

Institute for Business Ethics  
and Sustainable Strategy



MASTER THESES AT

# INSTITUTE FOR BUSINESS ETHICS AND SUSTAINABLE STRATEGY

*Application-oriented research, effective teaching, strong networks*

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## 1. ABOUT THE INSTITUTE FOR BUSINESS ETHICS AND SUSTAINABLE STRATEGY

The Institute for Business Ethics and Sustainable Strategy (IBES) at Vienna University of Applied Sciences for Management & Communication (FH Wien der WKW) is a leading national and internationally renowned research center in the fields of “Business Ethics” and “Sustainability Management”. Urgent issues in ecologically, economically and socially sustainable corporate management are examined against the background of relevant topics such as “globalization”, “human rights” and “climate change”.

A special focus is placed on the areas of “Business Ethics”, “Corporate Governance”, “Collective Action” and “Sustainability Management”. With its work, the Institute for Business Ethics and Sustainable Strategy contributes to a responsible and sustainable transformation of corporate practice.

We offer master students of FH Wien the opportunity to write their Master’s theses in our center and to acquire key academic research competences

## 2. BENEFITS FOR STUDENTS

Students of all Master’s degree programs at FH Wien der WKW benefit from the following advantages:

1. Collaboration on research in interesting and innovative issues in the fields of **“Business Ethics”**, **“Corporate Governance”** and **“Sustainability Management”**
2. Acquisition of scientific competence through active involvement in ongoing research projects
3. Access to
  - renowned local and international companies
  - exclusive academic networks (e.g. George Washington University, INSEAD, WU Vienna)
4. Expert Supervision of the Master’s thesis, which includes, among other things, targeted support for rigorous methodological implementation

The results of the research projects at IBES are regularly presented at international conferences and published in leading scientific journals. A Master’s thesis at IBES promotes students’ scientific competence building by teaching them to work on a novel problem in a systematic and structured way. Students are supported both in identifying and sharpening relevant issues from science and business practice and in conducting the empirical research. Outstanding performance in the preparation of the Master’s thesis can lead to consideration for publication.

## 3. REQUIREMENTS & APPLICATION PROCESS

Convince us that your Master's thesis meets the thematic and scientific requirements of IBES. An essential prerequisite for this is a high level of interest in the current issues being worked on in the research center (see appendix for current announcements of research topics).

We are looking for ambitious students who would like to deal with a clearly defined research question within the IBES topics. Students should have the ability to conduct a systematic literature search on their own and to answer a clearly defined research question in a structured way. From the empirical results

they will derive possible solutions for the identified problem and discuss theoretical and practical implications.

If you have demonstrated very good performance in your Bachelor's program as well as very good English skills and already have some experience in writing a scientific paper (e.g. seminar paper, Bachelor's thesis), then we would be very pleased to receive your application.

Students who are interested in working on one of the topics described below can contact Dr. Daniela Ortiz ([daniela.ortiz@fh-wien.ac.at](mailto:daniela.ortiz@fh-wien.ac.at)). Contact should be made early, i.e. ca. one month before submitting the first topic proposal (deadlines will be announced in the respective program).

Your email should include:

- your CV
- a short explanation of why you are interested in the specific topic and which research question you would like to work on (max. one page incl. bibliography).

Please note that a prerequisite for acceptance of your thesis proposal is accepting the terms of our Supervision Agreement.

## 4. RESEARCH PRIORITIES AND SUPERVISORS

### Research Priorities Business Ethics and Sustainability Management

(see chapter 5 for current master thesis topics)

The research areas of Business Ethics and Sustainability Management focus on "Collective Action" and "Strategic CSR and Sustainability Management":

#### Collective Action

One focus of the IBES is on answering the question of what framework conditions and incentives are needed to enable companies to create voluntary social or environmental standards for their industries or to tackle concrete social problems together in partnerships of responsibility. In addition, necessary concepts for managing and measuring the success of these partnerships are researched and developed.

