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## SUSTAINABILITY CULTURE IN B CORP ORGANIZATIONS

PAVIEL VASIN

#59711

Work project carried out under the supervision of:

Professor Sai Kalvapalle

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## **Abstract**

This study examines cultural drivers enabling sustainability adoption in B Corp-certified organizations. Through qualitative data from interviews with employees and leaders, five key drivers are identified: Empowerment and Leadership Support, Shared Purpose and Vision, Collaboration and Communication, Curiosity and Innovation, Community and Social Responsibility. The findings highlight the role of supportive leadership, shared purpose, and innovation in embedding sustainability into business practices. Additionally, the research illustrates how B Corp certification facilitates cultural transformation, offering a conceptual framework linking cultural enablers, mechanisms, and sustainability outcomes.

**Keywords:** Organizational Culture, Sustainability, Leadership Support, Cultural Drivers.

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## 1 Introduction

In today's global landscape, with environmental degradation, climate change, and social inequality are increasingly businesses face unseen pressure to integrate sustainable practices into their core operations (Linnenluecke & Griffiths, 2010). Among the organizations addressing these challenges are B Corp-certified companies, which explicitly align profit with purpose by embedding sustainability into their governance and operations no longer confined to a niche consideration (Gupta & Benson, 2011). Companies are increasingly recognizing sustainability as a competitive advantage that can drive innovation, reduce costs, enhance brand reputation, and build stronger relationships with stakeholders, including consumers, employees, and investors (Porter & Kramer, 2006).

**Sustainability** in business refers to the integration of social, environmental, and economic considerations in decision-making processes, ensuring that present needs are met without compromising the ability of future generations to meet theirs (Elkington, 1997). Achieving this balance requires a fundamental shift in how organizations operate, making sustainability not just a program or a set of initiatives, but a guiding principle that affect every aspect of an organization's operations and culture (Epstein & Buhovac, 2014). This recognition caused growing interest in understanding the critical factors that enable businesses to adopt, implement, and maintain sustainable practices over the long term (Lozano, 2015). For organizations like B Corps, this commitment is formalized through certification processes that institutionalize sustainability into their core practices (B Lab, 2024).

The integration of sustainability principles into business practices requires more than just policy changes or technological innovations; it demands a fundamental shift in the way organizations think and operate. This transformation is deeply rooted in the behaviors, values, and shared beliefs that guide decision-making processes within companies (Linnenluecke & Griffiths, 2010). Numerous studies has shown that organizations successfully embedding sustainability into their operations often exhibit certain characteristics. For instance, they tend to prioritize long-term thinking over short-term gains, demonstrating a willingness to invest in sustainable practices even when immediate financial returns are not apparent (Slawinski & Bansal, 2015). These companies also typically foster innovation and adaptability, recognizing that addressing complex sustainability challenges requires creative solutions and the ability to evolve business models (Nidumolu, Prahalad, & Rangaswami, 2009). For B Corps, opposed to traditional organization, such characteristics are central to meeting the standards required for certification, making them an ideal context to study how cultural factors drive sustainability.

The implementation of sustainability practices in organizations is linked to a deeper, more pervasive aspect of organizational life: the company's culture (Scrapelini, Valero-Gil, Moneva, & Andraeus, 2020).

**Organizational culture** refers to the collection of shared beliefs, values, practices, and norms that shape how members of an organization interact and work together, defining the organization's internal environment and influencing behavior, decision-making, and communication (Schein, 2004). A culture that fosters sustainability embeds principles such as environmental stewardship, social responsibility, and ethical governance into the organization's DNA. This alignment ensures that these values are reflected in day-to-day operations, long-term strategy, and corporate governance. Research indicates that organizations with a strong sustainability culture are better positioned to implement sustainable practices effectively, as their cultural values support proactive decision-making and innovation (Linnenluecke & Griffiths, 2010). Recent studies have further illuminated the critical role of organizational culture in embedding sustainability within companies. For instance, one study developed a model of sustainability organizational culture, emphasizing that such a culture is essential for ensuring corporate sustainability (Kantabutra, 2021). Additionally, research by Ahmad Tipu systematically reviewed organizational change for sustainability, highlighting the importance of aligning organizational culture with environmental, social, and financial goals (Tipu, 2022). These findings underscore that a culture oriented towards sustainability not only supports the implementation of sustainable practices but also enhances organizational resilience and long-term success. Conversely, a misaligned culture may stifle sustainability efforts, creating barriers that hinder the transition to more responsible business practices. When an organization's culture does not prioritize sustainability, employees may lack motivation to engage in sustainable initiatives, leading to ineffective implementation and a failure to achieve desired outcomes (Galpin, Whittington, & Bell, 2015).

To reinforce and benchmark their values, many companies seek external validation through established certification systems. One prominent certification that provides such validation is the B Corp certification, awarded by the non-profit organization B Lab. While the certification primarily assesses a company's social and environmental performance through the B Impact Assessment (BIA), it also incorporates elements related to internal practices, such as employee engagement, governance, and accountability, which are closely tied to organizational culture.

Companies that achieve B Corp certification are recognized not only for their commitment to sustainability but also for their efforts to balance profit with purpose, making them ideal subjects for exploring how sustainability can be effectively embedded into organizational

culture. Unlike traditional companies, which may pursue sustainability goals voluntarily and at varying levels, B Corps must meet rigorous standards of governance, accountability, and performance, embedding sustainability into every aspect of their operations (B Lab, 2024). This structured and externally validated commitment differentiates B Corps from other organizations by requiring them to systematically and continuously balance profit with purpose. “B Corps treat profit as a means to achieve positive societal ends, they regard the B Corp model as a tool for change, the B Corp model provides a common collective identity for internal and external validation, they are focused on societal impact rather than maximizing profits and they attempt to legitimate this form of sustainable entrepreneurship by influencing the business community and government officials” (Stubbs, 2017). Furthermore, research has shown that B Corps actively contribute to sustainability goals. For example, an article titled *Unpacking B Corps’ Impact on Sustainable Development* empirically demonstrates that B Corps emphasize sustainable development categories such as considering future generations and enhancing human development. (Tabares, Morales, Calvo, & Moreno, 2021). This underscores their commitment to balancing economic performance with long-term societal and environmental well-being.

