



**The relationship between corporate sustainability and
corporate culture: identification of the core corporate
values that drive sustainability in business**

Konstantin Noah Ernst Bienert

[152121184]

Dissertation written under the supervision of Professor Marta Bicho

Dissertation submitted in partial fulfillment of the requirements for the degree of MSc in
Management at Universidade Católica Portuguesa

03rd of January 2023

Abstract

Title: “The relationship between corporate sustainability and corporate culture: identification of the core corporate values that drive sustainability in business”

Author: Konstantin Noah Ernst Bienert

In this article, the role of corporate culture and more specifically corporate value models in guiding consultancies within their sustainable business approach is explored. The research examined how certain corporate values are implemented and realized to achieve the company's sustainability goals. It also discussed how the two leading consulting firms, BCG and McKinsey, align their business practices with their values and promote sustainable development. Through an in-depth content analysis of ESG, Social Responsibility and Sustainability Reports, combining qualitative and quantitative methodologies, significant insights about the role of corporate culture and value structures in the sustainable business strategies were discovered. Accordingly, consulting firms don't strictly follow only one competing value model to achieve their corporate sustainability vision. The analysis discovered that the consultancies' corporate sustainability initiatives are deeply rooted in the Human Relations Value Model and the Open Systems Value Model. This is driven by fundamental and guiding corporate sustainability initiatives such as diverse and inclusive development and recruitment, delivering long-term social impact to communities, and actively reducing emissions and contributing to climate change. By this means, the relevance of sustainable leadership was outlined and a framework for the interrelationship of corporate sustainability and corporate culture was established. The analyzed consulting companies define themselves as value-driven people businesses who work on the management level to establish CS-driven change processes with clients and thus proactively shape the market.

Keywords: Corporate Sustainability, Corporate Culture, Competing Value Models, Strategy and Management Consultancies

Resumo

Título: “A relação entre sustentabilidade corporativa e cultura corporativa: identificação dos principais valores corporativos que impulsionam a sustentabilidade nos negócios”

Autor: Konstantin Noah Ernst Bienert

Neste artigo, é explorado o papel da cultura corporativa e, mais especificamente, os modelos de valor corporativo na orientação das consultoras dentro da sua abordagem de negócios sustentáveis. A pesquisa examinou como certos valores corporativos são implementados e operacionalizados para atingir as metas de sustentabilidade da empresa. Também discutiu como as duas principais consultorias alinham as suas práticas de negócios com seus valores, além de promover o desenvolvimento sustentável. Por meio de uma análise de conteúdo aprofundada dos relatórios Sustentabilidade, e combinando métodos qualitativos e quantitativos, foram descobertos insights significativos sobre o papel da cultura corporativa. Verificou-se que as consultorias seguem uma combinação de modelos de valor para alcançar a sua visão de sustentabilidade corporativa. A análise descobriu que as iniciativas de sustentabilidade corporativa das consultorias estão profundamente enraizadas no Modelo de Valor de Relações Humanas e de Valor de Sistemas Abertos. Isso é impulsionado por iniciativas de sustentabilidade corporativa fundamentais e orientadoras, como desenvolvimento, educação e recrutamento diversificados e inclusivos, gerando impacto social de longo prazo para os seus clientes e comunidades, reduzindo ativamente as emissões e prevenindo e contribuindo para as mudanças climáticas. Desta forma, foi delineada a relevância da liderança sustentável e estabelecido um quadro para a inter-relação entre a SC e a cultura empresarial. As empresas de consultoria analisadas definem-se a si próprias como empresas de pessoas orientadas para o valor que trabalham ao nível da gestão para estabelecer processos de mudança orientados para a SC com os clientes e assim moldar proactivamente o mercado.

Palavras-chave: Sustentabilidade Corporativa, Cultura Corporativa, Modelos de Valor Competitivo, Consultoria em Estratégia e Gestão

Table of Contents

- ABSTRACTI**
- RESUMO..... II**
- LIST OF FIGURES..... III**
- LIST OF TABLES..... III**
- LIST OF ABBREVIATIONS.....IV**
- 1. INTRODUCTION..... - 1 -**
 - 1.1. INTRODUCTION TO THE RESEARCH TOPIC..... - 1 -
 - 1.2. ACADEMICAL AND MANAGERIAL RELEVANCE - 3 -
 - 1.3. OUTLINE OF THE THESIS - 3 -
- 2. LITERATURE REVIEW - 4 -**
 - 2.1. THE EMERGENCE OF CORPORATE SUSTAINABILITY IN BUSINESS - 4 -
 - 2.2. DISTINCTION BETWEEN CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE SUSTAINABILITY .. - 5 -
 - 2.3. THE FRAMEWORK OF CORPORATE SUSTAINABILITY - 6 -
 - 2.3.1. Normative Management Level - 7 -
 - 2.3.2. Strategic Management Level - 8 -
 - 2.3.3. Operational Management Level - 9 -
 - 2.4. INTRODUCTION TO THE RELATIONSHIP BETWEEN CORPORATE SUSTAINABILITY AND CORPORATE CULTURE - 10 -
 - 2.5. THE CONCEPT OF CORPORATE CULTURE - 11 -
 - 2.6. THE INTERRELATIONSHIP BETWEEN THE CS-STRATEGIES AND THE CORPORATE CULTURE - 12 -
 - 2.7. CONTRIBUTION OF CORPORATE CULTURE TOWARDS THE REALIZATION OF CORPORATE SUSTAINABILITY - 17 -
- 3. METHODOLOGY - 18 -**
- 4. CASE STUDY: THE INFLUENCE AND IMPACT OF THE BOSTON CONSULTING GROUP AND MCKINSEY & COMPANY ON THE GLOBAL MARKET WITH RESPECT TO CORPORATE SUSTAINABILITY - 19 -**
 - 4.1. BOSTON CONSULTING GROUP..... - 21 -
 - 4.2. MCKINSEY & COMPANY..... - 23 -
- 5. DATA COLLECTION AND ANALYSIS - 24 -**
 - 5.1. PROPOSITION 1: THE OPEN SYSTEMS VALUE MODEL REFLECTS THE MOST APPROPRIATE CULTURAL MODEL TO IMPLEMENT AND ENHANCE CS IN ORGANIZATIONS..... - 25 -
 - 5.2. PROPOSITION 2: THE CORPORATE CULTURE, AND THEREFORE THE NORMATIVE MANAGEMENT LEVEL, IS FUNDAMENTALLY RELEVANT AND ENABLES COMPANIES TO BECOME A CS-LED ORGANIZATION. - 26 -
- 6. REALIZING CORPORATE SUSTAINABILITY – FINDINGS - 27 -**
 - 6.1. PROPOSITION 1: THE OPEN SYSTEMS VALUE MODEL REFLECTS THE MOST APPROPRIATE CULTURAL MODEL TO IMPLEMENT AND ENHANCE CS IN ORGANIZATIONS..... - 27 -
 - 6.2. PROPOSITION 2: THE CORPORATE CULTURE, AND THEREFORE THE NORMATIVE MANAGEMENT LEVEL, IS FUNDAMENTALLY RELEVANT AND ENABLES COMPANIES TO BECOME A CS-LED ORGANIZATION. - 32 -
- 7. CONCLUSION - 35 -**

7.1.	CONCLUSION	- 35 -
7.2.	LIMITATIONS	- 37 -
7.3.	IMPLICATIONS AND FUTURE RESEARCH.....	- 37 -
	REFERENCES	- 39 -
	APPENDIX	- 44 -

List of Figures

Figure 1: Corporate Sustainability Framework	- 7 -
Figure 2: Corporate Culture	- 12 -
Figure 3: Corporate Culture x CS-Strategies	- 13 -
Figure 4: Competing Values Framework (CVF).....	- 14 -
Figure 5: Boston Consulting Group - Competing Values Framework Overview	- 28 -
Figure 6: McKinsey & Company - Competing Values Framework Overview	- 28 -

List of Tables

Table 1: Overview ESG, Social Responsibility and Sustainability Reports (2019-2021)	- 19 -
Table 2: Internal Process Value Model	- 29 -
Table 3: Internal Process Value Model	- 29 -
Table 4: Rational Task Value Model.....	- 29 -
Table 5: Rational Task Value Model.....	- 30 -
Table 6: Human Relations Value Model	- 30 -
Table 7: Human Relations Value Model	- 31 -
Table 8: Open Systems Value Model	- 31 -
Table 9: Open Systems Value Model	- 31 -
Table 10: Interrelationship of the CVF-Models within the Corporate Sustainability Framework	- 33 -
Table 11: Associative Correlation of the Consultancies' CS-Initiatives with the Corporate Culture Model - Extraction of the Analysis Chart.....	- 34 -
Table 12: Associative Correlation of the Consultancies' CS-Initiatives with the Corporate Culture Model - Extraction of the Analysis Chart.....	- 34 -

List of Abbreviations

BCG	Boston Consulting Group Inc.
CS	Corporate Sustainability
CSR	Corporate Social Responsibility
CVF	Competing Value Framework
ESG	Environmental Social Governance
McKinsey	McKinsey & Company
SDG	Sustainable Development Goals

1. Introduction

1.1. Introduction to the Research Topic

Corporate Sustainability “meets the needs of the present without compromising the ability of future generations to meet their needs”. - United Nations Brundtland Commission (1987)

The importance of sustainability is not a new, unknown topic, whereby in recent years sustainable value creation in terms of corporate economic sustainability has been increasing alongside environmental and social sustainability. Many scholars and day-to-day reports show that sustainability regulations and SDGs challenge commercial-driven corporate structures and demand new organizational approaches (Roth & Winkler, 2018; Santos, Pache, & Birkholz, 2015; Linnenluecke & Griffiths, 2010; Sroufe, 2017). Companies are embracing this trend and seeking to embed social and sustainable goals into their commercially focused corporate structures to gain competitive advantage (Roth & Winkler, 2018). Socially responsible behavior is fundamentally associated with additional costs, although these corporate social responsibility (CSR) costs can be considered investments in terms of the positive effects on morale, productivity, and consumer sentiment (Becker-Olsen, Cudmore, & Hill, 2006; Chamorro & Bañegil, 2006; Klein & Dawar, 2004).

In order to return on these investments and achieve competitive advantage, organizations need to re-adjust and deeply implement a corporate culture into their corporate structure that address the Corporate Sustainability (CS) challenges and adapt to the business environment (Spicer, 2020; Meyer, 1982).

Organizations with a strong corporate culture succeed in achieving their economic and social goals in the long-term. Research has shown that responsible corporate performance promotes the development of intangible resources in the form of innovation, human capital, reputation, and culture, which results in better financial outcome (Surroca, Tribó, & Waddock, 2009). However, how can companies align their corporate culture and, in particular, their value system with a sustainable business approach, and by what means and initiatives is it possible to achieve the CS goals in the long run?

This implies a fundamental cultural organizational change, with corporate values being the key drivers for a successful change process (Baumgartner, 2009; Linnenluecke & Griffiths, 2010). Especially with regard to intrinsic motivation and the full and promising implementation of CS strategies and initiatives, the corporate vision and culture is crucial. In this regard, the normative

management level forms the basis for any approach to corporate sustainability. This level addresses the basic corporate attitudes, values and roles of individuals, which form the cornerstone for all behaviors. In this context, intangible corporate resources are important vectors of social and sustainable corporate responsibility (Baumgartner, 2014; Becker-Olsen, Cudmore, & Hill, 2006; Schein, 2010; Klassen, 2000; Hatch, 1993). The visionary CS strategy represents a holistic sustainability strategy that is embedded in all levels of the corporate culture and driven by the deeply-implicit corporate values, thus driving the social and sustainable philosophy of the company (Baumgartner, 2009; Linnenluecke & Griffiths, 2010; O'Reilly, Chatman, & Caldwell, 1991).

Due to the dynamics in the business world, increasingly rigid regulations, and the holistic change process required to achieve the North Star CS Goals, companies have an ever-increasing need for valuable consulting services. Corresponding consulting firms drive the market through their value-based, people-driven business approach and enable the change towards CS within the customer's organization to be comprehensively implemented (Pereira, Jerónimo, & Ramos, 2017).

This ultimately leads to the central research question of this study.

Which value model and activities form the corporate culture of consulting companies to foster long-term corporate sustainability?

To explore this research question, two constitutive propositions have been tested under the consideration of the two most renowned companies in the field of management consulting.

The reason for choosing the two leading Tier 1 consultancies, McKinsey & Company and Boston Consulting Group, is that industry-specific distinctions should be avoided, the companies should operate in comparable sizes and be equally represented internationally. In addition, these firms are considered market and industry leaders, which provide a representative impression in this research frame. Within the scope of the first proposition, it was examined which value models of the Competing Value Framework (CVF) are the most appropriate to implement and enhance CS in organizations. The characteristics of the consultancies' materiality assessment were analyzed and contextually interrelated with the model dimensions using a qualitative content analysis. To gain a deeper understanding of how these value models are implemented into the corporate culture and by which sustainability-driven corporate initiatives they are realized, these characteristics were quantified and associatively correlated with respect to their connection to the individual management levels and specifically on the

different levels of the corporate culture. Thereby, a conditional relationship of the most relevant initiatives with the corporate value structure was examined.

1.2. Academic and Managerial Relevance

This study presents an academic and practical relevance since it contributes to the existing literature by enriching the understanding of how CS is implemented and encouraged in a company and which role corporate culture, and in particular the driving corporate value models, play in this context. For the purposes of this study basic research from the fields of management and business administration as well as organizations and society are pertinent, while the scope also extends to journals from the fields of human resource management, change management, CSR, sustainability in business, corporate sustainability, and business ethics. However, there have been only a few studies conducted so far, while most studies have focused on administrative environmental management practices, technological innovations, and reactive strategic solutions to promote CS. Thus, the present research conducted a deeper exploration of the foundation of all behaviors within a company, highlighting its influence on the long-term impact on communities, society and the climate, the diverse and inclusive stakeholder development, and the sustainable change approaches. As Meyer (1982) has already made clear and as further studies support (Spicer, 2020; Roth & Winkler, 2018; Santos, Pache, & Birkholz, 2015; Linnenluecke & Griffiths, 2010), organizations need to re-adjust their culture to adapt to new environmental realities. By analyzing CS frameworks and concepts related to the normative management level, this research contributes to a theoretical approach by exploring the fundamental cornerstones for a comprehensive change process towards a long-term implementation of a CS strategy.

In addition to the theoretical implications, this study also contributes to the managerial environment as it provides potential practical implications on how organizations can improve and implement their CS initiatives and strategies upon a proven and well-established execution methodology based on the implementation approaches of the two leading Tier 1 consultancies which are driving the industry.

