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## Organizing and sustainable development between the local and global: The case of a Tibetan enterprise

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A thesis submitted in partial fulfillment of the requirements for the Doctor of Philosophy degree in Business

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## ABSTRACT

In this dissertation, I investigate how place and space guide organizations towards sustainable development. The current paradigm for business organizing seeks economic efficiency, whereas a sustainable development paradigm requires businesses to accommodate the ecological, social, and economic principles between the local and global. Yet, as organizations are increasingly globalizing and virtualizing, they are becoming increasingly placeless. The loss of local connection to place is one of the primary reasons sustainable development is so elusive.

I am motivated to understand better organizations' role between the local and global on sustainable development. To answer the question, I collected qualitative data through conducting ethnography at LuxuryYak,<sup>1</sup> a place-based Tibetan luxury enterprise. I developed three essays that collectively explored the mechanisms through which organizations could detect and address sustainable development issues. The first two essays (Essays #1 and #2) are empirical papers grounded in the data, providing insights on how locally embedded organizations can detect and address large-scale global sustainable development issues. Inspired by the empirical phenomenon, Essay #3 is a conceptual piece that focuses on elaborating the role of multinational enterprises on sustainable development between the local and global.

The essays contribute to the literature on organizational attention, sense of place and sustainable development, and international business research on location and country specific resources. I also made an empirical contribution by studying an organization in a Tibetan nomadic village to provide new ways of thinking about business research on sustainability.

### **Keywords**

place, space, sustainability, Tibetan Plateau, organizational attention, sense of place, natural resources, international business, ethnography

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<sup>1</sup> All names of villages, organizations and individuals in this dissertation are pseudonyms.

## **LAY SUMMARY**

Today we face unprecedented challenges to global sustainable development. Some major threats to survival include climate change, biodiversity loss, food security, and social inequality. For sustainable development, peoples' needs must be met not just within and across time, but also within and across local and global spaces. In this dissertation, I ask: In a globalizing world, how can organizations detect and address sustainable development issues between the local and global? To understand that, I conduct ethnography with LuxuryYak, one sustainable luxury enterprise embedded in a Tibetan nomadic village. The organization has developed unique strategies to foster economic prosperity while preserving local ecological and social well-being. I developed three essays that collectively offer insights on the mechanisms of space and place that guide or limit organizations' actions in addressing sustainable development issues. The findings contribute to the literature on organizational attention, sense of place and sustainable development, and international business research on locational advantages. The three essays in the dissertation also provide practical implications for organizations to contribute to a more sustainable and resilient future for organizations and societies.

## DECLARATION OF CONTRIBUTION

There are five chapters in this dissertation. I declare my contribution to each of the five chapters of this dissertation and acknowledge the contribution of other parties where appropriate.

Chapter One. The work that constitutes this chapter was done independently by me, the author of the dissertation. I sent a draft of the chapter to my supervisor Prof. Tima Bansal for comments. Then, I incorporated her feedback into the final version.

Chapter Two (Essay #1). As the lead author, I proposed the topic, initiated the data access, collected data, conducted literature review, analyzed the data and wrote up the manuscript, with co-authors Prof. Tima Bansal and Prof. Diane-Laure Arjaliès.

Chapter Three (Essay #2). The work that constitutes this chapter was done independently by me, the author of the dissertation. It has received invaluable feedback from my supervisor Prof. Tima Bansal and Prof. Diane-Laure Arjaliès in the development process.

Chapter Four (Essay #3). As the lead author, I proposed the topic, conducted literature review, developed the theoretical piece and wrote up the manuscript, with co-authors Prof. Tima Bansal and Prof. Diane-Laure Arjaliès.

Chapter Five. The work that constitutes this chapter was done independently by me, the author of the dissertation. I sent a draft of the chapter to my supervisor Prof. Tima Bansal for comments. Then, I incorporated her feedback into the final version.

Since Essay #1 and Essay #3 are co-authored papers, plural pronoun (“we”, “us” and “our”) rather than singular (“I”, “me” and “my”) was applied in the essays.