This thesis investigates the intricate relationship between organizational culture and the successful adoption of sustainable business practices, with a particular focus on B Corp-certified organizations. Through a detailed examination of the cultural characteristics that enable these companies to prioritize sustainability, this research aims to identify the specific elements that foster a culture of sustainability and the ways in which these elements can be nurtured in other organizational contexts. In recent years, organizational culture and sustainability have been widely studied as independent topics, with each field offering valuable insights. However, there remains a gap in understanding how organizational culture specifically enables the effective adoption of sustainable practices within B Corps. This thesis seeks to address this gap by examining the cultural characteristics that support sustainability initiatives in B Corp-certified companies. The findings aim to enrich organizational theory and provide practical insights for embedding sustainable values and practices across different business contexts.

## **2 Literature Review**

### **Organizational Culture Theories and Frameworks**

Organizational culture has been a focal point of extensive research within management studies, with several frameworks emerging to explain how culture shapes organizational behavior. One of the most influential models is Edgar Schein's (2004) three-level model of organizational culture, which breaks down culture into three distinct layers:

- **Artifacts:** Visible organizational structures, processes, and symbols.
- **Espoused Values:** The stated values, strategies, and philosophies that guide decision-making.
- **Basic Underlying Assumptions:** Unconscious, deeply embedded beliefs and perceptions that form the foundation of an organization's culture.

Schein's model provides a comprehensive framework for understanding how these layers interact to influence behavior and decision-making within companies. This is particularly relevant in the context of sustainability, where achieving long-term change requires addressing the deeper, underlying assumptions that shape organizational actions. Without this deeper cultural shift, sustainability efforts may remain superficial and short-lived (Schein, 2004). While Schein's model provides a robust framework for understanding the layers of organizational culture, critics argue that its hierarchical nature may overlook how external pressures (e.g., certification processes) interact with internal culture to create more hybrid cultural forms (Wall, 2014). This critique is particularly relevant for B Corps, which balance multiple cultural priorities, such as purpose-driven approach and financial accountability.

Another significant contribution to organizational culture theory is the **Competing Values Framework (CVF)**, developed by Cameron and Quinn (1999), which categorizes organizational cultures into four types: **Clan**, **Adhocracy**, **Market**, and **Hierarchy**. This framework helps in assessing an organization's dominant cultural characteristics and provides insight into how different cultures can affect organizational flexibility, innovation, and adaptability. For example, companies with an **Adhocracy** culture, which values innovation and adaptability, may find it easier to implement sustainability initiatives compared to those with a **Market-oriented** or **Hierarchical** culture, where financial performance and control tend to dominate (Cameron & Quinn, 1999).

These frameworks are particularly relevant in the context of B Corps, where sustainability-oriented cultural elements, such as shared values and adaptability, play a critical role in meeting the standards set by the B Impact Assessment.

## **Sustainability in Business: Concepts and Practices**

Sustainability has transitioned from a peripheral concern to a central strategic imperative for businesses, driven by both ethical responsibility and the recognition that sustainable practices can provide long-term competitive advantages. The concept of the **Triple Bottom Line (TBL)**, introduced by John Elkington, emphasizes that businesses should focus not only on financial performance but also on social and environmental impacts. This approach reflects the broader understanding that profitability must be balanced with responsibility toward society and the environment (Elkington, 1997).

In practice, sustainability encompasses a range of business activities, including:

- Environmental management, such as resource efficiency and waste reduction.
- Ethical supply chain management, ensuring responsible sourcing and fair labor practices.
- Employee well-being initiatives, including diversity and inclusion efforts.
- Community engagement and corporate social responsibility (CSR) activities.
- Transparent reporting and accountability, guided by frameworks like the Global Reporting Initiative (GRI) and the United Nations Sustainable Development Goals (SDGs).

These frameworks offer businesses practical guidelines for aligning their operations with sustainable practices while also providing benchmarks for evaluating and improving their sustainability performance.

For B Corps, the principles of the Triple Bottom Line are operationalized through the rigorous B Impact Assessment, which ensures companies balance financial performance with their social and environmental impact. This alignment makes B Corps a valuable model for examining how sustainability concepts are translated into actionable business practices.

### **The Relationship Between Organizational Culture and Sustainability Adoption**

A growing body of research highlights the strong link between organizational culture and the successful adoption of sustainable practices. Linnenluecke & Griffith (2010) argue that organizational culture is a key determinant of a company's ability to adapt to sustainability challenges. They suggest that organizations with cultures emphasizing **flexibility, innovation, and long-term orientation** are better positioned to integrate sustainability into their operations. These cultural traits enable companies to respond more effectively to external pressures and continuously adapt their strategies to incorporate sustainability.

Building on this, Bertels & Papania (2010) conducted a comprehensive review of how sustainability can be embedded in organizational culture. They identified four key categories of practices that contribute to this process:

- **Fostering commitment** to sustainability.
- **Clarifying expectations** around sustainability goals.
- **Building momentum** for change.
- **Instilling capacity** for ongoing cultural evolution.

In the context of sustainability, Schein's model has been instrumental in analyzing how cultural elements impact the adoption and implementation of sustainable practices. A study applying Schein's model to sustainability strategies found that organizations with visionary approaches integrated sustainability across all three cultural levels. However, in less integrated strategies, sustainability remained superficial, confined to values and artifacts without embedding into basic assumptions (Baumgartner, 2009).

### **Multi-Domain and Multi-Level View of Culture's Effects**

A more nuanced understanding of how culture influences sustainability is provided by Miska, Szöcs, & Schiffinger (2018), who argue for a **multi-domain** and **multi-level** approach to studying the effects of culture on sustainability. Their research emphasizes the importance of considering cultural influences at various levels—**national, industry, and organizational**—and how these intersect to shape sustainability practices. This multi-layered perspective suggests that the interplay between different cultural levels can significantly affect how sustainability is adopted and implemented within organizations.

The multi-level framework underscores the importance of not isolating organizational culture but instead viewing it as part of a larger system that influences and is influenced by external cultural factors, a perspective that aligns with this research's focus on cultural drivers of sustainability in B Corps.

### **Hierarchical Framework for Assessing Corporate Culture in Sustainability Performance**

To further structure the relationship between corporate culture and sustainability, Islam, Tseng, & Karia (2019) proposed a **hierarchical framework** for assessing the impact of corporate culture on sustainability performance. They argue that various cultural elements—such as leadership, employee behavior, and organizational processes - are interdependent, and understanding these relationships is key to enhancing sustainability performance. Their

framework provides a structured way to evaluate and improve the role of corporate culture in driving sustainability, offering a valuable tool for organizations seeking to better integrate sustainability into their operations.