1.3. Outline of the thesis

The structure of this research is organized into five chapters. The first chapter deals with the introduction to the topic, including the research question, and illustrates the academic and business relevance of the study. The second chapter includes a comprehensive literature review.

Relevant concepts and frameworks on CS and a distinction from CSR are outlined, as well as an overview on corporate culture, the individual value models, and the relationship between the two research areas is given. Chapter 3 describes the methodology and scope of the analysis. In the fourth chapter, the content of the case study is explained, and the analyzed companies are presented in detail. The fifth chapter outlines the structured data collection, and its findings are summarized and presented in detail in the sixth chapter. Finally, chapter 7 contains a conclusion and considers the limitations of the study and opens up future research approaches.

2. Literature Review

2.1. The Emergence of Corporate Sustainability in Business

The word “sustainability” was fundamentally defined as the ability of a company to progressively increase its earnings (Werbach, 2009). Since 1987 the United Nations assigned the concept a much broader meaning. Accordingly, sustainable development is defined as *"meeting the needs of the present without compromising the ability of future generations to meet their own needs"* (Brundtland, 1987, S. 37).

The days with pure profit maximization at the core of entrepreneurial activity have passed. The awareness of people about the actions of companies have risen enormously. Information technologies allow anyone at any time to obtain and disseminate information about unethical civic, political, environmental, and social behavior of companies (Santos, Pache, & Birkholz, 2015; Gonzalez-Perez, 2013; Roth & Winkler, 2018). Companies are challenged not just to reach their economic and financial goals to satisfy their stakeholder’s and shareholder’s expectations, but also to fulfill important social and environmental responsibilities (Santos, Pache, & Birkholz, 2015; Roth & Winkler, 2018; Nason, Bacq, & Gras, 2018; Werbach, 2009). Alongside the free-access information, many companies have already recognized that competitive advantages can be gained with a sustainable business approach (Baumgartner, 2014; Hoffman, 2000; Sroufe, 2017; Eccles, Ioannou, & Serafeim, 2011). The importance of sustainability is therefore a part of the corporate industry for a long time. In 1992 the International Institute for Sustainable Development finally linked the general sustainability definition with the corporate world towards the CS. This is defined as *“the adoption of business strategies and activities that meet the needs of the enterprise and its stakeholders today while protecting, sustaining and enhancing the human and natural resources that will be needed in the future“* (IISD et al., 1992). This sustainability approach seeks to create a foundation of

integrity, interconnectedness, equity, prudence, and security (Montiel, 2008). In numerous studies, this broad perspective is summarized into a triple bottom line perspective of economic responsibility, social equity, and environmental integrity (Bansal, 2005; Boiral, 2009; Montiel, 2008; Roth & Winkler, 2018; Linnenluecke & Griffiths, 2010). Thus, companies are increasingly being held responsible towards society (Baumgartner, 2009). This corporate obligation is often described in the industrial world with the buzzword of corporate social responsibility (CSR).

2.2. Distinction between Corporate Social Responsibility and Corporate Sustainability

CSR describes a company's relationship with its key stakeholders and the community. This construct involves the field of sustainability as well (Montiel, 2008). CSR activities serve the public wellbeing beyond the interests of the company and legal requirements. The purpose of CSR is to achieve a sustainable benefit for the society at large. These initiatives are not conditionally linked to corporate activities and can include independent social services (Montiel, 2008). CSR can be seen as an indicator of the competence of managers because it has a direct impact on the company's economic performance, but it is also used for greenwashing and/or to enhance the image and reputation. A bad image affects the value of the company as a direct negative consequence (Gonzalez-Perez, 2013; Becker-Olsen, Cudmore, & Hill, 2006). Therefore, CSR is becoming essential to achieve the company's goals. The motives for CSR practices can be various (strategic, economic, political, societal, environmental, social, ethical), as can the different goals they try to achieve (economic, social, environmental) (Gonzalez-Perez, 2013; Montiel, 2008; Carroll, 1979; Linnenluecke & Griffiths, 2010).

The CS vision pursues the goal of aligning the intrinsic corporate goals and values, about economic, social, and environmental aspects, with the needs of society to actively shape them in the future. CS operations become a core business issue and capture, in addition to the environmental dimensions of sustainability, economic and social dimensions, such as government relations, stakeholder interests, health and safety, and community development (Montiel, 2008; Hoffman, 2000; Roth & Winkler, 2018).

Obviously, an additional entrepreneurial effort towards a social responsibility implies added costs. While some researchers see these costs as a competitive disadvantage, the majority of studies claim the responsibility costs as an investment in the company's future, as a driver for

ethnic and efficient resource management, as a customer benefit as well as an internal motivator and identifier for the employees (Gonzalez-Perez, 2013; Becker-Olsen, Cudmore, & Hill, 2006; Klein & Dawar, 2004).

In the context of CSR, a retrospective view is taken of what the company has done in relation to society, whereby CS is associated with a future-oriented, strategic perspective. However, both managerial approaches fundamentally pursue the same social and environmental goals, which means that they are closely connected, and a clear distinction cannot be made. In the following, we will focus more on the intrinsically aligned, future-oriented approach of CS (Montiel, 2008).

2.3. The Framework of Corporate Sustainability

For companies, CS is a source of success, innovation, cost-savings and profitability, improved reputation, talent acquisition and reduced business risk in regard of regulations (Baumgartner, 2014; Hoffman, 2000). Sustainability initiatives can be triggered by organizational values and traditional business factors as well as the promotion of new innovative approaches. It is essential to foster and establish this initiative throughout the entire company, as an isolation of certain departments would lead to untrustworthiness and weaknesses (Hoffman, 2000). To embrace and promote such initiatives, it is essential to meet legal regulations, follow customer needs, enter new markets and business areas, and, in particular, to empower, engage, and promote employees and their ideas (Santos, Pache, & Birkholz, 2015; Linnenluecke & Griffiths, 2010; Boiral, 2009; Werbach, 2009). There are no clear reference points and reporting standards for social, sustainable corporate performance, making it difficult to measure, compare and provide clear assessments of the corporate social performance. Alongside the measurement of employee performance, criticism and feedback from the company's key stakeholders, the corporate social initiatives are more frequently published in the company's annual Social and Sustainability Reports (Nason, Bacq, & Gras, 2018; Linnenluecke & Griffiths, 2010; Sroufe, 2017).

To create a sustainable economic benefit from the CS approach a distinct framework, with a clear, adequate, and long-term strategy, is required to be successful and to be able to monitor these activities (Baumgartner, 2014; Becker-Olsen, Cudmore, & Hill, 2006; Nason, Bacq, & Gras, 2018). Within the company, the CS approach is part of the corporate structure, driven by the formal management tools, and must be fundamentally embedded in the organizational

culture. Based on existing studies, the CS framework incorporates the normative management level, strategic management, and operational management (Baumgartner, 2014).

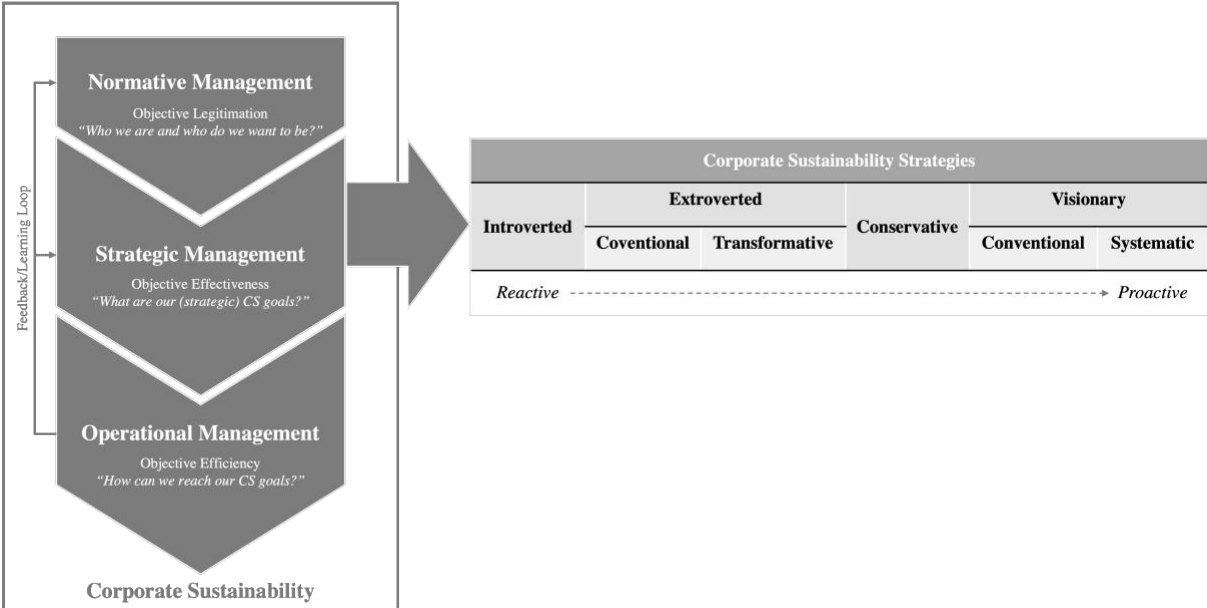


Figure 1: Corporate Sustainability Framework. Source: Adapted from (Baumgartner, 2014) and (Baumgartner, 2009)

For a sustainability-oriented company to be able to succeed and to grow efficiently – in both social and economic terms – its financial and sustainability performance goals have to be integrated and embedded in the company's vision and mission (Santos, Pache, & Birkholz, 2015; Hatch, 1993; Sroufe, 2017).

2.3.1. Normative Management Level

The normative management level focuses on the legitimacy of the company's commitment to sustainability and its organizational culture in relation to stakeholders and society. In the normative management, the company's internal basic attitudes, values and the individual's roles are addressed, as these provide the cornerstone for all behaviors. These elements are summarized in the company's vision as well as in its corporate culture. A corporate vision always includes a well-defined mission statement that summarizes the strategic approaches and goals of the company (Baumgartner, 2014; Hatch, 1993; Sroufe, 2017). The corporate culture describes the shared values and norms, communication rules, corporate policy and the company's social model. This communicates a long-term sense of purpose, orientation and stability for employees, stakeholders and society (Baumgartner, 2014; Schein, 2010; Hatch,

1993). A more in-depth understanding of corporate culture and the associated corporate values is provided in the next chapter.

The objective at the normative management level is to define a long-term and appropriate CS initiative on the basis of different cultural approaches and to integrate it as part of the company's vision (Baumgartner, 2009; Hatch, 1993). This level is considered the foundation of the CS framework, whereby the needs of the present and future generations are considered in an ethical and fair-minded manner. This is closely in line with the basic definition of CS described above (Baumgartner, 2014).

2.3.2. Strategic Management Level

On the strategic management level, the activities are integrated into the corporate strategy and accompanied with long-term North Star Goals. The successful development of a CS strategy is based on the fundamentally established sustainability-related vision of the company while taking the company's internal strength and weaknesses into account (Baumgartner, 2014; Hatch, 1993; Werbach, 2009). The respective North Star Goal is deeply rooted in the corporate culture and describes the long-term strategic objectives of a company in terms of specific human, social and sustainable challenges (Werbach, 2009). Planning a corporate sustainability strategy requires a common understanding and integration of the social and environmental idea as well as the concept of sustainable development (Baumgartner, 2014). To identify the right CS-strategy the Materiality Matrix is often used on the normative and strategic management level. This allows the core sustainability objectives to be identified and, from a corporate perspective, it is possible to clearly define the key CS-activities in which the company should become market leader and is able to develop competitive advantages (Remmer & Gilbert, 2019). Basically, the different CS strategies can be categorized into four different strategy concepts, whereby these are distinguished from a reactive to a proactive motivation (Baumgartner, 2009; Becker-Olsen, Cudmore, & Hill, 2006).

The introverted CS strategy arises from external influences, such as legal, social or environmental regulations, whereby the activities result in internal effects. The goal is to overcome external pressure and to initiate the necessary actions (Baumgartner, 2014; Baumgartner, 2009).

The extroverted strategy approach legitimizes the company's actions to the public. Thereby, two different approaches are followed.

The conventional extroverted strategy aims at maintaining the corporate image and capturing new business opportunities. This CS strategy serves more marketing and communication

purposes, whereby stakeholders are actively informed by the company. Real environmental sustainable progress is not achieved through this type of sustainability initiatives, as it is mainly about communication and dissemination than about the progress of the action itself. The sustainable initiatives do not have to be linked to the day-to-day operations of the company.

The transformative, extroverted CS strategy describes the corporate effort to develop new sustainable market conditions and actively change them beyond the company's walls (Baumgartner, 2009; Becker-Olsen, Cudmore, & Hill, 2006; Ramus & Steger, 2000).

The conservative approach has the goal of increasing efficiency and focuses on reducing environmental impact through eco-efficient processes, in addition to the arising competitive advantages (Baumgartner, 2014; Linnenluecke & Griffiths, 2010; Klassen, 2000; Sroufe, 2017; Eccles, Ioannou, & Serafeim, 2011).

The visionary concept is equivalent to a holistic sustainability strategy. The sustainable approach is integrated into the corporate vision and the entire organization is deeply committed. Through visionary CS strategies, companies can gain market and competitive advantages.

In the conventional, visionary strategy, sustainability initiatives develop additional market opportunities.

The systematic, visionary approach uses an inside-out perspective to achieve CS goals by leveraging external market opportunities and internal resource-based activities and thus drive the development of environmental sustainability internally (Baumgartner, 2014; Baumgartner, 2009).

2.3.3. Operational Management Level

On the operational management level, the engagements are to be implemented in all corporate activities, enabling the goals to be achieved in the most effective way while the activities are executed successfully. At this level, the various departments and functions of the company come into play and collaboratively execute the strategy to achieve the company's sustainability goals (Baumgartner, 2014).

The corporate sustainability development is generally implemented into organizations via this normative, top-down approach (Baumgartner, 2014; Sroufe, 2017). But numerous sustainability strategies fail because of inadequate management, insufficient communication, and short-term orientation with a focus on financially oriented profits (Werbach, 2009; Nason, Bacq, & Gras, 2018; Ramus & Steger, 2000). Achieving the North Star Goals in an effective and sustainable manner requires a strong internal cooperation. (Werbach, 2009; Surroca, Tribó, & Waddock, 2009; Sroufe, 2017). Therefore, the key is to communicate these goals extensively to the

employees, to encourage them to actively participate in its solution (Becker-Olsen, Cudmore, & Hill, 2006; Boiral, 2009; Ramus & Steger, 2000). Thereby, the corporate culture has a decisive role to fit and develop the CS strategies successfully, while engaging managers, employees, and stakeholder with the sustainability objectives (Baumgartner, 2014; Linnenluecke & Griffiths, 2010; Werbach, 2009; Ramus & Steger, 2000).

