Ca' Foscari
University
of Venice

Master's Degree programme

in Management

curriculum

Innovation and Marketing

Final Thesis

From Corporate Social Responsibility to Corporate Sustainability: the evolution and the future of the Sustainability Professionals.

Supervisor
Prof. Francesco Rullani

Graduand
Vittoria Grandis
Matriculation Number 893231

Academic Year
2022/ 2023

Abstract

Companies are increasingly aware of the importance of implementing sustainability, both as an ethical duty and as a factor of competitive advantage. As a result, the role of the Sustainability Professional has emerged with the responsibility of embedding sustainability into corporate strategies and processes. At the same time, the way in which sustainability is executed has changed along with the mutation of the economic, social and environmental context. The underlying theoretical concepts have also evolved from the narrower perspective of Corporate Social Responsibility (CSR) to the more holistic approach of Corporate Sustainability (CS). The literature review highlighted how little has been written about changes in the responsibilities of Sustainability Professionals in the transition from CSR to CS. The ambition of this thesis is to contribute to cover the research gap by studying this evolution. The analysis also investigates whether the role responsible for implementing sustainability will become even more central in the company or it will no longer be necessary thanks to the integration of sustainability into every organizational area. This exploratory research analyzes the developments of this role with in-depth interviews with Sustainability Professionals from a specific community: Sustainability Makers-the Professional Network. This network is the first Italian association of Sustainability Professionals that promotes the standing of the profession. The final objective is to identify common patterns of the evolution of the role from a professional perspective, in order to understand if the sustainability professional will still remain a relevant actor in the implementation of sustainability in corporations.

Keywords: *CSR, CS, Sustainability, Professional, Evolution*

Acknowledgements

I would like to express my sincere gratitude to Professor Francesco Rullani, my supervisor, for his guidance and support throughout my Master's thesis.

I would also like to thank all the participants in my study for their time and engagement in sharing their experiences. Their valuable input was crucial for the successful completion of the research.

Furthermore, I would like to extend my appreciation to everyone who has supported me during this process, with a special mention to my friend Cecilia, who has shared a part of this journey with me.

Finally, I am deeply grateful to those who have played an inestimable role in my academic and life path. My heartfelt thanks go to my family for their support and encouragement throughout my years of study. Additionally, I want to express my immense gratitude to Giovanni for always being by my side and helping me every step of the way.

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Introduction

In today's dynamic business landscape, companies are increasingly recognizing the urgent need to embrace responsible business practices. This shift is driven by a multitude of factors, including growing market demands, investor expectations, and customer preferences. Moreover, embracing sustainability not only aligns with ethical considerations but also serves as a strategic approach to mitigate potential social and environmental risks. Sustainable companies are compelled to take a holistic approach, giving equal importance to economic, social and environmental aspects. As a consequence, companies find themselves engaged in multitude projects that go beyond their usual business operations. Those activities encompass a wide range of topics, from calculating Greenhouse Gasses emission to fostering diversity and inclusion within the company. Moreover, the landscape of sustainable business practices is evolving rapidly, with regulations becoming more stringent. This has led to a growing obligation for companies to disclose non-financial information, adding an additional layer of complexity. Therefore, companies find themselves in a situation where they have to execute unfamiliar and time-consuming activities which need specific new knowledge and expertise. That is why an increasing number of corporations are recognizing the need for a dedicated role responsible for managing and coordinating sustainable projects. This professional is needed to set the goals, to guide and to control for an effective sustainability implementation. This role has started to be more common only in the last few years, when the aforementioned external drivers have been intensifying. The first professionals in this role began to exist in the second half of the 20th century, however they remained relatively rare and peripheral for a considerable period. To comprehend the evolution of this role effectively, it is crucial to analyze the changes in the academic theoretical background and in the business context. The literature on the sustainability professional is recent and focuses mainly in discovering the overall characteristics and ambiguities of the role. However, little has been written on how the role has been changing from the initial introduction to the present time. The objective of this thesis is to identify the past and future development phases of the role of the sustainability professionals. It is important to define the evolutionary framework in order to fully understand the current condition of the role. As a matter of fact, the evolution of the role consists in the mutation of its tasks, objectives, organizational position and power. Nevertheless, there is still an open question

on the future of the role within the company. On this matter, scholars and practitioners have two opposite perspectives. On one hand, there is the idea that the role will disappear once sustainability will be integrated in every area of the organization. In this view, the ultimate goal of the sustainability professional is to integrate sustainability in each corporate's function so that every employee will be able to perform sustainable activities without a guide. On the other hand, there is the belief that the sustainability professional will remain a central actor in the company. In this scenario, sustainability is still incorporated in the business model and in the corporate strategy, although in this case, the sustainability professional is a central and necessary role as strategic coordinator between the various functions.

Qualitative research on a group of Italian sustainability professionals is realized in order to find an answer to the main research question of this thesis: "*What is the past and future pattern of evolution of the role of a sustainability professional?".* The research is anticipated by an extensive review of the previous literature and of the contextual data and information on the topic. This gives the possibility to deeply understand the subject of the study and to identify a research gap to cover. The thesis is divided into three chapters to encompass and present all those issues.

In the first chapter, the theoretical background of the concept of sustainability applied at corporate level is studied. The first concept emerged in this context is Corporate Social Responsibility (CSR). It refers to the corporate activities that can have a positive impact on the stakeholders affected by company's operations (Frederick, 2008). For many years, CSR was the approach of those companies that wanted to do something good for society. This, in practice, resulted in philanthropic projects which were detached from the core business. One reason can be found in the fact that there wasn't a clear definition of sustainability, thus it was also difficult to apply this idea in the business world. CSR has developed with time along with the mutation of the external business and social context, until when the new concept of Corporate Sustainability (CS) originated. The latter is influenced by the definition of Sustainable Development given by the World Commission on Environment and Development in 1987 and by the idea of Triple Bottom line introduced by Elkington in 1997. In fact, Corporate Sustainability incorporates the belief that a company should consider the impacts of its processes in economic, environmental and social terms for both the present and future generations (Ashrafi et al., 2020). As a

consequence, companies started to change their approach to sustainability, having a direct effect also on the consideration of the role who is responsible for actually implementing it, the sustainability professional.

In the second chapter, the analysis focuses on the role of the sustainability professional. The first part of the chapter is dedicated to the review of the literature and business reports on the topic. In both the academic and business world, there are still some uncertainties on the exact activities and objectives of the role. Therefore, the analysis involves a comprehensive examination of the tasks and responsibilities of the role, the competencies and skills required for the job, the tools used to perform the activities, the effects of the introduction of the role on organization's performance and the ambiguities of this profession. In the second part of the chapter, the focus is on the past and future development of the role of sustainability professionals. The aim has been to find a pattern of evolution of the role based on the various phases found in the academic studies. Furthermore, the evolution of the role has been associated with the developments of the theoretical concepts of Corporate Social Responsibility and Corporate Sustainability, highlighting how the company's approach to sustainability has had an influence on the characteristics of the role in the different phases. Finally, the divergent positions found in the literature on the future of the sustainability professional are presented. However, there is a lack of studies dedicated to this issue which is still unresolved.

The third chapter presents the study realized to find an answer to the research question. This qualitative research consists on in-depth interviews to thirteen sustainability professionals who are members of Sustainability Makers-The professional Network. This is an Italian association with the objective of promoting the standing of the profession, creating awareness on sustainability policies and building a network of professionals. Moreover, it has changed its name, which previously was "CSR Managers Network", to highlight the engagement of the association in the transition from Corporate Social Responsibility to Corporate Sustainability. The goal of the research is to study the perspectives of these professionals in order to find a common patterns of evolution of the role. To ensure heterogeneity in the data gathered, the chosen participants work in various types of companies from startups to large corporations, and in addition, five of them work in a benefit corporation. This gives the possibility to compare the responses to find analogies and differences. To provide a scientific rigor to the result of qualitative research,

the analysis of the data is done following the Gioia Methodology. Therefore, the final theory is derived from the dynamic interconnection of the concepts which are rooted in the data. The theory gives two main contributions regarding the evolution of the sustainability professional. The first one is the creation of a proper evolutionary framework in which defined phases are identified and explained. The second insight resolves the issue on the future situation of the role by introducing three scenarios in which the sustainability professional has a specific relevance position.

Chapter 1: Transition from Corporate Social Responsibility to Corporate Sustainability

1.1 Introduction

Sustainability has been a buzzword in the last few decades and it has become an issue of pressing importance in management studies. The idea that corporations could have objectives other than profit started to become a shared thought of scholars and practitioners. In particular, companies have started to focus progressively more on the positive impact that they can have on society and the environment. Therefore, Corporate Social Responsibility (CSR) and Corporate Sustainability (CS) emerged as the operationalization of sustainability at corporate level. However, sustainability is a broad concept and, in the literature, there are plenty of definitions of the term. Hence, the operationalization of a vague concept can only lead to undefined and broad practices. That is why, the discussion on the exact meaning of CSR and CS is still open and there are many different perspectives and opinions both in theory and in practice. In the first decades of the 20th century, the idea that companies have to return a part of their profits to the society matured in the concept of Corporate Social Responsibility. The meaning of the term changed during the time with new academic studies and the developments in the socio-economic environment.

Another concept related to sustainability, which is often conflated and confused with it, is Sustainable Development. In 1987, it was defined by the United Nations Brundtland Commission as the "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (WCED, 1987, p. 41). Many actors in different society's levels are called to take action for Sustainable development (Baumgartner and RauterIn, 2017). Organizations are one of the main actors involved both for the positive and negative impact that they can have in this sense. This is relevant because it gave a stronger signal about the responsibility of all, including companies, in helping the society and preserving the environment. What's more, Sustainable Development became the new concept to operationalize. Thus, it is the base notion from which Corporate Sustainability originated. Moreover, in the 1990s Elkington (1997) introduced the business concept of the Triple Bottom Line: the idea that firms

should assess their ecological and social impacts along with their economic performance. Thus, after the Brundtland Commission report and the Triple Bottom Line concept, the focus started to change from CSR to Corporate Sustainability. This new concept is often confused with the previous one, but the differences are relevant in theory and in practice. As for the meaning of sustainability, also for these terms there isn't an absolute definition. However, it is clear that these concepts have evolved during the time following the latest understanding, studies and implementations. Therefore, it is important to retrace the evolution stages of these concepts to arrive to understand the present situation and the dynamic of the transition that can lead to future changes.

In this chapter the evolution of Corporate Social Responsibility and Corporate Sustainability is presented. In the first part the birth and the evolution of the CSR concept is retraced. Between the two, it is the oldest concept and has been developing for almost one century. It has had many different phases; therefore, the most important evolutionary stages models are introduced. Following this, Corporate Sustainability is analyzed in depth, from the meaning to the theoretical and practical progresses. Subsequently, the aim is to comprehend the relationship between the two concepts, highlighting the analogies and differences. This is necessary to understand the transition from CSR to CS which is happening in the business world. This thesis, in fact, has the objective to study the implications in the corporate business model, strategy and operations of this transition, in particular related to the role of the sustainability professional. Thereafter, companies which have already undertaken this transition are analyzed to find which are the characteristics of CS in practice. Finally, the European and Italian legislative framework on non-financial disclosure is examined, as it is one of the main drivers leading companies in the transition towards Corporate Sustainability.

1.2 Corporate Social Responsibility

Corporate Social Responsibility (CSR) indicates the organization's practices of enhancing the social well-being of the stakeholders affected by the organization's operations (Frederick, 2008). The objective is to create a balanced relationship between the company's processes and the society's needs. Organizations start adopting CSR practices for many different reasons which can range from philanthropic and moral principles, to imitation of competitors, legitimacy reasons or for gaining financial benefits (Hunoldt et

al., 2018). The decision of starting practicing CSR and the subsequent responsibility of implementing it are entitled to those who are in charge of taking decisions and setting policies for the company; even though, in some cases, they can be managed as a bottom-up process with the involvement of the whole firm (Frederick, 2008). During time, the concept of CSR has changed along with a mutation of the business' environment and the social context (Carroll and Shabana, 2010). In fact, CSR is a concept born in the early decades of 1900 in the United States. However, it became considered by firms only in the 1950s, after the Great Depression and World War II (Carroll and Shabana, 2010). In those years, it wasn't a known idea, and even less was the number of companies that actually implemented it. However, it earned attention from the scholars who gradually started to study the topic. Therefore, on one side there were the forerunners which tried to insert CSR practices in the firm, on the other there was the academia who tried to understand the complex dynamic of this new tendency. With time, it became clear that CSR wasn't a static notion, rather it was evolving. Since then, the evolution of CSR has been characterized by some phases, each of them distinguished by different definitions and interpretation of the term. Hence, also the application of CSR has changed following the current meaning, affecting corporation's strategy and operations. In fact, following Munro (2020), the transition over the different stages of evolution, even though it doesn't always occur in a linear way, is a natural development for the organizations. There are many models of growth stages for Corporate Social Responsibility (Ditlev-Simonsen and Gottschalk, 2011). In this context, the most important will be presented.

1.2.1 Fredrick four-stages model

The first stage model of CSR is the one proposed by Frederick (2008). Following this model, CSR has evolved in four phases which have a chronological identification. However, not every company goes through all the phases, even though the ultimate goal for a company that wants to apply a total CSR approach is to apply all phases at the same time. This model comes from the analysis of a group of US companies; thus, the author underlines how firms of different countries and dimensions could face different stages and dynamics of CSR implementation. In fact, as business and societal behavior, culture and practices vary, also the relationship between them and the individual and collective needs change.

The first phase is Corporate Social Stewardship. It was developed in the 50s and 60s of the 20th century. In this beginning phase, CSR is adopted on a voluntary basis by the decision makers of the firm. In fact, the underlying idea is that the corporate managers are public trustees and social stewards and that CSR is a philanthropic contribution to the community (Frederick, 2008). Firms' managers had to balance the claims of various stakeholders and allocate company's resources to societal needs. Indeed, CSR was a means to legitimize the profits made by the owners and executives. CSR was defined academically for the first time in 1953 by Howard R. Bowen in his book "Social Responsibilities of the Businessman". He defined CSR as the mandatory activities that the businessman should perform in order to pursue positive objectives and values for the society (Bowen, 1953). The objective was addressing societal needs; therefore, the companies didn't focus on how CSR could give advantages to the business (Ashrafi et al., 2020). During this period, it was the first time that a dedicated role or department responsible for CSR implementation was introduced in some firms. It was mainly a public relations role, in order to communicate the company's responsible actions (Burger-Helmchen and Siegel, 2020).

In the next decades, in the 1960s and 1970s, the new idea related to CSR was Corporate Social Responsiveness (Frederick, 2008). The change, under the social protest of those years, required organizations to take concrete actions to respond to social demands and not only continue with voluntary philanthropy. The public opinion started to be stronger in believing the necessity of companies' commitment toward social problems. Also, governments responded by introducing new regulations for businesses on social matters (Frederick, 2008). Therefore, companies were forced to introduce the objectives of doing "the good" for the society in the company's strategy. This resulted in a more practical approach of the executives, also introducing sanctions and rewards inside the company to stimulate CSR practices. In this phase, the idea that CSR could also benefit the business started to grow. In fact, Keith Davis in 1973 described CSR as the obligation for the company to assess the impacts of its processes in terms of positive effects on external society in addition to the economic benefits for the firm (Davis, 1973).

Corporate Ethics is the third phase of CSR developed during the last two decades of 1900 (Frederick, 2008). In this stage, CSR means having an ethical principle embedded in the corporate culture, leading decisions, norms, policies and strategies. Those principles are

related to social welfare, where the "social contract" between the firm and the society becomes explicit. Executives used mission statements, code of ethics, corporate policies, audits, training, incentives to make clear the objective of committing to ethical corporate culture. There was a shift from a macro-level to a company-level and from ethic to performance orientation (Ashrafi et al., 2020). Companies started to be more aware of the environmental aspect of business actions. The reason was the conceptualization of sustainable development given by the Brundtland Commission Report in 1987 and the subsequent introduction of the Triple Bottom Line concept that linked sustainable development with business practices and CSR. The Triple Bottom Line is the idea that the firm should achieve a good economic performance while preserving environmental quality and social equity (Elkington, 1998).

The last stage of CSR was matured in the 1990s and 2000s and it is identified by the name of Corporate Global Citizenship (Frederick, 2008). The idea that companies have the same duties as the other members of society is embedded in all the other three phases. However, this stage goes beyond that because it considers the obligations towards a bigger, worldwide society. This was the result of globalization which made the companies responsible for their operations in more countries than in the past. Hence, the scope for long-term sustainability expanded to the world's economies, societies and ecosystems. Another idea that became part of CSR during that period was the concept of shared value, thus, creating value both for the shareholders and stakeholders (Ashrafi et al., 2020).

1.2.2 Burger-Helmchen and Siegel four-stages model

Another four-stage model of CSR is the one proposed by Burger-Helmchen and Siegel (2020). The first two phases, the "Business Ethics approach" and the "Corporate Social Responsiveness", are similar to the first stages of previous model, while the third and fourth stages, the "Corporate Social Performance" and "CSR as an interface", have a different connotation (Burger-Helmchen and Siegel 2020). The first one is the ethical conception of CSR that was predominant during the 50s and 60s. CSR was an ethical duty, which resulted in philanthropic practices by the firms. This was seen as a moral obligation of every individual, therefore also an obligation for the organization. The activities made for this purpose weren't related to the core business. The second stage of CSR, the Corporate Social Responsiveness, corresponded to all the activities and actions undertaken by the organizations to respond to external pressures. This more pragmatic

approach grew during the 1970s, period of social movements, when companies had to build a strong social image. The third phase of CSR, during the 1980s and 1990s, provided a new level of analysis by adding to the previous stages the attention to the impacts and the measurement of CSR practices. This lies on the Carroll "Corporate Social Performance Model" which provides a three-dimensional model of CSR performance (Burger-Helmchen and Siegel 2020). In the first dimension, the model defines CSR related to different levels of responsibility: economic, legal, ethical and discretionary. Economic and Legal refers to economic results and law compliance. Ethical relates to activities required by society and Discretionary is the company's commitment beyond social expectations. The second dimension concerns the social scope in which issues are developed, which are consumerism, the environment, discrimination, product safety and occupational safety. The last dimension describes how the company reacts to those problems: reactive, proactive, defensive, or accommodating response (Burger-Helmchen and Siegel 2020). The following and last stage is CSR seen as an interface with different objectives. One purpose is the social function of CSR that aims to create a long-term cooperation between the firm and the society by balancing the relationship and bringing together the reciprocal goals. The second purpose is the socio-political one in which the company and the society are seen as conflicting parties. CSR in this case represents the society's power of influencing organizations with its request and the power of the companies of resisting this pressure. The third purpose refers to CSR as the result of organizational culture. The last one is CSR based on a constructivist approach. In this sense, CSR is the result of a socio-cognitive construct resulting from the mediation between the company and the society.

1.2.3 Munro four-stages model

The previous studies have analyzed the evolution of CSR until the first years of the 21st century. The research of Munro (2020) focused on the latest development of the term, identifying four CSR phases from the 1980s until recent years. The first phase, started in the 1980s, saw the transformation from a more philanthropic CSR to a strategic CSR. Both in the literature and in business practice, CSR started to be considered as a means to create shared value. Therefore, the firm undertakes activities and investments not only that benefit society, but also that can make the company gain competitive advantage. The CSR philanthropic and strategic phase is what is defined by Visser (2014) as old CSR or CSR 1.0. The next phase, in fact, sees the shift towards what Visser calls CSR 2.0 or

Systemic CSR. Started in the 1990s, systemic CSR concerns a CSR that has a bigger scope than the precedent. It means that companies align their strategy and business models to global challenges (Visser, 2014). What's more, CSR begins to be spread internally in the organization instead of being separate in specific departments. The five characteristics of CSR 2.0 are creativity, scalability, responsiveness, glocality and circularity. Some scholars view the next phase, CSR 3.0, as partially overlapping to the previous one. However, in this context, CSR involves not only taking action for society and the environment in alignment with the business strategy but also coordinating with the value chain and other social networks to provide a broader shared value. The last stage introduced by Munro is the CSR 4.0. This stage is the ultimate evolution of CSR. The author describes it as "the overall theme for CSR 4.0 is to embrace 'purpose' within a deeply transformed value system. In doing so, it must also embrace innovation, inclusion, collaboration, co-creation, and engagement, in a shared, integrated, and deeply transformed networked system, which is sustainable, Global Goal related, agile, measurable, authentic and systems orientated, with a circular social and environmental mission at its core" (Munro, 2020, pp. 219). This means that the approach becomes integrated and CSR is operationalized throughout the organization with a broader stakeholder engagement.

1.2.4 CSR implementation

The firm's awareness and commitment to CSR influences the level of CSR implementation. Ditlev-Simonsen and Gottschalk (2011) propose a model to interpret different CSR practices. In their model, firms can be in different levels of CSR, therefore they propose a three stages approach. Each of these stages is composed of two categories, resulting in a total of six categories in which a company could be situated. The first stage is composed by the first movers, the ones who take a first initiative towards CSR, and the followers, those who reproduce the behavior of the first movers. In the second stage there are the doers, who actually take actions for CSR, and the reporters, who only emphasize what they already do, but they don't change their current practices for CSR. The changers and the respondents are the two categories of the last stage. The former are more advanced in CSR implementation than other firms and government regulations; the respondents adapt the policies adopted by the Changers. However, in practice companies implement CSR in a multifaceted way, a version that is unlikely to be the perfect application of one of the above-mentioned CSR stages. What's more, companies usually align, not integrate, CSR to

the corporate strategy and objectives.

1.3 Corporate Sustainability

Corporate Sustainability (CS) is defined as the corporate level implementation of sustainable development, considering the economic, social and environmental impacts in the short and long term (Ashrafi et al., 2020 - Hahn et al., 2015). The concept comes from the meaning of sustainable development (Ashrafi et al., 2018 - Delai and Takahashi, 2016 - Baumgartner and Ebner, 2010) and one of the most quoted definitions of CS is: "meeting the needs of a firm's direct and indirect stakeholders (such as shareholders, employees, clients, pressure groups, and communities), without compromising its ability to meet the needs of future stakeholders as well" (Dyllick and Hockerts, 2002, pp. 131). Basically, CS could be seen as the micro-level implementation of sustainable development (Ashrafi et al., 2018). The connection with sustainable development creates a greater consistency of the accepted meaning of Corporate Sustainability than of the definition of CSR. However, it is worth noticing that some scholars claim that the main objective of CS is the ecological dimension, which has been neglected by the business world for many years. Nevertheless, the strongest argumentations support the equal importance of ecological, social and economic performance in CS (Sheehy and Farneti, 2021-Ashrafi et al., 2018). The studies on CS are recent and for this reason the topic is still evolving (Ashrafi et al., 2020). CS is comprehensive of the idea of shared value, which means creating long-term value both for stakeholders and shareholders. Some academics argue that CS can be weak or strong. The first type represents the internalization of processes that have a positive environmental and social performance only if they also have long term financial benefits. On the contrary, the strong version of CS means including legal and governance structures that limit the corporate activities to prevent exceeding ecological boundaries (Sheehy and Farneti, 2021). For what concerns CS implementation in corporations, the general consensus states that it needs to be integrated into the business strategy. In this sense, it is important that the company integrates the three dimensions of CS at strategic level, even though they could be approached separately at operational level (Ashrafi et al., 2018). More recently, scholars and practitioners went beyond this, asserting that firms have to adopt business models that facilitate CS (Ashrafi et al., 2020). Sustainability-oriented business models are those which can improve financial performance while improving the effects on society and environment, by creating appropriate internal

structural and cultural capabilities and collaborating with stakeholders (Ashrafi et al., 2020). CS is also seen as a means of gaining competitive advantage, mitigating risk and improving the reputation of the company which couldn't be reached by only seeking economic benefits. Van Marrewijk (2002) identifies five levels of corporate sustainability:

- Compliance-driven CS: it refers to creating societal benefits within the confines of external regulations or for philanthropy. In this sense, CS is a duty or an ethical behavior.

- Profit-driven CS: it means that the company seeks ecological and social improvement only until the point that they contribute to achieve financial benefits.

- Caring CS: it is the practice of balancing all the three dimensions for the intrinsic importance of each of them.

- Synergistic level CS: CS is a necessary direction for development; therefore, it is implemented with a synergic, strategic and operational application of all the three dimensions with the help of relevant stakeholders.

- Holistic level CS: it is integrated in every part of the company with a comprehensive and long-term approach. CS is seen as a necessity and a responsibility.

Every level of CS has its own specific features that encompass and expand upon the preceding level. Companies can position themselves at different levels based on their ambitions, awareness and ability. However, the ultimate goal should be reaching the last level, the holistic approach of Corporate Sustainability. In a later study (Van Marrewijk and Werre, 2003), another level was added, the Pre-CS. This level identifies those companies that still don't have intentions in applying CS, or they just initiate it, forced by external pressures. Similarly, Baumgartner and Ebner (2010) identify four Corporate Sustainability strategies that describe possible ways for corporations to approach CS. The first is the introverted strategy. In order to mitigate the risk for the company, firms are compliant with laws and regulations. The extroverted strategy, instead, focuses on outside relationships in order to be legitimized to operate. The next is the conservative strategy which has the objective of ecological efficiency. The last is visionary strategy. It is a holistic strategy, thus, sustainability is integrated in every process and practice. This strategy can be divided into two versions. Conventional visionary strategy has an outside-

in perspective: sustainability is implemented because it leads to market advantages. On the other hand, systemic visionary strategy is an inside-out perspective in which the previous version is still present, but, in addition, CS is permeated in the business strategy and culture. The stage in which the company is in represents the level of commitment to the implementation of sustainability at corporate level. The transition from one stage and the other requires the company to adapt their business model to CS goals, to expand responsibility and improve the relationships with stakeholders (Miller and George, 2014).

1.4 The relationship between CSR and CS

A great confusion has been created over the time between CSR and CS. Figure 1.1 summarizes the evolution stages of the terms described in the previous paragraphs. Many scholars and practitioners use them as synonymous, since the underlying idea of both CSR and CS is that corporations have objectives beyond solely making a profit, like improving their ecological and social performance (Ashrafi et al., 2020). Moreover, they have many analogies and similar outcomes. However, looking at the overall picture it is clear that the two concepts have different significance, hence also divergent application. It is important to clarify the difference in the two terms to understand both the evolution of the sustainability applied at corporate level and to identify which are the implications in practice. The literature findings are collected in order to present at first the analogies of the two terms, then the distinctive characteristics that distinguish one from the other. Finally, a theoretical framework is proposed to clarify how CSR and CS can be integrated and connected.