### **Embedding Sustainability in Organizational Culture**

The integration of sustainability into organizational culture has been identified as a critical enabler for long-term sustainable development. In their systematic review, *Embedding Sustainability in Organizational Culture: A Systematic Review of the Body of Knowledge*, the authors emphasize that embedding sustainability requires deliberate efforts across multiple dimensions, including leadership, employee engagement, and structural alignment. The study identifies practices such as fostering commitment, clarifying expectations, and building momentum for change as essential for aligning sustainability objectives with an organization's cultural fabric. This research underscores that without deeply embedding sustainability into an organization's core values and underlying assumptions, efforts risk remaining superficial or symbolic (Bertels & Papania, 2010). These insights provide a theoretical foundation for exploring how B Corps operationalize their sustainability commitments by leveraging their certification process to drive cultural transformation.

### **B Corp Certification: Requirements and Significance**

**B Corp certification** has emerged as a leading standard for assessing and recognizing companies' commitment to sustainability and social responsibility. To achieve certification, companies must meet rigorous standards in social and environmental performance, make a legal commitment to **stakeholder accountability**, and demonstrate **transparency** in their operations (B Lab, 2024). The certification process involves:

- Completing the **B Impact Assessment**.
- Meeting the legal requirements for stakeholder consideration.
- Undergoing a thorough **verification process**.
- Maintaining transparency through public disclosure of performance.

The significance of B Corp certification lies in its comprehensive approach to assessing a company's overall impact, far beyond the scope of single-issue certifications (B Lab, 2024). It also serves as a continuous improvement tool, as certified companies are required to recertify every three years, ensuring ongoing commitment to sustainability.

### **B Corps and Sustainable Development**

The relationship between sustainability and B Corps is explored in the study by Tabares, Morales, Calvo, and Moreno (2021), titled *Unpacking B Corps' Impact on Sustainable Development: An Analysis from Structuration Theory*. The authors investigate how B Corps contribute to sustainable development by engaging with societal and environmental goals through structuration theory. The study identifies mechanisms such as communicative discourses, symbolic schemas, adherence to norms, and the use of authoritative resources as pathways through which B Corps embed sustainability into their operations. It highlights how B Corps address issues such as intergenerational equity, human development, and socio-political engagement, demonstrating their role as agents of systemic change (Tabares, Morales, Calvo, & Moreno, 2021). While the study does not focus explicitly on organizational culture, it underscores the importance of aligning organizational practices with broader sustainability objectives, providing valuable insights into the structural and operational mechanisms that drive B Corps' impact.

### **Gaps in the Literature and Research Opportunities**

While extensive research has explored the relationship between organizational culture and sustainability, significant gaps remain in understanding how sustainability culture drives the successful adoption, integration, and maintenance of sustainability practices within B Corp-certified organizations. Studies such as those by Linnenluecke and Griffiths (2010) and Bertels and Papania (2010) have highlighted general cultural traits, including flexibility, innovation, and long-term thinking, as facilitators of sustainability. However, these studies do not dive into how these traits are operationalized in the unique context of B Corps, where certification through the B Impact Assessment requires organizations to align their internal cultures with rigorous social and environmental performance standards.

Moreover, frameworks like Schein's cultural model (2004) and the Competing Values Framework provide valuable insights into how culture shapes behavior and decision-making but have not been empirically applied in the context of organizations explicitly balancing profit and purpose. There is limited understanding of how the certification process itself influences cultural transformation or how specific cultural traits are sustained over time to meet certification standards and maintain long-term sustainability commitments.

This study addresses these gaps by investigating the cultural mechanisms that enable B Corps to embed sustainability into their operations while maintaining alignment with certification standards over time. By examining the intersection of sustainability culture, organizational behavior, and external validation frameworks, this research offers theoretical advancements in

understanding sustainability culture and practical insights for organizations striving to adopt and maintain sustainability-oriented cultural models.

### **3 Methods**

This study employs a qualitative, exploratory research design to examine the cultural drivers influencing the adoption of sustainability practices within B Corp-certified organizations. A multiple-case-study approach was selected, as it provides a robust method for analyzing real-life, complex phenomena and allows for the comparison of patterns across different organizational contexts. Multiple case studies enable the replication and extension of theoretical insights, enhancing the validity and generalizability of the findings. Qualitative approach is particularly suited to capturing the dynamic and context-specific nature of organizational culture, making it ideal for studies aiming to uncover rich, detailed insights into sustainability practices (Reissner & Whittle, 2022).

The study was conducted with 14 B Corp-certified organizations, with a primary focus on companies operating in Portugal, Australia and New Zealand - diverse business landscape, spanning multiple industries and company sizes, offers an opportunity to explore how context-specific factors influence sustainability practices. The inclusion of companies with active B Corp certification ensures that participants align with the study's focus on sustainability practices. Table 1 of Appendix D provides an overview of the B Corp-certified companies that participated in the study, including details on their size and industry.

A purposive sampling strategy was used to identify organizations and participants that could provide rich, contextually relevant data. This approach ensured the inclusion of companies and individuals that exemplify the research's focus on sustainability culture. Sampling criteria included:

- **B Corp Certification:** Only companies with active certification were included.
- **Industry Diversity:** Organizations from various industries were selected to capture diverse cultural approaches to sustainability.
- **Organizational Size:** Both small and medium-sized enterprises were included.

A list of interview participants, including their roles and organizational affiliations, is provided in Table 2 of Appendix D. Some participants did not give consent for their names to be published, therefore, they have been anonymized to ensure confidentiality and adhere to ethical research practices

Semi-structured interviews were the primary method of data collection. As noted by Reissner and Whittle (2022), semi-structured interviews are the most widely used qualitative method in management studies due to their adaptability to diverse research objectives and philosophical paradigms. Additionally, semi-structured interviews are particularly effective in organizational studies because they capture subjective perspectives and provide a rich understanding of social interactions within cultural settings.

The process included creating Interview Guide: Questions were developed based on themes identified during literature review, covering topics such as organizational values, leadership practices, and sustainability challenges. Full Interview Guide can be found in Appendix A of this thesis.

Thematic analysis was employed to analyze the data, ensuring systematic identification, organization, and interpretation of themes within the dataset.