2.4. Introduction to the Relationship between Corporate Sustainability and Corporate Culture

Most of the companies as well as academic studies are mainly focused on formal, administrative environmental management practices, technological innovations and reactive strategic solutions due to pressure from society, arising costs and regulations (Boiral, 2009). The societal demands and pressures towards companies are driven by both the external communities - society, government, and law – as well as increasingly by the internal stakeholders, like employees (Santos, Pache, & Birkholz, 2015; Linnenluecke & Griffiths, 2010). However, individual, voluntary, and preventive actions undertaken by the organization and especially its employees are essential for successful CS initiatives and the accomplishment of its goals in the economic, social and environmental triple bottom line (Boiral, 2009; Roth & Winkler, 2018). The motivation of companies that incorporate social, environmental, and sustainable goals into their mission statement and corporate culture is to align their values with those of society, demonstrate transparency and become an industry leader (Stubbs, 2017; Werbach, 2009; Linnenluecke & Griffiths, 2010; Sroufe, 2017; Eccles, Ioannou, & Serafeim, 2011).

The normative management level forms the foundation for any approach to corporate sustainability. Particularly with regard to intrinsic motivation and the full and promising implementation of CS strategies and initiatives, the corporate vision and corporate culture are decisive (Baumgartner, 2014; Hatch, 1993; Schein, 2010; Klassen, 2000; Becker-Olsen, Cudmore, & Hill, 2006). Company-related intangible resources, such as innovation, human resources and development, reputation, and organizational culture, are important drivers for corporate social and sustainable responsibility (Surroca, Tribó, & Waddock, 2009). Vice versa strong social and sustainable performance also creates value in business areas, such as human resource management, employee empowerment, managerial decision-making, internal commitment, consumer loyalty and stakeholder feedback (Linnenluecke & Griffiths, 2010; Becker-Olsen, Cudmore, & Hill, 2006; Nason, Bacq, & Gras, 2018). To realize these value opportunities arising from sustainable development in business, the corporate culture is an

important factor influencing CSR-performance and delivering success (Abbett, Coldham, & Whisnant, 2010; Tourky, Kitchen, & Shaalan, 2020; Boiral, 2009; Eccles, Ioannou, & Serafeim, 2011). When organizations build their CS initiatives on a centralized, strategic organizational culture, they reduce the risk of an inauthentic CS strategy that does not achieve its goals, as well as potentially leading to greenwashing affairs. By integrating CS into daily business activities and the organizational identity, credibility is earned and the accomplishment of CS objectives is made achievable in a sustainable and long-term manner (Baumgartner, 2009).

2.5. The Concept of Corporate Culture

The concept of organizational culture is well known and defined as source of meaning, orientation, and stabilization in a complex and dynamic world (Baumgartner, 2014; Schein, 2010; Hatch, 1993). The widely used definition by Hofstede (2003) describes corporate culture as holistic, historically formed, linked to ethnological models, socially constructed, and stable. The dimensions of this entrepreneurial construct are characterized by innovation, stability, respect for people, outcome orientation, attention to detail, team orientation and aggressiveness (O'Reilly, Chatman, & Caldwell, 1991). Culture is a variable that is constructed and influenced within an organization through individuals and their social interactions (Baumgartner, 2009). Thus, the organizational culture is described as the result of a learning process of interaction with the internal and external environment. In this context, common assumptions, shared values and norms, same understanding of symbols, same ways of interpretation, same rules of communication and corporate policy serve as a social bonding element in people organizations (Baumgartner, 2014; Schein, 2010; Wilson, 2001).

The CS approach shows strong parallels with the organizational culture, as it has its foundation on the normative management level and is driven by the cultural dimensions throughout the strategic and operational management level (Baumgartner, 2009; Linnenluecke & Griffiths, 2010; Schein, 2010). Organizational culture is basically structured by three dimensions.

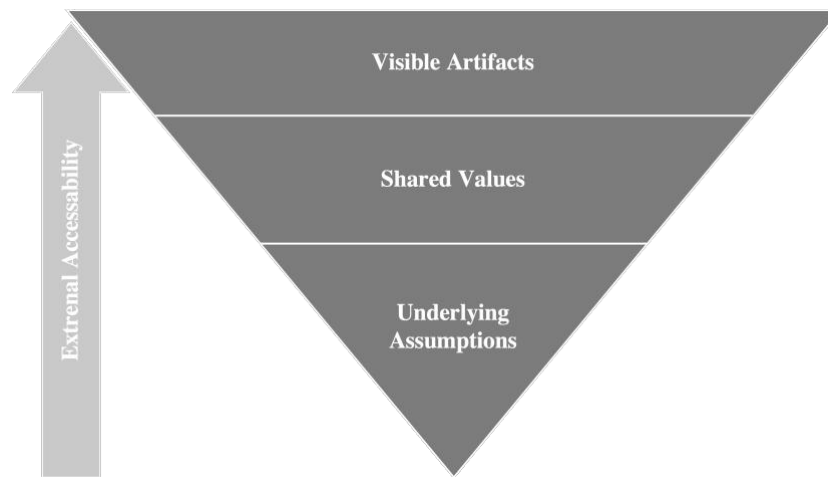


Figure 2: Corporate Culture. Source: Adapted from (Baumgartner, 2009) and (Schein, 2010)

The visible culture, consisting of observable organizational artifacts, structures, processes, manners, rituals and behaviors. The espoused values, which include strategies, goals, and philosophies based on past learnings and justifications. They intrinsically guide the observable behaviors on the artifactual level. And the underlying assumptions, which are the root source of values and actions and are described as the essence of the culture. These assumptions include subconscious beliefs and perceptions of the members of the organization that are understood to be fundamental and which are very difficult be influenced and changed (Baumgartner, 2009; Linnenluecke & Griffiths, 2010; Schein, 2010).

2.6. The Interrelationship between the CS-Strategies and the Corporate Culture

For a company to realize its sustainable goals, it is essential that there is a strong fit between the corporate culture and the CS activities. As mentioned above, the key for a successful CS strategy if sustainable development is included in the company's vision and mission statement (Baumgartner, 2009). Moreover, the general fit between organizational culture and new management systems and approaches increases the overall success of the company (Baumgartner, 2009; Cramer, 2005). Therefore, Baumgartner (2009) has conducted a study comparing the CS strategies – which are explained in detail above - with the different levels of corporate culture.

		Corporate Sustainability Strategies					
		Introverted	Extroverted		Conservative	Visionary	
			Coventional	Transformative		Coventional	Systematic
Visible Artifacts	Structures		✓	✓	✓	✓✓	✓✓
	Processes				✓	✓	✓✓
Shared Values	Strategies	✓	✓	✓	✓	✓	✓✓
	Goals	✓	✓	✓	✓	✓	✓✓
	Philosophy				✓	✓	✓✓
Underlying Assumptions	Subconscious Beliefs			✓	✓	✓	✓✓
	Perceptions					✓	✓✓
	Emotional Connection						✓

Figure 3: Corporate Culture x CS-Strategies. Source: Adapted from (Baumgartner, 2009) and (Schein, 2010)
 ✓: Conditional Relationship

As the introverted CS strategy has its origin in fulfilling legal compliances, this strategic approach only requires the corporate strategy and goals to be adjusted to these risk-bringing regulations. A closer relationship with the corporate culture is not apparent and an active internal change process thereof is not necessary (Baumgartner, 2014; 2009).

Extroverted CS strategies are characterized by external communication and social/sustainability reports. Thus, a structural realignment is required, whereby in particular the sustainability strategies and goals – which are driven by the values of the corporate culture – will be reformed. Looking at the transformative approach alongside the coventional extroverted CS strategy, it becomes clear that a motivated and positive view and vision of the stakeholders and employees has to be formed to actively drive the change process (Baumgartner, 2009; Becker-Olsen, Cudmore, & Hill, 2006; Ramus & Steger, 2000; Sroufe, 2017).

The conservative CS strategy goes even further and requires a fundamental change approach both in the corporate structure and in the business processes, to ensure a more efficient and effective use of resources. The core of this strategy is to establish and develop the corporate values and philosophy in the spirit of sustainability, as well as to embed them in the vision and perceptions of stakeholders and employees (Baumgartner, 2009; Linnenluecke & Griffiths, 2010; Klassen, 2000).

As previously described in detail, the visionary CS strategy is equivalent to a holistic sustainability strategy that is rooted in all levels of the corporate culture. This strategic sustainability approach involves the entire company and develops its strategies, goals and corporate philosophy based on the positive and sustainability-driven fundamental views and convictions of its stakeholders and employees. They align their individual values and visions with those of the company and achieve a deep emotional connection. The very strong

relationship between the visionary CS strategy and the corporate culture drives a sustainable and long-term development of market opportunities as well as internal innovative sustainability initiatives (Baumgartner, 2009; Montiel, 2008; Wilson, 2001; Werbach, 2009; Linnenluecke & Griffiths, 2010).

To better understand and discuss the relationship between CS and organizational culture, the well-established Competing Values Framework (CVF) is used to outline, capture, and organize the influential dimensions and outcomes (Linnenluecke & Griffiths, 2010). In general within the construct of organizational culture, there are seven different dimensions characterizing the corporate meaning, orientation, and communication (Baumgartner, 2014; Schein, 2010; Wilson, 2001; O'Reilly, Chatman, & Caldwell, 1991). Within this framework the organization's competing demands in regard of the internal-external dimension and the flexibility-control dimension are opposed with one another (Linnenluecke & Griffiths, 2010).

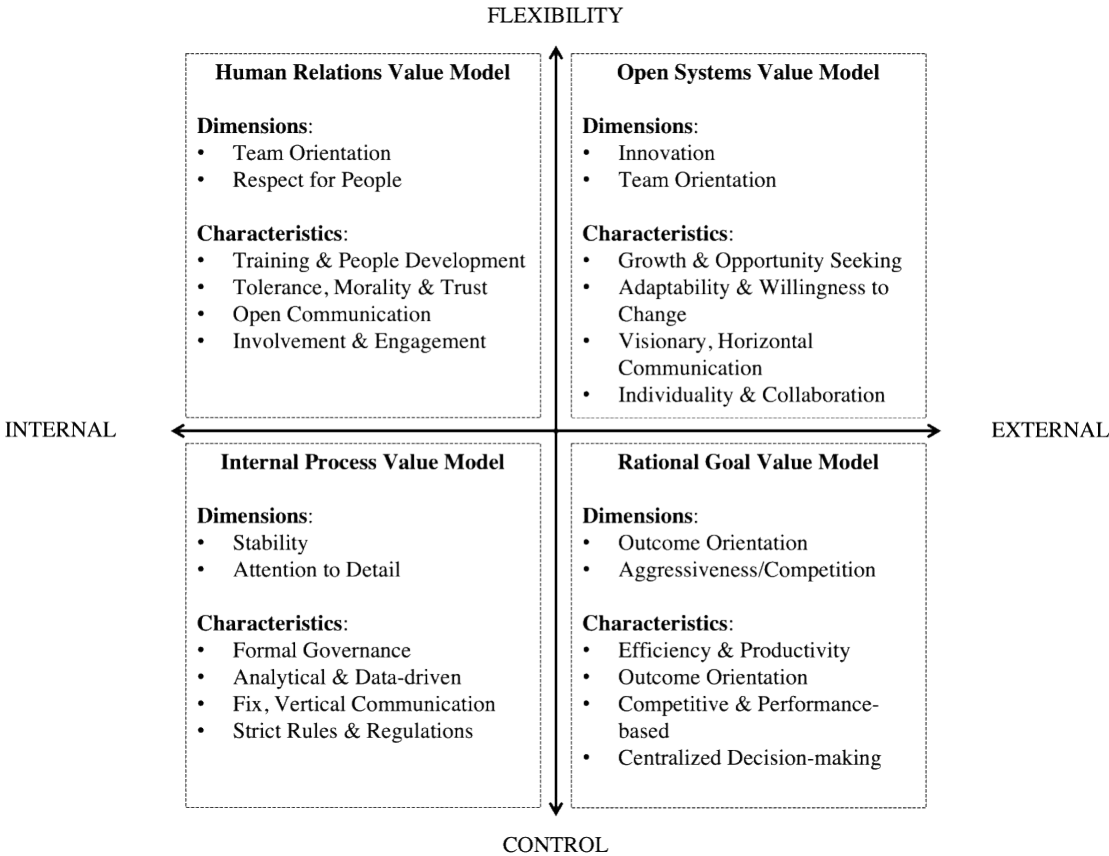


Figure 4: Competing Values Framework (CVF). Source: Adapted from (Linnenluecke & Griffiths, 2010) and (O'Reilly, Chatman, & Caldwell, 1991)

The internal and control-oriented value model fosters stability, security, and formal governance with analytical, data-driven assessment and decision-making. The so-called hierarchical culture is based on a fixed vertical communication structure, analytical processes with clear rules and regulations (Baumgartner, 2009; O'Reilly, Chatman, & Caldwell, 1991).

The rational goal value model is focused on efficient, productive and outcome-oriented task accomplishment with a controlled and centralized decision-making approach. It has strong parallels to the conservative CS strategy outlined earlier. In this model, the targeted corporate and/or sustainability-driven North Star Goals are realized through a competitive, performance-based reward system that promotes stakeholder and employee motivation (Baumgartner, 2009; O'Reilly, Chatman, & Caldwell, 1991).

A corporate culture characterized by the dominance of human relations values has a strong focus on the individuals. Stakeholders and employees are encouraged through training and development programs, as well as through open communication and active, individual involvement in corporate processes and decisions. This model is consistent with the systematic visionary CS strategy approach whereby internal resources, driven by the corporate philosophy, actively capture market opportunities. The values in this model embody team orientation, cooperation, cohesion, fair participation and morale of employees, thus achieving close trust, tradition-driven commitment and long-term collaborative engagement in the company (Baumgartner, 2009; Linnenluecke & Griffiths, 2010; O'Reilly, Chatman, & Caldwell, 1991).

The fourth value model embraces the structures of an open system and focuses on an adaptive, collaborative approach. This flexible, adaptive process is an ideal change approach for a sustainability-driven corporate culture. It focuses on growth, capturing market opportunities and acquiring resources, which is made possible by a high degree of adaptability and willingness to change, as well as visionary, horizontal communication. The model goes along with the visionary CS strategy, reaching stakeholders and employees on the individual emotion-driven convictions and motivating them through an ideological appeal (Baumgartner, 2009; Linnenluecke & Griffiths, 2010; O'Reilly, Chatman, & Caldwell, 1991).

