Sustainability Strategy Formation
Pause and Make Sense to Get Forward

Fredrik Ledin and Mikael Nordvall
Fredrik Ledin

*MSc. Management, Graduate School, School of Business, Economics & Law, Gothenburg*

Mikael Nordvall

*MSc. Management, Graduate School, School of Business, Economics & Law, Gothenburg*

**Abstract**

One of the main questions within strategy research is how strategies form. Previous research has though been shaped by top management and internal biases, largely neglecting the role of lower level and external practitioners in strategy formation. Furthermore, there is a gap regarding how sustainability strategies form. We seek to fill these gaps based on a study of strategy formation at a Swedish garment retailer. In addition to highlighting the centrality of lower level and external practitioners, we argue that theories of sensemaking can enrich the strategy-as-practice literature and provide a useful framework for understanding the connections between practitioners. We show how daily, collective and strategic level sensemaking (based on different praxis and practices) shape strategy formation. Finally, we argue that pauses to collect and sift the activities are central for strategic level sensemaking and that it is when sensemaking occurs on a strategic level that it becomes a strategy.

**Keywords**

Strategy, strategy-as-practice, sustainability, sensemaking, emergent, pause.
Introduction
One of the main questions within strategy research is how strategies form. Jarzabkowski and Spee (2009), for example, stress the importance of understanding the micro-processes and details of strategy formation and Whittington (2006) discuss how practitioners, practices and praxis shape strategy formation. This strategy-as-practice research tradition stems from a critique against traditional strategy research, which is argued to pay limited attention to the doing of strategy and the details of strategy formation. Strategy-as-practice has two shortcomings that have consequences when studying the strategy formation. First, it suffers from a top management bias, limiting focus to the role of higher level managers in strategy formation (e.g. Jarzabkowski, 2005; Jarzabkowski and Spee, 2009; Johnson et al., 2003). Second, it is too focused on the internal practitioners and thereby neglects the potential role of external practitioners.

We seek to fill these gaps by studying the role of different types of practitioners in strategy formation. We do this based on a study of the Swedish garment retailer Nudie Jeans Co and their attempt to integrate sustainability issues into their strategy. As Rosén (2011) has shown, there is a need to develop a greater understanding for the details in strategy development in connection to sustainability issues and to leverage strategy-as-practice research when doing so. To study how strategies with a sustainability orientation take form are of further importance since, for example, Paulraj (2009) states that the society’s interest and commitment to sustainability issues has increased, and companies experience a growing pressure to take responsibility for their actions and to change their business strategies. The consumption as such has been criticized and the western world is being told to consume less as discussed by Kjellberg (2008), or that we need to balance the consumption (Csikszentmihalyi, 2000). By studying the formation of sustainability strategies, this thesis thus seek to contribute to the sustainability literature in addition to the strategy-as-practice literature.

To overcome the identified shortcomings in strategy-as-practice research, we argue that Weick’s sensemaking and jazz theories (see Weick, 1998; Weick et al, 2005), with elements from strategy-as-process theory (see Mintzberg, 1978; Mintzberg and Waters, 1985), can be used to gain further insights and knowledge regarding the strategy formation. These theories are used to illuminate further practitioners, their influence, and the connection between them.

This thesis now continues with a presentation of the theoretical framework. We then continue with describing our methodology followed by our empirical data. The empirical data is divided into five different areas of interest in connection to sustainability and recycling. These five are the eco-cycle, repair and second hand, denim maniacs, post recycle dry, and post recycle rugs. Subsequently follows a discussion, conclusion as well as suggestions for future research.

Theoretical Framework
Strategy-as-Practice
One focus within the strategy research field is the view on strategy as a practice, which is a view that has gained increasing interest the last years (Jarzabkowski, 2005; Johnson et al. 2003; Whittington, 2006). This study has adopted the view on strategy as a practice and focuses on strategy as something that happens in practice, as something that people do and often without even thinking about it themselves. Jarzabkowski (2005: p.7) defines strategy as “a situated, socially accomplished activity constructed through the actions and interactions of multiple actors” is used. In addition, strategy is viewed as an ongoing process of the past, the present and the future. A process that is continuously ongoing without an end, which also means that it is never finished (Jarzabkowski, 2005; Rosén, 2011; Tsoukas and Chia, 2002). This implies that what one thinks of the future can impact the current activities at the same time as it is possible that the history has impact on the thoughts regarding the future. Further, Porter (1996) states that successful or unsuccessful differentiation stems from all the organization’s activities; which activities they choose and how they choose to perform them. Differentiation activities could both be other activities than those that the competitors are doing, and doing the same thing as the competitors but doing them better. Thus, the interpretation is that all activities are important but all are not used, defined as, or a part in strategy.

Strategy-as-practice research takes an interesting in the doing of strategy and has emerged as a reaction to the traditional view on strategy formation. Traditionally strategy has often been viewed as a single concept and it is less common to study how flows of activities affect one another (Jarzabkowski, 2005). Also, the traditional strategy research often neglects the micro-activities and the importance of these for both organizations and the people within them (Johnson et al, 2003). Strategy-as-practice has acknowledged these shortcomings and instead focuses on the micro-activities. Jarzabkowski and Spee (2009) state that strategy-as-practice research aims at understanding the micro-processes within the doing of strategy. Hence, the focus is on who is doing it, what they are doing, how they are doing it, and what tools they are using. Whittington (2006) refers to these three parts as practitioners, praxis, and practices. These three are studied as interdependent, which is contrasting to the traditional strategy research, which studies these independently.

Practitioners can be seen as the actors of strategy, the ones that both execute the activity as well as perform the practices (Whittington, 2006), i.e. the ones who directly and indirectly are involved in the strategy making (Jarzabkowski and Whittington, 2008). Through whom the practitioners are; their actions, and what practices they make use of they shape the strategic activities (Jarzabkowski et al. 2007). Praxis regards what the actors actually are doing in practice and are defined as activities in the daily work that both managers and others carry out (Johnson et al. 2003; Rosén, 2011). These activities are defined by the organization’s culture and the norms and traditions within it. Every organization has its own way of behaving, understanding things, and operation methods (Reckwitz, 2002: Whittington, 2006). Practices are the tools that are used when doing strategy and consists of, for example, conversations, meetings, budget systems, PowerPoint presentations, flip charts, and spread cheats (Jarzabkowski, 2005: Jarzabkowski and Whittington, 2008b). Hence, the interpretation is that praxis and practices are difficult to separate since practices are used to perform praxis and e.g.
a meeting could therefore be interpreted as both. This might be confusing and there is a need to clarify these two concepts. The definition used in this study is that practices are the tools and praxis concerns the doing; a meeting is a tool, but to hold a meeting is praxis since it is something the practitioners do.