Figure 1.1 Evolution and phases of CSR and CS
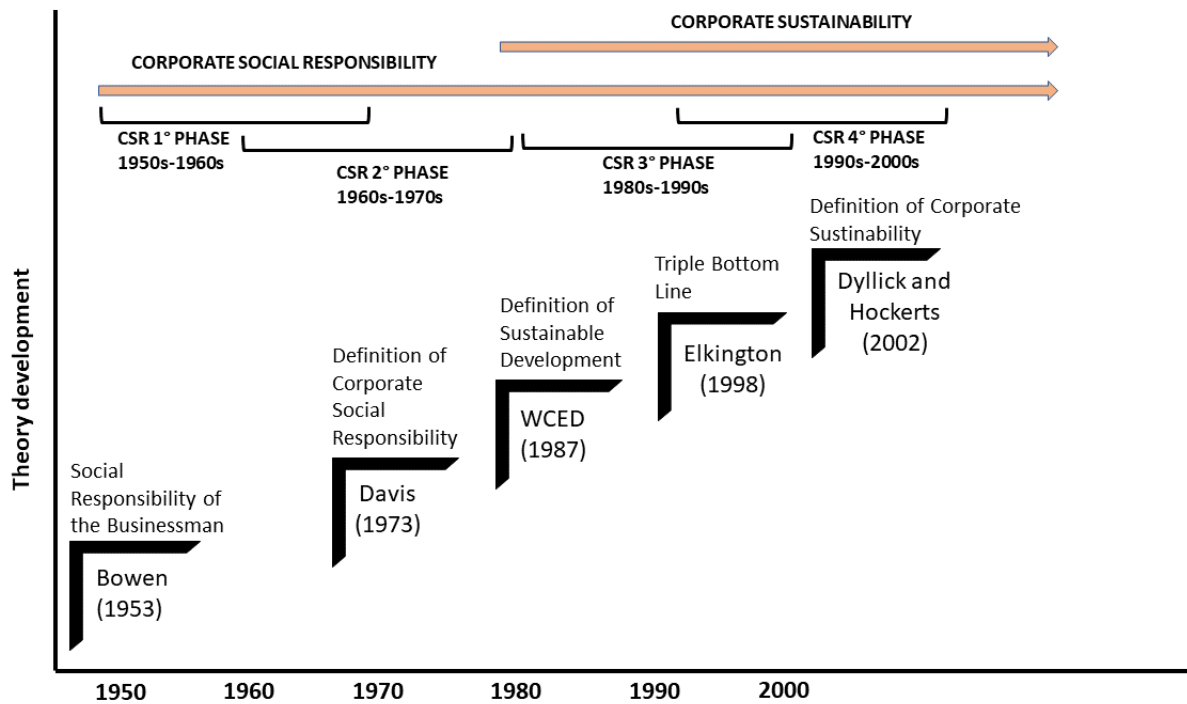
Source: adaptation of Ashrafi et al., 2020.

To begin with the similarities, both CSR and CS share the idea that companies should consider the impacts on three dimensions, economic, environmental and social, following the Triple Bottom Line theory (Ashrafi et al., 2018). At the same time, both concepts are based on the fact that a superior CSR or CS performance will make the firm gain competitive advantage (Resource-based theory). They are also permeated by the Institutional Theory, according to which external conditions and social pressure will influence firm behavior (Ashrafi et al., 2020). Finally, CSR and CS have in common the idea of shared value, creating benefits for both shareholders and stakeholders by maintaining a balance between all stakeholders' interests (Stakeholder theory). At the same time, the pressures and activities of stakeholder influence firms' level of sustainability implementation (Ashrafi et al., 2020).

Even though all the mentioned analogies, CS is a more holistic and comprehensive approach than CSR. In fact, CSR is a sub-part of the more encompassing CS. The latter is considered as a company's core value more than a responsibility (Ashrafi et al., 2018- Steurer et al, 2005- Baumgartner, 2006). Corporate Sustainability includes all the aspects of Corporate Social Responsibility, but it is not possible to assert the opposite. As a matter

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of fact, when CS is integrated into corporate strategy, it also implies the respect of social responsibility, while CSR doesn't include the application of sustainability principles (Ashrafi et al., 2018). One of the main differences is that CSR focuses only on short term aspects, while CS includes sustainability into corporate decisions, strategy and operations both in the short- and the long-term (Ashrafi et al., 2018- Steurer et al, 2005). Moreover, CS comprehends both internally- and externally-facing responsibility (Ashrafi et al., 2018). One research (Baumgartner, 2006) suggests that CSR is focused more on fulfilling the stakeholders' requests which are seen as a corporate responsibility. Indeed, CSR is described as a "voluntary management approach" with a central role of stakeholders (Steurer et al., 2005). Instead, CS is defined by the same authors as a "corporate concept". A literature analysis brings out the fact that CSR has a more "instrumental value", so the benefits for society and environment have to provide benefits for the organization, while CS has an intrinsic value (Montiel, 2008). Van Marrewijk (2002) states that CSR is an intermediate phase of sustainability to reach the final objective for a company: CS. For instance, Elkington defined the latter as "the emerging 21st century business paradigm" (Elkington, 1998). Ashrafi et al. (2018) confirms the subordination of CSR to CS and assesses that the former could be a transitional stage or an ultimate goal for the firm that wants to achieve CS. The transitional stage of CSR is when the firm is adopting practices that go beyond the law's requirement, but it still does not assume a holistic approach. On the other hand, when CSR is an ultimate goal for the corporation it means that the company has included the sustainability practices in every activity in the short-term, while the long-term comprehensive approach is still represented by CS. Figure 1.2 represents the final relationship between CSR and CS, where the former is integrated with the latter. It provides a theoretical framework in the study of those concepts (Steurer et al, 2005 and Van Marrewijk 2002).

Figure 1.2 Relationship between CSR and CS
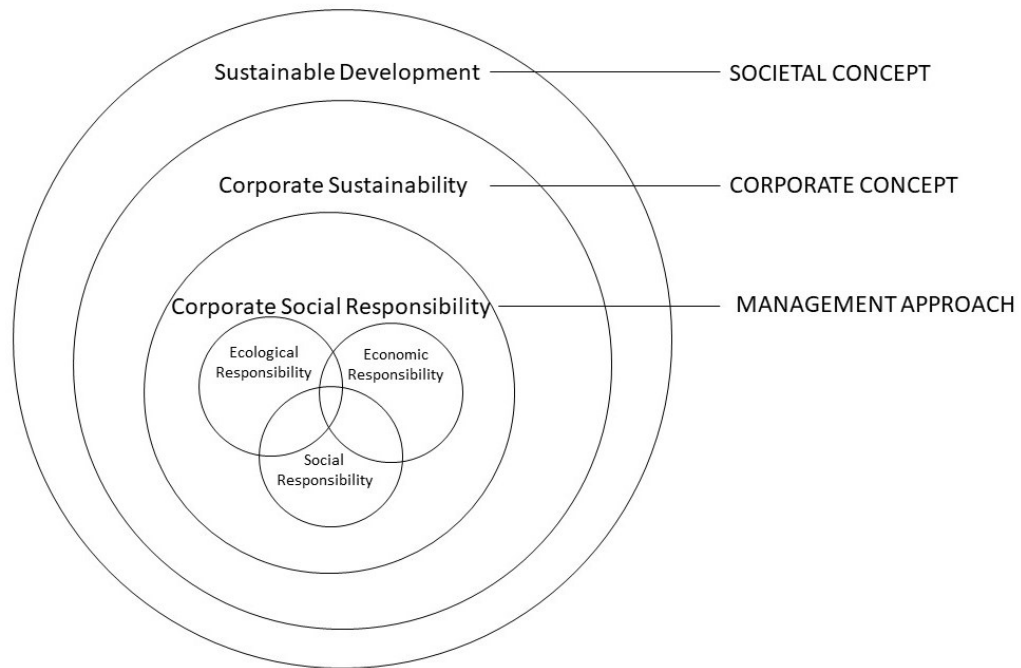
Source: Steurer et al, 2005 and Van Marrewijk 2002

The research of Landrum (2018) determines a unified stages model that comprehends the whole concept of CS. The author suggests that the lack of understanding of the meaning of CS and the discrepancies found in the literature contribute to the challenge of integrating various sustainability perspectives. The model he proposes is based on an analysis on the macro and micro level of CS. The model is composed by five stages:

1. Compliance: The companies' approach is defensive. Sustainability actions are required by external regulations and are kept separate from the core business.

2. Business-centered: Sustainability starts to be proactive but with the objective of improving strategic competitiveness. The practices are still not integrated into the business strategy, but they are incremental improvements of the current processes. This perspective primarily focuses on internal benefits for the firm and may not necessarily encompass all three dimensions of sustainability.

3. Systemic: In this stage, the goal is to integrate the economic, environmental and social dimensions with the external perspective of society's benefits. Businesses try to collaborate with external actors to achieve systemic improvement. However,

the companies continue to be growth- and consumption-oriented and to pursue control over ecological and business systems.

4. Regenerative: The aim is not only not to harm, but also to fix the environmental damage of businesses. Corporations understand planetary and ecological limits and they try to respect them searching for qualitative instead of a quantitative development. Still, at this stage firms have anthropocentric control over nature.

5. Coevolutionary: In this sense, Corporate Sustainability is the participation in the relationship with nature and society in equal position, not in a sense of managerial control over them. Companies participate and collaborate in the use and consumption of resources. The ultimate goal is to reach an efficient use of resources and to use them in a manner that balances the relationship with society and the environment by aligning the quantity of resources used with the resources provided. The author defines this stage as still a blue ocean. Business should pursue qualitative growth within the boundaries of the number of natural resources available. Moreover, this cooperative approach requires a resource distribution among the actors of the relationship. Therefore, the evaluative metrics can only be long-term.

1.5 Corporate Sustainability in practice: B Corps and Benefit Corporations

The latest business studies claim that the present and future direction is towards the integration of sustainability in every corporation aspect. This is in practice the transition from CSR to CS. Implementing Corporate Sustainability means that the corporation embeds sustainability in its mission, as part of the core strategy. This implies that sustainability is as important as making profits, thus it becomes an objective in the short, as well as in the long term. All the functional areas and each employee is responsible for its implementation and for the consequent results. This is what is called a holistic approach to Corporate Sustainability and it is the ultimate goal for the corporation. But are there some companies that have reached this stage?

In this thesis, the B Corp and Benefit corporation are considered as companies which are applying the Corporate Sustainability approach, therefore are in the last stage of sustainability implementation. Certainly, many other corporations may have attained this

status. However, in this context the before mentioned firms are examined because they are part of a recognizable community that have in common the characteristic that is researched: they apply a holistic approach to Corporate Sustainability. In fact, the status of Benefit Corporation and the label of B Corp is a validation of the commitment towards responsible practices that have a positive impact on society and environment (Burger-Helmchen and Siegel, 2020).

B Corps and Benefit Corporations are types of "hybrid corporations". It means that they formally introduce social and environmental goals in their core business (Villela et al., 2021). Those are not the only forms of hybrid organizations, since many countries have introduced legal forms to support their development. In this thesis these specific types are analyzed because of the growing presence in the Italian context.

The research on those types of organizations has been intensifying, with the aim of understanding how they work, which is their organizational structure and if they achieve superior economic, social and environmental performance. The companies that have undertaken the process to become B Corp or Benefit Corporation have gradually gained awareness on sustainability and they have undertaken a learning path on how to approach and integrate it into the company (Villela et al., 2021). The duration of the journey before transitioning to CS can be facilitated or impeded by national contexts, in particular with laws and regulations, or by the specific competitive context (Villela et al., 2021). The transition process could be long because they have to adapt the business model for sustainability in order to reach their common good objectives. Sustainable business models (SBM) are those that create positive, or reduce negative, effects on society and environment thanks to the logic with which the company produces, distributes and captures value (Alonso-Martinez et al., 2021). As a consequence, business processes have to adapt in order to align with this proposition. The controlling mechanisms are necessary in this type of business model, because the most difficult thing is to reach the balance between effective performance on all the three areas of the Triple Bottom Line (TBL) (Alonso-Martinez et al., 2021). In fact, the study (Alonso-Martinez et al., 2021) on a group of European B Corps highlighted the tendency of concentrating on some dimensions over the others. Thus, it is important to have performance management that goes beyond the economic side (Alonso-Martinez et al., 2021). This opens up the question if a dedicated role responsible for sustainability could guarantee a higher

performance in the whole TBL.

In the last part of the section, these two types of organization are examined, trying to understand their special features.

1.5.1 Benefit Corporations

The Benefit Corporation (BC) are those legal forms that give the possibility to include in the company's statute an objective other than profit (B Lab, 2023d). This transformation is a legal evolution of the for-profit corporations (Società Benefit, 2023a). The Benefit Corporations are not certified and they don't need to meet any standards, but they have to formally commit to inserting the interests of stakeholders into the business operations and governance. The objective is to preserve this mission regardless of executive changes, generational transitions or listing in the stock exchange (Società Benefit, 2023a). It is also a way of legally protecting and promoting the decision-makers when they favor stakeholders' interest over those of shareholders (Kirst et al., 2021). Furthermore, it allows to be recognized in the competitive environment, standing out as a sustainable company (Società Benefit, 2023a). The BCs have to adapt their business models in order to have positive impacts on society and environment and reduce the negative ones. They pursue a shared value, so they have to "do good" while keeping satisfactory economic performances. The three characteristics of BC are:

- Scope: the aim of having positive impacts on socio-environmental level;

- Responsibility: the goal of creating value on the long term for all the stakeholders;

- Transparency: the objective of communicating clearly and publicly the targets and the outcomes.

However, there are also some downsides. In fact, the status of Benefit Corporation could become a form of greenwashing[1] supported by law (El Khatib, 2015). This happens because companies don't need to meet third party standards. Moreover, even though the company is not using this legal status as a form of greenwashing, it could be misleading for the customers that could judge the sustainability level of the firm based on the fact

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[1] Greenwashing is the term to identify the practices that organizations undertake to appear more sustainable than they actually are to attract customers (El Khatib, 2015).

that they are Benefit Corporations and not on the effective social and environmental impacts (El Khatib, 2015).

Nowadays, in Italy more than 1500 companies have become Benefit Corporation (B Lab, 2023b). The Benefit Corporation was introduced in the Italian legal system in 2016, becoming the first country after the USA to announce it. The establishment of the first B Corps in Italy, after 2006, has attracted the interest of politics and law makers. Moreover, it was the Italian B Corps that started the project to support the introduction of the law on the Benefit Corporations in 2014 (Società Benefit, 2023a). Both existing and new corporations can transform into Benefit Corporations (Società Benefit, 2023b). The corporations that want to change their statute to become BCs need the majority of shareholders' vote (Società Benefit, 2023b). The majority of BC in Italy, around 58%, are small firms with no employees (Cantele et al., 2022).

The BC model accelerates the company's transition to the higher levels of sustainability implementation (Kirst et al., 2021). The characteristics of the legal structure of Benefit Corporations make it an application of the comprehensive CS approach (Kirst et al., 2021). In fact, the BC model incorporates stakeholder interests in the corporation's core values, it is made on a voluntary basis and it obliges companies to be transparent in their responsible practices with recurrent reporting (Kirst et al., 2021). Moreover, establishing clear and publicly disclosed targets helps to establish straightforward objectives. This has the dual effect of providing employees with a clear direction in their work and offering clients a transparent understanding of the changes the company has undertaken (Kirst et al., 2021). The law forces those companies to involve at least one member of the management team to be responsible for the declared objective beyond profit. The responsibility includes the monitoring of the outcomes, transparent communication and producing an annual report with the current results and the future targets (Società Benefit, 2023a).

1.5.2 B Corps

B Corporation is a label that certifies the company's commitment to social, environmental and ethical goals, along with the economic one (Villela et al., 2021). The certification is given by a US non-profit company: B Lab. In 2007, B Lab started this movement to support the creation of sustainable businesses (Villela et al., 2021). The latter describes B Corp as

"a business that is meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials" (B Lab 2023a). B Corp label is not a legislative form. However, corporations are required to insert their ethical goals in their articles of associations and achieve the status of Benefit Corporation of their country, provided that such a status exists and the company has fewer than 50 employees (B Lab 2023a). This provides companies with the opportunity to adopt this certification regardless of the specific legal jurisdictions (Villela et al., 2021). The label is private and is obtained on a voluntary basis by for-profit firms that are at least one year old (Villela et al., 2021- B Lab. 2023b). Companies have to pass a process to be certified, the B Impact Assessment. All company's operations are assessed, evaluating the procedures, the actions and the results. The supervision regards the product and services sold, but in particular five areas of impact: governance, workers, customers, community and environment (Villela et al., 2021). The company's impacts are compared to benchmark measures, which are based on the best practices (Villela et al., 2021). The procedure provides that the company receives a score for each impact area which will subsequently be added to the score of the other areas. The final value can have a maximum of 200 points and the company needs to have at least 80 points to have the possibility to receive the B Corp certification. To complete the assessment process, the firm must provide the documents in support of the declarations and, finally, insert the mission in the articles of incorporation and change their corporate governance structure to respond to all stakeholders (B Lab 2023). Each year, B corps have to pay a fee based on their size that goes from 500 to 50 000 dollars. A new assessment is made every 3 years, while each year 10% of B Corps are selected for an unexpected auditing (Villela et al., 2021).

B Corps need to have the highest levels of performance in non-economic areas to pass the B Impact Assessment. However, it is not evident which are the factors that allow them to outperform the firms which implement sustainability but don't have this label (Cantele et al., 2022). One reason is that the formalization of the scope supports the formation of organizational culture around sustainability, boosting employees' motivation. Moreover, process improvements for sustainability, public relations and the protection of sustainability as a core value are also an effect of the commitment (Kirst et al., 2021). For what concerns the financial performance of B Corps, the discussion is still open. In fact, some studies confirm that after the certification the economic results are better, for

instance, it was also found that the B Corps have on average a higher revenue growth rate compared to the companies in the same industry without the certification (Kirst et al., 2021). On the contrary, other researches show that the economic growth diminishes, because the focus is moved also to non-financial targets (Kirst et al., 2021).

One of the main motivations to adhere to the B Corp certification is the personal beliefs and motivation of the leader of the company (Kirst et al., 2021). Another reason is the willingness to improve the brand image for clients and investors (Kirst et al., 2021). However, the potential branding effects of the B Corp label can be leveraged by companies as much as the certification itself is known between customers and investors (Bridges Ventures, 2015). This depends upon the capability of the B Lab of promoting the brand. This operation could be fostered if large and well-known corporations enter in the community, as it has happened recently with Nespresso (Bridges Ventures, 2015). However, this opens up another issue of whether it could reduce the integrity of the B Corp movement. In fact, big companies, like Nespresso, have a more difficult assessment of the whole supply chain, resulting in a reduced transparency on sustainability (Fair World project, 2022). Thus, B Lab faces a trade-off between the willingness to create a broader movement, which means that the standards must be less strict, and the trustworthiness of the certification which needs the most rigorous assessment (Bridges Ventures, 2015).

The difference between B Corps and Benefit Corporations is that the latter have just inserted their ethical goals on their statute, while B Corps are assessed and certified to meet the highest level of sustainability implementation, both on social and ecological dimensions (B Lab, 2023b). This control ensures the real application and effectiveness of sustainability practices, reducing the risk of greenwashing (El Khatib, 2015). Moreover, B Corp certification is aligned with many others international sustainability global standards such as Global Reporting Initiative (GRI), Dow jones Development Indexes (DJDI), Sustainability Accounting Standards Board (SASB), Carbon Disclosure Project (CDP), Future Fit Business Benchmark, Impact Reporting Investment Standards (IRIS+) and Social Value Principles (SROI) (B Lab, 2023c). Finally, B Corps differentiate from non-profit corporations in the fact that the former distributes dividends and don't have fiscal exceptions (Società Benefit, 2023c). Furthermore, B Corps have a more developed attitude towards innovation, entrepreneurship and efficiency than non-profit

organizations (Kirst et al., 2021). Figure 1.3 shows the differences between for-profit, no-profit, Benefit Corporations and B Corps.

Figure 1.3 Benefit Corporations and B Corps
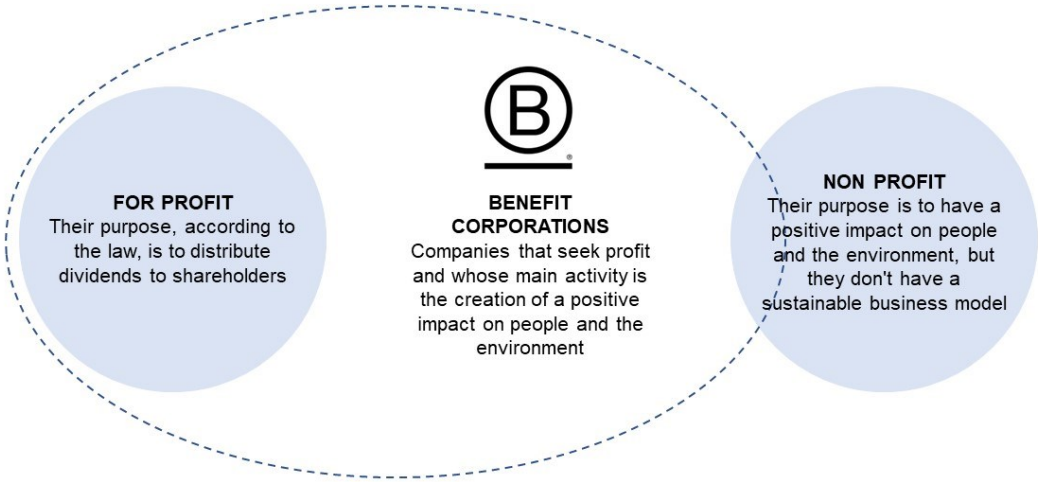
Source: Società Benefit, 2023a

B Corps are present in 80 countries with 6000 B Corps in 150 industries (B Lab, 2023e). Figure 1.4 shows the distribution of B Corps between continents in 2020 (Kirst et al., 2021). Italy is one country present in the list since 2013 and currently, the B Corp community in Italy comprehends 200 certified B Corps spanning across 60 different industries. (B Lab, 2023b). As required from the certifying agency, the company has to become a Benefit Corporation before a B Corp, since this form is envisaged by Italian jurisdiction. Therefore, the scope of having a positive impact on society and environment has to be included in the firm's statute.

Figure 1.4 Distribution of B Corps per Continent
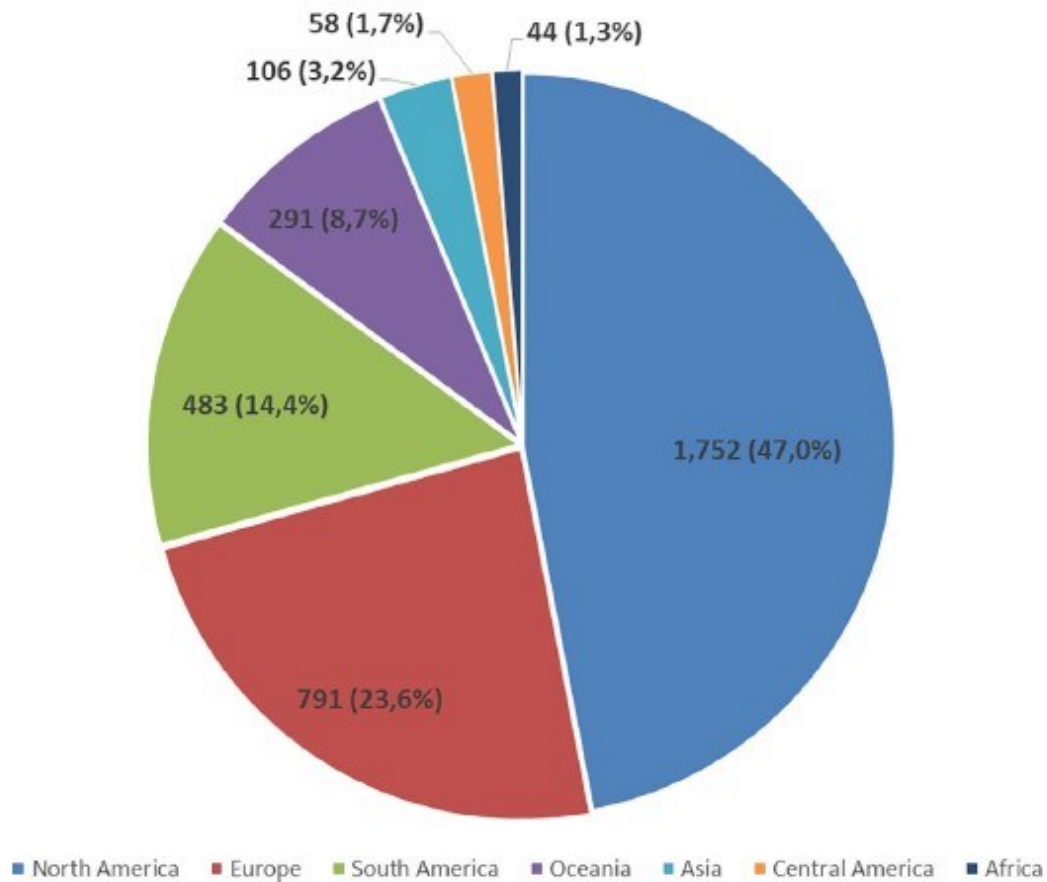
Source: Kirst et al., 2021

The community of companies with a B Corp label shares the same values and identity. The majority of B Corps are small or medium sized, however there is an increasing number of large companies which are engaging with the movement (B Lab, 2023d). The interaction and the spread of knowledge produces a form of "collective learning" which leads to shared objectives (Burger-Helmchen and Siegel, 2020). The B Corp movement provides a clear framework for those firms that aim to be sustainable. The label gives the company the legitimacy it needs with customers and partners (Burger-Helmchen and Siegel, 2020). Burger-Helmchen and Siegel (2020) claim that the transition towards CS has occurred before the label, thus the certification is just an instrument to certify the commitment to sustainability. Hence, in some cases the certification is more of a communication tool than the cause of the transition. On the other hand, the recognition and legitimation searched by the firm could be reduced if the label is unknown by many customers (Kirst et al., 2021).

B Corps succeed in implementing Corporate Sustainability thanks to a sustainable business model that merges the revenue model and the common good mission (Cantele et al., 2022). The B Corps are obliged to have a holistic approach in the goals and in the way of achieving them. In fact, they must consider all social and environmental issues. At the same time, all areas of the companies have the same importance in making sure that those objectives are respected (B Lab, 2023a) and the whole management is committed to this aim (Villela et al., 2021). Furthermore, the standards of best practice are continuously updated to meet the latest development and changes.