The fundamental goal is to develop a uniform sustainability-oriented organizational culture. However, there are various convictions based on the different individual values and cultures of the stakeholders and employees. This leads to the existence of certain subcultures within the company beneath the overall corporate culture. These subcultures are not necessarily harmful to the company, its culture and strategies. Rather the opposite, because the core functions of these subcultures are conceived as providing innovation, monitoring and criticizing, ethical

control, as well as a source of new values (Linnenluecke & Griffiths, 2010; Werbach, 2009; Wilson, 2001).

However, in order to bring the different individual beliefs and perspectives closer to those of the company, the corporate vision must be driven integratively through the publication of sustainability reports, open communication and flexible decision-making, active promotion of sustainability activities, employee engagement and performance evaluation (Linnenluecke & Griffiths, 2010; Boiral, 2009). To be able to realize an appropriately sustainable and dominant corporate culture and to achieve the sustainability-driven corporate objectives, companies develop their culture and vision based on a combination of the cultural models outlined above (Linnenluecke & Griffiths, 2010; Werbach, 2009).

In order to successfully implement CS initiatives in a company, a cultural organizational change is required, whereby the organizational values play the crucial role for success. Values, ideologies and beliefs are perceived particularly important for understanding and identifying with the organizational culture. On the basis of the corporate value models, a culture can be described and measured, whereby the values moreover are the drivers for a successful change process (Baumgartner, 2009; Linnenluecke & Griffiths, 2010). Leadership that fully embodies the corporate culture, pursues open and transparent communication about CS initiatives and achievements, and also encourages constructive feedback and open employee involvement, significantly enhances the overall and sustainable implementation of CS initiatives within the company (Baumgartner, 2009; Boiral, 2009; Ramus & Steger, 2000). In practice, the values of the CVF as well as the CS goals of the company can be mapped very well with the Materiality Matrix with respect to internal and external interests and relevance (Remmer & Gilbert, 2019). The commitment and identification of managers and employees with the company and its values creates a strong incentive to achieve the North Star Goals (Nason, Bacq, & Gras, 2018; Werbach, 2009; Linnenluecke & Griffiths, 2010; Ramus & Steger, 2000). Corporate values that are less shaped by rigid process structures and rules, but rather embody involvement, collaboration and adaptability, have a purposeful and encouraging effect (Linnenluecke & Griffiths, 2010; Boiral, 2009). As mentioned in terms of the visionary CS-strategy, the self-identification with the corporate values creates additional job satisfaction for employees and motivates them to drive and support new challenges and additional sustainability efforts (Baumgartner, 2009; Linnenluecke & Griffiths, 2010; Werbach, 2009; Ramus & Steger, 2000). Besides the positive outcomes for the company's sustainability initiatives, this commitment and

achievement of goals also creates increased satisfaction among employees and stakeholders (Werbach, 2009).

2.7. Contribution of Corporate Culture towards the realization of Corporate Sustainability

To successfully implement a long-term CS approach in a company, a clear, appropriate, and sustainable strategy is required, which is integrated into the corporate structure, and is based on the fully embraced corporate culture (Baumgartner, 2014; Becker-Olsen, Cudmore, & Hill, 2006; Nason, Bacq, & Gras, 2018). This implies a fundamental cultural organizational transformation, whereby corporate values are the key drivers for a successful change process (Baumgartner, 2009; Linnenluecke & Griffiths, 2010).

In particular, with respect to intrinsic motivation and the full and promising implementation of CS strategies and initiatives, the corporate vision and culture is crucial. Thereof, the normative management level forms the basis for any approach to corporate sustainability. On this level, the company's internal basic attitudes, values and the individual's roles are addressed, as these provide the cornerstone for all behaviors. Thereby, the corporate intangible resources such as innovation, human resources and development, reputation, and organizational culture are important vectors of corporate social and sustainable responsibility (Baumgartner, 2014; Schein, 2010; Becker-Olsen, Cudmore, & Hill, 2006; Klassen, 2000; Hatch, 1993).

The visionary CS strategy implicates such drivers and represents a holistic sustainability strategy that is embedded in all levels of the corporate culture. This strategic sustainability approach involves the entire company and develops its strategies, goals, and corporate philosophy based on the positive and sustainability-oriented basic attitudes and beliefs of its stakeholders and employees. With a corporate culture characterized by the dominance of human values, there is a strong focus on stakeholders and employees through training and development programs, as well as open communication and active, individual participation. While the rational target value model embraces the structures of an open system and focuses on an adaptive, collaborative approach. This flexible, adaptive process is an ideal change approach for a corporate culture focused on sustainability. Both of these models are fully aligned with the CS systematic visionary strategy approach, which actively leverages internal resources to capture market opportunities, driven by the company's social and sustainable philosophy (Baumgartner, 2009; Linnenluecke & Griffiths, 2010; O'Reilly, Chatman, & Caldwell, 1991).

3. Methodology

As stated before, the objective of this study is to understand, how corporate culture, and more specifically which corporate value model, guides consultancies in their sustainable business approach and by what means are respective values materialized to contribute towards the realization of the CS goals.

Therefore, this study is structured on basis of a deductive exploratory research, which is based on secondary data, focusing on data analysis of the latest ESG, Social Responsibility and Sustainability Reports of the leading and globally most influential strategy and management consultancies Boston Consulting Group and McKinsey & Company. The underlying purpose for choosing the two leading Tier 1 consultancies BCG and McKinsey is that the companies operate on a comparable scale and have an equal international and multisectoral presence. In addition, these firms are considered market and industry leaders that provide a representative view in this research framework. They drive the market through their value-based, people-centric approach to business and enable holistic transformation toward CS in the client's organization.

For the purpose of this study, a combination of qualitative and quantitative content analysis methods was used. The first intention was to gain a better understanding of the market position of the above-mentioned consultancies with regard to CS standards and to what extent they have a direct influence on the market. With secondary data sources a resource-based research was conducted to expand the literature with the latest market insights. Thereby, the firm's intangible resources in respect of the consultancies' organizational culture, their corporate values and CS-initiatives are examined in-depth. Based on this, qualitative insights were collected in the form of ESG, Social Responsibility and Sustainability Reports. The main objective was to obtain primary information to test underlying propositions and to provide strategically relevant insights. Therefore, in terms of a direct comparability the most recently published reports of the years from 2019 to 2021 were investigated, as shown in Table 1.

Table 1: Overview ESG, Social Responsibility and Sustainability Reports (2019-2021)

Company Name	Report Categorization	Year of Publication	Report Title
Boston Consulting Group Inc.	Sustainability Report	2019	<i>"Making a Difference"</i>
Boston Consulting Group Inc.	Sustainability Report	2020	<i>"Progress in a Year of Adversity"</i>
Boston Consulting Group Inc.	Sustainability Report	2021	<i>"A Time to Lead"</i>
McKinsey & Company	Social Responsibility Report	2019	<i>"Helping Create Positive, Enduring Change in the World"</i>
McKinsey & Company	Social Responsibility Report	2020	<i>"Delivering on our Purpose"</i>
McKinsey & Company	ESG Report	2021	<i>"Accelerating Sustainable and Inclusive Growth"</i>

Corresponding reports were examined in a detailed content analysis based on their qualitative, verbalized content and narratives as well as evaluated in condition with the CS-approaches and concepts such as the CVF, the Corporate Sustainability Framework and the Corporate Culture Model, which were elaborated in the literature review. The insights have been grouped into meaningful categories and themes. Thus, different classification systems were used in a combined manner. Quantification of synonyms, word root mining, analysis of characteristics, benchmarking, and report standards made the descriptive content quantitatively measurable. Based on this the characteristics were quantified and the propositions of the analysis could be tested and interpreted.

4. Case Study: The influence and impact of the Boston Consulting Group and McKinsey & Company on the global market with respect to corporate sustainability

As a result of the dynamics in the business world along with increasingly rigid regulations, companies demand an ever increasing need for valuable consulting services in order to maintain their market position and competitiveness (Reportlinker, 2022).

Companies with a corporate culture focused on sustainability can achieve significant long-term competitive advantages, both economically and socially. B2C companies with a CS-oriented focus experience an even stronger competitive advantage through the direct engagement with and feedback from people. In order to implement such change processes in the corporate culture and value structures in a lasting and sustainable manner, a full-scale change process and thus systematic and strategic consulting is often required (Eccles, Ioannou, & Serafeim, 2011).

This demand for consulting services can be explained by the fact that companies generally lack objectivity and capabilities for specific services and/or change processes. With the help of external experts, problems can be addressed comprehensively and thus business performance can be improved (O'Mahoney & Markham, 2013; Wood, 1998). According to the definition of the Management Consultancies Association (2022), the consulting business reflects the creation of value for organizations by providing know-how, technologies and capabilities to improve business performance. Consulting firms identify business problems and develop as well as deliver solutions to inspire and empower clients with the collaborative approach. They work at the management level, criticizing and justifying decisions while establishing new methods and initiatives. The goal is to improve the efficiency and sustainability of business strategy, organizational performance and operations. Such knowledge-intensive services provided by consulting firms are shaping the business sectors (O'Mahoney & Markham, 2013; Eccles, Ioannou, & Serafeim, 2011).

The consulting market is primarily characterized by the power, influence and scarcity of large consulting firms. The leading strategic management consultancies such as McKinsey & Company and Boston Consulting Group shape and influence the industry segment through their historically developed market position and experience. Respective strategy consultancies are considered to be the first consulting firms founded and specialized primarily in high-level strategic consulting for large corporations. Being the market leading consultancies and considered as the best practices in the industry, they strive to influence and drive the market based on the advisory services provided to the various market leading companies. The historical consulting approach of Tier 1 consulting firms is anchored in providing a strategic approach and roadmap for the business, while leaving the implementation and execution the responsibility of the client. This, along with the top-down leadership approach, corresponds closely to the implementation process of CS strategies. Once the change approach is developed, it must be driven internally by normative management and embedded in the corporate culture. Consulting firms such as BCG and McKinsey achieve sustainable excellence in their projects through their strategic interconnected and performance-oriented organizational structure. This enables them to most effectively implement their clients' goals and provide them with long-term competitive advantages (Reportlinker, 2022; Pereira, Jerónimo, & Ramos, 2017; Eccles, Ioannou, & Serafeim, 2011).

In recent years, attention to climate change and ESG aspects has increased significantly, whereby it is seen as one of the decisive influencing factors for the corporate performance and

for the success or failure of a company (Worldfavor, 2022; BCG, 2019). The new, increasingly detailed requirements in the EU and US for corporate sustainability reporting, which will apply from fiscal year 2024 onwards, will immensely increase the number of companies that are obliged to report on sustainability. The reporting requirements go beyond environmental and climate protection reporting and also include social and corporate governance aspects (Bichet, Eastwood, & Mencher, 2022; Kapotwe, Pears, Hörauf, & Brown, 2022). This will particularly intensify the social and environmental responsibility for companies (Worldfavor, 2022; Krueger, Sautner, Tang, & Zhong, 2021). Consequently, the relevance and urgency for structural and strategic change projects concerning CS approaches for companies increases immensely (Bichet, Eastwood, & Mencher, 2022; Kapotwe, Pears, Hörauf, & Brown, 2022). Thereof, consulting services addressing ESG issues are one of the fastest growing segments and predicted to reach a volume of 14 billion US dollars in 2022 (InfoDesk, 2022). BCG and McKinsey are pioneers in this field, participating in conferences such as COP26, setting new standards and rules for ESG strategies (InfoDesk, 2022; BCG, 2021; McKinsey, 2021). Therefore, numerous management consultancies are progressively developing specialized organizational platforms, partnerships, and units such as "McKinsey Sustainability" to address sustainability-driven challenges and regulations in a specialized manner and with the highest level of expertise. These consultancies seek to proactively shape sustainable strategies and initiatives to most effectively bring their expertise and experience to the companies they advise. Based on the business model of providing consulting services to a wide range of segments and industries, consultancies such as BCG and McKinsey are identified as thought leaders and co-shape the trends that drive business, society and the planet. As market pioneers, they provide their clients with strategic guidance and the necessary know-how in specific projects as well as through their in-house research and public reports (Stockhinger & Teubner, 2018; O'Mahoney & Markham, 2013; McKinsey, 2021; BCG, 2021).

4.1. Boston Consulting Group

BCG's mission is to find and promote effective solutions to urgent societal problems. As global consulting firm, BCG works with leading companies and corporations to address their most critical challenges and capitalize on their greatest opportunities. Through world-class expertise from diverse, cross-industry projects, unique and influential partnerships, and internal capabilities, BCG helps clients build internal capabilities, maximize their effectiveness, achieve

competitive advantage, and generate a positive impact on society. The firm-wide goal is to unleash the potential of those who move the world forward (Boston Consulting Group, 2022). The company is committed to attract and retain the best talent from diverse backgrounds and to fully reflect the diverse world in which it actively operates and works through its internal stakeholders. BCG's success depends on its ability to attract and retain intellectually curious, diverse, and experienced employees who can best contribute to clients and the company's culture. These diverse perspectives enable BCG to challenge established norms and develop innovative solutions to clients' greatest challenges. To this end, BCG offers a range of internal and external development opportunities and a global network to foster growth and development. Diversity and inclusion is considered the foundation for the solutions, which are challenging the status quo and actively driving change to shape industries and society (BCG, 2021; BCG, 2020; BCG, 2019).

For governments and businesses today, no issue is more pressing than climate change. Tackling the climate crisis is today's critical challenge and a top priority for BCG. Proactively reducing emissions not only actively impacts the earth's condition, but also increases the long-term sustainability of businesses (Boston Consulting Group, 2022; BCG, 2021; Worldfavor, 2022). To have the deepest possible impact in doing so, and to actively change climate and environmental impacts, BCG focuses on influencing climate impacts through sustainability-focused collaboration and partnership with its clients, as well as deep internal commitment and forward-looking management to global standards and climate goals. Commitment to ethical and responsible business practices defines BCG's corporate vision as a company, with proactive, open-access research, clear accountability and corporate transparency underpinning reputational integrity (BCG, 2021).

Maintaining a strong corporate culture based on clear, frequently communicated values is at the core of what makes BCG a market leader. Driven by innovation and the expansion of capabilities, the company values represent the integrity of responsibilities and respect for each individual. In addition, the BCG culture conveys the philosophy and shared understanding of tangible and lasting change with positive social impact (BCG, 2021; BCG, 2020; BCG, 2019). The BCG Code of Conduct summarizes the commitment to responsible business practices and defines expectations for the behavior of all employees and stakeholders, serving as a bridge between corporate values and global processes and policies (BCG, 2021; BCG, 2020).