Whittington (2006) states that the three concepts has effects on its own, but are at the same time also interconnected and proposes a framework with a figure for linking together the three concepts. Figure 1 is a description over how a strategy develops over time and includes practitioners, praxis and practices from inside as well as influences from outside the organization. It consists of an upper level with the set of practices marked with 1-4, where the fourth practice comes from outside the organization. The lower level are the practitioners where A, B, and C are within the organization and D might be e.g. a consultant. Practitioners are most often top managers, but could also be everyone else within the organization. Further, the i, ii, iii etc are sequences of praxis that may be both informal and formal meetings.

The strategy-as-practice theory has however a few shortcomings. First, as pointed out in previous studies (see e.g. Jarzabkowski, 2005; Jarzabkowski and Spee, 2009; Johnson et al., 2003) there is a top management bias, which means that other practitioners and their importance and possible influence tends to be diminished or ignored. There is also a second shortcoming in connection to the practitioners since there is a high focus on the internal practitioners. This bias implies that external practitioners and their possible influence might thereby also be diminished or ignored. In order to overcome these shortcomings there is a need for additional theories and in this thesis Weick’s (1998; 2005) theories of sensemaking and strategy as jazz will be used.
**Sensemaking and Emergent Strategies**

Weick (1998) compares strategy to the improvisation that is found in jazz and that the musician does not have any written notes or any predetermined plan for the sound. What is just played gives a sense of direction, but it is not possible to tell how it will end. The jazz is a metaphor to describe what happens in organizations and Weick (1998) states that managerial activities often become synonymous with improvisation. Strategy as jazz is thereby somewhat emergent in that sense that there is neither a plan nor an expressed strategy, which is also in line with Mintzberg’s (1978) argumentation. However, Weick (1998) also draws a parallel to sensemaking while describing the strategy as jazz theory. The fact that musicians shape the continuance depending on what is just played adds a retrospective sensemaking to it. Hence, sensemaking is simply described as; “Sensemaking involves the ongoing retrospective development of plausible images that rationalize what people are doing.” (Weick et al., 2005: p. 409). This implies that sensemaking is about explaining past and present events and giving them meaning. In order to do this, people have to ask “what’s the story here?” (Weick et al. 2005: p. 410). By asking this question they will create an event into existence. This will put a label on the activity and make it categorizable. If not the question is asked, there is no event since no one talks nor is able to talk about it. “How can I know what I think until I see what I say” (Weick et al. 2005: p. 412).

Previous studies that has used Weick’s (1998) theories has found different levels or stages of sensemaking (see e.g. Goia and Chittipeddi, 1991; Drazin, Glynn and Kazanjian, 1999), but none of these has made the connection between the levels of sensemaking and strategy-as-practice. Further, Goia and Chittipeddi (1991) found four different stages of sensemaking in connection to strategy, but their study has the problem with top management bias since it is focused on a CEO. However, in order to fully understand and use Weick’s (1998) sensemaking and jazz theories, Mintzberg’s (1978) theory regarding emergent and deliberate are considered needed in order to use the jazz as something more than just emergent activities. This is found to be the case since Mintzberg and Waters (1985) state that most strategies are neither perfectly deliberate nor perfectly emergent, but a combination of both.

Hence, sensemaking is used to illuminate other practitioners since it puts a label on activities. These activities must have been made sense of before they reach top management; otherwise they would not have been created into existence according to Weick et al.’s (2005) definition. The interpretation is that the emergent and jazz activities widens the perspective and includes all the activities that are going on within the organization, not just the activities that top management are involved in. Many of the activities that top management make sense of most likely stem from other practitioners.

**Methodology**

In this study, we aim at filling the top-management and external practitioner gaps in strategy-as-practice research and describe the micro-processes and the details in order to gain understanding about how strategies form. By this we refer to the processes that takes place in an organization, and practitioners that are involved in these processes and how they influence
the formation of strategies. As mentioned in the introduction, we studied Nudie Jeans Co (Nudie), which is a Swedish small/medium-sized company. We used interviews as main method in order to collect the empirical data and in total 21 interviews were conducted by us in collaboration with our tutor and his PhD student. The duration of the interviews varied from 40 minutes for the shortest up to three hours for the longest. The initial interviews were of an unstructured character where we began with a relatively wide predetermined area of interest, and then questions emerged depending on the interviewees’ responses and stories. This is a common way to conduct interviews in qualitative research since it is the interviewees’ thoughts and standpoints that are of interest (Bryman and Bell, 2007). This enabled a flexible interview, almost conversation like, and made it possible to follow up on the issues that the interviewee brought up. The interviews developed during the research process and the area of interest became narrower, which led to more structured interviews. More structured interviews allowed a more specific topic and was useful in order to get the details needed to fully understand the unfolding of events and the involved practitioners. All interviews were taped and notes were taken during the interviews in order to be able to follow up on certain issues and not interrupt the interviewee while s/he was talking. The interviews were transcribed word by word.

We began by interviewing the CSR manager and then used snowball sampling in order to find further actors at the company that seemed interesting to talk to. This led to interviews with the product development manager, the financial manager, the CEO, the founders, the retail manager, the customer service, one art director, a project leader at the sales department, a consultant that works with the jackets and shirts, the manager for the website and their social media accounts, as well as with the employees in one of the stores.