1.6 Corporate sustainability reporting legislation

The increased awareness of the importance of Corporate Social Responsibility and Corporate Sustainability in the business world has led to the development of legislation by different institutions to encourage firms to commit to responsible business practices. Corporate decisions, as well as those made by investors and financial markets, increasingly consider sustainability-related risks and opportunities (Dinh et al., 2023). As a result, companies are now required to provide a qualitative and comprehensive disclosure of sustainability-related information (IFRS, 2023). This has led to a significant increase in voluntary standards and mandatory regulations on sustainability. For instance, a study conducted in 2021 states that in five years the global regulations and standards have nearly doubled (EY, 2021). In recent times, regulations have become one of the main driving forces behind the adoption of sustainable practices at the corporate level. The large number of international, regional and national standards proposed by public and private organizations has created confusion and complexity regarding the required reporting information for non-financial disclosure. This has prompted international organizations to seek ways to reconcile global standards. One example is the creation of the ISSB (International Sustainability Standards Board) in November 2021 during the COP26[2] in Glasgow (IFRS, 2023). The objective of this board is to develop standards for sustainability disclosure which can assure a qualitative and complete reporting criterion,
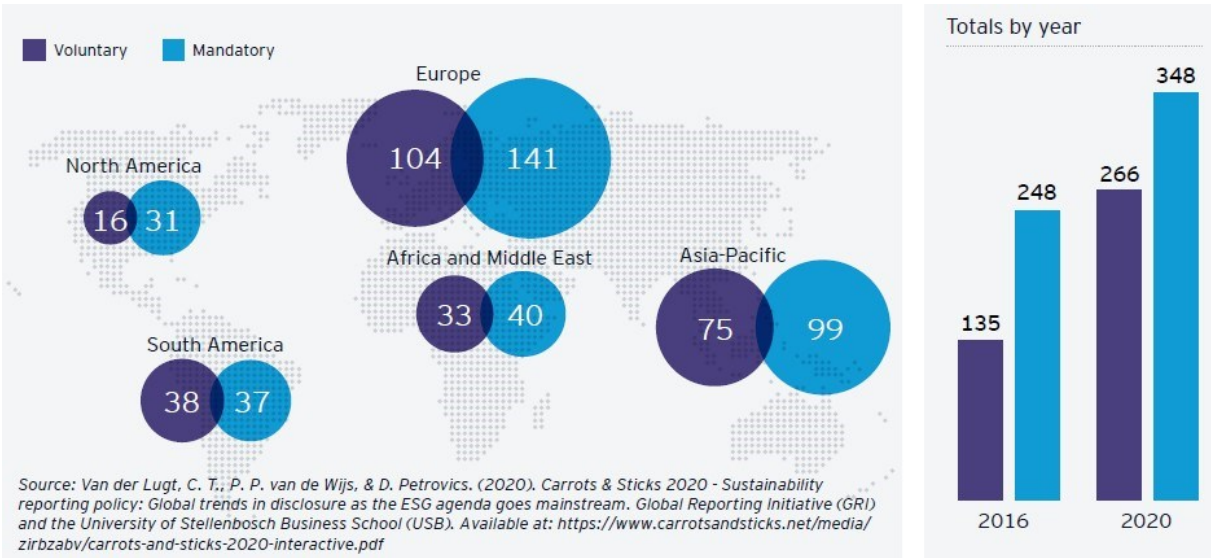
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[2] COP26 is a United Nation conference that brought together countries' leaders to discuss how to stop climate change and how to achieve the Paris Agreement's targets. It is the 26th conference of the COP (conference of the parties) of United Nations Framework Convention on Climate Change (UNFCCC) (European Council, 2022)

meeting the information needs of investors and financial markets while harmonizing the diverse global disclosure standards (IFRS, 2023).

In this section, the main European and Italian sustainability regulations will be reviewed. Compared to other countries such as the U.S., which lack strict regulations on non-financial reporting and instead rely on voluntary and shareholder-driven sustainability disclosure, the European Union (EU) has one of the most advanced regulations on Corporate Sustainability (Dinh et al., 2023). Figure 1.5 shows the number of mandatory and voluntary ESG (Environmental, Social and Governance) reporting regulations in different regions in 2020.

Figure 1.5 Number of ESG reporting provisions by region, 2020

Source: Van der Lugt, C. T., P. P. van de Wijs, & D. Petrovics. (2020). Carrots & Sticks 2020 - Sustainability reporting policy: Global trends in disclosure as the ESG agenda goes mainstream. Global Reporting Initiative (GRI) and the University of Stellenbosch Business School (USB). Available at: https://www.carrotsandsticks.net/media/ zirbzabv/carrots-and-sticks-2020-interactive.pdf

Source: EY, 2021

However, it is important to clarify the differences between the various components of the global reporting ecosystem, as there is often confusion regarding the meaning of regulations, frameworks, standards, global goals, principles, ratings, and rankings (Sullivan, 2023). Figure 1.6 provides a general overview of the sustainability reporting ecosystem. The Global Goals and Principles are common targets and values that set the direction for global sustainable practices (Sullivan, 2023). Examples of goals and principles are respectively the US Sustainable Development Goals and UN Global Compact. Sustainability reporting frameworks, or ESG frameworks, provide high-level principles on how to analyze and disclose sustainability-related matters. The purpose of these frameworks is to enable companies to communicate their achievements and compare

themselves with competitors and global best practices (Sullivan, 2023). On the other hand, standards set detailed indicators for measuring sustainability performance based on the guidelines of the chosen framework (Sullivan, 2023). Each framework has different standards, which can be industry- or topic-specific. When a company selects a framework and standards to follow, it must use specific instructions, called protocols, to properly analyze and measure its performance. Well-known sustainability frameworks and standards include the Carbon Disclosure Project (CDP), the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI) (Sullivan, 2023). Additionally, the sustainability reporting ecosystem includes ratings, which are scores assigned to organizations based on specific sustainability topics, and rankings, which classify firms based on their performance relative to competitors. The only mandatory requirements are those established by regulations. Regulations are disposed by a regulatory body and must be followed by corporations operating within the respective jurisdictions. In this thesis, the latter will be further explored because they oblige companies to meet the regulatory requirements on sustainable business practices and reporting, hence, being a strong driver for the introduction of a role responsible for sustainability-related activities.

Figure 1.6 Sustainability reporting ecosystem

Source: Sullivan, 2023

1.6.1 European regulatory framework

Countries in the European Union must be compliant to EU regulations in addition to their national and regional ones (Dinh et al., 2023). Furthermore, even countries outside the European Union often refer to EU legislation when setting their own disclosure standards (Dinh et al., 2023). Under EU legislation, large and listed companies are compelled to report information about how their operations affect people and the environment (European Commission, 2023a).

The first directive[3] on non-financial disclosure was issued in October 2014 under the name of Non-Financial Reporting Directive (NFRD). This directive is addressed to large public-interest companies with more than 500 employees (European Union, 2019). Approximately 11.700 EU banks, insurance companies, listed companies and others are included in this directive (European Commission, 2023a). The directive had to become a law in EU countries by the end of 2016, thereby mandating companies to produce their first report for the year 2017 (European Union, 2019). Those companies are constrained to provide to the stakeholders a report with information regarding their non-financial activities' situation and performance. The information can be included in their annual report or being disclosed in a separate one (European Union, 2019). The disclosure must encompass environmental matters, social and employee aspects, respect for human rights and anti-corruption and bribery issues and also the diversity of the board of directors, such as age, gender and background (European Commission, 2023a- European Union, 2019). This entails a comprehensive presentation of the internal policies on these matters, associated results, risks and targets, as well as the entire business model, while providing an explanation if any of the aforementioned areas are not addressed in the policy. The national and international principles such as the UN Global compact could be used by companies as guidelines for their report. Furthermore, companies could use the non-mandatory guidelines provided by the European Commission in 2017 on how to disclose social and environmental information and in 2019 on how to report climate-related information (European Commission, 2023a).

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[3] A directive is a legislative act that orders an objective for all EU countries. Therefore, the latter have to set out a law to achieve the goal. It differs from a regulation which has an immediate law effect on all EU countries (European Union, 2023).

Another important evolution of the EU corporate sustainability disclosure is the introduction of two reports in 2021. The first one presents the plan for the creation of the EU sustainability reporting standards which must be harmonized with the existent global initiatives (European Commission, 2021). The second report proposes a reform of the European Financial Reporting Advisory Group (EFRAG) with the aim of developing a strict and comprehensive set of sustainability reporting standards. EFRAG is a private association which gives technical advice to the EU Commission on matters of financial and sustainability reporting (EFRAG, 2023). Consequently, EFRAG published the first draft for the European Sustainability Reporting Standards (ESRS) in 2022, which are expected to be adopted by the second half of this year (European Commission, 2023a).

The last approved legislation on the matter of sustainable reporting is the Corporate Sustainability Reporting Directive (CSRD) published in December 2022 (European Commission, 2023a). The biggest change is the inclusion of a larger pool of companies considered by the directive. Specifically, all large companies with more than 250 employees or 40 million euros in turnover or 20 million euros in total assets, non-EU companies with a turnover of over 150 million euro in the EU and listed SMEs (small and medium enterprises) will be asked to present a sustainability report (European Parliament, 2022). Furthermore, the directive revises the rules regarding the disclosure of social and environmental information to stop greenwashing, to enhance the social market economy of the European Union and to establish the foundations for globally recognized sustainability reporting standards (European Commission, 2023a-European parliament, 2022). The goal is to give a larger and more transparent information to investors and other stakeholders, to coordinate the information required in order to reduce the cost supported by the companies and to provide for the digitalization of sustainability information (European Commission, 2023a). Therefore, it is also stipulated that companies undergo an audit for the information they disclose. Companies considered in the directive must publish the first report for the financial year 2021 using the European Sustainability Reporting Standards (ESRS) (European Commission, 2023a).

Those legislations are in line with the goals of the European Green Deal, which is a roadmap to transform the EU into a sustainable and competitive economy. Therefore, sustainability performances of companies are a matter of interest (European Commission, 2023a). The main objectives of the European Green Deal are i) achieving net-zero

emission of GHG (Greenhouse Gases) by 2050, ii) reducing the use of resources used for economic growth by 50%, and iii) considering the well-being of all people and places (European Commission, 2023b). The regulations on non-financial disclosure support the goal of the Green Deal Investment Plan of enabling sustainable investments (European Commission, 2023c). Moreover, a new sustainable finance strategy is planned by the European Commission in order to support European Green Deal goals with legislative tools for the transition of organizations towards sustainability (European Commission, 2023c). In this scenario, it is important to mention also the regulations aimed at accomplishing the goals of the Action Plan: Financing Sustainable Growth (European Commission, 2021):

- The Sustainable Finance Disclosure Regulation of 2019 (European Union, 2021) regulates the disclosure of information on sustainability in the financial services. It aims at reducing the "greenwashing" risk of financial products by requiring the reporting of ESG information for financial sector operators. It provides transparency guidelines for the consideration of environmental, social and good governance factors in the investment decisions and financial advice. It also asks financial market participants and financial advisers to disclose their business and investment decisions. This regulation makes the financial markets more efficient, stimulates competition in the area of sustainable finance, assures more transparency in the disclosure of sustainability performance information while producing more data for investors, institutions, organizations and academia.

- The Taxonomy Regulation of 2020 emends the previous regulation and sets criteria for the entire EU to identify if an economic activity is environmentally sustainable (European Union, 2022).

- Due diligence proposal of 2022 is a proposal for a directive that applies the duty on certain companies to reduce negative human rights and environmental impacts throughout the entire value chain (European Commission, 2022). This duty is directed to EU limited liability companies with large size and economic power, such as those with more than 500 employees and more than 150 million euros in net turnover worldwide; EU limited liability companies in high impact industries with more than 250 employees and a net turnover of more than 40 million euros worldwide; non-EU companies that are conducting business activities within EU

with turnover threshold aligned with Group 1 and 2, generated in the EU (European Commission, 2022).

Italian legislation has introduced laws in response to the non-financial disclosure directives of the European Union. Following the emanation of the Non-Financial Reporting Directive (NFRD), Italy has issued the Legislative Decree of 30 December 2016, no. 254 which obliged specific companies to do an annual reporting of their non-financial information (Reghelin and Scicolone, 2021). The scope, as stated by the EU directive, is to provide the stakeholders more transparent information for their decisions. The non-financial disclosure is mandatory for all companies with more than 500 employees or 40 million euros in turnover or 20 million euros in total assets. However, other companies can choose to disclose a sustainability report on a voluntary basis. Companies also have the flexibility to choose the standards they prefer to adopt for their non-financial disclosure, with the GRI standards being the most commonly used (Reghelin and Scicolone, 2021). In 2018, Consob, the Italian National Commission for Companies and the Stock Exchange, gave its approval to the regulations applying the decree with resolution 20267 (NCP Italy, 2021). It specifies i) the way in which companies must present the non-financial statement to the Consob; ii) how to do the publication of the non-financial declaration and the filing with the Business Register; iii) the methods and terms for Consob control; iiii) how the auditors must verify the compliance of the information; iiiii) the requirements for companies and large groups to produce the non-financial statement with environmental and social information (NCP Italy, 2021). Consob is also in charge of specific disciplinary proceedings, therefore it can demand for further material (NCP Italy, 2021). The number of companies that have disclosed a non-financial statement (NFS) were 151 in 2021, which are 69% of the listed companies and 97% of total market capitalization (Consob, 2021). Only two of them have published the document on a voluntary basis. In the years, an increasing number of companies have published an integrated report with financial and non-financial information.

Chapter 2: Sustainability Professionals

2.1 Introduction

Corporate Social Responsibility and Corporate Sustainability, as it is clear at this point, are gaining attention and importance in the business world. The focus has shifted from questioning the necessity of addressing sustainability to determining the most effective approach for doing so. The urgence and the complexity of the issue have encouraged an increasing number of organizations to introduce specific roles to implement sustainability within the company. That is why, after having analyzed the theoretical background and the evolution of the meaning of CSR and CS, it is relevant to understand how those are implemented and who is responsible for implementing them. Even though the literature on the topic is expanding, there isn't a common view on the overall definition, responsibilities, skills and goals of this role. Even worse, the evolution of the role from when it was first introduced in the companies until recent days is barely covered. For this reason, this theoretical part tries to collect and to summarize studies, information and data on this field both from the literature and from business reports. Initially, the description of the sustainability professional is provided touching in depth the definition, tasks, competencies and objectives. Next, the evolution of the role is explained by creating a pattern of the different phases found in the literature. Moreover, a connection between the evolution of the role and the evolution of the concepts of CSR and CS is provided, highlighting the different characteristics of the role in different phases of sustainability implementation in the company. Lastly, different viewpoints related to the future development of the role are exposed. In the literature, it is possible to find two contrasting ideas on the issue, but there is a lack of studies focused on finding a resolution to it. Therefore, the question is still open.

2.2 Sustainability Professionals

This section presents an analysis of the role of the Sustainability Professional. Before giving the definition, it is important to clarify the reasons that cause the vagueness of the topic. Therefore, the two main motivations that cause the ambiguities on the characterization of the role are explained. Moreover, numerous ways of naming the position title are presented in order to provide a specification of the terms used in the rest

of the chapter. Following this, the definition of the role is given, specifying the main characteristics of the job. Subsequently, the motivations for the company to introduce this role are analyzed. Then, data are collected to understand the average duration of the job, the position in the organizational structure and the academic and professional background of those professionals. Finally, the tasks, the competencies, the tools, the effects on firm's performance and the ambiguities of the role are further studied in the relative sub-sections.

Companies that start to adopt sustainability practices realize that they need a dedicated role specialized in those matters. Therefore, they introduce a new role responsible for sustainability-related issues. His main duties consist in developing a strategy for sustainability, implementing it and assessing and communicating the results (Borglund et al., 2021). However, the definition, duties and goals are still being discussed. The first reason is related to the fact that the role is relatively new, hence, the role is still being determined, while adapting and improving. The first time some companies decided to introduce this role was during the first CSR phase, in the 1950s and 1960s, when CSR was mainly seen as philanthropic actions (Burger-Helmchen and Siegel, 2020). The role was born to maintain public relations and to communicate the firm's CSR activities. Nowadays, the reasons for introducing a sustainability professional are multiple such as increasing reputation, incorporating sustainability in the organizational practice and for carrying out sustainable strategies (Borglund et al., 2021- Wiengarten, 2017). The driving force can be attributed to internal factors, such as an increased awareness within the company of the importance of dealing with sustainability matters, or to external pressures from stakeholders such as customers, governments and non-governmental organizations (NGOs) (Borglund et al., 2021). The second reason for the vagueness of the definition is the field itself. As analyzed in depth before, sustainability is a complex matter which has been changing and developing fast. On one hand, there is not a clear specification of the meaning of CSR and Corporate Sustainability; on the other hand, the situation is dynamic. Moreover, CSR is overcome by the more comprehensive concept of Corporate Sustainability. Consequently, the buzzword is not anymore CSR, but instead sustainability. This transition has practical implications for the persons who must deal with these issues. If the focus changes, also the responsibilities and the strategy change. The goal has become integrating sustainability in every part of the company with a long-term orientation. To support this claim, the longitudinal study of Strand (2014) found that the

word "CSR" was progressively substituted by the word "sustainability" also in the position title of the sustainability professionals.

The position title of the sustainability professional has many forms. The most used are Sustainability Manager (SM), CSR manager, Head of Sustainability, Chief Sustainability Officer (CSOs), Sustainability Director. In the beginning, SM and CSR Manager were used to indicate the executive in charge of sustainability and CSR. When this role started to be part of the Top Management Team (TMT), in other words the executives that are at the top level of the corporation, the title switched to CSO or Head of Sustainability (Strand, 2014- Fu, Tang and Chen, 2020). However, nowadays in many cases not only one person is responsible for CS, but a whole department (Hutjens et al., 2015). Within this department, three main roles can be identified. The first is at the highest level of responsibility, who coordinates all the others, such as the CSO. The second level is occupied by the managers who respond to the CSO and are responsible for organizing the work of the subordinates and implementing sustainability strategies. The lowest level involves the other members of the sustainability team that work on day-to-day sustainability activities below the guidance of the second level manager (Pedrini e Rossi, 2020). In this thesis, the roles responsible for sustainability implementation will be defined as Sustainability Professionals (SP), to include all the different job titles. However, in the first paragraphs, the CSR manager will be also appointed as the role introduced in companies in the beginning phases of sustainability implementation. It is worth noting that in addition to internal roles, external consultants could be also employed by companies on a temporary basis to fulfill CSR or CS responsibilities. However, the emphasis in this context is primarily placed on the internal roles within the company.

CSR managers are "key actors in the development and implementation of CSR at the organizational level" (Carollo and Guerci, 2017, pp.635). The definition is so broad that every company has its own idea of what and how this role should do. At the same time, CSR managers themselves have difficulties in illustrating their job. In fact, research conducted by interviewing a group of CSR managers identified five general images with which they represent their work, also called categories of occupational rhetoric (Carollo and Guerci, 2017). In other words, the following are representations and explanations of this role from the perception of CSR managers themselves. Those are not exclusive; indeed, a CSR manager is not necessarily one thing or the other, rather, he can have such

different responsibilities that he recognizes himself in more than one category. The first common representation identified is the CSR manager as "the motor of change" (Carollo and Guerci, 2017). Almost all CSR managers label themselves as actors that boost organization and society change. The main goal is to lead the change in corporations' strategy and operations, as usually firms tend to be static in the way they have always operated. For this objective, the most important capabilities are the communicational and relational skills considering that they need to influence the company's culture and behavior. The second image used by the managers to depict themselves is the "business-oriented" CSR manager (Carollo and Guerci, 2017). This comes from the idea that CSR managers with their work increase profits and reduce the costs for the firm. Thus, CSR is seen as a competitive advantage for the firm. For this reason, CSR managers need to have technical knowledge and skills in business administration and economics (Wiengarten, 2017). This type of CSR manager communicates with other organizational functions showing concrete numbers and measures to find internal legitimacy and to show the CSR effective impacts. The common characteristic is pragmatism which is opposed to the ethical perspective of CSR concept. The third occupational rhetoric is the "fatalist CSR manager" (Carollo and Guerci, 2017). These managers are confident of the fact that CSR is necessary in every organization. They think that there is a period of transition in which they are the forerunner of this evolution, but at the same time they are waiting to be fully recognized. On the other hand, the fourth representation, "the idealist CSR manager" (Carollo and Guerci, 2017), is the one that works in this role carried by personal values and goals. The mission is to lead the organization towards a more responsible behavior. Considering that the role is often marginal in the organization, the personal values can balance the frustration caused by the minor consideration. Nevertheless, this vision is shared by a minority of CSR managers. The last figure is the CSR as Bookkeeper (Carollo and Guerci, 2017). This rhetoric connects the CSR manager role only with sustainability reporting, which is seen as the real reason for the role to exist. What's more, the reporting work is described as exhausting and creating divergences among colleagues. CSR managers are seeking the support of other managers while they try to occupy a central role in the organizational structure. Carollo and Guerci (2017) also identify two general characteristics of a CSR manager. The first is the fact that the role is marginal in the corporate environment. In this sense, the power and resources given to this role are limited. Often, CSR managers lack recognition and legitimacy from the other members in

the organizations. The second feature is that the goals and activities of CSR managers are vague and undefined, because they have numerous and various work tasks and responsibilities. This comes from the fact that CSR itself is an undefined concept and that this role is a new managerial specialization with still open boundaries.

As already mentioned, the company is stimulated in hiring a specialized role when it becomes aware of the importance of sustainability. The introduction of the role can be proactive, when it is pushed by the willingness of the leaders of the firm, or reactive, following external pressures or a crisis (Borglund et al., 2021). In fact, the most cited reasons for introducing it are the need for a strategic guidance in sustainability implementation, followed by the regulatory obligation and the pressures from investors and customers (Deloitte, 2021). It is also noticed that there is a higher probability of introducing a sustainability professional when the CEO has an individual sensibility for sustainability (Strand 2014). In any of these cases, the SP is hired with the objective of managing sustainability implementation by rapidly adapting to the sudden changes of the external environment, meeting stakeholder growing expectations and dealing strategically with sustainability issues (Deloitte, 2021). This includes influencing the decisional process of both the company and the whole supply chain, ensuring that the former adapts to sustainable business model and the latter has positive effects on society and environment (Pedrini e Rossi, 2020).

In the past, it was common to appoint as sustainability professional a senior role already working in the company in order to give them stronger power and recognition by other employees (Hutjens et al., 2015) and to already have a good knowledge of the firm and the active networks (Deloitte, 2021). In fact, the majority of those who were appointed as SP were already employed in the same company with an average of 15-20 years of experience (Miller and Serafeim 2014). In particular, it is most likely that their previous jobs are in the areas of administration and finance, marketing and sales or HR (Pedrini e Rossi, 2020). There is a difference in the request for sustainability professionals between the firms already engaged in sustainability and those not. The former are considered those in which the sustainability department reports directly to the CEO or the President (Sustainability Makers, 2022). Firms that are in the initial stages of CSR implementation are more likely to move someone already internal to the company, while those in the more advanced stages are more motivated to seek for talent in the external environment.

Furthermore, the company that is advanced in sustainability implementation has higher expectations in sustainability soft and technical skills, looking for people with more experience in the field. Nonetheless, sustainability professionals have on average less than 5 years of experience in the role (Hutjens et al., 2015). In recent years, instead, companies started to hire younger professionals who began their career directly in sustainability. At the same time the professional age of people in this role is increasing, even though, in 2020, the larger part still has less than five years of experience (45,6%); while 29,4% has between 6 and 10 years of experience and 25% has more than 10 years of experience (Pedrini e Rossi, 2020). What's more, there is a growing number of positions occupied by the age slot 25-30 and 31-40 that summed cover the 55% in 2022 compared to the 46,7% in 2020; while the professionals between 41 and 50 cover less positions in 2022 (26,7%) compared to 2020 (32,0%) (Sustainability Makers, 2022). This shows also how the hiring process is changing and adapting to the new context.

The background of those professionals is various, given the broad range of activities they engage in (Carollo and Guerci, 2017- Borglund et al., 2021). Nevertheless, it is possible to determine that the great majority of sustainability professionals have a high level of education, with 84,6% of them that have accomplished a specialist or a master's degree (Pedrini e Rossi, 2020). The most common degrees are finance, MBA, communication and engineering (Miller and George, 2014), or natural science and social science (Borglund et al., 2021). In addition, the number of newly created university courses and after-graduation educational paths focused on sustainability topics is multiplying. On one hand a specialized background is considered the most appropriate since sustainability professionals are requested to know and to understand technical issues, such as environmental science or energy; on the other hand, the management and leadership studies seem to be more suitable when it comes to influencing the organizational processes. The best background depends on the industry, but also on the specialization of the other actors in the company (Borglund et al., 2021). If in the company there are many employees with a technical specialization, the SP needs to be more a coordinator, thus he requires managerial skills; on the contrary, if there is a lack of specialization in the company the SP has to contribute with his knowledge. In the past, the majority of the professionals had an economic and management background, where nowadays it is increasing the number of those who have a scientific background (Sustainability Makers, 2022). This can be interpreted as a reflection of the company's need to analyze data from

the environment and measuring the results. In any case, the sustainability professional requires to be an expert in both sides: business and sustainability.

Until now, still most of the sustainability professionals work in large or international industries. In Italy, in 2020, 39.8% of them worked in a listed company (Pedrini e Rossi, 2020). In fact, medium-small firms usually hire an external consultant to work on sustainability, instead of creating an internal role. Also, the size of the sustainability department depends on the industry and company's number of employees. On average CSR departments are composed from one to ten persons, but there is the preference of a limited team size (Deloitte, 2021). Despite this, most of the time those professionals work in other departments such as communication and marketing.