By systematically and structurally engaging and actively involving stakeholders, global change can be driven and a positive impact on communities can be achieved. This aligns closely with the bold corporate vision that BCG seeks to have the greatest positive impact in the world. The

Code of Conduct underpins the commitment to lead with integrity in the service of clients, communities and teams. The consultancy directly drives change by developing bottom-line solutions for businesses, publishing in-depth reports, and engaging in pro bono mandates and partnerships.

BCG is recognized as a leader in helping companies define and achieve their net zero emissions goals. BCG's climate and sustainability agenda is considered the north star for all engagements, helping other organizations work toward a sustainable future. As leading management consulting firm with global reach and intellectual diversity, covering all major industries and functions, BCG aims to work with all stakeholders who are willing and motivated to make a difference and help shape the global agenda (Boston Consulting Group, 2022; BCG, 2021).

4.2. McKinsey & Company

McKinsey strives to create a new perspective on sustainable and inclusive growth with the understanding that business growth and societal benefit are mutually reinforcing and interdependent (McKinsey, 2022). The company's fundamental goal is to help create positive, lasting change in the world. This is driven by the social responsibility approach, which includes empowering stakeholders to give back to their communities, operating in a socially responsible and environmentally sustainable manner, and working with customers to tackle societal challenges. Through new initiatives, employees are given the opportunity to donate their time to work with qualified non-profit organizations, and thereby continue to serve the community (McKinsey, 2021; McKinsey, 2022).

The recent pandemic-marked years as well as the growing importance of the climate crisis, have deepened McKinsey's commitment to support communities around the world. McKinsey is a member of the UN Global Compact, partnering with nonprofit organizations and working with clients to achieve the UN Sustainable Development Goals. McKinsey's Code of Conduct encompasses the company's expectations and helps stakeholders understand the core elements of its policies and how they are anchored in the company's values (McKinsey, 2022; McKinsey, 2020). McKinsey's value system is fundamentally aligned with the highest professional and ethical standards. Their top management thought leadership approach puts sustainable change on the highest level of relevance in the organization, thus promoting innovation in management practices as well as the goal of building sustainable capabilities on the client side. The key driver for this is the diverse, unique environment of exceptional people who achieve sustainable improvement in customer performance along with social and environmental conditions through

their subcultural and diversified perspectives and internal development and mentoring programs. Diversification and leading multi-faceted teams are associated with successful business performance. Through this, McKinsey seeks to internally reflect society and create a culture where everyone truly feels a sense of belonging and continuous growth as well as development is ensured (McKinsey, 2021; McKinsey, 2020; McKinsey, 2019).

As a company, they take their own environmental sustainability responsibilities seriously and also serve private, public, and social sector clients around the world to broadly address climate change. McKinsey's CS strategy aims to address greenhouse gas emissions and waste across the organization as they strive to continuously strengthen and develop environmental practices driven by their learning and development culture (McKinsey, 2022; McKinsey, 2021). McKinsey recognizes that the emissions they produce have a significant impact on the environment. Therefore, the company has committed to be carbon neutral since 2018 and aims to achieve a net zero climate impact by 2030 (McKinsey, 2019). This approach to carbon neutrality includes reducing emissions and investing in, funding and founding verified carbon reduction projects to offset emissions that McKinsey has not yet been able to eliminate. Beyond reducing its own footprint, McKinsey conducts in-depth research to advance the global debate on sustainability and resource productivity, and provides analytical tools to enable others to address these issues. The consulting firm seeks to translate this research into concrete action by working on pro bono mandates with nonprofit organizations as well as with clients around the world to improve their environmental performance and to develop and implement more sustainable practices (McKinsey, 2021; McKinsey, 2020; McKinsey, 2019). McKinsey is committed to make a positive, lasting change in the world and thereby helping clients significantly, permanently, and substantially to improve their performance while building internally a leading company that attracts, develops, and retains outstanding individuals. Overall, McKinsey strives to be the world's largest catalyst for social and sustainable issues (McKinsey, 2022; McKinsey, 2021).

5. Data collection and analysis

The data analysis focused on social and sustainability thematic characteristics and descriptive content of the ESG, Social Responsibility and Sustainability Reports of the leading management consultancies (see Table 1 for the reports collected). It examined how these contents, characteristics and approaches relate to sustainability efforts in the context of corporate culture, competing value models as well as management levels. The frameworks and

concepts outlined in detail in the literature review were applied in the context of the present case study to determine the integration of CS initiatives into the corporate culture of the two leading consulting firms (BCG and McKinsey).

By conducting the deductive content analysis, it was possible to quantitatively characterize and analyze the content of written, verbal, and scripted communication, and evaluate it in condition with corporate sustainability initiatives (Neuendorf, 2018). To categorize the content, different classification systems were combined, and the most relevant ones were extracted. By a quantification of synonyms, word root mining, analysis of characteristics, associations, and benchmarking as well as report standards were used to establish conditional interrelationships and to compare the connection of CS initiatives, approaches, and characteristics with those of CS frameworks, which are outlined in detail in the literature review.

The main goal of this analysis is to describe and interpret how the corporate culture and, in particular, which value model guides the management consultancies in their sustainable business approach and which specific corporate activities are applied to realize their long-term CS objectives. To make this possible, a deductive analysis was conducted. This involves applying the obtained insights from the content analysis of the reports to the theories and models derived from the literature. This, in turn, permits to answer the research question based on the following two propositions derived from the literature. Thus, three different frameworks and concepts (CVF, Corporate Sustainability Framework, Corporate Culture Model) were used to gather and validate these propositions. Based on these concepts, fundamental value structures of the companies can be identified. Upon this basis, their direct and indirect interrelationship with the different management levels can be examined and, finally, the extent to which these values and initiatives are embedded in the corporate culture is shown in detail. Using these frameworks as well as the quantification of recurring characteristics and descriptive contents, it was possible to determine the degree of conditional connectivity and interrelatedness, as well as to draw conclusive findings.

5.1. Proposition 1: The Open Systems Value Model reflects the most appropriate cultural model to implement and enhance CS in organizations.

To assess the most appropriate cultural model for implementing and improving CS in organizations, the characteristics of the consulting firms' annually updated materiality assessment were reviewed in terms of their relationship to the dimensions and characteristics of the CVF model (adapted from Linneluecke & Griffiths (2010) and O'Reilly et. al. (1991)).

The consulting firms' materiality assessment classifies and prioritizes the core activities and goals in terms of the corporate social and environmental-driven commitment based on internal and external importance. These enable companies to enter new market segments and achieve dedicated competitive advantages. Therefore, these approaches need to be deeply embedded in the corporate culture and its value system. Using the CVF, it is possible to characterize and pinpoint these entrepreneurially prioritized approaches. The CVF captures and orchestrates the initiatives and North Star goals of the consultancies with respect to the internal-external as well as the flexibility-control dimensions and establishes the conditional relationship on the basis of the characteristics of the models and the entrepreneurial approaches. The aggregation of the consistent and interrelated contextual characteristics of the CS-initiatives with the CVF Model dimensions has made it possible to analyze, cluster, and evaluate the strength of the relationship and, ultimately, provide a basis for comparison.

5.2. Proposition 2: The corporate culture, and therefore the normative management level, is fundamentally relevant and enables companies to become a CS-led organization.

To be able to derive sustainable, long-term benefits from the CS approaches, it is essential to implement them systematically and consistently in the corporate structure. This includes the normative management level, strategic management and operational management. In the analysis, the conditional relationships between the representative value models and the structural corporate sustainability framework (adapted from Baumgartner (2014)) were tested. Thereby, the depth of causality of the representative value models was pointed out. The correlations of the attributes were made quantifiable and comparable using the deductive content analysis techniques described above, such as quantification of synonyms, word root mining, analysis of characteristics, benchmarking, and report standards reviews. Based on the quantity of matching characteristics, the degree of connectivity was quantified and clustered in a comparable manner.

In addition, to support and to legitimize the deep connection of the value models, the individual CS initiatives and North Star Goals of the investigated management consultancies were audited within the framework of the corporate culture (adapted from Baumgartner (2009) and Schein (2010)). The corporate approaches, which were classified by the materiality assessment analysis, were tested on their conditional relationship to the individual culture levels by conducting an in-depth content analysis. Based on the in-depth content analysis of the reports,

the conditional connections and the degree of correlation have been clustered and comparably categorized and prioritized.

6. Realizing Corporate Sustainability – Findings

Based on the analysis of the consultancies' reports as well as further secondary data sources (highlighted under 4. Case Study), it was possible to examine the corporate development with regard to CS approaches and draw conclusions on future strategies and initiatives.

The focus of the analysis was to identify the fundamental value model of the consultancies regarding the development of corporate sustainability. Based on the CVF, the different management levels and their respective impact was defined and driving strategies as well as corporate actions for the establishment of CS were identified.

6.1. Proposition 1: The Open Systems Value Model reflects the most appropriate cultural model to implement and enhance CS in organizations.

In the analysis to test this proposition, both BCG and McKinsey confirmed the literature that companies do not base their culture and CS approaches strictly and obsessively on just a single value model. By combining several value models, an even stronger corporate culture is formed, which provides stakeholders and employees with a broader spectrum of shared values and norms to identify with (Baumgartner, 2009; Linnenluecke & Griffiths, 2010; O'Reilly, Chatman, & Caldwell, 1991). In the analysis of the two leading strategy and management consultancies, very similar structures in their value models and their characteristics became evident.

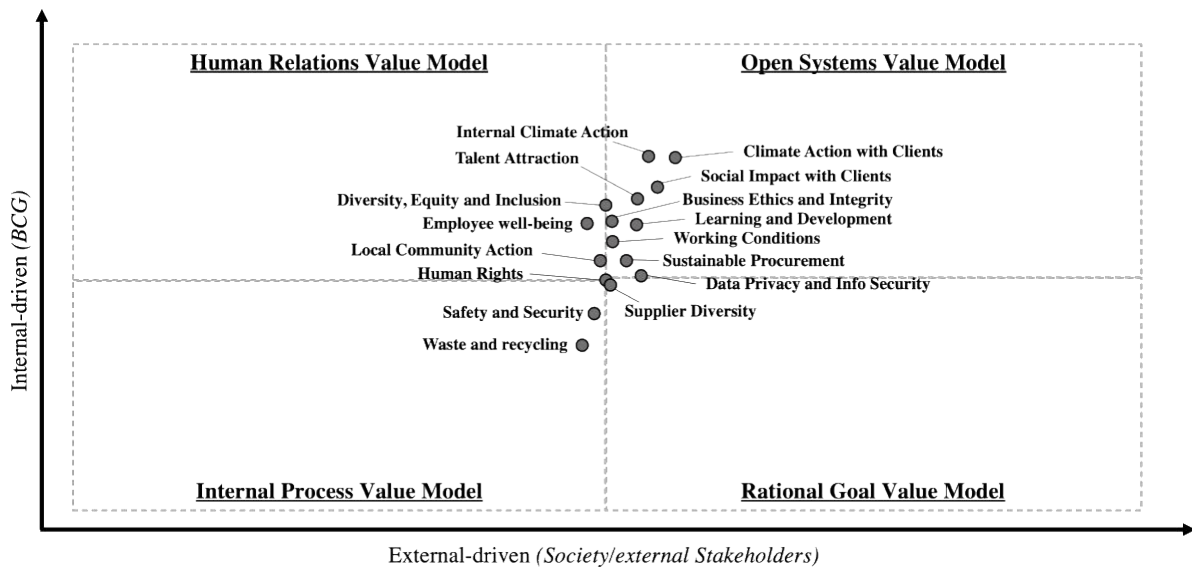


Figure 5: Boston Consulting Group - Competing Values Framework Overview – Source: Insights based on BCG (2021; 2020; 2019)

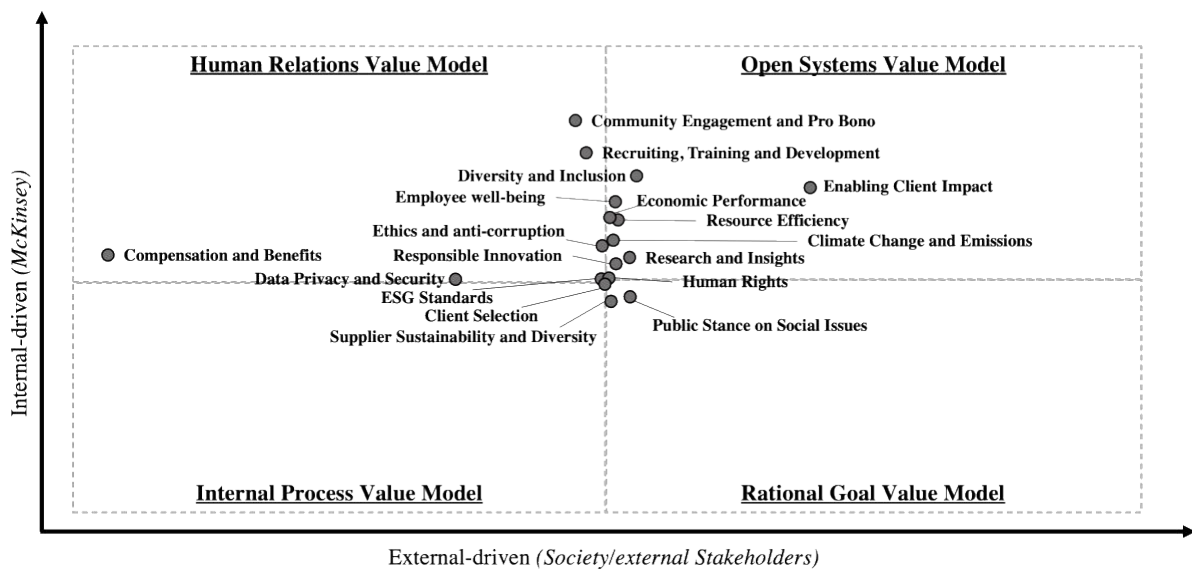


Figure 6: McKinsey & Company - Competing Values Framework Overview – Source: Insights based on McKinsey (2021; 2020; 2019)

At the core and with the purpose of these consulting companies, it is deeply rooted to create a positive and sustainable change in the world. This is to be achieved through the acceleration of their clients' performance, made possible by the exceptional people, stakeholders, and employees. The impetus for driving these changes is externally triggered by the most pressing social and environmental issues but is initially driven intrinsically by the company's vision (Baumgartner, 2009; BCG, 2021; McKinsey, 2021). This is also reflected in the analysis by the

respectively weak relationship with the externally influenced, stability-driven Internal Process Value Model.

