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SOCIALLY RESPONSIBLE PURCHASING/SUPPLY CHAIN MANAGEMENT:
ALWAYS A WIN-WIN?

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Abstract

This paper examines eight research studies to help determine if socially responsible purchasing throughout the supply chain is always a win-win. Through the systematic review of the literature, a common theme emerged which implied that if an organization employs a strategic focus using dedicated resources and with a top to bottom philosophy and focus, then environmental, social, and economic performance can all be realized. This concept was best characterized by the triple bottom line theory or three P's which represent profit, people, and the planet. The theory is defined by an evaluation of an organizations overall performance as measured by the integration of its environmental, social, and economic sustainability as applied to the supply chain. This study finds that when all parties throughout the supply chain strive to perform to, and are concerned with, contributing positively toward society, consumers, their employees, and to the environment, socially responsible purchasing throughout the supply chain is always a win-win.

Keywords: socially responsible purchasing, corporate social responsibility, sustainability, supply chain management, sustainable supply chain management, triple bottom line, three P's environment, purchasing, sustainable supply chain

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INTRODUCTION

Socially Responsible Purchasing (SRP) includes, but may not be limited to:

- practicing environmental responsibility and sustainability;
- maintaining high ethical standards;
- exercising financial responsibility and transparency;
- supporting and respecting fundamental human rights;
- adding value to the communities of the supply chain;
- promoting and encouraging supplier diversity and;
- providing and supporting safe working environments.

A real-world example of a significant win-win relationship in the socially responsible/supply chain management arena began in 2006 while Blake Mycoskie was traveling in Argentina. After witnessing the desperate need for shoes of children in impoverished Latin American communities, he created TOMS Shoes, a company whose business model was such that for each pair of shoes sold his company would provide a pair of shoes to a child in need, based on his concept of One for One which is now duplicated by many socially-minded businesses.

After advertising the One for One concept his company began with an initial production run of 250 pairs of shoes. The business was an overnight hit selling nine times their stock in just the first couple of months. Over 10,000 pairs of shoes were sold in the first two quarters of operation with an equal amount being distributed to underprivileged kids in Argentina.

“What began as a simple idea has evolved into a powerful business model that helps address need and advance health, education and economic opportunity for children and their communities around the world” (TOMS, 2018).

One of the more unique win-win supply chain ideas that melds business success with environmental responsibility is Bureo Skateboards. Company founders Ben Kneppers, David Stover and Kevin Ahearn came up with the idea to repurpose fishing nets that were left behind by fisherman along the Chilean coast into skateboards using a proprietary manufacturing process. After processing the material, the skateboards are then 3D-printed and finally sold online and in retail stores.

In the process of cleaning the shorelines of the oceans they love, the founders estimate they have access to somewhere between 30 and 50 tons of fishing nets from the coastline that will be converted to free, less the labor to retrieve them, eventual skateboard deck inventory creating a win-win opportunity for the environmentally-conscious ownership group.

Statement of the Problem - Research Question

This analytical paper will examine all areas of Socially Responsible Purchasing (SRP) throughout the supply chain to determine if both benefits and drawbacks exist either during the implementation process or throughout the supply chain once initiated.

The supply chain can be defined as “a set of three or more organizations linked directly by one or more of the upstream or downstream flow of products, services, finances, and information from a source to a customer” (Monczka, Handfield, Giunipero, & Patterson, 2016, p.13) and as: the network of all the individuals, organizations, resources, activities and technology involved in the creation and sale of a product, from the delivery of source materials

from the supplier to the manufacturer, through to its eventual delivery to the end user (Rouse, 2013).

Purpose of the Study

The purpose of the study is to explore and evaluate existing research in this area with the intent of offering a thorough interpretation of the positives and negatives associated with Socially Responsible Purchasing (SRP). This will include the hindrances that may exist for organizations implementing socially responsible procurement as well as the impact on consumers/end users.

Significance of the Study

Socially Responsible Purchasing (SRP) has been a driver for positive change throughout many industries both within the United States and abroad. One example is that it can help safeguard against negative public relations by ensuring that companies throughout the supply chain are not violating human rights in their production processes. In addition, it can help to build a positive reputation and image which may help to attract like-minded employees who can further strengthen the reputation of the firm. Opportunities for marketplace growth can be realized as the brand earns the reputation of complying with and supporting Socially Responsible Purchasing (SRP). Finally, increased consumer and investor confidence will help to improve market share and increase shareholder value.