Two observations at the store at Vallgatan in Gothenburg were made in order to find nuances that are difficult to find through interviews only, and to further expand the understanding. The observations were done through adapting a role referred to as observer-as-participant (Gold, 1958). The observations were written down in the form of short field notes and mental notes during the hours in the store and complemented at the end of visit and observation. Further, pictures taken by us at the store and Nudie’s official pictures, slogans, videos that are presented on their website, and pictures from social media such as their Instagram and Facebook profiles were also used as data since it is a way for Nudie to express themselves. Bramming et al. (2012) state that visual data presents more and a different kind of data compared to what an interview does and it makes the empirical data “visually available”. We used this type of data since we believe, in accordance to Buchanan (2001), that it adds a means to understand the processes and reveals data that were not disclosed in interviews.

Internal documents such as PowerPoint presentations were also used in order to collect background information, facilitate the description of the company, and also in order to see how they communicate sustainability within the company and which actors that were engaged in these activities. Our choice of method is in line with previous studies that has studied strategy formation, which has used both single case studies as well as multi-case studies when studying the micro-processes. Mintzberg and McHugh (1985) also used a historical
reconstruction when they conducted their study, even though theirs reached much longer back in time. Interviews are most often used as main method to collect empirical data and these are also transcribed word by word (Regnér, 2003; Sharp and Zaidman, 2009) and observations and internal documents were used as complement.

We began the analysis during the transcribing process since it created thoughts that were found interesting and useful for a later stage. Subsequently we continued by discussing what we found interesting with each project and the connection to strategy formation. The transcribed material was divided into different categories in order to facilitate the analysis. We based the categorization on Nudie’s different projects i.e. Eco-cycle, Denim Maniacs, Post Recycle Dry, Post Recycle Rugs, Repair & Second Hand, and Repair kit. We chose to use these projects as categories in our empirical section and analyse them in the discussion since it is found to be the most convenient way to describe and in order to understand the strategy formation process in this case.

Implications that might occur by using interviews to collect empirical material could be that the interviewees gives a distorted story since we were talking about projects that took place some time ago. The interviewees might not remember all details and might perhaps even leave some things out. This was something that we experienced during our research. Many of the respondents gave for example differing answers of what year certain events and decisions took place and who was involved. We handled this implication by asking several interviewees at different occasions and asked those involved in each activity to get to a full description of each process. An example was an issue we had regarding when the stores opened since those interviewed gave differing answers. This was solved by asking detailed questions to the retail manager and we also used Nudie’s own magazine in which Nudie’s timeline is presented. A problem with the use of observations and the chosen type of observation technique could be that situations might be difficult to understand since we as researchers were not totally involved in the situation, and the time spent on observations was relatively brief. This opens up for misunderstandings from the researchers’ as well as the interviewees’ perspective (Gold, 1958). These implications might add to the subjectivity in a qualitative research method (Kvale and Brinkmann, 2009). However, the implications also point at the strong sides of a qualitative method. The positive sides are e.g. that the researchers are entering the interviewees’ world and the subjectivity might actually add to an understanding about it.

**Empirical Data**

**Nudie’s Strategy Formation**

Nudie is a garment retail company based in Gothenburg, Sweden. It was founded in 2001 and is owned by the two founders (hereby referred to as founder 1 and founder 2 if used separately) and the current CEO. The annual turnover was 334 million SEK and the profit was close to 46 million SEK in 2011. The current amount of employees is 35 at the head office and a total of 50 with the personnel in the Swedish stores. Nudie sells around 1 million jeans per year, which is approximately 80% of their sales. The remaining sales come from t-shirts, jackets and various accessories. Nudie’s products can be found almost all over the
world and their largest markets are Japan, Australia, USA, The United Kingdom, Germany, Norway, and Sweden. The company has four types of sales channels; multibrand stores such as Solo, shopcorner, which is a larger space at e.g. NK, and repair shops, which is the name of their own stores. Their stores are divided into fully owned ones in Gothenburg, Stockholm, and London, outlet stores in Gothenburg and Stockholm, as well as franchise stores that could be found in various countries e.g. Japan.

Nudie means naked and the brand name were created through a game of scrabble. The nude part relates to how the jeans should feel when using them; they should feel and behave like a second skin. The CEO states that there are two materials that get better the longer they are being used; leather and denim. Both the CEO and one of the founders believe that jeans get more beautiful the more one uses them, and that jeans also show who you are, what you do, and what you bring in your pockets since this creates marks on the them; a characteristic and personal footprint. Nudie wants their customers to use their dry jeans (dark blue, non washed) every day for about six months before the first wash in order for the jeans to gain a worn look that reflects the user’s personality. Nudie also wants their customers to continue using their jeans when they have gained the marks and the footprints, and repair them if there is a whole in them and not throw them away. Actually, Nudie wants their customers to use the jeans every day until they have reached a point where one cannot use them every day, and this is when Nudie believes that the jeans are finished and becomes the jeans that one wears at special occasions. “We have always had this that it is not actually our new jeans we want to show off, but jeans that people has loved and worn for a long time” (Sales and Marketing employee 1, 20130205). This way of viewing the jeans stems from the founders interest in vintage and second-hand, and founder 2 states that one of founder 1’s initial ideas was to have a vintage look on their clothes. Their way of viewing the jeans as well as founder 1’s work with changing the jeans’ fit, and as she told it thereby revolutionize the jeans market, is according to founder 2 their way of differentiating Nudie from its competitors. A second factor that is believed to have helped Nudie to gain a competitive advantage is their way of thinking and treating their suppliers. They want to work with few suppliers and treat them with respect since it enhances their understanding and knowledge about each other. This implies that the suppliers get a better picture of Nudie, who they are, what they want, and where their interest lies. Thirdly, founder 2 believes that their way of working with 100% organic cotton also have helped them to gain a market advantage.

