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Abstract

The agri-food corporate and cooperative business response to sustainable development

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The United Nations (UN) has endorsed a global call to action a sustainable future through the development and achievement of 17 Sustainable Development Goals (SDGs) by 2030. The sustainable development agenda seeks to address global challenges of poverty and hunger, climate change and gender inequality, by promoting economic growth, social inclusion, and environmental protection in attainment of the SDGs and 169 associated targets (UN,2015). This global shift towards the adoption of the SDGs by 193 member states is dependent on collaborative efforts among all actors, including public sector, private sector, and civil society.

As such, two business models; the corporates and cooperatives are identified as key in the implementation and achievement of the sustainable development agenda. By nature, the corporate business model focuses on compliance, job creation, maximising profits and sustaining their economic value overall. As a contributor to socio-economic development, cooperatives are focused on enhancing shareholder, stakeholder and community but also play a key role in creating employment.

The success of the sustainable development agenda is dependent on the integration of all three dimensions of sustainability: economic, social, and environmental. Research has shown that the extent of the response by corporate businesses to aspects other than economic sustainability such as social and environmental sustainability is essential (Alsayegh et al., 2020). In the case of cooperatives, the extent of their response to other dimensions in addition to social and economic such as environmental sustainability are also relevant (Garnevska et al, 2017). Furthermore, signatory states government have begun incorporating the elements of sustainable development such as the SDGs and accompanying targets into national agendas. Consumers and other

stakeholders also hold businesses to a level of responsibility regarding their activities. To increase the level of transparency of the firms, several reporting frameworks have been developed as it relates to sustainable development (Marcis et al., 2019; Castilla-Polo., & Sanchez-Hernandez, 2020).

In the case of New Zealand, the agri -food sector (including dairy and meat sectors) contributed NZD \$9 billion to GDP. As New Zealand has set specific targets to achieve sustainable development, information on the level of response taken by different business models is essential. As a result, research on the response to and implementation of sustainable development by relevant actors in society is pertinent for successful implementation and attainment of the agenda by the set timeline of 2030. For these reasons, this research aims to analyse and discuss how agri-food corporate and cooperative businesses respond to sustainable development agenda.

The study used a multiple case study approach of the two business models within the red meat sector in New Zealand. A qualitative research approach was adopted using a semi-structured interview. The interviews were conducted via online platforms and telephone due to the limitations in travel and face to face interactions due to the Covid-19 restrictions. Secondary data were collected through analysing published and unpublished business reports and other relevant documentation. The participants were selected by purposive sampling and included two governance/management participants, two operational participants and three suppliers from each business in addition to one key industry informant. A cross analysis and pattern matching was used to analyse and compare the results of both entities.

The response of both business models to sustainable development is initiated by various external and internal drivers (Adebanjo et al., 2016). Both business models are motivated to conform to sustainable development by government regulation, stakeholder perception and good corporate citizenship drivers. These drivers exert a response by these business models which were in the form of economic, environmental, and social aspects. Both models responded to economic investments, disclosure transparency and compliance, business profitability and economic costs. Environmentally both models responded to climate change and decarbonisation, energy efficiency, water use and quality but differed in assessing environmental risk and impact, utilising sustainable technology, environmental training and recycling and packaging. Socially, both models responded

to community engagement, health, and safety, stakeholder satisfaction, social equity and differed in employee mental health, work life balance and employee compensation.

The results from the study indicated that both business models are responding to economic, environmental, and social dimensions of sustainable development. Agri-food cooperative is responding to all dimensions but more extensively toward the social dimension of sustainable development. The agri-food corporate business is responding to all dimensions but more broadly, responding toward the environmental dimension of sustainable development. As both business models are responding to sustainable development, it is recognised that both firms are in the initial stages of developing a formal approach of reporting sustainability within their organisations, structuring their activities to better align to international sustainable development reporting standards. This study demonstrate that different type businesses are responding to sustainable development and these companies as well as their stakeholders are positioning themselves for sustainable future.

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