Depending on your perspective, the above benefits of Socially Responsible Purchasing (SRP) can be classified as disadvantages or cons, as well. According to Evans (2017), “These actions come at a cost, and opponents point out that the money spent on Corporate Social Responsibility (CSR) comes directly from shareholders’ pockets.” In addition, former investment

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banker and current Tulane University professor Elaine Sternberg, one of the most vocal opponents of the effects of Corporate Social Responsibility (CSR) on shareholder profits, points out that Corporate Social Responsibility (CSR) initiatives incur great cost with little measurable return:

Corporate Social Responsibility (CSR) projects and initiatives require a shift in thinking for many businesses, and some Corporate Social Responsibility (CSR) processes can make the business more cumbersome to operate. Wal-Mart subjects its suppliers to strict regulations on product quality and employee working conditions, which add production time and increase overhead for their suppliers. Their competitors, meanwhile, can operate at lower costs and turn out products more quickly (Evans, 2017).

Assumptions

The following assumptions are being made in relation to Socially Responsible Purchasing (SRP):

- Social media has brought attention to Socially Responsible Purchasing (SRP) and thus public attention has caused organizations to examine their corporate strategy with regards to social well-being efforts.
- Businesses are concerned with their reputation and image in this arena.
- Organizations are generally concerned with contributing positively toward society, consumers, their employees, and to the environment.
- Brand and reputation are considered when pursuing Socially Responsible Purchasing (SRP) initiatives.

Delimitation of the Study

This research question will be answered through a literature review of organizations who have either attempted and been successful with Socially Responsible Purchasing (SRP) via their supply chain, have tried and failed, or have decided not to participate at all. It is believed that organizations that feel they can be both socially responsible and not suffer financially for it, will be committed to the efforts.

The intent is to not limit the research by geographic boundaries, size, or age of the research due to a desire to include a diverse cross-section of businesses and subject matter experts.

Methodology

The research method employed was performed through secondary research, which involved an analysis and interpretation of primary research. Verifiable first-hand accounts of organizations that had relevant Socially Responsible Purchasing (SRP) were gathered, compared, and examined to answer the research question.

Literature Review Introduction

Socially Responsible Purchasing (SRP) within the supply chain seems like a great concept: practicing environmental responsibility; maintaining high ethical standards; exercising financial responsibility and transparency; and supporting fundamental human rights, to name a few of the positives. But do the positives come at a price and are there drawbacks or disadvantages to practicing Socially Responsible Purchasing (SRP)? Data will be examined and analyzed to help answer this question.

“The convergence of doing business and doing good has actually been underway for a

long time, but like any Darwinian process worth its salt, it's been a tortuous and often haphazard journey" (Cook, 2017).

The concept of combining financial, social, and environmental performance goes back to the mid-1990s when John Elkington first coined the phrase 'triple bottom line' which is also referred to as the "three P's: Profit, People, and Planet". According to Robinson (2018)

each of the three strands generally refer to the following aspects of corporate responsibility:

- Profit – The economic value created by the company towards the host society after the cost of all inputs have been deducted.
- People – Beneficial business practices towards labor and the community of the region in which an organization conducts its business.
- Planet - The planet, environmental bottom line, or natural capital bottom line refers to sustainable environmental practices.

Considered more genuine than previous Corporate Social Responsibility (CSR) efforts, the companies that employed the triple bottom line methods would prioritize the measures which would provide for the most positive results for the greater good.

LITERATURE REVIEW

In an article written by McCaskill (2015) entitled "Consumer-Goods' Brands That Demonstrate Commitment to Sustainability Outperform Those That Don't" the author draws from the 2015 Nielsen Global Corporate Sustainability Report findings that determined in the previous year alone, sales of consumer goods from brands with a demonstrated commitment to sustainability have grown more than 4% globally, while those without grew less than 1%

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(McCaskill, 2015).

To further express the growing importance of and desire to purchase sustainable goods, the Nielsen Report also determined that sixty-six percent of global respondents say they are willing to pay more for sustainable goods, up from 55% in 2014 (and 50% in 2013).