Table 2: Internal Process Value Model – Source: Insights based on BCG (2021; 2020; 2019)

Internal Process Value Model					
	Model Characteristics				
	Formal Governance (Hierarchical)	Analytical & Data-driven	Fix, Vertical Communication	Strict Rules & Regulations	
BCG Characteristics	Learning and Development	Sustainable Procurement	Learning and Development	Business Ethics and integrity	
	Working Conditions	Data Privacy and Info Security	Internal Climate Action	Safety and Security	
	Safety and Security			Human Rights	
	Internal Climate Action			Waste and Recycling Supplier Diversity	
SUM of representataive Characteristics	4	2	2	5	
TOTAL					13

Table 3: Internal Process Value Model – Source: Insights based on McKinsey (2021; 2020; 2019)

Internal Process Value Model					
	Model Characteristics				
	Formal Governance (Hierarchical)	Analytical & Data-driven	Fix, Vertical Communication	Strict Rules & Regulations	
McKinsey Characteristics	Economic Performance	Research and Insights	Ethics	ESG Standards	
	Client Selection	Resource efficiency	Employee well-being	Human Rights	
		Data-privacy and security		Ethics and anti-corruption	
SUM of representataive Characteristics	2	3	2	3	
TOTAL					10

Whereas the efficient, productive, and outcome-oriented Rational Task Value Model shows a much deeper relationship to the structure of the consultancies.

Table 4: Rational Task Value Model – Source: Insights based on BCG (2021; 2020; 2019)

Rational Goal Value Model					
	Model Characteristics				
	Efficiency & Productivity	Outcome Orientation	Competitive & Performance-based (reward system)	Centralized Decision-making	
BCG Characteristics	Supplier Diversity	Local Community Action	Working conditions	Sustainable Procurement	
	Waste and recycling	Learning and Development	Learning and Development	Human Rights	
	Working conditons	Talent attraction			
	Learning and Development	Social impact with clients			
	Internal climate action	Climate action with clients			
	Climate action with clients	Internal climate action			
SUM of representataive Characteristics	6	6	2	2	
TOTAL					16

Table 5: Rational Task Value Model – Source: Insights based on McKinsey (2021; 2020; 2019)

Rational Goal Value Model					
	Model Characteristics				
	Efficiency & Productivity	Outcome Orientation	Competitive & Performance-based (reward system)	Centralized Decision-making	
McKinsey Characteristics	Supplier (sustainability and) diversity	Public stance on social issues	Compensation and Benefits	ESG Standards	
	Research and Insights	Enabling Client impact	Recruiting, training and development	Human Rights	
	Resource efficiency	Compensation and Benefits		Client Selection	
	Responsible innovation	Economic Performance			
	Climate Change & Emissions				
	Enabling Client impact				
SUM of representative Characteristics	6	4	2	3	
TOTAL					15

This competitive, performance-based reward system promotes the stakeholder and employee motivation and is thus fundamentally in line with the achievement of the consultancies' corporate goals. Within the scope of the content analysis of the reports and with a CS-driven perspective, this value model cannot be identified as bearing a conditional relationship to the corporate culture in respect of the social and environmental commitment of the consultancies. In both cases, the prioritized CS-initiatives and North Star Goals of the consultancies show a deep conditional relationship with the Open Systems Value Model and the Human Relations Value Model.

Table 6: Human Relations Value Model – Source: Insights based on BCG (2021; 2020; 2019)

Human Relations Value Model					
	Model Characteristics				
	Training & People Development	Tolerance, Morality & Trust	Open Communication	Involvement & Engagement	
BCG Characteristics	Learning and Development	Working conditions	Employee well-being	Supplier Diversity	
	Employee well-being	Human Rights	Diversity, equity and Inclusion	Diversity, equity and Inclusion	
	Working Conditions	Waste and recycling	Working conditions	Local Community Action	
	Safety and Security	Business ethics and integrity	Local Community Action	Social Impact with clients	
	Internal Climate Action	Employee well-being	Internal climate action	Internal Climate Action	
	Diversity, equity and inclusion	Learning and development			
	Talent attraction				
SUM of representative Characteristics	7	6	5	5	
TOTAL					23

Table 7: Human Relations Value Model – Source: Insights based on McKinsey (2021; 2020; 2019)

Human Relations Value Model				
	Model Characteristics			
	Training & People Development	Tolerance, Morality & Trust	Open Communication	Involvement & Engagement
McKinsey Characteristics	Compensation and Benefits	Public stance on social issues	Employee well-being	Supplier Sustainability and Diversity
	Research and Insights	ESG standards	Diversity and Inclusion	Diversity and Inclusion
	Economic Performance	Human Rights	Public stance on social issues	Enabling client Impact
	Responsible Innovation	Climate Change and emissions	Community engagement & pro bono	Client Selection
	Enabling (Client) impact	Ethics and anti-corruption		Community engagement and pro bono
	Data privacy and security	Employee well-being		
	Recruiting, training and development			
Employee well-being				
SUM of representataive Characteristics	8	6	4	5
TOTAL				23

Table 8: Open Systems Value Model – Source: Insights based on BCG (2021; 2020; 2019)

Open Systems Value Model				
	Model Characteristics			
	Growth & Opportunity Seeking (Partnering/Acquiring Opps)	Adaptability (Flexible) & willingness to Change	Visionary, Horizontal Communication	Individuality (personal) & Collaboration
BCG Characteristics	Learning and Development	Learning and Development	Diversity, equity and inclusion	Learning and development
	Working Conditions	Working Conditions	Human rights	Working Conditions
	Supplier Diversity	Sustainable Procurement	Business Ethics and integrity	Diversity, equity and Inclusion
	Sustainable Procurement	Diversity, equity and inclusion	Learning and development	Internal climate action
	Diversity, equity and Inclusion	Social Impact with clients	Local Community action	Talent attraction
	Talent attraction	Climate action with clients	Employee well-being	Employee well-being
	Data Privacy and Infor Security	Employee well-being	Internal Climate action	
	Social Impact with clients	Internal Climate Action	Talent attraction	
	Climate action with clients	Waste and recycling		
	Internal Climate Action			
	Local Community Action			
SUM of representataive Characteristics	11	9	8	6
TOTAL				34

Table 9: Open Systems Value Model – Source: Insights based on McKinsey (2021; 2020; 2019)

Open Systems Value Model				
	Model Characteristics			
	Growth & Opportunity Seeking (Partnering/Acquiring Opps)	Adaptability (Flexible) & willingness to Change	Visionary, Horizontal Communication	Individuality (personal) & Collaboration
McKinsey Characteristics	Public stance on social issues	Public stance on social issues	Diversity and inclusion	Resource efficiency
	Compensation and benefits	Research and Insights	Human rights	Economic Performance
	Supplier sustainability and diversity	Responsible innovation	Ethics and anti-corruption	Diversity and Inclusion
	ESG Standards	Enabling client impact	Recruiting, training and development	Enabling client impact
	Resource efficiency	Client selection	Community engagement & pro bono	Recruiting, training and development
	Economic Performance	Community engagement & pro bono	Employee well-being	Community engagement & pro bono
	Responsible innovation	Employee well-being		Employee well-being
	Diversity and inclusion			
	Climate change and emissions			
	Enabling client impact			
	Client selection			
Community engagement & pro bono				
SUM of representataive Characteristics	12	7	6	7
TOTAL				32

The strategic initiatives defined in the materiality assessment match closely to the characteristic dimensions of these two value models. Both consulting companies embody the approaches to encourage the diverse stakeholders and employees through training and development programs, as well as through open communication and active, individual involvement in corporate processes and decisions. Both companies are driven to capture and actively shape external market conditions in order to drive change, but also to actively exploit competitive advantages. Their focus is on growth as well as the acquisition of resources, team orientation and collaborative engagement, which in turn leads to a high willingness to change and a high degree of adaptability. In terms of content, the consultancies focus on driving global, climate-oriented change - through the active enablement of clients and communities - and to have a positive impact on the communities in which they live and work. The initiatives and approaches extracted from the analyzed reports are deeply embedded in the Human Relations and Open Systems value models, driving the model's innovative, team- and people-oriented dimensions and thus advance the CS development.

6.2. Proposition 2: The corporate culture, and therefore the normative management level, is fundamentally relevant and enables companies to become a CS-led organization.

According to the reviewed academic and managerial literature, a clear, appropriate, and sustainable strategy integrated into the corporate structure and based on the embedded corporate culture is required to integrate a long-term CS approach into a company. Thus, for a company to realize its sustainable goals and successfully implement CS strategies, it is important that the corporate culture and CS activities are well aligned. The key to a successful CS strategy is whether sustainable development is part of the company's vision and mission statement. At the level of normative management, the company's internal basic attitudes, values and the roles of individuals are defined, as these form the cornerstone for all behaviors (Baumgartner, 2009; Schein, 2010; Linnenluecke & Griffiths, 2010; Becker-Olsen, Cudmore, & Hill, 2006; Nason, Bacq, & Gras, 2018).

Based on the analysis, it was investigated whether these presumptions are applicable to the management consultancies analyzed. The correlation of the CVF models with the concept of the different management levels was used to test the extent to which the value models are related to the normative, strategic, and operational management levels.

Table 10: Interrelationship of the CVF-Models within the Corporate Sustainability Framework

CVF Characteristics	Normative Management Level		Strategic Management Level						Operational Management Level
	Corporate Vision	Corporate Culture	Introverted	Extroverted		Conservative	Visionary		
				Conventional	Transformative		Conventional	Systematic	
Formal Governance (Hierarchical)	1	3	1	1	1	2	2	2	2
Analytical & Data-driven	3	3	2	2	3	2	2	3	2
Fix, Vertical Communication	1	3	1	1	2	1	1	2	3
Strict Rules & Regulations	1	3	2	1	1	2	2	2	3
Efficiency & Productivity	2	3	0	1	2	3	2	3	3
Outcome Orientation	2	3	0	2	3	3	2	3	3
Competitive & Performance-based	2	3	1	3	3	3	3	3	3
Centralized Decision-making	1	3	1	1	2	2	2	2	2
Training & People Development	3	3	1	2	2	3	2	3	3
Tolerance, Morality & Trust	2	3	1	2	1	2	2	3	3
Open Communication	2	3	1	3	2	1	2	3	3
Involvement & Engagement	3	3	0	3	3	2	3	3	3
Growth & Opportunity Seeking (Partnering/Acquiring Opportunities)	3	3	1	3	3	3	3	3	3
Adaptability/Flexibility & Willingness to Change	3	3	2	2	3	3	3	3	3
Visionary, Horizontal Communication	2	3	2	2	3	2	3	3	3
Individuality & Collaboration	3	3	1	1	2	2	3	3	3

Source: Insights based on BCG (2021; 2020; 2019) and McKinsey (2021; 2020; 2019) | [3: Conditional Relationship; 2: Strong Relationship; 1: Related; 0: not related]

Each management level was subdivided into strategically relevant drivers and approaches in order to obtain in-depth understanding. Thereby, it was confirmed that the value models and their characteristics are deeply anchored in the corporate culture and thus on the normative management level. In addition, this analysis showed that the underlying principles of the CVF are also of great importance on the operational level of managements. This confirms the literature to the effect that the values implemented in the corporate culture fundamentally influence the behavior and thus the implementation of the strategies. At the strategic management level, it was also shown that the value models are correlated predominantly with the extroverted, conservative, and visionary CS strategies. A detailed examination of the Human Relations and Open Systems Value Models, to which the consulting companies are conditionally related, reveals a deep correlation with the holistic systematic visionary CS strategy. This flexible, adaptive process is an ideal change approach for a sustainability-driven corporate culture. It focuses on innovation, growth, and capitalizing on market opportunities while keeping stakeholders and employees in focus and reach them on their individual, emotion-driven beliefs, which motivate them by their ideological appeal. As outlined in detail in the paragraph on the interrelationship between the CS-Strategies and the corporate culture, the systematic visionary CS strategy is embedded in all levels of the corporate culture, whereby the entire company is involved and is developing its strategies, goals, and corporate philosophy based on the positive and sustainability-oriented basic attitudes and beliefs of its stakeholders and employees. This implies that the CS strategy and North star goals are deeply anchored in the corporate vision and thus in the corporate culture. Corresponding results are verified and supported by the correlation analysis of the aforementioned value models. Accordingly, the

characteristics of the Human Relations and the Open Systems Value Model such as Training & People Development, Involvement & Engagement, Growth & Opportunity Seeking, Adaptability & Willingness-to-change, and Individuality & Collaboration are, based on the number of recurring associations, conditionally related to the corporate vision and culture. In order to verify the implementation and orientation of the CS-driven value models, the concept of corporate culture was examined in more detail. The implementation of the CS initiatives and North Star Goals of the consultancies was tested against the three levels of corporate culture.

Table 11: Associative Correlation of the Consultancies’ CS-Initiatives with the Corporate Culture Model - Extraction of the Analysis Chart

Corporate Culture		BCG CS-Characteristics					
		Learning and development	Diversity, equity and inclusion	Social impact with clients	Talent attraction	Climate action with clients	Internal climate action
Visible Artifacts	Structures	+++	+++	+++	+++	+++	+++
	Processes	++	+++	++	++	+++	+++
Shared Values	Strategies	+++	+++	+++	+++	+++	+++
	Goals	+++	++	+++	+++	+++	+++
	Philosophy	+++	+++	+++	+++	+++	+++
Underlying Assumptions	Subconscious Beliefs	+++	+++	+++	+++	+++	+++
	Perceptions	+	+	+	++	+++	+++
	Emotional Connection	+	++	++	++	++	++

Source: Insights based on BCG (2021; 2020; 2019) | [+++ : Conditional Relationship; ++ : Strong Relationship; + : Related]

Table 12: Associative Correlation of the Consultancies’ CS-Initiatives with the Corporate Culture Model - Extraction of the Analysis Chart

Corporate Culture		McKinsey CS-Characteristics					
		Employee well-being	Diversity and inclusion	Recruiting, training and development	Community management and pro bono	Climate change and emissions	Enabling client impact
Visible Artifacts	Structures	+++	+++	++	+++	+++	+++
	Processes	+	++	++	++	+++	+++
Shared Values	Strategies	+++	++	+++	+++	+++	+++
	Goals	++	++	+++	+++	+++	+++
	Philosophy	+++	+++	+++	+++	+++	+++
Underlying Assumptions	Subconscious Beliefs	++	+++	++	++	+++	+++
	Perceptions	+	++	++	++	++	++
	Emotional Connection	+++	++	++	+++	+	++

Source: Insights based on McKinsey (2021; 2020; 2019) | [+++ : Conditional Relationship; ++ : Strong Relationship; + : Related]

This analysis supports that the central values of these two CVF models are represented by the prioritized CS initiatives of the consultancies such as Recruiting, Training & Development, Promoting Diversity, Equity and Inclusion, Community Management, Actively Shaping and Changing Climate Change, and Enabling the Clients (Social) Impact. Corresponding CS initiatives and North Star Goals therefore have a direct impact and influence on the three levels of corporate culture and are rooted in the underlying corporate assumptions and in conditional

relationship with the shared values and norms as well as the visible artifacts of the consultancies.