## **4 Findings**

This section presents and interprets the findings from the research, integrating empirical evidence with relevant theoretical insights. The study identified two cultural drivers as critical enablers of sustainability within B Corp-certified organizations: Empowerment and Leadership Support and Shared Purpose and Vision, which were crucial to create shift to Sustainability culture within B Corps and three action mechanisms: Collaboration and Communication Culture, Curiosity and Innovation Culture, and Community and Social Responsibility Culture, which were necessary for sustaining this culture in a long term. These drivers illustrate how sustainability is embedded into the organizational culture of B Corps, supported by mechanisms that ensure its resilience and impact.

The Conceptual Framework presented in Appendix C integrates the key cultural drivers identified in the study and offers a model for understanding how organizational culture shapes sustainability outcomes in B Corps. This framework synthesizes the findings of the study, showing how core enablers of culture influence action mechanisms, which ultimately result in sustainability adoption and resilience. The framework visually represents the interconnectedness of these cultural drivers and provides a systematic view of how sustainability practices are embedded and sustained in B Corps.

A detailed thematic map with specific interviews quotes relevant to the research findings is provided in Appendix B.

### **Cultural drivers of sustainability within B Corp-certified organizations**

## Empowerment and Leadership Support

Empowerment and Leadership Support was identified as a crucial enabler, with leaders providing both strategic direction and empowering employees to take ownership of sustainability initiatives. Employees emphasized the importance of autonomy, trust, and the active involvement of leaders in modeling sustainable practices.

### Key Findings:

- **Autonomy and Ownership:** In B Corps, employees are trusted to take ownership of their responsibilities, enabling them to make decisions and innovate independently. Autonomy fosters a sense of accountability, as employees are empowered to contribute to sustainability without micromanagement.
- **Leadership as Role Models:** Leaders in B Corps actively model sustainable behavior, setting an example for employees to follow. Their actions reinforce the organization’s commitment to sustainability and ensure alignment between corporate values and daily operations.
- **Trust and Support:** Supportive leadership fosters an environment of psychological safety, where employees feel encouraged to experiment, propose new ideas, and take calculated risks. This trust enhances both employee morale and the organization’s adaptability.

The following table summarizes the evidence for this driver:

Table 1. Sustainability Culture Driver: Empowerment and Leadership Support.

Second-order code	First-order code	Representative Quotes
Empowerment and Leadership Support	Autonomy and Ownership	Nobody tells me how to do it; just tell me what you want and let me do it my way. (PS, Resilience Institute) We have this entrepreneurial mindset to do what has to be done for the company in an autonomous way (R8, Wright Communications) I work on my own. I'm responsible for my workload, my time scheduling, and the tools I use to make it work. (CW, Boody) We encourage everyone to take the lead on solving problems without waiting for instructions (BW, Vanity Group)
	Leadership as Role Models	The CEO’s belief in saving the world drives us. He co-created B Lab Switzerland, embedding sustainability deeply. (PS, Resilience Institute) If leadership is not convinced and willing, nothing will happen. (AS, Code for All)

		They work the talk and lead by example, always supporting employees in sustainability efforts. (BW, Vanity Group) Leadership ensures that sustainability isn't just a speech—it's in every decision they make. (R12, Aesop)
	Trust and Support	Leadership never asks [anything] without providing support, tools, or [their] time for us. (CE, Enveng Group) I know I can pitch something new, and even if it's not perfect, they'll help me refine it and make it work. (PS, Resilience Institute) They listen to employees' concerns and adjust strategies to ensure alignment. (R9, Scafit)

The study highlights importance of empowerment and leadership in fostering a sustainability-oriented culture within B Corps. Employees reported a high degree of autonomy, with trust and accountability playing important role in their ability to take ownership of sustainability initiatives. This autonomy is reflected in how employees are empowered to act independently while aligning with organizational goals. This sense of ownership allows employees to innovate and contribute meaningfully without the constraints of micromanagement. The trust and support also create the atmosphere of psychological safety which is becoming crucial for innovation culture that will be covered later in this section.

Leaders in B Corps act as role models, demonstrating alignment between their personal values and organizational sustainability objectives. For instance, one respondent noted, “The CEO’s belief in saving the world drives us. He co-created B Lab Switzerland, embedding sustainability deeply.” (PS, Resilience Institute). This example underscores how leaders’ actions establish sustainability as a core organizational value, reinforcing alignment at all levels. Such leadership practices are consistent with Schein’s (2004) framework, which identifies leadership as a primary vehicle for embedding cultural values. Moreover, the supportive nature of leadership in B Corps fosters psychological safety, enabling employees to experiment and take calculated risks. The findings also echo Linnenluecke & Griffiths (2010) emphasis on the importance of leadership in shaping sustainability-oriented thinking and extending it to the operational level.

While leadership as a cultural driver is well-established in the literature, this study contributes a perspective by showcasing how distributed autonomy plays a critical role in operationalizing sustainability. B Corps do not rely solely on top-down directives but instead empower employees to lead initiatives, a finding that aligns with Slowinski & Bansal (2015) observation that flexibility in decision-making is key to sustainability.

## **Shared Purpose and Vision**

A unifying organizational purpose, centered on sustainability, plays as another enabler of such culture. This shared vision motivates employees to align their efforts with long-term sustainability goals, fostering cohesion and collective accountability across the organization.

### **Key Findings:**

- **Purpose-Driven Mission:** Respondents emphasize that sustainability is not an add-on but is deeply embedded in the organization's mission. This alignment between purpose and operations motivates employees and provides an unwritten guide for decision-making.
- **Long-Term Thinking:** Sustainability requires a long-term perspective, and B Corps prioritize strategies that balance immediate needs with future goals. This focus on longevity ensures that actions are purposeful and aligned with the organization's mission.

Table 2. Sustainability Culture Driver: Shared Purpose and Vision.

Second-order code	First-order code	Representative Quotes
Shared Purpose and Vision	Purpose-Driven Mission	B Corp certification wasn't a target; it aligned naturally with our purpose of creating social and economic growth. (CW, Boody) Our mission is tied to improving people's lives and building the tech ecosystem in Portugal. (AS, Code for All) We never drove off our mission because it's what keeps us motivated even in tough times. (TF, Kin) For us, it's not just about profit. We're here to make a difference, and that's why I joined this company. (BW, Vanity Group)
	Long-Term Thinking	Our long-term vision helps us maintain sustainability and avoid repeating short-term mistakes. (R13, Danone Iberia) We think ahead instead of focusing on what worked a year ago; that's how we grow sustainably. (SC, Four Drunk Parrot) Long-term goals keep us aligned with our purpose and the broader impact we want to create. (R11, Unilever ANZ) We'll invest in something now, even if it doesn't pay off for years, because it aligns with our vision. (AS, Code for All)

Respondents frequently referenced the alignment between their organization's mission and sustainability goals. This alignment motivates employees, fosters commitment, and ensures that sustainability objectives are prioritized even during challenging times.