And it is no longer just wealthy suburbanites in major markets willing to open their wallets for sustainable offerings. Consumers across regions, income levels, and categories are willing to pay more, if doing so ensures they remain loyal to their values. Sustainability sentiment is particularly consistent across income levels. Those earning \$20,000 or less are 5% more willing than those with incomes greater than \$50,000 to pay more for products and services that come from companies who are committed to positive social and environmental impact, 68% vs. 63% (McCaskill, 2015).

In terms of environmental commitment, consumers surveyed stated that purchases made that have a positive effect on the environment came into play in 45% of all sales transactions. Survey respondents also felt strongly about social value and their community which also influenced their purchasing decisions nearly half the time.

In a research study entitled “Social Responsibility and Supply Chain Relationships”, the authors sought to “examine the potential impact that purchasing social responsibility might have on supply chain relationships” (Carter and Jennings, 2002, p. 37). In-depth interviews were conducted with purchasing managers which examined and analyzed five different categories: the environment, diversity, human rights, philanthropy, and safety.

A survey was sent to supply management professionals in the consumer products manufacturing industries. This industry was chosen based on a previous study that determined

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mangers in these commodities may be more involved and interested in issues related to Socially Responsible Purchasing (SRP) (Emmelhainz and Adams, 1999). Of the 1,000 surveys mailed, a response rate of 21.5% was achieved. The results of the study showed the following correlations:

that significant positive relationships exist between purchasing social responsibility and the buying firm's commitment to the relationship, the buying firms trust in its suppliers, and the supplier performance. In addition, a significant positive relationship exists between the buyers trust in the suppliers and cooperation between the buyer and those suppliers. Finally, a significant relationship exists between cooperation and supplier performance. (Carter and Jennings 2002, p. 45)

The results indicate that the relationship between buyer and seller are improved through Socially Responsible Purchasing (SRP) efforts. The levels of trust and commitment between the parties reflects an increase in supplier performance. The results further suggest that suppliers may be in an improved competitive position due to the commitment by their customers and based on supplier lead times, quality, and efficiency.

The intent of research by Tate, Ellram, & Kirchoff (2010) entitled "Corporate Social Responsibility Reports: A thematic Analysis Related to Supply Chain Management" was conducted "to determine how supply chain strategies factor in to the triple bottom line of 100 socially and environmentally responsible companies" (Tate et al., 2010, p. 19). The triple bottom line refers to a holistic evaluation of a firm's overall performance, measured by the integration of its environmental, social, and economic sustainability (Elkington 1997).

Content analysis software called Crawdad was employed to evaluate the Corporate Social Responsibility (CSR) efforts of the 100 companies identified. The 100 companies were chosen

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based on their membership in the Global Environmental Management Initiative, having been discussed in the Global Reporting Initiative and consistent mention regarding sustainability initiatives in the media.

The firms selected represented a diverse cross-section of sectors which included: Consumer Goods-15 firms; Technology-15; Industrial Goods-14; Materials-13; Healthcare-13; Services-11; Utilities-11; and Financial Services-8. The results of the analysis determined that SCM activities were present throughout the data and a significant number of firms specifically mentioned the importance of supply chain management regarding sustainability and corporate responsibility (Tate et al., 2010).

Specific findings by the authors was that among companies that create progressive corporate social and environmental strategies, the role of supply chain management cuts across all aspects of sustainable practices and the primary theme among Corporate Social Responsibility (CSR) reports, regardless of industry, is managing institutional pressure to meet stakeholder demands.

Marc Winter and A. Michael Knemeyer, authors of “Exploring the Integration of Sustainability and Supply Chain Management: Current State and Opportunities for Future Inquiry”, sought to provide an overview of existing research regarding sustainable supply chain management practices and suggest possible opportunities in this area.

Through existing research, Winter and Knemeyer (2013) determined that:

There is an increasing realization by managers that their company’s social and environmental accountabilities do not fall solely under the control of any individual organization; multiple entities across supply chains must be involved to efficiently and

effectively fulfill these societal responsibilities. As a result, managers are looking to identify ways to successfully meet these responsibilities, develop relevant tools that they can use to assist their efforts, and establish mechanisms for pursuing their sustainability goals in coordination with other members of their supply chain in an economically viable manner. While academic research related to sustainable supply chain management has emerged over the past two decades, academic inquiry must continue to evolve in ways that help supply chain managers meet these critical challenges.