Repair - Reuse - Recycle: Connecting the Activities

Nudie has summarized and visualized some of their activities in what could be interpreted as a model of their strategy (see Figure 3). This model is referred to as the “Eco-Cycle” and starts with a pair of dry jeans - break in. The second step is repair and refers to the repairing that they offer, both in their stores and their repair kits. Reuse is closely related to repair and refers to that one reuses the jeans after they are repaired, it also refers to the second hand business. The last step in the eco-cycle is recycle and refers back to the Denim Maniacs and Post-Recycle-Dry projects. These parts and projects are further described below.
The Eco-Cycle was drawn by founder 1 in June 2011, the day before one of their kick-offs, when founder 2 had asked her to design a type of infographics to have in their stores that said more than just “We love our jeans”. At this occasion, the founders took a pause to look and reflect upon the organization and its activities in order to find out what the infographics should contain. Several suggestions were presented and founder 2 refused them all since he found them too inadequate, which led to intense discussions. “Personally I feel, I am very, very... I am very, very against all these intensifiers and adjectives in marketing. It is too many, awesome, cool, nice, fair, I find all these quite bad. Fundamentally, I am much more; show not tell” (Founder 2, 20130305). Founder 2 liked the idea of infographics that were decorticated and he wanted to describe a service for what it is and not a feeling; “I like the idea of drug packaging. I want our products to be like a drug package. Basically, to peel off the makeup” (Founder 2, 20130305). After long discussions, founder 1 grabbed a pen and drew a circle on a whiteboard containing the text break in, repair, reuse, recycle, and the Eco-Cycle was created. The Eco-Cycle is now widely used and can be seen on e.g. their website, on their jeans, and on the cover of Nudie’s own magazine. Founder 2 wants to develop it further and make it into a trademark or a clearer logotype since he views it as a kind of message deliverer of who they are and what they do. However, they have unfortunately been inconsistent when using the Eco-Cycle and sometimes they use repair, reuse, reduce instead and founder 2 states that they need to decide how they want it to be before they can realize his plans.

**Repair: Free of Charge to Make Money**

Nudie offers free repairs for their customers’ Nudie jeans in their repair shops and outlet stores in Stockholm and Gothenburg. Officially, the repairs began in spring 2011 in both repair shops at the same time and were presented in connection to their repair - reuse - reduce project. Founder 1 said that the idea that one should repair and reuse stems from her mother who used to repair and extend founder 1’s jeans when she was a child, and these ideas are
something that founder 1 has brought with her ever since. However, without any formal decision or knowing about founder 1’s interest, the Gothenburg Store Manager and a colleague of his started to repair their own jeans in the store in Gothenburg. This evolved and soon they began with repairing some of the employees’ jeans at the Head Office, as well as occasionally repaired jeans for customers who came by the store and asked for it. The reason for helping the customers was that they felt it was “a cool thing to do” (The Gothenburg Store Manager, 20130124) and that Nudie could do it instead of offering the service of taking the jeans to a tailor who charges around 300 SEK. The Gothenburg Store Manager said that he used to lay-up jeans at JC, a Swedish clothes chain, when he used to work in one of their stores. The step from doing it at JC to start doing it at Nudie was quite natural according to him.

Parallel to the repairs in Gothenburg, the same thing started in the store in Stockholm and the processes there was quite similar. The step to make it official and a permanent service was taken when the Sales and Marketing Manager came in contact with Naturskyddsföreningen (Society for Nature Conservation) in 2011, when they arranged a project called “Klädbytardagen” (Clothing-Exchange-Day). Nudie took part in this project and told people that they could bring their old Nudie jeans and get them repaired for free during this day. The free repair service became popular and people continued asking for it even after “Klädbytardagen”, which led to that Nudie made it official and began to offer the repair service permanently. It is however unclear who made the decision to offer the repair service full time, which founder 1 explains could be the case since much at Nudie is ad hoc and everyone owns their own story and thereby might details like this get lost along the way. “We have been very informal here. That is why the organization is perceived as disorderly and such because there are lot of decisions that are made in the hallway or when you're just talking at someone’s office” (Sales and Marketing Manager, 20130214). Founder 2 said that the repair is his main question of interest and is something he has pushed for since he believes that it is a nice thing to do, and that it also brings more customers to the stores. He further believes that this will lead to an increase in sales if customers appreciate the free service and visit the stores more frequently. Now the repairing has become more or less their trademark and they want to expand this to other stores. This is one of the reasons why they are about to change the name on their concept stores into “repair shops” instead.

One can e.g. see in the concept store in Gothenburg that repair has become big; there are two big sewing machines in the middle of the room, just in front of the clerk desk. Behind it there is a big stack of jeans waiting to be repaired. In a given week they receive about 40 pairs of jeans to the Gothenburg store that customers want to get repaired. When opening the new store in London in the spring of 2013 the repairing part will become a big part of the new store and they will display the sewing machines at the best position in the store. The London store is quite small and on two levels, and one of the levels is a basement where they will keep the jeans. There have been some discussions regarding where the sewing machines should be placed and founder 2 was of the opinion that they should have the best spot in the store. However, founder 2 describes the company as controlled by a few people; himself, founder 1, and to some extent the CEO. Thus, even though there have been some discussions,
founder 2 said that if he want them to be called repair shops, then they will call them repair shops.

**Second Hand: Exclusive Showpieces**

After the project “Klädbytardagen”, the Sales and Marketing Manager met founder 2 and brainstormed ideas and it was during this brainstorming that they founded Nudie’s second hand project. This lead to that one Marketing and Sales Support Employee contacted Bra Miljöval (a Swedish label for good environmental choice) in order to investigate the possibilities and certificates needed if they wanted to sell second hand jeans in their stores. Today, they encourage customers to take their old jeans to the store, in return they get a 20% discount when buying a new pair of jeans. The discount came up early in the process since the Sales and Marketing Manager believed that it would be difficult to sell second hand jeans without giving the customers who handed them in something in return. They began with a discount of 30%, but that was found too generous and they soon lowered it to 20%, which as found more reasonable. However, they do not want too many second hand jeans hanging by the second hand area in the store. The Gothenburg Store Manager said that they want to keep the exclusivity; it cannot be any jeans at all. First of all they do not want second hand jeans to be the same as the new pairs they have in the stores. In general most of them are old, worn, and preferably repaired dry jeans. They need to have the right character and if they are viewed as good looking or not often depends on how they looked from the beginning. If there is a big difference in the way they originally looked, that they are worn, those jeans will have a good chance of being sold as a second hand pair. This line of thinking follows Nudie’s perception and opinion of what a nice pair of jeans look like and the second hand jeans might be viewed as showpieces as well. However, the jeans that are not viewed as particularly good looking and thereby not second hand material are either used as repair material to repair the jeans customers drop by the store. A second alternative that they have used occasionally is to give them to Stadsmissionen (an organization that supports people in vulnerable situations), and thirdly they have stored them at their warehouse and in their stores. “I do not believe we knew what to do with them. I guess there were thoughts that some time we could use them in some way. But we did not want to burn them, that would have felt weird.” (Sales and Marketing Manager, 20130214)