The integration of sustainability into mission statements aligns with the Triple Bottom Line framework (Elkington, 1997), which emphasizes the importance of balancing social, environmental, and financial performance. Moreover, the emphasis on purpose-driven operations echoes Lozano's (2015) assertion that sustainability must be woven into the fabric of organizational identity to achieve lasting impact. This study reinforces these ideas while providing empirical evidence of how purpose-driven missions manifest specifically in the context of certified organizations, such as B Corps.

### **Collaboration and Communication Culture**

Cross-departmental collaboration and open communication were frequently cited as mechanisms that enable sustainable innovation and decision-making. Participants highlighted how transparent communication builds trust and ensured alignment among employees, stakeholders, and leadership. Collaboration and communication are deeply integrated in B Corp

cultures, fostering alignment across teams and stakeholders. The collaborative culture in B Corps encourages teams to work beyond their departmental boundaries, leveraging diverse perspectives to solve complex problems.

Table 3. Sustainability Culture Mechanism: Collaboration and Communication Culture. Interview evidence

Second-order code	First-order code	Representative Quotes
Collaboration and Communication Culture	Collaboration and Communication	Marketing often collaborates with IT on projects outside their scope, sharing perspectives to achieve shared goals (R14, Davines Group) Collaboration ensures we address challenges collectively, not confined to job descriptions. (TF, Kin) Nobody works in a solo, which makes solving big issues easier. (SC, Yellow Edge) We're structured to work cross-functionally to maximize efficiency. (TF, Kin)

Collaboration is a cornerstone of B Corp culture, with teams actively interact with other teams beyond job description to address sustainability challenges collectively. Respondents described a culture of cross-departmental problem-solving, where diverse perspectives are leveraged to achieve shared goals (R14, Davines Group). This approach fosters innovation and ensures that sustainability initiatives are implemented effectively across the organization.

These findings align with Cameron & Quinn (1999) Competing Values Framework, which positions collaborative, clan-oriented cultures as ideal for addressing complex challenges like sustainability. By embedding collaboration and proactive communication into their cultural DNA, B Corps create an environment where alignment and accountability thrive.

### Curiosity and Innovation Culture

Many participants described a culture of curiosity and a willingness to experiment as critical for addressing complex sustainability challenges. Encouraging employees to question existing practices and innovate was seen as a driver of developing sustainability initiatives.

#### Key Findings:

- **Encouragement of Innovation:** Innovation is actively encouraged in B Corps, where employees feel empowered to propose creative solutions and experiment without fear of failure. The key ingredient for this culture is a psychological safety which play crucial role in building sustainability culture. By creating an environment where

employees feel safe to fail, B Corps enable rapid adaptation and refinement of sustainability practices.

- **Learning and Adaptability:** Learning is institutionalized in B Corps, with a focus on refining strategies through trial and error. Employees are encouraged to learn from mistakes and adapt quickly to changing circumstances.

Table 4. Sustainability Culture Mechanism: Curiosity and Innovation Culture.

Second-order code	First-order code	Representative Quotes
Curiosity and Innovation Culture	Encouragement of Innovation	We encourage everyone to identify problems and suggest solutions, especially around sustainability challenges. (R9, Scafit) Innovation often happens informally. Someone built a tool that became core to consultants' work. (PS, Resilience Institute) We host brainstorming workshops to ensure innovation is part of our cultural DNA. (AS, Code for All) Continuous improvement drives us; we're always innovating within roles to improve systems. (R12, Aesop)
	Long-Term Thinking	Learning is institutionalized; employees can fail but must learn and innovate in the process. (R11, Unilever ANZ) We integrate lessons from previous mistakes into our sustainability strategies. (TF, Kin) Continuous learning is built into our culture. We take training and development seriously (CW, Boody)

A culture of curiosity and innovation drives continuous improvement in B Corps, enabling them to adapt to evolving sustainability challenges. This openness to innovation is supported by institutionalized learning processes that normalize failure as part of growth.

These findings align with Nidumolu, Prahalad, & Rangaswami's (2009) insight that innovation is a critical pathway to sustainability and vice versa. What sets B Corps apart is the deliberate embedding of innovation into their operational culture, linking it directly to sustainability goals. This cultural shift enables B Corps to not only react to sustainability challenges but also to proactively drive systemic change by creating scalable, innovative solution.

### **Community and Social Responsibility Culture**

External engagement and a strong sense of social responsibility were commonly mentioned. B Corps emphasize building strong partnerships and embedding social responsibility into their operations, aligning corporate success with broader societal impact.

Key Findings:

- **Building External Partnerships:** Partnerships with local communities and organizations allow B Corps to expand their impact and share resources effectively.
- **Embedding Social Responsibility:** Social responsibility is deeply embedded in B Corp cultures, aligning organizational success with community and environmental well-being.

Table 5. Sustainability Culture Driver: Community and Social Responsibility Culture.

Second-order code	First-order code	Representative Quotes
Community and Social Responsibility Culture.	Building External Partnerships	We collaborate with universities and community partners to create [products with] long-lasting value. (R13, Danone Iberia) Workshops and networking events showcase our work and foster partnerships. (PS, Resilience Institute) Partnerships give us access to ideas and resources we wouldn't have on our own. (R8, Wright Communications) We host joint initiatives with local communities to increase awareness of sustainability. (R12, Aesop)
	Embedding Social Responsibility	We've tied our business milestones to B1G1 initiatives, making donations for every new client referral. (TF, Kin) We actively engage in local environmental projects to promote sustainability (R9, Scafit) Social responsibility is a key driver in how we approach corporate partnerships. (CE, Enveng Group)

The findings reveal that B Corps prioritize community engagement and social responsibility, aligning their corporate goals with broader societal needs. External partnerships, such as collaborations with universities and community organizations, act as important attribute of their culture that leads to growing sustainability. These partnerships not only amplify the organization's impact but provide access to resources and ideas that might not be available internally (R8, Wright Communications).

Social responsibility initiatives further reinforce this cultural trait. Respondents described how their organizations tied success metrics to community outcomes (TF, Kin). This integration of corporate success and social impact underscores the deep alignment between B Corp culture and sustainability goals.