The authors review of literature that discussed both sustainability and supply chain management resulted in decision to classify the existing literature in to three distinct disciplines: logistics/supply chain management; operations/production management; and social/environmental management.

Winter and Kneymeyer (2013) suggest that the existing literature is primarily focused on individual sustainability and supply chain dimensions rather than taking a more integrated approach. “In addition, the findings suggest both the emergence of a group of themes within an individual dimension, such as green logistics within the environmental dimension as well as a set of themes that are consistent across dimensions” (Winter & Kneymeyer, 2013, p.18) .

The authors recommend several avenues for additional research in this area including: focusing on the development of measurements used to examine concepts specifically related to sustainable supply chain management; seeking research opportunities that show how supply chain management processes tie into the social dimension of sustainability; consideration should be given to the applicability of a more multidisciplinary approach towards research activities in this supply stream (Winter & Kneymeyer, 2013).

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In their study entitled “Elements Affecting Social Responsibility in Supply Chains” authors Eriksson & Svensson (2015) sought to assess elements that affect social responsibility in supply chains and beyond. They classified the elements into drivers, facilitators, and inhibitors.

To gather the information for their study, the authors identified sixteen elements that capture structures and management principles of supply chains that are important for social responsibility. Research which was published during 2009-2013 and based on supply chain management was utilized. The basis of their research is attributed to recent empirical findings and conceptualizations in the field of SCM.

In addition, the authors were guided by two research questions (Eriksson & Svensson, 2015):

1. What factors are known to affect social responsibility in supply chains?
2. How can this knowledge be framed into elements based on how they affect individuals’ social responsibility in supply chains?

In terms of the elements of social responsibility in supply chains and beyond, the authors discuss the findings based on an assessment of current literature. “Facilitators/inhibitors are elements that enable/hinder social responsibility efforts in supply chains and beyond, and drivers are elements that encourage social responsibility efforts. The elements affecting social responsibility in supply chains are summarized in Table 1” (Eriksson & Svensson, 2015, p. 562).

Table 1. Elements affecting social responsibility in supply chains.

<u>Within company</u>	<u>Within supply chain</u>	<u>Beyond supply chain</u>
Holistic internal view	Collaboration	Outside pressure
Managerial support	Transparency	Commoditization
Responsibility	Organizational length	
Incentives	Geographical length	

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Measurement
Education

Cultural differences
Holistic supply chain view

Since the focus of this literature review is on the elements pertaining to social responsibility within the supply chain, these items are discussed in more detail.

Collaboration includes such examples as: the importance of achieving sustainable performance through trust; long-term engagements with suppliers; partnerships; and knowledge sharing.

Transparency includes inviting the public to visit your organization; stressing transparency when discussing environmental and social concerns and ensuring that activities within the supply chain are made visible.

Organizational length refers to the amount of links or organizations within the supply chain. As the number of links in the supply chain becomes greater, it becomes more difficult to oversee social responsibility efforts. This speaks to the need to include systems and processes to ensure social responsibility compliance. This is especially true since organizations are held accountable for the actions of their suppliers and even their suppliers' suppliers (Seuring and Müller, 2008).

Geographical length refers to the geographical distance from source to end user and can complicate efforts at social responsibility. Upstream activities that are located close to consumption markets are desirable and the element of geographical length facilitates or inhibits efforts of social responsibility (Eriksson & Svensson, 2015).

Cultural differences affect and can inhibit supply chain social responsibility efforts due in part because governments and policies in developing countries are generally less stable (Akamp

& Müller, 2013) and the cultural gaps need to be bridged to increase understanding and awareness.

A holistic supply chain view is inherent to the multi-tiered structure of supply chains, however, there is a lack of consistency between the boundaries of responsibility and ownership (Faruk, Lamming, Cousins & Bowen, 2002). To fully realize all the opportunity areas for social responsibility throughout the supply chain, the extended network must be considered and involved.