## ACKNOWLEDGEMENT

I owe tremendous debts to many people in the process of writing this dissertation. First and foremost, I would like to thank my supervisor Tima Bansal. Tima is sharp, wise, and humble. She has helped me to develop in many aspects. But, the most important is that she could see the hidden shining parts of me, of which even I was unaware, and push me to let them emerge as much as possible. Working with Tima, I've also learned that "Success is not final; failure is not fatal: it is the courage to continue that counts."

My supervisory committee has been truly helpful in the process. I am grateful to work with Diane-Laure Arjaliès. In my Ph.D. project, Diane-Laure has played an instrumental role in challenging my thinking and sharing her wisdom about work and life. It was a privilege to have conducted fieldwork with her, who has more than ten years doing ethnography. Our sensemaking in the bush at Walpole Island First Nation taught me to embrace uncertainties, a critical attribute to cope with the ups and downs in the long journey of research and life. Oana Branzei and Wren Montgomery, who have also served as the discipline coordinators for the Sustainability group, were always there to help when I reached out to them. I also thank Wren for her help on my job market in the final year. Anishinaabe scholar Chantelle Richmond sets a personal example of doing research that is connected to something one deeply cares about. I sincerely thank my dissertation examiners—Tobias Hahn, Carol Hunsberger, Mark Zbaracki, and Wren Montgomery—for their critical comments that pushed my thinking, not to mention the time and efforts in examining the document.

The Ivey Ph.D. and Research offices have been extremely helpful. I would like to thank Lauren Cipriano, Paola Ramgren, Carly Vanderheyden, and Katherine Laid for their help. I thank my Ivey Ph.D. peers and office mates for the beautiful moments we have shared, including

new year banquets, comps preparations, Saturday movie nights, encouraging conversations in the office, and the zoom chats we have formed as a supporting group since the lockdown during COVID-19.

I am indebted to my informants at LuuxuryYak, especially the President KY and the CEO DY, for their strong support and generosity. I still remember the day when I met Norlha for the first time: The 25-year-old me explored the world to figure out my approach to a better world. It was a WOW moment when I saw LuuxuryYak, as it offered the potential answer to my question! At Norlha, I've interacted with the most visionary and compassionate people.

Because of the complex situation of COVID-19, I have stayed in my parents' as I finish the thesis. I thank my parents, who have given me unconditional love and supported. I thank my toddler nephew and infant niece, who have occasionally brought me lots of laughers, despite that I wonder if to cheer me up was their conscious intention.

I'm writing up the acknowledgment as celebrating my 32nd birthday. My infant niece and her parents came to visit and celebrate. More than ever, I felt a sense of emergency on sustainable development as I situate the little girl and myself over time. When I was born in 1989, there were about 5 billion people on the planet. In 2021, the number reached almost 8 billion. Simultaneously, the world's temperatures have risen to about 1.5C above the post-industrial average since I was born. When the little girl reaches her 30<sup>th</sup> birthday in the early 2050s, the world's population is expected to reach 10 billion. How can I imagine a future for her generation if we continue the current climate trajectory?

An Indigenous friend in Canada once told me, "We don't inherit the planet from our parents. We borrow it from our children". Now I understand it better. This dissertation is one of the humble approaches that I have taken to affect a sustainable future for the next generation.

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## PREFACE

Doing a Ph.D. research in a Tibetan luxury enterprise is unlikely to be common in management studies. In this preface, I briefly describe the research process and reveal my own trajectory between the local and the global, which shape the questions being asked, and the way of interpreting and communicating the data.

Where I come from. As a member of the Qiang People, an ethnic minority group in west China, I was born and grew up in Aba Tibetan and Qiang Autonomous Prefecture. The region has often been perceived as a remote one with a harsh environment. Growing up, I heard stories about communities' struggles to make a living with limited natural resources. With hope for my future, my family had always emphasized the importance of education. In 2009, I was admitted to one of the best universities to study economics in China and therefore, moved to Beijing.

My global experience. My first year in college coincided with the Copenhagen Climate Change Conference COP15. The issue of human-induced global warming addressed at the conference led me to question the assumption about unlimited economic growth in a resource-constrained world. Yet, the economics courses at school didn't provide me with an answer. I started to look into other disciplines and engaged with real-world projects to study how the economy can develop in a more just and sustainable way. It took me a few years to realize that what I had been exploring was related to a concept called sustainable development.