**Repair Kit: From Ad Hoc to Structure**

As a third part in Nudie’s repair and reuse business, they also offer a free of charge repair kit. The employees at Customer Service state that one needs to take care of their jeans in the same way as one takes care of shoes or cars. According to them, a repair kit helps with creating the view of jeans as something that needs to be taken care of. Nudie began with the repair kit in 2005 when they released a new fit called Baggy Björn and wanted to give the customers who bought them something extra. The initial thought was only to make a small accessory as a fun giveaway product. The first repair kit had the shape of a snuffbox and the shape was decided before they knew what to fill it with. Founder 1 took the decision to fill it with a sewing needle, thread, sandpaper, and a folder with information regarding the repairing. A repair kit in the shape of a snuffbox was a natural choice since the snuffbox became a kind of a signature for Nudie. One of their early washed jeans was a replica of a pair of worn dry jeans.
with a footprint of a snuffbox on the back pocket. This model became a great success and was sold during several seasons and the snuff box-contrast gained a lot of national and international attention. Even when they ran out of the snuffbox repair kit, people continued contacting Nudie’s Customer Service by telephone and e-mails and asked for it. This led to that they began with sending a jeans patch and some orange thread in an envelope to those who asked for it. This continued for a few years until the employees at the Customer Service realized that they needed a new repair kit. They found it too inconvenient and time consuming to continue and make a type of personal repair kit for each customer who asked for it, but they still felt that it was necessary for the customers to be able to repair their jeans at home. “The second thing is maybe an educational purpose as well. In the repair-kit it is described how to repair them, but the main purpose is probably to remind people, ‘damn it, do not throw the jeans. Use them a little more, it is now that you love them the most. Use them and repair them’” (Customer Service employee 1, 20130215). However, it was not an easy task to make a new repair kit since many other projects interrupted and put the repair kit on hold and the Customer Service employees said that they had to nag and fight for it to happen. The Product Development Manager said that he took the role as responsible for the development of a new kit since no one else did it and he became tired of being asked if he could do it. A new kit was released in 2012 and contained a thimble, a sewing needle, a jeans patch, blue thread, and a repair kit handbook.

Denim Maniaec: Resurrect the Old
The idea regarding the Denim Maniacs project came up in 2006 by founder 1 and the project was managed by a Design Consultant. It was launched as a challenge for design students to use old clothing in order to create and design new garments. The criteria were that they should only use old Nudie jeans, and that they should create garments with an 18th century Carolin inspired look. The garment used in this project was old claims and samples that Nudie had at their warehouse, and each creation consisted of around 10-20 pair of jeans. The end result was 10 creations that were presented in the summer of 2007 and has travelled the world as showpieces at exhibitions. These garments were Nudie’s first recycling project and were not meant to reach the end consumer. One of Nudie’s aims with this project was to make a statement for a sustainable future and visualise their passion for their denim (www.nudiejeans.com). This idea was further developed a short time after that and they created accessories, such as hats that were also used as showpieces. The Product Development Manager said that these were creations that were fascinating to look at and that it was interesting to see what one can do with old jeans, but they were quite impossible to wear and were also not meant to be sold to end consumers.

Post Recycle Dry: Making Recycling Commercial
It took Nudie about one and a half years after the two projects with showpieces had ended before the next idea regarding the reuse and recycling of old denim jeans came up. The Post-Recycle-Dry project began with a meeting between ISKO, Nudie’s jeans fabric supplier in Turkey, founder 1 and two employees from the Product Development Department at a denim fair in Paris in December 2008. It was at this meeting that ISKO presented a fabric made out of a technique that could grind old jeans and use it to produce new fabric. The technique is
not developed specifically for the purpose but more commonly used to grind materials that are to be used as upholstery in car seats. The Product Development Manager said that he believes that ISKO asked if Nudie wanted to do this project since they have a close relationship and a good dialogue regarding what they want. A second reason could, according to the Product Development Manager, also be that Nudie is a good name in the business and that their size is suitable since they are not too big and not too small. “We had done some projects before, but that was mostly for exhibitions. Here we could actually do something that reached the consumers. It took quite some time before we gathered us together to see what we needed to do to get the number of jeans needed to carry out the project. But the idea probably went straight in. Like, this was interesting” (Product Development Manager, 20121101).

Founder 1 felt that the idea and project very interesting since it was connected to their interest in sustainability and recycling and since this was a project that could reach the end consumer. Also, the project did not mean any extra costs since ISKO did the grinding of the old jeans fabric for free if Nudie mentioned them in connection to the project and the end product. Nudie began with collecting jeans consisting of old claims and samples from their storages and stores in Sweden during the late half of 2009 and hired a student to separate all rigid jeans from all stretch jeans, since it was only possible to grind rigid jeans, remove the zipper and all metal parts and cut of the legs. The material was then sent to ISKO who grinded it and made new fabric from it by mixing it with new organic material as well. When the idea was presented at the fair, the idea was that it should be a 50-50 mix between old and new fabric. However, this mix did not reach the quality criteria during the first tests, so they had to lower the amount of recycled fabric in order to make it stronger. The end result was a mix where 22% was recycled material and 78% was new material, which was viewed a setback according to the Product Development Manager. When a strong enough mix was found, the fabric was sent to Italy and their supplier Blue Line where 600 pairs of jeans were manufactured.