#### Strategic CSR and Sustainability Management

In cooperation with companies, governmental and non-governmental organizations, the advantages and limitations of instrumental approaches in the field of "sustainability and CSR management" are being researched. In this context, it is also investigated how such concepts can be successfully operationalized and implemented.

## Supervisors

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## 5. CURRENT MASTER THESIS TOPICS (VALID UNTIL OCTOBER 2022)

### *Research priorities: Business Ethics & Sustainability Management*

The following two topics are supervised by members of the City of Vienna Competence Team *Change for Corporate Sustainability*. For more information about the Competence Team and its projects please visit <https://ibes.fh-wien.ac.at/en/transforms/>

### **Topic 1: The management of sustainability-oriented innovation processes**

In order to achieve the goals of sustainable development, as formulated in the United Nations' Agenda 2030 - the so-called Sustainable Development Goals or SDG - innovations are needed that are geared to the creation, redesign, adaptation and dissemination of environmentally sound and socially relevant technologies. These are referred to as "sustainability-related" or "sustainability-oriented innovations". According to the definition of Adams et al (2016), these include "the deliberate modification of the philosophy and values of an organization and its products, processes or practices (e.g. existing business models) in order to create and realize social and environmental values in addition to economic goals". As an example, a business model innovation takes place when a company decides to move away from mere product-selling to providing of a service (e.g., leasing of hardware, offering mobility as a service) in order to reduce waste production, as well as energy and material consumption.

The management of these innovations presents companies with major challenges. Among other things, the change towards more sustainability in companies requires the development of new strategies and skills to integrate the environmental and social requirements of different stakeholders into daily business operations. The goal of the thesis is to derive a theoretically and practically relevant question from a

concrete challenge for companies in the implementation of these processes (e.g. in the application area of the Circular Economy) and to develop it - based on the current state of scientific knowledge.

## Introductory literature:

- Adams, R., Jeanrenaud, S., Bessant, J., Denyer, D. & Overy, P. (2016). Sustainability-oriented Innovation: A systematic review. *International Journal of Management Reviews*, 18(2), 180 – 205.
- Gordon, G., Nelke, A. (Hrsg.) (2017). *CSR und Nachhaltige Innovation – Zukunftsfähigkeit durch soziale, ökonomische und ökologische Innovationen*. Berlin: Springer.
- Inigo, E. A., Albareda, L., & Ritala, P. (2017). Business model innovation for sustainability: exploring evolutionary and radical approaches through dynamic capabilities. *Industry and Innovation*, 24(5), 515–542. <https://doi.org/10.1080/13662716.2017.1310034>
- Jay, J., Gerard, M. (2015). Accelerating the theory and practice of sustainability-oriented innovation. *MIT Sloan Research Paper No.5148-15*. 1-102. Available at <http://dx.doi.org/10.2139/ssrn.2629683>
- Klewitz, J. & Hansen, E.G. (2014). Sustainability-oriented innovation of SMEs: a systematic review. *Journal of Cleaner Production*, 1 – 19. Available at <http://dx.doi.org/10.1016/j.jclepro.2013.07.017>
- Mousavi, S., Bossink, B. & van Vliet, M. (2018). Microfoundations of companies' dynamic capabilities for environmentally sustainable innovation: Case study insights from high-tech innovation in science-based companies. *Business Strategy and the Environment*, 28(2), 366-387. Available at <https://doi.org/10.1002/bse.2255>
- Schaltegger, S., Lüdeke-Freund, F., Hansen, E.G. (2012). Business cases for sustainability: the role of business model innovation for corporate sustainability. *International Journal of Innovation and Sustainable Development*, 6(2), 95 – 119.

## **Topic 2: Promotion and development of Organizational Capabilities for Sustainability**

In order to achieve competitive advantages from the pursuit of a sustainable development (e.g., according to the Agenda 2030 or Sustainable Development Goals), companies must generate and implement economically, ecologically and socially sustainable product, process or business model innovations. As an example, a business model innovation takes place when a company decides to move away from mere product-selling to providing of a service (e.g., leasing of hardware, offering mobility as a service) in order to reduce waste production, as well as energy and material consumption. These innovations contribute to an increasing pressure for organizational change in small, medium and large companies. In particular, this often requires companies to implement strategic change (see Benn et al., 2018). This type of change requires specific entrepreneurial skills at the individual and organizational level, which companies in most cases have to build up.

