



UNIVERSITY OF GOTHENBURG
SCHOOL OF BUSINESS, ECONOMICS AND LAW

Goal setting for environmental sustainability in rapid growth firms

An exploratory single case study investigating what companies should consider when setting environmental sustainability goals while growing rapidly

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Goal setting for environmental sustainability in rapid growth firms - *An exploratory single case study investigating what companies should consider when setting environmental sustainability goals while growing rapidly.*

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Abstract

Title: Goal setting for environmental sustainability in rapid growth firms. An exploratory single case study investigating what companies should consider when setting environmental sustainability goals while growing rapidly

Background: Both growth and sustainability are vital for a business survival. However, when a company is in a rapid growth phase and aims to set environmental sustainability goals, this can create conflicting demands when pursuing both simultaneously. This is since rapid growth involves constant change, a short-term perspective and growing demand for resources while environmental sustainability goals require a long-term perspective and a reduction or replacement of resources.

Purpose & research questions: The purpose of this thesis is to explore how a company should set environmental sustainability goals while being in a rapid growth phase, and what to consider while doing so. This purpose is hoped to be fulfilled through a case study of the company Lynk & Co, and the research question is thereby: What should companies in a rapid growth phase consider when setting environmental sustainability goals? To answer the research question, the following three sub-research questions have been conducted: (1) What are the main challenges of setting environmental sustainability goals? (2) What enables a successful implementation of environmental sustainability goals in a value chain? (3) What are the main challenges of being in a rapid growth phase?

Method: The research strategy of the thesis is qualitative with an abductive approach and a single case research design. The study's empirical data was collected through in-depth, semi-structured interviews with employees from different departments at the case company and external experts within the field. The secondary data consists of a literature review with a narrative approach. The data was analysed with a thematic analysis.

Results and conclusion: There are several factors that need to be taken into consideration when setting environmental sustainability goals while being in a rapid growth phase. The formulation of the goals needs to be adapted to the changing environment that comes with rapid growth, which can be done with the combination of visionary, long-term goals, and short-term, relative goals. Companies should focus on three main goals that are connected to their core business. To incorporate the goals into daily operations, they need to be broken down to department level, throughout the value chain. Regarding both sustainability goals and rapid growth, internal alignment is vital, in terms of communication, culture, resource allocation and strategy planning. Here the top management holds the ultimate responsibility.

Key words: Goal setting, rapid growth, growth strategies, sustainability goals, sustainability implementation, sustainability frameworks

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The thesis process has been both rewarding and challenging, and we are happy to present this thesis as our final contribution to our university experience at the School of Business, Economics and Law.



Linnéa Ljungvall



Caroline Ekblad

Table of content

1 INTRODUCTION	1
1.1 BACKGROUND.....	1
1.2 PROBLEM DISCUSSION	1
1.3 PURPOSE AND RESEARCH QUESTION	2
1.4 CASE COMPANY DESCRIPTION.....	3
1.5 DELIMITATIONS	4
1.6 DISPOSITION	4
2 LITERATURE REVIEW	5
2.1 ENVIRONMENTAL SUSTAINABILITY GOALS	5
2.1.1 <i>Implementation of Environmental Sustainability Goals</i>	8
2.2 RAPID GROWTH	12
2.2.1 <i>Growth Strategies</i>	12
2.2.2 <i>General Challenges with Rapid Growth</i>	15
2.3 THEORETICAL SUMMARY	17
3 METHODOLOGY	19
3.1 RESEARCH STRATEGY.....	19
3.2 RESEARCH DESIGN	20
3.3 DATA COLLECTION.....	21
3.3.1 <i>Primary data</i>	21
3.3.2 <i>Literature review</i>	21
3.3.3 <i>Sampling</i>	22
3.4 DATA ANALYSIS.....	24
3.5 RESEARCH QUALITY AND LIMITATIONS	26
3.5.1 <i>Authenticity</i>	26
3.5.2 <i>Credibility</i>	27
3.5.3 <i>Transferability</i>	27
3.5.4 <i>Dependability</i>	28
3.5.5 <i>Confirmability</i>	28
4 EMPIRICAL FINDINGS	29
4.1 ENVIRONMENTAL SUSTAINABILITY GOALS	29
4.1.1 <i>Implementation of Environmental Sustainability Goals</i>	32
4.2 RAPID GROWTH	39
4.2.1 <i>Growth Strategy Alignment</i>	39
4.2.2 <i>General challenges with rapid growth</i>	41
4.3 RAPID GROWTH AND ENVIRONMENTAL SUSTAINABILITY GOALS	45
5 ANALYSIS	52
5.1 ENVIRONMENTAL SUSTAINABILITY GOALS	52

5.1.1 <i>Implementation of Environmental Sustainability Goals</i>	54
5.2 RAPID GROWTH	61
5.2.1 <i>Growth Strategy Alignment</i>	61
5.2.2 <i>General Challenges with Rapid Growth</i>	62
5.3 RAPID GROWTH AND ENVIRONMENTAL SUSTAINABILITY GOALS	66
6 CONCLUSION	74
6.1 ENVIRONMENTAL SUSTAINABILITY GOALS - CHALLENGES AND ASPECTS TO CONSIDER.	74
6.2. IMPLEMENTATION OF ENVIRONMENTAL SUSTAINABILITY GOALS - CHALLENGES AND ASPECTS TO CONSIDER.....	75
6.3 RAPID GROWTH - CHALLENGES AND ASPECTS TO CONSIDER	76
6.4 RAPID GROWTH AND ENVIRONMENTAL SUSTAINABILITY GOALS - COMBINED CHALLENGES AND ASPECTS TO CONSIDER	77
6.5 SUMMARISED ANSWER TO THE RESEARCH QUESTION.....	79
6.6 FUTURE RESEARCH.....	79
REFERENCES	81
APPENDIXES	85
APPENDIX 1: INTERVIEW GUIDE FOR EXPERTS	85
APPENDIX 2: INTERVIEW GUIDES FOR EMPLOYEES AT LYNK & CO.....	88
<i>Appendix 2.1: Interview Guide for Sustainability Managers</i>	88
<i>Appendix 2.2: Interview Guide for Human Resources</i>	90
<i>Appendix 2.3: Interview Guide for Top Management</i>	92
<i>Appendix 2.4: Interview Guide for other departments</i>	94
<i>Appendix 2.5: Interview Guide - Department specific questions</i>	96

1 Introduction

This chapter introduces the research topic of setting sustainability goals while being in a rapid growth phase. It also presents the purpose and research question, the case company, the delimitations, and a description of the thesis disposition.

1.1 Background

In a report by (Birshan et al., 2017) it is claimed that organisational growth should not be underestimated, as it might both attract talents, create new strategic options, generate financial resources, and drive innovation. Nicholls-Nixon (2005) also agrees that growth can create many opportunities and successes, such as increase legitimacy and profitability, but also economies of scale and attract investment capital. Nicholls-Nixon (2005) further claims that rapid growth is even better, as opportunities become endless. As Thakor (2011) writes: “Growth energises. Growth liberates. Growth creates opportunities.” (p. 5). According to Thakor (2011), the only alternative to growth is stagnation, and thereby, companies that do not grow will eventually lose their relevance and profits. Growth is also vital to stay competitive (Durmaz & Ilhan, 2015). Moreover, firms must discover new markets, develop new services and products, and consequently grow (ibid). Therefore, growth should no longer be seen as simply an aim, but rather as a necessity (ibid). Also, firms must grow to both reach targeted goals and to maintain their current status (ibid).

Similar to growth, commitments towards sustainability are crucial for businesses. With the increased awareness by society, businesses are faced with increased demands on their sustainability efforts. It is not a discussion whether businesses have been a large contributing cause of today's issues regarding sustainability, Therefore, companies play an important role in working towards a sustainable future (Regeringskansliet, 2014). Resultantly, investments related to sustainability are not solely beneficial for society but also, like growth, vital for a business' reputation, survival, competitiveness, and success (Porter & Kramer, 2011). Also similar to growth, sustainability efforts come with many opportunities, such as profitability in terms of attractiveness among investors, supply chain strength, regulatory compliance, and risk mitigation (Henriksson et al., 2020). It can also increase financial profitability, attract new talents, and spur innovation (Baumgartner & Rauter, 2016; Henriksson et al., 2020; Nidumolu et al., 2009). To ensure efficient work towards sustainability, and thereby all benefits that come with it, many businesses work towards different sustainability targets and goals. However, there is currently no single best practice of how to set these goals, especially for companies that are currently in a rapid growth phase, where its current operations are constantly changing and its future uncertain.

1.2 Problem Discussion

For businesses to stay alive, and relevant, they need to manage both growth and sustainability (Durmaz & Ilhan, 2015; Porter & Kramer, 2011). This is a balancing act of priorities which is not entirely easy to manage (Baumgartner & Rauter, 2016). In theory, the focus usually appears

on so-called win-win scenarios, however, in reality companies must deal with conflicts and trade-offs among economic, social, and environmental goals (Baumgartner & Rauter, 2016). The main incentive, for most companies, when implementing a sustainability strategy is to reduce the negative environmental and social impacts of corporate activities while improving, or at the very least maintaining, the company's financial performance (ibid). However, while there is often a short-term focus on strategies for profit, it is necessary to have a long-term strategy for sustainability and the investments needed to pursue the sustainability goals (Szekely & Dossa, 2017). So even if sustainability initiatives and investments can become a competitive advantage in the long-term, it can be straining on the organisation and, as mentioned, not always profitable to begin with (Porter & Kramer, 2011; Nidumolu et al., 2009). This is reasonably even more difficult for businesses in rapid growth phase, since they are prone to having a short-term focus due to a constantly changing environment and challenges connected to a growing organisation (Nicholls-Nixon, 2005).

When setting sustainability goals, the current business context needs to be taken into consideration, as well as how they should be implemented within the organisation (Kramer et al., 2019). For businesses in rapid growth, this includes large changes in the scope and scale of firm activities (Nicholls-Nixon, 2005). Consequently, there are significant implications for operations, processes, and organisation, resulting in many challenges. Further, for sustainability efforts to be more than words conveyed in a report without any validation through actual improvements, it must be incorporated throughout the organisation, and in the extended value chain (Epstein & Rejc Buhovac, 2014). Since the value chain refers to the entire range of activities needed to create and provide a product, a large part of the impact a company has could be beyond the scope of the business and instead further upstream or downstream in the value chain (GRI et al., 2015). One way to create a strategic orientation is therefore with a sustainability goal across the value chain (Epstein & Rejc Buhovac, 2014). This is challenging for any business, yet this becomes even more problematic when the company is in a rapid growth phase due to the complications of predicting the company's future condition and being able to attain a long-term focus (Nicholls-Nixon, 2005). There are several frameworks and initiatives available for organisations with best practices for setting and implementing sustainability goals (Baumgartner & Rauter, 2016). They are, however, developed for mature organisations in a stable phase and do not address how companies in a growth phase should manage the process of establishing sustainability goals. The combination of these challenges, sustainability practices and how to manage a company in constant change, are nonetheless unfulfilled by both academia and best practice in the business world.

1.3 Purpose and Research Question

The purpose of this thesis is to explore how an emerging business should set environmental sustainability goals while being in a rapid growth phase, and what to consider while doing so. The existing frameworks and research on sustainability is based, and therefore aimed at, mature companies and how they should set their environmental sustainability goals. The situation is however different for businesses who are in a rapid growth phase where their environmental impact will continue to rise along with their growing operations. Further, since firms with rapid growth are in a situation of constant change and high uncertainty, with a growing demand for

resources, there is a need to further explore what companies in that context should acknowledge before, and when, they are setting environmental sustainability goals. Thus, the theoretical contribution of this thesis is to provide deeper insights into what rapid growth companies should consider when setting environmental sustainability goals, as its future state is difficult to predict and as its current environment might be challenging in itself.

This is operationalized through a case study which combines relevant research with empirical evidence. The practical contribution of this thesis is thus to provide an emerging player in the automotive industry, Lynk & Co, with insights into how they work today and what challenges they have, and how they thereby can combine their rapid growth phase with environmental sustainability goals. Therefore, the research question is:

What should companies in a rapid growth phase consider when setting environmental sustainability goals?

To answer the research question, the following sub-research questions have been conducted:

1. *What are the main challenges of setting environmental sustainability goals?*
2. *What enables a successful implementation of environmental sustainability goals in a value chain?*
3. *What are the main challenges of being in a rapid growth phase?*

1.4 Case Company Description

The emerging automotive brand Lynk & Co was formed in 2016 with the aim to challenge the traditional automotive industry by delivering an offering with a new type of ownership (Geely Group, 2022b). Lynk & Co is the result of a joint venture between Geely Auto Group and Volvo Car Group, who both are part of Zhejiang Geely Holding Group (Geely Group, 2022a).

In 2021, the first car model (“the 01”) was launched in seven European markets and through this, Lynk & Co had the industry first “mobility membership” business model (Geely, 2022b). The idea was that people are increasingly choosing experiences over ownership and hence Lynk & Co was designed as a mobility brand to meet these changing consumer preferences and the inertia of the traditional car industry with a new, innovative, and sustainable business model (Lynk & Co, n.d). The solution, according to Lynk & Co, was to offer a month-to-month membership without binding or notice periods, much in the same way as streaming platforms such as Spotify and Netflix, but where the member gets access to a car (ibid). Subscribers can choose between four product options in total, where the differences lie in hybrid-motors, electric hybrid or charging hybrid, and colours, blue or black (Lynk & Co, 2022). The monthly cost includes maintenance and insurance, and can be significantly lowered by a sharing function which allows sharing the car when unused with family, friends, and the rest of the Lynk & Co community through their smartphone application (ibid). This part of the business model enables opportunities for a more sustainable way of having a car and enables a sharing economy in the Lynk & Co community (Lynk & Co, n.d). When you are not using it, which is about 96 percent of the time, someone else could use it instead (Lynk & Co, 2022). A sustainability focus has

been a large part of the brands identity from the beginning which is shown in their product, in their clubs, and perhaps above all by their business model (Lynk & Co, n.d).

As of today, Lynk & Co is in a rapid growth phase where they have launched their business in seven European countries only during the last two years (Lynk & Co, n.d). Additionally, in the same timespan the headcount has increased from 100 employees to 600 employees with the aim of reaching 1000 employees at the end of year 2022. Within the coming years they are also planning to launch a new, fully electrified model (ibid). Because of this, their relatively new organisation and operational routines present many challenges, as their environment is constantly changing (ibid).

1.5 Delimitations

Several limitations apply to the scope of this thesis. The thesis focuses on environmental sustainability, and therefore excludes literature and empirics connected to social and economic sustainability. Further, the thesis does not aim to investigate how to implement sustainability goals, but rather what to consider regarding the implementation of the goals so that goals can be set and designed after the company's circumstances. Therefore, no detailed instructions on how to implement sustainability goals will be provided. Further, the thesis will focus on challenges connected to rapid growth, thus when a company is in a period of over 50 percent growth in either profit and/ or headcount (Hambrick and Crozier, 1985), and not growth in general. Lastly, the thesis takes a managerial perspective of sustainability and rapid growth, rather than operational, ecological, or technical.

1.6 Disposition

Initially, as presented above, chapter 1 serves as an introduction for the reader to the topic and foundation of the report. Thereafter, the second chapter proceeds with a literature review in which relevant previous research on sustainability goals, implementation of sustainability goals, rapid growth strategies and challenges, is presented. This is followed by method in chapter 3, where the research strategy and design, data collection, data analysis and research quality are described and reflected upon. In chapter 4, the empirical findings are presented, which is followed by chapter 5 where they are analysed in relation to the literature review as well as the research questions. Finally, the research question is answered in the conclusion in chapter 6, where suggestions for future research also are presented. The references can be found in chapter 7 and the appendixes are found in chapter 8.

2 Literature Review

This chapter provides an overview of existing literature related to the research topic. To begin with, literature regarding sustainability goals is presented, and what to take into consideration when setting sustainability goals to enable a successful implementation throughout the value chain. Thereafter, rapid growth strategies and challenges, with accompanied solutions, that comes with being in a rapid growth phase is presented. Lastly, the most important findings are presented in a theoretical summary.

2.1 Environmental Sustainability Goals

Several previous studies show that goal setting in businesses can create many positive outcomes in an organisation. It creates direction, gives motivation, and heightens performance (Chakravorti, 2017; Latham, 2004). Latham (2004) describes four objectives to why goal setting is effective in his goal setting theory, and since the theory is for goals in organisation in general, it could therefore be applied to sustainability goals as well. The first one concerns the meaning of committing to the goal, where the employees choose to prioritise goal-relevant activities and decide to focus away from goal-irrelevant activities. The second objective is that goals energise employees and the third is that goals affect persistence and heightens effort. The last objective is regarding an enhanced motivation to use existing knowledge to reach the goal or to gather and learn what is needed to do so. For these outcomes to be plausible, it is important that top management is committed to, but preferably the initiator to, the sustainability goals (Chakravorti, 2017; Hitchcock & Willard, 2006). The top management should communicate the goals frequently and be a part of aligning the organisation for them to be successfully implemented (Hitchcock & Willard, 2006).

For sustainability goals to be most effective, Kramer et al., (2019) and Chakravorti (2017) argue that they should be selected based on the core business and the most promising business opportunities. Kramer et al., (2019) also recommends focusing on one to three sustainability goals, with specific targets, that are directly connected to the core business. Attempting to focus on numerous sustainability goals within diverse areas will lead to a fragmentation of resources, risk of making all the selected sustainability goals seem unrelated to business and detaching investments from the corporate strategy (Kramer et al., 2019; Chakravorti, 2017). The goals should be possible to break down so that the different departments are able to contribute to the chosen goals (Hitchcock & Willard, 2006). Further, Szekely and Dossa (2017), mentions that in addition to supporting the core business, sustainability goals should be measurable, clear, specific, and ambitious. This connects to Locke and Latham's (1990) well known goal setting theory, which states that a goal can only be effective if it is clearly defined, easy to understand, challenging, but at the same time, achievable and thereby motivating for employees working towards the goal. By setting a specific and challenging goal, compared to a less specific and easier-to-reach goal, a company can improve performance (ibid).

However, Earley et al., (1989) argue that a specific hard-to-achieve goal can be destructive to performance. Targets can put employees under strain and cause them to spend more time thinking about how to perform, rather than actually performing, which is why visionary, or

generic do-your-best goals could be more effective, according to Mone and Shalley (1995). In a multitasking setting, visionary goals might also be better compared to hard-to-reach or overly narrow goals, since greater effort could be spent on goals with specific targets causing a lower effort on goals without a specific difficult target (Staw & Boettger 1990; Wright et al., 1993). This could be problematic for managers who make trade-offs between short-term objectives, which often are easier to measure and follow-up, and long-term objectives, such as innovation or sustainability goals, which are more challenging to measure (Webb et al., 2013; Holzhaecker et al., 2018).

The long- and short-term aspect is also raised by both Szekely and Dossa (2017) and Chakravorti (2015), who explain that while there is often a short-term focus on strategies for profit, it is necessary to have a long-term strategy for sustainability and the investments needed to pursue the sustainability goals. However, Nidumolu et al., (2009) mean that being environmentally friendly helps reduce costs since companies decrease their inputs, and that the process generates additional value by enabling companies to create new businesses. They further argue that “smart companies” treat sustainability as a new frontier in innovation (ibid). By prioritising sustainability as a goal today, it can become a competitive advantage since sustainability will always be an integral part of development (ibid). To avoid the short-term focus and to be able to integrate social and environmental issues into long term goals requires a careful balance between the needs of external and internal stakeholders (Baumgartner & Rauter, 2016). This balance further requires a flexible strategic planning process since the needs of the environment and stakeholders often varies (ibid).

The Science-Based Targets initiative (SBTi) aims to minimise carbon emissions within corporations (Gieseckam et al., 2021). The initiative offers a framework for setting sustainability goals by outlining best methods for setting science-based targets for climate change mitigation (Science-Based Targets Initiative, 2022). As the name implies, the targets are based on science, more specifically the Greenhouse Gas (GHG) Protocol, the Intergovernmental Panel on Climate Change (IPCC) report, and the 2°C global temperature target (ibid). They provide different methods presented as “today’s best practice” in terms of science-based methods and further offer guidance, resources, and verification of the targets, which contributes to legitimising a business’s sustainability work (Gieseckam et al., 2021). The SBTi (2022) asserts that setting ambitious targets increases investor recognition, reduces political uncertainty, and increases profitability as well as competitiveness and innovation.

A report called the SDG Compass by Global Reporting Initiative (GRI), the UN Global Compact and the World Business Council for Sustainable Development (WBCSD) (2015) could be used as a guiding tool when setting sustainability goals. The report (hereafter referred to as the SDG Compass) provides concrete suggestions and guides companies on how to incorporate the Sustainable Development Goals (SDGs) in a business, which arguably could be applied to sustainability goals in general. The report urges managers to take a strategic approach to sustainability goals and work through it as a process, out of which three steps will be explained in this thesis, based on relevance. The first step is to assess the positive and negative impacts, both current and potential, caused by the business viewed from a sustainability standpoint (ibid). One difficulty with mapping impacts is to find an indicator for the impact,

which is important for the follow-up and measurement of the goal (ibid). One solution to this is the logic-model, which through a five-steps process traces the path from inputs through activities, to outputs, outcomes, and lastly impacts (ibid). This will help to identify where negative impacts can be avoided or reduced, but also where positive impacts could be scaled up. By doing this, a business could define their priorities, which according to Kramer et al., (2019) and Chakravorti (2017) should be aligned with the core business, as mentioned above. However, the greatest environmental impact a company has could be beyond the scope of the business and instead further upstream or downstream in the value chain, which therefore will be further discussed below (GRI et al., 2015).

The second step in the process of incorporating sustainability goals in the organisation is to set the actual goals (GRI et al., 2015). To begin with, the goals should be guided by the strategically defined priorities from the previous step (ibid). Thereafter, a key performance indicator (KPI) should be selected that can be used for monitoring and communicating progress (ibid). Some companies chose to set ambiguous goals that are difficult to measure, such as an ambition to become “carbon neutral” without a clear definition of the scope of the goal or an end date (ibid). One solution to this, is to select various KPIs that together form the basis for a measurable, time-bound and specific target (ibid). Where possible, a company should choose an indicator that directly addresses the chosen impact and, preferably, a commonly used indicator to enable comparisons (ibid). Thereafter, the baseline should be defined, followed by deciding on goal type (ibid). One way to handle the baseline is to tie it to a particular point in time, for example to ‘decrease emissions per year by x% at the end of 2015 relative to 2010’ (ibid). The other way is to tie the baseline to a particular period of time, such as ‘decrease water usage in the three-year period of 2022-2024 by 30% compared to water usage across 2020-2022’ (ibid). The last mentioned baseline allows for short-term variability to a greater extent than the first option (ibid). Concerning type of goal, there are also two alternatives, namely absolute goal and relative goals, where absolute goals express the expected impact caused to society better, but does however not take company growth into account (ibid). Relative goals are therefore more suitable in a growth phase since it more accurately measures the company's performance per unit of output (ibid). If the goal stretches over a longer time period, it is necessary to set short to medium term goals as well (ibid).

Lastly, the third step when setting sustainability goals, concerns the level of ambition for the goals, where it is stated, similar to what Locke and Latham (1990) stated, that ambitious goals are likely to drive better performance and greater impacts, compared to more modest goals (ibid). By setting hard-to-achieve goals the organisation can incentivise creativity and spur innovation (ibid). Baumgartner and Rauter (2016) elaborate on this aspect by stating that it is possible for an organisation to set more ambitious goals if the organisational culture has a significant impact on the steps necessary to achieve a “sustainable organisation”.

In addition to the more practical aspects of how to incorporate sustainability goals in the organisation, Latham (2004) explains that goals need to fulfil five conditions to be effective in a business environment. The first condition is that the people who work with the goal must have the knowledge, or possibility to gather the knowledge, and ability to achieve the goal (ibid). The second condition is that the employees of the organisation should feel committed to

the goal which is more likely if they find it achievable and if the end result of the goal is of importance to them (ibid). The third condition for the goal to be effective is to incorporate feedback regarding the progress of the goal in the organisation to enable adjustment of the strategy and direction to be able to reach the target (ibid). The fourth condition when setting a specific hard-to-reach goal is to incorporate sub-goals to provide information on the progress of achievements, since routines and systems to reach the goal might not yet be automated (ibid). The last condition concerns the leaders and their role to provide the resources needed to achieve the goal as well as removing obstacles that potentially could be in the way (ibid).

2.1.1 Implementation of Environmental Sustainability Goals

When setting sustainability goals, the current business context should be taken into consideration and how they should be implemented in the organisation (Kramer et al., 2019). For a simpler implementation, the goals should be based on the company's strengths, and thus the best business opportunities. Moreover, for a long-term successful incorporation of the goals, they should be a part of the overall business strategy and daily operations (ibid). However, for the implementation not to overwhelm the organisation with its complexity and potential broadness, and thereby be preventive to corporate action, it needs to start at a feasible level (Chakravorti, 2017). Chakravorti (2017) also believes that the result of a successful and effective implementation depends on the decision-making within the company and that the resolution to become more sustainable should come from top management. Additionally, Szekely and Dossa (2017), indicate that it is important to invest in the goals and to allocate resources for sustainability investments and that without dedicated resources, no significant progress will take place. Kramer et al. (2019) further state that a company that makes serious investments in sustainability not only increases the efficiency of its goal implementations, but also shows that they are serious towards stakeholders.

When integrating sustainability, it is required that both technical and social practices are implemented consistently and that it is an encouraging culture towards continuous improvement with sustainability (Costa et al., 2019). For these continuous improvements to work effectively, all employees must understand the process, and the most effective way to achieve this is by communicating and building trust (ibid). Genç (2017) similarly states that communication, both internally and externally, is essential for implementing sustainability. It is also of importance that the communication tools are suitable for the receiver and that the communication itself is simple, direct, and precise. Costa et al. (2019) further stress the need for training employees and managers to raise awareness and create interest in the process of sustainability. Similarly, Ritala and Assimakopoulos (2018) emphasise the value of continuous work. Consequently, Costa et al. (2019) believe that a culture could be built around the process of sustainability.

One way to simplify the sustainability implementation is with the use of a sustainability manager (Szekely & Dossa, 2017). Although a sustainability manager, in some companies, lacks the authority to make any radical changes to the corporate structure, they can act as an influencer in decision-making processes regarding the value proposition. This influence can help integrate sustainability in a way that makes sense for all involved parts of the company (ibid). However, one issue, according to Szekely and Dossa (2017), is that the economic benefits of sustainability efforts are generally difficult to measure given that savings or earnings

can relate to many different parts of the business, or in the extension, the value chain. Epstein and Rejc Buhovac (2014) and Nidumolu et al., (2009) believe that sustainability must take place along the entire value chain and be fully integrated into the corporate culture for it to have effects on daily operations. To do this, companies must evaluate their environmental, economic, and social impact together with partners included in their value chain (Epstein & Rejc Buhovac, 2014; GRI et al., 2015).

2.1.2.1 Value Chain

As existing literature emphasises that successful implementation of sustainability goals requires efforts in the entire company, this section dissects the different elements of the value chain. The concept of a value chain is a systematic method of categorising primary- and supporting activities performed by a company to create value (Porter, 1985). Primary activities are associated with the actual production of a service or product and include creating, producing, and selling products and services, while secondary activities support of the primary ones and include firm infrastructure such as general management, legal structure, and accounting, all of which supports the whole value chain, as shown below (Porter, 1985; Fearne et al., 2012).

