents featured in the research also argued that Gubra's primary purpose was to be a scientific contributor to society to improve health, and then their CSR-related activities.

6.2.1 Top management personal purpose

According to Cardona et al. (2019), when thinking of purpose-driven leaders, one must understand why a leader does what they do; they must find their personal purpose. Considering that all the respondents identified the top management as drivers of CSR, because of their dedication and purposeful attitude, this perspective will be explored. Thus, to understand Gubra from a purpose-driven leadership perspective, it is therefore essential to interpret why the co-founders Jelsing and Vrang do what they do, as this will give clues to how Gubra's leadership style influences their approach to CSR.

To understand how the top management is a driver of CSR, the following data extract illustrates that co-founder Jelsing's 'why' is connected with a dual purpose:

"But well, for me, as a biologist, it has been the desire to research. As I mentioned, I am a biologist and have obtained a PhD and have been captivated by research and finding out what makes people eat more and more? (...) How can we change that structure? It has been a great driving force. (...) But in the last 3-4 years, I have been very engaged in this CSR element. I have also been very involved in that part where we try to go out and influence others. (...) It has occupied a lot of my time in recent years, and perhaps that's also where I can feel that my heart and energy have gone in that direction." (Appendix 1: 20)

Based on this extract, Jelsing has discovered his purpose, which is one of the crucial building blocks for purpose-driven leadership (Cardona et al. 2019). On Gubra's website, a statement

that supports the dual purpose narrative from the co-founders Jelsing and Vrang can be found, and it says: “*Gubra was founded out of a profound passion for science, coupled with a strong desire to make a meaningful difference in the world.*” (Gubra, website, 2023). Evidence of the co-founders being driven by a dual purpose can also be seen in this data extract from Jelsing, who believed Vrang to be driven by a dual purpose also:

“My partner is though a doctor, but he is also passionate about fishing and birdwatching, so it was deeply ingrained in both of us that we had to do something. We could see that there was this climate crisis, and it was obvious that action needed to be taken, yet no one seemed to be doing anything.” (Appendix 1: 10)

During the data collection, many examples of how purpose-driven the co-founders are were discovered, for example, participation in climate demonstrations, CSR activism by submitting reader’s letters and doing interviews, and participation in bike-to-work experiments. This narrative thus backs the interpretation that the co-founders are in tune with their personal purpose and that, for Gubra, CSR is rooted in the personal purpose of the top management, and the desire to make a meaningful difference in the world by leading as an example. Their personal dual purpose is also deeply ingrained in the organizational purpose. The leadership style at Gubra can therefore be understood to be driven by purpose, and consequently, all their decision-making is based on their underlying vision for the future, of which CSR is a substantial element. Rendtorff supported this view of the co-founders and emphasized the need for leaders to be motivated beyond profit, stating that ethical motivation should be the primary driving force for leaders (Appendix 6: 11).

This argument is also evident in their philanthropic approach, which can be interpreted as purpose-driven and founded in ethical decision-making. Jelsing to this point stated that CSR is “[...] *always something that is ingrained in our minds when we need to make decisions.*” and that they changed their heating from oil boiler to district heating because of environmental considerations; same with decreasing consumption of plastic (Appendix 1:13-14). He was also transparent and expressed regret that a construction project on the company site was done in cement rather than finding a more sustainable option (ibid.).

All these factors contribute to the understanding of a purpose-driven leadership style, and is likely the reason why top management as a driver of CSR was one of the most prevalent

themes in the data sets. The alignment between personal purpose and CSR can thus be said to be present in the co-founders and support the argument for purpose-driven leadership. Viewing this through the lens of purpose-driven CSR; it is important for leaders to inspire and help others discover their purpose, and therefore it can be argued that this is also achieved through sharing their purpose with the organization internally. This can, for example, be seen in the interview with the lead of communication Boserup, where she said that she felt inspired by their approach to CSR and all the initiatives that they started, adding:

“I can feel that, well, this whole thing definitely started with Niels and Jacob. If they hadn't been exactly who they are, then this, well, we would have just been any other contract research company or biotech company. But we're not now because of the two personalities and the choices they have made. And it's not just in terms of the choices they have made, but also in terms of what they do.” (Appendix 4: 13)

This data extract shows the importance of the two co-founders as drivers of the CSR approach who, based on their purpose and vision, made Gubra a unique biotech company able to inspire the other members of the organization. In accordance with the purpose-driven leadership approach, leaders have to help the employees discover their purpose, which at Gubra is facilitated through communication and leading by example. It could be understood from the data sets that the interviewed employees found a great deal of inspiration and purpose from the actions of the two co-founders.