This finding aligns with study that apply Structuration Theory to show how B Corps act as agents of systemic change in sustainable development (Tabares, Morales, Calvo, & Moreno, 2021). Through signification (shared narratives and symbolic schemas), legitimation (norms and accountability), and domination (leveraging alliances and resources), B Corps reshape societal structures. By promoting sustainable mindsets, behaviors, and socio-political engagement, they align internal practices with broader community and environmental needs.

### **Barriers and Facilitators of Change**

Although B Corps are widely regarded as leaders in integrating sustainability into their operations (B Lab, 2024), the findings reveal that they face significant challenges in sustaining these efforts. This part of finding section explores the barriers and facilitator identified in the study to provide additional layer of B Corps context into the study. Due to the sensitive nature of this section some respondents requested to not quote them and anonymize their names while talking about challenges their company manages, therefore all findings in this section has been generalized.

#### **Barriers**

The research highlights three key barriers that affect sustainability efforts within B Corps:

- **Resource Constraints:** Limited financial and human resources were frequently cited as obstacles to implementing sustainability initiatives. Respondents noted that time pressures and competing priorities often diverted focus from long-term sustainability goals to immediate operational needs.
- **Competing Priorities:** Balancing profitability with sustainability objectives remains a challenge, especially during periods of high demand or economic uncertainty.
- **Implementation Delays:** Respondents described delays in sustainability projects caused by insufficient funding or logistical difficulties.

These barriers reflect the tension between the aspirations of B Corps to lead on sustainability and the practical constraints of operating in competitive markets.

#### **Facilitators**

Despite these challenges, key factor was identified as critical enablers that help B Corps overcome obstacles to sustainability adoption:

**B Corp Certification as a Framework:** B Corp certification was described as both a catalyst for change and a validating mechanism. Organizations that had already embedded sustainability in

their practices used certification to formalize and standardize these efforts. For others, the certification process acted as a transformative moment, compelling leadership to reorient priorities and align organizational goals with sustainability.

This finding showcases the dual purpose of certifications, such as B Corps:

- **Formal Framework for Operational Alignment:** Certification requires companies to embed sustainability into their policies, processes, and metrics, ensuring these practices are institutionalized. This formalization helps organizations move beyond ad hoc sustainability efforts, making these initiatives measurable and actionable.
- **Symbolic Tool for Organizational Identity:** Certification strengthens the organization's identity, providing a sense of purpose and uniting employees around shared goals. It also enhances external credibility, signaling to stakeholders that the company is committed to balancing profit and purpose.

While this study provides valuable insights into the cultural drivers enabling sustainability adoption in B Corp-certified organizations, several limitations should be acknowledged. These limitations may affect the interpretation of the findings and suggest avenues for future research.

#### 1. Sample Size and Regional Scope

The research focused on 14 B Corp-certified organizations located in Portugal, Spain, Australia and New Zealand. Although this selection allowed for a diverse exploration of industries and organizational sizes, the relatively small sample size limits the generalizability of the findings. Future studies could expand the sample to include B Corps in other regions or global contexts, capturing broader cultural and regulatory influences on sustainability practices.

#### 2. Qualitative Approach

The study employs a qualitative, exploratory design, which is well-suited for capturing in-depth insights into organizational culture. However, this approach inherently lacks the statistical rigor needed to establish causal relationships. Quantitative methods could complement these findings by testing the conceptual framework across a larger sample.

#### 3. Interview Bias

Data collection relied on semi-structured interviews, which may introduce bias due to social desirability. Participants may have provided responses that align with idealized sustainability goals rather than actual practices. Triangulating interview data with observational studies or company performance metrics could offer a more objective perspective in future research.

#### 4. Focus on B Corp Certification

The study's emphasis on B Corps provides a valuable lens for exploring sustainability culture. However, it excludes organizations without certification, which may also demonstrate effective sustainability practices. Future research could compare certified and non-certified companies to identify transferable cultural drivers that do not rely on formal certification.

This study demonstrates how B Corps embed sustainability into their culture through two key enablers: Empowerment and Leadership Support, Shared Purpose and Vision and three action mechanisms: Collaboration and Communication Culture, Curiosity and Innovation Culture, and Community and Social Responsibility Culture. These factors ensure sustainability is deeply integrated into organizational values, decision-making, and practices, rather than being a peripheral goal.

While B Corps face challenges like resource constraints and competing priorities, facilitator such as B Corp certification itself enable them to partly mitigate these barriers. Certification plays a dual role as both a formal framework for alignment and a symbolic tool to reinforce sustainability commitments.

By aligning cultural values with external frameworks, B Corps position themselves as sustainability leaders, offering actionable lessons for organizations striving to embed sustainability into their operations effectively.

### **5 Conclusion**

This thesis explored the cultural drivers that enable sustainability adoption within B Corp-certified organizations, addressing a critical gap in understanding how organizational culture shapes and sustains sustainability practices. Through an in-depth analysis of employee and leadership behaviors, shared values, operational mechanisms, and external frameworks like B Corp certification, the study identified key enablers and action mechanisms. These findings illuminate the interplay between foundational cultural elements, operational mechanisms, and outcomes, providing a robust conceptual framework for embedding sustainability into organizational practice.

The study makes both theoretical and practical contributions. Theoretically, it bridges existing gaps by demonstrating how external frameworks like B Corp certification interact with internal cultural mechanisms to drive sustainability. While frameworks such as Schein's (2004) organizational culture model and the Elkington's (1997) Triple Bottom Line emphasize internal cultural alignment, this research expands the discussion to include the impact of external

validation processes. The findings also add to sustainability literature by offering a conceptual framework that links cultural drivers to sustainability outcomes, particularly within the structured and purpose-driven context of B Corps.

For practitioners, the research highlights directions for building actionable strategies for cultivating sustainability-oriented cultures.

From a practical standpoint, the findings underscore the importance of cultural alignment in achieving sustainability. Organizations, particularly those interested in embedding sustainability into their core operations, must consider the following:

- The alignment of empowerment and leadership support as key enablers of sustainability practices.
- The significance of shared purpose and vision, ensuring that sustainability is not treated as a separate objective but integrated into the organization's overall mission.
- The role of collaboration and proactive communication in fostering stakeholder trust and engagement, both internally and externally.
- The necessity of fostering a culture of curiosity and innovation, where trial and error are embraced as part of continuous improvement.