Among these skills are the organizational capabilities that are defined as a “high-level routine (or collection of routines) that, together with its implementing input flows, confers upon an organization's management a set of decision options for producing significant outputs of a particular type” (Winter, 2003, p. 991). A specific subtype of them are the so-called Dynamic Capabilities for Sustainability that are applied in the context of sustainability-related change processes (see Amui et al., 2017). Dynamic Capabilities are those organizational capabilities that enable a company to adapt its resource and competence basis to changing environmental conditions. Among other things, these competencies are

intended to support companies in (1) recognizing the need for change, (2) generating innovation and change ideas that can be (3) implemented in line with the corporate strategy (see Teece, 2007; 2014).

In the context of the final thesis, concrete case studies will be used to investigate in more detail what these types of competencies consist of and how they can be fostered and developed. The goal of the thesis could be to focus on a type of Organizational Capabilities and to analyze its microfoundations, antecedents and consequences. Alternatively, students can perform research on specific Dynamic Capabilities for Sustainability that are engaged in one of the three underlying processes - sensing, seizing, reconfiguring (see Teece, 2007). In addition, they could also analyze the antecedents that enable the Dynamic Capabilities for Sustainability at the different levels of analysis - organizational, individual and environmental (see Schilke et al., 2018).

### Introductory literature:

- Adams, R., Jeanrenaud, S., Bessant, J., Denyer, D. & Overy, P. (2016). Sustainability-oriented Innovation: A systematic review. *International Journal of Management Reviews*, 18(2), 180 – 205.
- Castiaux, A. (2012). Developing Dynamic Capabilities to meet sustainable development challenges. *International Journal of Innovation Management*, 16(6), 1-16. Available at <https://doi.org/10.1142/S1363919612400130>
- Dangelico, R.M., Devashish, P. & Pontrandolfo, P. (2017). Green Product Innovation in Manufacturing Firms: A Sustainability-Oriented Dynamic Capability Perspective. *Business Strategy and the Environment*, 26 (4), 490-506. Available at <https://doi.org/10.1002/bse.1932>
- Inigo, E. A., Albareda, L., & Ritala, P. (2017). Business model innovation for sustainability: exploring evolutionary and radical approaches through dynamic capabilities. *Industry and Innovation*, 24(5), 515–542. <https://doi.org/10.1080/13662716.2017.1310034>
- Hutterer, P. (2013). *Dynamic Capabilities und Innovationsstrategien – Interdependenzen in Theorie und Praxis*. Wiesbaden: Springer
- Mousavi, S., Bossink, B. & van Vliet, M. (2018). Microfoundations of companies' dynamic capabilities for environmentally sustainable innovation: Case study insights from high-tech innovation in science-based companies. *Business Strategy and the Environment*, 28(2), 366-387. Available at: <https://doi.org/10.1002/bse.2255>
- Schilke, O., Hu, S., & Helfat, C. E. (2018). Quo Vadis, Dynamic Capabilities? A Content-Analytic Review of the Current State of Knowledge and Recommendations for Future Research. *Academy of Management Annals*, 12(1), 390–439. <https://doi.org/10.5465/annals.2016.0014>
- Strauss, K., Lepoutre, J., & Wood, G. (2017). Fifty shades of green: How microfoundations of sustainability dynamic capabilities vary across organizational contexts. *Journal of Organizational Behavior*, 38(9), 1338–1355. <https://doi.org/10.1002/job.2186>

The following topics are supervised by members of the Endowed Chair for Business Ethics & Corporate Governance and / or the team of the Josef Ressel Centre for Collective Action and Responsible Partnerships. For more information about the Competence Team and its projects please visit <https://ibes.fh-wien.ac.at/josef-ressel-zentrum-care/>