Avlund also described the leadership style at Gubra as being characterized by openness, listening, and genuineness while also adding that she appreciated that the leadership team was able to make decisions with integrity (Appendix 3: 20). Overall, the co-founders in Gubra can be understood to be driven by purpose and therefore subscribe to the idea of a postindustrial management logic. Unlike the neoclassical logic of management that emphasizes the ‘what’ and ‘how’, the co-founders of Gubra prioritize the ‘why’ as a central driving force behind their actions and decision-making processes. By anchoring themselves in their sense of purpose, the co-founders are able to motivate the members of the organization while having a clear vision that guides their strategic direction. Evidence of this can be seen in the answer the respondent Avlund gave when asked whether values and purpose drive the co-founders: *“That’s absolutely right, and if you have a top management that is not passionate about that*

part [CSR], then they won't prioritize it as much. It just doesn't happen.” (Appendix 3: 27). Rendtorff also added to this point, stating that:

“The leader must work to install ethics and responsibility everywhere in the organization, and create awareness among the employees about the values they have. In other words, it is about conveying the personal into the collective.” (Appendix 6: 16).

Therefore, when the co-founders' personal purpose harmonizes with the broader organizational purpose of Gubra, they create a synergy that elevates their leadership effectiveness. And by drawing authority from their personal and organizational purpose, the co-founders have the ability to influence others within Gubra. Their leadership style can thus be characterized by authenticity that stems from being driven by their purpose and values. This alignment not only allows them to face complex challenges with confidence but also empowers them to inspire and motivate the employees. Purpose can be said to serve as their guide, providing a clear sense of direction even when facing uncertainty. This enables the co-founders to make choices that align with their core values and long-term objectives while remaining flexible enough to embrace emerging opportunities or pivot when necessary.

6.2.2 Employee involvement, engagement and purpose

In order to fully understand purpose-driven leadership and leadership as a driver of CSR, it is crucial to understand the employee perspective. Employees in modern organizations demand more meaningful work, and so it is necessary to involve and engage the employees in decisions to distribute the leadership (Cardona et al., 2019). Rendtorff added that in a purpose-driven organization, it is necessary to “[...] embed it [purpose] within the organization, among individual members of the organization, to make it work.” (Appendix 6: 18).

Perhaps not so surprising, because of their job functions at Gubra, when posed the question of what their personal purpose was, all employee respondents identified CSR or a sustainability-related purpose. There was slight variation, with the respondent Boserup who noted that her personal purpose was tied to the feeling of community in the organization, which gave her purpose, but also recognized that CSR was a large part of that feeling (Appendix 4: 16). So, it can be argued that they have discovered their personal purpose under

the umbrella of Gubra's organizational purpose, where Avlund noted that *"I wouldn't be here in biotech if it wasn't for that [CSR] profile. I find it incredibly powerful and exciting to work in a place where there is such a strong desire for it."* (Appendix 3: 20) and Boserup also had a similar point, stating that:

"I have always said that I would probably find it difficult to work for a soda company, for example, or a candy bar company, or anything related to smoking. I am extremely proud of being part of developing solutions that actually help people." (Appendix 4: 16).

Using these two statements together, it could be interpreted that both employees identify themselves with Gubra's organizational dual purpose, like the co-founders, and that they find their work genuinely meaningful because of the fact that they work in an organization that is driven by making the world a better place, rather than maximizing profit. This view was also shared by Jelsing, who claimed that the employees in Gubra found pride in the organization's CSR approach: *"[...] our employees are incredibly proud to be in a company that works so dedicatedly with it. So, it is ingrained in our DNA."* (Appendix 1: 13). To reach unity in the organization, it is necessary that the personal purposes align to form a shared common purpose, and based on the above, some level of shared purpose can be identified in Gubra, thus promoting unity (Rey et al., 2019). This is argued based on the fact that all respondents identified similar purposes and that these were aligned with the overall organizational purpose. Therefore, Gubra can be understood to successfully connect the 'why' of the organization with the 'why' of the members of the organization. Additionally, these statements show that purpose is central to their motivation, and therefore purpose serves as a driving force for their dedication and commitment to their work at Gubra.