A problem that occurred was that the jeans had differing shades of blue because of the differing colours of the recycled material. This meant that the jeans had to be paired with jeans with the most similar colours, however, the sorting of the jeans was the only changes made in the production process. The jeans were delivered to the stores in Sweden, Japan and Australia in December 2011, and in USA in January 2012. Nudie took a slightly higher price since the production costs were slightly higher due to e.g. the transports to Turkey, and also since they found the jeans a bit special. They charged 119 euro for the Post-Recycle-Dry jeans, which is an increase with 20 euro in comparison to their standard dry jeans. However, the increase in price would have been higher if ISKO had not made the grinding for free. Hence, the Product Development Manager states that they probably would not do it again anytime soon because it would be more costly since they then most probably would have to pay extra for grinding the old jeans, and that it actually were not that high percentage of recycled materials in the finished product. A third reason that he mentions is that they also had too few claims, which meant that they could only produce a limited amount of jeans and that this would not be commercially feasible.
The Product Development Manager states that he is not sure whether the stores have sold them all or not, and there were 6 pairs left in the store in Gothenburg when the authors of this thesis visited the store in January 2013. However, even though they still has some pairs left, the Product Development Manager believes that it would not have been a problem to sell the jeans if the project would have been larger. He states that it could probably have contained ten times as many jeans and still turn out well since many people found it interesting. The Post Recycle Dry project gained a lot of attention through the movie called “Post Recycle Dry – The Movie”, which showed the production of the jeans in this project. This movie was spread via social media, YouTube, Nudie’s website, blogs and created a buzz both around Nudie as well as around the possibilities of recycling.

Post Recycle Rugs: From Rags to Rugs
In resemblance with the ideas regarding repair and reuse, the idea of making rugs stems from founder 1’s mother who made a rug out of her old jeans when she was young. Founder 1 liked the idea and has looked for a way to make rugs out of old Nudie jeans and found two options in Sweden where one would have been too expensive, and one did not have the right equipment for it. Due to this, founder 1 looked for other options outside Sweden and talked to their second garment supplier in Turkey, Bossa, at a regular meeting with them. Bossa found a way and gave founder 1 a carpet in Christmas present in 2011 to show how it would look. When founder 1 and the people from the Product Development Department saw the carpet they felt that they could do this with their jeans and create a new post-customer product. The discussions regarding the project were then held between the Product Development Manager, the CEO and the Financial Manager and it did not take long before they decided to go through with it, so they asked Bossa if it was possible for them to manufacture carpets from old Nudie jeans. One of the main reasons why they liked this project was that the rugs are made of recycled jeans, and they are fond of the post consumer idea. As they see it “we make sure the jeans get new life when the life as jeans are over, we give them a rug life instead” (Product Development Manager, 20121101). From a marketing point of view Nudie sees the rug project as very good. This is in line with how they want to be perceived, as a company that cares. It is also in line with recycle, reuse, reduce, which are found in the Eco-Cycle. It is also a good idea from the suppliers view. They came to Nudie with these ideas because they have a close collaboration. The Product Development Manager believes that Bossa had seen the Post Recycle Dry project and their collaboration with ISKO, and that Bossa wanted to do something similar and also be mentioned in connection to Nudie and the rugs.

Bossa offered to manufacture 200 rugs with a size of 1x1.5 metres for free. However, the size of the rug that Bossa suggested was found to be too small and Nudie asked if they could make fewer rugs with a larger size instead. The end result was 120 rugs with the size of 1.5x2 metres. The project began by the end of January and they started to gather the jeans they had in their stores and at their warehouse, which was a total of 6000 jeans and around 85-90 % of the old jeans fabric were used to make the rugs. All the jeans were sent to Italy and Blue Line, where they were cut into small stripes. After they had been cut into small stripes they were sent to Turkey and to a rug weaver that Bossa works with. He began to weave the rugs in November 2012 and they were then sent to selected stores in March 2013. The Product
Development Manager said that the project had some issues e.g. lead times since it takes a lot of time from when the jeans are sent to Italy until the product is finished in Turkey. A second implication was that the CEO, the Product development Manager, the Marketing and Sales Manager and the Financial Manager had some different opinions when it came to margins and what they should sell the rug for.

**Discussion**

**Challenging the Top-Management and Internal Biases in Strategy-as-Practice**

The description of Nudie’s strategy formation clearly shows that the top-management and internal practitioner biases in previous strategy-as-practice studies are problematic. Thus, there is a need to broaden the range of practitioners to include lower level managers, employees and external practitioners to fully understand how strategies form. There are three clear examples of when practitioners other than top managers have had a large impact in the case presented above. First, the repair service stemmed from Nudie’s own stores and the store personnel who began to repair their own jeans, which slowly developed into free repairs to customers. This service and business began without the top managers and owners knowledge and slowly developed and became integrated into their core business. If the top management bias would have been retained in this study as well, the store personnel and their influence in the repair service would have been neglected and top management would likely have been ascribed the idea. This would lead to that the repair service would have seemed to be more deliberate according to Mintzberg’s (1978) definition than it actually is.

Second, the repair kit began as an accessory and the initial idea was not to make it permanent. The fact that the Customer Service continuously received questions regarding repair options led to the informal decision of sending envelopes containing repair items to those who asked for it. It took a few years and pressure from the Customer Service until top management created a new kit. Again, if there only had been a top management focus, the pressure and influence from below would have been overlooked. Third, several of Nudie’s recycling projects were made possible by their suppliers, which are external practitioners. The post recycle dry project was initiated by the supplier ISKO who came with the idea and asked if Nudie was interested. Without ISKO’s initiative this project would not have happened. The post recycle rugs follows a similar pattern except that the initial idea stemmed from one of Nudie’s founders, but it would not have happened at that time without the supplier Bossa enabling it.

While Nudie’s top managers throughout the years had thoughts of and interests in repair and in recycling, the repair, repair kit and several recycling projects would not have existed without the involvement of external as well as lower-level practitioners. By following Mintzberg’s (1978) discussion regarding emergent and deliberate strategies, it is evident that emergent processes are central in the studied case. The origin of the different projects came from various sources and neither of them were particularly thought through from the start nor connected to each other. Also, Nudie seems to follow Weick’s (1998) jazz theory in that there does not seem to exist any predetermined plan and that they create many new things along the
way. Hence, to fully understand the strategy formation process, it is necessary to challenge the top-management and internal biases in previous research.