7. Conclusion

7.1. Conclusion

The goal of this research study was to understand, how corporate culture, and more specifically which corporate value model guides consultancies in their sustainable business approach and by what means are respective values materialized to contribute towards the realization of the CS goals.

Based on a comprehensive comparative content analysis of the ESG, Social Responsibility and Sustainability Reports over the period 2019 to 2021, as well as the correlation of the insights with the relevant concepts and frameworks of the academic and managerial literature, conditional connections were identified and driving CS-initiatives were extracted. Conclusively, it was found that the consulting firms do not strictly follow only one value model to realize their CS vision. Based on the analysis, a strong relationship between both the Human Relations Value Model and the Open Systems Value Model was found to be associated with the CS initiatives of the consultancies. In order to fully embed corresponding values and sustainability aspects into the companies, the visionary strategy approach emerges as the most feasible. This approach, known in the literature as the holistic sustainability strategy, has also been confirmed by the present interrelationship analysis between the CVF models and the CS framework as the driving method for a comprehensive social and sustainable philosophy in companies. In addition to the operationalization of the strategic approach, the corporate vision - verbalized in the mission statement - and a fully developed and firmly established corporate culture on the normative management level are decisive for success. This forms the basis for every corporate sustainability effort, and since the essential corporate attitudes, values and roles of the individual are managed at this level, it is the cornerstone for all behaviors within the company. Fundamental and driving CS-initiatives are, alongside the diverse and inclusive development, training and recruitment, the achievement of a long-term social impact with clients and communities, as well as the active reduction of emissions and the prevention and co-creation of climate change.

Within BCG's value structure, these CS-initiatives are expressed through the innovation and expansion of the capabilities utilizing the most diverse and inclusive perspectives, the integrity of responsibilities and the respect for each and every individual. Furthermore, this culture

propagates the philosophy and shared understanding of tangible and lasting change with a positive social impact, while thought leadership ensures an understanding that always puts the client and their successful and sustainable performance improvement first. McKinsey has also deeply embedded these CS initiatives in its value system, which is guided by the highest professional and ethical standards. By means of the top management thought leadership approach, a sustainable change in the company is ensured on a normative level and beyond the companies' walls, through innovation of the management practices as well as the goal of sustainably building up corresponding capabilities at the client. Crucial to this is the diverse unrivaled environment of exceptional employees who achieve sustainable improvement in clients' performance and across social and environmental conditions, through their diverse perspectives as well as internal development and mentoring programs. Hence, these executive CS initiatives are deeply rooted in the consultancies' value systems and set the foundation for the consultancies to collaboratively act within and beyond the corporate walls to establish a long-term CS culture.

This study contributes to the theory, as the approach to the connection between corporate sustainability and the fundamental corporate culture reflects a rather unexplored topic in the field of research. Through this study, a fundamental framework for this interrelationship was created and, in addition, a proven and well established implementation approach is shown in the context of the analysis of the consultancies. The majority of corporate and academic studies still focus on formal, administrative environmental management practices, technological innovations, and reactive strategic solutions driven by societal pressures, evolving costs, and emerging regulations. This often neglects the approach of leadership and corporate culture. In fact, what is needed is a clear, appropriate and sustainable strategy that is integrated into the corporate structure and based on the fully lived corporate culture. This implies a fundamental cultural change in the organization, with corporate values being the key drivers for a successful change process. Thus, the increasing relevance of human development and resources, business ethics, diversity and inclusion, and social and environmental responsibility in the context of sustainable management and leadership was elaborated in this study. These areas have an increasingly comprehensive and long-term impact on the implementation of change compared to the reactive, short-term implementable and oriented business solutions (as shown in regard of the introverted CS strategy in Table 10). Hence, the underlying principles of all behaviors within a company were explored and their influence on the long-term impact on communities, society and the climate, diverse and inclusive stakeholder development and sustainable change initiatives were identified.

Due to the dynamics in the business world and the increasingly rigid regulations, companies have an ever-increasing need for valuable consulting services in order to remain competitive. The implementation approaches of the two leading Tier 1 consultancies reflect a multisectoral proven methodology. BCG's and McKinsey's diverse client base demonstrates versatile practical implications on how organizations can implement their CS initiatives and strategies as well as successfully execute them in the long run. Corresponding consultancies define themselves as value-driven people businesses and work at the management level to fully establish this CS-driven change with the client and thereof shape the market.

7.2. Limitations

As mentioned above, this study opens up an area that has not been explored in depth in the past and provides new perspectives and insights. Nevertheless, this apparently is accompanied with certain limitations.

First, regarding the narrow business sector, which is taken into account by analyzing the two leading and formative global consulting firms. Even though these consulting firms are considered thought leaders, influencers of several sectors and help to shape the trends that move the economy, society and the planet, they although represent a special field of business, which is not fully representative for the overall market.

Secondly, the data sample of the in-depth analysis consists, besides up-to-date secondary sources, primarily the data of the ESG, Social Responsibility and Sustainability Reports of BCG and McKinsey for the period 2019-2021. Albeit this data comprises the highest international reporting standards, contains several, in-depth market insights and trends, an effect of generalization and possible bias may exist. The data is sufficient for the present thesis to conduct valid research, but future research will need to update and expand this data collection. In the context of content analysis as well as interpretation and quantification of qualitative results, the analysis is supported by various academic and managerial relevant frameworks and constructs, but it needs to be extended by different perspectives and standards in the future.

7.3. Implications and Future Research

With its elaboration of relevant frameworks and concepts, as well as a structured, detailed content analysis, this fundamental exploratory research provides a foundation for future research development. To broaden the understanding of this research topic, future research is

needed to provide evidence of the interrelationships of corporate culture and its value models with core CS approaches. To gain further understanding, the analysis could be extended with an in-depth correlational analysis at each management level discussed and highlighted in this study. This would allow further conclusions to be drawn about the relevance of normative management and the influence of corporate culture and CS initiatives on the other levels of the corporate structure.

In addition, it would be valuable to gather internal corporate information and the internal and external perceptions of employees, stakeholders, and clients about the CS activities of consulting firms and their implementation into the corporate structure and culture.

Another point of interest for future research would be the analysis of how the corporate culture and in particular which value model leads other market players and with which methods the respective values are implemented to realize their CS goals.

References

- Abbett, E., Coldham, A., & Whisnant, R. (2010). Organizational culture and the success of corporate sustainability initiatives: An empirical analysis using the competing values framework. Michigan: School for Environment and Sustainability, University of Michigan.
- BCG. (2021). A Time to Lead - 2021 Annual Sustainability Report. Boston: Boston Consulting Group, Inc.
- BCG. (2019). Making a Difference - 2019 Annual Sustainability Report. Boston: Boston Consulting Group Inc.
- BCG. (2020). Progress in a Year of Adversity - 2020 Annual Sustainability Report. Boston: Boston Consulting Group Inc.
- Bansal, P. (2005). Evolving sustainably: A longitudinal study of corporate sustainable development. *Strategic Management Journal*, 197-218.
- Bansal, P., & Roth, K. (2000). Why Companies Go Green: A Model of Ecological Responsiveness. *Academy of Management Journal*, 43(4), 717-736.
- Baumgartner, R. J. (2014). Managing Corporate Sustainability and CSR: A Conceptual Framework Combining Values, Strategies and Instruments Contributing to Sustainable Development. *Corporate Social Responsibility and Environmental Management*, 258–271.
- Baumgartner, R. J. (2009). Organizational culture and leadership: Preconditions for the development of a sustainable corporation. *Sustainable Development*, 102-113.
- Becker-Olsen, K. L., Cudmore, B. A., & Hill, R. P. (2006). The impact of perceived corporate social responsibility on consumer behavior. *Journal of Business Research*, 46-53.
- Bichet, E., Eastwood, J., & Mencher, M. (2022, 11 23). Category Archives: Comparative Corporate Governance & Regulation. Retrieved from Harvard Law School Forum on Corporate Governance: <https://corpgov.law.harvard.edu/2022/11/23/eus-new-esg-reporting-rules-will-apply-to-many-us-issuers/>
- Boiral, O. (2009). Greening the Corporation Through Organizational Citizenship Behaviors. *Journal of Business Ethics*, 221–236.
- Boston Consulting Group. (2022, 12 12). About BCG. Retrieved from BCG: <https://www.bcg.com/about/commitments>
- Brundtland, G. H. (1987). Our common future - Brundtland Report. Oslo: World Commission on Environment and Development (WCED).

- Carroll, A. B. (1979). A Three Dimensional Conceptual Model of Corporate Social Performance. *Academy of Management Review*, 497-505.
- Chamorro, A., & Bañegil, T. M. (2006). Green marketing philosophy: a study of Spanish firms with ecolabels. *Corporate Social Responsibility and Environmental Management*, 11-24.
- Cramer, J. (2005). Company learning about corporate social responsibility. *Business Strategy and the Environment* , 255-266 (14(4)).
- Eccles, R. G., Ioannou, I., & Serafeim, G. (2011). The Impact of a Corporate Culture of Sustainability on Corporate Behavior and Performance. *Harvard Business School*, 12-35.
- Friede, G., Busch, T., & Bassen, A. (2015). ESG and financial performance: aggregated evidence from more than 2000 empirical studies. *Journal of Sustainable Finance & Investment*, 210-233 .
- Gonzalez-Perez, M. A. (2013). *International Business, Sustainability and Corporate Responsibility*. Bingley: Emerald Group Publishing Limited.
- Hatch, M. J. (1993). The Dynamics of Organizational Culture. *Academy of Management Review*.
- Hoffman, A. J. (2000). *Competitive Environmental Strategy: A Guide to the Changing Business Landscape*. Washington: Island Press.
- Hofstede, G. (2003). What is culture? A reply to Baskerville. *Accounting, Organizations and Society*, 811-813.
- IISD et al. (1992). *Business Strategies for Sustainable Development*. International Institute for Sustainable Development.
- InfoDesk. (2022, January 6). 5 Key Trends in 2022 for the Consulting Industry. Retrieved from InfoDesk: <https://www.infodesk.com/5-key-trends-in-2022-for-the-consulting-industry/consulting-industry/>
- Kapotwe, M., Pears, P., Hörauf, M., & Brown, M. (2022, 12 11). Category Archives: Comparative Corporate Governance & Regulation. Retrieved from Harvard Law School Forum on Corporate Governance: <https://corpgov.law.harvard.edu/2022/12/11/eu-corporate-sustainability-reporting-directive-disclosure-obligations-for-eu-and-non-eu-companies/>
- Klassen, R. D. (2000). Exploring the linkage between investment in manufacturing and environmental technologies. *International Journal of Operations & Production Management*, 127-147.

- Klein, J., & Dawar, N. (2004). Corporate social responsibility and consumers' attributions and brand evaluations in a product–harm crisis. *International Journal of Research in Marketing*, 203-217.
- Kleina, J., & Dawar, N. (2004). Corporate social responsibility and consumers' attributions and brand evaluations in a product–harm crisis. *International Journal of Research in Marketing*, 203–217.
- Krueger, P., Sautner, Z., Tang, D. Y., & Zhong, R. (2021). The Effects of Mandatory ESG Disclosure Around the World. European Corporate Governance Institute–Finance Working Paper, 21-44.
- Li, K., Liu, X., Mai, F., & Zhang, T. (2021). The Role of Corporate Culture in Bad Times: Evidence from the COVID-19 Pandemic. *Journal of Financial and Quantitative Analysis*, 2545-2583.
- Linnenluecke, M. K., & Griffiths, A. (2010). Corporate sustainability and organizational culture. *Journal of world business*, 45(4), 357-366.
- MCA Membership Team. (2022, 12 14). MCA - A positive force for the economy and society. Retrieved from Value of Consulting: <https://www.mca.org.uk/value-of-consulting/the-consulting-industry#:~:text=Management%20consulting%20is%20the%20practice,advice%20and%20implementing%20business%20solutions>.
- McKinsey. (2020). Social Responsibility Report 2020 - Delivering on our purpose. McKinsey & Compnay.
- McKinsey. (2021). 2021 ESG Report - Accelerating Sustainable and Inclusive Growth. McKinsey & Company.
- McKinsey. (2022, 12 13). McKinsey - About Us. Retrieved from McKinsey & Company: <https://www.mckinsey.com/about-us/overview>
- McKinsey. (2019). Social Responsibility Report 2019 - Helping create positive, enduring change in the world. McKinsey & Company.
- Meyer, A. (1982). Adapting to Environmental Jolts. *Administrative science quarterly*, 515 -537.
- Montiel, I. (2008). Corporate Social Responsibility and Corporate Sustainability: Separate Pasts, Common Futures. *Organization & Environment*, 245–269.
- Nason, R. S., Bacq, S., & Gras, D. (2018). A Behavioral Theory of Social Performance: Social Identity and Stakeholder Expectations. *Academy of Management Review*, 43(2), 259-283.

- Neuendorf, K. A. (2018). Content analysis and thematic analysis. In P. Brough, *Advanced Research Methods for Applied Psychology* (pp. 211-223). New York: Routledge.
- O'Mahoney, J., & Markham, C. (2013). *Management Consultancy*. Oxford: Oxford University Press.
- O'Reilly, C. A., Chatman, J., & Caldwell, D. F. (1991). People and Organizational Culture: A Profile Comparison Approach to Assessing Person-Organization Fit. *The Academy of Management Journal*, 487-516.
- Pereira, L., Jerónimo, C., & Ramos, M. (2017). Management consulting business models a perspective of sustainability. *23rd International Conference on Engineering*, 29-35.
- Ramus, C. A., & Steger, U. (2000). The roles of supervisory support behaviors and environmental policy in employee "ecoinitiatives" at leading-edge European companies. *Academy of Management Journals*, 605-626.
- Remmer, S., & Gilbert, D. U. (2019). Applying Materiality Assessment in Strategic Management: The Implicit Coating of the Materiality Lens. In T. Wunder, *Rethinking Strategic Management. CSR, Sustainability, Ethics & Governance*. (pp. 267-291). Springer.
- Reportlinker. (2022). *Europe Management Consulting Services Market - Growth, Trends, COVID-19 Impact, and Forecasts (2022 - 2027)*. New York: GlobeNewswire.
- Roth, F. M., & Winkler, I. (2018). *B Corp entrepreneurs: Analysing the motivations and values behind running a social business*. Hausach: Springer.
- Santos, F., Pache, A.-C., & Birkholz, C. (2015). Making Hybrids Work: Aligning Business Models and Organizational Design for Social Enterprises. *California Management Review*, 36-58.
- Schein, E. H. (2010). *Organizational Culture and Leadership*. San Francisco: John Wiley & Sons Inc.
- Spicer, A. (2020). Organizational Culture and COVID-19. *Journal Of Management Studies*, 57(8), 1737-1740.
- Sroufe, R. (2017). Integration and organizational change towards sustainability. *Journal of Cleaner Production*, 315-329.
- Stockhinger, J., & Teubner, R. A. (2018). How Management Consultancies Make Sense of Digital Strategy. *Thirty Ninth International Conference on Information Systems*, p. 13.
- Stubbs, W. (2017). Sustainable entrepreneurship and B corps. *Business Strategy and the Environment*, 26(3), 331-344.