2.2.1 Tasks

The tasks of sustainability professionals differ from organization to organization related to the industry and the stage of sustainability implementation the firm is in. Some industries face higher external pressures on sustainability issues, such as fossil fuels, mining and tobacco, thus they want to increase their reputation with CSR (Fu, Tang and Chen, 2020). Some others have a strong internal motivation thanks to the awareness of the importance of sustainability. The responsibilities of the sustainability professionals are broad, but they can be divided into two groups. The first is the technical tasks, like the capacity of designing a business model for sustainability based on innovative products and services that have positive socio-environmental impacts, the ability of identifying the positive and negative effects of the value chain activities on society and environment and the capability of promoting and monitoring ethical decision-making. The second group relates to managerial responsibilities such as leadership, public and social relationships, change management and strategic orientation skills. The most cited responsibilities are strategy creation, reporting, internal and external stakeholder engagement and business case development (Miller and George, 2014). Other responsibilities regard integrating sustainability into the corporate strategy keeping an equilibrium between the long-term vision of environmental and social performance with the short-term perspective of economic results, understanding if and how to respond to the stakeholders' requests and how to control and measure environmental performance to assess if it creates value for the firm (Kanashiro and Rivera, 2019). However, in some companies the sustainability professionals are merely assistants to the other business area, thus they give their

knowledge if needed. Some SPs support buyers and sellers in the negotiation, others need to mediate the customer requests with the business side, dealing with innovations and market research (Borglund et al., 2021). The tasks of the SP are wide and they are influenced by different elements. For instance, some companies are involved in a broader range of sustainability areas than others, depending on their industry and business model. Secondly, the assignment of responsibilities is influenced by corporate culture and existing employees. Therefore, there isn't a perfect background, but more a best fit for the situation. A survey (Deloitte, 2021) tried to identify general job's tasks which are shared by the majority of the respondents. One responsibility is to understand and synthesize the broad economic, environmental and social issues in order to determine which one to prioritize and how to address it from the company's perspective. Another important task is to develop an effective strategy to balance different tensions and to reach the desired objectives. Among the goals, the most cited are, in order, reconfiguring the business model, ensuring compliance and reducing carbon footprint (Deloitte, 2021). In support, the strategic focus is the primary aspect in the categorization of the SP's job, followed by the thought leadership and compliance and reporting. On the contrary, internal compliance is only marginally relevant. The third core mandate is the internal training and networking. The CS knowledge must be spread throughout the firm, but at the same time the SP must create engagement and strong supportive networks (Deloitte, 2021).

Research (Osagie et al., 2019) determined the six managerial roles relevant for the management of sustainability. The Coordinating role implies that the sustainability professional assists the other business functions in the transition towards CS. In this context, not only does the sustainability professional have to support the various business units, but also, he has to monitor the implementation. Another important role is the Stimulating one. This indicates all the activities carried by sustainability professionals for motivating and stimulating other stakeholders towards sustainable practices. This role is not always formal, instead it is stimulated by the managers' personal values and beliefs. The third, the Networking role, represents the communicating and public relation dimension of a SP job. Indeed, sustainability professionals must keep relationships with the external actors and represent the company in public events. A further role is the Strategic one which means the work of creating a sustainability strategy and to integrate it with the corporate strategy. In this regard, the sustainability professional sets goals and targets in order to shape the business model towards the sustainability objectives. The

last two are the Monitoring role, which is the creation of a measurement system to assess sustainability implementation and the collection of data for reporting, and the Mentoring role. The latter refers to the act of training and informing other employees on the sustainability objectives and how to reach them.

It is agreed that a sustainability professional should be in the position to influence decisions (Borglund et al., 2021). It could be close to the higher hierarchical level; it is preferable if he reports to the CEO or he is part of the Top Management Team (TMT). The formal power given to the sustainability professional is not always supported by the same recognition by the other actors of the company. The sustainability professional need to influence the others in the values and in the practice, but to do so they need legitimization which often is difficult to obtain, even more if the requests are clashing with other business goals (Borglund et al., 2021). This can also lead to frustration for the sustainability professionals who aren't supported by other members of the organization. It happens also because the sustainability professional needs to get involved in the other executives' work, which is difficult for them to accept. The feeling of marginalization inside the firm grows if there is more recognition outside the company, from other stakeholders, than inside (Wannags and Gold, 2020). Risi and Wickert (2017) support the thesis that another reason for sustainability professionals to be marginalized is that they need to externalize their knowledge for their work. In fact, one part of the job is to teach other members of the firm how to deal with sustainability-related issues (Risi and Wickert, 2017). The studies are discordant on the position of the role inside the organizational structure. For example, the percentage of sustainability professionals that report directly to the CEO goes from 10 to 30% (Miller and George, 2014). Deloitte supports this data saying that on average one third report directly to the CEO (Deloitte, 2021). If the sustainability department doesn't report directly to the highest level of the corporation, it responds to other functional areas that then relate with the CEO. The possible areas in which the sustainability department can be subordinate are likely the communication and marketing or the administration, control and finance (Pedrini e Rossi, 2020).

2.2.2 Competencies

The competencies required for the role, along with the task, are strongly industry-, and in particular firm- specific. However, some skills can be identified as generally relevant and

required. Osagie at al. (2019) selected the most mentioned skills in the studies on sustainability professionals' competencies which are systems thinking, followed by anticipatory competence, strategic planning, interdisciplinary and interpersonal skills. The normative competence, critical thinking, project management skills, communication skills and problem-solving skills are also cited. Another research (Osagie et al., 2016) distinguished eight relevant competencies that are crucial for sustainability professionals: foresight thinking, such as anticipating CSR-related challenges; systems thinking, in understanding CSR-relevant systems and subsystems interdependencies; instrumental understanding, like understanding CSR-relevant standards and regulations; CSR management competencies, such as leadership, managing CSR implementation and identifying CSR-related business opportunities; interpersonal competencies; employing CSR-supportive personal characteristics and attitudes; personal value-driven competencies, for instance, having ethical normative competencies, balancing personal-ethical values and business objectives and realizing self-regulated CSR-related behaviors and active involvement; finally, reflection competence on personal CSR views and experiences. The soft skills such as strategic thinking and leadership are ranked higher than more technical skills like environmental science, regulatory skills, data end quantification (Deloitte, 2021). Another essential skill is the communication one, since they have to influence internal and external stakeholders and later communicate to them results (Deloitte, 2021). To sum up, the sustainability professional needs the ability to stimulate, to deal and to progress the change, to boost innovation, to take outside opportunities, to be a risk-taker and to have personal goals aligned with company's goals (Weinreb Group, 2011). In fact, Deloitte (2021) study highlights that sustainability professionals need to be at the same time "agitators", arousing for change, "facilitators", mediating different parties and perspectives, "executors", taking action to find solutions, and "stewards", supervising and monitoring progresses. The degree on which each of those are needed depends on the context and the organizational level of sustainability implementation. However, there are some errors that the sustainability professional could commit. Being humble and empathetic can help avoid the pitfall of being seen just as a philanthropist. The other error is not using concrete numbers and data to convey the message. Also relying only on one person, such as the CEO, can destabilize the power of the role. Lastly, SPs must have patience, otherwise they could get frustrated, and they might even abandon the role, or on the other hand, they risk losing the support of

someone for being too insistent (Deloitte, 2021). The main characteristics of a sustainability professional for Weinreb Group (2021) are five. To begin with, the SP must lead the other's actions by inspiring and being a role model, instead of top-down leadership. This approach is more effective because the role is still relatively new, and the department lacks the necessary size to have a large influence. Then they have to deal with the ambiguities, developing a strategy even with uncertainties and finding a direction for themselves while motivating the others. Connected to this, they have to understand complex issues and to focus on the most important. To do so, they must be risk-oriented and open to innovation. Finally, they have to collaborate with many different stakeholders, that is the reason why they need to be empathetic and humble (Weinreb Group, 2021).

2.2.3 Tools

Sustainability professionals have the possibility to use some tools to assist them in the decision-making, in the implementation of sustainability practices and in the communication of the results with external stakeholders. The literature dedicates little attention to this topic; therefore, it is difficult to find a complete and comprehensive list of tools. Some of the most important tools include:

- Sustainability Reporting: This refers to the act of assessing, measuring and reporting the results and impacts of a company's sustainability practices. This tool is useful for decision making and to communicate with stakeholders (Hutjens et al., 2015).

- Materiality Assessment: This is a tool to prioritize the most relevant sustainability issues for the company based on the internal perception of the employees and the external perception of other stakeholders (Hoet, 2021).

- Carbon Footprinting: The tool is used to calculate the quantity of greenhouse gasses emissions associated with the business operations. It helps to identify the areas for emissions reduction (Hoet, 2021).

- Sustainability Balanced Scorecard: This is a management tool to measure corporate performance with a set of financial and non-financial indicators. It allows the integration of social and environmental principles in business operations (Baumgartner, 2003).

- Sustainability quality function deployment: This is a tool that embeds sustainability principles in the product design process (Baumgartner, 2003).

- Sustainability Frameworks and Standards: These tools support the process of identifying, measuring and communicating the risk and opportunities of sustainability issues. Sustainability Frameworks set the topics and how they must be handled; while Sustainability Standards specify detailed requirements for the measurement and disclosure (SASB, 2023). Examples are SDG mapping (Hoet, 2021) and standards such as SASB, GRI and IIRC (International Integrated Reporting Council) (SASB, 2023).

- Life Cycle Assessment (LCA): The tool provides the measurement of the impact of a product or a service throughout its entire life cycle (Hoet, 2021).

- Circularity assessment: It is a tool to determine how much the company applies the principle of Circular Economy[4] (Hoet, 2021).

- Environmental Management Systems (EMS): This is a framework that allows organizations to manage their environmental impacts and to achieve their environmental goals (EPA, 2023).

- Stakeholder Engagement: Those are the tools to receive responses and to create involvement both towards external and internal stakeholders. The tools for internal communication are the sustainability report, the intranet, newsletter, brochures and employees information moments; while those for external communication are sustainability reports, supplier code of conduct, safety data, article information sheets and corporate websites (Hutjens et al., 2015).

2.2.4 Effects on organization's performance

The presence of a dedicated sustainability role has some implication in the economic, social and environmental performance of the firm. Many studies have focused in particular on the effects of the role on company's performance. In fact, researchers want

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[4] Circular Economy is "a model of production and consumption, which involves sharing, leasing, reusing, repairing, refurbishing and recycling existing materials and products as long as possible. In this way, the life cycle of products is extended" (European Parliament, 2023).

to discover if there is an effective benefit, other than the reputational one, in hiring an expert in sustainability. The study of Fu et al. (2019) discovered that the presence of a sustainability professional has positive practical implications for the corporation's financial, social, institutional and sustainable performance, hence increasing good stakeholder response. They suggest that sustainability professionals have an effect in improving the positive effect of sustainability practices and, in addition, they have also an effect in reducing the impact of those actions that have negative outcomes for society and environment. Nevertheless, those effects are asymmetrical as usually more effort is put in reducing negative effects because they are the most considered by stakeholders, and consequently they attract more attention from the top management team (Fu, Tang and Chen, 2020). Moreover, the sustainability performance increases because internally the perception of the relevance of sustainability grows, hence, also the individual attention and actions are more focused in this direction (Strand, 2014). Between the various effects of sustainability professionals on the organization, another of them is the increased probability of the organization being selected in the Dow Jones Sustainability Index (DJSI)[5] (Strand, 2014). Not in every case, however, the sustainability performance improves with the introduction of a sustainability professional (Risi and Wickert, 2017). Kanashiro and Rivera (2019) discovered that in highly polluting industries the sustainability professional could be more of a role to enhance the public image of the company and to display the firm's commitment to laws and regulations. This can cause a diminishing environmental performance of the company, because the external good reputation makes the company avoid the stakeholder's pressure. Therefore, the sustainability professional finds less support by other executives, which leads to less power and resources to implement effective environmental practices. In those situations, the best context is when the environmental regulations are numerous and strict.

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[5] "The Dow Jones Sustainability World Index comprises global sustainability leaders as identified by S&P Global through the Corporate Sustainability Assessment (CSA). It represents the top 10% of the largest 2,500 companies in the S&P Global BMI based on long-term economic, environmental and social criteria" (S&P Dow Jones Indices, 2023).

2.2.5 Ambiguities

Many scholars have found ambiguities regarding the definition and the scope of sustainability professionals. The ambiguities come from the nature of the job and the organizational tensions. In fact, the prevalent understanding by scholars is that the tasks and goals of the job make SPs experience tensions that result in ambiguities of the role itself (Carollo and Guerci, 2018). The occupational rhetoric identified by Carollo and Guerci (2017) reveals ambiguities in the practical application of the job. In fact, to legitimize their role, sustainability professionals tend to describe their work with different and sometimes contrasting ideas. For example, the image of the manager that waits for CSR to be recognized is in contrast with the idea of a SP that takes action as a motor of change. The following year, Carollo and Guerci (2018) discovered, by interviewing sustainability professionals, that the job description often involved contrasting or conflicting features. The most common element clash is the one between business orientation and value orientation. On one hand, there is the idea of creating economic value for the company through sustainability practices and finding the business case for sustainability. On the other hand, the job of SP is almost a personal mission for doing good, following personal beliefs. However, the last description is shared by the minority of sustainability professionals (Carollo and Guerci, 2018). Another source of frustration for SPs comes from the tension between the responsibilities for both internal and external interests. While being employees of the firm and having to create a benefit for it, they also have to work for external stakeholders. For this reason, some sustainability professionals feel themselves completely part of the organization, sharing the company's culture and the same objective of the other employees; but on the contrary, others describe themselves as more distant from the organization, such as consultants, therefore they don't find internal recognition, while externally they receive attention and gratification. Some of them, instead, put themselves as mediators between the internal and external powers (Carollo and Guerci, 2018). The other dilemma is the one between short- and long- term objectives. Those who are more focused on short-term goals are legitimized by their colleagues and meet the company's expectations and targets. On the other hand, there are those who work towards long-term sustainability goals, which sets them apart from other executives who have a short-term vision. This tension is harmonized by the SP who tries to balance short- and long-term perspectives (Carollo and Guerci, 2018). To study SPs ambiguities, Borglund et al. (2021) base their research on the

"underlying nature of the logic that guided Sustainability Managers in their work" (p.60). They found that this role is composed not by a unified professional logic but more by a complex interrelation between market, bureaucratic, and sustainability logics. The ambiguities come from the uncertainty of logics, the mix or the conflict between them. Therefore, the sustainability professionals have to compromise between different logics. The first ambiguity found is the result of the clash between market and sustainability logic, because it is not clear which one between the two should prevail in day-to-day practice causing the problem of undefined tasks. From the clash of the same logics, another ambiguity is the difficulty of introducing sustainability in other business practices when it goes against the other corporate goals. Another problem is the adaptation issue that comes from the clash between bureaucratic and sustainability logic. The trade-off is to make the firm change for sustainability or adapt sustainability to the company by overcoming the opposition of the other members of the organization. Similarly, the clash between sustainability and bureaucratic logic influences the positioning of the role in the organizational structure, namely if he responds directly to the CEO or to a lower-level executive.

2.3 Evolution of the role

The characteristics of the role of a sustainability professional are not only firm-specific, but also context-specific. The SP has the responsibility to deal with the internal and external environment mutations to create benefits for the company, the society and the environment. The environmental dynamism has involved a maturation in the way of interpreting the concept of sustainability applied in the business world both in the literature and in practice. For what concerns this concept, the first chapter showed how CSR and CS started from a narrower perspective to arrive at a holistic approach. In the same way, the application of those concepts at a corporate level has been executed in different ways during the time. The expression of how companies started to commit to sustainability is the introduction of a dedicated role responsible for it. However, the definition and in particular the goals of this role differ based on the latest understanding of the meaning of Corporate Sustainability and on the specific phase of CS the firm is on. Very little has been written about the evolution of the role of sustainability professionals along with the progress of CSR and CS. In this section, there is a presentation of what is found in the literature about the dynamic developments of the role. This evolution is not

linear and necessarily subsequent, instead the development path can overlap different phases. What's more, not every company is at the same level of CS realization, but the more common awareness grows, the more firms will likely be in the last stages of sustainability implementation.

The sustainability profession is adapted to firms' and stakeholders' requests, which are changing and encompass extensive issues (Borglund et al., 2021). The increasing importance of sustainability professionals is confirmed by the growing number of associations, conferences, courses, and university education specifically for them (Risi and Wickert, 2017). Companies increase the effort in attracting, selecting, hiring, training and retaining the best professionals for this role (Carollo and Guerci, 2018). From the first introduction of the role in the middle of the 20th century to the present days, the role of SPs has been changing. The evolution has been vertical and horizontal (Pedrini e Rossi, 2020). The former considers the escalation of managerial levels reaching the highest positions in the organization. At first introduced as middle level manager, with time, the role has arrived to be part of the highest managerial levels, even part of the TMT and the C-suite, being addressed as Chief Sustainability Officer (CSO) (Carollo and Guerci, 2018). The horizontal evolution, on the other hand, means the expansion of the size of the CS department. At the beginning, the company usually introduces only one role responsible for sustainability implementation, but progressively the need for more employees dealing with sustainability issues emerges. In the first stage of the evolution, the role was introduced to deal with CSR matters. In this phase, the CSR manager had a secondary or representative role and sustainability wasn't at the core of corporate strategy. This is in conjunction with the idea of CSR as philanthropic scope. The second stage is when a sustainability professional gains legitimacy and importance, sometimes even reaching the higher levels of the organizations and assuming the role of the Chief Sustainability Officer. In this stage, both sustainability strategy and the role itself reach a more central position in the company. The first CSO in history was appointed in 2004 by DuPont, a US publicly traded company (Weinreb Group, 2021). The last stage is when the company effectively transitions from CSR to CS, therefore sustainability is a core corporate goal and it is embedded in the corporate strategy. Currently, this is the most advanced stage and the studies on the topic have different opinions. A line of thought says that the role is destined to remain and gain progressively more importance (GreenBiz Group, 2018). On the

contrary, others think that the role will disappear as soon as the firm has embedded sustainability practices in every organizational area (Weinreb Group, 2018).

To analyze the development of the Chief Sustainability Officer (CSO), Miller and Serafeim (2014) describe how the role is executed during three different stages of sustainability application: compliance, when the company introduces at first sustainability; efficiency, when the firm starts to act strategically in regards to sustainability; and innovation stage, when companies are proactive and adopt a transformational approach. In the compliance stage, many firms don't establish a CSO role, and, if they have one, the title usually is Director of Sustainability instead of CSO. In fact, they don't have a great power in the organization and it is not common to report directly to the Board or the CEO. Alternatively, a manager in another functional position starts to engage with sustainability issues which leads to the establishment of this role. The activities of the CSO at this stage are mainly to release data and the sustainability report, to identify sustainability issues and to benchmark sustainability practices with other companies. Thus, the activities are more related to the compliance of external regulation than strategic. Moreover, the projects are rarely coordinated centrally, and many activities are made on a voluntary basis by the CSO. The CSO has also a central role in moving the company from the first to the second stage, the efficiency stage. However, researches confirm that it is in this stage that companies usually introduce the role of a sustainability professional. In this phase, the responsibilities of the CSO become more strategic and integrated with the overall processes of the organization. The main goal is to be reactive to stakeholders' pressures and to have an effective impact in all dimensions of the Triple Bottom Line. They keep the same activities as in the previous stage, but in addition they have the duty of creating a proper sustainability strategy. Moreover, to find internal and external legitimization, they need to build the business case and to engage with the internal actors also by training them. The findings show that the CSO in this stage also has a greater authority. It is in the last stage, the innovation stage, where the biggest number of CSOs is found. What's more, it is also common to find a committee dedicated to sustainability in the Board. This leads to the conclusion that sustainability has become embedded in the corporate's strategy and it is integrated with the other organizational parts. Furthermore, it is found that CSO in this stage delegates the majority of his previous task to other business units. The role of the CSO in this stage is more related to support and to coordinate sustainability implementation throughout the various functional departments. Furthermore, they have

a central role in giving a contribution for company innovation strategies. Some CSOs maintain that it is necessary to work alongside the CEO to bring the transformation in the whole company.

The idea of the necessity of a sustainability professional is discussed by Borglund et al. (2021) since some think that this role will disappear when the company fully transitions to corporate sustainability, thus when sustainability is completely integrated in the firm. However, researchers found that the main belief of sustainability professionals is that this role is as necessary as any other role in the organization. Even though every role should be responsible for implementing sustainable practice, a sustainability professional is crucial to coordinate and support the other executives. On the other hand, some SPs declare that in their view there is the possibility that in a decade the role could be redundant because sustainability will be handled by other managers (Borglund et al., 2021). The longitudinal study carried by Strand (2014) assessed that in two years, from 2010 to 2012, almost half of sustainability professionals interviewed weren't in that role anymore because the position was removed by the firm. The study also displayed a tendency of changing the title of the profession leaving out an explicit reference to the word "sustainability" or "CSR" even though the task and responsibilities remained the same. In other cases, sustainability-related responsibilities were given or merged with other functional roles or were cancelled. The results suggest that the role of the sustainability professional is not permanent in the company, instead it is a means of transitioning to a fully sustainable organization. This theory is supported also by another empirical research which found that the role of the sustainability professional is destined to become obsolete (Risi and Wickert, 2017). Actually, the final goal is integrating sustainability practices so well in organizational operation that the role itself is not necessary anymore. This process will happen gradually, sustainability professionals will lose influence as the integration in other areas progresses, eventually becoming peripheral (Risi and Wickert, 2017). Sustainability is a topic that remains important, so if it is not controlled by a specific role, other executives take this place. Basically, sustainability is implemented in each business unit, therefore every employee can deeply specialize in its sustainability-related area (Risi and Wickert, 2017). Sometimes, the role is voluntarily introduced for a determined period to increase company reputation. However, this strategy can begin the discussion and the attention over sustainability, making the corporation to undertake the sustainability transition.

On the other hand, it is also true that some examples show the decreased sustainability performance after the removal of SPs, therefore, in those contexts the role is likely to stay. Many companies are aware of the importance of CS, so they are focused on understanding what they should do to implement it (Risi and Wickert, 2017). Not always, in fact, sustainability professionals disappear from the organization. As stated before, sustainability is an evolving topic, therefore new issues come up. When SPs are able to evolve and keep up with the new matters of concern, they can remain an important role in the organization. In this view, they have the task of gaining new knowledge about the latest sustainability topics in order to coordinate and to spread the practice to other employees. Doing so, the strategic importance of this role remains high (Risi and Wickert, 2017). An important contribution in this topic was given by Derqui (2020) with a longitudinal study from 2013 to 2019. She analyzed how Corporate Sustainability implementation at managerial level changed over the time, along with managerial engagement with sustainability. Foremost, it is important to highlight how CS is interpreted by sustainability professionals. The shared interpretation is a holistic view of sustainability in which CS is strategic and deeply embedded in corporate practices and operations. CS has to positively impact the three dimensions of sustainability, economic, environmental and social, while reducing the negative ones. The effects must go beyond mere compliance with the law in order to exert a meaningful influence on sustainable development (Derqui, 2020). To reach this objective, sustainability professionals need to build a strong network both inside and outside the organization to create the support required to meet stakeholders' interests. What's more, the short-term profit interest can match sustainability goals in terms of resources and product efficiency (Derqui, 2020). However, the short-term perspective often clashes with the long term one. While economic return can be seen in the short-term, social results need a medium-term and environmental effects arrive only in the long-term (Derqui, 2020). While CSR is usually a duty of a separate department, CS requires the engagement of the whole management. In fact, sustainability can be embedded in the corporate strategy only with the commitment of the CEO and TMT. However, when it becomes strategic, other functional areas are central in sustainability implementation (Derqui, 2020). This leads to a different role of sustainability professional. At first, the CSR manager is the only responsible for CSR implementation, but in a separate position from the main business activities. This is because CSR is not related to the core business, instead it is a philanthropic action or a

way to respond to stakeholder pressures. With the evolution of CSR to the more comprehensive concept of CS, the involvement of the higher corporate level turns to be pivotal. Even though sustainability remains a broad topic, the firms accept the bigger scope of CS, replacing the concept of CSR with sustainability (Derqui, 2020). Derqui has identified the characteristics of the sustainability professional in the transition from CSR to CS:

1. The scope of the role is enlarged. In fact, Sustainability Managers are not anymore a separate function, instead they have to spread sustainability in all the business areas. The result is that CS is integrated in all business functions because it is a relevant factor for corporate performance. The driving reason is the awareness that CS is also a source of competitive advantage.

2. The internal power forces have changed as CS is inserted in the whole organization. In this way, every actor feels empowered, therefore the approach switches from top-down to bottom-up. The role of SPs is to encourage this change by training and giving the tools to the employees. Moreover, it has to promote sustainable values, beliefs and lifestyles with an effective internal communication. The change in this sense is clear: while with CSR the communication was only external to show stakeholders that company involvement in good actions, with CS the communication is directed also to the internal actors because they are part of the process.

3. As sustainability is inserted in the company's purpose, the SPs role becomes more central. At the same time, the purpose needs to be communicated externally, which becomes a means to engage more with clients.

4. Not only do the SPs have to create a relationship internally and with the clients, but also must they engage with the whole supply chain. The role is double: at first the SP has to assure that all the members of the supply chain are compliant with sustainability practices, on the other hand, he can influence those actors in approaching sustainability in a more substantial way. In this way, the holistic approach goes further the boundaries of the firms, and it comprehends the whole supply chain.

5. The new approach also regards the measurement and communication of sustainability-related results. Even the reporting is required to be broader and more transparent, including all the information regardless of whether the results are achieved or not.

6. The role of the SP is also to make public the company's CS goals. This is a practice increasingly widespread among organizations and it is found that the probability to effectively achieve results is higher by adopting this approach. The objectives are more explicit, specialized, on a larger set of topics and the deadline is longer. Therefore, SPs are required to find effective ways to measure the outcomes.

2.4 Future Developments

The question at this point is what are the future developments of the role of sustainability professionals: is it destined to disappear or is it going to be a central actor in the organization? The final aim of this thesis is to understand the present and the future evolution of this role. Nowadays, we are witnessing the transition from CSR to CS, the complete integration of sustainability in corporate strategy and operations. The part of the sustainability professional in this is still in doubt and a "blue ocean" in the academic research. Therefore, some opinions and data are collected to discover the possible patterns.

The transition from Corporate Social Responsibility to Corporate Sustainability in practice implies that sustainability is inserted in every company activity and becomes part of the mission of the organization. Before, sustainability was considered only a marginal part, something that the companies needed to do to meet stakeholders' expectations. The sustainability professional is the one who leads the company throughout the transition. It is confirmed by the Weinreb Group study that when sustainability is being integrated in the organization, many other members, outside the sustainability staff, are asked to engage with CS initiatives (Weinreb Group, 2021). The most pressing influences to evolve to CS are: customer pressure, investor pressure, CEO commitment, budget increase and competitor's commitment (GreenBiz Group, 2018).

The first belief is that there is no need to appoint a new SP as sustainability is integrated into the company's processes. One possible explanation is that each functional area is able to operate in respect of CS principles. Alternatively, the reason could be that former SP

takes a different role in which sustainability is embedded (Weinreb Group, 2018). This is supported by the survey that showed that, in 2018, 50% of companies didn't replace the CSO after his departure (Weinreb Group, 2018), even though there is an improvement in the statistic three years after when the number fell to 33% (Weinreb Group, 2021). It is found that employees believe that sustainability implementation would continue in the same way without the presence of the sustainability responsible (GreenBiz Group, 2018). It means that the SP is not essential for Corporate Sustainability. For completeness, it is necessary to consider that sustainability is not high on the list of priorities in every firm, even though it is gaining momentum. So, another way to explain the previous numbers can be the change of strategy in which sustainability is not crucial anymore. This can happen when the CEO changes, since, as was mentioned before, his personal values can influence these matters (Weinber Group, 2021).