**Three Levels of Sensemaking in Strategy Formation**

By broadening the perspective of practitioners, different practices and praxis on various levels are revealed. Following Weick’s (1998; 2005) sensemaking theory, and in line with previous studies (Goia and Chittipeddi, 1991; Drazin, Glynn and Kazanjian, 1999), three different levels of sensemaking are identified in this study: daily, collective, and strategic. Daily level sensemaking comprise the daily activities in which other practitioners than top management e.g. the store personnel acts and it is at this level that for example the repair service begins. This service is enabled by the sewing machine, a practice that they already had in the store to cast on jeans. However, the sewing machine has further areas of use and it is difficult to separate practice from praxis since the sewing machine is a tool that is used in praxis, but that on its own is a practice to carry out a part of the daily work. Nevertheless, following the above presented definition of practice and praxis, the sewing machine is a practice and sewing is a praxis. Further practices that are found on the daily level are the stores and the computers and telephones at the Customer Service Department. These are viewed as practices since they are tools that are used in order to have contact with customers. The actual contact and the work that is carried out in the store and at the Customer Service is however praxis, the doing. These are examples of practices and praxis on the daily level and the activities that occurs on this level are only made sense of on a day to day basis. Hence, the sensemaking on this level is restricted and the activities are not developed or made further sense of until they are brought up to a higher level.

The second one is the collective level, the level where top management e.g. Product Development Manager as well as the CEO are found. At this level, the practices are a bit similar to the daily level in that they e.g. have computers and telephones. Practices that are more exclusive to this level are e.g. meetings, budget and their kick-offs. Praxis on this level is e.g. the ad hoc performance, how they perform their meetings; both informal and formal, and that it is at this level that bigger decisions are taken. The repair service is being lifted up to the collective level when Nudie uses for them a new practice, “Kläbdyrtadagen”. They take part in this project and the management are aware of the repair service and decides to offer it during “Kläbdyrtadagen”. Again, external practitioners played an important role since customers continued to ask for free repairs, which led to the decision to make it a permanent part of the business. Here it becomes evident that the store, the practice on the daily level, is of importance of the higher levels since they would not have had the same customer contact without it and the practitioners and their praxis within it.

The third level of sensemaking is the strategic level where the founders and owners are the practitioners. They are present at the collective level as well, but it is not until they lift something up and makes it permeate the business that it reaches the strategic level. Practices that are used at this level are e.g. whiteboard and praxis is their kick-offs. An example is that it is not until the Chairman of the Board and the co-founder creates the Eco-Cycle in connection to one of their kick-offs that the repair service is brought to the strategic level. It is
at this moment that the Chairman of the Board makes sense on a strategic level and it is done since he wanted to be able to talk about what they are doing, and the infographics would be used as a tool, a practice, to talk about it and explain it officially. Nudie had these activities, but it does not happen until the Chairman of the Board decides that he needs or wants something. The repair service has been his main question of interest and it is probably because of him that it has become a part of their core business. The Eco-Cycle was drawn the day before the kick-off and was intended to be used at it, thus, it is not perceived as a daily activity and is therefore viewed as a practice as well. However, the discussion between the Chairman of the Board and his co-founder might be viewed as a praxis since it could be viewed as a part of the daily work. The interpretation is that Nudie had grown from a small company into a medium sized one when the Eco-Cycle was created and were forced to connect their activities in order to not lose control. It would not have been possible to continue to work as they did before since the staff and their sales grew and it was no longer possible for the founders and owners to take part in every activity.

What becomes evident is that the daily level seems to comprise practitioners that are close or relatively close to customers. The practices and praxis are connected to the customers as well since the doing and the tools at this level are used to benefit them. At the collective level it is evident that it is top management that are the practitioners and their practices are quite similar to the daily level, even though they probably use them a bit differently since they do not have the same customer relation. The praxis is on the other hand a bit different since they have more meetings and are able to make bigger decisions. Hence, they have a larger possibility to affect the business. The strategic level consists of the founders and owners, and they have a practice that is exclusive to this level; the pause.

**Pause to get Forward**

The creation of the Eco-Cycle shows that Nudie takes a short pause and looks to the past and the present, and the whiteboard that it was drawn upon is interpreted as a practice that helped them to do this. The pause seems to be the most important tool and exclusive to the strategic level since it enables the practitioners on this level to reflect, evaluate and develop the existing ideas and activities. Praxis here is that it is the practitioners at the strategic level that have the possibility to do this due to their role as owners. This is in line with the strategy-as-practice theory and the combination of practitioners, practices and praxis as well as Weick et al.’s (2005) sensemaking theory since Nudie now connects their previously separated activities and ascribes them additional meaning. Simultaneously, the connection of activities and creation of the Eco-Cycle enables Nudie to talk and describe to both themselves and others who they are and what they do. This finding is in line with Goia and Chittipeddi’s (1991) argumentation about that top management make sense for others. However, the studied case also indicates that the Chairman of the Board also make sense for himself when the Eco-Cycle is created.

Following Weick’s (1998) argument, the emerging activities (the jazz) provide Nudie with a sense of direction that can be seen in e.g. recycling. The interpretation is, in line with Weick (1998), that these activities are a sense of direction for them. However, the pause and the
creation of the eco-cycle at the kick-off enabled a more clear direction towards repair. This implies that the jazz and sensemaking that Weick (1998) discusses might be used as something more than just a sense of direction. In Nudie’s case, the Chairman of the Board brought the repair service to the strategic level and realized that they could develop and expand this business. This is evident since Nudie now refers to their own stores as repair shops, are about to expand the repair business to other stores, and they are open and official about it. Hence, it is brought down to the daily level again but in a strategic way in comparison to when the store personnel began with it. Further, the repair service is a good example of Mintzberg’s (1978) theory regarding emergent strategies since it emerges from the store personnel and the daily level. However, when it reaches the collective level and at a later stage the strategic level it becomes more deliberate in its performance. This happens when top management makes sense of the ongoing activities, ascribes them meaning, and lifts them up to a higher level. This is in line with Mintzberg and Water’s (1985) argumentation that strategies are both deliberate and emergent, but also that emergent strategies can develop into deliberate strategies.