So how does the leadership style at Gubra help the employees find their personal purpose and promote unity? As mentioned, during the review of the data sets, employee involvement and engagement in CSR activities was a central theme, and several initiatives to involve and engage the employees were discovered. For example, co-founder Jelsing, highlighted during the interview that there had been an evolution of the way of thinking about CSR internally in the organization, stating that in the beginning, it was important to have fewer stakeholders involved, to be able to set the direction for the CSR approach, but added:

“Now we view it differently. Now it is very important that we involve our employees to a great extent. (...) What can be done for employees to incorporate this green element more, and assure they have a much higher say in which direction the company takes. (...) As a leader, you need to be dedicated to it and have employee representatives who are also dedicated to it.” (Appendix 1: 22-23)

To facilitate this shift from top-down decision-making on CSR to involving and engaging employees, Gubra has, for instance, started a ‘Green Panel’ with ten employee representatives who, along with Head of CSR Avlund, can implement CSR-related initiatives in the organization - for example, they held a ‘one cup day-week’ event which engaged the employees to reflect on their consumption of cups and what impact that has on the environment and their cleaning assistant (Appendix 3: 13-14). Avlund emphasized that, in her opinion, making these small events that aim to engage and involve employees had a great impact and could make the employees feel like a ‘climate hero’ on the microscale (ibid.). She also emphasized the need for employee initiatives to be easy and added that all job interviewees recently had mentioned or asked about Gubra’s CSR profile (Appendix 3: 13-14). Boserup likewise felt that employee involvement and engagement was a top priority in Gubra’s CSR efforts, citing initiatives like twice-weekly yoga classes, Friday events, and biking to work and carpooling, as initiatives that were targeted towards the employees to make them feel included in the organizations green agenda (Appendix 4: 9). She also mentioned that Gubra facilitated a workshop with about 30 of the employees with personnel responsibility or professional responsibility, where the goal was to set the path for implementation of a new strategy (ibid.: 18). The purpose-driven leadership approach also emphasizes that personal purpose should be a collaborative affair, and to this point, co-founder Jelsing mentioned that the employees are involved in setting Gubra’s values:

“We have these seminars once a year, or every other year, where we ask; ‘What defines Gubra? Why is Gubra a great workplace?’ Then we put up the next sentences and slogans, and based on that, we actually create a set of values. So, there is a high level of employee involvement in determining what values we should work with and what our new focus areas will be for the next year.” (Appendix 1: 24)

To this point, Rendtorff added that purpose-driven organizations “[...] require that the individual employee is much more involved in the processes around values.” (Appendix 6:

18), thus, from a purpose-driven leadership perspective, these initiatives and activities that aim to involve and engage the employees in the organization's CSR approach could be argued to not only help others find their personal purpose but also promote unity. This, coupled with a strong internal communication agenda about 'why' it is being done, means that the employees have a clearer understanding of the organizational purpose and can feel connected to the overall mission and vision for the organization which they are part of shaping. The leadership style can furthermore be understood to create an environment that values the employees' input and engages them in decision-making processes, which could lead to purpose-driven employees who are capable of extraordinary things while also increasing their motivation and productivity (Cardona et al., 2019). Involving and engaging the employees in their CSR-related activities can also be interpreted as a benefit, besides those mentioned above, because through this process, the employees can tap into their own purpose, knowledge, and creativity to create new innovative solutions to the environmental problems which Gubra is trying to address. This can then, in turn, involve and engage the employees even more, as they then have some ownership over that part of the organization's strategy. However, most importantly, the employee engagement and initiatives all contribute to the understanding of unity within the organization, which is necessary in a purpose-driven organization.