One aspect of making the value chain more sustainable is an increased efficiency, which according to Nidumolu et al. (2009) also is one of the main challenges. However, through high levels of technical expertise, the ability to alter operations in ways that reduce emissions and raw material consumption, in addition to enforcing supplier emission reductions, businesses can enable an enhanced efficiency (ibid). To be able to do this, companies start by evaluating each link in the value chain (Nidumolu et al., 2009; GRI et al., 2015). The sustainability strategy, and its long-term goals, is implemented at the operational level of management (Baumgartner & Rauter, 2016). There are specific sustainability-focused activities that must be carried out as part of every corporate function, including product design, logistics, production, sales, marketing, compliance, human resources, and top management (Baumgartner & Rauter, 2016; GRI et al., 2015). This will be further elaborated below.

The largest environmental impact of a product is determined from its design (Hitchcock & Willard, 2009). When trying to minimise this impact in the product design, it involves choosing materials with the lowest environmental impact from the start, taking the eco-effectiveness and efficiency of the manufacturing process into consideration, which for example can regard the re-usage of water and heat (ibid). When working with this approach, trade-offs can be necessary, and it urges designers to go further than their existing suppliers and instead look for suppliers with more responsibly produced materials (ibid). However, it is also argued that by developing alternative methods of sourcing materials and components, utilising clean energy sources, and finding innovative techniques for returned products and waste, the company can both address these issues as well as capture innovative opportunities (Nidumolu et al., 2009; Baumgartner & Rauter, 2016).

Except for the product design, the production of the product also often represents a large proportion of the impact (Hitchcock & Willard, 2009). For many corporations, the largest climate contribution comes from their energy consumption that stems from the production of the products (ibid). Therefore, guidelines need to be drawn up concerning energy efficiency

and renewables, resource efficiency, waste management, performing a greenhouse gas audit etc. (ibid; Baumgartner & Rauter, 2016). The same approach should be applied to logistics, which contributes to a large energy consumption stemming from transportation, space heating and cooling etc. (Hitchcock & Willard, 2006; Tang & Veelenturf, 2019). Porter and Kramer (2011) similarly argue that businesses should review their logistics processes in order to reduce their shipping distances and use more energy efficient vehicles.

Another important aspect in the value chain with a significant influence on reducing the environmental impact is purchasing and the supply chain (Hitchcock & Willard, 2006; Nidumolu et al., 2009). Supply chain management has become increasingly relevant to business strategy as a way to reduce environmental impacts, as well as improve the management of costs and uncertainty (Hitchcock & Willard, 2009). By offering incentives, large corporations encourage suppliers to become more environmentally conscious (Nidumolu et al., 2009). However, there are a lot of challenges in making the supply chain sustainable (Villena & Gioia, 2020). Large corporations often require their first-tier suppliers to comply with their sustainability standards and ask these suppliers to have their suppliers do the same (ibid). The issue with this, is that the first-tier suppliers rarely concern themselves with their own supplier's sustainability standards, since many of them are struggling with sustainability themselves (ibid). Furthermore, lower tier suppliers are often lacking in sustainability expertise and resources, and they may be unaware of accepted corporate social responsibility and environmental practices (ibid). This results in lower-tier suppliers being the riskiest members of a supply network from a sustainability point of view (ibid). Measures from larger corporations that can contribute to solving this issue involve requiring lower -tier suppliers to set their own long-term sustainability goals and including lower-tier suppliers in their overall sustainability strategies (ibid). This can also involve choosing materials and suppliers that offer the lowest environmental impact (Hitchcock & Willard, 2009).

Another part of the value chain is sales. A willingness to set and commit to sustainability goals could be a driver of sales, assuming the sustainability strategies are credible (Borland et al., 2019). By continuously investing in sustainability, companies will have a greater chance of selling products to consumers who are willing to pay more, and by committing to various aspects of sustainability the brand can increase its trust with its customers (ibid). To achieve this, companies need not only to work transparently with sustainability, but also effectively communicate their sustainability strategies and goals, which can be done by incorporating different marketing strategies, which leads to a different part of the value chain, thus marketing. Further, Zerbini et al., (2019) claims that this could lead to competitive advantages, in addition to increasing consumers' awareness of the company's sustainability strategies, which can be beneficial to the brand itself. However, there are issues connected to a company's sustainability marketing strategy. Companies' efforts to portray themselves or their products as sustainable can be directly wrong and lead to accusations of "greenwashing" (Burbano & Delmas, 2011). Companies that greenwash are characterised by having poor sustainability performance while simultaneously communicating the opposite (ibid). Another aspect of sustainability connected to marketing and sales is the handling of returns (Nidumolu et al., 2009). One solution is to reuse parts of the product again, or alternatively to recycle the materials used in the product (ibid). This could be done by applying a circular approach in the business model and creating

value from something that earlier has been handled as waste (Bocken et al., 2014). The concept of creating value from waste involves removing the concept of waste by using the streams of waste to create a valuable input to use in production (ibid). In this way, material loops are closed, the usage of virgin materials are reduced in the production process and disposal of useful materials could decrease (ibid).

One way to legitimise the sustainability work throughout the value chain is with sustainability reporting by the compliance department (GRI et al., 2015). In addition to being a form of communication to stakeholders, sustainability reporting builds trust and supports value creation. It is also an effective tool for driving internal change and decision-making through integrated performance management, partly since it enables measuring performance (ibid). By adhering to a credible CSR framework, a company can expand its operations without causing stakeholder resistance (Villena & Gioia, 2020). Therefore, it is important that sustainability management policies are perceived as legitimate and valuable (ibid). However, compliance is complicated (Nidumolu et al., 2009). Various environmental regulations apply to different countries, states, and even cities, so it is tempting to follow the lowest environmental standards as long as possible (ibid). Additionally, Davidson (2011) argues that monitoring systems have been framed to critically assess economic, environmental, and social sustainability. Despite their good intentions, most of these systems represent a weak attempt to resolve a complex problem: the paradox between economic growth and social and environmental integrity (ibid). It can, however, be advantageous to comply with the most stringent rules prior to their enforcement since it could generate first-mover advantages in terms of fostering innovation (Nidumolu et al., 2009). The SDG Compass also recommends that companies use internationally known standards, or frameworks, for sustainability reporting such as the comprehensive standards offered by GRI or the SBTi (GRI et al., 2015; Science-Based Targets Initiative, 2022).

At last, for the sustainability goal and implementation to be taken seriously in the organisation, the initiative needs to come from the top management, as mentioned earlier (Chakravorti, 2017; Hitchcock & Willard, 2006). Top management need to communicate the message regularly and repeatedly, and align their actions thereafter (Hitchcock & Willard, 2006). The executives should make sustainability one of the key priorities in the company, expect every department to set their own goal connected to the company's sustainability goals and embed sustainability into employee orientation (ibid). As also mentioned above, it is helpful for many organisations to designate a person to lead the sustainability effort, which, ideally, should report to the top management (Szekely & Dossa, 2017; Hitchcock & Willard, 2006). Another important top management position is that of human resources, since they are key partners in devising a successful implementation plan based on their organisation's needs (Hitchcock & Willard, 2006). They understand that participation is crucial; they are well versed in response techniques to overcome resistance; they know how to use reframing techniques to engage stakeholders; they have control over most communication and education systems; and they often coach managers in their performance (Hitchcock & Willard, 2006). This is essential, since the implementation of sustainability and sustainability goals requires change and learning processes in any organisation (Baumgartner & Rauter, 2016). In terms of sustainability, organisational learning processes raise a number of questions, including, whether it is possible

to communicate and understand long-term aspects of sustainability, as well as the nature and extent of uncertainty associated with long-term development and the interaction of environmental, social, and economic issues from a local, regional, and global perspective (Carrillo-Hermosilla et al., 2009; Probst and Büchel, 1994; Müller-Christ, 2001). Therefore, it is imperative to offer adequate training support (Siebenhüner and Arnold, 2007). However, before any sustainability-oriented learning can take place, sustainability-oriented values must be incorporated into the organisation by the top management (ibid).

2.2 Rapid Growth

As mentioned in the background, growth, and rapid growth in particular, comes with many opportunities, such as new strategic options, increased legitimacy and profitability, attracting talents and creating economies of scale (Nicholls-Nixon, 2005). Therefore, managing rapid growth is of critical importance to managers (Nair, 2010). However, managing rapid growth is difficult. In fact, according to Mascarenhas Kumaraswamy et al (2002), achieving sustainable rapid growth might be the toughest managerial task in America, as it creates large changes in the scope and scale of firm activities (Nicholls-Nixon, 2005). Following, a surprisingly large number of rapid growth firms underestimates the challenges that come with rapid growth and thereby stumble severely because of the high demand and pressure that comes with the dramatic changes of rapid growth (Nicholls-Nixon, 2005).

2.2.1 Growth Strategies

In order to sustain growth, a strategy to increase revenue without risking earnings or customer satisfaction is needed. As mentioned, growth is vital for companies, and rapid growth is even better (Nicholls-Nixon, 2005). It is thereby something that companies and its managers cannot leave to chance (Von Krogh & Cusumano, 2001). A growth strategy is needed (ibid). In fact, Durmaz and Ilhan (2015) claim that growth strategies and their outcomes are the strongest factors for companies to stay alive in today's fast-growing world.

According to Thakor (2011), a good growth strategy must fulfil five conditions. First, it must be easy to understand and relate to for all employees so that they can internalise their role in executing it. Second, the growth strategy statement must also explain what the company will and will not do. Third, it must be tied to business key value drivers. Fourth, instead of focusing on the outcomes of value creation, such as return on assets and profits, it must focus on how value will be created. Lastly, the fifth condition is that the growth strategy is specific, and time bound. In addition to these five conditions, Thakor (2011) mentions two steps that must be taken, where the first step is to ensure that the company is aligned behind its growth strategy. For example, the organisational culture and employees must be aligned, but also the allocation of resources and decisions concerning acquisitions. Additionally, performance metrics by which business units and employees are judged should be linked to the strategy. The second step is to repeatedly communicate the growth strategy to the whole organisation. Thakor (2011) describes not having organisational alignment as a major obstacle and thereby stresses the importance of it, as organisational alignment is key in executing any growth strategy successfully. All employees, as well as the board of directors, need to agree, understand, and

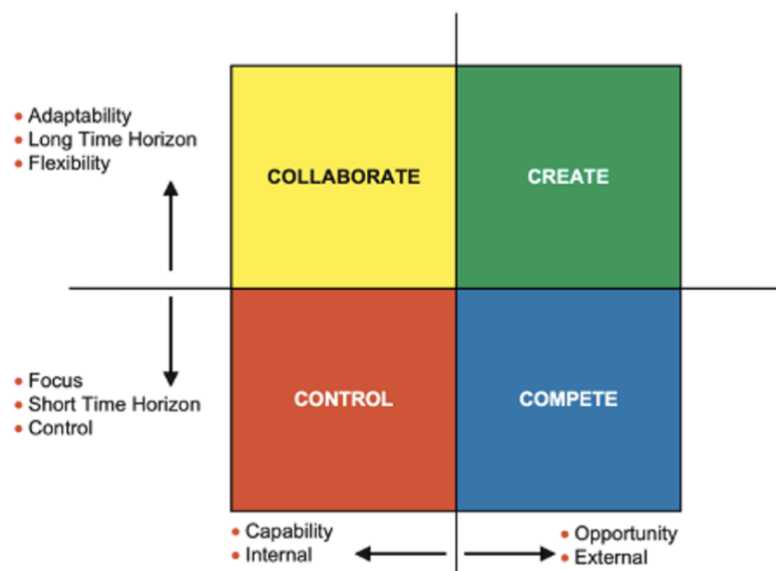
be committed to the vision and mission of growth strategy, otherwise there will be friction that reduces the energy of employees and creates conflicts (ibid).

Further, according to Durmaz and Ilhan (2015), choosing the right growth strategy for one's unique company is one of the most crucial decisions that companies face, and is thereby also a difficult decision to make. Gerald and Elisifa (2013) explain that there is no one best growth strategy since all strategies are not suitable for every business. However, choosing the wrong growth strategy can be devastating for the firm (ibid). Therefore, the key is to find a strategy that is properly matching your specific company and its marketplace. According to Von Krogh and Cusumano (2001), a good growth plan captures the vision of the growing company and takes both a long- and short-term perspective.

A vast amount of growth strategies exists, and many of them are presented in different ways by different researchers. In his book, Thakor (2011) acknowledges that there exists a large number of growth strategies, and therefore helps businesses by presenting only four categories, or colours of growth instead.

These categories do thereby not imply very practical growth strategies, they rather focus more on the overall vision, values, and nature of the companies, and how they see themselves growing. Thakor's (2011) four colours of growth, or what he calls the Competing Values Framework (CVF), are presented in Figure 1. Instead of choosing between a countless number of growth strategies, companies

Figure 1
The Competing Values Framework



Note. Adapted from *The Four Colors of Business Growth* by Thakor, A. V., 2011, p. 21.

now only need to choose between four, namely, *Collaborate*; when firms achieve growth by focusing on its own people and the business culture, *Control*; when competitive advantage in growth is gained by enhancing internal processes and efficiency, *Compete*; when growth is driven by dominating the markets that exist today and by more effective interactions with external stakeholders, and finally *Create*; when growth is fostered through innovation and disruptive change (ibid).

If one divides the figure, either vertically or horizontally, it becomes clear that some of these categories have common elements. If the figure is sliced horizontally, *Control* and *Compete* share the focus on short term results, as well as the strategy to replicate past rules of success

and improve past actions (Thakor, 2011). They are thus both focused on what exists today, on measurable results with timelines that are well defined and on tangible outcomes (ibid). In contrast, on the other half of the figure *Collaborate* and *Create* have a common aim of creating and opportunities that do not exist today (ibid). Timelines for achieving results are therefore unpredictable and outcomes are often ambiguous and thereby difficult to measure (ibid). However, if the figure is sliced vertically instead, it is clear that *Control* and *Collaborate* both have an internal focus, where *Control* focuses on its internal processes and *Collaborate* on its people (ibid). On the contrary, an external focus is shared between *Compete* and *Create*, where those who drive growth through *Compete* focus on customers and markets that exist today, while *Create* focuses externally on customers and markets that might exist in the future (ibid). Thus, if one moves from right to left in the figure, the focus shifts from seeking external opportunities to utilising and developing internal capabilities (ibid). Similarly, when moving from top to bottom in the figure, the growth strategy focus changes from a willingness to be flexible and longer and thereby also less predictable time horizons, to short time horizons and control over outcomes (ibid).

If the figure of the four colours of growth is instead viewed diagonally, it becomes clear that those quadrants have nothing in common and are the opposite of each other. Thus, quadrants that are placed diagonally opposite from each other focus on competing forms of growth, and it is thereby impossible to focus on them both as one action towards the direction that is diagonally opposite, indicates a move away from the other diagonally opposite direction (Thakor, 2011). Moreover, *Control* and *Create* are competing since *Control* seeks stability through, for example predictable outcomes and efficiency, while *Create* aims to disrupt rather than stabilise and thrive in a somewhat chaotic and unpredictable atmosphere (ibid). Likewise, *Compete* and *Collaborate* are each other's opposite as businesses in *Compete* measure its success on market share, and view their external world as hostile and customers as choosy and self-interested, while *Collaborate* manage its external environment through cooperation and commitment, and view their customers as partners (ibid). What Thakor (2011) wants to say by this is that it is important to adapt a certain degree of focus, and thereby make a choice that ultimately pulls the business in a certain direction. The challenge is to acknowledge these tensions between the different strategies as a manager, since "those that try to do everything achieve nothing." (Thakor, 2011, p. 22).

The different colours of growth also require different types of leaders or leadership styles, and the challenge is to be able to adapt to the chosen strategy (Thakor, 2011). If, for example, a company has a leader with a *Control* leadership style but wishes to achieve growth through *Create*, this leader might have a difficult time adapting, and might thereby need to be replaced. The focus of a leader in a *Control* growth strategy is on internal operating systems and the leadership role is to analyse, while, in *Create*, the focus is on the future and the role is to be a vision setter. Further, a leader in *Compete* focuses on the current market and has a leadership role of delegating tasks, while a *Control* leader focuses on internal operating systems and has a role of an analyser.

2.2.2 General Challenges with Rapid Growth

In addition to choosing the right growth strategy, there are several other challenges which firms that grow rapidly are facing, despite their choice of growth strategy. The challenges of rapid growth were discussed in 1985, by Hambrick and Crozier and then again by Nicholls-Nixon (2005). In both studies, the researchers found that entrepreneurs in rapidly growing firms face greater managerial complexity compared to firms that are moving more slowly since rapid growth create large changes in the scope and scale of the firms' activities, making it difficult to adapt to the demands and pressures of such changes (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005). As a result, both studies present four fundamental management challenges of handling rapid growth; *Instant Size*, *a Sense of Infallibility*, *Internal Turmoil* and *Extraordinary Research Needs* (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005).

Instant Size refers to the problems that might arise when a firm quickly doubles or triple in size (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005). First of all, it might create disaffected employees since those drawn to smaller firms often value and thrive in an environment that is intimate, informal and where job responsibilities are broad (Hambrick & Crozier, 1985). For these employees, a major growth might seem like a huge loss where the original tasks and sense of family is gone (ibid). A larger company also requires different employee expertise and skills (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005). This problem might also arise at a management level, since the skills that are required from a manager of a company with 100 employees differs vastly from the management skills needed in a company with 1000 employees (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005). In a larger company, managers need to delegate instead of doing the tasks themselves, which can be a large adjustment (Churchill and Lewis 1983; Hambrick & Crozier, 1985). It is not only the people's expertise and skills that might be inadequate when a firm has grown quickly, original systems might not keep up with the firm's rapid growth either (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005). For example, the decision-making process in a small company with few managers is often spontaneous, informal, and conducted face-to-face, which would not be effective or maybe even possible in larger firms (Hambrick & Crozier, 1985). Communication and decision-making often fail in firms with rapid growth because they either try to fully keep their original decision-making process, or because they go overboard and install information and decision-making processes that are too formalised (ibid).

Firms that have grown quickly have obviously made very good choices and become very successful (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005). Even though this is positive, people in such firms might start to believe that they are *infallible* and thereby become less willing to change their behaviours and strategies, even in situations when their environment is turbulent or when large competitors change or enter the market (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005).

Further, companies that are growing fast during several years are under great strain, which can cause, what Hambrick and Crozier (1985) and Nicholls-Nixon (2005) calls, internal turmoil. As companies grow, new people need to be hired and new employees need to be integrated into the organisations quickly (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005). This causes a situation where people do not know each other nor the company, and as a result do not trust

each other (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005). This is a challenge that needs to be solved, since distrust is highly undiscoverable, especially in an environment with a high amount of new information and when many important decisions need to be made (Hambrick & Crozier, 1985). When daily decision-making suffers due to rapid growth, it can result in, for example, production logjams, poor product quality and bad debts (ibid). Additionally, when new managers and other new employees do not know where their tasks stop and another employee or manager's tasks starts, some decisions might be forgotten (ibid).

Finally, when a firm is growing rapidly, it has extraordinary resource needs due to the vastly increased demands (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005). Cash flow is almost always negative for these firms since funds are needed to build equipment and plants, and to train or hire working capital at a speed that keeps up with the customer and industry growth (Hambrick & Crozier, 1985; Churchill & Lewis, 1983; Nair, 2010).

To these challenges, Hambrick and Crozier (1985) suggest several solutions. However, these solutions come with challenges in itself. Companies in these situations need to put time and money into hiring and training employees. One solution is for example to hire managers and board members with large firm experience, even though that might mean dismissal of managers who have been in the firm since it started and who have the trust of the employees (ibid). According to Hambrick and Crozier (1985), companies with rapid growth should also put high resources to create more formal systems that are needed in the areas of control, planning, and compensation, preferably before they are crucial. However, as mentioned before, the balance of sticking to current more informal strategies or changing to totally new formal strategies can be a challenge in itself. Also, resources in terms of cash is often sparse, which can also be a problem hindering Hambrick and Crozier (1985) solution to avoid companies' sense of infallibility, which is, again, to put time and money and use all available channels, such as consultants, suppliers, professional associations, and customers for finding important information about the changing environment. Overall, Hambrick and Crozier (1985) most important solution for these companies is to try to envision their future, and acquire the needed processes, skills, and other reorganisations accordingly in advance. Employees, and especially managers that can envision and articulate what the firm will need years from now are needed in a successful rapid growth firm, since that would allow them to anticipate future problems of being a larger firm and prepare for it (ibid). Simultaneously as firms should plan and operate in accordance with what will be needed in the future, it is also crucial not to discard the techniques and values which allowed them to grow in the first place. According to Hambrick and Crozier (1985, p. 45), firms with rapid growth "must create a balance between yesterday and tomorrow."

The balancing act between today and tomorrow seems like a large enough challenge. But to succeed with that solution, is, according to Nicholls-Nixon (2005), not enough. Nicholls-Nixon (2005) claims that it might not always be possible to soften transitions in growth phases by planning for the future, since companies with rapid growth change constantly, which would only result in a changed environment before the new strategies sets in place. Moreover, in such situations, it might not be possible to plan for growth transitions, since transitions and changes do not come all at once in certain periods; for firms with rapid growth, change is constant (ibid).

Therefore, in the often-occurring periods when formal systems and structures cannot keep up with the company's rapid growth, it is important to be able to manage rapid growth on a daily basis by creating an infrastructure that allows periods of self-organised change to occur (ibid). This is important to be able to respond in real time to the change and uncertainty that comes with rapid increases in the diversity and scope of the company's activities (ibid).

To enable self-organisation, a deep structure is a requirement since it directs employees' interactions and actions, while still leaving room for employees to make their own decision, take action and develop and create innovative and flexible solutions to new situations when they arise (Nicholls-Nixon, 2005). A deep structure is a set of shared rules that determine the company's basic principles of organisation, as well as its business logic, or reason for existing (ibid). When formal structures and systems cannot cope with the pace of change in an organisation, these shared rules support self-organisation by providing guidelines for employees (ibid). In rapidly growing firms, there are always misalignments due to rapid changes. Methods of distribution, business models and marketing plans need to be developed and employees are added to the organisation at an alarming speed (ibid). Therefore, it is important to ensure that order still exists so that the firm does not lose all control (ibid). The challenge is to create such a deep structure that allows this, while still allowing innovative and flexible responses to unpredictable situations (Nicholls-Nixon, 2005).

2.3 Theoretical summary

In the literature review, two theoretical building blocks are presented: sustainability goals and rapid growth. To first summarise the main findings regarding sustainability goals, goals can help organisations to set a direction and increase performance if they are formulated and communicated to the organisation in the right way (Latham, 2004; Kramer et al., 2019). By setting goals that are specific, challenging, easy to understand and relating to the employees' daily operations, the goals can help with prioritisation of tasks, energising and motivating the employees to heighten their performance (Locke & Latham, 1990). This could also be applied to sustainability goals, and according to Kramer et al., (2019) and Chakravorti (2017), organisations can reach the biggest impact by connecting their sustainability goals to their core business and most promising business opportunities. Further, a long-term perspective is necessary for sustainability and the investments needed to pursue the sustainability goals (Szekely & Dossa, 2017). Thus, to be able to understand how the case company should set their sustainability goals and connect their goals to their core business, an understanding of how they have implemented sustainability is necessary.

Chakravorti (2017), Epstein and Rejc Buhovac (2014), Costa et al., (2019) and Genç (2017) argue that sustainability initiatives should come from top management and that an encouraging culture towards continuous improvement of sustainability is of importance for a successful implementation. One way to simplify this process, of aligning the organisation for the implementation of sustainability goals, is with the use of a sustainability manager (Szekely & Dossa, 2017, Epstein & Rejc Buhovac, 2014). Further, sustainability must take place along the entire value chain for it to have effects on daily operations, and in the longer run, the sustainability goals (Epstein & Rejc Buhovac, 2014; Nidumolu et al., 2009). Therefore, the

literature review includes insights about how to implement sustainability in the different parts of the value chain, such as product design, production, logistics, purchasing, compliance, top management, human resource, and marketing.

One of the most difficult decisions, concerning rapid growth, is to choose a growth strategy, since the wrong one can devastate the business (Durmaz & Ilhan, 2015; Gerald & Elisifa, 2013). In the literature review, one of the most well-known growth models is presented. Thakor's (2011) model is visionary, and suggests four different growth strategies; Create, Collaborate, Compete and Control. Thakor (2011) states that you can combine some of these strategies, but simultaneously stresses the importance of not trying to follow two competing strategies at the same time. The main takeaway from Thakor's (2011) theory, however, is the importance of internal alignment behind the growth strategy. Although, achieving alignment is a large challenge in itself (ibid). All employees, as well as the board of directors, need to agree, understand, and be committed to the vision and mission of growth strategy, otherwise there will be friction (ibid).

In addition to the challenges of choosing a growth strategy and then ensuring alignment behind it, several other challenges with rapid growth are presented in the literature review. While in a rapid growth phase, companies often experience challenges such as disaffected employees or cultural turmoil from transforming from a small company to a large one, inadequate internal processes that does not keep up with the company growth, and lack of resources such as cash, skills, knowledge, manpower and time (Hambrick & Crozier, 1985; Nicholls-Nixon, 2005). While Hambrick and Crozier (1985) claim that the most important ability in a rapid growth firm is to have a long-term horizon and envision the future needs of the company and prepare for those needs before they occur, Nicholls-Nixon (2005) claim that such preparation is almost impossible for rapid growth firms since change is happening all the time, which thus result in a short-term focus. Nicholls-Nixon (2005) suggests that rapid growth firms create an environment where employees can self-organise change in situations when formal structures and systems cannot cope with the pace of growth. To enable self-organisation, a deep structure is a requirement, which, according to Nicholls-Nixon (2005) is a set of shared rules that determine the company's basic principles of organisation, as well as its business logic, or reason for existing (ibid).

The most effective ways of setting sustainability goals and enable internal alignment as well as effective implementation of the sustainability goals, will, together with the most common and difficult challenges of being in a rapid growth phase, help form an understanding of the case company, Lynk & Co's, current situation and thereby help answer the research question of what companies in a rapid growth phase should consider when setting environmental sustainability goals.

3 Methodology

This chapter presents the research strategy and design, together with the methods used for collection of primary data and the literature review. Thereafter, the method for data analysis is described, followed by a discussion and reflections on the quality of the research to ensure transparency and trustworthiness of the results in the thesis.

3.1 Research Strategy

When choosing a research strategy, there are two main choices which can be considered, namely a qualitative or a quantitative research strategy. While a qualitative research strategy aims at investigating individuals and their reality, a quantitative research strategy commonly focused on numbers and measurements to find generalizable answers (Bell et al., 2019). A qualitative research strategy is argued to be most suitable since a quantitative approach would not have been likely to gain the desired insight as nuances of each respondent would have faded by the quantification of data (ibid). Thus, each individuals' social realities of what they ought to describe would have been limited and evened out into generalizable answers, making it impossible to find deep understanding of Lynk & Co's current challenges and create custom made suggestions of what they should consider when setting environmental sustainability goals. Since the literature concerning the topic of this research is sparse, an exploratory research method was needed. Also, since the research question and all its sub questions are "what" questions, the purpose implies an exploratory nature. Qualitative research was thereby suiting since it allowed the flexibility and adaptability of the research, in other words, allowing the appearance of unpredicted information (Bell et al., 2019). Additionally, the exploratory nature enabled the findings of this research to act as a forerunner to future research.

Similar to when choosing a research strategy, there are two main choices when selecting a research approach, namely either a deductive approach which is most often used together with a quantitative strategy, or an inductive approach which is often used with a qualitative research approach (Bell et al., 2019). A deductive research approach aims to form hypotheses from existing research within the subject and then test those hypotheses, while an inductive approach aims at extending existing theory or research rather than to test it (ibid). However, since both the inductive and deductive approaches have been criticised; the deductive approach is claimed to rely too heavily on the strict logic of theory testing, while the weakness of the inductive approach is that it requires a large amount of empirical data to build a theory, a third option that is claimed to move past the drawbacks of the two mentioned approaches has been considered (ibid).