As mentioned above, the recycling projects follow Weick’s (1998) argumentation of sense of direction. Even so and in contrast to repair, the recycling projects seem to be stuck at the daily and collective levels. Nudie does not develop the recycling projects into something that lasts and keeps on doing similar things as one-shots and it is not possible to see where the recycling projects are heading. It is somewhat clear that Nudie wants to proceed with the recycling projects but if following Weick’s (1998) argumentation; it is only a sense of direction. The second hand business and repair kit follows the same pattern since Nudie does not seem to have a clear plan for these activities either. The second hand business is limited to a few pair of jeans in their own stores, the repair kit comes and goes and they have not found a suitable way to do it yet. The fact that these projects and activities do not reach the strategic level and become scaled up enhances the view on how repair has reached the strategic level and that it is viewed as something more than just a sense of direction. It could therefore be argued that Mintzberg’s (1978), Mintzberg and Waters’ (1985) and Weick’s (1998) argumentation need to be expanded into that emergent activities, the jazz, could develop into more deliberate strategies. The pause that Nudie took when they created the Eco-Cycle is an example of a practice that helped them to lift themselves up and see what they are doing and do something more with it. Hence, a pause to reflect on the business and the activities are needed in order to continue to develop.

Reasons and Obstacles Towards the Strategic Level
How can it be explained why some activities reaches the strategic level and some does not? In Nudie’s case the recycling activities are only small scale one-shots. The Denim Maniacs was only meant to be showpieces to show what one can do with old jeans. Their more developed versions of recycling, Post Recycle Dry and Post Recycle Rugs, are projects that might fit into their core business. However, the Post Recycle Dry was enabled by ISKO since they came with the idea and did one part for free, and it would be too costly for Nudie to do it otherwise. The second problem with this project was that the percentage of recycled material in the end product was relatively low. It was also difficult to collect a larger amount of old jeans to
grind. The interpretation is then that these problems make the recycled jeans difficult to scale up and make a part of the core business. Post Recycle Rugs on the other hand contained a high percentage of recycled material, but it is not connected to Nudie’s core business. They are a garment retail company and rugs are not included in their business idea; again a one-shot project. This project was also dependent upon their supplier Bossa who conducted a part for free, and in line with the post recycle dry it would probably be too costly to conduct if Nudie had to pay for each part.

The second hand business is also on the collective level since it could be found in Nudie’s own stores, but only in a limited scale. They only sell jeans that they believe are good looking and that type of jeans does not reach the store very often. The second hand jeans might therefore be viewed as a smaller part of their business. An interpretation is that they are used as showpieces since the second hand jeans that they sell are Nudie’s perception of how a good looking pair of jeans look; to show customers how a pair of jeans could or even should look like. These activities are then not brought up to the strategic level as the repair service and it is evident that they want to work with sustainability issues, but not at any cost.

Why has then the repair service been brought to the strategic level and expanded? There are six obvious reasons. First, it is closely connected to Nudie’s main product (in contrast to many of the recycling projects). Second, it is relatively easy to scale up since they have personnel in the store and it is not a difficult task to conduct. Third, it is relatively cheap; it is mostly labour costs connected to this service. Fourth, they already had the sewing machine, the practice, and it is built for the purpose of sewing and repairing. Fifth, there is a belief that the repair service leads to an increase in sales. Sixth, the Chairman of the Board liked the idea and made it his main question of interest, which is something that has not really happened with the other activities. This implies that activities becomes strategic when they are connected to the main product, contributes to increased sales or the brand image, not too expensive, the right practitioners and tools are available, and the top management needs to be fond of it.

Conclusion
In this thesis the top management and internal practitioner bias has been challenged. The studied case illustrates that there is a need to broaden the range of practitioners that are included in strategy-as-practice studies. Lower level practitioners as well as external ones need to be acknowledged since they both are proven to have significant impact on the sustainability strategy formation. When the perspective of practitioners is broaden it becomes evident that sensemaking occurs at three levels; daily, collective, and strategic, and that there are different practices and praxis on each level. On the daily level, the store and the sewing machine are examples of practices, and the praxis of e.g. sewing enables ideas and activities to unfold and develop. These are then brought up by using the practices at the collective level; e.g. meetings and kick-offs, and the studied company’s ad hoc and informal praxis enables them to do this. The pause is the most important practice on the strategic level. It is exclusive to this level and it enabled the practitioners on this level to reflect and create a clearer future.
direction. The praxis at this level is similar to previous studies with one major difference; the ideas and activities clearly stemmed from the daily level.

Many ideas in the studied company stemmed from the practitioners at the daily and collective level. However, it is not until it reaches the practitioners at the strategic level that it becomes integrated into the core business and permeates the company. Hence, the practitioners are interdependent in that the daily level practitioners, and to some extent collective level practitioners, come up with the ideas that strategic level practitioners develop further. These are then brought down to the daily level again in a clearer form, which affects the daily and collective level practitioners. Sensemaking on the strategic level might be used as an explanation why some ideas become more deliberate than others and are further refined. The pause might enable a company to make sense on a strategic level, thus the pause is needed in order to collect the activities and sift the good from the bad. This might lead to that some activities are not brought up to the strategic level and thereby do not become as distinct. When sensemaking is made on a strategic level, the company might thereby be provided with a distinct direction for the future; a strategy. Weick’s (1998) jazz theory in combination with Mintzberg’s (1978) theory regarding emergent strategies could be used further than just as an explanation of the past and the present and give a sense of direction. As showed in the discussion, these theories could be used to create a more distinct path for the future.

Hence, when sustainability strategies form, it is evident that other practitioners have a large impact and need to be acknowledged in these processes. Both external and lower level internal practitioners are interested to make a contribution and engage themselves in sustainability activities. It is thereby important to look beyond the top management when studying how sustainability strategies form. Nevertheless, top management needs to make sense of the activities on the daily level and lift them up to higher levels in order for it to have a clearer future direction. The collective level gives a sense of direction, but it is at the strategic level that it really gets its’ form and could be used as a strategy. It is when the top management takes a pause and make sense of the sustainability activities that occurs on a daily and collective level that they realize what it is and what they could to with it, and thereby making it strategic.

Suggestions for Further Research
Considering our findings, we suggest that future research that aims at studying how strategies with sustainability focus form continues with studying the impact of other practitioners than top management. We also suggest that the importance of a pause to sift and reflect as a practice should be further studied.

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