Furthermore, the initiatives and activities implemented by Gubra to involve and engage employees go beyond just CSR. Initiatives such as yoga classes, Friday events, and alternative modes of transportation all contribute to employee well-being, work-life balance, and a positive organizational culture. These efforts demonstrate that Gubra values its employees' well-being and aims to create an environment where employees can thrive both personally and professionally. This is also seen in the interview with Boserup:

“Well, it's my own personal opinion that we have a responsibility for both society and the entire planet. But we also have a responsibility to ensure that our workplace is one where people come and they are not worn down. They are not stressed. My inner ambition is that if someone comes to Gubra they experience a process of being built up, and when they leave Gubra, they are a stronger person, both mentally and physically, in terms of their overall health.” (Appendix 4: 9)

Therefore, based on this approach, Gubra's leadership style can be argued to play a crucial role in allowing the members of the organization to find their personal purpose, as well as

prioritizing a healthy work environment which contributes to unity in the organization - and also shows that the leadership recognizes that a healthy workplace not only benefits individual employees but also contributes to the overall success of the organization.

6.2.3 Organizational hierarchy and self-management

Even though Gubra could be understood to align well with purpose-driven leadership theory based on the so-far covered themes, self-management in the organization and hierarchical structure is also necessary to explore to gain a deeper understanding.

The purpose-driven leadership theory emphasizes the need for flat organizational structures and less hierarchy in order for the organization to move towards more self-management and, thereby, a more purpose-driven organization (Cardona et al., 2019). Rendtorff also noted that a purpose-driven approach “[...] requires self-managing groups capable of discussing values, and a flatter organizational structure.” (Appendix 6: 19). To this point, co-founder Jelsing said that Gubra’s organizational structure is inspired by a beehive, where they try to bring attention to the importance of a flat organizational structure, thus emphasizing collaboration and co-dependency. (Appendix 1: 21). He also gave an example of a policy that reflects their flat organizational structure:

“We also have a policy that if you have a question, you should go to the person who can provide you with an answer. That means if you're a laboratory technician, you don't necessarily have to go to your manager. If there's something technical that you find troublesome, you might go directly to our technical manager or our IT department to solve the problem.” (Appendix 1: 21)

In his opinion, it is important to have a flat organizational structure, and he added that they try to have as few middle-management positions as possible to debureaucratize the leadership style (Appendix 1: 21). This view is also shared by Avlund, who characterized the organizational structure by saying “[...] there is not a long way to the top. [...] There is a high level of openness and inclusiveness.” (Appendix 3: 20-21). Frederiksen also felt the same way, stating that “[...] it was a company where you could almost walk into their office, and there was just a high level of openness and direct access to the management.” (Appendix 5: 10).

Considering that Gubra recognizes the importance of a flat organizational structure and takes measures towards achieving it, on this point, they can be understood to align with purpose-driven leadership theory, which asserts that purpose-driven organizations need to move away from hierarchy and towards shared leadership (Cardona et al., 2019). Having direct access to the top management is seen as a crucial step towards this, as it breaks down the power dynamics in the organization, which allows for more trust-based relationships between the employees and management.

In regard to self-management, in the data collection process, it was discovered that the respondents themselves had a high level of self-management but were split on the degree of self-management in the organization. Avlund perceived there to be a high degree of self-management in the organization. However, for example, co-founder Jelsing stated that while the organization had matured to give the employees a higher level of self-management over time, he identified self-management as lacking in Gubra due to the need for organizational efficiency and the need to follow protocols and processes (Appendix 1: 26). The same could be said about the respondent Boserup, who said:

“Some definitely have more self-management than others. And I would say it's not something we can boast about, having a high degree of self-management. (...) However, it contributes to making us incredibly efficient. (...) We can deliver studies with high quality and speed. (...) But down in the stables or in the laboratories, it's all about lean principles. It's about optimization and eliminating errors, obstacles, and anything that gets in the way.” (Appendix 4: 20)

Therefore, it could be argued that Gubra, due to the nature of their business, has a hard time living up to the principle of self-management, thus a weakness of the leadership style. However, the respondents all clearly identified that some employees have more self-management than others, and as shown in the data extract from Boserup, it is primarily in the laboratories where the need for efficiency drives the level of self-management down. The conflicting perspectives here regarding self-management within Gubra reflect the complexity of balancing self-management and efficiency, and based on the presented data from Jelsing and Boserup, it is implied that Gubra's leadership recognizes the importance of self-management but must strike a balance between self-management and operational efficiency.