The abductive approach was chosen for this research as a means to overcome the limitations of the inductive and deductive approach, as well as to enable the investigation of how to build a goal-setting strategy that enables rapid growth and lower emissions through an iterative process of examining empirical data and literature (Bell et al., 2019). Moreover, since this research aims to investigate an observed area that the current theories are not able to fully explain, an abductive approach is suitable as it allows an aim to find current challenges and the best possible solutions by moving back and forth between data and theory in cases when there are competing

explanations and interpretations of the empirical data (ibid). One example of when this back-and-forth approach was used is the included theories regarding growth strategies. At first, several different growth strategies were included, but eventually only one remained in the literature review since this was the only one relevant and coherent with the empirical findings, as it provided a growth strategy that also allowed a flexible and agile process. It is important to mention, however, that the abductive approach has received some critique as well. Since the approach allows you to go back and forth through theory and data, interpretations of the data are claimed to be biased towards the researchers' preconceptions from the existing theories, and are thereby used to simply confirm those preconceptions instead of explaining new phenomena (Bell et al., 2019). Therefore, it is important to be open to surprises connected to the observed area or phenomena as a researcher (ibid).

3.2 Research Design

In this research, a single-case study research design was chosen, where the selected case firm, Lynk & Co, was studied in-depth. To gain context-specific and detailed understanding of which challenges Lynk & Co currently face and how they can overcome them, a single-case study research design seemed most suitable since it allows an investigation of the particular nature and complexity of the case in question (Bell et al., 2019). Further, the research design was chosen since the case company is a time relevant and unique case as they are relatively new to the automotive market with a unique vision and business model, allowing and requiring them to have a higher focus on sustainability, compared to more traditional Original Equipment Manufacturers (OEMs). They are thereby inexperienced and not used to their rapid growth and cannot rely on best practice from other companies in the automotive market since few similar companies exist.

Even though Lynk & Co can be seen as a unique case, which is required to argue in favour for a single-case study (Eisenhardt 2021), some researchers, like Eisenhardt and Graebner (2007), claim that single case studies lack quality and achieve a lower level of external validity compared to multiple case studies. Eisenhardt (1989) also claims that between four to ten cases is necessary to achieve theoretical saturation, while Goffin et al (2019) states that single case studies generate more complicated findings compared to multiple case studies. Therefore, interviews were not held with employees at Lynk & Co only. Experts within the field and academia were interviewed as well. With these additions, the research design can be claimed to gain a more comparative nature and are also similar to a cross sectional design. A cross sectional design studies several cases but does not focus on the unique contexts of each case, it rather aims at identifying patterns and general findings (Bell et al., 2019), thus compensating for the low generalizability of a single case study. Further, a comparative research design enables deeper insights and a broader view of the studied topic by comparing several cases with similar methods (ibid). However, since the focus lies on Lynk & Co, and to provide recommendations to them, the chosen research design was a single case study, not a cross sectional design nor a comparative design, even though it includes elements from them both to ensure higher quality.

3.3 Data Collection

3.3.1 Primary data

There are several methods to perform a qualitative data gathering. For this thesis, in-depth interviews were considered to be suitable since it enables the researchers to gain in-depth understanding of the chosen issue (Bell et al., 2019). Interviews allowed the researchers to gain detailed information and understand the interviewees perspective, perceptions and experiences connected to the problem being researched (ibid). Further, the researchers also wanted to compare the collected material to be able to create a nuanced reflection of how a business in a rapid growth phase could be working with environmental sustainability goals, rather than how one organisation practices the issue at hand. Therefore, the chosen form of interviews was semi-structured, since it facilitated the compilation and comparison of the data and the process of finding similarities, or dissimilarities, in the collected data (ibid). Through this, semi-structured interviews enabled the combination of flexibility and structure which made it easier to detect patterns in the in-depth data collection (ibid). Semi-structured interviews also allowed the researchers to use a predetermined interview guide but remaining the opportunity to adapt the interview guide for every respondent and ask follow-up questions, alter the questions if needed or exclude questions if they were excessive (ibid). To encourage the respondents to speak freely about the relevant topics, the interview guide only contained open-ended and non-leading questions (Saunders et al., 2009). To ensure that the information gathered was relevant to the research question, the topics covered in the interview guide for the case company respondents were based on the literature review of the thesis. The expert respondents' interview guide was based partly on the literature review and partly on the empirical data from the interviews with the case company's respondents. This approach was chosen as it is an exploratory thesis where theory does not provide a comprehensive solution for the researched topic.

3.3.2 Literature review

A literature review with a narrative approach and with influences of a systematic approach, was considered to be the most suitable for this thesis since it allowed the researchers to remain open to new phenomena throughout the research, but still be able to search for literature in a systematic way. This approach fits well with the abductive approach, where an iterative process between observations and theory takes place, which can require flexibility as new phenomena occurs (Bell et al., 2019). The narrative approach offers the opportunity to create an understanding of the research area, rather than a knowledge synthesis, and opens up for modifications of the research area as the data collection continues, whereby the narrative and abductive approach could be a beneficial combination (ibid).

To begin with, the researchers explored the current literature, connected to the research question, with the use of search engines such as Gothenburg's University search tool, the Google Scholar database, and scientific journals. At first, the focus was on identifying relevant sources and outline key concepts to create an understanding of the research subject, which an interview guide later could be based on, but also to build a theoretical foundation. Thereafter, the literature review was conducted beforehand of the interviews to a large extent. However, the researchers were open to iteration between data and theory to be able to adjust the literature

review to include the most applicable theories and frameworks. The usage of keywords is of systematic character and the keywords selected to find literature were based on their relevance to the thesis (see below). To ensure that relevant literature was not overlooked, multiple combinations of keywords and synonyms were employed. Finally, some literature was found not through keyword search but through the reference list of previously identified relevant articles, as well as from recommendations made by our tutor and other professors at the university of Gothenburg. Excluding governmental articles, reports and articles from Harvard Business Review, the literature review only contains publications that are peer-reviewed. Intergovernmental reports, such as the SDG Compass (GRI et al., 2015) was included in the literature review since it originates from a trustworthy source and brings a scientific perspective on what to base environmental sustainability goals on, and how to set them.

Selected keywords were: Goal setting, rapid growth, growth strategies, sustainability goals, sustainability implementation, sustainability frameworks

3.3.3 Sampling

The sampling for the research was in the form of purposive sampling. Purposive sampling means that the participants will be chosen based on relevance for the research question which is useful to find individuals in an organisation that is relevant for the research topic (Bell et al., 2019). This was of importance in this thesis, since the aim was to interview professionals that practice strategies concerning sustainability while in a rapid growth phase, alternatively experts in the area. The selection of respondents was made from two different populations to be able to fulfil the purpose of the thesis: employees at the case company Lynk & Co and experts from academia and the industry. The main focus here was the population from Lynk & Co, since the aim of the thesis was to gain a deeper understanding of what needs to be taken into consideration when being in a situation similar to theirs. When using a purposive sample method, it is vital to be transparent about what criteria was applied when excluding or including respondents (ibid). Therefore, the researchers set up criteria that were applied when contacting respondents, however the criteria was different depending on which population the respondent belonged to. For respondents from Lynk & Co, respondents with differing characteristics were included to increase the variety in the sample with the aim of strengthening the potential for deep insights. To ensure this, the selection criteria covered the following: department, where the respondents work within differing departments that is relevant for the thesis, such as sustainability manager, top management, HR, compliance, purchasing, logistics, production, marketing, and finance; position, where the respondent should have a position with comprehensive knowledge for the department; and that the respondent works with environmental strategy and/or operational strategy in some way. The case company supervisor assisted the researchers to identify internal respondents who fulfilled these criteria. For the experts or professionals within the field, other sets of criteria were applied, where the respondents should either be: researching growth and/or sustainability or working as a growth and/or sustainability advisor. The career level of the respondents was not included in the criteria, since the researchers of the thesis rather saw it as beneficial to include respondents in different stages of their career to attain more nuanced information about how to deal with the combination of working with sustainability in a rapid growth phase.

A potential problem with purposive sampling is to find enough respondents that are willing to contribute to the research in order to reach saturation in the data gathering. The researchers needed to find willing respondents that matched the criteria set up for the sampling to give representative information. One solution to this was to use snowball sampling, meaning that the researchers acquired new respondents by recommendations of the existing respondents (Saunders et. al, 2009). A disadvantage with this technique is that the anonymity for the respondents sampled through snowball sampling could be compromised, since the first respondents, who suggested the snowball sampling respondent, knows that person (ibid). However, the researchers believed it still was beneficial for the thesis result.

Two tables with the interview respondents are shown below for increased transparency, where the first one specifies relevant information for Lynk & Co interview respondents and the second one specifies relevant information for expert interview respondents.

Table 1
Lynk & Co Interviewee Table

Department	Date for interview	Length of interview
Sustainability	22/3/2022	55 min
Sustainability	22/3/2022	55 min
Top Management	28/3/2022	51 min
Production and Logistics	23/3/2022	40 min
Product Design	25/3/2022	45 min
Purchasing	23/3/2022	54 min
Compliance	23/3/2022	49 min
Sales	29/3/2022	42 min
Marketing	23/3/2022	54 min
HR	25/3/2022	40 min

Note: Summaries information on interview set-up with Lynk & Co respondents

Table 2
Expert Interviewee Table

Company/Organisation	Role	Dates for interviews	Length of interview
Enact	Lead of Sustainable Finance	4/4/2022-8/4/2022	56 min
Forever Sustainable & Örebro University	CEO at Forever Sustainable & Head of master program in sustainable business, at		52 min

	Örebro University		
CSR Västsverige	Project Manager		53 min
Grant Thornton	Sustainability advisor		58 min

Note: Summaries information on interview set-up with expert respondents

To increase experts' anonymity, they will be referred to as expert 1, 2, 3 and 4 in the empirical chapter when citations from the interviews are presented. Dates for the interviews have not been specified for the same reason. Thus, readers of this thesis will be able to know experts' roles and workplace in accordance with table 2. However, they will not know what was expressed by which expert, only that some citations came from the same expert.

3.3.4 Interview set-up

To answer the research question and draw a significant conclusion, the researchers held 14 interviews distributed over the chosen case company and experts in the field. The number of interviews was determined along the data gathering process, to make sure that saturation of the data was reached (Eisenhardt, 2021). Initially, a pilot interview was held with a representative person at Lynk & Co and an expert within academia. This to be able to test the questions in the interview guide and have the possibility to re-assess and make further improvements (Bell et al., 2019). The interviews were either held face-to-face or through a video-call to be able to take facial expressions, body language and reactions into consideration in the interpretation of the interviews. It also enhances the chances of having an honest and informative interview by creating a connection with the respondents (Patton, 2015). The interviews were recorded so that the researchers could focus fully on the ongoing interview and transcribe them later on. An interview guide was given to the respondents about one week in advance of the interviews to give time for reflection and increase the possibility for an interview with relevant information for the thesis.

3.4 Data analysis

When analysing the qualitative data collection, a thematic analysis was used, since this is the most established approach for analysing qualitative data according to Bell et al. (2019). A thematic analysis is suitable for qualitative data collections, such as unstructured transcribed interview material, since a thematic analysis allows the researchers to search for patterns and hidden meanings in the material in a structured way (Sekaran & Bougie, 2016). With this approach, the respondents' thoughts, perceptions, and experiences can be analysed and contrasted in a systematised way. For this to be feasible, the data must be processed which will be done by coding (Bell et al., 2019). The initial step when using a thematic analysis, however, is to get familiar with the data (ibid). Therefore, every interview was read through carefully. Thereafter, the next step was to code the data, and when doing so, all transcripts from the 14 interviews were read simultaneously, question by question, in a table. A part of this table can be seen in table 3, where question 11 from appendix 2.4 was coded from three different interviews. As can be seen in the table, relevant and important sentences and words from the

raw data were marked and extracted into first order concepts, or initial codes as the researchers of this thesis choose to call them. The initial codes were so-called emerging codes, indicating that they emerged directly from the data, without preconceptions from the literature review (ibid). It is crucial to mention, however, that the initial coding was unavoidably influenced by the literature to some degree, since most parts of the literature review had been conducted beforehand to ensure an understanding of what to ask for in the interviews and of what to search for in the raw data, to be able to answer the research question. Although, to minimise the level of influence, initial codes were labelled in close relation to the data, as can be seen in table 3.

After the initial coding, codes were grouped together into initial themes, based on similarities and repetitions (Sekaran and Bougie, 2016). In contrast to the initial codes, the initial themes were identified with help of the research question and literature review so that they were aligned with the thesis purpose. As can be seen in table 3, the first themes created were: Sustainability Goals, Sustainability Awareness and Alignment, Sustainability Vision and Culture, Value

Table 3
Example of initial codes and themes

Respondents	Raw data question 11 from appendix 2.4	Initial codes	Initial themes
1	Yes, we can definitely improve a lot. Everything from having a more structured mapping of where the risks are and having it in our targets. I think that the consciousness is there , and each time you see a risk you can always act on it, but we need a systematic work and that needs to be improved. And also working with suppliers . We can always evaluate, but how do we improve over time?	<ul style="list-style-type: none"> structured mapping consciousness systematic work working with suppliers 	<p>Sustainability goals</p> <p>Sustainability awareness and alignment</p> <ul style="list-style-type: none"> consciousness no long-term planning <p>Sustainability vision and culture</p> <ul style="list-style-type: none"> Willingness <p>Value Chain</p> <ul style="list-style-type: none"> working with suppliers
2	It's very much time . Also knowledge , but I also think that we have a lot of knowledge in our team with recruitment of more senior/experienced people . There are two things - find the time to do it but also lead times in the process . Our business wants a supplier very, very fast, and they want the deliveries. The planning in the company is maybe not so long term so it's hard to fit these steps in the project lead times.	<ul style="list-style-type: none"> time knowledge recruitment of experienced people lead times in the process quick decisions regarding suppliers no long-term planning 	<p>Growth strategy</p> <p>Growth challenge -alignment</p> <ul style="list-style-type: none"> no long-term planning <p>Growth challenge- Internal processes</p> <ul style="list-style-type: none"> systematic work structured mapping lead times in the process quick decisions regarding suppliers no long-term planning
3	Within the phase that they are in now, yes, but is it enough? No. We can take courses in how to improve it, which have been provided to some extent by the sustainability department. But there are limited resources in that department as well, even if the willingness is there . I want a person in my department that work with sustainability, with expertise in this area , since he learns as they go as well by connecting with people, taking classes , and looking at best practices at other companies to see what they do.	<ul style="list-style-type: none"> Take courses Limited recourses Willingness Sustainability expertise at department Look at best practice 	<p>Growth challenge - Culture</p> <p>Growth challenge - Resources</p> <ul style="list-style-type: none"> time knowledge recruitment of experienced people Take courses Limited recourses Sustainability expertise at department

Note. Exemplifies the initial coding and initial themes of the thematic analysis.

Chain, Growth Strategy, Growth Challenge- Alignment, Growth Challenge- Internal Processes, Growth Challenge- Culture, and Growth challenge- Resources. When the initial themes were

identified, they were revisited, combined, and lastly renamed. Thereafter, three main themes remained, namely (1) Rapid Growth Challenges, (2) Sustainability Implementation and (3) Sustainability Goals. In the theme Growth challenges, the initial themes of Growth Strategy, Growth Challenge- Alignment, Growth Challenge- Internal Processes, Growth Challenge- Culture, and Growth challenge- Resources were grouped together, since they all represent challenges that come with rapid growth. Similarly, the initial themes Sustainability Awareness and Alignment, Sustainability Vision and Culture, and Value Chain were grouped into Sustainability Implementation, as they are all important parts to enable an implementation of sustainability. The last main themes together reflect all collected data and are relevant to answer the research question. These three themes were also used as chapter headlines in the empirical, analytical, and concluding chapters of this thesis to enable a clear structure. Additionally, several initial themes were used as sub chapters.

It is important to mention that there are some drawbacks with a thematic analysis. When narrowing the data, researchers might risk losing the data's initial meaning or context (Bell et al., 2019). Therefore, it was vital to still have the raw data in mind while writing the empirical chapter and the analysis (ibid). Additionally, the narrowing, coding and thus interpretation of the raw data is subjective to the researcher, making it difficult to replicate (ibid). This drawback was however minimised by having both researchers code the same parts to ensure similar interpretations.

3.5 Research Quality and Limitations

The quality of business research can be evaluated using a variety of quality criteria (Bell et al., 2019). Due to the qualitative nature of this study, the criterion suggested by Lincoln and Guba (1985) for assessing qualitative research was the best fit. Two main criteria are recommended: authenticity and trustworthiness, where trustworthiness includes four sub-categories; credibility; transferability; dependability; and confirmability. These criteria have therefore been taken into consideration for this thesis and are discussed below.

3.5.1 Authenticity

Authenticity involves ensuring that the conduct and evaluation of the research are both credible and genuine with respect to the interviewees' experiences, as well as in light of broader social and political implications (Lincoln & Guba, 1985). The authenticity of qualitative research relies on several principles (ibid). According to Amin et al., (2020) the most significant authenticity criteria is fairness and the researcher's ability to accurately portray the experiences and emotions of the participants. Suggested measures to ensure fair representation include establishing members' consent throughout the research process, and the usage of the same interview guide with adaptations based on participants' expertise (ibid). Therefore, the interview respondents were asked consent about participating in the study if the interviews could be recorded and about being quoted. They were also offered to read the final thesis before it was published, to improve the transparency and authenticity. Using semi-structured interviews further increased authenticity by giving interviewees the opportunity to go off topic and for new questions to arise.

3.5.2 Credibility

Credibility is one aspect of trustworthiness, addressing the congruence, or its internal validity, of a study with social reality and how well the phenomenon has been investigated (Bell et al., 2019). Participant validation should demonstrate the study's connection to social reality (ibid). The company supervisor was consulted to ensure that the case company interviews were held with the most relevant people and departments in order to increase the credibility of the research. To strengthen this further, and gain an insight in the whole organisation, nine departments were represented by the participants. Interviewed experts in the area were from different companies and academia to further increase the credibility of the research. In addition, the respondent validation technique was conducted as a means of verifying the empirical findings and ensuring no sensitive information had been revealed (Lincoln & Guba, 1985). Thus, the interview respondents were given the opportunity to review the empirical material to ensure that their perspectives and experiences had been accurately interpreted. All respondents were given the opportunity to remain anonymous to increase their willingness to share their true subjective perspectives and experiences with the purpose of improving the credibility of this thesis (ibid). Another method of promoting credibility is to inform interview respondents that their contributions are voluntary, and that they can withdraw at any time. When the respondents felt comfortable sharing information, the sessions became more relaxed and honest. Another measure taken was to hold the interviews in English, to avoid translation errors. To facilitate genuine answers and minimise conflict with the participants' organisations, all the above aspects were incorporated for each interview session. To minimise conflict further, the case company respondents have not been specified in the empiric section unless it adds to the context. Furthermore, triangulation is a technique of enhancing the credibility of a study by combining data from multiple sources or methods (Bell et al., 2019). Hence, different research designs were incorporated to strengthen the credibility of the findings, more specifically a single case research design with elements of a cross sectional design and a comparative design. Data from multiple sources was also collected through interviews with respondents from the case company, as well as with experts within the field and academia.

3.5.3 Transferability

The transferability of a qualitative research study refers to its ability to be applied to other contexts (e.g., different participants, places, and times) by other researchers and is the second aspect of trustworthiness (Lincoln & Guba, 1985). A qualitative study, however, cannot be fully generalised or applied outside of its context because the context is limited to a given phenomenon (Bell et al., 2019; Shenton, 2004). Instead of the broad generalisations associated with quantitative methodologies, a qualitative study should focus on explicitly characterising the phenomena in terms of its scope (Shenton, 2004). The purpose of this research was not to attain great transferability, but rather to provide insight and guidance for the specific case company of Lynk & Co and what they should consider when setting environmental sustainability goals. As a result, this study focuses on depth and the contextual unique nature of the case company of study, and it is uncertain whether the conclusions are applicable in other circumstances or at different times (Bell et al., 2019). It could be argued that the conclusions could be applied to some extent to companies similar to Lynk & Co, in terms of similar industry

and being in a rapid growth phase, since many of the identified characteristics at the case company can be found in theory. According to Shenton (2004), thick description will allow the reader to assess if it is applicable and comparable to other contexts. To enable this, the scope of the data collection must be highlighted so that the reader can establish the transferability. This includes the number interviewees in the study, the interviewees background, the length and date of the interview sessions and the data collection methods. Furthermore, the interview guides are attached in Appendix 1 and 2 for increased transferability.

3.5.4 Dependability

Dependability is the third pillar of trustworthiness and refers to how consistent the outcomes of a qualitative research study are across time and under various settings (Lincoln & Guba, 1985). Nevertheless, since social phenomena and the context of the qualitative study are situational, it is unlikely that a qualitative study may achieve the same results as over time, since the situation cannot be fixed in a world that is constantly changing (Shenton, 2004). As for this specific case study, what to consider when setting environmental sustainability goals in a rapid growth phase, are likely to change due to technological developments, legislations, and changed climate circumstances. Bell et al. (2019) and Shenton (2004) argue that an in-depth methodological presentation can improve the dependability of a qualitative study. Some measures can be taken to increase the dependability, such as providing a clear problem formulation, a thorough description of the research design and the data collection, all of which can be found in the chapter one and three (Bell et al., 2019; Shenton, 2004)

3.5.5 Confirmability

Lastly, the fourth component of trustworthiness is confirmability which in qualitative research is comparable to objectivity in quantitative research and refers to how far the researchers' personal values and theoretical inclinations have been permitted to interfere (Lincoln & Guba, 1985). However, full objectivity is impossible to achieve in business research (Bell et al., 2019). Shenton (2004) suggests steps to mitigate bias and strengthen the probability that the findings are based on the participants' experiences and ideas, instead of the researcher's assumptions. Again, triangulation is an effective technique to reduce bias, which has been applied to the study using a single-case design with complementing elements of a cross-sectional and comparative research designs, as well as interviews with employees at the case company and experts within the field and academia. An in-depth methodological description that allows for evaluation of the study and its vulnerabilities is another strategy to mitigate bias (ibid). Further, another strategy for researchers to reduce bias is to acknowledge that their biases and beliefs can lead to subjectivity in the research and conclusions (Shenton, 2004; Bell et al. 2019). However, measures were applied to reduce it. For example, the questions in the interview guide were formulated to encourage the participants to express themselves freely and avoid leading questions. The authors are however aware that the selection of literature still can include some unintended bias, but they have attempted to mitigate this with the Inclusion and Exclusion Criteria. Furthermore, the primary data was analysed with a thematic analysis to improve objectivity.

4 Empirical Findings

This chapter will present answers from interviews with employees at Lynk & Co concerning their current situation connected to environmental sustainability and rapid growth. To capture opinions from the whole organisation, employees working at several different parts of the value chain were interviewed. Further, findings from interviews with four experts within the fields of sustainability and rapid growth companies will be presented as well.

4.1 Environmental Sustainability Goals

Questions regarding sustainability goals were asked to form an understanding about the current commitment, knowledge, and efforts with sustainability. When asked, every respondent from the case company is interested in the process of making Lynk & Co more sustainable. However, it is only the two sustainability managers and the respondent representing top management that are aware of the current sustainability goals. When the respondents are asked about how they would set sustainability goals connected to their department, four out of eight do not know and express that they wish for measurements so that they can understand what changes that need to be done to be more sustainable. For example, the respondent representing product design said the following:

I really do not know – you need to somehow be able to measure improvement, and today we do not have those tools. And that is a problem; that you can only target the more visual parts, which leaves much out (Product design, Personal communication, March 24, 2022).

Another two of the four respondents who do not know how to set sustainability goals connected to their department expresses a need for direction from top management, or the sustainability managers. For the production respondent, it is clear that the goals connected to production should have CO₂ emissions as the main focus, similar to the logistics department where goals should concern the handling, or minimising, of waste, packaging and CO₂ emissions.

The respondents were asked questions about future predictions with the intention of exploring the mindset towards long-term goals and investments that often is required for sustainability. When it comes to sustainability focus five-ten years in the future, there is a big insecurity among the respondents about what it will look like in their respective departments, much because it is uncertain how the company will operate in the future. One respondent expresses that they need to know how their department can contribute to sustainability goals today, before thinking about how it possibly could look in the future. The logistic respondent is however optimistic, even though he recognizes that logistics and other parts of the supply chain are behind on sustainability compared to other parts of the organisation, but that the direction for the industry is towards sustainability and that they need to follow to stay competitive. The respondent for product design has a similar opinion, which is that they need to fit the vehicle into a sustainability scope, instead of vice versa. Both the top management respondent and the sustainability managers agree that they need to have a clear standing and a clear roadmap towards decreasing their environmental impact so that they are close to being climate neutral.

They additionally share the opinion that it does not serve them well to be in the low front of this, both for legal requirements and for the company's survival, insinuating that they will not be relevant for customers otherwise. To be precise, the top management respondent said:

Environmental consciousness is an exponential curve, it's going up and we target a younger consumer demographic so in 10 years our customers will have different requirements compared to today's average car buyer. Our ambition is that by 10 years down the line we are over-achieving the industry, we don't want to be as good as the industry, we want to be better. So, we need to elevate our game and do more (Top management, Personal communication, March 28, 2022).

The expert respondents express a need for direction, knowledge, and organisation of sustainability efforts but do not have a strong focus on future work per se. Expert 4 argues that direction is very important and what is required of the company to strive for that direction. The "how" part is, however, of less importance, since this is difficult to predict, but "what" and "why" is of greater importance to be able to ensure that the right competencies are created or recruited to the business. Another expert, 2, claims that understanding their impact right now is of greater value than their future impact since what they do today impacts the environment in the future. The Lynk & Co interview respondents' thoughts of their future work, disconnected to sustainability, in their departments are divided. Eight out of ten respondents believe that their focus or way of working will change, either because it is a natural development in the industry, or because the company is growing, and other methods are required with the increased scale of the business. One, out of two, who believes that they still will be doing what they are doing today, with small changes, is the top management representative. He acknowledges that their biggest challenge is that the industry is changing, and that it is moving towards autonomous cars but that they want to be a service company, more precisely: "*We want to be a mobility company, not a car company*" (Top management, Personal communication, March 28, 2022). Another representative means that they currently do not have much of a long-term focus at Lynk & Co, which makes it difficult to predict how it will change but that it most likely will.

In short, the Lynk & Co respondents are uncertain of how their department will work in the future, both generally and with sustainability, which is closely connected to the development of the business and the industry. However, all interview respondents, except one, believe that a long-term sustainability goal in some form is necessary. The difference in their views, of those who believe a long-term sustainability goal in some form is necessary lies in whether it should be fixed targets (six respondents) or visionary goals (three respondents). One of the sustainability managers argue that it is impossible for them to have a detailed roadmap of how they are going to reach net zero emissions in 2040, but that it is still important to set those long-term specific targets after what is needed for climate action. She continues to explain:

Since we work in the car industry where product life cycles are very very long; 4 years to design and develop a car and maybe it will be in production in additionally 6 years. For those aspects, they can set long term goals since they need to plan that far ahead. (Sustainability manager, Personal communication, March 22, 2022)

The HR interview respondent shares this opinion and therefore sees it as a necessity to set long-term sustainability goals. Another respondent, the product design representative, has a similar viewpoint. He implies that they are reliant on collaboration with Geely in China, which can limit their ability to influence them when it comes to the development of the car, but if they can, changes happen fast. However, according to one of the sustainability managers, specific long-term goals connected to services they will offer as well as daily operations are more difficult to set, since these aspects have a shorter timeline compared to the development of an automotive. Three interview respondents express that the goals should come from top management, of which one of them clarifies that the goals need to be linked to their core business and be related to their other company goals. The remaining three respondents who believe that the goals should be more visionary believe that it is more important to have an agile strategy of how to work towards it and be able to quickly adapt to changes rather than having a fixed goal. The last respondent is uncertain about whether to have long-term goals or not, whether it is specific targets or visionary goals since the industry is changing so much it becomes difficult to set targets.