In 2013, supported by an Eiffel Scholarship from the French government, I pursued my MSc in Sustainable Development at HEC Paris. My graduate program expanded my horizon with innovative business models pursuing sustainability and allowed my extended study in Europe, the United States, and Southeast Asia, experiencing countries in different stages of development. Transitioning across continents during these years was striking. What shocked me

into deep reflection was that the unsustainable mass production and mindless consumption model, which had taken hold in the West, seemed to be happening in China and would occur in other emerging countries. I was concerned that resources on the planet would not be able to support the increasing population and associated demands. At the same time, it was immoral to deny people's development needs and aspirations from the emerging world. Coming out of age in China during the 1990s and 2000s, I was for the first time challenged for my taken-for-granted assumption that economies could always grow, and life quality would always increase.

Encounter LuxuryYak. During the years exploring the world and navigating my approach to contribute to an inclusive and sustainable world, something significant that took place while I was studying at HEC became embedded in my mind. One day in early March 2014, my eyes were caught by a picture of a nomadic-looking Asian woman riding a yak in the coursebook for a marketing seminar. In my childhood on the Tibetan Plateau, I had seen nomads and yaks. The course material introduced a sustainable enterprise called LuxuryYak, located in a nomadic village on the Tibetan Plateau. LuxuryYak utilizes yaks' wool to produce textiles for the global luxury market, providing local nomads livelihoods and preserving their environment and traditional culture. After I searched the internet and attempted to reach out to the organization, I managed to have a coffee with the President of the enterprise, KY, as she happened to be in Paris at the same time I was there.

Back to the plateau. Upon reflecting upon my experience, I decided to pursue a career in business research to develop knowledge that could guide organizations to contribute to sustainability. Still, the idea of visiting LuxuryYak had never left my mind. I continued to follow LuxuryYak's updates and progress through reading the President's book, watching a LuxuryYak themed documentary, and following LuxuryYak's social media accounts.

I finally saw the possibility of going to LuxuryYak as I enrolled in the Ph.D. program at Ivey Business School. In December 2016, I visited Dr. Diane-Laure Arjaliès's office to discuss my progress in the Ph.D. program. I mentioned that I was excited about a luxury enterprise on the Tibetan Plateau pursuing sustainable development. She said, "You should follow your heart!" Encouraged by her guidance, during the 2016 Christmas break, alone in my apartment, I organized everything I had learned about LuxuryYak and wrote a proposal, seeking data access confirmation from the President. Within five months, I started my ethnography at LuxuryYak in the summer of 2017.

After eight years of travelling across the world, I was back in a nomadic village on the Tibetan Plateau, conducting research for my Ph.D. thesis. In this dissertation, I share what I learned at LuxuryYak to explain how organizations can be aware of and manage sustainable development issues by mediating between the local and global.

Reflecting on the journey. Looking back, my sense of belonging to the local and my global experience are both critical in leading to and supporting my research. The deep local connection to the plateau allowed me to maintain a sense of place to the land. As well, my years as a world traveler allowed me to develop an outsider's fresh eyes when looking at the local context, which helped me avoid being too close within the context and in turn, taking matters for granted. A conversation on my last night conducting research at LuxuryYak well summarizes this point. It was on August 3, 2017, when three volunteers and I held a party at the LuxuryYak guesthouse and conversed over wine.

Person A: We go to different places, but we are still the same person wherever we go.

Person B: Yes, but you become a different person when you leave.

## CHAPTER ONE - INTRODUCTION

Suppose that every time you step on a floor tile in a classroom, a baby on the other side of the planet gets a painful electric shock. This fanciful thought experiment from a philosophy professor in the 1970s (Davis, 2016), surprisingly, well describes our current reality: we now live in a globalized and globalizing world where local places are increasingly interconnected and impacted by global sustainable development issues. For example, massive greenhouse gas emissions from industrial nations could induce global warming, which will remotely cause ice road melting in the Arctic and ultimately disrupt Inuit communities, which have relied on ice roads for generations (Durkalec et al., 2015).