The second opinion is that the sustainability professional is destined to remain because the external social and environmental situation is ever-changing (GreenBiz Group, 2018). However, at first the SP was a more generalist role with duties of reporting and meeting stakeholder demands, lately it has become a specialist role with more strategic objectives (GreenBiz Group, 2018). Someone could argue that there are no tasks left for the sustainability department if sustainability is implemented by all functional areas. However, the main task of the sustainability team is developing a CS strategy and interacting with the other departments to give the necessary resources and set the directions (Davies, 2022). To effectively communicate and influence the other areas, the CS department can use different tactics. The first is to engage employees in other functions in order to be supported by their technical expertise to achieve sustainability goals. The second is to appoint a dedicated person who has a deep knowledge in sustainability to support other areas by being present in the meetings and decision-making process until the other functional teams learn how to deal with those matters on their own. Lastly, a center of excellence can be established to train, to assist and to study a specific project or problem (Davies, 2022). The data show that the sustainability profession is gaining more and more importance. To begin with, the growing number of actors in this profession is the proof (Weinreb Group, 2018). At the same time, the number of companies appointing their second SP is increasing (Weinreb Group, 2018). What's more, the average duration of the role went from 2 years in 2011 to 4,9 years in 2018 (Weinreb Group, 2018). Moreover, experts predict that in the future, companies will be obliged to meet stricter

regulation, precise rating measurements, international standards, and to communicate and produce detailed reports, while relating with an increasing number of experts and stakeholders (Pedrini e Rossi, 2020). In this perspective, the need for a dedicated role will be stronger in order to keep the right direction in the path for sustainability and to coordinate the other functions with a transversal vision. In addition, as it is indisputable at this point, CS can lead to innovation and give a competitive advantage. The fact that Corporate Sustainability is estimated to gain influence over the time is confirmed also by the birth of a new role: the Chief Sustainability Financial Officer (CSFO), who is supposed to work with the CSO on the aspects related to the sustainable finance (Deloitte, 2021). Researchers say that 62,3% of organizations are planning to hire more people responsible for sustainability implementation and 37% are deciding to insert hybrid roles with both technical and sustainability competencies (Sustainability Makers, 2022). On one hand, the required roles are those exclusively dedicated to sustainability, typically working within a specific department. In this case, the job description demands broad skills: specialized, social and transversal. On the other hand, there is a growing demand for hybrid roles which are traditional roles, such as marketing and operations, but they are also asked to own the knowledge and the competencies for sustainability along with the technical skills. Professionals with these characteristics are difficult to find because the education of technical skills is still deeply specific, and it doesn't give the space to learn transversal topics such as sustainability (Sustainability Makers, 2022). Another trend in support of the stability of the role is the fact that more and more career paths are designed to become a sustainability professional. At first, a difference from the past is that people specialize with a dedicated path in sustainability studies. In fact, many higher education institutions are developing and proposing courses and degrees for sustainability (Sustainability Makers, 2022). Secondly, companies are starting to hire externally to find the most competent professionals to employ. Moreover, the number of full-time employees in the sustainability departments grew, reaching a team size on average of 3 to 5 persons (Sustainability Makers, 2022). In 2022, 36,5% of firms had a sustainability department composed of more than 10 people compared to the 31,2% of 2020 (Sustainability Makers, 2022). On average, 20% of firms hired one more professional in sustainability and 30% added two or more (Davies, 2022). It is confirmed that the sustainability department relates directly with the higher positions in the organizations, in fact 76,9% of situations they respond to the company's C-level executives (Sustainability Makers, 2022).

Moreover, not only the CEO awareness and engagement in sustainability matters have increased, also the budget dedicated to those issues are higher in 76% of the large companies and 57% of small firms (Davies, 2022). Recently, the role has been expanding across various companies, not limited to the largest ones. Interestingly, 76% of respondents work as sustainability professionals in non-listed companies (Sustainability Makers, 2022). With a clearer understanding of what the role of the sustainability professional is and which are the tasks, it is expected that the number of these practitioners will rise (Deloitte, 2021). By interviewing both CSO and non-CSO, Deloitte found that around 75% of them maintain that the role will continue to exist; while the others think that it will pass to the CEO, CFO or it will not be required anymore (Deloitte, 2021). The same study also highlighted that the reasons for not having a sustainability professional are: sustainability is already embedded in the organization, other managers are responsible for its implementation, the firm is too small, that is just a matter of time or that the board is skeptical, while, only the 5% says that there is no need of having one (Deloitte, 2021). The rationale behind this is that sustainability will continue to evolve as regulations and laws change, and new stakeholder needs emerge, causing the external environment to remain in a state of constant development.

It is evident that there are discrepancies of visions for the future of sustainability professionals. The general belief is, on one hand, that the role is going to disappear; on the other hand, that the role is going to become even more relevant. The two possible perspectives are deeply contrasting. The aim of this thesis is to find a possible answer to this, still open, question.

Chapter 3: Qualitative research on the role of sustainability professionals

3.1 Method

3.1.1 Research question

The main topic of this thesis is the organizational role of the sustainability professional. In the previous chapters the studies on the researched issue were analyzed to have a comprehensive theoretical background. The literature review highlighted which problems are the most important to study and which people are the most relevant for the issue (Creswell, 2003). This allows to understand which are the areas that are the most studied and the under-researched topics. The literature about sustainability professionals is recent and focuses mainly on their tasks or on the effects on the company's financial performance after the introduction of the role. Moreover, the theoretical frameworks in which this role is collocated, namely Corporate Social Responsibility and Corporate Sustainability, have evolved with time. Therefore, the role has also been developing along with the mutation of the context. However, there is an evident research gap on the matter of the evolution of this role. Indeed, the studies on this are incomplete and fragmented. Even more, researches on the future developments of the role are missing and it is just possible to find some hypothesis on this matter. This leads an open area for research.

The concept to study is identified by a central research question that is the main topic around which the research develops. This is important because it allows to maintain the focus on the bigger picture, while studying narrower aspects of the topic. In fact, other more specific questions arise from the central one, creating a system of interrelated determinants around the primary theme (Creswell, 2003). The main question in this research is:

What is the past and future pattern of evolution of the role of a sustainability professional?

The central question is unpacked in other sub-questions to give a precise direction to the study, but still, leaving the focus broad (Creswell, 2003). In this case the sub-questions are three:

1. *Which are the stages of the evolution of the role of the sustainability professionals at strategic and operational level?*

2. *Which are the characteristics of a sustainability professional in a company that is in an advanced phase of sustainability implementation?*

3. *Which is the future development of the role?*

The research is aimed at finding an answer to those questions and covering the research gap found in the literature.

3.1.2 Research design

The first step in research is selecting the most suitable method for addressing the issue. In order to do so, it is important to consider the characteristics of the participants and the objective of the research. To begin with, it is relevant to set the research design. The research design is the method chosen for the collection, the analysis and the interpretation of the data (Creswell, 2003). The three types of research designs are quantitative, qualitative and mixed. The former focuses in the relation between variables in order to test the initial hypothesis (Creswell, 2003). On the other hand, qualitative research refers to the practice of interpreting participant's experiences to find which meaning they give to a specific problem. The latter is in the middle between the other two, thus, it has characteristics of both qualitative and quantitative research. The choice of the design depends on the objective of the study, the researcher's experiences and the participants of the research (Creswell, 2003). The quantitative approach is used i) when there is a need to test a theory and to find the variables influencing a result; ii) when the researcher is familiar with statistical and scientific writing; and iii) when the participants have already an experience in this type of research (Creswell, 2003). Qualitative research is the most suitable when there is a need in understanding an issue that hasn't been studied yet (Creswell, 2003). In fact, if the problem is new, the variables to study are unknown. Moreover, this is a favorable research design if the researcher is adroit in making interviews and observation. Whether this method is selected, it is important to make sure that the target audience allows it to be studied (Creswell, 2003). Finally, the mixed method is the most appropriate when the other two types can't find the necessary information to understand the issue and the researcher is well skilled in both methods (Creswell, 2003).

Following the theoretical indications, the most suitable research method for the purpose of this thesis is qualitative research. This type of approach allows to collect data from participants' experiences in order to gain new information from their meaning (Granot and Greene, 2014). In fact, an exploratory study gives the possibility to expand the knowledge on the topic based on the participants' responses (Creswell, 2003). The features of an issue that should be addressed with qualitative research are the following (Morse, 1991, cited in Creswell, 2003), which are contextualized with the aspects of this research:

- "The concept is "immature" due to a conspicuous lack of theory and previous research" (p.102): as it was clear in the literature review, studies about the past, but in particular the future evolution of the role of sustainability manager are still superficial or missing;

- "A notion that the available theory may be inaccurate, inappropriate, incorrect, or biased" (p.102): the theories on the topics are not well developed, rather they are line of thoughts;

- "A need exists to explore and describe the phenomena and to develop theory" (p.102): the increasing importance and attention of Corporate Sustainability and, subsequently, of the role of sustainability professionals, lead to the need for more studies concerning these matters;

- "The nature of the phenomenon may not be suited to quantitative measures" (p.102): the topic studied is broad and still not studied, therefore there aren't precise variables already identified.

Arriving at the final theory from the data is an inductive process. It starts from data gathering, in this case interviews with open-ended questions. Then, various categories from the data are analyzed to find general patterns. Finally, the pattern theory is drawn from the data and past literature (Creswell, 2003). The "pattern theory" refers to interconnected ideas that form a system with a meaning, but they don't need relations of causality (Creswell, 2003). In this thesis, the systematic process applied to build the final theory is the "Gioia Methodology" which will be explained in detail in the following sections.

The possible data collection methods are direct observations, interviews, documents and audio-visual materials. The advantages of the interview are that it doesn't need direct observation, it allows to gather historical information and to control them through the questions (Creswell, 2003). These are the reasons why the interview is the collection method selected for this research. However, the researcher must be aware that interview data can be biased by the fact that the information comes from the perspective of the participants, that the presence of the interviewer can influence the responses and that the interviewees can also not be intelligible (Creswell, 2003).

There are many interview practices, for instance structured formats, preset, standardized, closed form questions, open-ended questions, unstructured interviews and informal conversations (Granot and Greene, 2014). This research uses an in-depth interview method composed of open-ended questions. Even though with questionnaires it is possible to collect data from a larger number of people and to reach a trustable generalization, interviews give the possibility to find more details and insights on the matter (Rowley, 2012). Furthermore, it is necessary to decide which type of interview is the best for the scope. The first type is the structured interview in which the questions are numerous, in a precise order and require a short answer (Rowley, 2012). On the other hand, the unstructured interviews are designed with few and broad questions and the interviewee is free to talk around the theme (Rowley, 2012). For this research the method used is the third type: the semi-structured interviews. This is the most common method and it is usually composed from six to twelve questions. The questions are asked in order, but the researcher can have a degree of flexibility in order to ensure to have covered all the topics sufficiently (Rowley, 2012). The structure and design of the questions must originate from the research question (Rowley, 2012).

The appropriate methodology to achieve an effective understanding of an organizational issue is interviewing organizational elites. In fact, the interview to elite informants, namely those in the higher level of the organization, gives the possibility to comprehend organizational choices and strategy also thanks to the exploration of company's narratives and personal values and beliefs (Solarino and Aguinis, 2021). Furthermore, the professional vision and analysis of a specific matter or event can be studied, enriching the research with a new perspective (Solarino and Aguinis, 2021). The researcher must be

aware that the elite informants could also challenge the initial hypothesis, leading to unpredictable connection and assumptions (Solarino and Aguinis, 2021).

The interview could be made one-to-one or in groups (Rowley, 2012). Moreover, it can be done face-to-face or online. For the purpose of this research, the individual interview is selected as the best fit. In fact, it allows to dedicate more time to a single interviewee so as to gather more in-depth information on individual experiences (Di Cicco-Bloom, Crabtree, 2006).

3.1.3 Research setting

The study is organized as a semi-structured in-depth interview to a group of sustainability professionals, the members of Sustainability Makers-The professional Network. This is an Italian association of professionals who have the responsibility of developing and implementing strategies and projects for sustainability in business organizations. This association has the objective of promoting the standing of the profession, creating awareness on sustainability policies and building a network of professionals (Sustainability Makers, 2023). Furthermore, the association organizes training and networking activities, studies and research, conferences, workshops and webinars in order to make the members gain the competences and skills needed for the qualification of the profession. It is also a representative body in the dialogue with institutions, businesses and society in Italy and in the international context (Sustainability Makers, 2023). The association was created in 2006 with the name of "CSR Managers Network". However, in 2021, the name changed in "Sustainability Makers-The professional network" to highlight the evolution of the association along with the mutation of the context in which the focus is not anymore Corporate Social Responsibility but Sustainability (Sustainability Makers, 2021). The research focuses on this group for two main reasons. The first is that it is an identifiable community of sustainability professionals in the Italian context. This allows to have a comparable answer from a homogeneous group. The second reason is that the change of the name confirms the engagement of its members in the transition from CSR to CS. The sample is composed by thirteen sustainability professionals. Five of them work in Benefit corporation, the other eight work in a company that doesn't have this status. Interviewing professionals of Benefit Corporations allows us to have the perspective of an employee of a company that is more likely in an advanced stage of sustainability implementation. This is relevant because this thesis aims

to find the future developments of a sustainability professional when the company has a holistic approach to sustainability, therefore it has fully transitioned to the Corporate Sustainability stage. To do so, it is necessary to collect the point of view of professionals that work in companies in different phases of sustainability implementation. It permits to compare perspectives and detect analogies and differences between them.

On the basis of the research design and setting, the questions are prepared and organized. The interview is structured in 10 open-ended questions divided in two main topics. The first part is intended to understand the job context in which the sustainability professional is in and the evolution of the role based on the participant's experiences. Furthermore, the scope is understanding the professional opinion on the future of the role. The second part is aimed at analyzing the future developments of the role. The questions are different in the case the interviewees consider that the role will disappear when sustainability is integrated in every functional area of the firm or, contrarily, if they believe that it will become even more central in the company. As anticipated, the interview is semi-structured, therefore there is a general order to the question. However, each interview is free to be arranged while talking. The question path is designed to start with the context framework in which the sustainability professional works. Then, it proceeds by analyzing the historical changes that brought the role in that place. Finally, the focus is on the possible future evolutions of the role.

3.1.4 Data collection

The choice of the research design and setting identified semi-structured interviews as the data collection method. The following part is to contact the interviewees that, in this particular case, are organizational elites. Organizational elites, those who have the higher positions in the company, are usually difficult to access for qualitative interviews (Maramwidze-Merrison, 2016). Nowadays, one of the most used methods is to try to contact them with the use of social media. The advantage of this method is that it is possible to have direct access to them without the initial screening of the company's "gatekeepers", such as their personal assistants (Maramwidze-Merrison, 2016). For the purpose of professional interviews, one study (Maramwidze-Merrison, 2016) found that the most effective social media to contact organizational elites is LinkedIn. That is why, the methodology chosen to connect with the targeted audience is this social media. Thirteen responses were received out of twenty-seven sustainability professionals who

were contacted directly through LinkedIn. The participants have different roles in their organization, but they are all responsible for sustainability-related activities and projects. The organizations considered are very diverse to ensure heterogenous perspectives. For instance, the organizations in which participants work consist of small, medium and large firms and include five benefit corporations and three consulting companies. In Table 3.1 the role and the company of the sustainability professional that are part of the research are presented. The interviews had a duration of about thirty minutes and were made as video-calls online because the sustainability professionals were dislocated in different parts of Italy. The initial set of questions have been adapted with the evolution of the research in order to ensure to cover the new emerging concepts, as also suggested by Gioia and Corley (2012). Twelve sustainability professionals gave their authorization for the registration, which was subsequently transcribed and analyzed using the "Gioia Methodology".

Table 3.1 List of Sustainability Professionals interviewed

PARTICIPANT	ROLE	COMPANY	BENEFIT CORPORATION
F.E.	Responsabile sostenibilità e innovazione	Acque Bresciane	Yes
G.P.	Responsabile reporting valore condiviso e sostenibilità	Gruppo Hera	Yes (Hera Luce)
D.D.	Partner	Collectibus Srl Società Benefit	Yes
B.M.	Sustainability Team Leader	Reale Group	Yes
S.C.	Corporate Social Responsibility Manager	Treebu	Yes
M.B.	Head of Sustainability Development	a2a	No

E.S.	Director Consulting e Managing Director-Italy	Sphera	No
V.F.	Partner	BDO	No
L.D.F.	Sustainability & Internal Communication	Industree Communication HUB	No
L.C.	Sustainability Manager	Edenred Italia	No
M.C.	Responsabile Ambiente & Sostenibilità	Sky	No
E.D.	Environmental, Social & Governance Manager Italy - Energy Manager	Synlab	No
M.Ce.	Chief Institutional Relations & Sustainability Officer	Gruppo Lavazza	No

3.1.5 Gioia Methodology

The data analysis is the process through which the researcher finds a meaning from text and image data. This procedure involves from the arrangement and description of the data to the interpretation of the meaning behind them (Creswell, 2003). However, researchers and scientific journals have raised the attention towards the need for scientific rigor in qualitative research. In fact, without a systematic approach, the findings of empirical research are not sufficiently credible. Therefore, the need for rigorous scientific-grounded theory from qualitative research leads to the development of the "Gioia Methodology". This procedure has been gradually improved by Gioia since 1991 (Gioia and Corley, 2012). It is a "systematic inductive approach" (Gioia and Corley, 2012, pp. 16) to analyze data and find new insight which brings to the formation of a grounded theory. This methodology is particularly advisable in researches that are exploring concepts that aren't covered adequately, or at all, by existing literature (Niittymies, 2020). Concepts are notions that explain a phenomenon of interest by describing the characteristics of the studied aspect and they are the base for the formation of constructs

(Gioia and Corley, 2012). The latter are a more specific notions, because they identify a set of attributes of the phenomenon that can be measurable and operationalized (Gioia and Corley, 2012). Traditionally, organizational studies have only focused on developing constructs. However, it is important to understand both concepts and constructs of the theory analyzed in order to have an effective result. Therefore, the insight found with this process can be the starting point for future research on the same theme (Niittymies, 2020).

The "Gioia Methodology" is based on two main assumptions. The first one is that a large part of organizational reality is "socially constructed". The second assumption is that people in their job are "knowledgeable agents". In other words, the organization is composed of people that have the knowledge of what, how and why they do things at work, and, moreover, they are able to explain it clearly (Gioia and Corley, 2012 – Gioia, 2020). It is important because it gives relevance to the experience of the informants to the point that the researcher can derive new concepts from it. In fact, this interpretive research is based on interviewee perspectives and on the understanding of their experiences (Gioia, 2020). The researcher should use both the informants' sense of reality and his own interpretation of this reality. The objective is to find a rigorous grounded theory with a theoretical understanding of experience from the analysis of qualitative data. To do so, the researcher employs a series of steps in order to collect data, create patterns from the data, and find concepts that result in the final theory. At the beginning, the research must start with a defined research question. Among the different data sources, the most important one is the semi-structured interview, since it gives the possibility to have the right in-depth analysis to the subject (Gioia and Corley, 2012). The data gathered must be as accurate as possible to reproduce the words and the style of the informant. This allows to get the informant perspective. At the same time, it is necessary to keep an objective and external view of the facts to avoid biases.

Data structure

When the data are gathered, the next step is to analyze them to interpret the reality from the understanding of people (Gioia and Corley, 2012). This part is called "Open Coding" and it is composed by a 1st-order analysis which is informant-centered and a 2nd-order analysis which is theory-centered (Gioia, 2020). The 1st-order analysis is a descriptive examination; thus, the researchers go through the interviews to detect the categories that

are touched by the informants. Those categories are labeled or described with sentences, using the terminology of interviewees. The 1st order codes are a representation of how the participants interpret their work (Magnani and Gioia, 2023) The codes could be an extremely high number; therefore, the researcher detects similarities in the categories and joins comparable ones to reduce the number of key labels (Gioia and Corley, 2012). At this point, the categories are further reviewed in the 2nd order analysis. This stage consists in arranging and aggregating the labels arisen in the previous analysis in a more abstract theme (Gioia and Corley, 2012 - Magnani and Gioia, 2023). This is the phase in which the researcher starts to add his own contribution by finding new concepts behind the data (Gioia, 2020). In fact, the theoretical concepts explain the phenomena investigated by the research question and become the conceptual building blocks for the final theory. Ultimately, the 2nd order themes can be further abstracted in an "aggregate dimension" (Gioia and Corley, 2012, pp. 20). An essential part of the analysis is the data structure. This structure visually represents the connection from 1st order codes (informant-based) to 2nd order codes and aggregate dimensions (researcher-based) (Magnani and Gioia, 2023). It shows the progression from raw data to the final themes to prove the rigor of the research. This is relevant since it allows to demonstrate that the knowledge the researcher has developed has data in support (Magnani and Gioia, 2023). However, the data structure remains a static visualization of the process. (Magnani and Gioia, 2023). Figure 3.1 represents the phases involved in the construction of a data structure.

Figure 3.1 The inferential process in developing a Data Structure
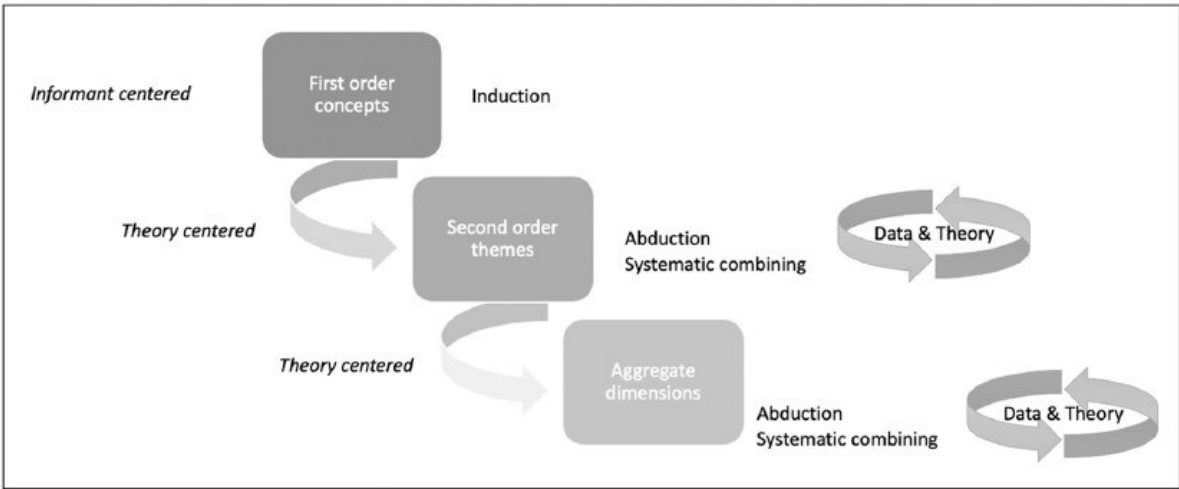
Source: Magnani and Gioia, 2023

Grounded model

The dynamicity and the connection of the concepts are presented in the articulation of the grounded theory. The term "grounded" derives from the fact that the theory is grounded in the participants' experiences and on the meaning that they give to them (Gioia, 2020). That is also the reason why this methodology is called "interpretative research", since it is based on the participants' understanding about the socially constructed meaning of their reality (Gioia, 2020). The final theory should find an explanation on the studied topic by incorporating the connection between the concepts shown in the data structure in a transparent way (Gioia and Corley, 2012 - Magnani and Gioia, 2023). The grounded theory has the objective to support and broaden some concepts already expressed in other theories, while finding new concepts on the phenomenon. That is why, the researcher should also review the existing literature to polish the new concepts of the theory (Gioia and Corley, 2012). The grounded theory model introduces the interpretation of the studied topic by elucidating the theoretical connection between the emerged insight. The graphical structure should be composed by "boxes and arrows" in which the arrows have the most important role of highlighting the relationship in the process (Magnani and Gioia, 2023). The arrows can also be transformed in propositions which explain the deeper meaning behind the theory (Magnani and Gioia, 2023).

The authors focus on the fact that it is important to consider the methodology as a systematic approach and not as a template to follow strictly (Magnani and Gioia, 2023). To sum up, the three main parts of the methodology are: i) the creation of codes and categories in the 1st-order and 2nd-order analysis, ii) the formulation of the grounded theory and iii) the demonstration of the results referring to the interviewees quotations and themes and aggregate dimension. Therefore, the process goes from an induction of the experience of the participants (the creation of the 1st order codes) to an abduction by generating an abstraction from the data gathered in reality (the development of 2nd order, aggregate dimension and grounded theory) (Magnani and Gioia, 2023).