This assessment highlights the need for further research on a foundation of social responsibility elements in supply chains and beyond. A theoretically derived concept could help to understand not only “what” should be done but also “why”, in future research (Eriksson & Svensson, 2015).

In research conducted by Anne Wiese and Waldemar Toporowski entitled “CSR failures in food supply chains – an agency perspective”, the authors sought to analyze recent CSR failures along food supply chains with the aim of evaluating why these occurred and what possibilities exist to avoid similar failures in the future (Wiese & Toporowski, 2013).

Food supply chains have some unique challenges that can make it more difficult to follow Corporate Social Responsibility (CSR) methods and processes. For one, these perishable products can have many different origins throughout the country and are dependent upon the climate and weather to guarantee quality and freshness despite long distances, different standards, and various companies involved throughout the supply chain (Wiese & Toporowski, 2013).

Although many successes are reported regarding Corporate Social Responsibility (CSR) within the food supply chains, failures do occur, causing situations in which animal welfare or environmental protection are violated.

One such example involves a major German chicken producer whose company was blamed for ignoring animal welfare standards. Although the failures occurred at a supplier, i.e. the farmers raising the chickens, the chicken producer suffered a huge image and financial loss due to one member of their supply chain failing to abide by the animal welfare standards (Wiese & Toporowski, 2013). As is the case here, often one company causes the failure; but other supply chain members, if not the supply chain in its entirety, is affected (Valand and Heide, 2005).

In another case of supplier wrongdoing, a German retailer who sold tuna that was supposed to be dolphin friendly and had even been recommended by the World Wildlife Fund of Germany, was revealed that the tuna was not fished in a dolphin-friendly manner and was even prohibited in the US due to its fishing methods (Valand and Heide, 2005).

These cases illustrate that Corporate Social Responsibility (CSR) failures can have negative impacts on the companies' reputation and therefore also financial effects. Implementing a successful Corporate Social Responsibility (CSR) policy should be a primary importance to companies (Valand and Heide, 2005).

In their study entitled "Social Responsibility in Tobacco Production? Tobacco Companies' Use of Green Supply Chains to Obscure the Real Costs of Tobacco Farming" authors Marty Otanez and Stanton Glantz examine the supply chain of two major tobacco companies and their Corporate Social Responsibility (CSR) efforts and practices.

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The methods employed by the authors to document their findings included: an analysis of tobacco industry documents; industry websites; interviews with tobacco farmers in Tanzania and tobacco farm workers; farm authorities, trade unionists; government officials; and corporate executives from global tobacco leaf companies in Malawi (Otanez & Glantz, 2011).

Tobacco farming occupies about four million hectares (nearly 9.9 million acres) globally and is responsible for 4% of annual global deforestation, about 200,000 hectares (nearly half a million acres) annually.

Traditionally, tobacco companies concerned with economic performance often negotiate such low prices with leaf companies that production requires child labor and debt servitude. In response to growing public awareness of these issues, the tobacco industry integrated these issues into the Corporate Social Responsibility (CSR) campaigns they use to build goodwill to protect their power to influence policymaking and open and protect markets (Otanez & Glantz, 2011).

Otanez & Glantz (2011) determined that in the 2000s, the companies used their supply chains to legitimize their portrayals of tobacco farming as socially and environmentally friendly, rather than take meaningful steps to eliminate child labor and reduce deforestation in developing countries. Additionally, rather than using independent evaluators, the tobacco companies used self-evaluation methods and public relations firms to create an impression of social responsibility (Otanez & Glantz, 2011).

The authors determined that the tobacco companies benefited from \$1.2 billion in unpaid labor costs due to child labor and more than \$64 million annually in costs that would have been made to avoid tobacco-related deforestation in the top 12 tobacco growing

developing countries, far exceeding the money they spend nominally working to change these practices (Otanez & Glantz, 2011).

In their research study “Going Above and Beyond: How Sustainability Culture and Entrepreneurial Orientation Drive Social Sustainability Supply Chain Practice Adoption” Marshall, McCarthy, McGrath, & Claudy (2015) sought to determine what drives the adoption of different social sustainability supply chain practices and to examine the facilitative role of sustainability culture to explain the adoption of social sustainability supply chain practices.