These findings suggest that the most effective organizations in driving sustainability are those that weave sustainability deeply into their cultural fabric, creating an environment where it can thrive over the long term.

This thesis demonstrates that sustainability is not just a set of operational practices, but a deeply cultural process rooted in empowerment, shared purpose, collaboration, innovation, and community engagement. B Corps exemplify how organizations can align their culture with sustainability objectives, overcoming barriers through leadership, employee-driven initiatives, and external frameworks like certification. As global challenges such as climate change and social inequality intensify, the lessons from B Corps offer a valuable blueprint for building organizations that are not only economically viable but also socially responsible and environmentally sustainable.

Ultimately, this study underscores the transformative potential of organizational culture in fostering sustainability. It calls on leaders, employees, and stakeholders to view sustainability not as a standalone objective but as a foundational element of organizational identity—essential for driving meaningful, long-term change.

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## Appendixes

### Appendix A: Semi-Structured Interview Guide

#### 1. Warm-Up Questions

Can you tell me about your current role and your responsibilities related to sustainability initiatives within your organization?

How long have you been involved with sustainability practices in your company?

Could you provide a brief overview of your organization, including its size, industry, and main sustainability goals?

#### 2. Organizational Culture

Purpose: Understand the core cultural values and norms that influence sustainability practices.

Can you describe the core values that define your organization's culture?

How would you characterize the overall work environment in your company?

#### Culture and Sustainability

In what ways does your organizational culture support or hinder sustainability initiatives?

Are there specific cultural attributes (e.g., innovation, hierarchy) that particularly impact sustainability efforts?

#### 3. Leadership and Vision

Purpose: Explore the role of leadership in promoting and guiding sustainability practices.

How do organizational leaders communicate the importance of sustainability to employees?

Can you provide examples of how leadership has influenced sustainability practices in your company?

What role does leadership play in setting sustainability goals and ensuring their achievement?

How involved are leaders in the day-to-day implementation of sustainability initiatives?

#### 4. Employee Engagement and Involvement

Purpose: Assess how employees are involved and motivated to participate in sustainability efforts.

How are employees encouraged to participate in sustainability initiatives?

What mechanisms are in place to gather employee feedback on sustainability practices?

Can you share instances where employee engagement has significantly impacted sustainability outcomes?

How does the organization recognize and reward employee contributions to sustainability?

#### 5. Adoption and Implementation of Sustainability Practices

Purpose: Understand the process and motivations behind adopting sustainable practices.

What motivated your organization to adopt sustainability practices?

Were there specific events or pressures that triggered this shift?

### Implementation Process

Can you walk me through the process of how a sustainability initiative is developed and implemented?

What challenges did your organization face during the adoption of sustainable practices, and how were they overcome?

### 6. Challenges and Barriers

Purpose: Identify obstacles that impede the adoption and implementation of sustainability practices.

What are the main challenges your organization encounters in implementing sustainability initiatives?

How does your organization address resistance to change regarding sustainability efforts?

Are there external factors (e.g., market pressures, regulatory requirements) that impact your sustainability practices?

How does your organization navigate these external challenges?

### 7. Success Factors and Best Practices

Purpose: Highlight the elements that contribute to successful sustainability integration.

What do you consider the key factors that have led to successful sustainability initiatives in your organization?

How important are elements like leadership support, employee engagement, and resource allocation in achieving success?

Can you share any best practices that have been particularly effective in promoting sustainability?

How does your organization share and replicate successful sustainability practices across different departments or teams?

### 8. Impact and Outcomes

Purpose: Assess the tangible and intangible outcomes of sustainability practices on the organization.

How have sustainability initiatives impacted your organization's performance and reputation?

What measurable outcomes have resulted from your sustainability practices?

### Informing Future Strategies

How does your organization use the results of sustainability efforts to inform future strategies?

Can you provide examples of how past sustainability outcomes have shaped new initiatives?

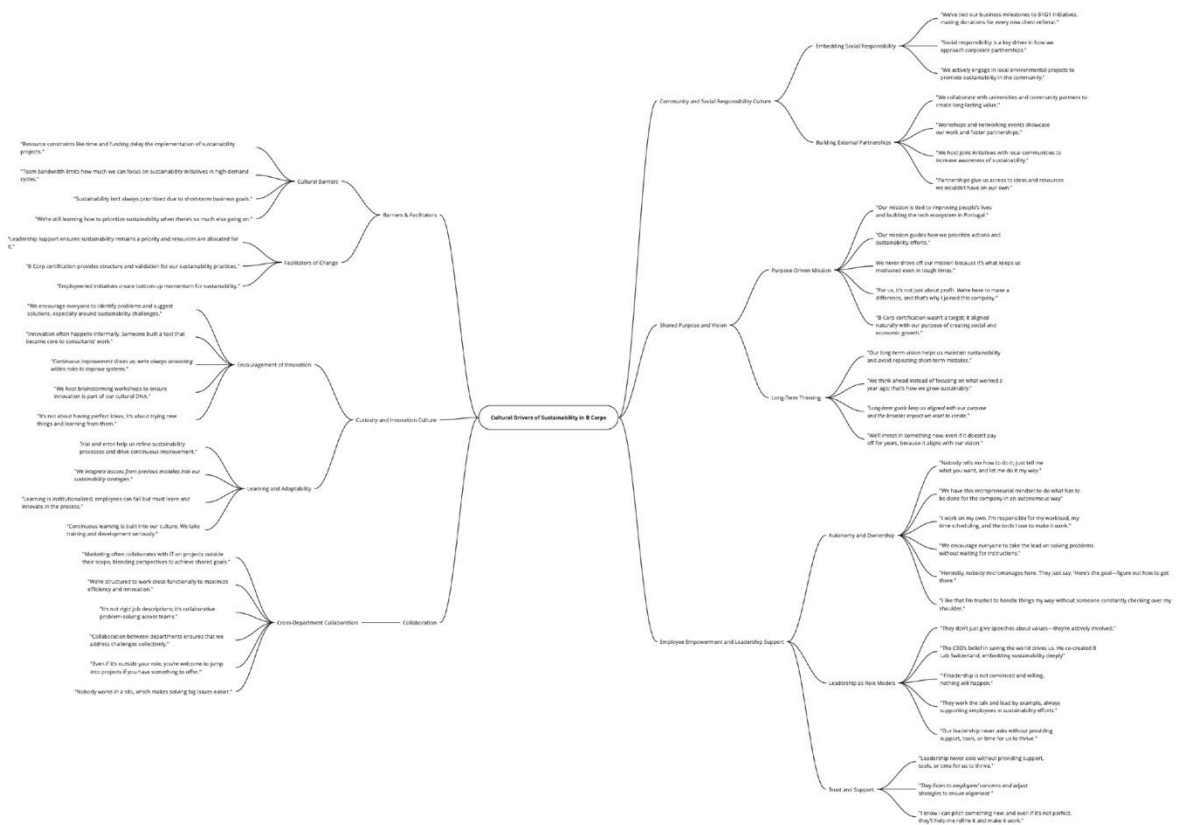
## 9. Closing Questions

Purpose: Provide participants with an opportunity to add any additional insights and to conclude the interview respectfully.