- Surroca, J., Tribó, J. A., & Waddock, S. (2009). CORPORATE RESPONSIBILITY AND FINANCIAL PERFORMANCE: THE ROLE OF INTANGIBLE RESOURCES. *Strategic Management Journal* , 463-490.
- Tourky, M., Kitchen, P., & Shaalan, A. (2020). The role of corporate identity in CSR implementation: An integrative framework. *Journal of Business Research*, 694-706.
- Werbach, A. (2009). *Strategy for Sustainability. A Business Manifesto*. Boston: Harvard Business Press.
- Wilson, A. M. (2001). Understanding organisational culture and the implications for corporate marketing. *European Journal of Marketing*, 353-367.
- Wood, P. (1998). The rise of consultancy and the prospect for regions. *European Regional Science Association*.
- Worldfavor. (2022, 12 06). *Frameworks & Partners*. Retrieved from Worldfavor: <https://blog.worldfavor.com/countries-affected-by-mandatory-esg-reporting-here-is-the-list>

Appendix

Proposition 1: The Open Systems Value Model reflects the most appropriate cultural model to implement and enhance CS in organizations

Boston Consulting Group

Table of Categorization	
Related/correlated to the Corporate Business	<10
Strong Relationship to the Corporate and CS Business	10 - 16
Conditional Relationship to the Corporate and CS Business	>16

Internal Process Value Model					
	Model Characteristics				
	Formal Governance (Hierarchical)	Analytical & Data-driven	Fix, Vertical Communication	Strict Rules & Regulations	
BCG Characteristics	Learning and Development	Sustainable Procurement	Learning and Development	Business Ethics and integrity	
	Working Conditions	Data Privacy and Info Security	Internal Climate Action	Safety and Security	
	Safety and Security			Human Rights	
	Internal Climate Action			Waste and Recycling Supplier Diversity	
SUM of representataive Characteristics	4	2	2	5	
TOTAL					13

Rational Goal Value Model					
	Model Characteristics				
	Efficiency & Productivity	Outcome Orientation	Competitive & Performance-based (reward system)	Centralized Decision-making	
BCG Characteristics	Supplier Diversity	Local Community Action	Working conditions	Sustainable Procurement	
	Waste and recycling	Learning and Development	Learning and Development	Human Rights	
	Working conditons	Talent attraction			
	Learning and Development	Social Impact with clients			
	Internal climate action	Climate action with clients			
	Climate action with clients	Internal climate action			
SUM of representataive Characteristics	6	6	2	2	
TOTAL					16

Human Relations Value Model					
	Model Characteristics				
	Training & People Development	Tolerance, Morality & Trust	Open Communication	Involvement & Engagement	
BCG Characteristics	Learning and Development	Working conditions	Employee well-being	Supplier Diversity	
	Employee well-being	Human Rights	Diversity, equity and Inclusion	Diversity, equity and Inclusion	
	Working Conditions	Waste and recycling	Working conditions	Local Community Action	
	Saftey and Security	Business ethics and integrity	Local Community Action	Social Impact with clients	
	Internal Climate Action	Employee well-being	internal climate action	Internal Climate Action	
	Diversity, equity and inclusion	Learning and development			
	Talent attraction				
SUM of representataive Characteristics	7	6	5	5	
TOTAL					23

Open Systems Value Model				
	Model Characteristics			
	Growth & Opportunity Seeking (Partnering/Acquiring Opps)	Adaptability (Flexible) & willingness to Change	Visionary, Horizontal Communication	Individuality (personal) & Collaboration
BCG Characteristics	Learning and Development	Learning and Development	Diversity, equity and inclusion	Learning and development
	Working Conditions	Working Conditions	Human rights	Working Conditions
	Supplier Diversity	Sustainable Procurement	Business Ethics and integrity	Diversity, equity and Inclusion
	Sustainable Procurement	Diversity, equity and inclusion	Learning and development	Internal climate action
	Diversity, equity and Inclusion	Social Impact with clients	Local Community action	Talent attraction
	Talent attraction	Climate action with clients	Employee well-being	Employee well-being
	Data Privacy and Infor Security	Employee well-being	Internal Climate action	
	Social Impact with clients	Internal Climate Action	Talent attraction	
	Climate action with clients	Waste and recycling		
	Internal Climate Action			
Local Community Action				
SUM of representataive Characteristics	11	9	8	6
TOTAL				34

McKinsey & Company

Table of Categorization	
Related/correlated to the Corporate Business	<12
Strong Relationship to the Corporate and CS Business	12 - 18
Conditional Relationship to the Corporate and CS Business	>18

Internal Process Value Model				
	Model Characteristics			
	Formal Governance (Hierarchical)	Analytical & Data-driven	Fix, Vertical Communication	Strict Rules & Regulations
McKinsey Characteristics	Economic Performance	Research and Insights	Ethics	ESG Standards
	Client Selection	Resource efficiency	Employee well-being	Human Rights
		Data-privacy and security		Ethics and anti-corruption
SUM of representataive Characteristics	2	3	2	3
TOTAL				10

Rational Goal Value Model				
	Model Characteristics			
	Efficiency & Productivity	Outcome Orientation	Competitive & Performance-based (reward system)	Centralized Decision-making
McKinsey Characteristics	Supplier (sustainability and) diversity	Public stance on social issues	Compensation and Benefits	ESG Standards
	Research and Insights	Enabling Client impact	Recruiting, training and development	Human Rights
	Resource efficiency	Compensation and Benefits		Client Selection
	Responsible innovation	Economic Performance		
	Climate Chnage & Emissions			
Enabling Client impact				
SUM of representataive Characteristics	6	4	2	3
TOTAL				15

Human Relations Value Model				
	Model Characteristics			
	Training & People Development	Tolerance, Morality & Trust	Open Communication	Involvement & Engagement
McKinsey Characteristics	Compensation and Benefits	Public stance on social issues	Employee well-being	Supplier Sustainability and Diversity
	Research and Insights	ESG standards	Diversity and Inclusion	Diversity and Inclusion
	Economic Performance	Human Rights	Public stance on social issues	Enabling client Impact
	Responsible Innovation	Climate Change and emissions	Community engagement & pro bono	Client Selection
	Enabling (Client) impact	Ethics and anti-corruption		Community engagement and pro bono
	Data privacy and security	Employee well-being		
	Recruiting, training and development			
	Employee well-being			
SUM of representataive Characteristics	8	6	4	5
TOTAL				23

Open Systems Value Model				
	Model Characteristics			
	Growth & Opportunity Seeking (Partnering/Acquiring Opps)	Adaptability (Flexible) & willingness to Change	Visionary, Horizontal Communication	Individuality (personal) & Collaboration
McKinsey Characteristics	Public stance on social issues	Public stance on social issues	Diversity and inclusion	Resource efficiency
	Compensation and benefits	Research and Insights	Human rights	Economic Performance
	Supplier sustainability and diversity	Responsible innovation	Ethics and anti-corruption	Diversity and Inclusion
	ESG Standards	Enabling client impact	Recruiting, training and development	Enabling client impact
	Resource efficiency	Client selection	Community engagement & pro bono	Recruiting, training and development
	Economic Performance	Community engagement & pro bono	Employee well-being	Community engagement & pro bono
	Responsible innovation	Employee well-being		Employee well-being
	Diversity and Inclusion			
	Climate change and emissions			
	Enabling client impact			
	Client selection			
	Community engagement & pro bono			
SUM of representataive Characteristics	12	7	6	7
TOTAL				32

Proposition 2: The corporate culture, and therefore the normative management level, is fundamentally relevant and enables companies to become a CS-led organization.

Table of Categorization		Cluster
Not related/correlated	0-1 matching characteristics	0
Related/correlated (indirect influence inbetween characteristics)	<=3 matching characteristics	1
Strong Relationship/high correlation (direct impact/influence within between characteristics)	3-6 matching characteristics	2
Conditional Relationship/high correlation (strong direct impact/influence within between characteristics)	>= 6 (almost all characteristics match)	3

CVF Characteristics	Normative Management Level		Strategic Management Level						Operational Management Level	
	Corporate Vision	Corporate Culture	Introverted	Extroverted		Conservative	Visionary			
				Conventional	Transformative		Conventional	Systematic		
Formal Governance (hierarchical)	1	3	1	1	1	2	2	2	2	2
Analytical & Data-driven	3	3	2	2	3	2	2	2	3	2
Fix, Vertical Communication	1	3	1	1	2	1	1	1	2	3
Strict Rules & Regulations	1	3	2	1	1	2	2	2	2	3
Efficiency & Productivity	2	3	0	1	2	3	2	2	3	3
Outcome Orientation	2	3	0	2	3	3	2	2	3	3
Competitive & Performance-based	2	3	1	3	3	3	3	3	3	3
Centralized Decision-making	1	3	1	1	2	2	2	2	2	2
Training & People Development	3	3	1	2	2	3	2	2	3	3
Tolerance, Morality & Trust	2	3	1	2	1	2	2	2	3	3
Open Communication	2	3	1	3	2	1	2	2	3	3
Involvement & Engagement	3	3	0	3	3	2	3	3	3	3
Growth & Opportunity Seeking (Partnering/Acquiring Opportunities)	3	3	1	3	3	3	3	3	3	3
Adaptability/Flexibility & Willingness to Change	3	3	2	2	3	3	3	3	3	3
Visionary, Horizontal Communication	2	3	2	2	3	2	2	3	3	3
Individuality & Collaboration	3	3	1	1	2	2	2	3	3	3

Boston Consulting Group

Table of Categorization	Cluster	Strength of Relationship/Correlation
Not related/correlated	x	<6
Related/correlated (indirect influence inbetween characteristics)	+	6-11
Strong Relationship/high correlation (direct impact/influence within between characteristics)	++	12-18
Conditional Relationship/high correlation (direct and high impact/influence within between characteristics)	+++	>18

		BCG CS-Characteristics						
		Learning and development	Diversity, equity and inclusion	Social impact with clients	Talent attraction	Climate action with clients	Internal climate action	
Corporate Culture	Visible Artifacts							
	Structures Processes	+++ ++	+++ +++	+++ ++	+++ ++	+++ +++	+++ +++	+++ +++
Shared Values	Strategies Goals Philosophy	+++ +++ +++	+++ ++ +++	+++ +++ +++	+++ +++ +++	+++ +++ +++	+++ +++ +++	+++ +++ +++
	Underlying Assumptions							
	Subconscious Beliefs Perceptions Emotional Connection	+++ + +	+++ + ++	+++ + ++	+++ ++ ++	+++ +++ ++	+++ +++ ++	+++ +++ ++

Corporate Culture		BCG CS-Characteristics											
		Waste and recycling	Safety and Security	Data Privacy and Info security	Human Rights	Sustainable Procurement	Working conditions	Supplier Diversity	Employee well-being	Business ethics and integrity	Local Community Action		
Visible Artifacts	Structures	+	++	+++	++	++	+++	+++	++	+++	+++	+++	+++
	Processes	++	+	++	+	++	+	++	+	++	++	++	+
Shared Values	Strategies	+	++	++	++	+++	++	+++	++	+++	+++	+++	+++
	Goals	++	+	+	+	+++	++	+++	++	+++	+++	+++	+++
Underlying Assumptions	Philosophy	+	++	++	++	++	++	+++	++	+++	+++	+++	+++
	Subconscious Beliefs	+	+	+	++	++	+++	+++	++	+++	+++	+++	+++
	Perceptions	+	+	+	++	++	+++	+++	++	+++	+++	+++	+++
	Emotional Connection	++	+	++	++	++	+	++	+	++	++	++	++

McKinsey & Company

Table of Categorization	Cluster	Strength of Relationship/Correlation
Not related/correlated	x	<6
Related/correlated (indirect influence inbetween characteristics)	+	6-11
Strong Relationship/high correlation (direct impact/influence within between characteristics)	++	12-18
Conditional Relationship/high correlation (direct and high impact/influence within between characteristics)	+++	>18

Corporate Culture		McKinsey CS- Characteristics					
		Employee well-being	Diversity and inclusion	Recruiting, training and development	Community management and pro bono	Climate change and emissions	Enabling client impact
Visible Artifacts	Structures	+++	+++	++	+++	+++	+++
	Processes	+	++	++	++	+++	+++
Shared Values	Strategies	+++	++	+++	+++	+++	+++
	Goals	++	++	+++	+++	+++	+++
	Philosophy	+++	+++	+++	+++	+++	+++
Underlying Assumptions	Subconscious Beliefs	++	+++	++	++	+++	+++
	Perceptions	+	++	++	++	++	++
	Emotional Connection	+++	++	++	+++	+	++

		McKinsey CS-Characteristics											
Corporate Culture		Data privacy and security	Public stance on social issues	Compensation and benefits	Resource Efficiency	Human rights	Ethics and anti-corruption	Economic performance	Responsible Innovation	Research and Insights	ESG Standards	Supplier sustainability and diversity	Client selection
Visible Artifacts	Structures	++	++	+++	+	++	++	++	++	++	+++	+++	++
	Processes	++	+	++	+++	++	++	++	++	++	+++	++	++
Shared Values	Strategies	++	++	+++	++	++	++	+++	+++	+++	+++	+++	++
	Goals	+	+++	+	++	+	+	+++	++	+++	++	+++	+
Underlying Assumptions	Philosophy	++	+	+	++	++	++	++	++	++	++	++	+++
	Subconscious Beliefs	+	+		+	++	++	+	+	+	+	+	++
	Perceptions					+	+	+	+	+	+	+	+
	Emotional Connection			+		+	+	+	+	+	+	+	+