The experts' opinions setting long term sustainability goals are in line with the respondents from Lynk & Co to some extent, with the difference of the experts being of the opinion that both visionary goals and specific targets are needed in combination. Expert 3 claims that zero-emissions is something they need to reach no matter what happens, but that more specific targets are needed for department and individual levels. The long-term visionary targets should be broken down to yearly goals for the visionary target to eventually be met, but at the same time be flexible and act on the changing environment. He refers to the ongoing war in Ukraine and covid-19 and claims that we constantly discover new risks which shows the importance of visionary goals, since it is easy to lose focus due to short term reactions on the surrounding environment. He then continues to compare mature companies and growth companies and argue that it is somewhat more difficult for growth companies to know where they are going. Because of this, it can be valuable to set intensity, or relative, targets instead of absolute targets. They should however not forget that they need to benchmark themselves to the absolute target of zero emissions. To be able to reach this goal, they need to design their processes thereafter, which he argues can be simpler for a growth company compared to a mature company, who has 60 years of history of how they have done things. Growth companies can instead do it right from the start. Another expert, nr 2, claims that visionary goals are a way to set the direction for the company, and a way to demonstrate the will and passion, but that a roadmap of how to reach the goal is needed quite soon after it is set for it to be credible. He continues with that specific targets are needed as well, with an accompanied action plan of how to reach the target and the allocation of resources to make the target achievable. Yet expert 1 puts emphasis on integrating sustainability goals with the company's other performance goals to be successful in the future, but still claims that sustainability goals must be long-term since it requires long-term investments. Expert 4 makes a similar claim that the importance lies in that the goals are actually used and that *"The goals should be relevant for the core-business and where the footprint actually is"* (Expert 4, Personal communication, April 8, 2022).

The focus in Lynk & Co business model is according to the top management interview respondent and the sustainability managers, their sustainable mobility solutions. They also

describe it as their core business. They want people to use their cars more, by sharing them with others in the Lynk & Co community. One of the sustainability managers adds:

We are well aware that we are a part of the problem as an automotive company. The whole industry is on a journey to electrification, which is an opportunity for us too, but we have our USP connected to the behaviour around the car and how people use their cars (Sustainability manager, Personal communication, March 22, 2022).

Their current sustainability strategy is according to the sustainability managers something that is being updated at the moment. They have earlier had 12 sustainability goals formed in 2018, which was developed in line with the Sustainable Development Goals. They were however quite wide and covered everything from climate to working conditions. Recently, they developed a strategic framework that is supposed to replace the 12 sustainability goals, with three focus areas: (1) Climate action, (2) Sustainable mobility and (3) Better Business. The top management interview respondent argues that the core aspect they can enable is the use of cars and how the existing cars can be used more. Other than that, they are also trying to do small things, such as running their European operation on renewable energy and the usage of second-hand furniture in their offices. But he also adds that a large percentage of the emissions in the life cycle of a car is created during the manufacturing and when using virgin materials, which they are trying to exchange to recycled materials.

4.1.1 Implementation of Environmental Sustainability Goals

Sustainability awareness among the employees and alignment with the core business is important for an organisation to be successful in the implementation of sustainability, as described in the literature review. Therefore, the Lynk & Co interview respondents were asked questions regarding communication, access to resources and sustainability initiatives. The internal communication on sustainability goals and efforts mainly originates from the sustainability managers. Regarding how often it is communicated, there are divided opinions between the respondents. Once a quarter, once every six weeks, or once a month, were the most common answers among the respondents. The times they are not lifted by a sustainability manager, it is their CEO who talks about it during their weekly "Q&A" sessions. A respondent clarifies that on a corporate level it happens occasionally, and that even though it is one of the company's core pillars, it is not in their core communication. Another respondent argues that it is not often enough communicated on sustainability. The top management respondent does not share this opinion, and instead argues that the communication is rather frequent and happens at least once a quarter, on top of the sustainability KPIs on the monthly scorecard that is communicated to them in the top management team and their owners. One of the sustainability managers states that there has been less communication about sustainability in the last six months because they are updating the sustainability goals and that they therefore actively have held off the communication. Once the goals are set, they will present them and then continue to communicate about the goals' progress. The other sustainability manager mentions that they want to have training sessions for each department or role so that it is clear to everyone how they can contribute to sustainability and the sustainability goals, but it is something that is not established yet. In addition, they communicate about sustainability during their onboarding of

new employees, as well as through their company score cards that the top management respondent also mentioned.

One important part of enabling an implementation of sustainability and sustainability goals is to have the required resources, as mentioned in the literature review. The general opinion of the interview respondents at Lynk & Co is that they lack resources in the form of time. One example is that several of them mention that they could make more sustainably aware decisions if they had the time to do more research when choosing suppliers, but since they have deliveries scheduled, they need to find a solution fast. The purchasing respondent specifically said:

The main factor that has a big impact is time - I see a big difference in this company compared to other companies, that we are often driven very much by urgency to secure supply, which makes it very hard to have time for this [sustainability] since delivery comes as first priority (Purchasing, Personal communication, March 24, 2022).

Another resource that is lacking at some departments is skills and expertise. One of those departments, sales, argue that the interest and willingness is there among the employees, but they do not know what to do. They would like to have KPIs to be able to measure and thereafter decide on what actions to take and who should do it. The production and logistics interviewee argues the following:

I would like a person in logistics and supply chain that works with sustainability, with expertise in this area, since I learn as I go, by connecting with people, taking classes, and looking at best practices at other companies to see what they do. (Production and Logistics, Personal communication, March 23, 2022).

The sustainability managers also state that they need a larger team to be able to match their ambitions, as well as an increased budget since it is difficult to drive development without enough of a budget. Three of the interview respondents at Lynk & Co do however state that they do have the resources they need, at least for the phase that they are in now as a company. However, even if the majority of the respondents experience a lack of resources, they all still claim that the support for the organisation is there from the top management.

Regarding sustainability initiatives, who drives them and how they are driven, one of the sustainability managers states that they reach out to project leaders to come with input regarding sustainability to their projects. Colleagues also reach out to them to discuss sustainability in projects. She however explains:

Something recurring is that as soon as something is going to happen, people are keen to push that action or project towards sustainability managers, to get them to drive the project since everyone is so busy because of the high workload (Sustainability manager, Personal communication, March 22, 2022).

This has also somewhat created a budget issue since it is not clear which department who "owns" the project. Other departments assume that sustainability related initiatives should fall

on the sustainability manager's budget when it may be another department's initiative to begin with. The sustainability managers would like to work as a support function and not be the driver or projects. When it comes to external initiatives, they are relationship based, both with their owners and stakeholders. The sustainability managers current working method with their owners is to create an understanding for the importance of sustainability for their European consumers as well as Lynk & Co as a company. The experts view on how to drive sustainability initiatives all comes back to the integration of sustainability in the daily operations. Everyone in the company should know what to do in terms of sustainability, which requires organisation. Expert 3 explains further:

When it comes to implementation it's probably the same between the small and the big company. You need to work with the various topics in environment and social responsibility, and you need to define them through a material analysis, and you need an action plan to handle the gaps or what you want to do within each area, and you need some type of measurement around that, and you need organisation to do it (Expert 3, Personal communication, April 4, 2022).

Expert 4 states that it always comes back to the tone from the top, both owners and the board of the company, and that incentives and management is required to drive sustainability. If the focus from the top is aimed at having fast operations, or cutting costs, the focus for the employees will be that and not on sustainability. The expert further claims that sustainability, in general, is treated as a side-process that is reported on once a year, which is not enough, and that you cannot manage impact if it is not managed correctly. Expert 1 argues that sustainability and other performance goals should be integrated for it to send the right signals to the employees and that it is an important part of success in the future.

When the interview respondents at Lynk & Co were asked if sustainability is fully integrated in the corporate culture, they all agree that it is not. Although, eight out of the ten respondents argue that even if it is not fully integrated, sustainability is something that is present and important in people's minds and that they are moving in the right direction. One of the sustainability managers expresses that there is generally a high awareness of sustainability and that it is important for their brand as one of the core pillars, but that there is a discrepancy between their ambitions and how far they have reached. The top management respondents also recognize that sustainability is not fully integrated in the company culture, but that they would like it to be and that they are taking actions to improve it. One action they have taken is to integrate the earlier mentioned scorecards, in which they monitor progress in business and sustainability. One reason why they are not where they wish to be with the integration of sustainability is according to the top management respondent due to the need for alignment between the other Geely Group companies. He believes that they have performed better with that than they have succeeded with coordinating their organisation internally. Much of the focus has been on ensuring a stable product pipeline and converting to sustainable energy in their factories, which they accomplished earlier this year. Nonetheless, another respondent states that sustainability is not a key priority for them due to lack of time. The HR interview respondent argues the following if they wish to fully integrate sustainability in the corporate culture:

Integrate it in everything, make it a part of every evaluation, every process, every project. Sustainability is not a separate project, it needs to be part of everything they do, the same way that you need to have a budget for a project, you also need to have sustainability in mind, if they manage to do that, they can live for sustainability in the best way (HR, Personal communication, March 25, 2022).

According to two of the experts, one key aspect to integrate sustainability in the culture is to have a board and top management engaged to the cause. Further, it should be something that the whole company is involved in and not only the sustainability manager. Expert 4 additionally states that:

Sustainability is often treated as a side project when it should be included in the company design. Meaning that when designing a car, the consideration of having the best impact on the environment should be there from the start, as well as when doing business with partners, how you recruit, manage, and govern. It should be treated proactively and not reactively. (Expert 4, Personal communication, April 4, 2022).

Expert 3 means that many start-ups form their culture around their purpose of why they exist and why they are created, rather than a manager telling the employees what type of culture they should have. The top management interviewee from Lynk & Co argue that they are a visionary driven company from the start and that many employees work there because of their vision to change mobility. He further adds that they try to motivate and create a culture of sustainability through their core value of making mobility better, and to make mobility better, you need to make it sustainable. He argues that they find it more inspiring to focus on what they are trying to achieve as a company rather than to discuss what climate goals they are trying to attack with different actions, but also recognizes the importance of sustainability goals.

4.1.2.1 Value Chain

As stated earlier in the literature review, a company should strive for integrating sustainability in the whole value chain if they want to be sustainable. Questions regarding management of the value chain and sustainability activities performed in the respective departments were therefore asked to investigate this at Lynk & Co. Six out of six respondents with insights in the upstream value chain, that is the two sustainability managers, the top management representative, the product design representative, the logistic and production representative, and the representative from purchasing, recognize that sustainability is not integrated in the whole value chain. The logistic and production respondents state that their material sourcing for the vehicles, in terms of raw materials from suppliers further down in the value chain are the furthest away from being sustainable. The top management respondent instead argues that the ocean freight from China to Europe of the vehicles is where the value chain is lacking in sustainability. The top management respondent further adds that the only way to become more sustainable in this aspect is to regionalize the production to Europe. He, however, continues with:

When the vehicle arrives in Europe, we are better than average, certainly in our own operation we are better than most. And we are continuously trying to develop that but

we are not nearly there yet. We just started (Top management, Personal communication, March 28, 2022).

The sustainability managers at Lynk & Co argue that sustainability is established at their tier one supplier (and owner), Geely, to some extent. They have requirements for the production and there is a good foundation. Nonetheless, they have limited insight further down the value chain, more specifically concerning Geely's own suppliers. They do however know that Geely have started to communicate to suppliers to submit data on their environmental performance.

For a full integration of sustainability in the value chain to be possible it needs to be established in the own organisation first. At Lynk & Co, all represented departments have sustainability related activities that they are actively working with, but they have recognized challenges. The sustainability managers lead the sustainability work at the company by driving sustainability projects, advising other projects on sustainability, and assisting in making daily operations more sustainable. Identified challenges here are already mentioned, but include budget allocation problems, lack of time and influencing their owner. The top management's biggest contribution to sustainability is to drive information and steer the business after data, partly connected to the earlier mentioned scorecards. Earlier, they have also had targeted training on sustainability strategy and on being a sustainability champion. When it comes to challenges, one of the sustainability managers can name both short- and long-term challenges. The short-term challenges are connected to a lack of resources, including time, financing, and expertise. As mentioned earlier, there is a high workload for everyone. When it comes to financing, they are not yet self-sufficient, and therefore depend on cash deposits from their owners. The respondent states: *"First we need to become independent financially from our owners, and then we can focus on what we think is important."* (Sustainability manager, Personal communication, March 22, 2022). After this is solved, she means that they can start focusing more on sustainability but argues that they lack the right knowledge to steer things in the right direction. To reduce their impact, they need to know what methods are available. Concerning the long-term challenges, she explains the following:

Our limited insight in the value chain and our limited ability to have a direct influence on our suppliers is a challenge. With the current business model, we work through Geely as a middleman, which complicates it to control suppliers. (Sustainability manager, Personal communication, March 22, 2022)

One challenge that expert 3 has observed is how Lynk & Co handles vehicle returns. The top management representative explains that when the car has been in their fleet for one-two years, depending on the market, it is taken out of the leasing fleet since it becomes financially unsound, and they therefore want to remove it from the balance sheet. He further adds:

From a financial perspective, it's complete suicide because it's not a house, it's a car- it's a depreciating asset, so it's losing value rather than gaining value. But our offer on the used car market is of course that the car is always connected as it has been with us and that the new owners are still connected to the sharing feature of the car. (Top management, Personal communication, March 28, 2022).

He therefore does not see it as a waste product or that it impacts the sustainability of the car. Expert 3 argues differently and means that they need to become circular in their business model to be sustainable. To become circular, he explains that one way could be to take back the cars and reuse, or recycle, all materials used in the cars with the help of a partner. This aspect will be developed further ahead in the empiric section.

The product design interview respondent certifies that the most important aspect at their department is to secure sustainable material choices for the car. This is done through discussions with Geely about benchmarks and development in Europe. There are however, according to the design interview respondent, big challenges with having the R&D in China. The European market has reached a higher level of maturity in the sustainability field compared to China, and Lynk & Co therefore need to convince Geely to adopt sustainability to a larger extent, which is a process that can take two-three years. The Product design respondent describes it as following *“They often look at benchmarks to compare themselves to the rest of the industry. It is a different mindset. That is the biggest challenge - to get acceptance and understanding”* (Product design, Personal communication, March 25, 2022). This can in some cases result in Lynk & Co's sustainability related requirements not being applied until Geely sees that other players act similarly. For the production and logistics respondent, the main focus is on creating a sustainable production. He, together with one of the sustainability managers, are setting targets for emissions and waste, where the targets are set after what they believe is required of them to say that they are sustainable. They are also working with their sister brands to set targets which they then push on the manufacturers, to make sure that things happen, or at least that a roadmap is constructed to get them there. When they partner with their sister brands on requirements, they reach higher volumes which gives them more power in negotiations. Additionally, he works with their logistics partners to become more sustainable but mentions that carriers often start sustainability initiatives themselves on behalf of clients demands. In the phase they are in now, they need the deliveries to be quick and reliant which gives them less alternatives to choose from.

At the purchase department within Europe, they have a supplier screening process, where a part of the evaluation concentrates on sustainability. When it comes to reducing ongoing suppliers' impact, the respondent recognizes that they do not have a systematic way of handling that. Concerning sustainability activities connected to sales the sales interview respondent argues that they are not doing enough at his department:

We are not conscious of what they are doing, and therefore not doing enough. When working actively with sales, we present our business model which is a sustainable business model for the clients. We also express the range of a hybrid which the customers find as a good sustainable feature, as well as the car sharing (Sales, Personal communication, March 29, 2022).

At the marketing department, the respondent explains that they are working a lot with guidance when it comes to selection of products to sell at their clubs or influencers to collaborate with. For example, they investigate if influencers have affiliations with the oil-business or support

products that are associated with animal exploitation before any collaboration is started. Concerning their own external communication, they communicate that they are aware that they are a part of the problem but that they try to reduce their footprint through their business model, which, she argues, is more environmentally friendly than the traditional car ownership model. Above this, all products sold at their clubs have a sustainability focus. At the compliance department they are reporting Co2 emissions related to the cars and looking into patents on the car. There are new requirements coming into place soon which they will have to adapt to, such as a legislation regarding batteries and Carbon Adjustment Mechanism which will increase the import tax based on the carbon footprint of the car. For these, they might need internal training. The HR respondent states that they mostly have social sustainability activities at their department, with a big focus on inclusion and diversity. They have however not any sustainability education or training.

When the interview respondents at Lynk & Co were asked what opportunities sustainability can create at their department or at large for the company, they had different ideas. The sustainability managers both agreed on one opportunity being the impact they can have on Geely. One of the sustainability managers specifically said:

If we could influence Geely, as the important player in the automotive industry they are, that would be great. Even if this is not directly related to Lynk & Co's sustainability goals, this is connected to the end goal of a better environment (Sustainability manager, Personal communication, March 22, 2022).

The top management respondent argues that one opportunity is the management of material sourcing, which they are currently working with by regionalizing their spare parts suppliers within Europe. Other than that, the top management are concentrating on making their business model work smoothly and making their core product as environmentally friendly as they can. The respondent mentions one way of becoming more sustainable that is under development, which is by impacting customer behaviour in the direction of operating the vehicle more sustainably by running it more on electricity and less on petrol. The product design respondent argues that their biggest opportunity with sustainability is that it can create trust for the brand. Another opportunity mentioned by the same interview respondent is that they, together with other brands, could change people's mindset about mobility. The compliance respondent believes there is an opportunity in creating a sustainability grading system to make cars from different brands comparable in sustainability performance. He states that:

Every company can claim that they are a sustainable company. But as a customer I would like to know which car is most sustainable, which currently is impossible. Customers need to be able to compare to know which companies or products are the best. We need some kind of sustainability grading (Personal communication, March 23, 2022).

Further, he believes that the frameworks they are obliged to on a European level helps to put pressure on the governments in Europe to extend the infrastructure for electrical cars. The European Commission recently recognized that the product is there, but the infrastructure is not

there to support electrically driven vehicles. Additionally, other respondents mentioned opportunities with making their offices sustainable, risk-management, collaborating with people that drive sustainable projects and tracking how sustainable the employees drive their company cars. The production and logistics interview respondent states that in production, the circular approach is an opportunity for them and that they manage their waste in a smart way. Concerning logistics, he explains that fuel and optimising the packaging in the containers are both important sustainability opportunities, but also business wise. A last question to the Lynk & Co respondents connected to sustainability in the value chain was if they were if they thought they were working with sustainability in the best way or if they could improve. Here all ten respondents were in agreement that improvements could be made, which coincides with their previous responses to challenges and opportunities.

4.2 Rapid Growth

To form an understanding of Lynk & Co's current situation, and what challenges and opportunities they face by being in a rapid growth phase, several different questions connected to rapid growth have been asked to employees at Lynk & Co and to experts within the field.

4.2.1 Growth Strategy Alignment

Questions regarding growth strategy and growth strategy alignment were asked to increase knowledge about what they are doing today and resultantly how that has affected the company. Even though both the interview respondent from the top management and the respondent from HR claimed that they have a defined and time bound growth strategy at the company, six out of eight answered 'no' when asked if they knew if the company has a defined growth strategy, including the company's two sustainability managers. Further, one of the interview respondents answered 'yes' to the same question and knew how to work in line with the growth strategy, while one respondent believed that they have parts of a growth strategy and thought that the growth strategy was partly broken down so that she knew how to reach the growth targets. Both respondents who knew, or partly knew, about the growth strategy did not believe that the company was aligned behind the strategy in terms of, for example, resource allocation, culture, and performance metrics. The interviewed top manager and the respondent representing HR also agreed that the growth strategy alignment could and should be improved. Further, the top manager claimed that the growth strategy could be clearer in terms of how to work in line with the growth strategy or how to reach the growth targets. An interviewed sustainability manager agrees, explaining that they have a five-year business plan, regarding headcount, growth, and what markets they should enter etc., and a long-term vision, but that they do not have an accompanied strategy of how they should realise that. This sustainability manager continues by saying that *"This company is very short term in their planning. There are only few things planned further than 3 months ahead"* (Sustainability manager, personal communication, March 22, 2022). Similarly, a representative from the marketing department explains that they have near future targets, but no long-term strategy. The same person also says the following:

There are quite a few different things going on, and people have different ideas of what they are working towards. Some decisions happen at one level in the organisation but

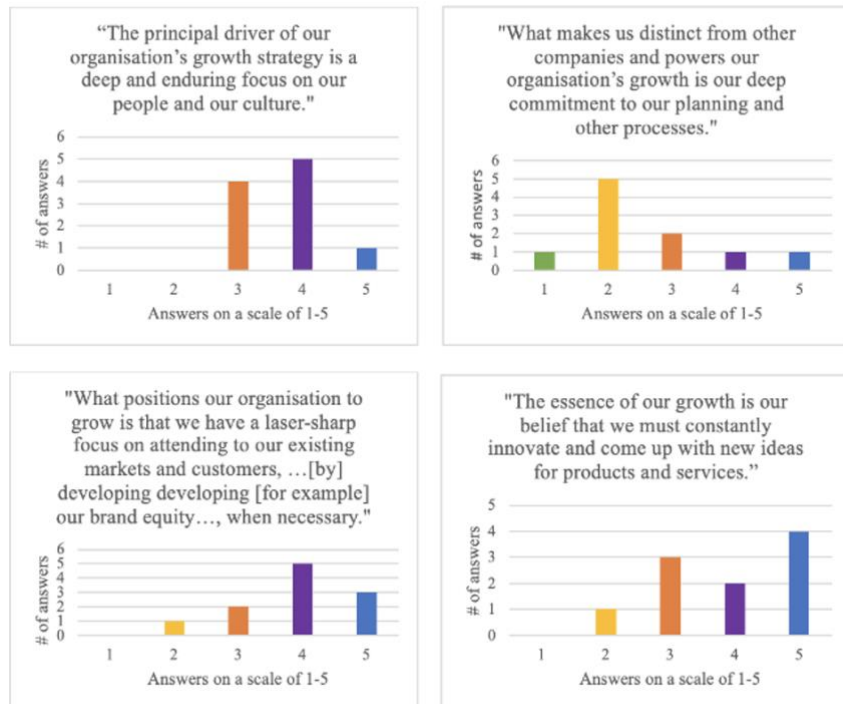
not others, so there are people going in different directions.” (Marketing representative, personal communication, March 23, 2022).

When interview respondents were asked to rate a statement, on a scale of 1-5, of how well it suited their company and their growth in particular, answers and opinions were very spread out, as can be seen in Figure 2 to the right. The interviewed top manager wanted to answer ‘5’ on the statement "The essence of our growth is our belief that we must constantly innovate and come up with new ideas for products and services.”, however, he only answered ‘3’ due to the following explanation:

It's very easy to dream up a business model, but it's a completely different thing to run it. And when you're running it, the first thing you stop doing is innovating, because you're just hanging on. When you're treading water it's very difficult to see the horizon. We are investing now in ways to lift ourselves up from the water and look into the horizon, but we haven't been able to do so for the last six months. (Top manager, personal communication, March 28, 2022).

Connected to the question above, the interviewed top manager was asked to choose among four options concerning which focus and leadership style that he uses. Among the alternatives ‘Focus on internal operating systems with a leadership role to analyse’, ‘Focus on the future with a leadership role as a vision setter’, ‘Focus on the organisation and its people with a leadership role as a motivator’ and ‘Focus on the markets in which you operate with a leadership role as a task delegator’, the top manager chose the statement ‘Focus on the future with a leadership role as a vision setter’. He explained that the top managers are “visionary in [their] leadership” and that their “*perspective it's still very visionary, both in marketing and in terms of what we're building and how we're running the business*” (Top manager, personal communication, March 28, 2022).

Figure 2
Growth Visions - The Competing Values Framework



Note. Interviewees' from Lynk & Co answers on a scale from 1-5 of how well different statements regarding growth corresponds with their growth journey.

When experts within the field were asked if they think it is important and/or possible to have a defined growth strategy while being in a rapid growth phase, or if it is more important and/ or efficient to be agile and rather have a vision of growth, three out of four claims that it is important to have both. Further all four interviewed experts stress the importance of being agile, which can be illustrated by the following citation:

You need to be agile to adapt, a company that is growing, which is adding new people to the company needs to adapt to this. There is no contradiction between having a strong strategy and being agile. If you're agile but do not have a strong strategy, it means that people will be confused, they won't know what to do. It is important to have a clear direction of where we are going. Long term targets for fast growing companies are maybe even more important since things are changing so fast all the time, so you need some type of overarching purpose or direction and then you can have a huge flexibility of how to reach that and be agile in the process but still have strong targets. (Expert 4, personal communication, April 4, 2022).

4.2.2 General challenges with rapid growth

Respondents working at Lynk & Co have several common answers when they were asked what challenges that comes with being in a rapid growth phase. Firstly, both the respondent from HR and the interviewed top manager highlighted the difficulty of keeping the right focus on where they are headed and on what they are doing. The biggest risk, according to the interviewed respondent from HR, is that since they are growing so much, people start growing in the way they think they should be headed, instead of growing the same way. Connected to this, the top manager said the following:

When you're 100 people everybody knows each other, and you can easily communicate, and you have very few mistakes in terms of collaboration. When you scale, geographically and in numbers, internal communication starts to become equally important as your external communication. And the role as a management team is to always point the troops into the right direction. (Top manager, personal communication, March 28, 2022).

Additionally, lack of time, manpower, processes, and other structures such as a structured way of approaching problems were mentioned as main challenges at the company as well. High workload and difficulties of maintaining the culture and knowing who to turn to with many new employees were mentioned as well. Many respondents answered that the main issue was simply keeping pace with the company growth, and because of this, several mentioned a lack of time to stop and reflect and rushed decisions. Two examples of interview responses came from the sales representative and the representative from purchasing:

We do not stop to look at what we have done, what we are doing and what we need to do strategically. We are on a hectic train, and it is important to look at the longer term of strategy. [...] We should focus more on our operational excellence and fix the basics before moving on and adding new things. (Sales representative, personal communication, March 29, 2022).

We have to work so fast and secure suppliers so fast that we compromise on getting the best contracts and the best suppliers, which can ultimately lead to risks that we take on, for example more costs than we have to or that there could have been better options for us. We also don't have time to set a long-term strategy. Instead, we jump into something and realise that we should have done it completely differently. (Purchasing representative, personal communication, March 23, 2022).

4.2.2.1 Systems and Processes

When interview respondents working at Lynk & Co were asked more specifically if they thought that their systems and processes keep up with the growth of the company, all answered no. They mentioned that employees are asking for it, and the top manager also said that they are *“investing heavily to fix it” because their processes are “substandard”, and it is a “clear area of improvement.”* (Top manager, personal communication, 2022). Some of the internal systems and processes that are mentioned to lack behind are communication, decision making and IT systems. Three mentioned examples of challenges within decision making are that (1) many decisions need to go through the leadership team, which need to change, and (2) that there is a bit too much of a consensus culture, where many people come with input, which slows things down, and (3) that there is no set strategy on what they should do themselves and what they should outsource, making it difficult to know which decisions or tasks that might be key for them to take, or which decisions or tasks could be done better by someone else. Regarding IT systems, respondents claim that they do not have all the IT tools for processing data in a smart way, and that they are blocked by that. For example, one respondent explained that they do many things manually for being a tech company.

The representative from compliance mentioned that they need to create *“user friendly processes that create some control but also liberty.”* (Compliance representative, personal communication, March 23, 2022), and the representative from Production and logistics mentioned that they *“do not have a clear structure of how to take initiatives further.”* (Production representative, personal communication, March 23, 2022). Further, the interview respondent from HR explains that their documentation explaining general processes and descriptions is behind, and the purchasing representative also mentioned that they definitely have a challenge of having time to document everything they do. In addition, the representative from the sales department mentioned structure and said that they have a lack of ownership of important operational processes since they work a lot in silos: *“As soon as someone has developed something they let it go, and as soon as someone has implemented it, they let it go, and somebody else needs to execute it without knowing why or how it was developed”* (Sales representative, personal communication, March 29 2022).