The authors explored the role played by a firm’s entrepreneurial orientation in shaping and reinforcing the adoption of social sustainability supply chain practices. A survey of 156 supply chain managers in multiple industries in Ireland was conducted to test the relationship between the variables (Marshall et al., 2015, p. 434).

In addition to the survey, a literature review was performed to understand the current literature on social sustainability practices in supply chains. To ensure the relationship with supply chain management, the authors focused the search on 13 supply chain-related journals.

To locate articles that were relevant to social sustainability in the supply chain, the authors used key words such as: social, sustain, corporate social*, responsib*, in their search (Marshall et al., 2015, p. 436). The search returned 87 initial articles and after narrowing that number down based on relevance and duplication, 39 were included in the review.

The authors determined that much of the literature shows that basic social sustainability supply chain practices focus on the health and safety of workers in the supply chain as well as include codes of conduct to ensure human rights and worker conditions and social

accountability systems which involve monitoring the sustainability compliance of suppliers in the supply chain (Marshall et al., 2015, p. 437).

According to Marshall et al. (as cited in Awaysheh and Klassen, 2010) the literature also shows that developing new products and processes with a focus on social sustainability or that benefit secondary stakeholders to the firm (including communities and society) can help develop new markets for existing products and services.

Lastly, the results of the study show that adoption of social sustainability supply chain practices are positively related to the strength of a firm's sustainability culture (Marshall et al., 2015, p. 446).

DISCUSSION AND CONCLUSIONS

The intent of this paper was to determine if socially responsible purchasing within the supply chain resulted in benefits to all parties and in all circumstances, a win-win. To this end, a literature review regarding this topic was undertaken that examined research conducted encompassing the years 1997 to 2015.

Early on within industry, supply chain managers often viewed social responsibility as just that – a responsibility – which did not necessarily yield financial rewards (Walley & Whitehead, 1994). This could be explained by various reasons including, not realizing the positive ramifications of a socially responsible supply chain, from a financial perspective as well as from a positive corporate image point of view.

More recently, socially responsible purchasing has become more prominent and relevant not only to the members of the supply chain, but all stakeholders who have a vested interest in the environment and the social issues which are affected by these operations. In addition, the

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number of avenues that can positively impact socially responsible purchasing has increased and may include: packaging; environmentally-friendly materials and supplies; transportation routing and type; supplier selection; setting diversity requirements or goals for contractors and subcontractors; and ensuring construction debris is properly disposed of or recycled.