Transferability of results

A common question is the one that doubts the transferability of the theory. The grounded theory derived from the "Gioia Methodology'' is context-specific; however, it can be applicable to other similar contexts (Magnani and Gioia, 2023). This is called "analytical
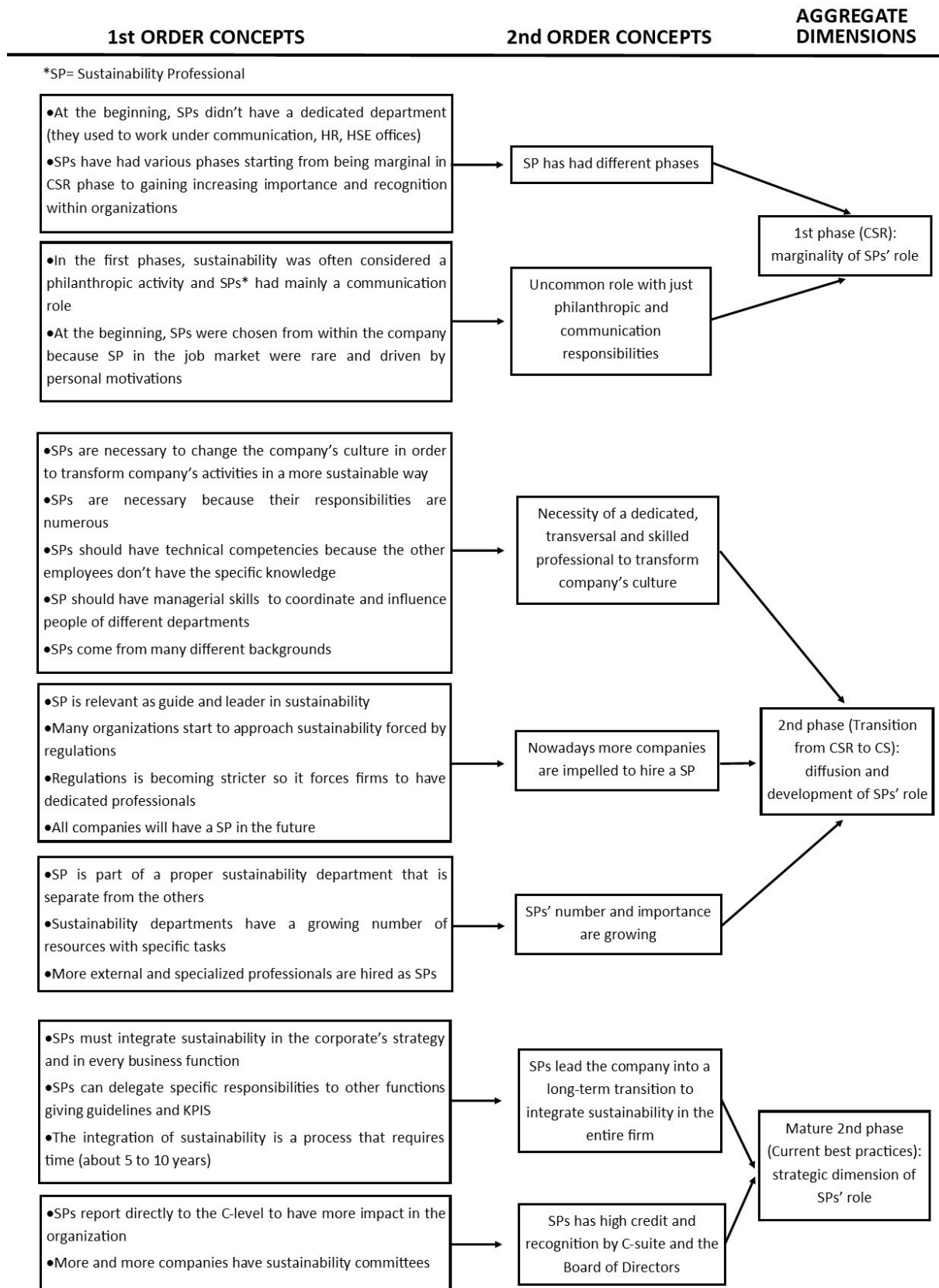
generalization" because the issue of transferability must be examined case by case considering the variable of the context. On the contrary, "statistical generalization" considers a wide number of cases so that the findings can be generalized without evaluation (Magnani and Gioia, 2023). This leads to the fact that with analytical generalization, the theory emerging even from one case study can be transferable (Magnani and Gioia, 2023). Therefore, the Gioia Methodology allows to develop plausible theories even from a small sample because the findings are derived in a way that can be applicable in other circumstances. Moreover, the proposition emerged in one research can be the starting point for a subsequent study. Propositions can also be the link between qualitative and quantitative research because they can be the hypothesis to test in more numerous samples in quantitative research (Magnani and Gioia, 2023).
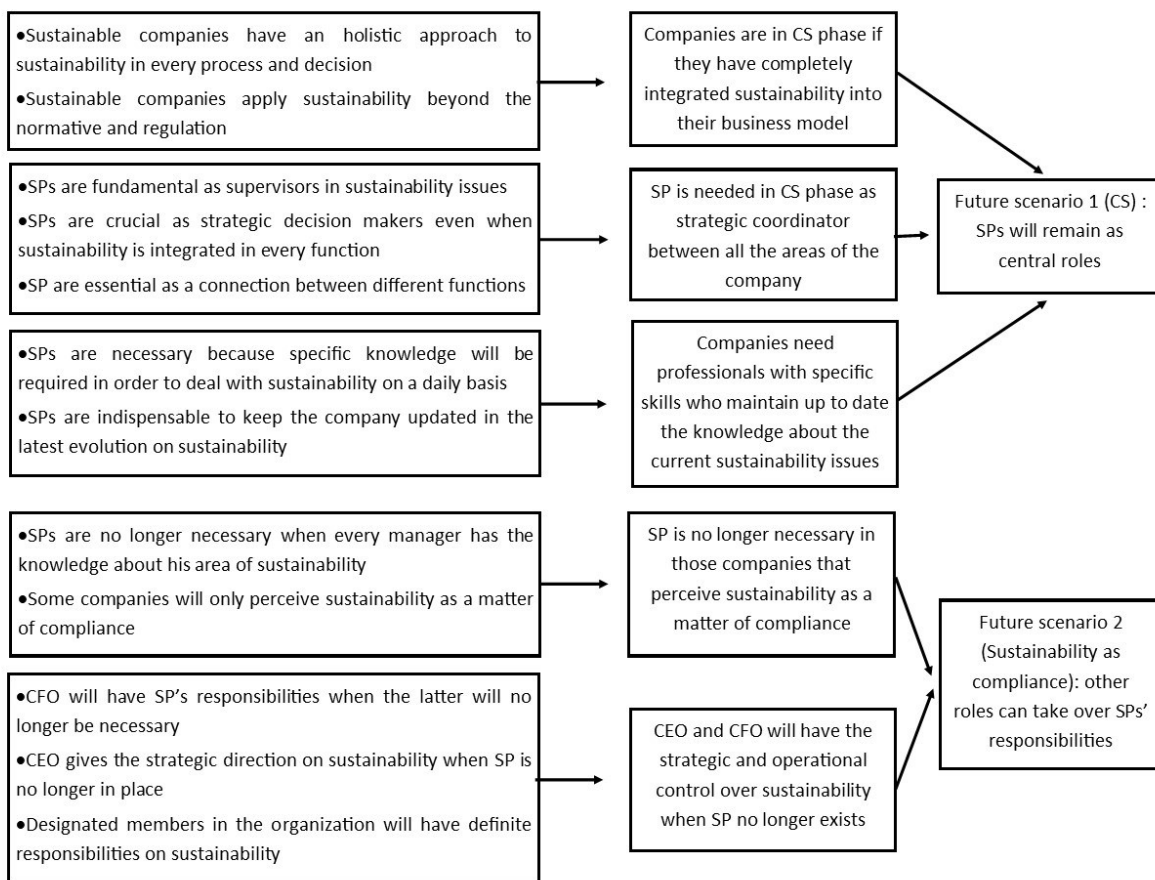
3.2 Data analysis

The data analysis was done following the phases of the Gioia Methodology. After having transcribed the interviews, the first step was to manually code the information. The transcriptions were read many times in order to find labels on the participants' statements using their own words and expressions. This process is called 1st order analysis. Every first order code has been compared to the other codes and aggregated to the similar ones, in order to find the key concepts that were relevant for the analysis. Indeed, the initial number of 1st order codes was 71 which was subsequently reduced to 33. The labels were further analyzed to aggregate them in 2nd order codes. If the 1st order concepts were accurately induced by being loyal to participant's words, those themes are instead assumed considering the theoretical knowledge on the topic and the researcher's interpretation. Finally, the codes were further abstracted in 5 aggregate dimensions.

The data structure in Figure 3.2 shows the graphical representation of the relationships between 1st order and 2nd order concepts and aggregate dimensions. The objective of the data structure is to prove that the abstracted themes (2nd order concepts and aggregate dimensions) are derived from evidence, so they are grounded in the data and participants' experiences. This is relevant because those concepts will be the basis for the final grounded theory.

Figure 3.2 Data structure

1st ORDER CONCEPTS	2nd ORDER CONCEPTS	AGGREGATE DIMENSIONS

*SP= Sustainability Professional

•At the beginning, SPs didn't have a dedicated department (they used to work under communication, HR, HSE offices)

•SPs have had various phases starting from being marginal in CSR phase to gaining increasing importance and recognition within organizations

→ SP has had different phases

•In the first phases, sustainability was often considered a philanthropic activity and SPs* had mainly a communication role

•At the beginning, SPs were chosen from within the company because SP in the job market were rare and driven by personal motivations

→ Uncommon role with just philanthropic and communication responsibilities

→ 1st phase (CSR): marginality of SPs' role

•SPs are necessary to change the company's culture in order to transform company's activities in a more sustainable way

•SPs are necessary because their responsibilities are numerous

•SPs should have technical competencies because the other employees don't have the specific knowledge

•SP should have managerial skills to coordinate and influence people of different departments

•SPs come from many different backgrounds

→ Necessity of a dedicated, transversal and skilled professional to transform company's culture

•SP is relevant as guide and leader in sustainability

•Many organizations start to approach sustainability forced by regulations

•Regulations is becoming stricter so it forces firms to have dedicated professionals

•All companies will have a SP in the future

→ Nowadays more companies are impelled to hire a SP

→ 2nd phase (Transition from CSR to CS): diffusion and development of SPs' role

•SP is part of a proper sustainability department that is separate from the others

•Sustainability departments have a growing number of resources with specific tasks

•More external and specialized professionals are hired as SPs

→ SPs' number and importance are growing

•SPs must integrate sustainability in the corporate's strategy and in every business function

•SPs can delegate specific responsibilities to other functions giving guidelines and KPIS

•The integration of sustainability is a process that requires time (about 5 to 10 years)

→ SPs lead the company into a long-term transition to integrate sustainability in the entire firm

→ Mature 2nd phase (Current best practices): strategic dimension of SPs' role

•SPs report directly to the C-level to have more impact in the organization

•More and more companies have sustainability committees

→ SPs has high credit and recognition by C-suite and the Board of Directors

Source: personal elaboration

3.3 Findings

The findings section will present what emerged from the analysis of the data gathered through the interviews. The study has been focused on finding an answer to the initial research question. The result will be presented providing a loyal reporting of evidence, as suggested by Gioia (2020). To follow, the concepts developed in the research will be described in detail using also participants' quotes (Gioia, 2020). The concepts are divided between those that confirm an existing theory, others extend the current literature and finally those that provide new insights that could be further tested in future research.

3.3.1 1st phase (CSR): marginality of SPs' role

The period of introduction of the sustainability professional (SP) in the organizations is a relevant phase to study in order to understand the evolution of the role. As extensively reviewed in the first chapter, the first stage of sustainability implementation in companies

is Corporate Social Responsibility. The research highlighted that this period is not limited to a defined number of years, but every company has had his own awareness path. In fact, some companies have had a CSR approach longer than others. On average, it is just in the last few years that the common consideration on how to implement sustainability has been changing. As a matter of fact, the majority of the firms were still doing CSR in the mid-2000s:

"When I started working on it [sustainability] in 2013, it was very different, in the sense that sustainability was still understood a little bit as charity, so it was an "I'll give something to the associations" and then that's enough." M.C.

These findings are coherent with what is found in the literature. In fact, the first definition of a more comprehensive approach to implement sustainability has been provided by Dyllick and Hockerts in 2002 with the conceptualization of Corporate Sustainability. It is reasonable to observe a temporal gap of approximately a decade between the initial theoretical input and the tangible shift in companies' approaches. Nevertheless, it is crucial to recognize that temporal factors alone do not dictate the progression. Indeed, CSR is a component of Corporate Sustainability and it remains the most recognized and widely implemented by companies. That is why, companies often begin with sustainability initiatives by initially adopting CSR practices, progressively learning and expanding their sustainable strategies over time:

"Sustainability is a path. It starts with looking outside [of the organization], doing something for the community in terms of volunteering and donations." L.C.

In this phase of Corporate Social Responsibility, the sustainability professional was mainly responsible for communication activities and was part of other departments. Therefore, their role within the company was marginal. This observation, which emerges from the interviews, is also supported by the work of Carollo and Guerci (2017). They state that the CSR manager is marginalized in the company in terms of resources and legitimacy. Moreover, they identify that the task and responsibilities of a CSR manager are unclear because the goal itself of CSR is vague. It is important to note that this phase represents just the initial stage of the role's evolution, which entails the development of defined tasks, objectives, and organizational influence.

SP role has had different phases

The literature reviewed in the second chapter has determined a development in the features of the SP. However, this research hasn't found an existent and complete study on the characteristics of the evolution stages of the role. This theory has been confirmed by the data collected in this research. The latter has highlighted that the role of the sustainability professional has been evolving and various phases are identifiable from the analysis of the data:

"There was an evolution in which we identified three moments. In the first one we did some voluntary activities for the society, in the second phase we started to dedicate some resources for defined projects and in the last one we created a proper sustainability department with a macro-organization and specific objectives." M.Ce.

The role at first was peripheral in terms of strategic importance and recognition within the company. With time, the concept of sustainability and the related benefits for the company became clearer, hence it started to have more and more strategic importance. Therefore, the influence and the power of SP increased both internally and externally. In the first phase, the role was so marginal, that sometimes it wasn't even formalized. As a matter of fact, another employee inside the company was responsible to follow some socially responsible projects:

"The sustainability unit was formally created in 2015, so it was quite a few years in which it was me, a professional within the management who did this job, but without organizational recognition." M.B.

When the role of sustainability professionals was formalized, they were positioned within another department. This organizational positioning could be the result of the fact that the role was newly introduced and had modest relevance, therefore it was inserted in existing structures. During this phase, the primary focus of the role revolved around social and communication tasks. As a consequence, SPs used to be part of the communication, marketing or HR departments in the majority of cases. Sometimes, they were integrated into quality or HSE (Health, Safety & Environment) teams, particularly in companies with a strong focus on the environmental aspects:

"The role has always been placed differently in the organization. At the beginning, there was a line of thought that put [SP inside the] marketing [department]. Therefore, several communication professionals have become sustainability professionals. Some organizations had SP into the HSE area." E.D.

Over time, the role has evolved gaining more centrality and recognition. In many cases, the SPs themselves managed to enter in the already established routines by collaborating with other employees. This proactive approach often necessitated overcoming internal resistance in order to garner increased consideration for their contributions. At the same time, participants have highlighted the development of the role along with a growing awareness of the firm:

"At the beginning we were talking about corporate social responsibility, thus an approach that is limited in terms of projects and areas of intervention. Now we know that what was once called Corporate Social Responsibility is one of the many components of sustainability, so the role [of SP] has somehow become even more complex and certainly more diversified." LDF

Therefore, the role has had different phases in which his relevance and power have subsequently increased. The evidence supports the thesis that the sustainability professional was marginalized in the organization because the role had a reduced relevance both in practical and in strategic terms. The SP will start to gain power and importance with the change of approach when the company starts the transition from CSR to CS.

Uncommon role with just philanthropic and communication responsibilities

The sustainability professional was an unknown and unusual role for many years. In particular during the CSR phase, the introduction of this role in the company was a voluntary choice of the company. Implementing sustainable practices within the firm was not necessary, nor required by the market, the stakeholders or any law. As the role was new, the professionals already specialized on the topic were a limited number:

"I entered the world of work just 12 or 13 years ago and at the time these corporate roles of sustainability managers did not exist. And there was very little talk about the subject." F.E.

At the beginning, almost all SPs were driven by personal motivations and had to learn the job by themselves. For this reason, it was difficult to find a resource ready in the external job market. Therefore, companies used to move a person already employed in the company in the role of SP:

"So far, people who have been included in this direction [sustainability] have all come from within [the company], basically they were interested in the topic diversity and inclusion. So, when there were internal [job] rotations or the need for greater volumes of work, we looked a bit internally at these people." M.C.

Another relevant factor that clearly emerged from the analysis of the interviews was that the objectives of the role weren't clear and often they were interpreted differently in different organizations. The tasks of the sustainability professional were vague and the majority of the interviewees have declared that at the initial sustainability approach for companies was doing philanthropic activities:

"So, the first approach to sustainability was to put our philanthropic activities in order like about 90% of Italian companies. But the path is quite classic. However, this still allows you to review certain things, review the processes." B.M.

The sustainability professional had the main responsibility of managing social activities which were not connected to the core business in the form of relationships with NGOs, donations to social causes and other external relationships. Usually, the company started to do "something good" for the society driven by the will of the owner or the top management:

"At the beginning many activities were done because we liked having them done. We didn't have a bigger objective or dedicated people. We did it a bit like this as a hobby following the will of the owners. This is the first phase." M.Ce.

Some companies also decided to do what was called the "social report" or "social disclosure", which was a voluntary form of non-financial disclosure. This report included qualitative information about corporation's social activities mainly under the form of donations and isolated projects (Anderson and Frankle, 1980). One participant highlighted what was like being a SP during CSR phase, defining it is as "the function of people":

"If we analyze what social responsibility represented at the time, it was the function of people. In fact, there was only one person who worked in that area. He was in charge of sorting out the company's philanthropic activities, the so-called contributions, donations that were made. And once a year he promoted the collection of all the data which was then inserted into what was the social report." B.M.

One of the company's objectives in engaging in philanthropic activities was also to gain reputational benefits. That is why, the sustainability professional had the central task of communicating these projects to external stakeholders. As a result, it is evident that the sustainability professional assumed a communication role:

"At the beginning, [when the role was] just born it was more a matter of communication. For instance, [the task of SP was just] to create the contents to publish on our [company] site, on social networks, on TV." S.C.

For many years, the objectives of the role remained indefinite, resulting consequently in vague tasks which were additional activities compared to the primary business operations. In the first phase, the job of the sustainability professional was considered marginal by the management and the employees, leading to even more dispersion of power of the role. As a result, the sustainability professional assumed a position as a peripheral actor within the organizational framework, with limited organizational relevance and influence.

3.3.2 2nd phase (Transition from CSR to CS): diffusion and development of SPs' role

Corporate Social Responsibility is a concept born in the second half of the 20th century, a period in which some companies started to voluntarily pay attention principally to the social dimension of sustainability (Carroll and Shabana, 2010). The theoretical background on the sustainability implementation in corporations started to change after the definition of Sustainable Development by the United Nations Brundtland Commission (1987). In fact, the concepts of Triple Bottom Line (Elkington, 1997) and of Corporate Sustainability were introduced respectively in 1997 and in 2002. This theoretical development had a practical implication on the sustainable practices carried out by organizations. The majority of companies started to understand that sustainability was more than just doing something good for the society, instead it comprehends the environmental, social and governance aspects with equal importance. Thus, sustainable practices began to go beyond philanthropy and communication towards the more holistic approach of Corporate Sustainability. Furthermore, the Board of Directors and the C-level of companies have come to understand that sustainability can serve as a competitive advantage, thus they started to pay a growing attention on integrating sustainability practices into their overall business strategies. For these causes, there was a need for someone who could lead and support the corporation into the transition from CSR to CS. This person should have transversal and extensive skills to guide the firm in this long-term development process. Hence, the sustainability professionals have received a higher number of responsibilities and their power inside the organization has been increasing. In the last few years, the intensification of regulations, customer expectations, and

investor demands regarding corporate sustainability implementation has resulted in a growing number of companies hiring sustainability professionals. The augmented attention towards those themes drives corporations in creating departments for sustainability, which have subsequently expanded to include multiple professionals in the field.

Nowadays more companies are impelled to hire a SP

In the last years, the national and international regulations have defined stricter requests on sustainable practices for the companies. For instance, the Corporate Sustainability Reporting Directive (CSRD) is the last directive introduced for the countries of the European Union on the issue of non-financial disclosure. This directive reinforces the previous one and will force many more companies to disclose their non-financial information. This is relevant because it means that a large pool of companies will introduce sustainable practices in the next years:

"Now all directives on reporting have evolved. There is the sustainability directive that is arriving. Therefore, there are also compliance obligations that have forced this company to deal with the latter [sustainability] in a more specific, integrated way." E.D.

Producing a sustainability report following the more stringent rules imposed by the normative implies that companies have to dedicate a significant amount of time and resources. A company must undertake activities such as setting a system of collection, analysis, interpretation and disclosure of non-financial data. These are responsibilities usually attributed to the sustainability professional who should have deep knowledge on the topic. Moreover, the SP should be capable of aggregating and evaluating data and information coming from different areas of the organization. This is a delicate job which requires dedication and specialization:

"Some people imagine it [sustainable reporting] to be an easy thing. In reality, a sustainability report is not something that is done within a week because there is the data collection part, the data analysis part, then there is also a discursive part. And in any case, these are all things that are then evaluated externally by the stakeholder who may be your supplier, but then today it is also increasingly evaluated by the financial world. Banks or financial institutions give you loans at better rates if you have a certain type of sustainability policy. So, in short, it's a rather delicate thing." M.C.

Companies are being compelled to adopt sustainability practices not only due to regulatory requirements but also due to the realization that sustainability is increasingly

becoming a prerequisite for maintaining competitiveness. In fact, all participants have expressed the conviction that the sustainability professional is a role that will be introduced in all companies in the future. The driving forces behind this trend include the regulation, customers' requests, investors' expectations, competitors benchmarking and financial benefits:

"Like all innovations, the introduction of sustainability strategies must also face the typical resistances that arise with respect to innovations. However, the enabling factors will be the demands of consumers and investors, regulatory obligations and the growing awareness of companies about the advantages that can be obtained by integrating sustainability within normal corporate strategies." G.P.

However, when companies begin to implement sustainability, they don't have the sufficient knowledge and abilities. Therefore, they hire a sustainability professional to guide the firm in the path of sustainability and to lead it into the introduction of new practices. Changing organizational culture and process is an arduous and time-consuming task. Companies usually tend to maintain stability in the way of doing things and making decisions. Hence, the sustainability professional is necessary in aligning the rest of the company in the right direction:

"It is important to have a person who somehow acts as a catalyst for this change and as a stimulus for change, especially in the first years when the organization needs guidance, orientation, sustainability-oriented leadership. A person who is able to act as a point of reference even within the organization." V.F.

In the first phases, the sustainability professional plays a pivotal role in driving change within the company, aiming to transform processes into more sustainable practices. That is why, they often experience conflicts and resistance from the other members of the organization. As a result, the sustainability professional needs to possess strong mediation skills, being empathetic and diplomatic, in order to effectively engage individuals and unite them towards a shared objective. By fostering collaboration and building consensus, they can navigate these challenges and guide the organization towards a common goal.

Necessity of a dedicated, transversal and skilled professional to transform company's culture

Corporate Sustainability implies that sustainability is integrated in all corporate functions. Thus, to transition from Corporate Social Responsibility to Corporate Sustainability, sustainability professionals need to change company's culture:

"In my opinion, the important point is that these things enter in people's heads, that is, the real task of the sustainability function, I believe, is not so much to find the solution, but to create a mechanism that is inclined to find a solution." M.Ce.

However, transforming the organizational culture is a complex undertaking that presents various challenges and is not easily accomplished. Hofstede (1980) defines culture as a set of shared values of a group, in this case the employees of the firm, which distinguishes that group from another. Groups tend to create mechanisms to preserve the culture over time (Hofstede, 1980). The task of SP is complicated as it not only affects the work and behaviors of every member within the company, but it must also change the norms and values of people of that organization. Usually, the first approach to introduce sustainability initiatives is top-down, which is facilitated when SP's work is supported by the Top Management. However, is equally essential to raise awareness and engage other employees in the subject matter to foster a collaborative, bottom-up approach, wherein the power dynamics shift and individuals at all levels actively contribute to sustainability efforts:

"An aspect linked to sustainability is cultural training and internal sustainability. It is very important to sensibilize about the trends and aspects in which perhaps a function manager, who today is very vertical, specialized, clearly struggles to have, if not perhaps out of a personal sensitivity. Therefore, [SP should] train and give him the tools to understand the reasons that drive either the management or the company to set [sustainable] goals, it is an element that then facilitates their implementation." F.E.

In order to integrate sustainability in every function, one of the most crucial steps is to train the employees in sustainability-related topics and activities. It is extremely important the process of reskilling and up-skilling of the managers who are the focal points of the process. They will eventually be the coordinator of the sustainable activities connected to their functions. The final objective is that they should be independent in managing their areas of sustainability and create a connection between the input given by the SP and the output produced by the activities performed by the employees:

"So, let's say that surely most of them [other employees] have been trained by us [SPs]. We have had this group of sustainability focal points for a couple of years who are people identified in all corporate structures, in all business areas, with the aim of making them grow on these [sustainability] issues and making them to be a key reference for sustainability, let's say, who is a connection between our function [sustainability] and the structure that each of them control." M.B.

The transformative process initiated by the SP doesn't end with the sensibilization and training of other members of the company. The evolution towards CS concerns also with the concept of Triple bottom line. While the CSR approach focuses on social philanthropic projects, the CS approach includes economic, social and environmental dimensions. As a consequence, the activities and projects that a sustainability professional has to consider in the transition to CS expands significantly, encompassing a broader range of initiatives

"We really felt the need to insert a dedicated role who collaborates with us because there are so many things to do." V.F.

What's more, sustainability has transitioned from being a peripheral concern to directly impacting and aligning with the core business objectives. This number of responsibilities not only necessitate a dedicated role in terms of time, but they are becoming more and more technical also in terms of skills. Following the professionals' point of view, a SP should have both technical and managerial skills. Technical skills are essential in order to have adequate knowledge to perform tasks such as sustainability reports, life cycle analysis, carbon foot-printing, materiality assessment. On the other hand, the managerial skills are fundamental to be capable of influencing the other employees in order to encourage an organizational change. This evidence on competences supports the study of Miller and George (2014) who stated that the SP responsibilities can be divided in two groups: technical and managerial. Until a few years ago, there wasn't an academic background for the SP profession. Thus, SPs come from many different academic paths from scientific disciplines to humanistic ones. However, the most common backgrounds for sustainability professionals are engineering and management:

"Surely economists and engineers are better from this point of view [to be an SP]. But alone they are not enough for me. On the team we have environmental psychologists, we have philosophers, we have social scientists, we have architects, we have environmental scientists too." V.F.

Lately, more universities are focusing on this new profession. The number of undergraduate and master courses dedicated to sustainability are growing exponentially.

In 2020, the degrees on sustainability were 37 in Italy, among which 9 were introduced in the same year and the prospect was an addition of others 22 courses on the topic for the following year (Bruno, 2020). Therefore, SPs in the future will have a more specialized background where they have likely acquired both the technical and the managerial skills that will enable them to effectively manage complex sustainability-related issues.

SPs' number and importance are growing

The increased number of responsibilities of the sustainability professional necessitates a higher level of organization and control. Another evolution in the situation of the sustainability professional in the transition from CSR to CS is the creation of a proper and separate sustainability department. These departments serve as distinct entities within organizations, specifically focused on sustainability-related matters. This structural development reflects the increasing recognition of sustainability as a critical aspect of corporate operations and underscores the need for specialized expertise and dedicated resources in this field:

"In our last phase five to six years ago we created my sustainability department where we collected the reporting, emissions calculations, environmental and social activities that were under other departments." M.Ce.

This situation is reinforced by the fact that companies are employing more than one resource as sustainability professionals. Sustainability departments are, in fact, becoming bigger. For instance, the average number of components of sustainability departments emerged in the responses is 5 persons. The same results were found in the research made by Sustainability Makers in 2022 which stated that the average team number in sustainable departments is between 3 and 5. This is related to the fact that the things to manage are widening, so there is the necessity to divide the task in a more precise and structured way between different persons, even with an internal power distribution:

"Therefore, it will become an important department, with a team of more people, some more specialized in energy efficiency, some more specialized in governance, some more in a social part, some more in the environmental part, some also in calculation of the carbon footprint and therefore it will become a real team with someone more specialized in one area than another." S.C.