When experts within the field were asked to provide suggestions on how to solve problems of having internal processes and systems that do not keep up with company growth, two suggestions were:

It is important to understand the actual needs in the organisation and not only the needs of today, because they will change in half a year or a year when so many things are

happening in the company. A suggestion is to try to list what the added needs are in the near future. Work proactively. [...] [Lynk & Co] need and should focus on the mid-term perspectives. (Expert 4, personal communication, April 4, 2022).

[Use] external platforms [...] that can support and help to handle data. [...]. The more you can work with partnerships and the ecosystem the better; the quicker it goes and the less resources you need. Outsourcing or hiring and training people. (Expert 3, personal communication, April 4, 2022).

4.2.2.2 Knowledge and Skills

When employees at Lynk & Co were asked if they believed that they have, and will have, the expertise and skills when the company grows quickly, five out of nine answered ‘yes’. Most respondents think that they have the knowledge and skills, but that they need more people. Many also mention that they have a good general knowledge, but that they must rely upon others to have more detailed skills when they have to deep dive into certain areas. Two of those who answered ‘no’ to the same question were sustainability managers, claiming that they will need more specific expertise going forward. The representative from compliance also thought that his department lacked skills, since the legalisation is changing so fast and since they need to communicate it so that everyone, in every country, can understand. The top manager also mentions that he does not have all the necessary skills, but that not having enough skills is a part of a growth journey. He continues by explaining that:

As a manager I already take those measures so the people I recruit underneath me and the people in the teams are today much more of what you would say resources who come from larger organisations, they're no longer start-up people. (Top manager, personal communication, March 28, 2022).

4.2.2.3 Culture

Regarding rapid growth and culture, four respondents answered ‘yes’, one respondent answered ‘sometimes’, and four answered ‘no’ when they were asked if they feel overworked due to the rapid growth. Three of the four who answered ‘no’ explained that the reason for their answer was not that they had a smaller workload than others, it was simply because they either enjoyed working more, or because they do not get affected by customer complaints or uncertain environment because of their experience and age, or because they have built up a resistance and emotional distance so that they do not feel stressed. The top manager thinks that being overworked is a part of working at a rapid growth company, but “*as long as the management team are the ones working hardest, it feels fine.*” (Top manager, personal communication, March 28, 2022).

When experts were asked to provide solutions of how to deal with the problem of having overworked employees, one comment was the following:

It comes back to this holistic perspective that the management needs to have. [...] What happens in the long run, if people get burnt out and leave the company? It can be good

in the short run and solve short term challenges, but only create more severe challenges in the long run. [...] There is also the risk that employees feel like they are not seen and rewarded, and that they need a better work-life balance, [...] and instead think 'Screw this, [...] I can just find another employer that treats me better'. (Expert 4, personal communication, April 4, 2022).

This expert explains that this is very common, and he describes it as a *“huge, huge risk, both a sustainability risk in terms of people, but also business wise to find the right people driving the company forward”* (Expert 4, personal communication, April 4, 2022). The same expert further claims that the way to reduce this large risk is with expectations from the top management. He further claims that you cannot work with guidelines of how much to work at a company, since that will not solve the challenge. Instead, there is a need to prioritise and focus on value adding activities:

There might be processes that are not in place or working as they should. [...] It does not necessarily mean that the employees are not doing a good job with the task assigned to them, but rather that the company does not use the employees for the right things. Or is the company stuck in bureaucratic processes that do not add any value? (Expert 4, personal communication, April 4, 2022).

When interview respondents at Lynk & Co were asked if they have experienced any internal turmoil, such as conflicts, distrust, or annoyance, due to the rapid growth, seven out of nine said 'yes'. However, most claimed that it was not due to many newly recruited people at the office, but rather due to increased workload and pressure, which creates friction. However, the top manager does not believe that friction is bad. Instead, he said: *“Yes, of course there is friction. We have gone through 3-4 reorganisations since I began, and we will experience more. It's not for everybody. It creates friction. But we are good at handling the friction. Friction makes fire.”* (Top manager, personal communication, March 28, 2022)

Continuing with cultural challenges of being in a rapid growth phase, employees at Lynk & Co were asked if they feel disaffected or sad now that the company is growing and the feeling or culture of being in a smaller firm might disappear. Five out of nine answered 'no' and were instead excited about the growth. However, some explained that they were sad sometimes or that they missed some parts of being a smaller firm, such as 'silly Tuesdays' where they dressed in silly clothes, or that all employees could gather in one meeting room. However, all agreed that the positives outweigh the negatives, and the representative from product design explained that *“Even if [the company] was small at first, people have always known that it would grow quickly and had to be prepared for it.”* (Product design representative, Personal communication, March 24, 2022). The respondent representing HR does not feel sad or disaffected himself but can see it happening to others. One sustainability manager also mentions that the transition from being in a planning phase to being in an operational phase has been difficult for some people. Additionally, the sustainability manager mentions covid, in addition to their growth, as something that has affected their culture:

Covid has also had a big impact. Before we knew everyone by name, and the culture was very much alive. But with covid (people working from home) and a 200% headcount increase, you lose that personal connection to people, it becomes difficult. It is easier now again when we are at the office. (Sustainability manager, Personal communication, March 22, 2022).

Experts within the field were asked to provide recommendations of how to maintain a good culture while growing and recruiting many new employees. One expert explained the importance of letting new employees co-create the culture, rather than forcing a culture created by the management team:

Let the new people co-create the culture. Culture is created by the employees that are part of the culture. [It] could be a disaster to force the culture. What do the people want the culture to be? I'm sure there are ways to let people *in* to your organisation with onboarding, code of conduct and [...] activities for creating community and togetherness, such as after-works, conferences and so on. [...] But they are rather tools for culture creation. It's not like just because you say something in your introductory speech that people will change the way they think. I think it will never be something that you can just decide in the top management. [...]. (Expert 3, personal communication, April 4, 2022)

4.3 Rapid Growth and Environmental Sustainability Goals

After only answering questions regarding rapid growth challenges or environmental sustainability challenges separately, interview respondents were asked to answer questions regarding both environmental sustainability and rapid growth in combination. The first question asked with the two situations combined was what employees' thought were the main environmental sustainability challenges of being in a rapid growth phase. Among the respondents, six out of eight mentioned the difficulty of keeping focus on environmental sustainability efforts, and instead prioritising short term gains. The top management said that *"If there is a faster way to get products to the market, you choose that"* (Top management, personal communication, March 28 2022), and several other respondents answered in a similar manner, explaining that sustainability falls between the chairs and is not high enough on the agenda. The purchasing representative explains that when things are not done thoroughly or systematically, it is harder to change later: *"For example, you build long term relationships with suppliers, and then it's harder to change."* (Purchasing representative, personal communication, March 23, 2022). Additionally, one interview respondent mentioned setting goals and communicating them clearly so that everybody knows and understands them as something that has not been done enough, because now people do not know details regarding their sustainability goals and what the company wants to stand for. Lastly, the sustainability managers explain that their main challenge is understanding their impact and what drives it. They think that it is difficult to mitigate the fact that they need to grow, which also will increase their impact. They explain that in order to be able to map their impact, they need support, both in system support, gathering data and analysing it.

When respondents working at Lynk & Co were asked what they thought could be good solutions to their mentioned challenges of working with environmental sustainability while being in a rapid growth phase, a suggestion from the purchasing representative was to set very clear priorities and to improve communication about the goals, and the representative from product design suggested showing the sustainability goals by making it visual at the office. Another suggestion, presented by the logistics representative, was to put sustainability more into the KPIs, from top-down at the company, since people would then be held accountable for it, which would make employees think of it as equally important as other issues. Further, the same respondent explained that to improve focus, these actions need to come from the top.

Experts were asked to provide solutions to companies that experience the challenge of keeping focus on sustainability when the focus tends to lie on solving short term problems and taking the fastest solution. Two experts also claimed that the solution needs to come from the top management. One of those explained that the difficulty of maintaining focus on sustainability has always been a problem for companies in a period of change, as these companies might not think that they have time to improve, which makes them stuck in how they do things. He continues by saying that:

[...] it is really about management. How you manage the people in the organisation; what are their tasks? Incentives? What should they focus on? If you are managed on driving the lowest costs, or fastest solutions, that will be the focus. But if you switch the incentives towards finding the most sustainable path, that will be the focus instead. (Expert 4, Personal communication, April 4, 2022).

As mentioned earlier, in chapter 4.2.2, the representative from the purchasing department explained that one challenge of rapid growth was having to make rushed decisions regarding suppliers, since they have to quickly find suppliers to meet customer needs. To this problem, the same expert said that for all companies *“a general thing to improve when having conflicts of goals, is that they should strive to minimise the effect of new problems being created when solving one issue”* (Expert 4, Personal communication, April 4, 2022). He also said the following:

Customer needs will always be in focus for a company, but to meet those requirements on behalf of other needs is also very dangerous in the long term. Solving short term problems on behalf of long-term will lead to more problems in the future. [...] Choosing suppliers that do not fulfil the needs in the longer run will create more work which puts you in a downward spiral, creating more and more work, which in the beginning was meant to save time. Also, you build a value chain that you do not want at the end when overlooking all priorities in the long run. (Expert 4, Personal communication, April 4, 2022).

He finishes by stressing that it is all about having a holistic thinking in the company, and that this, again, relies on the managers: *“You cannot expect the individual employee to have this holistic thinking, it needs to come back to the management level. In general, management*

should be very aware of not creating mid-term challenges by solving short-term challenges”. (Expert 4, Personal communication, April 4, 2022).

Another opinion of how to maintain a focus on sustainability, expressed by expert 3, was that Lynk & Co needs more people and resources in the sustainability organisation, since there's no way of getting around the work that is needed to be done in sustainability. This expert explains that it could also be flexible resources, such as internships from universities, or partnerships and alliances with other stakeholders. He finishes by stating that *“making decisions fast is not bad. I think it's more that you need the resources for implementation. It's not that difficult to make the decisions if you are skilled, trained and educated in the decisions you make.”* (Expert 3, Personal communication, April 4, 2022).

Expert 2 also acknowledges the potential problem that sustainability might easily be put as the sixth or fifth priority since it is a very complex subject. To solve this problem, he recommended the following to those experiencing this challenge:

If you are able to incorporate sustainability in the business model it is easier to have it as a strategic aspect in everything you do and make it a priority from the beginning [...] One of the strengths of incorporating sustainability in the business model, is that issues [regarding sustainability] won't be separated from the other work phases or processes. It more naturally becomes a part of the procurement process and the business relations etc. If it is incorporated in the business model, it becomes more difficult to look away from it. (Expert 3, Personal communication, April 5, 2022).

As recently mentioned, when asked about the challenges of working with environmental sustainability while being in a rapid growth phase, the sustainability managers expressed having problems with understanding and mapping Lynk & Co's impacts. Therefore, experts within the field were also asked to provide helpful suggestions to companies experiencing this challenge. Two experts mentioned creating incentives and using KPIs. Experts were informed that Lynk & Co have now started to incorporate sustainability KPIs monthly, which they thought was a good beginning. However, experts claim that Lynk & Co and other companies should both have a long term strategy and KPIs that measure it, at the same time as short term objectives. One of these experts again lays the highest responsibility on the top management:

It comes back to the tone from the top management. What are the focus and incentives? If procurements' only incentives are low costs, you work towards this as an employee because you want to do a good job. If you as a business developer or a procurer have impact as an incentive as well, or instead of lowering costs, this would lead to a different result. [...] It is moving quite fast; how businesses are incorporating sustainability KPIs on a management level. That would mean that the management would [have to] make those efforts come down further down in the organisation as well, and make sure that employees treat them in the same way as financial KPIs. (Expert 4, Personal communication, April 4, 2022).

Expert 3 dived deeper into KPIs and suggested using activity KPIs, where you measure all the activities you do to reach a certain impact, as well as having more result focused KPIs, which looks at the turn out of the impact measured in units. He also mentions that companies should have macro KPIs, such as ‘50% of our suppliers have been trained in...’ etc. Additionally, he suggests using pilots and measuring the impact in those pilots, to be able to then say, “*look we did this pilot and these facts are most likely the same in the rest of the organisation but we don't know yet*” (Expert 3, personal communication, April 4 2022). Lastly, he urges Lynk & Co or companies in similar situations to have patience. He means that it is a difficult process and that these companies must take their time and work with what they have. Expert 2 also acknowledged that it will be a difficult process for Lynk & Co and other similar companies with a huge production line. Even though this expert mentions that it will take a lot of resources to map out the environmental impact, he thinks that it is possible and necessary. He says that it is best to use general impact assessment from the car industry, since it is a good way to start. Expert 2 continues by explaining that Lynk & Co and similar companies needs to have a sustainability strategy that includes everything inside the company first, and then after that put pressure on others or try to measure the actual impact of the production:

The main thing is that if you want to put pressure on someone else, you need to start with yourself and have a strategy that includes your own company, and solutions for the issues that you have internally, such as turmoil, culture, or what it may be. This will otherwise only get worse when you start to put pressure on others because you want to be able to look yourself in the mirror and feel that you are solid there. (Expert 2, Personal communication, April 5, 2022).

However, he, as well as another expert, also mentions that companies should focus on their main impact areas, and not waste time on other departments:

It is easy to look at the impact for the in-house departments. You can look at every department, their office energy, and travelling etc. But that is not relevant for the impact that they really have. The relevant impacts are production of the car, usage of the car and the end of life, which together probably stands for 99% of the impact, for all sustainability areas. I wouldn't encourage smaller departments to waste time on this. (Expert 2, Personal communication, April 5, 2022).

In addition to measuring their impact, the sustainability managers at Lynk & Co mentioned a difficulty of governing and controlling the productions' impact since this is not an internal part of the value chain as it belongs to their owner. Again, experts were asked to provide recommendations to facilitate this challenge. All four experts agree that this is a tricky question since their supplier, is also their owner (Geely). However, they all also agree that this is something that needs to be solved. Expert 3 said that Lynk & Co “*[...] needs visibility in Geely's supply chain and negotiate that with them, and make sure that they are sustainable. That's crucial for the business model.*” (Expert 3, Personal communication, April 4, 2022). Expert 2 also said that Lynk & Co, as well as other companies, need to set demands on their suppliers and owners, as well as ask good questions, be involved in the process and be there when sustainability is discussed, and when decisions are being made. According to expert 4,

companies need to have really strong procurement processes and targets, and incentives for suppliers as well. The same expert said that:

Maybe one solution is to get owners and suppliers on board by referring to the new European Corporate Legislation that will come into force in a few years. This new legislation will force companies to have control over their business relations in their value chain. No matter if it is tier 1, 2 or 3 and how far back, or forward, they are in the value chain, you should be aware of the risks. It is not in place right now, but it will be in a few years and then there will be sanctions if it is not in control. It is a great argument to get on board already now; to be prepared. (Expert 4, Personal communication, April 4, 2022).

How to set environmental sustainability goals while being in a rapid growth phase was the main question from the sustainability manager at Lynk & Co when the base of this thesis was formed. One important sub question was if, and how, companies in a rapid growth phase should work with sustainability frameworks. When experts were asked this question common answers were that as long as the frameworks are not mandatory, Lynk & Co or other rapid growth companies do not need to follow all different frameworks that exist, nor follow all parts of the frameworks. Instead, companies in rapid growth were recommended to do their best and follow the frameworks that they like and see the frameworks as inspirational guidelines and opportunities of what is important now, rather than see them as a hindrance. According to the experts, companies should keep their focus on what is important for them, which, for Lynk & Co, is decreasing their environmental impact, and if they believe that a framework can help them with that, they should use it. Expert 3 explained that no matter which framework companies use, they often still need to report both in relative and absolute terms. He continues by saying that:

The important part is to be transparent. [Explain that impact and emissions] increases in absolute terms since we have grown a lot, but in relative terms it has decreased. Most stakeholders understand that. Communicate that you become more and more resource efficient. (Expert 3, Personal communication, April 4, 2022).

According to the experts, a framework should also be used if competitors are using it as well, and if it makes it easier for customers and other stakeholders and shareholders to understand and compare their efforts. Frameworks are a good way to create trust and legitimacy. According to expert 4, sustainability often comes down to stakeholder requirements and expectations. This expert said that *“if you have stakeholders that are really interested in SBTi, then it is probably a good idea to do that. It is a good idea to keep the company’s stakeholders happy.”* (Expert 4, Personal communication, April 4, 2022). Both the SBTi framework and GRI were recommended by two experts. However, in their opinion, it might not be necessary to do the full GRI report. Instead, companies should use the parts that are relevant for them. Expert 4 said that the SBTi is good to use since it allows companies to draw up a map on how to reach zero emissions. It does not matter if you are a rapid growth company or a mature company, it is always good to have an overarching long-term plan on how to reach the long-term goals. Expert 1 also finished by saying that the challenge of following sustainability frameworks is difficult since there exist many different frameworks today, and companies cannot report with

all. The whole framework landscape needs to be easier, so that it also becomes easier to compare different companies, and according to her, it is actually going in that direction right now.

When experts were asked how Lynk & Co and similar companies should reason when setting long term environmental sustainability goals while being in a phase of constant change it was acknowledged that Lynk & Co already have a vision of going towards net zero, which they share with a majority of the industry. Lynk & Co, as well as other similar companies, are encouraged to do that, but experts also said that it is very important to work with both relative and absolute goals in parallel, as previously implied. One expert said that:

It is valid to use relative targets, [such as] targets per car, per employee and per car and year. But do not forget the absolute targets, it is great if you lower your impact per car or plant, [...] but what does it mean in absolute terms? The absolute terms are what affects people and the environment at the end of the day. It doesn't matter if it decreases per car, if the absolute number continues to rise. (Expert 4, Personal communication, April 4, 2022).

Additionally, expert 2 more specifically recommended having KPI's connected to usage of the car and KPI's on the actual emissions per/km, since Lynk & Co want people to use the car more than it is done today. The same expert also said that all companies should have KPIs connected to the core business and business model, for example, for Lynk & Co, to decrease the number of cars within the city, while as many people as possible still use the cars that exist. A recommendation provided by expert 1 was for companies to keep the subgoals, or smaller and more short-term goals, more flexible. She said that it is important to *“update your baseline to capture the changes that are happening within the company”* (Expert 1, Personal communication, April 8, 2022). Finally, companies with internal problems were also encouraged by one expert to solve those problems and challenges first, *“otherwise it will only get worse and worse. It will be very difficult to put demands on others. You need trust within the company to work with sustainability on all levels”*. (Expert 2, Personal communication, April 5, 2022).

In line with the previous question, experts were asked how they think Lynk & Co and other rapid growth companies should set environmental sustainability goals when their environmental impacts will continue to grow with their increasing production. Again, recommendations were to use relative goals to the turnover since most companies measure in relative terms. One expert mentioned that Lynk & Co *“have a business model that makes it possible to be more sustainable, where you can share cars and make more use of it. They have already done some things that are in the right direction here”* (Expert 4, Personal communication, April 4, 2022). Two other experts also mentioned that Lynk & Co are making customers more resource efficient and that you have to compare this with what the customers were doing before:

“Growth is directly correlated to usage of the cars and number of customers. Footprints will be bigger, but the footprint by customers will not. So, the goals should be connected

to the usage of the cars and divide the impact with the usage.” (Expert 2, Personal communication, April 5, 2022).

Expert 4 pointed out, however, that there is a risk that companies with innovative business models hide behind it:

“You make the car more available and get more use out of every car. But what is the next step? What are our actual impacts? I would recommend not to hide behind this business model, even if it is a great business model. How do you deal with the impact created by the car? Go back to the design phase. How can we reuse materials used in the car? Etc.” (Expert 4, Personal communication, April 4, 2022).

Lastly, experts were asked which environmental sustainability aspect they think is the most relevant for Lynk & Co’s core business and possible business opportunities. All four experts mentioned production of the car; more specifically, measuring, lowering and handling the Co2 footprint for the production, and three out of four experts also mentioned customer use and circularity. Expert 2 said that:

“The cars are the main thing; you cannot hide from that. [...] The usage of the cars and the production of the cars are the main part, but also what happens with the car when it has been used. The goals should reflect that.” (Expert 2, Personal communication, April 5, 2022).

Regarding customer use Lynk & Co was also recommended to, eventually, measure, lower and handle the Co2 footprint for their customers as well. Thus, for example, to migrate people that now drive a petrol car to drive a hybrid car. When experts talked about circularity, batteries were mentioned. Expert 3 deep-divided further into circularity and urged Lynk & Co to create a circular loop to reuse the cars. He claims that Lynk & Co does not have a circular loop yet, since they do not take back their used cars and instead remove them from the fleet and sell them after 1-2 years. As previously mentioned, to enable a circular loop, the same expert explained that it is important to secure a process that takes back the cars at the end of life “*and remount them and reuse all the materials.*” (Expert 3, Personal communication, April 4, 2022). A suggested solution from expert 3 was to collaborate and partner with external companies that already do this kind of job.

Lastly, the same expert also said that Lynk & Co and other rapid growth firms have the ability to move faster and reach their desired sustainability goals much earlier than old companies, since smaller companies are more aligned, and it is easier to get resources than alignment. Thus, being in a rapid growth phase might not be worse than being a big, old and mature company.

5 Analysis

In the analysis of this thesis, chapters 5.1 and 5.2 will discuss challenges and opportunities of sustainability goals and rapid growth respectively, while chapter 5.3 will discuss challenges and opportunities of handling them in combination. Important considerations and encouragements are marked with numbers (#) and written in italic. These considerations are finally summarised in table 4.

5.1 Environmental Sustainability Goals

When analysing the empirical data with the help of the literature review it can be established that some aspects are in place at the case company to be able to set and integrate a sustainability goal in a rapid growth phase, while other aspects require more preparations and organisation. It is clear from the interviews with the case company respondents, that there is interest and commitment to sustainability at large at the company, which is one of five conditions needed for goals to be effective, stated by Latham (2004). This could therefore be viewed as a good foundation. There are however additional conditions set by Latham (2004) and other circumstances that need to be managed when setting sustainability goals at the case company, Lynk & Co.

There are signs of it being a lack of knowledge in how to set and integrate sustainability goals into daily operations at the case company, which is the first condition stated by Latham (2004) for goals to be effective. This lack of understanding partly takes shape in unawareness of how employees can work with sustainability goals in their own departments, now but also five-ten years in the future. Therefore, *(I) it is important that training and education is offered to employees and the management so that they can work with the sustainability goals and integrate it into daily operations.* For eight out of ten of the interview respondents at the case company Lynk & Co, it is uncertain how they will work at their departments, disconnected from sustainability, within the same time frame as well. This may be a sign of both major changes in the industry, but also the changing environment that will be in a rapid growth phase (Nicholls-Nixon, 2005). Some of the case company's interview respondents therefore put emphasis on being able to be agile and quickly adapt to changes and hence advocate a visionary goal. According to Szekely and Dossa (2017) and one of the interviewed experts, it is important to have a long-term strategy when it comes to sustainability and the investments needed to pursue the sustainability goals. This is not easy to accomplish in a rapid growth environment, something that is confirmed both in the interviews, with Lynk & Co respondents and experts, and in theory (Nicholls-Nixon, 2005).

One way to manage the above described paradox could be by combining long- and short-term goals. Baumgartner and Rauter (2016) argue that a careful balance of needs is required to avoid a short-term focus and be able to integrate environmental aspects into long term goals. Further, this balance requires a flexible strategy since the needs of the organisation, stakeholders and the environment often vary. Experts share this outlook to a large extent and claim that one way to navigate this problem is by setting a combination of visionary goals and specific targets. The visionary long-term goals can be held on to during turbulent times, and further be broken down

into specific, but flexible, short term, targets to department and even individual levels to simplify working towards the target in daily operations. One of the experts also compares mature companies to growth companies and argues that growth companies have a more difficult time knowing where they are going. Therefore, rather than setting absolute targets, it can be useful to set intensity, or relative, targets instead, which also is mentioned in the SDG report (GRI et al., 2015). The experts however argue that a company still needs to continuously benchmark themselves to the absolute target of zero emissions. To be able to reach that goal, they need to design their processes thereafter, which he additionally adds, could be simpler for a growth company compared to a mature company with decades of doing things in a certain way. With this as a basis, *(2) it is suitable for the case company, and similar companies to combine visionary long-term goals with broken down relative short-term specific targets.*

To mitigate this confusion connected to sustainability and the short-term vs long-term focus, some of the interviewed employees at the case company Lynk & Co express a need for direction from the top management, which arguably could be given by a long-term sustainability goal communicated by the top management. The interview respondent representing the top management and the sustainability managers agree on needing a clear standing and a roadmap on how to become climate neutral, or at least close to it, both for legal requirements and for the company's survival. This resonates with what Nidumolu et al. (2009) wrote about "smart companies" treating sustainability as a new frontier in innovation and creating a competitive advantage by prioritising sustainability as a goal today. Experts are of the same opinion, that during the current circumstances for Lynk & Co, they need direction, knowledge, and organisation of their sustainability efforts. They further argue to have less emphasis on *how* to become climate neutral, or reaching an ambitious sustainability goal, and rather have *why* and *what* in focus now. This since it is of greater urgency to understand their impact today since their present actions impact tomorrow's environment. The SDG Compass report also recommends basing the goals on an analysis of KPIs of the current impacts (GRI et al., 2015). To make the goals measurable, which is recommended by Locke and Latham (1990) and Szekely and Dossa (2017), they could follow the SDG Compass report provided by GRI et al., (2015) and choose a variety of KPIs that together serve as the foundation for a quantifiable, time-bound, and specified goal. The report suggests two ways of making the goal time bound, where tying the baseline to a particular period of time allows for short-term variability to a greater extent which therefore is more suitable for companies in a rapid growth (ibid). When companies set their sustainability goals they should therefore *(3) make the goal clear, measurable, ambitious and time bound to a particular period of time to set direction in the organisation.*

However, the understanding of which KPI's to use for sustainability purposes is limited at the case company. Employees have expressly said that they do not know how to measure, and that they do not have the tools to enable measuring. This is arguably not something that the average employee needs to know, but rather the ones setting the goals, which in Lynk & Co's case, and many other companies, are the sustainability managers. Szekely and Dossa (2017) suggests that one part of the sustainability manager's role is to integrate sustainability in a way that makes sense for all involved parts in the organisation. Costa et al. (2019) further stress the need for training employees and managers to raise awareness in the process of sustainability, which is

something that several of the employees at the case company have expressed a need for. According to the SDG Compass the goals should be set after indicators that measure the impact, so it is possible to monitor and communicate progress (GRI et al., 2015). This is also the third condition for the goal to be effective according to Latham (2004), who claims that feedback on the progress of the goal needs to be incorporated to enable alignment of the strategy. Therefore, *(4) training and education on how to measure the progress with set KPIs will need to be held with the employees at department level so that the departments are able to align themselves and contribute to the goal* (Hitchcock & Willard, 2006; Baumgartner & Rauter, 2016). Another, more practical suggestion from the SDG Compass is *(5) The usage of a logic-model as a tool to help identify where negative impacts can be avoided or reduced, but also where positive impacts could be scaled up* ((GRI et al., 2015). Additionally, *(6) the case company, and companies in a similar situation, need to recognize that the goals they set should be able to be broken down and measured at the department level.*

Further, *(7) for the environmental goals to have a meaningful impact they should be connected to the core business* (Kramer et al, 2019; Chakravorti 2017). This is supported in theory, in interviews with experts and employees at the case company. Chakravorti (2017) argues that goals that are too distant from the current business model should not be part of the integration plan. Chakravorti (2017) and Kramer et al., (2019) further recommends *(8) companies to focus on one to three sustainability goals*, instead of having numerous sustainability goals within diverse areas, since this will result in a resource fragmentation, the risk of making sustainability goals appear unrelated to business, and the separation of investments from corporate strategy. Another point of view came through an insight from one of the experts, who stated that sustainability goals and traditional performance goals for a company should be integrated for the business to be successful in the future. The sustainability manager's thoughts on sustainability goals are that they should somehow be connected to the life cycle of the car, since the design development phase and manufacturing phase adds up to several years, sometimes ten years, meaning that they need a long-term strategy of how to make this sustainable. A colleague has a similar standpoint and adds the fact that they are reliant on their collaboration with their owner, and that Lynk & Co's influence sometimes can be limited, but once they have been convinced, change happens quickly. Based on the above, *(9) one area for sustainability goals that therefore may be of interest to the case company, and others in the automotive industry, is the design of the car, including materials used and the design for its environmental impact once it is operational.*

5.1.1 Implementation of Environmental Sustainability Goals

A crucial part of setting sustainability goals is to consider how the goals will be implemented in the organisation. A successful implementation requires, according to interviewed experts and theory, top management support, an encouraging culture, communication, and appropriate resources. As mentioned above, for the sustainability goals to be most effective, they should be based on the company's core business, and for a long-term successful incorporation of the goals, they should moreover be a part of the overall business strategy and daily operations (Kramer et al., 2019; Chakravorti 2017, Personal communication, April 4, 2022). In addition, Chakravorti (2017) asserts that the goals should be set at a feasible level to avoid overwhelming the

organisation, and that a management decision to become more sustainable should come from the top.