At the same time, the gradual processes of global issues such as climate change and biodiversity loss are accelerating at an unprecedented magnitude (Rockström et al., 2009; Whiteman et al., 2013) and profoundly affect a large number of individuals and organizations at the most local levels in much shorter periods (Harvey, 1989). It took sixteen years for the bubonic plague to spread Black Death from China to Europe in the fourteenth century, while COVID-19 impacted the entire world in less than three months (Sachs, 2020).

My Ph.D. research focuses on understanding organizations' actions to address a dynamic equilibrium between the global and the local, which is crucial for sustainable development. To answer the related research questions, I collected qualitative data from a place-based luxury enterprise, LuxuryYak on the Tibetan Plateau.

In this introduction to the dissertation, I first present the overarching theoretical theme that connects the three essays in the dissertation. Then, I elaborate on the general overview of the methods. I conclude the introduction by describing how the three essays fit together and are positioned in the literature.



## **1. Theoretical Background**

### **1.1 Sustainable Development**

Industrial development seeks to improve human well-being (Cowen & Shenton, 1996). Even though development is multidimensional, it has been interpreted and translated as the more unidimensional concept of economic growth (Friedmann, 1992). The concept of economic growth assumes that development proceeds along a monotonic, linear path. More economic wealth is perceived to be better, and the faster it is gained offers a competitive advantage over other nation states. These ideas have motivated Western societies to globalize (Escobar, 1995). As a result, by the end of the 20th century, many global human indicators such as population, GDP, and foreign direct investment increased exponentially (McNeill & Engelke, 2016). Despite the material wealth created through economic growth, this trend has led to an over-exploitation of natural resources that has harmed local environments and human well-being all over the world (Harvey, 1989). Escobar (1995) criticized this development model because Indigenous populations, in particular, have suffered from the model; many were forced to abandon their traditions and cultures to be "modernized." Modernization in this context means the adoption of the so-called "right" values embodied in the ideals of the cultivated West.

In *Ancient Futures*, Hodge (2013) describes how Ladakh, a substantive social system in northern India, collapsed from a system within a pristine environment to a system full of problems, following the introduction of development projects (Ehrenfeld, 2007). In this process, economic activity and its associated concept of modernization overrode the traditional worldview of community solidarity, self-sufficiency, and ecological harmony. They changed how people individually and collectively live their lives. After four decades of improper economic development, Ladakh transformed from a pristine environment to a place with polluted

air and water, unemployment, religious conflict, eating disorders, and youth suicide (Hodge, 2013).

More fundamental challenges emerged from environmental concerns in the 1960s (Hoffman & Bansal, 2012). Rachel Carson published *Silent Spring* in 1962; she attributed the silencing of birds in the Spring to industrial development. In 1968, 36 European economists and scientists formed the Club of Rome to analyze the interactions between industrialization, natural resources, population, and food production, which ultimately led to the publication of *Limits to Growth* in 1972. In 1987, the United Nations published its Report of the World Commission on Environment and Development, known as *Our Common Future*, which coined the term "sustainable development."

Sustainable development, defined as "development that meets the needs of current generations without compromising the needs of future generations" (WCED, 1987, p. 43), was intended to offer an alternative to the economic development model dominating most Western nation states at that time. Central to the concept of sustainable development during the 1980s was the recognition that human progress is limited by Earth's finite resources, which serve as the basis to assess the feasibility of human progress (Meadows et al., 1972). For sustainable development, organizations must meet people's needs not just within and across generations, but also within and across local and global spaces (Bansal, Kim, & Wood, 2018).

## **1.2 A Systems Perspective of Sustainable Development between the Local and Global**

Recent scientific progress identified that long-term gradual processes on a global scale, such as climate change, have been heavily accelerated by human activities at an unprecedented magnitude (Crutzen & Stoermer, 2000). In this context, the scientific community introduced the planetary boundaries framework that defines the thresholds, or tipping points, for the earth to

operate within the current stable geological epoch in which humanity has developed and strived for about ten thousand years (Rockström et al., 2009; Whiteman et al., 2013). The framework includes nine critical global scale processes: climate change, biodiversity loss, nitrogen and phosphorus cycles, global freshwater use, land system change, ocean acidification, stratospheric ozone, chemical pollution, and atmospheric aerosol loading.