### **Topic 3: Managing Collective Action Initiatives: Trust and Leadership**

Collective action initiatives can be divided into at least two forms: (1) Creation of standards and (2) partnerships of responsibility. The first form refers to “voluntary, private, non-state industry and cross-industry codes that specify the responsibilities of global firms for addressing labor practices, environmental performance, and human rights policies” (Vogel, 2010: 68). The second form refers to “an interorganizational effort to address problems too complex and too protracted to be resolved by unilateral organizational action” (Gray & Wood, 1991: 4).

Successful management of collective action initiatives requires that companies, usually in a competitive environment, work together with their competitors and other stakeholders to achieve a common goal that benefits not only themselves but - to a certain extent - their industry or even society as a whole. In such a heterogeneous context, traditional management techniques are not sufficient. Alternative stakeholder management approaches are therefore necessary. Open questions are, for example, how trust can be established between different stakeholders (e.g. companies and NGOs) and which characteristics, leadership and moderation techniques are crucial for the successful management of such an initiative.

#### Literature:

- Mena, S. & Palazzo, G. (2012). Input and Output Legitimacy of Multi-Stakeholder Initiatives. *Business Ethics Quarterly*, 22(3), 527–556.
- Pattberg, P. & Widerberg, O. (2016). Transnational Multistakeholder Partnerships for Sustainable Development: Conditions for Success. *Ambio*, 45(1), 42–51.
- Sloan, P. & Oliver, D. (2013). Building Trust in Multi-Stakeholder Partnerships: Critical Emotional Incidents and Practices of Engagement. *Organization Studies*, 34(12), 1835–1868.
- Stadtler, L. & van Wassenhove, L. N. (2016). Competition as a Paradox: Integrative Approaches in a Multi-Company, Cross-Sector Partnership. *Organization Studies*, 37(5), 655–685.
- Vogel, D. (2008). Private Global Business Regulation. *Annual Review of Political Science*, 11, 261–282.

### **Topic 4: Evaluating Collective Action Initiatives: Strengths and shortcomings of current approaches**

Collective action initiatives have emerged as a significant element of the contemporary governance landscape of business responsibility towards society and the environment. They are collaborative and sustained processes of cooperation among companies and other stakeholders. The Bangladesh Accord on Fire and Building Safety and Let’s Go for Zero are examples of one long-standing and influential, and one very recent collective action initiative.

Scholars agree that collective action initiatives should be evaluated in order to guarantee their accountability and effectiveness (e.g. Pattberg & Widerberg, 2016). At the same time, expertise about how to evaluate collective action initiatives is currently limited (see e.g. van der Ven et al., 2017; Barkemeyer et al., 2015; Vogel, 2010). The proposed master thesis would discuss a small number of current approaches



towards evaluating collective action initiatives, such as e.g. the MSI Evaluation Tool (MSI Integrity & International Human Rights Clinic at Harvard Law School 2017) and would evaluate the effectiveness of at least one collective action initiative, in order to advance knowledge on strengths and shortcomings of current evaluation approaches.

## Literature:

Barkemeyer, R., Preuss, L., & Lee, L. 2015. On the effectiveness of private transnational governance regimes: Evaluating corporate sustainability reporting according to the Global Reporting Initiative. *Journal of World Business*, 50(2): 312–325.

MSI Integrity & International Human Rights Clinic at Harvard Law School 2017. MSI evaluation tool, v.1.0. Available at [http://www.msi-integrity.org/wpcontent/uploads/2017/11/MSI\\_Evaluation\\_Tool\\_2017.pdf](http://www.msi-integrity.org/wpcontent/uploads/2017/11/MSI_Evaluation_Tool_2017.pdf), 2017.

Pattberg, P. & Widerberg, O. (2016). Transnational Multistakeholder Partnerships for Sustainable Development: Conditions for Success. *Ambio*, 45(1), 42–51.

van der Ven, H., Bernstein, S., & Hoffmann, M. 2017. Valuing the contributions of nonstate and subnational actors to climate governance. *Global Environmental Politics*, 17(1): 1–20.