However, according to Siebenhüner and Arnold (2007), sustainability-oriented values must be incorporated into the organisation by the top management before any sustainability initiatives are incorporated. Chakravorti (2017) also believes that the result of a successful and effective implementation depends on decision-making and the top management. Further Costa et al. (2019) argues that an encouraging culture towards continuous improvement with sustainability is a requirement and that a company can build a culture around the process of sustainability. The interviewed experts are also of the opinion that it should be something that the entire company, not just the sustainability managers, are participating in. At the case company, all respondents agree that sustainability is not fully integrated in the corporate culture so far. One of the sustainability managers expresses that there is generally a high awareness of sustainability and that it is significant for their brand as one of the core pillars. However, there is a discrepancy between their ambitions and how far they have reached. One step they have taken is to incorporate monthly scorecards, in which they monitor progress in business and sustainability.

Two of the experts agree that a key aspect to integrating sustainability into the culture is to have the board and top management committed to the cause. It can be concluded from the interviews with the case company that the top management is committed to becoming more sustainable but that the owners do not seem to be committed to the same length. One respondent for example mentioned that they sometimes can experience difficulties with influencing their owners, and producer, to use sustainable options in the vehicle during the design phase. Other respondents state that sustainability often becomes a second priority when quick solutions come in first-hand. Additionally, another expert claims that *(I0) sustainability should be a part of the company design, meaning being a part of the design phase, as well as when doing business with partners, how you recruit, manage, and govern.* Today, sustainability could be considered to be a part of the company design at Lynk & Co to some extent. It is present in their business model, with for example the sharing feature, but not as present in their physical product. Sustainability is rather present in the idea of how the product should be used, but that is ultimately out of their hands and a choice of how that individual customer chooses to use the car. The expert adds that sustainability often is treated as a side project and that it instead should be treated proactively and reactively. Therefore, *(I1) the case company's top management and foremost, board, needs to be more committed to sustainability for it to be fully integrated into the culture and become the core pillar it was set out to be.* After this, it can become a priority in daily operations and be treated proactively.

Another cornerstone for implementing sustainability goals is communication (Costa et al., 2019; Kramer et al., 2019). According to Costa et al. (2019), good communication is required for the continuous work with sustainability and the goals to work effectively. The experts' view of how to drive sustainability initiatives all revolves around integrating sustainability into daily operations, something which requires communication and organisation throughout the company. The experts also emphasise the communication from the top management and that it is them who set the focus for the employees. If the top management wants the company to focus

on cutting costs, that is where the focus will be, and not on sustainability. Hitchcock and Willard (2006) similarly argue that executives should make sustainability one of the key priorities and embed sustainability into employee orientation. Regarding the frequency in communication on sustainability at the case company Lynk & Co, the employees are of differing opinions. One of the interviewed respondents argued communication on sustainability happens occasionally on a corporate level, but that despite it being one of the company's core pillars, it is not in their core communication. The top management respondent disagrees with this fact and mentions that the communication is rather frequent, on top of the sustainability KPIs on the monthly scorecard that is communicated to them in the top management team and their owners. To incorporate sustainability on scorecards are in line with what Costa et al. (2019) suggests about basing implementations on hard-data in combination with soft data for a successful result. One opportunity for companies in this situation could therefore be to *(12) connect the KPI's on the scorecards to their sustainability goals, it enables employees to see how they contribute to the goals*, which is the third condition to make the goal effective according to Latham (2004).

Without adequate resources, no successful implementation of sustainability, or sustainability goals can take place (Szekely & Dossa, 2017). Hence, *(13) it is vital to invest in the sustainability goals and allocate resources to create progress* (ibid). In addition, Kramer et al. (2019) state that companies who make serious investments in sustainability not only improve the efficiency of their goal implementations, but also show their commitment to stakeholders. The general opinion of the interview respondents at the case company is that they lack resources in the form of time, but also skills and financial means. Some of the respondents acknowledge that they could make more sustainable decisions if they had more time to research suppliers, but since deliveries are due, they need to find a solution quickly. Another respondent recognizes that there is interest and willingness to be more sustainable, but they lack the knowledge to act on it. The sustainability managers have planned to have training sessions for each department or role to make it clear how to contribute to sustainability and the sustainability goals, but it has not yet been established. To meet their ambitions, the sustainability managers also indicate they need a larger team and an increased budget since it is difficult to drive development without the necessary funds. Thus, companies in a situation like this need to *(14) review their resource allocation to sustainability projects and the sustainability goals to enable the goals being met*.

5.1.2.1 Value Chain

When setting a sustainability goal, it is vital to take into consideration how it will be implemented in the organisation, since a goal should be difficult to achieve, but not impossible (Latham, 2004). As mentioned before, one important part of implementing a sustainability goal is to implement it in the whole value chain (Nidumolu et al., 2009; Epstein & Rejc Buhovac, 2014). To enable the goals being achieved and influence daily operations, sustainability and the sustainability goals will need to be implemented throughout the value chain (ibid). When the respondents at Lynk & Co were asked if they thought that sustainability was integrated in the whole value chain, they all agreed that it was not. The recurring and mutual obstacles over several departments are foremost connected to supply chain management and resources. However, all responding departments are performing sustainability activities to some extent and many of them are showing interest to extend this. Several of them have also identified

possible improvements and opportunities, which will be presented below as well as the recurring obstacles.

According to theory, the largest environmental impact of a product is determined from its design (Hitchcock & Willard, 2009). To minimise the impact of the product design, it is essential to choose materials with the lowest environmental impact from the beginning, while taking the eco-effectiveness and efficiency of the manufacturing process into consideration. The product design respondent confirms that the most important aspect at their department is to secure sustainable material choices for the car. It can however be concluded from other interviews that the eco-effectiveness and efficiency of the manufacturing process is out of the product designer department's scope. The way they are working to secure sustainable material for the car is through discussions with their manufacturer, and owner, Geely. This could become a problem for the case company Lynk & Co, since theory urges designers to look further than their existing suppliers for more sustainable and responsibly produced materials, which is not an option Lynk & Co (Hitchcock & Willard, 2009). When experts were asked about a solution to this problem, they highlighted the need of *(15) gaining visibility in Geely's supply chain by being involved in the process and being there when sustainability is discussed, and of negotiating and setting demands*. Experts claim that they also need *(16) very strong procurement processes, targets, and incentives for suppliers*. However, an alternative method suggested in theory is to develop, or find, innovative solutions, such as utilising clean energy sources, and finding innovative techniques for returned products and waste (Nidumolu et al., 2009; Baumgartner & Rauter, 2016).

A large proportion of a company's impact originates from the production of their product (Hitchcock & Willard, 2009). It is therefore important to put a lot of emphasis on energy efficiency and renewables, resource efficiency, and waste management, to make the production as sustainable as the circumstances allow (Hitchcock & Willard, 2006; Baumgartner & Rauter, 2016). This is the production interview respondent at the case company aware of and has made it into one of his focus areas to create a sustainable production. He, together with one of the sustainability managers, are setting up targets for emissions and waste connected to the production, based on what they believe is required of them to say that they are sustainable. He is also working cooperatively with their sister brands to set targets which they together push on the manufactures, to create a better negotiation position. Further, he sees an opportunity in approaching their waste in a circular way. To become more circular is something that one of the interviewed experts identified as a challenge, which potentially could become an opportunity. The expert however expanded the notion of circularity from production waste to the handling of returned cars. The top management representative explains that when the car has been in their fleet for one to two years, depending on the market, it is taken out of the leasing fleet since it becomes financially unsound. The expert sees a solution in becoming circular in their business model by taking back the cars after being used for 15 years, or longer, and reuse or recycle, all materials used in the cars with the help of a partner. This is also in line with Bocken et al., (2014), who argues that businesses can create value from something that earlier has been handled as waste. Based on this, in combination with finding innovative techniques for returned products and waste, as suggested by Nidumolu et al., (2009) and Baumgartner and Rauter (2016), *(17) one opportunity for companies in this situation is therefore to utilise their*

own cars in a reusable purpose, when they are no longer in use, to save costs for the owner and at the same time become more circular in their production and design.

Logistics is an important part of the value chain when working with sustainability, since it contributes to large impacts (Hitchcock & Willard, 2006; Tang & Veelenturf, 2019). Measures recommended in theory are to review their logistics processes, reduce shipping distances if possible and use energy efficient vehicles (Porter & Kramer, 2011). Currently, the case company is shipping the vehicles from China to Europe by ocean freight. The top management interview respondent argues that this is where they are lacking in sustainability in the value chain to the largest extent, but the only way to improve this is to regionalize the production to Europe, which presently is not an option. They are however working with regionalizing their spare parts suppliers to Europe, which he sees as an opportunity, since they are reducing their shipping distances, an aspect that corresponds well with above mentioned recommendation in theory. The respondent representing the logistics department sees fuel options and optimization of the container packaging as important opportunities from both a business and sustainability perspective.

At the sales, purchasing and HR department at the case company, environmentally sustainable activities are not as evident as for the other departments that have been interviewed. The sales interview respondent needs to reflect before concluding what sustainability activities they perform and recognizing that they are not conscious of what they are doing for sustainability and therefore not doing enough. The purchasing respondent refers to their screening process when evaluating a new supplier but are not working with current suppliers to reduce their impact. The HR department is more inclined to work with social sustainability and does not work actively with environmental sustainability, apart from being part of creating an office based on sustainability principles with green energy and recycled furniture. According to theory there are a lot of opportunities which these departments could contribute to. It is also important, according to Costa et al. (2019), that everyone in the organisation understands the process of sustainability and how they could contribute to the goal. For instance, the HR department could have an important role in implementing the goal based on the organisation's needs (Hitchcock & Willard, 2006). They are well versed in response techniques to overcome resistance and they have control over most communication and education systems (ibid). This is essential, since the implementation of sustainability and sustainability goals requires change and learning processes in any organisation (Baumgartner & Rauter, 2016). The purchasing department could offer incentives to encourage current suppliers to become more environmentally conscious (Nidumolu et al., 2009). The sales department, together with the marketing department could increase the trust from customers by committing to sustainability and effectively communicating it (Borland et al., 2019). The marketing department at the case company are aware of the risk of being accused of greenwashing, and therefore do not have any external communication about being sustainable and carefully choose influencers to cooperate with to decrease the risk further. It could however become clearer how the marketing department, and the other mentioned departments as well, can contribute to sustainability for it being simpler for them to work towards a sustainability goal and with sustainability at large. *Therefore, (18) rapid growth companies need to break down the goals so that all departments can relate to it, create sub-goals, and contribute to reaching it.*

Sustainability reporting could be a tool for driving internal change and decision-making through integrated performance management, since it enables measuring performance (GRI et al., 2015). In addition, it can act as communication to stakeholders (ibid). This is something that the case company Lynk & Co hope their reporting will do. They want it to work and use it as a communication tool to pressure the governments in Europe to extend the infrastructure for electrical cars. Soon, new requirements will be put in place that they must adapt to, such as legislation on batteries and a carbon dioxide adjustment mechanism that will raise the import tax based on the car's carbon footprint. As suggested by one of the expert respondents, this can be used to drive internal change and serve as a motive for their owner to become more invested in reducing its emissions. Furthermore, it is recommended by SDG Compass that companies use internationally known standards for sustainability reporting such as the comprehensive standards offered by GRI, or SBTi (GRI et al., 2015). The case company is currently using these frameworks, which is a good prerequisite for the upcoming sustainability goals. However, Davidsson (2011) claims that despite the good intentions of the frameworks, most of these systems represent a weak attempt to resolve a complex problem: the paradox between economic growth and environmental integrity. One could argue that the frameworks legitimise businesses sustainability works, solely by stating that they are following them. *Therefore, (19) companies in a similar situation, should use frameworks as a resource, for guidance and driving internal-, and external change.*

Initiatives for sustainability goals should come from the top management for them to be taken seriously (Chakravorti, 2017; Hitchcock & Willard, 2006). They should also communicate the importance of sustainability regularly and repeatedly, and align their actions thereafter (Hitchcock & Willard, 2006). Further, the executives should make sustainability one of the key priorities in the company and embed sustainability into employee orientation (ibid). Currently, the main communicators on sustainability in the case company are the sustainability managers, and even if the sustainability managers have the support of the top management, they are the ones who initiate many of the sustainability efforts. The top management's biggest contribution to sustainability is to drive information and steer the business after data, partly connected to the earlier mentioned scorecards which recently came to include both business and sustainability KPIs. This is a step in the right direction in showing the employees that sustainability is one of their top priorities, but what can be interpreted from the employees is that the main priority is to make the daily operations function as they should, which often puts sustainability in second hand. Arguably, this is what could be expected from a company in a rapid growth phase, but the experts claim that sustainability should be a priority no matter what phase a business is in. One of the interviewed experts puts a lot of emphasis on how important the focus from top management is and that it is what determines what the employees will prioritise their time and their decisions on. Another expert further argues that even if Lynk & Co is in a turbulent phase with rapid growth and a fairly new business, they may have better circumstances than a more stable and mature company. This since the older company has decades of history in how their operations are managed, which might be difficult to change. For the sustainability goals to be successfully implemented and achievable in a company with rapid growth, *(20) the top management should make sustainability and sustainability goals a priority and communicate this regularly.*

There are however challenges with the value chain standing in the way for sustainability goals to be successfully implemented at the case company. Essentially, they are largely connected to lack of resources and supply management. One of the sustainability managers' interview respondents sees the lack of resources as a short-term challenge. She explains that since they are not yet self-sufficient and depend on cash deposits from their owner, they first need to become financially independent before increasing their focus on what they believe is important, insinuating that sustainability then will be higher prioritised. However, she continues with that to reduce their impact, they need to know what methods are available, a knowledge which they are currently lacking in some areas. She also mentions that there is a generally high workload, which can limit employees' opportunity to find sustainable solutions. Concerning the long-term challenges, the sustainability manager respondent refers to their limited insight and ability to have a direct influence on their suppliers in their value chain. With their current business model, they work through Geely as a middleman, which makes it problematic to control suppliers. Additionally, there are difficulties with influencing their suppliers towards sustainability since their main supplier also is their owner. This shows that there is an awareness of the issues connected to sustainability with the ones who are mainly responsible for sustainability, since this more or less sums up the challenges mentioned by the other departments. That awareness is undoubtedly a good basis for finding a solution to the challenges.

Concerning the lack of resources in the form of time, financial means and knowledge, theory simply suggests that resources are made available (Szekely & Dossa, 2017). Education and training programs are suggestive ways to solve the lack of knowledge, but then the lack of time could once again become an obstacle (Siebenhüner & Arnold, 2007). The interviewed experts' opinions to these issues are either to try and balance the current urgent difficulties with sustainability, or that the top management needs to put sustainability in focus for the employees to prioritise that when decisions are made. The latter is somewhat difficult to apply in the case company Lynk & Co's current situation but could be worth considering if they want to create suitable conditions for setting, and achieving, ambitious sustainability goals. Regarding the difficulties with insight in the supply chain, Villena and Gioia (2020) acknowledges this issue. They mean that often large corporations require their first-tier suppliers to adhere to their sustainability standards, and then ask the suppliers to ask their suppliers the same. First-tier suppliers rarely focus on the sustainability standards of their own suppliers since many of them struggle with sustainability themselves (ibid). Since lower tier suppliers often lack sustainability expertise, they are often the riskiest member of the supply chain. To address this issue, Villena and Gioia (2020) suggest larger corporations to require lower-tier suppliers to set their own long-term sustainability goals and include lower-tier suppliers in their overall sustainability strategies (ibid). However, with Geely acting as a middleman and giving Lynk & Co a limited insight in the value chain, in combination with Geely having a different mindset concerning sustainability investments, this is a challenging obstacle for Lynk & Co in their journey towards sustainability. One expert did however have a practical suggestion how companies can get their owners and suppliers on board. Namely by *(21) referring to the new European Corporate Legislation that will come into force in a few years, which will put sanctions on those who do not have control over their value chain*. Since this new legislation will force companies to have control over their business relations in their value chain, non-depending if they are tier 1, 2 or 3, it can be used to urge suppliers to evaluate their value chain

and its footprint. Once it has taken effect, it will punish them financially if they do not have insight on suppliers, non-depending if they are tier 1, 2 or 3, which makes the argument multifaceted, in terms of financial means, the sustainability aspect and strengthening the trust for the brand.

5.2 Rapid Growth

As mentioned, both in the theoretical chapter as well as in the empirical chapter, there are several challenges of being in a growth phase. However, this thesis has presented several theoretical and empirical facilitators and solutions to minimise or reduce some of those challenges.

5.2.1 Growth Strategy Alignment

To grow successfully, several theories claim that a growth strategy is necessary (Von Krogh & Cusumano, 2001; Durmaz & Ilhan, 2015; Gerald & Elisifa, 2013; Thakor, 2011). Further, as mentioned, Thakor (2011) explains that a growth strategy must be easy to understand and relatable to all employees so all can incorporate it in their work. It must also be specific and explain what the company will- and will not do, and how they will do it (ibid). It must be tied to the business' key value drivers, and it must be time bound (ibid). Also, it is highly important to have organisational alignment behind the growth strategy, in terms of, for example, culture, employees, resource allocation and performance metrics (ibid). The growth strategy must also, similar to a sustainability strategy, be repeatedly communicated to the whole organisation (ibid). If all employees do not agree, understand, or feel committed to the vision and mission of growth strategy, there will be friction and conflicts (ibid).

When employees at Lynk & Co were interviewed, it became clear that a majority did not know if the company had a growth strategy at all, which implies that none of Thakor's (2011) requirements for a successful growth strategy is fulfilled. An interviewed top manager, who claimed that they in fact had a growth strategy, explained that it does not explain how employees should work in line with it and that growth strategy alignment could be improved. It was explained that employees are going in different directions. This misalignment also became evident when employees were told to rate different statements connected to the essence of their growth or what makes them distinct from other companies. In figure 2, answers are shown to vary both in how well respondents thought each statement described their growth, but also in which of the statements that most accurately described their growth. The statement: "What positions our organisation to grow is that we have a laser-sharp focus on attending to our existing markets and customers, ...[by] developing [for example] our brand equity..., when necessary." (Thakor, 2011, p. 28), which describes Thakor's growth strategy Compete, received the highest average score. The growth strategy Create received the second highest average score through the statement: "The essence of our growth is our belief that we must constantly innovate and come up with new ideas for products and services.", and the strategy Collaborate came shortly after, described by the statement: "The principal driver of our organisation's growth strategy is a deep and enduring focus on our people and our culture". (Thakor, 2011, p. 28). Further, the interviewed top manager was identified to have a Create leadership style and focus, since he chose the statement describing that he as a leader 'focus on the future with a leadership

role as a vision setter' (Thakor, 2011). The created leadership matches the growth strategy with the second highest score, which is positive since it is important that the leadership style matches and adapts after the growth strategy and vision.

Further, the fact that Collaborate only came 0,2 points after Create is somewhat concerning, since the growth strategy that Lynk & Co's employees thought best described their growth, namely Compete, is its opposite. As Thakor (2011) explained, companies that try to achieve all, will achieve nothing, and since Collaborate and Compete are two competing strategies, a move towards one of the strategies would lead to a move away from the other. The rankings between Compete, Create and Collaborate are thus very small, and it is thereby important that Lynk & Co specify their growth and ensure that they are not focusing on too many different things. The leadership style should also be adapted thereafter. Further, the strategies with first and second highest ranking, Compete and Create share a focus on external opportunities. Thus, if that is what Lynk & Co desires, they should focus more on those two and start to focus less on the other strategies with a higher focus on internal capabilities. If they instead want to focus on Create and Collaborate, they have both an external and internal focus, but instead share the focus of being flexible, adaptable, and having a long-term horizon. If so, they should focus less on Compete and control, that shares a more controlled and specific focus with short-term horizons.

When experts were asked if they think it is important and/or possible to have a defined growth strategy while being in a rapid growth phase, or if it is more important and/ or efficient to be agile and rather have a vision of growth, a majority claimed, as mentioned, that it is important to have both, since there is no contradiction between having a strong strategy and being agile. Without a strong growth strategy, employees will be confused, and without agility, the company will not be able to adapt. Lynk & Co, and other rapid growth companies, was recommended to have long term targets and an overarching purpose and direction, but also to be agile in the processes and have a huge flexibility of how to reach the targets. A thought through strategy on how to stop, give feedback, evaluate and plan ahead is important as well.

Thus, in sum, Lynk & Co, and other rapid growth companies, are encouraged to *(22) have an overarching long term growth strategy and vision, and also to be agile and adaptable, but still clear on how to get there.* Moreover, it is important for all companies *(23) to clearly identify which strategy they want to have and communicate it in a way that is understandable and relatable to all.* When choosing and communicating a growth strategy, *(24) Thakor's model can be helpful as it both allows a company to define a growth vision and strategy, while still allowing much flexibility.* Further *(25), lack of internal alignment is something that must be considered, both in terms of employees, culture, resources, decision making, and performance metrics, to achieve a successful growth and to minimise other challenges that come with the growth.*

5.2.2 General Challenges with Rapid Growth

When interview respondents from the case company Lynk & Co were asked to identify the challenges of being in a rapid growth phase, several connections could be made between those answers and previous literature mentioned in the literature review. The employees mentioned

challenges of how to communicate internally and knowing who to turn to with many new employees, lack of time, lack of people and skills, inadequate process and structures, high workload, and difficulties of maintaining the culture. All these challenges are mentioned as parts of Hambrick and Crozier's (1985) and Nicholls-Nixon's (2005) main managerial challenges of being in a rapid growth phase, namely instant size, sense of infallibility, internal turmoil, and extraordinary research needs.

Another challenge mentioned by the interview respondents from Lynk & Co was to maintain the right focus on where they are headed and on what they are doing. As mentioned, a representative from the HR department claimed that people start growing in the way they think they should be headed, instead of growing the same way. In line with Hambrick and Crozier's (1985) and Nicholls-Nixon's (2005) theories, employees claim to have difficulties of simply keeping pace with the company growth, which results in rushed decisions. According to Nicholls-Nixon (2005), it is very common that rapid growth companies do not keep up with their growth, and therefore, these companies need to be able to manage rapid growth on a daily basis by creating an infrastructure that allows periods of self-organised change to occur. As mentioned in the literature review, self-organisation is enabled by a deep structure, since it directs employees' interactions and actions, while still leaving room for employees to make their own decision, take action and develop and create innovative and flexible solutions to new situations when they arise (ibid). A deep structure is, according to Nicholls-Nixon (2005), a set of shared rules that determine the company's basic principles of organisation, as well as its business logic, or reason for existing (ibid). When formal structures and systems cannot cope with the pace of change in an organisation, these shared rules support self-organisation by providing guidelines for employees (ibid). Thus, due to the mentioned challenge of keeping focus, Lynk & Co, and companies with similar challenges, might want to consider *(26) creating a self-organising environment through a deep structure, to be able to ensure that order still exists so that the firm does not lose all control, while still allowing innovative and flexible responses to unpredictable situations.*

Even though a self-organising environment can minimise many challenges, all problems of being in a rapid growth phase will probably not magically disappear. It was thereby important to dive deeper into the more specific challenges that were mentioned, so that these challenges could be more easily understood and solved.

5.2.2.1 Systems and Processes

As can be seen in the empirical chapter, all interview respondents answered no when they were asked if they thought that their systems and processes keep up with the growth of the company. In fact, the top manager described them to be 'substandard'. This strongly connects to the literature review and Hambrick and Crozier's (1985) and Nicholls-Nixon's (2005) mentioned challenge instant size, where it was mentioned that original systems and processes might not keep up with the firm's rapid growth. Interview respondents from Lynk & Co mentioned that IT systems are lacking behind and that many things need to be done manually. Documentation is also mentioned to be lacking behind, since there is no time to document. Further, communication is claimed to be inadequate and decision making is unstructured and is slowed down since many decisions need to go through the leadership team and since many people often

come with input on decisions. Hambrick and Crozier (1985) mentions that since the decision-making process in a small company is often spontaneous, informal, and conducted face-to-face, it is difficult to change to new processes. Especially for managers that need to adapt from doing the tasks themselves to delegating (Churchill & Lewis, 1983; Hambrick & Crozier, 1985). It also seems to be a problem with handing over tasks since there is a lack of ownership of important operational processes. Hambrick and Crozier (1985) explain that when new managers and other new employees do not know where their tasks stop and another employee or manager's tasks starts, some decisions might be forgotten. This risk could also be reduced by clearer systems and delegations.

When experts were asked to provide suggestions on how to solve problems of having internal processes and systems that do not keep up with company growth, they recommended (27) *working with partnerships and the ecosystem and taking help from external platforms*. This is consistent with the theory as Hambrick and Crozier (1985) suggest using the external environment, not only to improve processes and systems, but also to avoid being rigid due to a sense of infallibility. It is important to learn from the external environment (ibid). Experts also stress the importance of understanding the actual needs and of working proactively to identify the added needs in the mid-term future. This also connects to the literature review, since both Hambrick and Crozier (1985) and Churchill and Lewis (1983) claim that the most important solution for these companies is to try to envision their future, and acquire the needed processes, skills, and other reorganisations accordingly in advance. These authors explain that employees, and especially managers that can envision and articulate what the firm will need years from now are needed in a successful rapid growth firm, since that would allow them to anticipate future problems of being a larger firm and prepare for it (ibid). However, it is also crucial not to discard the techniques and values which allowed them to grow in the first place, since communication and decision-making often fail in firms with rapid growth because they either try to fully keep their original decision-making process, or because they go overboard and install information and decision-making processes that are too formalised (ibid).

In sum, Hambrick and Crozier (1985) explain that companies with rapid growth should also put high resources to create more formal systems, preferably before they are crucial. Therefore, Lynk & Co are encouraged to consider doing exactly that. The interviewed top manager claims that they indeed are investing heavily in fixing their lacking processes and systems. When doing so it is important to consider (28) *improving IT, communication, decision making, documentation and delegation*. Lynk & Co, and other rapid growth companies, also needs to (29) *prioritise things that add value in the future, but also make sure not go overboard and change too much* of the things which allowed them to grow in the first place. Again, a self-organising environment can also be one part of the solution, as one employee wished for user-friendly processes that create some control but also liberty.