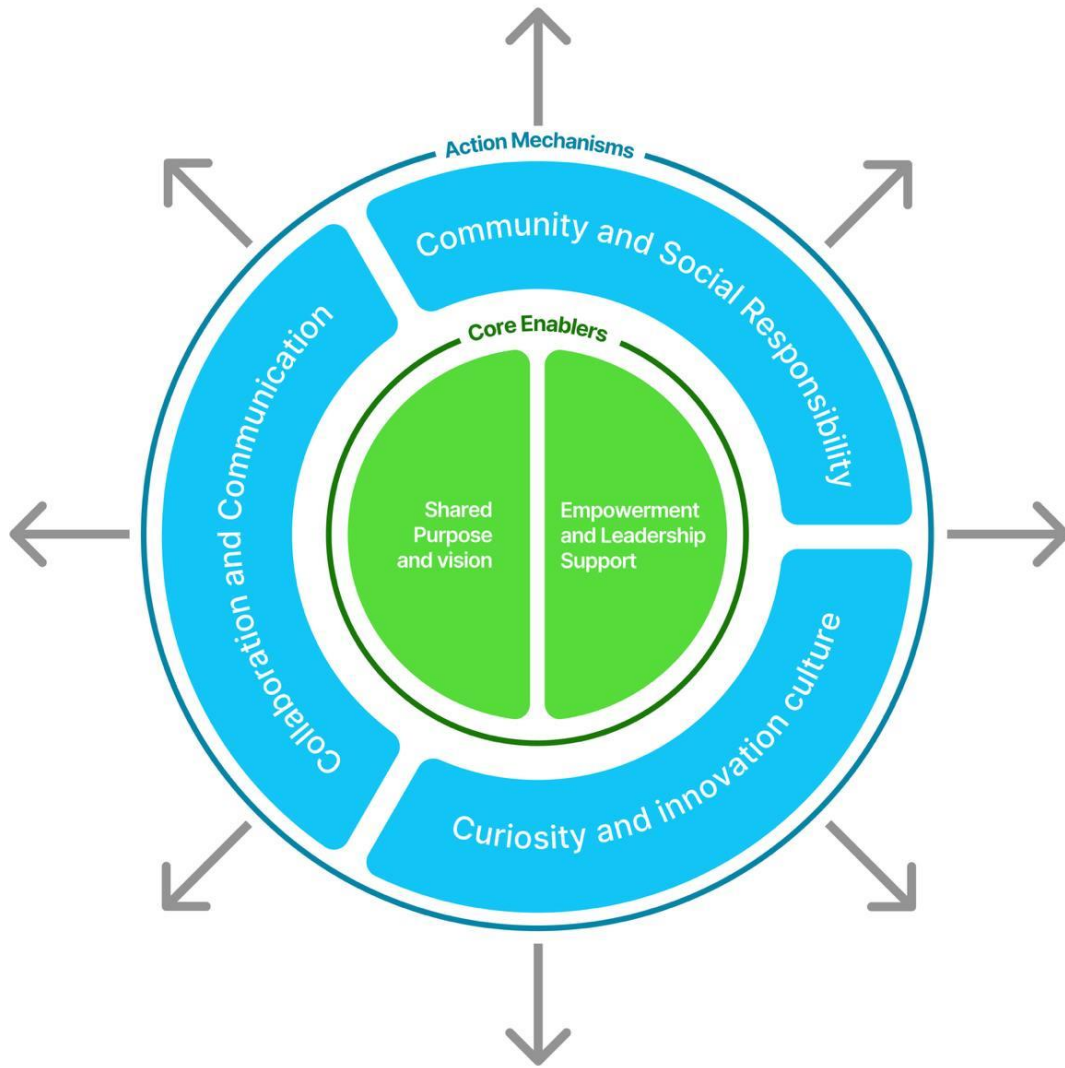
Do you have any additional comments or insights about organizational culture and sustainability that we haven't covered?

Is there anything else you'd like to add regarding your experience with sustainability practices in your organization?

# Appendix B: Thematic Map of conducted interviews



**Appendix C: Sustainability adoption and resilience framework**



## Appendix D

Table 1. B Corps participated in the interview process

Company	Industry	Size, Number of employees	Country
Code For All	Education & Training	11-50	Portugal
Resilience Institute	Business Consulting	11-50	Portugal
Boody	Apparel	11-50	Australia
Vanity Group	Personal Care	51-200	Australia
Enveng Group	Business Consulting	11-50	Australia
Four Drunk Parrots	Advertising	2-10	Australia
Kin	Employment placement & HR	11-50	New Zealand
Wright Communications	Public Relations	2-10	New Zealand
Scafit	Construction	51-200	New Zealand
Yellow Edge	Education & Training	11-50	Australia
Unilever ANZ	FMCG	1001-5000	Australia, New Zealand
Aesop	Personal Care	1001-5000	Australia
Danone Iberia	FMCG	201-1000	Spain, Portugal
Davines Group	Personal Care	201-1000	Italy

Table 2. People participated in the interview process

Name	Role/Function	Company
Alice Sousa	Incentives & Sustainability Analyst	Code For All
Pauline Soares	Marketing Manager	Resilience Institute
Claire Wilson	HR Manager	Boody
Ben Webb	People & Culture Manager	Vanity Group
Connor Ellis	General Manager	Enveng Group
Sonja Ceri	Founder	Four Drunk Parrots
Tracey Fletcher	Head of Operation	Kin
Respondent 8	HR	Wright Communications
Respondent 9	Operations	Scafit
Sonia Ciancio	Project Manager	Yellow Edge
Respondent 11	HR	Unilever ANZ
Respondent 12	HR	Aesop
Respondent 13	HR	Danone Iberia
Respondent 14	Marketing	Davines Group