For Gubra, the need for efficiency is seen as vital due to the nature of their business, for example, as Boserup mentioned, laboratories require strict adherence to protocols, optimization of processes, and the elimination of errors and obstacles. These processes are necessary to ensure reliable and accurate research outcomes, and as a result, the focus on efficiency may limit the degree of self-management that employees can exercise in these job positions. However, it is important to note that while the focus on efficiency in laboratory settings may limit the level of self-management, it does not entirely eliminate self-management. Within the boundaries of the established protocols, the employees working in these areas should still be able to exercise problem-solving skills and decision-making within the defined boundaries, as this can aid the discovery of purpose in their jobs. Thus, the management team at Gubra should be considerate of this issue and try to incorporate more self-management in the identified areas where it is lacking to promote more purpose-driven employees and unity.

7. Discussion

To add to the third sub-question regarding how the leadership style in Gubra can be seen from the perspective of drivers and barriers, relevant topics and themes from the analysis will be discussed in the following section. This section aims to explore these topics and themes to deepen the understanding of them and to discuss the broader significance and implications of the findings of the analysis.

7.1 Businesses' role in society

As covered in the analysis, Gubra's adoption of a philanthropically driven approach and skepticism towards the win-win ideology raises an important discussion of the role and responsibilities that businesses should have in society. These views could be considered to be opposites, and because they represent different paradigms that are typically applied by businesses, it is worth discussing the implications for either concept.

As elaborated in the literature review section, the win-win ideology in modern businesses is largely driven by Porter & Kramer (2011), who popularized the concept of shared value, which is underpinned by the ideology of economic liberalism and neo-classicism (Vallentin & Murillo, 2022). The main difference between the concept of shared value and theories like corporate citizenship is that the concept of shared value is idealized and built from competitive strategy theory, while corporate citizenship draws on ethics and moral philosophy (ibid.). Thus the distinction can be made even more clear - while creating shared value is the marketization of corporate responsibility by using business solutions to address societal issues to make a profit from an ethical egoism position, on the other hand, corporate citizenship is deeply rooted in ethics and moral considerations which revolve around the belief that businesses have an inherent responsibility, beyond those in self-interest, to contribute to the well-being as members of society.

While it is up to members of society to determine what is right and wrong, surveys have shown that e.g., majority of Gen-Z and millennials link CSR with ethics and that “[...] majority remain unimpressed with businesses’ societal impact overall.” and that “[...] business leaders have a significant role to play when it comes to addressing social and environmental issues.” (Deloitte, 2023: 3). It can be assumed that most members of society view corporate responsibility and businesses’ role in society from a corporate citizenship perspective - meaning that businesses should contribute to society like any other citizen

through acts that promote well-being. Based on the findings of the analysis, the leadership style and sentiment towards their responsibilities can thus be identified as a driver of genuine CSR, which lives up to society's expectations and consequently promotes the well-being of society.

So then, why do businesses even bother using win-win ideology and an approach that emphasizes CSR as a competitive advantage, and what are the implications? Maybe this statistic can shine some light on the matter: 87% of investors believe corporate reporting contains at least some greenwashing (PwC, 2022). The rise in greenwashing can be, among other factors, attributed to the fact that the global market rewards companies based on how responsible they seem, not how responsible they actually are. Consequently, businesses that make use of a competitive advantage approach, such as those mentioned in this thesis, can be assumed to engage in some level of greenwashing to benefit from the sustainable agenda of the 21st century. This can be argued to be due to the fact that it would be in those businesses' best interest to portray themselves as more responsible than they actually are (or to downplay their negative impact) to maximize their own benefits without actually having to allocate substantial resources to CSR-related activities.

However, businesses where the leadership is acting out of moral and ethical principles, such as the analysis of Gubra showed, can be expected to engage less in greenwashing as their primary motivation for their engagement in CSR is not the image or competitive advantage, rather it is about making a positive contribution to society. Leaders that are driven by the new management logic of purpose, as the co-founders of Gubra, can therefore be expected to be less likely to deceive or greenwash on CSR-related issues. This distinction is important to bear in mind when trying to understand not just Gubra but any business that is engaging in the sustainable agenda - what is the primary purpose for CSR, is it to self-benefit from it or to actually make a meaningful impact? As this research has shown, a clear indicator of the latter could be argued to be a philanthropic approach, where the business views its responsibility as a necessary expense, whereby the intention seems rather clear and thereby diminishes the chance for misuse of CSR. Paradoxically, in today's world, where information spreads rapidly on social media, businesses cannot afford to ignore the importance of authenticity and transparency in their approach to CSR. Greenwashing and deceptive CSR practices not only damage reputation but also damages trust among stakeholders. Conversely, businesses that genuinely prioritize CSR and consistently demonstrate their commitment to it, like Gubra, are

more likely to build strong relationships with their stakeholders. For this reason, it would be in all businesses' own best interest, to adopt a philanthropic utilitarian or virtuous approach to their CSR activities to showcase their commitment, which in turn may improve the societal relationship between businesses and people. As the analysis also shows, win-win scenarios do exist in CSR and businesses can use this to their advantage - it is just not enough to be considered a good corporate citizen, which every business should arguably aspire to be, if they are not willing to go further than self-interested activities.