5.2.2.2 Knowledge and Skills

It seems like the case company are keeping up with the rapid growth of the company in terms of knowledge and skills, since a majority of interview respondents think that they have, and will have, the expertise that is needed now when the company grows. However, there are still quite many, the sustainability managers included, that did not consider themselves or their

department to have enough skills or knowledge. Additionally, people expressed a lack of people in general. The lack of people and skills is described to be a part of Hambrick and Crozier's (1985) and Nicholls-Nixon's (2005) mentioned challenge instant size. These authors claim that companies with rapid growth need to put time and money into hiring and training employees (ibid), something that is also mentioned as a solution by the interviewed experts. The interviewed top manager explained that he hires people with large firm experience to ensure having the skills necessary. This can be considered a successful way of working, since Hambrick and Crozier's (1985) mentions the same solution. Thus, when it comes to skills and knowledge connected to growth, Lynk & Co does not seem to lack behind too much. It is, however, important to *(30) make sure that those who experience the lack of skills are considered, since a lack of skills in, for example sustainability, might not be what they wish for going forward.* It is also important for companies in rapid growth to *(31) hire people, especially with large firm expertise,* to reduce the lack of manpower.

5.2.2.3 Culture

When asked, an equal number of interview respondents working at Lynk & Co answered yes or no when they were asked if they feel overworked due to the rapid growth. Additionally, pressure and a high workload were mentioned by several as one of the main challenges of being in a rapid growth phase. As can be seen in the empirical section, the interviewed top manager and the experts views this this challenge quite differently, where the top manager sees it as a part of the journey and that it is okay as long as the management are working harder than the rest of the employees, while experts claim that overworked employees are not sustainable at all. One expert explained that the responsibility lies on the managers, and that they need to consider what might happen in the long run if people feel overworked and eventually get burned out or leave the company. This manager considers overworked employees as a 'huge risk'. The solution of how to reduce this large risk, is, according to an expert, with expectations from the top management. It is also important to identify whether people are doing the right things and that the company does not use the employees in the wrong way or are stuck in bureaucratic processes that do not add any value. Thus, the case company, and companies with similar problems, are encouraged to consider *(32) their high workload instead of viewing it as a natural part of their journey, and to start asking themselves whether they are using their employees in the most efficient way.*

Internal turmoil was mentioned by Hambrick and Crozier's (1985) and Nicholls-Nixon's (2005) as one of the five head challenges of being in a rapid growth phase. Therefore, it was no surprise when seven out of nine interview respondents from Lynk & Co answered that they have experienced internal turmoil at the company. The main reason was, according to them, not due to a high number of new employees, as the literature suggests, but mainly due to increased pressure and workload. However, as mentioned in the empirical chapter, the top manager does not believe that internal turmoil or friction is bad. Instead, he sees it as a natural cause of several reorganisations and believes that friction can be good since it creates fire when it is handled in the right way. Hambrick and Crozier's (1985) and Nicholls-Nixon's (2005) do not agree with this and instead claim that internal turmoil creates a situation where people do not trust each other nor the company. These authors explain that *(33) this challenge needs to be solved,* since distrust is highly undiscoverable in an environment with a high amount of new information and

when many important decisions need to be made (ibid). Hambrick and Crozier (1985) continues by stating that when daily decision-making suffers due to rapid growth, it can result in, for example, production logjams, poor product quality and debts.

Due to instant size, thus when a firm quickly doubles or triple in size, Hambrick and Crozier's (1985) and Nicholls-Nixon's (2005) explain that employees might become disaffected or sad since those drawn to smaller firms often value and thrive in an environment that is intimate, informal and where job responsibilities are broad. For these employees, a major growth might seem like a huge loss where the original tasks and sense of family is gone (Hambrick & Crozier, 1985). However, employees at Lynk & Co do not seem to experience this disaffection, since a majority rather saw the growth as something exciting and agreed that the positives outweigh the negatives. Although, as mentioned in the empirical chapter, some explained that they miss some parts of being a smaller firm, such as 'silly Tuesdays' where they used to dress in silly clothes. One interview respondent also explained that the Covid-19 pandemic has also had a big impact, since there are now many new employees that she has never met in person. Since she continues by explaining that it is easier now that they are back at the office, Lynk & Co are encouraged (34) *to recreate some of the old cultural habits, such as 'silly Thursdays', now when they have the opportunity again.* Further, when experts were asked to provide recommendations of how to maintain a culture that employees are happy with while growing and recruiting many new employees, one suggestion was to (35) *let new employees co-create the culture rather than forcing a culture created by the management team,* since it could be a disaster if the culture is forced as people will not truly commit to it.

5.3 Rapid growth and Environmental Sustainability Goals

As mentioned in the empirical section, six out of eight of the interview respondents from Lynk & Co mentioned the difficulty of keeping focus on sustainability as the most challenging aspect of working with environmental sustainability in a rapid growth phase. Employees mention that priorities lie on short term gains and fixing the most pressing issues, pushing sustainability further down the agenda. This also entails making hasty decisions due to time constraints, which may result in longer-term consequences, and potentially a higher workload. This connects to Szekely & Dossa (2017) who claim that companies often have a short-term focus on strategies for profit, instead of a long-term strategy for sustainability. When employees at Lynk & Co were asked to provide possible solutions of how to maintain focus on sustainability, they explained that clear priorities need to be set, that communication needs to improve so that everybody knows and understands the environmental sustainability aims and goals, that they needed tools to measure sustainability indicators, and that improved focus could only be achieved if it comes from the top management. All these suggestions could be linked to Latham's (2004) conditions for a goal to be effective. The first condition that needs to be fulfilled to make goals effective in a business environment states that the employees' cognizance is important to acknowledge. Latham (2004) explains that the people who work with the goal must have the knowledge, or possibility to gather the knowledge, and ability to achieve the goal for it to be effective. The third condition is regarding the incorporation of feedback on the progress of the goal, which would be made possible at Lynk & Co if they had tools to measure sustainability indicators. The fifth condition for the goal to be effective

concerns the leaders and their role in removing obstacles that potentially could be in the way, which corresponds with the employee's indication of a needed shifted focus from the top management. A more specific suggestion from the employees at Lynk & Co concerning communication was to make environmental sustainability goals visual at the office, because now people do not know details and what the company wants to stand for regarding sustainability. This is reinforced by theory, with Costa et al., (2019) and Genç (2017) stating that knowledge and understanding is best achieved through simple, direct, and precise communication. Based on this, there are many ideas from the employees that would be beneficial for Lynk & Co to incorporate to improve their sustainability processes.

As mentioned above in the analysis, and by several previous researchers, both within the field of sustainability and rapid growth, and interviewed experts agree that efforts, namely aligning and communication, needs to come from leaders and the top management to ensure the desired focus (Chakravorti, 2017; Epstein & Rejc Buhovac, 2014; Costa et al., 2019; Genç, 2017; Hambrick & Crozier, 1985; Nicholls-Nixon, 2005; Siebenhüner & Arnold, 2007; Hitchcock & Willard, 2006). Further, Costa et al. (2019) suggests that managers should be trained to raise awareness and create interest in the process of sustainability. Interviewed experts also mention the responsibility of the top management, explaining that it all comes down to their focus and what tasks and incentives they give their employees. Since respondents working at Lynk & Co explained that they risk making bad decisions, regarding, for example, suppliers due to time pressure, one interviewed expert described this problem as very dangerous for companies in the long term, since solving short term problems on behalf of long-term will lead to more problems in the future, creating a downward spiral with more and more work. As mentioned in theory and section 5.1, a careful balance is required to avoid a short-term focus and begin to adopt a more long-term approach/being able to integrate environmental aspects into the long-term (Baumgartner & Rauter 2016). It is in the hands of managers to switch the focus from short term profits. Further, one expert explained that a company needs to have a holistic thinking, and that the holistic thinking must come from the management level. It can be argued that the holistic thinking of a company can be connected to Nicholls-Nixon (2005) theory of self-organisation and thus the (26) consideration mentioned earlier in the analysis of this thesis. A deep structure and a self-organising environment help employees to keep focus on what is important and might thus increase the holistic thinking of the company. Today, one of Lynk & Co's core pillars is supposed to be sustainability, but as mentioned earlier in the analysis, this ambition does not match their current situation. To create this holistic thinking and enable a deep structure and a self-organising environment in a rapid growth phase (36) *managers of rapid growth companies need to realise that the ultimate responsibility lies with them and that they clearly and repeatedly communicate and show that environmental sustainability is a core pillar for the company.*

As mentioned in the empirical chapter, another suggestion, from another expert, was for companies to incorporate sustainability in the business model to ensure focus, since it is then one of the reasons why you're making money. Therefore, it becomes more difficult to look away from, and easier to have as a strategic aspect in everything you do and to make it a priority from the beginning. This connects to Kramer et al. (2019) and Chakravorti (2017) theories explaining that sustainability goals should be based on the core business and the company's

most promising business opportunities. It can also, again, be connected to Nicholls-Nixon (2005) deep structure that explains the core values and vision of the organisation. Today, the case company's business model has elements of sustainability, in the form of the sharing feature of the car but this could be extended by a circular feature, as suggested by an expert respondent. More precisely, Lynk & Co could utilise their own cars in a reusable purpose, either organically or by outsourcing, when they are no longer in use, to become more circular in their production and design, and add a feature of circularity to their business model. Thus, in line with theories, expert opinions and previous considerations mentioned in the analysis chapter, (37) *environmental sustainability should be a larger part of the business model, the core business, and the deep structure and holistic thinking of the company to create a strong focus more easily on environmental sustainability, both long and short term.* Through this, sustainability can become a priority in daily operations and be treated proactively, rather than reactively, as mentioned previously in the analysis and recommended by experts.

Shortly continuing keeping a focus on environmental sustainability while being in a rapid growth phase, employees commented, as previously mentioned, of having to make rushed decisions that they afterwards understood were poor choices. However, one expert argued that making quick decisions does not need to be a disadvantage since it is not that difficult to make decisions quickly if you are skilled, trained and educated in the decisions you make. This expert continues by explaining that the companies with this problem thereby need more knowledge, people, and resources in the sustainability organisation, since there is no way of getting around the work that is needed to be done within sustainability. The expert suggests using flexible resources, such as internships from universities, or partnerships and alliances with other stakeholders. This can be seen as a valid suggestion since interview respondents working at Lynk & Co, as previously mentioned, had a general opinion of having a lack of resources, mainly in terms of time, to work with sustainability at their department. Some departments experience lack of skills and expertise, where one interview respondent working at Lynk & Co explained that the interest and willingness is there among the employees, but that they do not know what to do. Also, the sustainability managers state that they need a larger team to be able to match their ambitions. In contrast, however, when employees at Lynk & Co were asked if they believe that they and their department have, and will have, the knowledge and expertise needed now when the company is growing, most of them said yes. This indicates that skills and knowledge are not lacking to a high extent in general at the company due to its growth, despite it being a common problem for rapid growth firms according to the literature. Thus, Lynk & Co cannot blame the lacking focus and knowledge of sustainability on their current rapid growth phase since knowledge and skills does not seem to be lacking too much in general, excluded from sustainability. It thereby becomes clear that sustainability is not high enough in the agenda, nor enough steered from the top management. *Therefore, (38) resources, flexible or not, to decrease the workload and increase expertise should be allocated towards sustainability since without dedicated resources, no significant progress will take place,* as implied by Szekely and Dossa (2017). As mentioned above, according to Latham (2004), one of the five conditions of ensuring effective goals in a business environment is that leaders provide the resources needed to achieve the goal as well as removing obstacles that potentially could be in the way.

As mentioned, another challenge of working with environmental sustainability in a rapid growth phase, is, according to Lynk & Co's sustainability managers, to understand and map their impact as they grow. Again, experts' lays the highest responsibility on the top management and explain that it is the top managers that need to set the tone and communicate the desired focus and create incentives in their company. Using KPIs was a suggested solution and Lynk & Co's recent incorporation of monthly sustainability KPIs was described as a good start by the interviewed experts. An interview respondent working at Lynk & Co explained that if sustainability KPIs were to exist top-down at the company, employees would be held accountable for it, which would make them think of it as equally important as other issues. More specifically, experts suggested *(39) using both activity KPIs and KPIs that focus more on results, which both need to be connected to both long- and short-term objectives*. Further, according to one expert, it becomes more common to incorporate sustainability KPIs on a management level and *(40) the management thereby must make those efforts come down further down in the organisation as well, and make sure that employees treat them in the same way as financial KPIs*. The experts' suggestions of KPIs and how to use them are something that companies who have a difficulty of understanding and mapping their impact due to their rapid growth should consider, since these suggestions are supported by the literature review as well (GRI et al., 2015). In addition to KPIs, one expert suggested *(41) using pilots and measuring the impact in those pilots*. Further, to make the process of mapping impacts easier, one expert suggested *(42) focusing on the main impact areas of the company, instead of wasting time on other departments*. This expert explained that it is easy to map the impact of in-house activities such as travels and office energy consumption, but that this information is irrelevant to a reader of a sustainability report since this stand for such a small percent of the total impact.

Due to their rapid growth, Lynk & Co's sustainability managers expressed an uncertainty of how to use sustainability frameworks and report their environmental sustainability goals since they thought that most frameworks were more suitable for mature and stable companies. When experts were interviewed, they disagreed and seemed to see no difference between how mature and rapid growth firms can use the frameworks, since both mature and rapid growth firms must report in both absolute and relative terms and have an overarching long-term plan on how to reach long-term goals. One expert explained that the important part is *(43) to be transparent and to explain that since you are in a rapid growth phase, the impact and emissions increases in absolute terms due to the current growth but decreases in relative terms*. This expert claim that most stakeholders will understand this. It has also been recognized in theory that the frameworks, despite their good intentions, can be difficult to follow when dealing with a complex problem: the paradox between economic growth and social and environmental integrity (Davidson, 2011). Further, according to the experts, *(44) frameworks should not be seen as a hindrance, but rather as an inspirational guide that can provide opportunities*. This corresponds well with Nidumolu et al (2009), who argues that it can be advantageous to comply with the most stringent rules, since it could generate first-mover advantages in terms of fostering innovation. Moreover, in addition to the mandatory regulations or frameworks, experts encourage companies to *(45) only use those frameworks that are suitable, helpful, and that their stakeholders request*. Experts were informed that Lynk & Co currently use GRI and SBTi, but that these are examples of frameworks that they believe are problematic to follow in a rapid growth phase, due to the increased emissions. As a response, experts thought that it was

good that they used these frameworks, since most companies do. Experts also said that **(46)** *these two frameworks must not be followed in detail. Instead, companies should, again, only use the parts of the frameworks that are relevant for them.*

As mentioned in theory, frameworks, such as GRI and SBTi, provide different methods presented as “today’s best practice” and further offer guidance, resources, and verification of the targets, which contributes to legitimising a business’s sustainability work (Giesekam et al., 2021). The SDG Compass (2015) and experts also state that **(47)** *companies should use the frameworks that their competitors are using and that are internationally known. Frameworks should also be used if it makes it easier for customers and other stakeholders to understand and compare companies’ efforts.* Frameworks were described as a good way of creating legitimacy and building trust, both by interviewed experts and theory (Giesekam et al., 2021; GRI et al., 2015). As mentioned in the empirical chapter, one expert acknowledged that it is difficult to decide which frameworks to use and not to use since there are so many. Further, she explained that the whole framework landscape needs to be easier, both for companies but also for stakeholders who want to compare companies with each other, and that it is going towards that direction now. Lynk & Co and other companies are therefore **(48)** *encouraged to be observant of how the framework landscape develops and what frameworks that become more commonly used and follow the same direction.*

As previously mentioned, Lynk & Co expressed having difficulties of knowing how to reason when setting long term environmental sustainability goals while being in a phase of constant change and having a short horizon in their planning. Experts encouraged Lynk & Co to **(49)** *maintain their vision of going to net zero, since they share that vision with the rest of the industry.* In general, experts again highlighted the importance for all companies to **(50)** *work with both relative and absolute goals in parallel, as well as with short- and long-term goals.* Suggestions of keeping a long- and short-term focus strongly corresponds with theories in the literature review, both with Szekely and Dossa (2017) who claim that it is necessary to be able to pursue sustainability goals, and with Von Krogh and Cusumano (2001) who includes it as a vital part in a growth plan. To dive deeper into relative and absolute goals and targets, experts explained that **(51)** *it is valid to use relative targets such as targets per car, per employee and per car and year.* **(52)** *KPIs connected to usage of the car and the actual emissions per kilometre* was also described as important for Lynk & Co, since they want people to use the cars more than what is done today. Moreover, one expert said that it is important to **(53)** *have goals and KPIs connected to the core business and business model,* which, as stated above, can be connected to Kramer et al., (2019) and Chakravorti (2017) theories. One example of such a KPI for Lynk & Co was provided by an expert, namely, to **(54)** *decrease the number of cars within the city, while as many people as possible still use the cars that exist.* Further, while relative goals are valid since most companies use them, experts also stressed the importance of using absolute goals as well, since it is the absolute terms that affect people and the environment at the end of the day.

When experts instead were asked how they think Lynk & Co should set environmental sustainability goals when their environmental impacts will continue to grow with their increasing production, relative goals were again presented as a good solution. Experts also

mentioned that Lynk & Co already have a good business model that makes it possible to be more sustainable as they make their customers more resource efficient. Lynk & Co was thereby, again, recommended to connect the goals to the usage of the cars, and divide the impact with the usage. However, one expert explained that there is a risk that companies with innovative business models hide behind it. Instead, it is important *(55) to consider other parts that might be less sustainable. Lynk & Co are encouraged to reflect upon how they should deal with the impact created by the car and go back to the design phase as well as to understand how they can reuse materials used in the car.* This encouragement is, of course, applicable to other companies in the automotive industry as well.

As a final question in the interviews with the experts, they were asked what they thought would be the most important environmental sustainability aspects to focus on for the case company. Again, in line with mentioned theories by Kramer et al., (2019) and Chakravorti (2017), the case company was encouraged to *(7) connect their environmental sustainability goals to their core business.* Experts also suggested *(8) focusing on three main areas, which also corresponds with Kramer et al., (2019) and Chakravorti (2017), who claim that companies should focus on one to three sustainability goals, with specific targets.* The first focus area, which all experts mentioned, as well as many employees at the case company, was *(56) production of the car. Thus measuring, handling, and lowering the Co2 footprint for their production.* The second area of focus that was suggested by the three out of four interviewed experts, which has, similar to the first suggested focus area, been previously implied, was to *(57) focus on customer use. Thus, to measure, lower and handle the Co2 footprint for their customers as well, by, for example, mitigating people that now drive a petrol car to drive a hybrid car.* Lastly, and as implied earlier, the third suggested focus area concerned *(58) circularity, namely, to create a circular loop where they finally take back the used cars and remount them and reuse all the materials. A solution on how to manage this was to partner with companies that already have the possibility to do that, which is easier than to do it themselves.* One expert explained that for any automotive company, the car is the main thing and that such companies thereby cannot hide from it. Therefore, the production of the car, the usage of the car, and what happens after the car has been used needs to be addressed. It is important that the environmental sustainability goals reflect that. Lastly, the same expert finished by saying that Lynk & Co, and other new rapid growth companies, have the ability to move faster and reach their desired sustainability goals much earlier than old companies, since smaller companies are more aligned. It is easier to obtain resources than alignment. Thus, being in a rapid growth phase might not be worse than being a big, old and mature company, as many might think.

Table 4 summarises the important aspects that firms in a rapid phase should consider when setting environmental sustainability goals. All important aspects to consider from the analysis are included in this table and grouped into 12 main categories. The table provides an overview and serves as a foundation for the summarising answer to the research question in chapter 6.5.

Table 4

Important aspects to consider

Aspects to consider (#)	Subject	Comments
(11), (20), (36).	Top management	Ultimate responsibility lies with them to create internal alignment. They need to be committed to sustainability, and communicate sustainability and growth aims regularly.
(20), (23), (28), (36), (12).	Communication	Communication is lacking. Needs to be understandable to all. Communication regarding sustainability and growth strategy needs to come from managers, repeatedly.
(2), (3), (7), (8), (50), (51), (53).	Goals	Make the goal clear, measurable, ambitious and time bound. Have short- and long-term goals. Work with relative and absolute goals. Connect to core business. Focus on three main goals. The three main goals should be broken down to more specific, short-term goals. Break down goals so it can be understood and measured at department level.
(9), (17), (49), (51), (52), (54), (55), (56), (57), (58).	Specific goals to Lynk & Co	Set three main goals connected to; the car and its design phase and production, the usage of the car, and circularity.
(4), (12), (39), (40), (51), (52), (53).	KPIs	Similar to goals, KPIs should be connected to long- and short-term objectives and be connected to the core business and business model. Break down KPIs and connect to the three main goals recommended right above. Use activity KPIs and KPIs connected to results. Management must make sure that employees treat sustainability KPIs in the same way as financial KPIs.
(5), (41), (42).	Other measurements	In addition to KPIs, use pilots and a logic model to measure targets connected to the environmental sustainability goals. When measuring environmental impact, focus on the main impact areas only.
(22), (23), (24).	Growth Strategy	A growth strategy is needed. It should have a long- and short-term horizon and be understandable, so all knows how to work in line with it. The growth strategy should be agile. Thakor's (2011) model is suggested since it allows internal alignment but also flexibility.
(4), (7), (22), (23), (24), (25), (26), (36).	Internal alignment	Internal alignment is lacking connected to growth and environmental sustainability. It should be considered, both in terms of culture, resources, decision making, and performance metrics. Suggestion is to create a self-organising environment to ensure that order exists, while still allowing flexible responses to change. Things that are a part of the core business, business model and deep structure get higher attention and thus better alignment.

(32), (33), (34), (35).	Culture	Cultural problems, such as internal turmoil and overworked employees need to be solved. To maintain parts of the culture despite rapid growth; recreate old cultural habits of being a small firm. To enable an appreciated culture; let employees co-create the culture.
(10), (11), (37).	Incorporate Sustainability to the Culture	Sustainability needs to be a part of how you recruit, manage, and govern the company. It also needs to be a part of the design phase, the core business, the business model, and when doing business with partners, to be a larger part of the company culture. The board and top management need to be committed.
(1), (4), (13), (14), (30), (31), (38).	Resources	Resources, flexible or not, to decrease the workload overall and increase expertise towards sustainability in particular needs to be invested in. Important to hire more people, especially with large firm experience. Training and education are also needed.
(27), (28), (29).	Systems & Processes	Systems and processes, especially IT, communication, decision making and delegation, are lacking behind due to the rapid growth. Suggestions were to take help externally, and to prioritise improving those systems or processes that will add value in the future.
(19), (43), (44), (45), (46), (47), (48).	Reporting with Frameworks	All should report in relative and absolute terms. For rapid growth firms, it is important to be transparent that environmental impact will initially increase in absolute terms but decrease in relative terms. Use internationally known frameworks such as GRI and SBTi, and frameworks that competitors use, and stakeholders ask for. Frameworks should be seen as inspiration, a helpful tool, but not as hindrance.
(15), (21), (55).	Value Chain	Incorporate environmental sustainability from the design phase all the way to the recycling phase of the car and understand how materials can be reused. Encouragements were also to get visibility into their supplier and owners' (Geely) supply chain and set demands.
(16).	Suppliers	It is important to have very strong procurement processes, targets, and incentives for suppliers to ensure an environmentally sustainable supply chain. Suggestions on how to influence suppliers (and owners') was to refer to the upcoming European Corporate Legislation.

Note: Summarised important aspects to consider when setting environmental sustainability goals in a rapid growth phase

6 Conclusion

This final chapter aims to answer the research question and its sub questions. Like the analysis chapter, chapters 6.1 and 6.2 and 6.3 will discuss challenges, opportunities, and aspects to consider of sustainability goals, sustainability goal implementation and rapid growth respectively, while chapter 6.4 will discuss challenges, opportunities and aspects to consider of handling them in combination. Lastly, chapter 6.5 will provide a short, summarised answer to the research question.

6.1 Environmental Sustainability goals - Challenges and Aspects to Consider

To help answer the main research question; *what should companies in a rapid growth phase consider when setting environmental sustainability goals?* the sub question; *What are the main challenges of setting environmental sustainability goals?* has been used. Therefore, this part of the chapter will summarise and conclude key challenges of setting environmental sustainability goals and possible solutions to consider connected to those challenges.

One challenge with setting environmental sustainability goals is to set a goal that is clear, measurable, ambitious and time bound to a particular period of time. The goal should be clear so that everyone understands it, and ambitious to heighten performance. With a measurable goal, it is possible to track progress and provide feedback. One way to do this, which is supported by theory and experts, is to choose a variety of KPIs that together serve as the foundation for a quantifiable and specified goal. It is also suggested to make the goal time-bound to allow for short-term variability, which could be done by tying the baseline to a particular time period.

Since sustainability requires a long-term perspective and long-term investments and there often is a short-term focus on profit, there is a challenge in balancing the varying needs of the organisation, stakeholders, industry, and the environment. It is therefore a value in being able to be agile and quickly adapt to changes, which could be simplified by combining visionary long-term goals with broken down relative short-term specific targets. This way, the visionary long-term goals can be held on to during turbulent times, and further be broken down into specific, but flexible, short term, targets to department and even individual levels to simplify working towards the target in daily operations. By breaking down the goals to department and individual level the employees can see how they contribute to the goals and enable them to align themselves. By having relative targets, progress can still be tracked even if the company is growing. Another challenge with setting sustainability goals is to make the knowledge available to both set the goals, but also in how to reach the goals at department level when they have been set. Therefore, it is important that training and education is offered to employees and the management so that they can work with the sustainability goals, and how to manage the KPIs connected to the goals.

A last challenge when setting environmental sustainability goals, is to decide on what the goal should concern. What can be concluded from theory and the empirical data, is that for the goals to have a meaningful impact they should be connected to the core business and be limited to

one-three goals. Except for connecting the goals to the core business, the main impact areas should be considered. For the case company, this could mean the production of the car, the usage of the car, and the end of life for the car.

6.2. Implementation of Environmental Sustainability Goals - Challenges and Aspects to Consider

To help answer the main research question; *What should companies in a rapid growth phase consider when setting environmental sustainability goals?* the sub question; *What enables a successful implementation of environmental sustainability goals in a value chain?* has been used. Therefore, this part of the chapter will summarise and conclude the key findings of what aspects that enables a successful implementation of environmental sustainability goals in a value chain.

One of the main findings, both from theory and interviews with experts, is the importance of the top management and the board to incorporate sustainability into the culture to be able to successfully implement sustainability goals. With high ambitions and the belief that sustainability should be a core company principle, the case company is on the right path, but sustainability could become a higher priority in daily operations and be treated proactively, rather than reactively. Therefore, the top management and foremost, board, needs to be more committed to sustainability for it to be fully integrated into the culture and become the core pillar it was set out to be. Further, sustainability should be a part of the company design, meaning that when designing a car, as well as when doing business with partners, how you recruit, manage, and govern. Another cornerstone for implementing sustainability goals is frequent and effective communication, for the continuous work with sustainability and the goals to work effectively. Therefore, the top management should make sustainability and sustainability goals a priority and communicate this regularly. Another, more practical, aspect could be to connect the performance scorecards directly to the KPIs connecting to the sustainability goals, to showcase the importance of the goals and enable employees to see how they contribute to the goals. Further, since the empirical data suggests that it is becoming more common to incorporate sustainability KPIs on a management level, the management thereby must make those efforts come down further down in the organisation as well, and make sure that employees treat them in the same way as financial KPIs. Moreover, if sustainability KPIs were to exist top-down at the company, employees would be held accountable for it, which would make them think of it as equally important as other issues.