Vogel, D. 2010. The private regulation of global corporate conduct: Achievements and limitations. *Business & Society*, 49(1): 68–87.

## **Topic 5: Political Corporate Responsibility / Corporate Diplomacy / CEO Activism**

The first 20 years of the current millennium have been characterized by a global health crisis, global ecological problems (e.g., climate change), hefty business-driven technological disruptions (e.g., big data, AI, digital technology that has the capacity to influence public elections) and a return to nationalism that is often accompanied by human rights violations (e.g. in Belarus, China, Turkey, USA). This unfortunate situation is accompanied by limited capacities of (some) national governments and supra national institutions to efficiently address and regulate these challenges.

Against this background, some management scholars as well as influential shareholders and CEOs argue that business has a distinct *political responsibility* to address these as well as other social and ecological challenges. Some companies already follow this call for political action. Among many other examples, we see companies engaging in private governance processes to create norms for a more responsible and sustainable business (e.g. the Forest Stewardship Council). Other companies use their resources to promote and protect human rights (e.g. freedom of speech) where local governments fail to do so (or even actively violate these rights). In addition, we see companies as well as their upper echelons speaking up confidently in pursuit of promoting their own and sometimes controversial political agendas and religious convictions (e.g., their ideas on abortions, data privacy, immigration, LGBTI\* rights, nationalism, racism etc.).

Clearly, the political activity of companies is not undisputed and creates challenges, reaching from legitimacy to managerial issues. Why would companies have the legitimacy to promote their own political

worldviews? Can companies or their leaders serve as diplomats and thus extending the (global) governance regime? When a company or its CEO act politically, how can they do it right? How do relevant stakeholders perceive the political activity by a company or its CEO?

We are looking for master thesis that aim to help to answer the following questions: (1) *What motivates and drives companies / or CEOs to act politically (what are the antecedents)?* (2) *How can corporate political initiatives be managed (dimensions/ strategies/ tactics)?* (3) *Are political initiatives by business firms (or their CEOs) legitimate or illegitimate (i.e. tyrannical) activities?* (4) *How does the political action of business influence the global governance regime?*

## Literature:

- Chatterji, A. K. & Toffel, M. W. (2018). The new CEO activists. *Harvard Business Review* (January-February Issue), 78–89. Available at <https://hbr.org/2018/01/the-new-ceo-activists>
- de los Reyes, G., Scholz, M., & Smith, N. C. (2017). Beyond the “win-win”: Creating shared value requires ethical frameworks. *California Management Review*, 59(2): 142–167.
- Friedman, M. (1970). The social responsibility of business is to increase its profits. *The New York Times Magazine*. September 13.
- Hambrick, D. C. & Wowak, A. (2019). CEO Sociopolitical Activism. A Stakeholder Alignment Model. *Academy of Management Review*. <https://doi.org/10.5465/amr.2018.0084>
- Kaesler, J. (2018) A decision to make – and what really matters. Available at <https://www.linkedin.com/pulse/decision-make-what-really-matters-joe-kaesler>.
- Scherer, A. G., & Palazzo, G. (2007). Toward a political conception of corporate responsibility. Business and society seen from a Habermasian perspective. *Academy of Management Review*, 32(4): 1096–1120.
- Scholz, M. & Smith, N. C. (2020). Six ways companies can promote and protect human rights. In responding to a government’s human rights abuses, companies have effective options beyond standing by or cutting ties. *MIT Sloan Management Review*. Available at <https://sloanreview.mit.edu/article/six-ways-companies-can-promote-and-protect-human-rights/>
- Smith, N. C. & Korschun, D. (2018). Finding the middle ground in a politically polarized world. *MIT Sloan Management Review*, 60 (1). Available at <https://sloanreview.mit.edu/article/finding-the-middle-ground-in-a-politically-polarized-world/>