Hence, the demand for sustainability professionals is exploding. For example, one interviewee affirms that she receives daily calls requesting candidates for sustainability professional roles. For instance, Davies (2022) found there are more companies that are

hiring 2 or more sustainability professionals than those which are hiring only one. Contrarily from the CSR phase, more and more SPs are hired in the external job market. This is because the increasing importance of the role has enhanced the attention towards this job. As a result, more individuals, particularly among the younger generation, are actively pursuing education and training in these areas, recognizing the job potential associated with sustainability roles.

3.3.3 Mature 2nd phase (Current best practices): strategic dimension of SPs' role

One of the objectives of this thesis was also to understand the characteristics of the role of the sustainability professional in those companies which are the current best practices in sustainability implementation. Those "advanced companies" are in an evolutionary stage that can be defined as the mature 2nd phase. In fact, they are ahead of the other companies in the transition to CS, but they still haven't arrived completely in the last stage. This research considered participants who work in companies of different size and type, including five benefit corporations. The first thing that has emerged is that an advanced company has already a high awareness on the importance of sustainability, therefore, it has managed to insert it in the strategic plans. This means that the process of integrating sustainability in the strategic plans and in the day-to-day work of every function has already started. The fact that sustainability is part of the strategy affects also the objectives of the other managers, thus it is easier for the SP to find support. Nonetheless, functional managers still have their areas' objectives that often are in contrast with the long-term aim of sustainable ones. Therefore, they have KPIs (Key Performance Indicators) on sustainable targets in order to force them to work also in this direction. The SP supports the employees in this process giving indications and knowledge. In fact, it is a long way to arrive at a point in which sustainability is integrated in all areas. In order to do so, sustainability must be of high relevance in the company and the SP should have a strong organizational power. As a consequence, another characteristic of advanced companies is that SP directly reports to the C-level. Considering these features of advanced companies, it can be stated that on average benefit corporations are part of this group because they have sustainability as an integrated part of the business strategy as defined by their legal status. However, it is also important to consider that some respondents highlighted that being a benefit corporation is not an assurance of a company

being advanced in sustainability. For instance, some firms could decide to undertake this status to follow a trend which would result in a practice of greenwashing. At the same time, benefit corporations are forced by law to disclose an annual report with the outcomes of their sustainable policies:

"The benefit corporations by statute are required by law every year to manage the sustainability report, non-financial reporting by measuring their impact. So, it's not enough to indicate the various changes you make at an environmental, social and governance level, but the impact must be verified and therefore specific assessments must also be made. So, it's something that tests you, in the sense that you only do it if you're convinced because it's an important commitment that you have to fulfill every year." S.C.

Thus, it is more likely that companies that are really committed to sustainability become benefit corporations. In support, the informants that work in benefit corporation (BC) have confirmed that their company has become a BC after it actually overtook the transition towards a more comprehensive and integrated approach of sustainability practices.

SPs lead the company into a long-term transition to integrate sustainability in the entire firm

Integrating sustainability into all areas of the corporation is a necessary condition to transition to Corporate Sustainability. It means that every employee should be an expert on the sustainability issues related to his responsibility and should be able to implement sustainability without the intervention of the sustainability professional. The participant indicated this situation as the sine qua non of a company that is truly sustainable:

"For me sustainability is very important and vital. If the company doesn't experience sustainability as something integrated within business processes, it means that the company is still stuck in the 80s." L.C.

To achieve this, an intermediate step is appointing a role responsible to coordinate sustainability processes within every function. This is a progressive procedure which starts with the introduction of a sustainability representative at the company level, followed by representatives in every function and, finally, for every process:

"Now, for example, we have a reference person in all companies of the group who is a sustainability link between us. All these resources are part of our department. Now we're in the phase where we're trying to create something similar, but at the individual company level. So having a point of reference in every function. Certainly, the environmental reduction

plan helps a lot because it is a great driver of activities that must be based on a relationaship between our department and the specific management." M.Ce.

The SP must engage both C-level executives and other managers of the company to integrate sustainability into the entire organization. The former is because sustainability must be part of the strategy and related to the core business, a task that can only be accomplished with the support of top management. At the same time, the SP must convince functional managers of the importance of sustainability targets. It is done by changing the culture and personal perception of the single person, but in many cases, it is not sufficient. For this reason, in the advanced companies, KPIs on sustainability are inserted in the criteria of evaluation of the managers at all levels:

"In a sustainable company, the production manager is not measured only by how many products he produces, but also by how much waste he manages to reduce, and how much circular economy he manages to implement. KPIs are changing. Before we were used to a certain type of KPI which were mainly economic and financial. It is no longer enough, these products must perhaps come out consuming less energy, consuming less water and producing less waste. Balance scorecard system, or the MBOs [management by objectives] will have to guide everyone in the pursuit of sustainability objectives." D.D.

In this way, the SP will delegate more and more the practical responsibilities to each function. However, reaching this level of integration will require time, ranging from five to ten years based on the insights gathered from the interview responses. The actual duration will depend on the current stage of sustainability implementation of the company and the strength of internal resistances.

SPs has high credit and recognition by C-suite and the Board of Directors

The tendency of having the SP reporting directly to the higher level of the organization is increasing. The sustainability department is indeed positioned in the corporation organigram in a staff spot directly connected to the C-suite. The awareness of the decision makers of the organization about the strategic importance of the role spur to put the SP in this position. This not only shows the commitment of the company, but it also gives to SP the power and the influence necessary to intervene in other employees' activities to modify the processes. Moreover, it means also that sustainability has been inserted in the strategy, which conveys that the direction and the overall goals are straightforward:

"However, having a direct report means that there is a very clear strategy and I would say more definite and more immediate application of the strategy." F.E.

Both shareholders and stakeholders pay more attention to sustainability. Hence, the cases in which the company has a sustainability committee are increasing. Those committees have the essential function of being the connection between the Board of Directors and the sustainability professionals:

"Especially in listed companies, today it is not uncommon, indeed it is frequent, to find sustainability committees within the board of directors. They are also required by self-regulation codes and listed companies. So, you have a board of directors that has a committee dedicated to sustainability, which then perhaps oversees management's activities on these aspects. Hence, it becomes the connecting point between the board and the underlying organization." D.D.

There are two different types of sustainability committees: the sustainability board and the sustainability management committee (IFC, 2021). The former is established by the board and is composed by a majority of non-executive directors. This type of committee has the main responsibilities of giving permission to and controlling the application of sustainability policies and framework. It reports directly to the board. Differently, the sustainability management committee is established by C-level managers or the executive committee and has the role of actually implementing and monitoring sustainability policies, framework and activities (IFC, 2021).

3.3.4 Future scenario 1 (CS): SPs will remain as central roles

Corporate Sustainability implies that a corporation has integrated completely sustainability in the business model. It indicates that sustainability is part of the strategy, processes and every decision of the organization. What's more, in this stage, sustainability is also inserted in the activity and objectives of every function. In the future, it is to be expected that almost all companies, before or after, will be in this situation. If the sustainability professional is still necessary in a company that has completely integrated sustainability is a question that arises in both academia and the business world. On one hand, some think that the role will disappear because it will be redundant in a company in which everyone already knows how to manage sustainability issues. This is the perspective supported for example by the study of Risi and Wickert (2017) who found that after the centrality gained by SPs during the transition to CS, the role is destined to become peripheral once they have completed the evolution. On the other hand, the view is that sustainability professionals will become even more relevant in the organization. This angle is shared also by the majority of the participants. In fact, ten sustainability

professionals out of thirteen have expressed the conviction that the role will certainly remain. One reason is the fact that sustainability is a transversal objective and can't be clearly divided for each specific area. Therefore, the SP is necessary to set transversal goals and to define which are the targets for each function. However, some targets are common between different units, therefore the SP is also needed as an inter-functional coordinator. A professional is also necessary to audit the progress made by all departments and to monitor that every area is dealing properly with sustainability matters. Secondly, sustainability is a changing subject, thus new issues to tackle will emerge. This is another motive because SPs will stay central in the company, as the persons who will continuously maintain the knowledge and processes of the company up to date. Sustainability practices will also become more technical and specialized so that only a professional with knowledge and capabilities on the subject can handle and manage well. Lastly, SPs will have the responsibility to train the other members of the organization on the latest development and changes regarding sustainability.

Companies are in CS phase if they have completely integrated sustainability into their business model

Sustainability is not a static condition that once achieved is completed. The transformation of companies into sustainable ones implies the opposite. It signifies that the company considers sustainability in every decision, process and activity. Only when all the areas and employees have the knowledge and the capabilities of inserting sustainability into their day-to-day practice and in the long-term strategy, sustainability is really integrated in the organization. Therefore, sustainability must be part of the business model of the firm with a holistic approach:

"So, integrating sustainability into the business model means making sure that environmental, social and good governance variables are included in the decision-making processes." V.F.

Sustainability professionals are the guide in this process. They are those who set the standards and the system to follow in various circumstances. The firm is in the CS phase only if the SP has managed to insert the environmental, social and governance aspects in the development of the business model. Furthermore, the SP should create a system of regular engagement with those matters inside the organization. However, the company's decision makers have a choice to make once the SP has achieved the objective of

integrating sustainability. They can commit to improve their implementation of sustainability or they can keep their sustainability practices at a level of compliance:

"Or you take the opportunity to do it [to do sustainability beyond regulations]. That's where the big difference will be. And from there, in my opinion, you will really see the companies that want to bet. So, the challenge will be where you want to place yourself." B.M.

Truly sustainable companies are those that have undertaken the development process towards Corporate Sustainability with the goal of a long-term improvement in their processes:

"Sustainability must be, in my view, a bit avant-garde, in pole position, a bit a driver of continuous improvement. The main point I think is slightly different, that is, from an economic and philosophical point of view, whether companies should or shouldn't do certain activities."M.Ce.

In this scenario, regulations and certification corroborate non-financial achievements. However, compliance is just a fraction of the more comprehensive framework of sustainable practices. Companies must have a holistic approach that goes beyond the legislation. Such an approach must pervade not only the corporation's operations, but also extend throughout the entire supply chain.

SP is needed in CS phase as strategic coordinator between all the areas of the company

If the company has a comprehensive approach in implementing sustainability, having a dedicated professional in sustainability is not only advisable, but also crucial. Firstly, there is the need of someone that sets a strategy for the whole company. This requires a person who has a complete understanding of the internal and external context of the company. Moreover, SPs must make decisions that affect various areas of the company. Indeed, sustainability can't be compartmentalized in the "marketing sustainability", "production sustainability", "HR sustainability" and so on. While each function may have specific tasks related to their area of expertise, it is inconceivable to have multiple divisions pursuing different goals without an overarching goal for the company:

"The definition of a strategy must always be handled by those who do sustainability. Understanding where you need to go is not easy." E.D.

As the final aim is achieved with the collaboration of every unit, there is also the need of a role that coordinates the different parts managing the timeline, the organization of the task and the disagreements:

"The real problem is not so much inventing solutions, which in the future can also be done by the other functions. It is precisely the theme of coordinating a whole series of activities that often are already done and said." M.Ce.

SPs have also to supervise that the implementation of the strategy is done effectively and efficiently in the correct method:

"In other words, we [SPs] maintain that role of guarantor of the fact that sustainability is actually done correctly also in the other functions." M.B.

Finally, as part of their responsibilities, they have to actively share their knowledge and expertise with all the business units, provide them with the necessary tools and resources, and establish clear standards and guidelines for the effective and successful implementation of sustainable practices.

Companies need professionals with specific skills who maintain up to date the knowledge about the current sustainability issues

The companies that choose to exceed mere regulatory requirements recognize the need to adapt and address emerging sustainability issues. Embracing this proactive approach necessitates a substantial commitment of time and resources. Consequently, the SPs assume the responsibility of revising their expertise, ensuring they remain updated in the latest developments and best practices. By doing so, they can effectively disseminate this knowledge throughout the entire organization, fostering a culture of sustainability and driving meaningful change:

"However, the fact of having an independent sustainability unit that can in some way act as a continuous stimulus to the other structures and that can also remain attentive to all the developments that take place at an international level, also on issues of sustainability I think it is absolutely necessary." M.B.

Given the evolving landscape of sustainability, the tasks and responsibilities of the SP will naturally become more complicated and multifaceted. Consequently, the competencies required to fulfill these expanded tasks should also progress accordingly, encompassing a broader range of knowledge, skills, and abilities. The more common expertise in sustainability principles and practices should be enhanced with new information in

emerging areas such as GHG Protocol Framework, circular economy, green IT, impact sourcing and ESG analytics (Lawton, 2023). By continuously updating their competencies to align with the changing sustainability demands, the SP can contribute to achieving sustainable outcomes within the organization:

"In the future, in my opinion, the technical and specialist skills that the sustainability professional will have to possess will grow because the context is increasingly evolving and companies are implementing increasingly complex and articulated sustainability tools. However, this evolution will not cause the sustainability professional to lose focus, which will always be focused on developing and monitoring sustainability strategies." G.P.

In this context, there is a positive trend which is the fact that the availability of courses and specialization for this role continues to grow. This will hopefully enlarge the number of skilled professionals able to manage a company in its CS phase. Moreover, the already existing SPs will accumulate more experience with the time, making them more capable to do their role more effectively. Their expertise will also be exploited for the mentorship of new resources with the training on the job and the transferring of knowledge.

3.3.5 Future scenario 2 (Sustainability as compliance): other roles can take over SPs' responsibilities

A future scenario different from the previous one is that companies perceive sustainability solely as a matter of compliance. This situation will be more likely to appear in firms that have approached sustainability due to regulatory pressures. Consequently, they have hired a SP in order to introduce the processes and mechanism necessary to perform what is mandated by regulations. For example, the system to collect, analyze and disclose the data for sustainability reporting. It is probable that the SPs will remain within the company until these processes become highly standardized and routinized and until all units are capable to autonomously perform these tasks. Furthermore, software companies are starting to create information systems able to automatize aspects of data collection and analysis for sustainability purposes. As a consequence, there will no longer be a need for a dedicated role once the company has assimilated the knowledge and the mechanism to perform regulatory requirements. In this scenario, the core aims of a SP are to drive cultural and procedural changes in order to execute a specific set of activities. Hence, the future of the sustainability professional will differ based on the companies' aspirations in relation to sustainability. In organizations seeking to implement sustainability at the level of regulatory demands, the role of SPs is expected to become

redundant, resulting in their elimination. However, sustainability remains part of the company strategy, albeit to a limited extent. Therefore, the question that comes out is who will manage sustainability matters without a SP. In this case, other roles, such as the C-suite executives, will be responsible for setting the strategy, while other key managers will be tasked with overseeing implementation and control.

SP is no longer necessary in those companies that perceive sustainability as a matter of compliance

The essential prerequisite for the disappearance of the sustainability professional is the ability of other employees to handle sustainable practices without assistance. This is possible only in the case in which sustainable practices remain unchanged and become highly standardized:

"When a regulation becomes operational, it is no longer a topic that interests the sustainability department because it becomes a compliance topic for which the function manager will have to declare stuff." M.Ce.

As previously mentioned, sustainability is not a static concept, but the mutation of the internal and external contexts alters its interpretation and implementation. Therefore, a scenario in which sustainability becomes habitual reflects a limited and incomplete approach, lacking a holistic and comprehensive perspective. This is a choice that the company's C-level and the Board of Director have to make. They must determine whether to embrace sustainability in its entirety, acknowledging its dynamic nature and the need for ongoing adaptation, or opt for a narrower, compliance-based approach:

"In the context of regulation, in my opinion, companies will find themselves having to make a choice, a very narrow choice between limiting themselves to complying with the regulation or exploiting this change induced by the regulation to reinvent themselves." B.M.

Leveraging sustainability practices offers numerous advantages for companies; however, it necessitates substantial investments. Consequently, many companies opt for the path of regulatory compliance, as it provides a more accessible and cost-effective approach.

CEO and CFO will have the strategic and operational control over sustainability when SP no longer exists

After the elimination of sustainability professional role, there remains a need for strategic and operational control over sustainability matters. Respondents have highlighted two

different roles in this scenario. Regarding strategic plans, the responsibility lies with the C-level executives. In particular, the Chief Executive Officer (CEO) will be in charge of integrating sustainability in the corporate's strategy and establishing annual plans:

"On a practical level, in the ideal world it is the CEO, [who coordinates] who entrusts the various function directors with objectives, which are also of sustainability, therefore, and perhaps also incentivizes them in this way." D.D.

Another significant player in this context is the Chief Financial Officer (CFO). The CFO is already a relevant role when the SP is present within the company. In fact, the SP and the CFO collaborate on the creation of the integrated report which combines both financial and non-financial disclosures. If the company perceives sustainability primarily as compliance matter, placing greater emphasis on reporting practices, the role of the CFO becomes even more responsible for the sustainability activities. Consequently, the Chief Sustainability Officer emerges as the natural successor to the SP role:

"In some cases, where the compliance dimension prevails, perhaps [sustainability] is managed by the typical functions that follow compliance in the company, which are CFO, finance and administration." D.D.

Finally, sustainability has to be managed day-by-day. According to the informants, it is expressed that certain focal points within the organization will be designated for this purpose. These key persons will be managers who have a deeper formation on sustainability topics, enabling them to supervise and guide other employees in these matters:

"One direction is to dedicate some focal points or in any case referents in the organization who can somehow go to intercept the new sustainability trends that we know are evolving. So, these people, perhaps specialists located in the various corporate functions, could act as a guide to intercept the new mega trends, new regulations and then obviously bring them into a more general discussion." B.M.

To sum up, companies that view sustainability as a matter of compliance will employ sustainability professionals only for a limited period of time. Following the removal of this role, there will be the CEO in charge for the strategy and the CFO responsible for the implementation, the control, the target setting, and the coordination among units. Additionally, other selected managers will serve as key roles tasked with implementing the sustainability strategy in practical terms.

3.4 Discussion

The findings of this research indicate an evolutionary process of the role of the sustainability professional. The participants have had comparable opinions on the SP's development path up to this time. The various phases differ in the tasks and goals of the sustainability professional, which have a direct effect on the role's importance within the corporation. As a matter of fact, the SP's organizational power has increased as the company's awareness on sustainability has grown, often due to changes in external or internal context. Therefore, there is a double timeline that is necessary to take in consideration in the process. On one side, there is the external context's timeline which starts with the first introduction of the SP role in the company. This relates to the evolving perspectives on sustainability in theory and practice within the business world. It comprehends the transition from Corporate Social Responsibility to Corporate Sustainability in the first years of this century and the subsequent way companies have changed their approach in implementing sustainability. The second timeline is related to the company's internal context. The progression of sustainability implementation within a specific firm is influenced by various firm-specific factors, such as competitors, customers and investors requests and the personal sensibility of the Top Management. Therefore, a company could be ahead or behind the timeline of the external context. While the development of the SP role has followed a relatively linear path thus far, there is uncertainty regarding its future. Despite this, a shared hypothesis emerged from the research: the majority of respondents were confident in the continued presence of the sustainability professional within the company. Those with a divergent idea indicated a different scenario in which sustainability professionals could possibly not be necessary. The grounded theory presented in Figure 3.3 explains the process of evolution of the sustainability professional and the different future scenarios.

Figure 3.3 Grounded theory
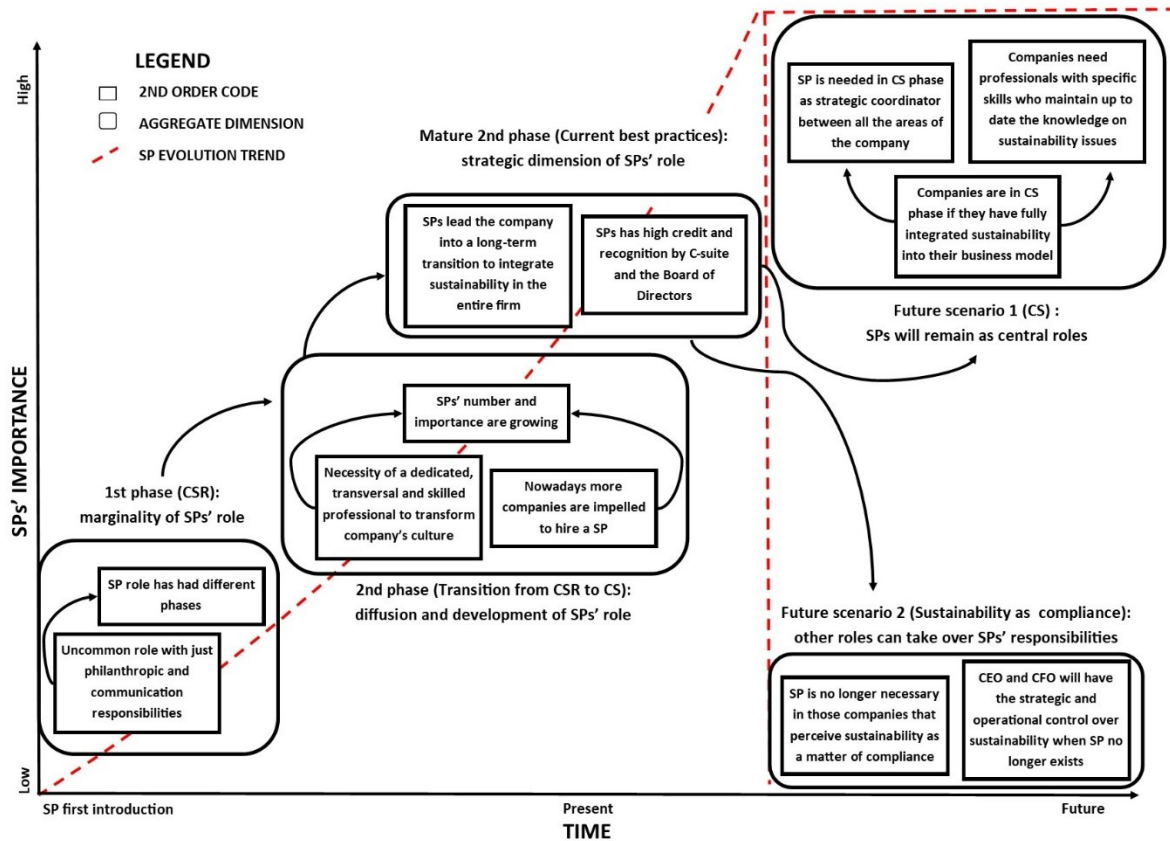
Source: personal elaboration

The theory explains the evolutionary trend of the sustainability professional, considering the external context timeline and the SP's importance within the organization. From the initial introduction of the SP role to the present, the role has progressively gained power and recognition within organizations. In its early stages, the SP role was uncommon, and only a few companies had one. At the same time, the concept of sustainability was not well-defined, and the responsibilities of a sustainability professional were unclear. That is the phase of Corporate Social Responsibility, when companies had the idea of doing something good for the community. During this time, the SP's tasks primarily involved managing philanthropic projects which weren't related to the core business and communicating them to enhance the company's reputation. The participants highlighted that the role has had different phases and this was the first one. In this stage, it is clear that the role was marginal in terms of its relevance, organizational positioning and also importance of the activities managed.

After the theoretical transition from Corporate Social Responsibilities to Corporate Sustainability, companies gradually started to modify their approach. The first thing that changed is the idea that sustainability was more than philanthropy, and it must be related to the core business considering the economic, social and environmental impacts. Thus, the objective of sustainability professionals shifted towards driving deep changes in strategy and activities, starting from the company's culture. As a consequence, also the SP's importance within the organization increases because the tasks are not anymore secondary activities, but they become part of the day-to-day operations and ultimately of the strategy. However, the recognition of the other members of the organization is not immediate, rather it must be gained by the SP and stimulated by external stakeholders' pressures. The 2nd phase of the role marked the recognition of the sustainability professional, leading to the establishment of separate sustainability departments within organizations. Due to stakeholders' demand, the competitive landscape and the new regulations, many companies are compelled to implement sustainability practices. This means that they are stimulated to hire a dedicated roles to manage sustainability-related issues. As a result, the number of sustainability professionals is growing, with the interviewees' assumption that all the companies will have at least one professional specialized in sustainability, at least for a period of time.

The current most advanced phase of the role's evolution, the mature 2nd phase observed in cutting-edge companies, involves integrating sustainability in the business model and in every area of the organization. In those cases, the sustainability professional not only becomes a crucial role, but also assumes a strategic function. Indeed, SPs report directly to the C-level executives because sustainability is included in the corporate's strategy. This organizational positioning has a double objective. On one side, the direct access to the C-suite gives wider authority and stronger support to the sustainability manager. On the other side, the C-level executives have the possibility to precisely control a strategic dimension. This is a stage in which every company will attain, following the research's results. As a matter of fact, the latest understanding on Corporate Sustainability claims as the ultimate goal of the SP is the integration of sustainability in every function and level of the organization.

At this point, the company must decide how to approach sustainability in the future. Likely, all companies will be required by the regulations and stakeholders to reach an

adequate level of sustainable practices. However, a firm can't be truly sustainable if it just adopts the mandatory sustainable activities, instead it must constantly improve its sustainable-related practices. This final theory explains different future scenarios for the evolution of sustainability professionals:

- The first scenario is the one in which the sustainability professionals remain crucial within the organization. This will occur in companies that decide to embrace a comprehensive Corporate Sustainability approach. Sustainability will be completely integrated in the business model, and thus considered in every business decision and action. To maintain this holistic approach, the interviewed sustainability professionals have confirmed the necessity of having not only a dedicated, but also a specialized role. The SP is required to stay updated on the advancements in sustainability and to be capable of adapting and evolving the company's processes accordingly. At the same time, sustainability needs to be seen transversally, with a larger goal that every function contributes to achieving. Hence, the SP is needed as strategic coordinator between all the areas of the organization. The role must set the company's sustainability-related goal, mitigating risks and capitalizing on opportunities emerging from the new trend and changes of contexts. Subsequently, the SP is responsible for directing and controlling the implementation of the strategy across different functions, intervening when necessary to coordinate activities.

- In the second scenario, the role of the sustainability professional becomes obsolete within the company. This will occur in organizations which consider sustainability as a matter of mere compliance. Only three participants have expressed the possibility of the sustainability professional disappearing and have also highlighted the potential scenario where sustainability is applied at a regulatory level. Two out of the three respondents work in a consulting firm, while the remaining one works in a large assurance company. It is important to mention the companies of the respondents to understand why they could have a certain perspective. The objective of the advisory job of the respondents at issue is the one of standardizing and integrating sustainability practices. In companies that aim only to be complaint to sustainability-related regulations, once each function has assimilated its respective responsibilities, the guidance of a dedicated professional

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becomes redundant. In this scenario, other individuals will assume the responsibilities related to sustainability. According to the participants' beliefs, the CEO and the CFO will be in charge to give the strategic and operational direction, while other trained managers will manage the day-by-day implementation. This is possible because sustainability is applied in a static way, allowing for clear division of tasks within functions.