A third aspect to have in consideration in the implementation of sustainability goals is resource allocation since no progress will happen without adequate resources. Time, money, and expertise should therefore be allocated for a successful implementation of the sustainability goals. According to theory and the empirical data, a large proportion of a company's impact originates from the product design and the production of their product. It is important to put a lot of emphasis on energy efficiency and renewables, resource efficiency, and waste management, to make the production as sustainable as the circumstances allow. Based on this, in combination with finding innovative techniques for returned products and waste, as suggested by theory, one opportunity for companies in this situation is therefore to utilise their

own cars in a reusable purpose, when they are no longer in use, to save costs for the owner and at the same time become more circular in their production and design.

Another, highly relevant aspect when implementing sustainability goals is the external part of the value chain, the suppliers, since they are a large contributor to impact. For the case company, this is problematic since their supplier and manufacturer is also their owner. Theory and experts however emphasised the need of gaining visibility in the supply chain by being involved in the process and being there when sustainability is discussed, and of negotiating and setting demands. Above this, strong procurement processes, targets, and incentives for suppliers are also needed. One more practical suggestion was also raised on how companies can get their owners and suppliers on board. Namely, by referring to the new European Corporate Legislation that will come into force in a few years, which will put sanctions on those who do not have control over their value chain.

6.3 Rapid Growth - Challenges and Aspects to Consider

To help answer the main research question; *What should companies in a rapid growth phase consider when setting environmental sustainability goals?* the sub question; *What are the main challenges of being in a rapid growth phase?* has been used. Therefore, this part of the chapter will summarise and conclude key challenges of being in a rapid growth phase and possible solutions to consider connected to those challenges.

Even though it is difficult to choose, it was found, in the literature and in interviews with experts, that it is important to have a growth strategy. It is also important that this strategy is communicated repeatedly in a way that is understandable to all. More specifically, that growth strategy should have a long- and short-term focus and clearly define how to get there, while still being agile and adaptable. Thakor's model can be a helpful tool as it both allows a company to define a growth vision and strategy, while still allowing much flexibility. Growth strategy alignment was identified as the most important enabler of successful growth in the literature, and it was also an obvious challenge identified from the interviews with respondents from Lynk & Co. Therefore, growth strategy alignment is something that Lynk & Co and other similar companies should strongly consider, both in terms of employees, culture, resources, decision making, and performance metrics, to achieve a successful growth and to minimise other challenges that come with the growth.

The ability to keep pace with the growth and maintain the right focus was identified as the main challenge for Lynk & Co respondents, since people start growing in the way they think they should be headed, instead of growing the same way. Therefore, it is important for rapid growth firms to consider creating a self-organising environment, through a deep structure of shared rules as formal structures and systems often cannot cope with the pace of change in the organisation. These shared rules provide guidelines for employees, which is important as it ensures that order still exists, while still allowing innovative and flexible responses to unpredictable situations.

It also became evident that Lynk & Co's internal systems and processes, such as IT, communication, decision making, and delegation, do not keep pace with their rapid growth. And suggestions were made, based on literature and expert interviews, to take help from the ecosystem and use external platforms. To facilitate prioritisation, not only when it comes to internal systems and processes but also in general, it was found important to focus on things that add value in the future and not change too much or discard the techniques and values which allowed them to grow in the first place.

Connected to culture, it is important to consider and reduce the high workload. An expert solution was to make sure that they are using their employees in the most efficient way. Further, internal turmoil was also identified from interviews and in literature. These internal problems should be considered and solved before a company can move on to other matters. Lastly, some of the interview respondents working at Lynk & Co missed the old cultural habits of being a smaller firm. Suggestion is to recreate old habits, and to let the employees co-create the culture, rather than forcing a culture created by the management team.

6.4 Rapid Growth and Environmental Sustainability Goals - Combined Challenges and Aspects to Consider

Finally, this last chapter will answer the main research question; *What should companies in a rapid growth phase consider when setting environmental sustainability goals?* Thus, combined challenges and opportunities of environmental sustainability goals and rapid growth will be summarised and concluded in this sub chapter.

First, as described in the literature review and found in interviews, allocated resources are vital both when it comes to keeping up with the rapid growth and to be able to work towards sustainability goals. As mentioned, resources connected to sustainability in particular are inadequate, and sustainability is not high enough on the agenda. It is thereby an area of improvement for the company. Further, presented theories as well as interviewed experts have described that it is important to incorporate growth ambitions and sustainability aims into the culture to ensure an aligned growth and path towards the sustainability goals. But, as recently mentioned, other cultural problems such as high workload or internal turmoil needs to be solved first. Further, an appreciated culture can be maintained despite the rapid growth by letting new employees co-create the culture.

A misalignment could be seen connected to growth, since few respondents from Lynk & Co knew how to grow and connected to sustainability since one of the largest challenges was to keep focus on sustainability and since several departments at the case company Lynk & Co are unsure of how to contribute to sustainability at large. To ensure the very important internal alignment behind both the rapid growth and the sustainability goals, managers of rapid growth firms need to realise that the ultimate responsibility lies with them, and that they should communicate and show that their growth aims, and environmental sustainability, is a core priority for the company. Environmental sustainability needs to be a part of the business model, the core business, and the deep structure and holistic thinking of the company.

As mentioned in previous chapters, it was explained as difficult to find a suitable framework to follow for a rapid growth company, since many of them are created to guide more mature and stable firms. Suggestions, based in literature and expert interviews, are to use internationally known frameworks, such as the GRI and SBTi, and frameworks that competitors use. Frameworks must not be followed in detail and should be seen as inspiration, rather than a hindrance. Companies should only use those frameworks that are helpful for them, and that their stakeholders ask for. When reporting sustainability goals, it is important to be transparent and to explain that since they are in a rapid growth phase, the impact and emissions increases in absolute terms, but decreases in relative terms. Thus, firms must report in both absolute and relative terms, and have an overarching long-term plan on how to reach long-term goals. Lastly, the case company, Lynk & Co, and other companies are encouraged to be observant of how the framework landscape develops and what frameworks that become more commonly used and follow the same direction.

As also mentioned before, a challenge for Lynk & Co was to know how to reason when setting sustainability goals while being in a rapid growth phase. One important aspect to consider for firms with this challenge is to combine the short-term perspective, which the case company currently prioritises, with a long-term perspective. To balance this, a combination of visionary long-term goals and short-term more specific goals should be used together with an agile strategy, since the needs of the organisation, industry and the environment often change. The visionary long-term goals can be held on to during turbulent times, and further be broken down into specific, short term, targets to department and even individual levels to simplify working towards the target in daily operations. When setting sustainability goals in a rapid growth phase Lynk & Co also thought it was difficult to know how to deal with the increasing production which results in a growing impact, and at the same time strive for a lower impact. It was found important for companies to work with both relative and absolute goals in parallel, and experts claim that it is valid, for companies in the automotive industry, to use relative targets such as targets per car, per employee and per car and year. Moreover, it is important to have goals and KPIs connected to the core business and business model. One example of such a KPI for the case company, Lynk & Co could be to decrease the number of cars within the city, while as many people as possible still use the cars that exist.

Finally, in line with theory, but foremost in line with expert suggestions and by understanding Lynk & Co's situation, Lynk & Co, and similar companies, should consider focusing on three main areas, with specific targets, when setting environmental sustainability goals. These three main areas should also be connected to the core business. More specifically, the three main focus areas suggested to Lynk & Co, which can be applicable to other similar companies, are production of the car, customer usage, and circularity. The first focus area, production of the car, implies measuring, handling, and lowering the Co2 footprint for their organisation. One concrete suggestion for this is to consider the design of the car, including materials used, as well as the design for its environmental impact once it is operational, since the life cycle of a car is often ten years or longer. The second suggested focus area, customer usage, again implies to measure, lower, and handle the Co2 footprint for their customers as well, by, for example, mitigating people that now drive a petrol car to drive a hybrid car. One important aspect to have in mind with this focus area, is that it ultimately lies upon the customer to decide how to use

the car, which therefore limits the case company's ability to reach the goal. Therefore, this focus area should be a visionary goal, instead of a specific goal that is promised to stakeholders. Lastly, the third suggested focus area concerned circularity, namely, to create a circular loop where they finally take back the used cars and remount them and reuse all the materials. The focus area could also be connected to other areas than the car, and with that, be connected to several departments with sub-goals that allows for flexibility while the company is in a phase of constant change.

6.5 Summarised answer to the research question

This chapter will provide a short and summarised answer to the main research question: *What should companies in a rapid growth phase consider when setting environmental sustainability goals?* These important considerations have been drawn and summarised from table 4 in the analysis chapter.

As internal systems and processes are lacking, it is important to consider improving those that will add value in the future. Resources are also lacking overall in terms of time and manpower, and in terms of knowledge and skills connected to environmental sustainability in particular. Due to the high workload, several employees are overworked, and many have experienced internal turmoil. These problems need to be solved to ensure a healthy culture. It is important that employees are able to co-create the culture. Further, to incorporate environmental sustainability into the culture, it needs to be a part of the design phase, the core business, and the business model. Also, the whole value chain needs to consider environmental sustainability goals, from the design phase all the way to the recycling phase of the car. It is important to have a strong procurement process. It is also important to be transparent and report environmental sustainability goals, and when doing so, frameworks should be seen as inspiration, and limited to internationally known frameworks and what competitors are using.

It is vital to realise that the ultimate responsibility lies with the top management, and that they need to show commitment and communicate their growth and environmental sustainability aims repeatedly. This is also vital to ensure the highly important internal alignment being the growth and environmental sustainability goals. To enable internal alignment, a clear but flexible growth strategy is needed, as well as a self-organising environment. Furthermore, the environmental sustainability goals need to be clear, measurable, ambitious and time bound. The goals should be connected to the core business and be both visionary long-term goals, and short term specific. They should also be set in both absolute and relative terms, with connected KPIs to facilitate measurement. To incorporate the goals into daily operations, they need to be broken down to department level. Lastly, firms that are similar to the case company and are active in the automotive industry should focus on three environmental sustainability goals concerning: the car and its design phase and production, the usage of the car, and circularity.

6.6 Future Research

This exploratory case study has provided some initial insights into the field of how to set sustainability goals while being in a rapid growth phase, however, several areas for future research have been identified. Firstly, as this thesis is a single case study, it would be beneficial

for business research to extend the research to multiple cases and include several different industries. Secondly, it would also be interesting to dig deeper into how an organisation in a rapid growth phase should implement the sustainability goals, after they have been set. Since this thesis is written from a managerial perspective, it could also be of interest to research it from an operational perspective. Thirdly, this thesis focused on growth strategies when conducting the literature review, whereas having an agile strategy was not mentioned. This capability was however mentioned in positive manners during the primary data collection, and the importance of flexibility was mentioned in included literature as well. Namely, the ability to be agile was mentioned as a solution to the challenge of being able to be adaptable in a growth phase. The connection between having an agile mindset to solve challenges with rapid growth should therefore be further explored. Fourthly, even though the included theories regarding rapid growth challenges were confirmed by the empirical data in this thesis, it is necessary to do more research within the field of rapid growth to ensure that they are still relevant, since current existing theories are quite old. Finally, as this thesis has had environmental sustainability goals in focus, it could be of value to look further into the social aspect of sustainability especially in the light of the ongoing war in Ukraine. Examining how companies should handle their relations with an oppressive and dictator-controlled state is therefore becoming increasingly relevant and might be a difficult challenge for smaller growing companies.

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Appendixes

Appendix 1: Interview guide for Experts

Name:

Company:

Role:

SUSTAINABILITY

1. How do you drive sustainability initiatives in the best way?

2. How do you fully integrate sustainability into the corporate culture?
3. How often should sustainability goals be reviewed?

RAPID GROWTH

4. Is it important/possible to have a defined growth strategy, where everyone knows how to work in line with it, while being in a rapid growth phase? Or is it more important/efficient to be agile (and rather have a vision of growth)? Why/ Why not?

SUSTAINABILITY AND RAPID GROWTH

5. Which environmental sustainability aspect do you think is the most relevant for Lynk & Cos' core business and possible business opportunities?
6. What are the environmental sustainability challenges of being in a rapid growth phase?
7. What do you believe can be done to reduce these challenges?
8. Lynk & Co have experienced the following challenges. If possible, can you provide solutions to each?
 1. Difficult to keep focus on sustainability when the focus tends to lie on solving short term problems and taking the fastest solution.
 - a. lack of time
 - b. increased costs due to rushed decisions (e.g. choosing suppliers)
 2. Processes and systems do not keep up with company growth (communication, IT systems, structured way to approach problems..)
 3. Internal turmoil due to many new employees
 4. Overworked/ pressured employees
 5. Difficulties to govern and control the production's impact since this is not an internal part of the value chain.
 6. Difficulties to understand their impact, map it and what drives it
 7. Difficulties with maintaining culture with so many new employees.
9. How should Lynk & Co reason when setting long term environmental sustainability goals in a phase with constant change?
 - a. How should they set these goals?
10. How should a company set environmental sustainability goals when their environmental impacts will continue to grow with their increasing production?
11. How should they work towards these goals when being in a rapid growth phase?
12. As we have learned, it is important to allocate resources towards sustainability in every department in order to ensure effective sustainability efforts. But how can you accomplish this in a rapid growth phase where the focus tends to lie on solving short term problems?
13. Should companies in a rapid growth phase work with sustainability frameworks? If yes, how?
14. How important is it that employees can predict how they and their department will work with environmental sustainability in 5-10 years?

15. Do you believe that it is possible to set “reasonable” long term goals 5-10 years in the future? Both general and sustainability goals? If not, why?

Appendix 2: Interview guides for employees at Lynk & Co

Appendix 2.1: Interview Guide for Sustainability Managers

Name:

Years within the company:

Role and area of responsibility:

Number of employees in your department:

SUSTAINABILITY

1. What is the current strategy towards sustainability?
2. Are the environmental sustainability efforts connected to the core business and possible business opportunities? How?
3. Are sustainability fully integrated into the corporate culture in your opinion?
4. How often are the sustainability efforts and aims communicated internally by you/your department?
5. Is sustainability integrated to the whole value chain in your opinion?
6. How do you drive sustainability initiatives?
7. How much influence do you have in decision-making processes regarding the operations and value proposition etc? Can you cause radical changes?
8. How often are you planning to review the new sustainability goals?
9. What challenges do you see with implementing environmental sustainability and working towards an environmental sustainability goal in your role and in your department? And at company level? Short term/long term (Frameworks)
10. What opportunities do you see with implementing environmental sustainability and working towards an environmental sustainability goal in your role and in your department? And at company level? Short term/long term
11. Do you get the support you need to work with sustainability?
12. What resources do you need to improve your sustainability work?

GROWTH

13. Does the company have a defined growth strategy? If yes, what is it?
 - a. Is the growth strategy communicated clearly and repeatedly?
 - b. Do you think that your growth strategy is easy to understand? Do you know what you should do to work towards / in line with it?
 - c. Do you think that the company aligned behind the growth strategy? In terms of culture, allocated resources, performance metrics, and decisions-making concerning, for example, acquisitions?
14. Please answer on a scale from 1-5 how strongly you agree with the following statements (where 1 indicated a strong disagreement and 5 a strong agreement).
 - a. “The principal driver of our organisation’s growth strategy is a deep and enduring focus on our people and our culture.

- b. What makes us distinct from other companies and powers our organisation's growth is our deep commitment to our planning and other processes.
 - c. What positions our organisation to grow is that we have a laser-sharp focus on attending to our existing markets and customers, ...[by] developing developing [for example] our brand equity..., when necessary.
 - d. The essence of our growth is our belief that we must constantly innovate and come up with new ideas for products and services." (Thakor, 2011, p. 28).
15. Would you say that you grow through Market Penetration, Product Development, Market Development or Diversification (explain)? Or other?
 16. What would you say are the challenges of being in a rapid growth phase?
 17. What are the environmental sustainability challenges of being in a rapid growth phase?
 18. What do you believe can be done to reduce these challenges? What can be done in your department?
 19. Due to the rapid growth, do you feel overworked?
 20. Do you feel disaffected now that the company is growing and the feeling/ culture of being in a smaller firm disappears?
 21. Do you believe that you have (and will have) the expertise and skills now when the company grows?
 22. Do you believe that the internal systems and processes (e.g. decision making processes) keep up with the company's growth? If not, which systems or processes?
 23. Now that you are growing and many new employees are recruited, have you experienced any internal turmoil (e.g. distrust or conflicts)?
 24. Can you predict how your department will work with environmental sustainability in 5-10 years? What will be the main focus? Will it differ from today?
 25. Do you believe that it is possible to set "reasonable" long term goals 5-10 years in the future? Both general and sustainability goals? If not, why? (Science Based Targets)

Appendix 2.2: Interview Guide for Human Resources

Name:

Years within the company:

Role and area of responsibility:

Number of employees in your department:

SUSTAINABILITY

1. Are you interested in the process of making Lynk & Co more sustainable?
2. Are you aware of the environmental sustainability aims?
3. Are sustainability fully integrated into the corporate culture in your opinion?

SUSTAINABILITY IN YOUR DEPARTMENT

4. What are the specific sustainability-focused activities carried out in your corporate function?
5. What opportunities do you see with implementing environmental sustainability and working towards an environmental sustainability goal in your role and in your department? Short term/long term
6. (How) do you drive sustainability initiatives? How are people within the company encouraged to improve their knowledge/skills connected to sustainability? (Training?)
7. How can you best spread knowledge and develop a culture around sustainability within the company connected to sustainability?
8. Do you think that you and your department work with environmental sustainability in the best way? Do you have any suggestions for improvement?
9. How would you set goals in relation to sustainability? At a company level? At department level?
10. Do you get the support and resources that you need to work with sustainability? What resources do you need to improve your sustainability work?

GROWTH

11. Do you have a growth strategy statement (a defined growth strategy) which you have communicated (repeatedly) to all employees? If yes:
 - a. Does this strategy clearly define what each department and employee should do to work towards it?
 - b. Is the strategy time bound?
 - c. Is the company aligned behind the growth strategy? In terms of culture, allocated resources, performance metrics, and decisions-making concerning, for example, acquisitions?
12. Please answer on a scale from 1-5 how strongly you agree with the following statements (where 1 indicated a strong disagreement and 5 a strong agreement).
 - a. “The principal driver of our organisation’s growth strategy is a deep and enduring focus on our people and our culture.

- b. What makes us distinct from other companies and powers our organisation's growth is our deep commitment to our planning and other processes.
 - c. What positions our organisation to grow is that we have a laser-sharp focus on attending to our existing markets and customers, ...[by] developing developing [for example] our brand equity..., when necessary.
 - d. The essence of our growth is our belief that we must constantly innovate and come up with new ideas for products and services." (Thakor, 2011, p. 28).
13. Would you say that you grow through Market Penetration, Product Development, Market Development or Diversification (explain)? Or other?
 14. What would you say are the challenges of being in a rapid growth phase?
 15. What are the environmental sustainability challenges of being in a rapid growth phase? Short term/long term
 16. What do you believe can be done to reduce these challenges? What can be done in your department?
 17. How do you make sure that your company has the right skills while growing?
 18. Due to the rapid growth, do you feel overworked?
 19. Do you feel disaffected now that the company is growing and the feeling/ culture of being in a smaller firm disappears?
 20. Do you believe that you have (and will have) the expertise and skills now when the company grows?
 21. Do you believe that the internal systems and processes (e.g. decision making processes) keep up with the company's growth? If not, which systems or processes?
 22. Now that you are growing and many new employees are recruited, have you experienced any internal turmoil (e.g. distrust or conflicts)?
 23. Can you predict how your department will operate in 5-10 years? What will be the main focus? Will it differ from today?
 24. Can you predict how your department will work with environmental sustainability in 5-10 years? What will be the main focus? Will it differ from today?
 25. Do you believe that it is possible to set "reasonable" long term goals 5-10 years in the future? Both general and sustainability goals? Any suggestions?

Appendix 2.3: Interview Guide for Top Management

Name:

Years within the company:

Role and area of responsibility:

Number of employees in your department:

1. What are your key priorities as a CFO?

SUSTAINABILITY

2. Which environmental sustainability aspect do you think is the most relevant for your core business and possible business opportunities?
3. How can you best spread knowledge and develop a culture around sustainability within the company?
4. Are sustainability fully integrated into the corporate culture in your opinion?
5. Is sustainability integrated to the whole value chain in your opinion?

SUSTAINABILITY IN YOUR DEPARTMENT

6. What are the specific sustainability-focused activities carried out in your corporate function?
7. What challenges do you see with implementing environmental sustainability and working towards an environmental sustainability goal in your role? And at company level? Short term/long term
8. What opportunities do you see with implementing environmental sustainability and working towards an environmental sustainability goal in your role? And at company level? Short term/long term
9. How often are the sustainability efforts and aims communicated by you/ the top management?
10. (How) do you drive/encourage sustainability initiatives?
11. Do you think that you and others in the top management work with environmental sustainability in the best way? Do you have any suggestions for improvement?

GROWTH

12. Do you have a growth strategy statement (a defined growth strategy) which you have communicated (repeatedly) to all employees? If yes:
 - a. Does this strategy clearly define what each department and employee should do to work towards it?
 - b. Is the strategy time bound?
 - c. Is the company aligned behind the growth strategy? In terms of culture, allocated resources, performance metrics, and decisions-making concerning, for example, acquisitions?
13. Please answer on a scale from 1-5 how strongly you agree with the following statements (where 1 indicated a strong disagreement and 5 a strong agreement).

- a. “The principal driver of our organisation’s growth strategy is a deep and enduring focus on our people and our culture.
 - b. What makes us distinct from other companies and powers our organisation’s growth is our deep commitment to our planning and other processes.
 - c. What positions our organisation to grow is that we have a laser-sharp focus on attending to our existing markets and customers, ...[by] developing developing [for example] our brand equity..., when necessary.
 - d. The essence of our growth is our belief that we must constantly innovate and come up with new ideas for products and services.” (Thakor, 2011, p. 28).
14. Would you say that you grow through Market Penetration, Product Development, Market Development or Diversification (explain)? Or other?
 15. Connected to the growth strategy, would you say that you either:
 - a. Focus on internal operating systems with a leadership role to analyse
 - b. Focus on the future with a leadership role as a vision setter or other?
 - c. Focus on the organisation and its people with a leadership role as a motivator
 - d. Focus on the markets in which you operate with a leadership role as a task delegator. (Thakor, 2011).
 16. What would you say are the challenges of being in a rapid growth phase?
 17. What are the environmental sustainability challenges of being in a rapid growth phase?
 18. What do you believe can be done to reduce these challenges?
 19. Due to the rapid growth, do you feel overworked?
 20. Do you feel disaffected/sad now that the company is growing and the feeling/ culture of being in a smaller firm disappears?
 21. Do you believe that you have (and will have) the expertise and skills now when the company grows?
 22. Do you believe that the internal systems and processes (e.g. decision making processes) keep up with the company's growth? If not, which systems or processes?
 23. Now that you are growing and many new employees are recruited, have you experienced any internal turmoil (e.g. distrust or conflicts)?
 24. Do you have a problem with low cash flow due to your rapid growth (due to investments and extraordinary resource needs that come with increased demands)?
 25. Can you predict how you and your company will operate in 5-10 years? What will be the main focus? Will it differ from today?
 26. Can you predict how you and your company will work with environmental sustainability in 5-10 years? What will be the main focus? Will it differ from today?
 27. Do you believe that it is possible to set “reasonable” long term goals 5-10 years in the future? Both general and sustainability goals? Any suggestions?

Appendix 2.4: Interview Guide for other departments

Name:

Years within the company:

Role and area of responsibility:

Number of employees in your department:

SUSTAINABILITY

1. Are you interested in the process of making Lynk & Co more sustainable?
2. Are you aware of the environmental sustainability aims?
3. Are sustainability fully integrated into the corporate culture in your opinion?
4. How often are the sustainability efforts and aims communicated? By who (top management)?
5. Is sustainability integrated to the whole value chain in your opinion?

SUSTAINABILITY IN YOUR DEPARTMENT

6. What are the specific sustainability-focused activities carried out in your corporate function?
7. What opportunities do you see with implementing environmental sustainability and working towards an environmental sustainability goal in your role and in your department? And at company level? Short term/long term
8. Do you think that you and your department work with environmental sustainability in the best way? Do you have any suggestions for improvement?
9. How would you set goals in relation to sustainability? At a company level? At department level?
10. Do you get the support and resources that you need to work with sustainability? What resources do you need to improve your sustainability work?

GROWTH

11. Do you know if the company has a defined growth strategy? If yes, what is it?
 - a. Is the growth strategy communicated clearly and repeatedly?
 - b. Do you think that the growth strategy is easy to understand? Do you know what you should do to work towards / in line with it?
 - c. Do you think that the company aligned behind the growth strategy? In terms of culture, allocated resources, performance metrics, and decisions-making concerning, for example, acquisitions?
12. Please answer on a scale from 1-5 how strongly you agree with the following statements (where 1 indicated a strong disagreement and 5 a strong agreement).
 - a. “The principal driver of our organisation’s growth strategy is a deep and enduring focus on our people and our culture.
 - b. What makes us distinct from other companies and powers our organisation’s growth is our deep commitment to our planning and other processes.

- c. What positions our organisation to grow is that we have a laser-sharp focus on attending to our existing markets and customers, ...[by] developing developing [for example] our brand equity..., when necessary.
 - d. The essence of our growth is our belief that we must constantly innovate and come up with new ideas for products and services.” (Thakor, 2011, p. 28).
13. Would you say that you grow through Market Penetration, Product Development, Market Development or Diversification (explain)? Or other?
 14. What would you say are the challenges of being in a rapid growth phase?
 15. What are the environmental sustainability challenges of being in a rapid growth phase? Short term/long term
 16. What do you believe can be done to reduce these challenges? What can be done in your department?
 17. Due to the rapid growth, do you feel overworked?
 18. Do you feel disaffected now that the company is growing and the feeling/ culture of being in a smaller firm disappears?
 19. Do you believe that you and your department have (and will have) the expertise and skills now when the company grows?
 20. Do you believe that the internal systems and processes (e.g. decision making processes) keep up with the company's growth? If not, which systems or processes?
 21. Now that you are growing and many new employees are recruited, have you experienced any internal turmoil (e.g. distrust or conflicts)?
 22. Can you predict how your department will operate in 5-10 years? What will be the main focus? Will it differ from today?
 23. Can you predict how your department will work with environmental sustainability in 5-10 years? What will be the main focus? Will it differ from today?
 24. Do you believe that it is possible to set “reasonable” long term goals 5-10 years in the future? Both general and sustainability goals? Any suggestions?

Appendix 2.5: Interview Guide - Department specific questions

COMPLIANCE

1. Which CSR frameworks do you use when reporting sustainability efforts? (GRI, Science Based targets, initiative GHG protokollet, science based target initiative, EU taxonomin)
2. What advantages come with using a sustainable reporting framework?
3. What other challenges come with using a sustainable reporting framework?

MARKETING

1. How do you ensure that your sustainability work is transparent?
2. How do you externally communicate your sustainability strategies and goals?
3. How do you work to avoid accusations of ‘greenwashing’?

PRODUCT DESIGN

1. How do you design products to minimise their environmental impacts? Do you have a specific method/ strategy for it? (LCA, DfE) (fewer service appointments)
2. What are the environmental challenges of designing the next car, a car that will be used in the future?

PRODUCTION AND LOGISTICS

1. How do you think that the company can work to increase the importance of sustainability for suppliers (Geely)?
2. How do you work with requirements towards suppliers regarding environmental sustainability, such as energy efficiency and renewables, resource efficiency, waste management, and performing a greenhouse gas audit?
3. To what extent are you working with logistics partners to reduce their environmental impact? (transport/disposal)

PURCHASING

1. To what extent are you working with suppliers to reduce their environmental impact? (First tier, second tier)
2. How does the current screening process look for new vendors/suppliers when it comes to their sustainability work?

SALES

1. How do you handle returns?
2. Do you believe that you have enough resources to achieve good customer service with a growing amount of customers?