

## **Contradiction Management as a criterion and management approach to sustainable corporate activity: case studies from major Swiss companies**

Entrepreneurial activity in a sustainable society should be efficient and innovative, as well as socially, environmentally and economically viable, all at the same time. Goals competing for identical resources must be reconciled. This leads to conflicting goals and inconsistencies in organizational contexts that are rarely addressed openly and, even more rarely, systematically dealt with.

Sustainability and efficiency in companies are incompatible under current economic conditions. The efficiency principle requires optimized use of resources in the entrepreneurial activity, which is generally done regardless of the current state or the regenerative capacity of the resource base. The principle of sustainability, however, implies resource regeneration and the fundamental preservation of both the tangible and intangible resource base. These principles, when maximized, cancel each other out. Against this background, Contradiction Management aims to master the concurrence of efficiency and sustainability, in order to aid decision-making that is sensitive to the contradictions which exist in the tension between both principles, and to ensure the long-term sustainability of the company (Müller-Christ 2014).

As part of a Master's thesis, Contradiction Management in major Swiss companies was investigated (Gruber 2016). The concepts of Müller-Christ regarding systematic contradiction management in a sustainability context form the theoretical foundations. The research subjects analysed were the major corporations Swiss Federal Railways, Swiss Post, Swisscom, Migros, Coop, Ikea, Zürcher Kantonalbank, Zurich Insurance and Swiss Re. The data were collected by interviewing the respective sustainability officers and from company publications.

The main result is that the basic contradiction between the economic efficiency perspective and the resource-based sustainability perspective is not systematically tackled in the companies studied. Despite a comprehensive institutional and instrumental integration of sustainability challenges into the companies' sustainability management, the efficiency premise is generally the dominant decision premise. In addition, there is great awareness of the need for a long-term perspective when making business decisions, although this is in conflict with the efficiency premise, which dominates in daily business.

However, significant company-specific differences are evident. Conflicting goals, deficient dealings with contradictions as well as differing perspectives and approaches, all of which are indicative of a lack of contradiction management, have different levels of prominence in the organizations analysed. The food companies Migros and Coop in particular distinguish

themselves with their contradiction-sensitive sustainability management, whereby their sustainability positioning can be regarded as particularly robust and credible.

Overall, the companies investigated face the challenge of bringing the conflicting premises more into balance to maintain the resource base and to establish a long-term regenerative economy. It is imperative that contradiction management is more operationalized as an integral part of corporate sustainability management and that appropriate instruments for companies are developed.

### **Sources:**

Gruber, Simone (2016): Nachhaltigkeit in Schweizer Grossunternehmen aus der Perspektive des Widerspruchsmanagements; interviewbasierte Analyse von Fallbeispielen. Eberswalde: HNEE (Masterarbeit).

Müller-Christ, G. (2014): Nachhaltiges Management. Einführung in Ressourcenorientierung und widersprüchliche Managementrationalitäten. 2. Auflage.