Nevertheless, it is also important to note that addressing societal and environmental issues through businesses is not inherently a negative approach. Examples of this can be found in social entrepreneurial ventures like social enterprises, where social and environmental issues are marketized through new innovative business models. The crucial distinction, however, is that social enterprises prioritize their mission or purpose first to avoid mission drift. Fragments of this same approach can be seen in the analysis of Gubra, thus one of the main takeaways is that a genuine approach to CSR requires leaders to be purpose-driven, because this means they are motivated beyond financial success and therefore can be assumed to be driven by morals and principles. For-profit businesses that integrate the principles of social entrepreneurship and social enterprises, can combine their business acumen and purpose to effectively create profit and well-being. By combining these two through a genuine commitment to promoting well-being, Gubra is effectively able to demonstrate a paradigm shift where business and CSR can co-exist.

8. Conclusion

In conclusion, the research project uses Gubra as an extreme case to illustrate how a business with a strong commitment to being a good corporate citizen can actively contribute to societal well-being. This was largely driven by the co-founders and employees and their view of CSR as an ethical and philanthropic responsibility that goes beyond financial benefit or legal obligations. Gubra recognized the importance of businesses acting as ethically as possible to abide by societal expectations. The analysis also showed that Gubra's approach to CSR was characterized by a philanthropically driven approach shaped by their commitment to voluntarily invest 10% of their pre-tax profits on sustainability-related passive investments.

Based on the analysis it can also be concluded that Gubra's philanthropic approach aligns with the understanding of corporate citizenship because they acknowledge their role as an active member of society. A key finding was that they perceive their responsibility towards society as a necessary expense that was rooted in moral principles justified by the desire to contribute to the betterment of society.

Gubra's critique of the win-win ideology also showed their commitment to a paradigm shift in CSR, arguing that CSR should be rooted in ethics and philanthropy and that acting in self-interest on CSR-related issues would not lead to solving societal and environmental problems. The respondents emphasized the need for businesses to voluntarily invest in activities that benefit society, even if these do not result in financial or business prosperity. And even though the analysis showed that Gubra had made a substantial shift in their CSR approach, shifting from charitable donations to passive investments, they still uphold their philanthropically driven perspective because this shift allows them to have ownership and greater impact with their CSR initiatives.

It can also be concluded that Gubra's leadership style can be characterized as purpose-driven and that they align with the understanding of purpose-driven leadership although they could improve the level of self-management internally in the organization. The analysis found that Gubra's leadership style influences the CSR implementation in the organization because the co-founders were driven by a dual purpose which revolved around improving health through scientific contribution and promoting sustainable development. Their personal purposes were deeply ingrained in the organizational purpose and vision of fighting the climate and biodiversity crisis. In conclusion, the leadership style was found to be characterized by their commitment, vision and genuine approach to leadership, which meant that they lead by

example, make decisions with integrity and prioritize the ‘why’ instead of the ‘what’ and ‘how’ which influenced their CSR approach positively by making it a priority.

It was also discovered that Gubra facilitates and promotes employee purpose through involvement and engagement in decision-making processes which creates an environment that fosters unity and shared purpose in the organization. The respondents who participated in this research identified themselves with the organizational purpose and found their work genuinely meaningful due to the organization’s work with CSR.

Furthermore, based on the discussion it can be concluded that Gubra’s philanthropic approach to CSR helps them avoid intentional greenwashing, because of their genuine approach to CSR. In addition, it can be concluded that businesses that prioritize making a positive contribution to society, driven by moral and ethical principles, can build strong relationships with stakeholders and effectively promote well-being. This paradigm shift towards genuine CSR demonstrates that businesses and CSR can coexist, to create a positive impact on society.

9. References

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