- The third scenario is expected to be less common in the long-term future. This scenario considers the firms that have been unable to fully integrate sustainability in every area of the organization, hence remaining in the 2nd stage of sustainability implementation. Therefore, the sustainability professional retains all technical and operational responsibilities. In this case the SP will continue to exist, but the approach taken is neither holistic nor comprehensive. In the majority of the cases, sustainability will probably be considered also in these situations a matter of compliance. However, the difference with the previous scenario is that without a SP, other members of the organization wouldn't be able to conduct sustainable practices.

3.5 Theoretical and managerial implications

This research provides two main contributions to the studies about the role of the sustainability professional. The first main contribution is the identification of distinct phases in the development of the role. This is important because it provides a framework to understand the evolution of a profession in terms of time and characteristic of a determinate phase. The previous studies have identified only some isolated changes in the organizational relevance and recognition of sustainability professionals, such as the different organizational position of the role from middle management to top management (Carollo and Guerci, 2018) or the enlargement of the teams in the sustainability departments (Pedrini e Rossi, 2020). This research organizes the stages considering the overall goal, tasks, organizational positioning and relevance of the role. Furthermore, this study has explained this evolution in relation to the development of the concepts of Corporate Social Responsibility and Corporate Sustainability. This highlights how the clarification of a concept can have a wide influence also in the business practice. The second contribution is the identification of possible future scenarios of evolution of the

role of the sustainability professional. This study finds three possible situations in which a company could be in the future, influencing the necessity of the sustainability professional. This aims to enrich the literature on this topic which is still not explored. This theoretical implication could be further studied in order to understand if the role is becoming a new profession. For instance, the study on the professionalization of the sustainability professionals carried by Borglund et al. (2021) found ambiguities in the professional logic of the role. One explanation could be that the researchers analyzed the sustainability professional in the first development phases. Therefore, the future scenarios emerged from this research could be considered for additional studies on the topic. Finally, the study also recognized the regulatory power as one of the main drivers in leading companies in effectively implementing sustainability, even though legislation can also deviate companies from the holistic implementation of sustainability. This expresses the potential of legislation in guiding the business world into a desiderated direction.

The findings also have various managerial implications. Firstly, it is relevant to recognize that companies could be in different evolution phases in the same time period. As discussed, the timeline evolution of the role often doesn't correspond to the development of the role within the company. This is because the external timeline is based on the best practices which represent only a few companies in total. However, companies in the most advanced phases are important benchmarks for the other firms. The sustainability professional must be aware of the stage in which his company positions in order to understand his current task and objectives. Moreover, the sustainability professional should adapt his tasks and companies' activities to reach a definite stage in the long term. Another implication is that the evolution trend of the role could affect the company's structure and decisional setup. For example, the insight that all companies will eventually hire a sustainability professional who will gain high organizational power can influence the perspective and the approach to sustainability of companies that are still in the first phases of the evolution. The theory of the future scenarios are insights that should be examined by the sustainability professionals themselves. The main difference between the two possible future evolutions is the approach towards sustainability of the company. While the sustainability professionals still have a high influence on the corporation, they should work in creating the premises for the adoption of a holistic and comprehensive approach. Finally, the research could be also an indication for the present and future

sustainability professionals. The necessity for a further specialization on sustainability-related topics emerges. Therefore, sustainability professionals should enlarge their knowledge and enhance their competencies. Moreover, the need for formed professionals will increase, causing an expansion on the role requested in the job market.

3.6 Future research

The present study presents some areas that could be further explored. First of all, the findings were the outcome of a qualitative research in which the data were gathered through interviews. As suggested by Gioia and Corley (2012), the participants are knowledgeable actors, however their understanding and reporting of the reality could be biased. In addition, the coding of the data could be vulnerable to errors taking into account the fact that they are manually detected. Considering the lack of studies regarding the future evolutions of the role of the sustainability professional, other researchers could replicate this study in order to compare the findings and to extend the results. This research has considered a limited data sample of Italian sustainability professionals. Therefore, future studies could examine a larger data sample in order to expand the theory on the future scenarios for the role of sustainability professionals. Moreover, the next researches could compare the results obtained across different countries to discover the factors that influence the evolution of sustainability professionals. This could also help companies to understand which could be the more adequate development path to follow. The research presents scenarios where sustainability may be considered a matter of compliance or fully integrated into the business strategy. Further research could investigate the implications and outcomes of these different approaches, including their impact on the sustainability practices, stakeholder perceptions, and long-term organizational sustainability performance. This study focused more on the dynamic dimension of the role in time. Thus, future research could further analyze the skills and task of the sustainability professionals for each specific evolutionary phase. Finally, further studies could analyze the role of legislation in influencing the level of sustainability implementation in the company and consequently the characteristics of the sustainability professional. Overall, the role of the sustainability professional should be further investigated along with the factors influencing its evolution. This will contribute to the knowledge and practice of sustainability management within organizations and help guide their transition towards more sustainable and responsible practices.

Conclusions

The aim of this thesis is to find the evolution path of the role of the sustainability professional. The analysis of the interviews to the sustainability professionals has led to the development of a theory which offers two main contributions. The first contribution is the creation of a framework of evolution of the sustainability professional which identifies definite and specific phases. The second insight is the formulation of three possible scenarios for the future evolution of the role.

The analysis started with the identification of the sustainability professional as a key new role within corporations. As a matter of fact, companies need, at least for a limited period of time, a person who manages sustainability-related activities. The study of the literature on this topic has detected a lack of research on the development of the sustainability professional. As a consequence, the main research question of the thesis is as follows:

What is the past and future pattern of evolution of the role of a sustainability professional?

To find an answer, the most adequate method is qualitative research involving semi-structured interviews to sustainability professionals. The use of qualitative research is highly suitable in this context as the issue under investigation has not been thoroughly explored previously. Consequently, this research aims to uncover novel concepts and insights rather than reaffirming existing knowledge (Creswell, 2003). To achieve this, the research analyzes participants' experiences and their professional view on the matter. It is crucial that the concepts are attained with a systematic approach that provides scientific rigor (Gioia and Corley, 2012). Therefore, the Gioia Methodology has been applied to analyze the data. Once the thirteen interviews were completed and transcribed, the first step was to label the participants' words in 1st and 2nd order codes and aggregate dimensions. This consents to find common patterns based strictly on the interviewees' experiences. The 1st order codes are elaborated using participants' own words, while the following concepts have an increased level of abstraction, based on the researcher's knowledge. Thus, the emerging insights are developed by creating connections between the raw data and the more abstract themes. Finally, the interconnection of these concepts forms a theory that explains the researched topic. Following this series of steps rigorously has led to the development of the final theory, which answers the initial research question.

To comprehensively address all relevant aspects of the study, the central research question has been further divided into three sub-questions. The resulting findings effectively encompass all of these questions, thus explaining the main topic in all its parts. The first sub-question focuses on the historical evolution of the role, examining its development over time:

Which are the stages of the evolution of the role of the sustainability professional at strategic and operational level?

The research highlights a clear transformation of the role of the sustainability professional in terms of responsibilities, tasks, organizational position and power. When the role was at first introduced, the sustainability professional was a peripheral actor within the company. As a matter of fact, their responsibilities primarily revolved around organizing philanthropic activities and communication tasks. This is the first stage in which companies engaged with Corporate Social Responsibility (CSR) concept. The findings are indeed coherent with what has been studied in Chapter 1 and 2. In fact, during the CSR phase, the objective of the companies is to give back to the society which is affected by their operations. As the role's tasks are secondary to the core business activities, also the sustainability professional is a marginal role with limited power and recognition. This situation starts to change when firms begin to understand the strategic importance of implementing sustainability in a more holistic way, adopting the Corporate Sustainability approach (CS). This is the second phase in which companies initiate the transition from CSR to CS which, in practice, results in the consideration of sustainability-related risks and opportunities into corporate decision-making. However, the practical application of Corporate Sustainability within companies only arose years after the theoretical introduction of the concept at the beginning of the 21st century. As a consequence, also the role of sustainability professionals starts to gain relevance. On one hand, this role becomes responsible for a broader range of activities. On the other hand, the tasks of the role are more strategic compared to the past. The role receives more recognition from the other employees, particularly from the top management, leading to a more central organizational position. In fact, this recognition induces the establishment of dedicated departments solely focused on sustainability. At the same time, a growing number of companies are compelled to implement sustainability due to stakeholders' and market's pressures and to new regulations, especially those mandating non-financial disclosure. As

a result, there has been a notable increase in the number of sustainability professionals, driven by the growing demand from companies seeking to hire their first sustainability professional or expand their existing sustainability departments.

The second sub-question aims to further enhance the understanding of the role's evolution by examining current best practices up to the present day:

Which are the characteristics of a sustainability professional in a company that is in an advanced phase of sustainability implementation?

It is important to analyze also the practices of the companies that are currently in an advanced phase of sustainability implementation. This analysis has the goal to understand in which direction is going the trend of the role's evolution and to provide guidance on the possible path for the majority of the companies in the short-term. The current best practices can be considered in the mature second stage of development. In these companies, sustainability professionals hold a central position and often report directly to the C-level executives. Sustainability departments are composed by a team with multiple resources, each focusing on specific areas of sustainability. These companies successfully integrate sustainability into their corporate strategy, emphasizing its importance across all levels of decision-making.

The last sub-question focuses on the prospective evolution of sustainability professionals:

Which is the future development of the role?

The study has discovered that eventually almost every company will integrate sustainability into its business model and across all functions, reaching the Corporate Sustainability phase. At this point, the question that arises is what will be the future of the role in such a changing context. There is not a unique answer, as the role will depend on the approach adopted by each company. In fact, respondents have expressed their belief that companies could implement sustainability with different approaches. Truly sustainable companies will consistently prioritize sustainability as a fundamental aspect in every decision and process. Thus, sustainability is fully integrated into their business model, and corporations continue to improve their sustainable practices. However, not every company will decide to adopt this holistic approach as it requires constant investments and dedicated resources. Thus, some companies will implement sustainability only to reach a minimal level of compliance with regulations. They will still

integrate sustainability into every function, but, in contrast to the previous situation, with the aim of standardizing and efficiently managing the necessary activities mandated by regulations. The last situation will occur in those companies that won't be able to completely integrate sustainability into their business model and every area of the organization, thus remaining in a position that this theory defines the second stage of development. It is evident that in such opposite scenarios, the role of the sustainability professionals will vary significantly. In the first scenario, sustainability professionals will remain a strategic role within companies that choose to have a comprehensive and holistic approach to the implementation of sustainability. In fact, sustainability becomes a strategic dimension, which concerns every organizational aspect. Therefore, the sustainability professional is necessary to set the strategy and to coordinate its effective implementation across business functions. Moreover, the sustainability professional must update its knowledge and capabilities on the emergent sustainability-related issues. These responsibilities require specific skills and dedicated resources to be accomplished. A different situation will be found in the second scenario. Companies that consider sustainability as a matter of mere compliance will perform a fixed number of activities which remain unvaried over time. Therefore, once the sustainability professional has achieved the goal of integrating sustainability-related knowledge and practices into every function, the role becomes redundant. In such cases, other individuals within the company are assigned the responsibility of overseeing the implementation of sustainable activities, which are expected to be carried out autonomously by every employee. In particular, the CEO will be in charge of setting the overall sustainability strategy, while the CFO will give the guidelines and the targets to be achieved. Finally, the sustainability professional will remain in those companies that will be unable to fully transition to Corporate Sustainability. The main reason is that sustainability has not been integrated in every area and process, making it impossible to perform those activities without a constant guidance and support.

These insights have both theoretical and managerial implications. On one hand, the theory could serve as a starting point for further research on the topic or as a basis for exploring related areas, such as the study of the professionalization of the role. On the other hand, the framework can be an important tool for understanding the progression of the role over time and discovering the potential directions. The findings help organizations in

informing decision-making and strategic planning by recognizing the evolving strategic role that sustainability professionals can have within the organizational structure. In fact, companies could make appropriate decisions regarding the integration of sustainability practices within their operations whether they understand the relevance of the sustainability professional. This could lead to the effective consideration of sustainability professionals in shaping and implementing sustainability strategies, thereby enhancing the overall organizational performance.

In conclusion, this research has discovered that the sustainability professionals is destined to remain a permanent role into the organizational structure of sustainable companies. The evolution trend of the role has started from being peripheral to expanding his importance and recognition, ultimately reaching a central position. For companies that aspire to adopt an integrated and comprehensive approach to sustainability, the presence of a sustainability professional is not only advantageous but also indispensable.

Appendix

Appendix A Interview questions

First part

In the first part of the interview, the objective is to understand how the role of sustainability professionals in companies has evolved and what the interviewee's opinion is regarding the future evolution of the role.

1. What does implementing sustainability at a corporate level mean to you, and do you believe that a role dedicated to this is necessary?
2. At what stage of implementation is your company currently in?
3. How did the role and, if existent, the sustainability department in your company come into existence and develop?
4. What has been your professional journey?
5. How do you think this role will evolve in the future, and why?

Second part

The second part aims to investigate in detail how the profession will evolve following participant's beliefs. Therefore, the interview structure has two version depending on the interviewee's opinion about the developments of the role. Accordingly, the questions will be specific in case the interviewee believes that the role will continue to exist or, alternatively, that it will disappear.

THE ROLE WILL CONTINUE TO EXIST

6. Do you believe that it is possible and desirable for this role to be introduced in any type of company?
7. What are the potential resistances, and who or what actions will support this role?
8. When sustainability is integrated into all business functions, what will be the responsibilities of the sustainability manager and those of other departments?
9. What will be the position of the sustainability professionals within the company, who will they report to, how will the sustainability department be structured, and what relationship will it have with other functions?
10. What skills and what types of profiles will be required, and will the company look

> internally or externally for candidates?

11. Are there any other considerations about the future evolution of this role that you would like to share?

THE ROLE WILL DISAPPEAR

6. Before the role disappears and sustainability is implemented by all other functions, will there be a transitional phase where each company introduces this role for a limited time?

7. In your opinion, how much time, on average, will be needed for the role to no longer be necessary?

8. Who will make strategic decisions regarding sustainability?

9. Who will coordinate and oversee the various functions in the implementation of sustainability?

10. Are there any other considerations about the future evolution of this role that you would like to share?

Appendix B Data table

The Data Table collects quotes from participants for each 1st order code, in addition to those presented in Chapter 3. This aims to provide further evidence for each emerging concept.

Aggregate dimension	2nd order codes	1st order codes with relevant quotes
1st phase (CSR): marginality of SPs' role	SP has had different phases	**At the beginning, SPs didn't have a dedicated department (they used to work under communication, HR, HSE offices)** • I have also seen the sustainability function assigned to the quality, environment and safety management rather than to the investor relator. It depends a lot from company to company. V.F. • The organizational position of the SP depends a lot on the characteristics of the individual companies, their history and the sustainability issues that the company considers most critical (production, marketing, communication, management systems, audits, etc.). G.P. • When I started dealing with sustainability 26 years ago, the sustainability manager was the communication director and the sustainability function was in the communication

		department, if things went wrong, it was in the HR department. V.F. **SPs have had various phases from when they were marginal in CSR phase to when they have an increasing importance and recognition in the organization** • 10 to 20 years ago, companies began to have these first sustainability managers who were called CSR manager and therefore sustainability managers were born from there. Then they evolved. F.E. • The function was social responsibility and not even of sustainability in 2012, then evolved into group sustainability. B.M.
	Uncommon role with just philanthropic and communication responsibilities	**At the beginning, SPs were chosen from within the company because SP in the job market were rare and driven by personal motivations** • 26 years ago, I started working and people who were trained for this role were very few and we were starving, in the sense that we were begging for a job because nobody understood what we were doing and nobody understood what we wanted and how we could be useful. V.F. • Companies either looked for a SP from competitors or trained internal employees. F.E. **In the first phases, sustainability was often considered a philanthropic activity and SPs* had mainly a communication role** •In times when sustainability was seen a lot as philanthropy by the company, so I think in the late, mid 2000s and many companies saw philanthropy as sustainability in some way, so I do liberal donations, rather than do an educational activity with school because it has a certain type of return. F.E. • When I started, I was a person dedicated to sustainability, with no specific training, I built myself over time. At the beginning, very often people who didn't even know much about sustainability became SPs. But in the beginning, sustainability was more about managing solidarity projects. L.C. • At the beginning, sustainability was a little more linked to communication and the development of projects that had a positive

		impact on certain types of stakeholders and therefore more social responsibility. M.B.
2nd phase (Transition from CSR to CS): diffusion and development of SPs' role	Necessity of a dedicated, transversal and skilled professional to transform company's culture	**SPs are necessary to change the company's culture in order to transform company's activities in a more sustainable way** • And it is still necessary to have a person who also brings sustainability culture within the organization. B.M. •Therefore, the creation of a sensitivity, the creation of a new culture, the opening of windows on the world of ESG is really necessary, it is desirable. E.D. • SP must enter heavily into company management, therefore must really urge colleagues to change their modus operandi, to envisage a different way of doing business. V.F. •Integrating sustainability is a step that we believe is very difficult to take, because it involves changing people's minds, and therefore being able to move the organization slowly is not easy. M.Ce. **SPs are necessary because their responsibilities became numerous** • Exactly, we really need someone dedicated [because otherwise the sustainability work would not be manageable]. V.F. **SPs should have technical competencies because the other employees don't have the specific knowledge** • I think [SP] is necessary for a number of reasons, first of all because specific skills are needed to do this type of activities. E.D. • Those who occupy decision-making roles today have not received, either in their course of study or in life, that training on the techniques, on the tools, on the logic of sustainability. No, they are not sustainable natives. D.D. **SP should have managerial skills to coordinate and influence people of different departments** • Being able to convey messages and motivate people is one of the skills that those involved in corporate sustainability must have. E.D. •And then you're always a bit against everyone and everything. If one manages to have good

		relationships with colleagues, a very creative mechanism is created which goes towards a reduction of impacts. M.Ce. **SPs come from many different backgrounds** • You need an unconventional approach to manage sustainability and therefore a holistic profile. V.F. • This is typical of sustainability structures, there isn't a specific background. M.B.
	Nowadays more companies are impelled to hire a SP	**SP is relevant as guide and leader in sustainability** • Enterprises that start approaching the world of sustainability need support. S.C. • The majority of production managers still need a specialist to teach them that to achieve a circular economy you have to do this, that to decarbonize you have to do this. D.D. **Many organizations start to approach sustainability forced by regulations** • In the meantime, the great chaos of legislation and reporting begins. So, what was previously voluntary becomes mandatory. Therefore, the sustainability department is structured in an increasingly defined way, to start having to do things that are required by law. B.M. • The firm started approaching the ESG world, when it was listed on the Stock Exchange. And let's say, that it is not a vocational path. It's a company that has to deal with sustainability because it basically has to. E.D. **Regulations is becoming stricter so it forces firms to have dedicated professionals** • At that point, in order to even go to deal with sustainable activities and regulatory requests, it is obvious that in some way it was also necessary to review the function in a direction that is very technical. B.M. • The introduction of regulatory criteria linked to European directives greatly facilitates this process, because organizations immediately understand that where there is a compliance issue, a role is needed to take charge of it and therefore in some way I foresee a future in which SPs will become more and more widespread and placed in the right place of the organization. E.D.

		All companies will have a SP in the future • In the future, everyone will be required to have a sustainability manager, if you want to survive, stay in the market. S.C. • In one form or another, there will certainly be a need for a SP, precisely because of a regulatory issue, so in a few years, all companies will be required to make a sustainability report. So, one way or another there will have to be people who will be dedicated to this work. M.C.
	SPs' number and importance are growing	**SP is part of a proper sustainability department that is separate from the others** • In recent years, there has been a step forward in terms of the growing role of sustainability in business strategies. And then sustainability has become a detached direction. D.D. • The department was initially made up of 7 resources and today we are 15. Today there is a more organized department, we are specialized and dedicated. Today, there is a highly coordinated, highly structured activity and we try to do everything a little more professionally. M.Ce. **Sustainability departments have a growing number of resources with specific tasks** • From 2015 onwards we hired two people who work with me on purely sustainability issues. And then little by little we have grown up to really having the last acceleration in the last two years in which we have included one, two, three, four, five people at team level. So, in the last couple of years, there's been this evolution. M.B. **More external and specialized professionals are hired as SPs** •I would hire a SP externally if it is possible to select a person who already has sustainability skills, macro-skills. F.E.
Mature 2nd phase (Current best practices): strategic dimension of SPs' role	SPs lead the company into a long-term transition to integrate sustainability in the entire firm	**SPs must integrate sustainability in the company strategy and in all the business functions** • Because clearly to integrate sustainability all management must be involved in some way. But not only the first levels, but also all the people in the company. F.E.

		• There will probably be companies that will integrate sustainability and change their culture of doing business. In that case we will have the various company functions with people who are also competent in sustainability. D.D. • It makes sense that both the sustainability activity and strategy are linked to the core business of the company and consequently, that the core business activity is linked to the sustainability activity. L.C. **SPs can delegate specific responsibilities to other functions giving guidelines and KPIS** • Clearly reporting methods are established by the SP, but other functions can be somehow more autonomous or increasingly autonomous. It's like in a management system where initially I start with a meeting of the top management, then I delegate to the functions the achievement. F.E. • Undoubtedly the other functions will have a certain greater degree of autonomy, in creating and developing sustainable projects. Now we must be the ones who say what must be done. When there will be a slightly more developed culture, I imagine that the people in the company who have to develop a sustainability project already know what to do. M.C. **The integration of sustainability is a process that requires time (about 5 to 10 years)** • It will take a few years. I think that to integrate sustainability into the firm completely, not even completely, at least a five-year cycle of intense work is needed, especially if you start from scratch. Then I don't know if they will be enough. E.D. • About ten years [time in which the evolution will take place]. V.F.
	SPs has high credit and recognition by C-suite and the Board of Directors	**SPs report directly to the C-level to have more impact in the organization** • SP must be in the right position so to report directly to the top manager, otherwise you'll go nowhere. This is another very important topic. V.F. • The sustainability function reports directly to the board of directors. F.E.

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		More and more companies have sustainability committees • See also in our experience, we have created a Strategic Sustainability Committee with seven heads of different functions. F.E.
Future scenario 1 (CS): SPs will remain as central roles	Companies are in CS phase if they have completely integrated sustainability into their business model	**Sustainable companies have a holistic approach to sustainability in every process and decision** • In my opinion, a company that works well from this point of view tends to be one which, when it makes a choice linked to investments, people and governance, does so by applying the criteria, integrating it into its own evaluation scheme, even these concepts with the right weight. And this means that it was useful to get the cultural action done right away. E.D. • So, being sustainable means changing processes and products, to ensure that what the company has done up to now in the conventional way is done, guaranteeing the creation of value which must be economic, but also in respect of the environmental and social component. V.F. **Sustainable companies apply sustainability beyond the normative and regulation** • I am scared that some companies will lose the opportunity to think of sustainability as a new key to understanding and interpreting managerial skills. D.D.
	SP is needed in CS phase as strategic coordinator between all the areas of the company	**SPs are fundamental as supervisors in sustainability issues** • Companies that have completed the process still need someone who then stimulates you to keep your attention high on sustainability issues. L.C. • In any case, our role is to keep the level of sustainability issues high in the various phases. So, it's like having a constant stimulus, despite the fact that the other managers clearly have control over the entire processes. M.B. **SPs are crucial as strategic decision makers even when sustainability is integrated in every function** • In the future the SP will always be focused on developing and monitoring sustainability strategies. G.P.

		• The role remains necessary to make the strategy and to monitor it and cannot be replaced by an external consultant. S.C. **SP are essential as a connection between different functions** • The role of sustainability continues to have that transversal vision which will also be used, also in the future, in the construction of an overall reporting integrated with all aspects. M.B.
	Companies need professionals with specific skills who maintain up to date the knowledge about the current sustainability issues	**SPs are necessary because specific knowledge will be required in order to deal with sustainability on a daily basis** • In the future, the sustainability professional will have to develop more in-depth skills relating to social and environmental sustainability issues both on more consolidated issues (climate change, energy or water consumption, stakeholder involvement) and on newer issues (biodiversity, inequalities, etc..). G.P. **SPs are indispensable to keep the company updated in the latest evolution on sustainability** • I think SP will also exist in the future because there is a need for a constant supervisor for all the evolutions of sustainability. M.B.
Future scenario 2 (Sustainability as compliance): other roles can take over SPs' responsibilities	SP is no longer necessary in those companies that perceive sustainability as a matter of compliance	**SPs are no longer necessary when every manager has the knowledge about his area of sustainability** • I think that when sustainability becomes integrated into purchasing processes, operations and strategy, human resources management and logistics, just to imagine a typical value chain, the role of the sustainability manager will also probably disappear, because he will have done its job. V.F. **Some companies will only perceive sustainability as a matter of compliance** • Some companies will only see sustainability as an element of compliance, because the European Community asks us for the sustainability report, because it asks us for due diligence. D.D.
	CEO and CFO will have the strategic	**CFO will have SP's responsibilities when the latter will no longer be necessary**

	and operational control over sustainability when SP no longer exists	• I see that there is a trend towards allocating the role of SP directly to the CFO. V.F. **CEO gives the strategic direction on sustainability when SP is no longer in place** • My experience where this transition is taking place is that sustainability becomes a segment of the CEO. D.D. **Designated members in the organization will have definite responsibilities on sustainability** • I hope that a sustainability management system is set up, other managers will also become as the sustainability managers and act as a controller. V.F.

List of Abbreviations

ABBREVIATION	DEFINITION
CSR	Corporate Social Responsibility
CS	Corporate Sustainability
SP	Sustainability Professional
SM	Sustainability Manager
CSO	Chief Sustainability Officer
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CSFO	Chief Sustainability Financial Officer
TMT	Top Management Team
KPIs	Key Performance Indicators
SBM	Sustainable Business Model
TBL	Triple Bottom Line
BC	Benefit Corporation
GRI	Global Reporting Initiative
SASB	Sustainability Accounting Standards Board
CDP	Carbon Disclosure Project
ESG	Environmental, Social and Governance
NFRD	Non-Financial Reporting Directive
EFRAG	European Financial Reporting Advisory Group
ESRS	European Sustainability Reporting Standards
CSRD	Corporate Sustainability Reporting Directive
EU	European Union
SMEs	Small and medium enterprises
GHG	Greenhouse Gasses
NFS	Non-financial statement
NGOs	Non-governmental organizations

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