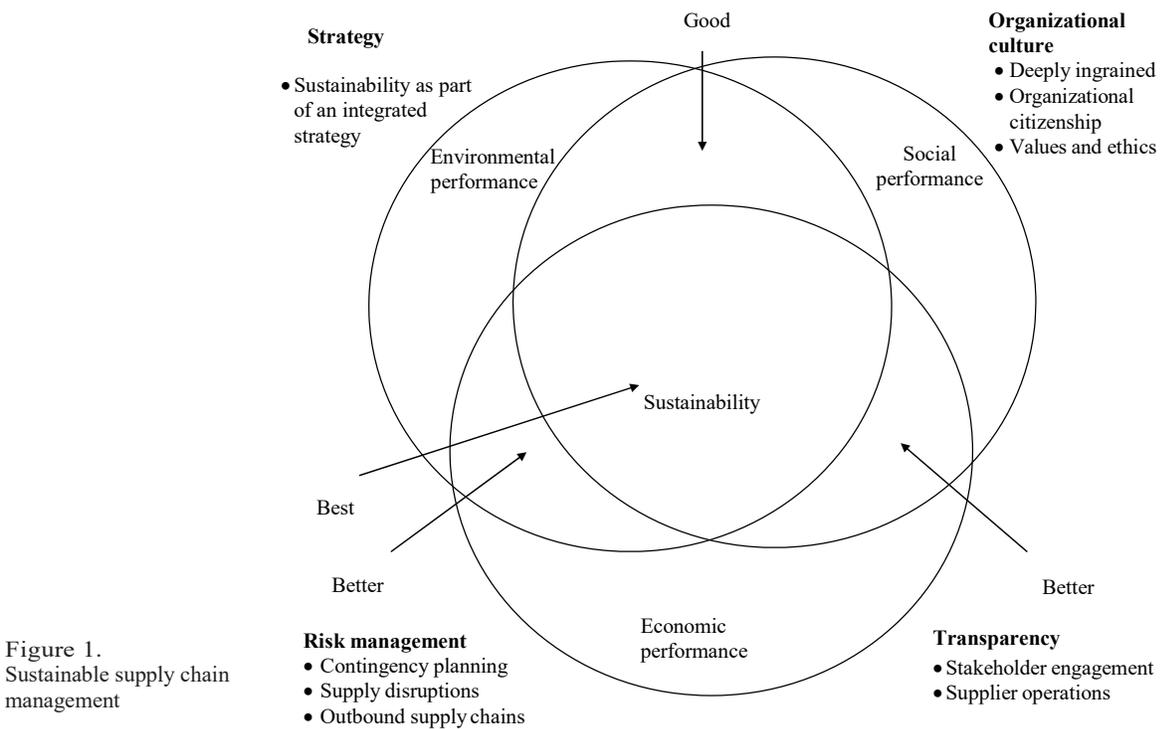


Figure 1.
Sustainable supply chain management

One concept mentioned in several literature studies was Elkington's (1998) triple bottom line which is the intersection of environmental, social, and economic performance in terms of sustainability as it is applied to the supply chain (Figure 1).

This is a potentially powerful means of conveying what sustainability means for an organization. Rather than suggesting that firms identify and engage in social and

environmental activities which will hopefully help, or at least not harm, economic performance, the triple bottom line explicitly directs managers to identify those activities which improve economic performance and dictate the avoidance of social and environmental activities which fall outside of this intersection (Carter & Easton, 2011, p. 48).

The only study identified in this research that would not be considered a win-win is regarding tobacco production and the social responsibility efforts discussed within the identified firms' supply chain. Although the review appeared to cast a shadow on the attempts to create socially responsible supply chains, in truth, as mentioned previously, the firms used their supply chains to legitimize their portrayals of tobacco farming as socially and environmentally friendly, rather than take meaningful steps to eliminate child labor and reduce deforestation in developing countries. Additionally, rather than using independent evaluators to document their progress, the tobacco companies used self-evaluation methods and public relations firms to create an impression of social responsibility (Otanez & Glantz, 2011). Had their supply chains truly incorporated socially responsible purchasing, this would have most likely led to a win-win scenario as well.

It seems appropriate to examine the international supply chain of the largest retailer in the world, Wal-Mart, and the extent and challenges of their social responsibility efforts. Formed in the 1990's, Wal-Mart's Global Factory Certification Program was renamed the Ethical Standards Program in 2005 and was one of the largest, most extensive efforts by a multinational firm to enforce ethical conduct throughout its supply chain (Arnold, Beauchamp, & Bowie, 2013, p. 589).

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In July 2006, Wal-Mart's Global Procurement Organization President and Chief Executive Officer announced that 13,600 factory audits had been performed in 2005 and that the program collaborated with, provided training to, and assisted suppliers in their ethical standard compliance (Arnold et al., 2013, p. 589).

However, in that same year, Wal-Mart faced an onslaught of negative press regarding their international socially responsible supply chains. First, in a 2006 article entitled "Secrets, Lies, and Sweatshops: How Chinese Suppliers Hide the Truth from U.S. Companies", Business Week reported that a Chinese supplier had falsified reports and inspections in violation of local laws and Wal-Mart's standards (Arnold et al., 2013, p. 589). In addition, a class-action lawsuit was filed on behalf of Wal-Mart employees from multiple countries that accused Wal-Mart of allowing employees to be paid less than minimum wage, no overtime pay, poor working conditions, and abusive managers (Arnold et al., 2013, p. 590).

Although the incidents mentioned resulted in Wal-Mart attempting to increase their oversight and audits of overseas suppliers, there is little doubt that these types of occurrences and violations will never go away completely. Does this example disprove the theory that socially responsible purchasing is always a win-win? On the contrary, since the suppliers in the Wal-Mart scenario, for reasons of their own which are most likely financially-based and arguably shortsighted, are not playing by the "socially responsible rules". So, in truth, we will not know if the Wal-Mart corporation would be as successful until they do play by the rules. What we do know is that in all cases identified where socially responsible purchasing has been successfully implemented, it has resulted in a win-win throughout the supply chain.

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