The idea of a tipping point describes the situation once a threshold of the stable earth systems is crossed, the consequences can be catastrophic and irreversible. For example, greenhouse gases stored in the global biosphere beyond the tipping point will increase glacier melting and wildfires, reducing the amount of ice to reflect sunlight out to space and the amount of available forest to capture carbon dioxide. These consequences will eventually amplify the initial warming and be irreversible even if greenhouse gas emissions are significantly reduced afterward (Steffen et al., 2018). When natural resources are harvested faster than the regeneration rate, they can be depleted and no longer regenerated. For example, high deforestation rates may erode a tropical forest to become grasslands where trees can no longer grow (Holling, 2001).

The core idea of the planetary boundaries framework was inspired by the intellectual trajectory of systems perspective and resilience thinking (Berkes et al., 2000; Holling, 2001; Walker et al., 2004). In the framework, planet Earth at the global level is conceptualized as a large-scale system made up of interconnected local nodes of smaller-scale subsystems. Some processes at the local level are nested in other processes on the planet. Local-scale processes can shape global-scale processes and vice versa. A dynamic equilibrium between the global and local processes is thus a key mechanism to maintain this stable nested system of the earth's space within which sustainable development can operate (Steffen et al., 2015). Sustainable

development means that the planet retains essentially the same function and structure throughout the cycles of changing processes and potential adversities (Walker et al., 2004).

The climate change example above explains this point: The large-scale processes of greenhouse gas exchange on the global level are nested with local processes such as ice, glacier, and forest coverage in different places. The climate is stabilized through a balanced dynamic between the large-scale processes of greenhouse gas exchange on the global level and local processes. But significant greenhouse gas accumulation in the biosphere or the increased frequency of wildfires, reduced amount of glacier on the local level can break the equilibrium and reinforce climate change.

In the following sub-section, I discuss the systems perspective's theoretical implications for organizations. After that, I list the questions being investigated in my dissertation.

### **1.3 Implications for Organizations**

Global issues create local impact. Issues are processes of "events, developments, and trends that have organizational consequences" (Bansal et al., 2018, p. 220). Because issues are processes, they demonstrate scales, the spatial and temporal attributes of processes. Issues are a multi-level phenomenon (Kozlowski & Klein, 2000), reflected in the spatiotemporal attributes of the processes underlying the issues. A global issue is one of large scale, so its spatiotemporal processes cover a large geographic region over the earth's surface, and the patterns manifest over a long period. Natural scientists have found that there is a coupling relationship between the temporal and spatial qualities of issues, so that issues that span a long period are often experienced over larger geography (Bansal et al., 2018). Global issues cover a large geographic region and manifest over a long period, while local issues cycle rapidly over small geographies (Bansal et al., 2018; Bowen et al., 2018).

Global issues are often manifested in particular places, mediated by the place's ecological, social, and economic facets (Oborn et al., 2019). For example, the large-scale processes of greenhouse gas exchange on the global level are nested with local processes such as ice, glacier, and forest coverage in different places. As the amount of greenhouse gas increases in the biosphere, the earth warms globally, which creates impacts at local levels such as ice and glacier melting, droughts, and wildfires. Organizations need to detect global issues for their survival.

Solutions towards sustainable development are locally embedded. Sustainable development challenges are global issues. Yet, the solutions often exist at the local level, and each local solution will shape the trajectory and impact of the global issues on the local level. For example, different countries have taken various measures to cope with COVID-19, which resulted in fundamentally different trajectories in these countries suffering and recovering from the disruptions of the pandemic. Management studies on grand challenges (Ferraro et al., 2015; George et al., 2016; Tihanyi, 2020) suggest that large-scale global issues may not require top-down and large-scale solutions, but instead multiple experiments at the local levels.

Understanding how local issues emerge into global issues can help us understand how local solutions can address global problems. As local nodes around the world become interconnected, local issues are nested in global issues, which means that emerging local processes can gradually cascade to global processes through interaction and amplification (Holling, 2001). In the ecological world, a ground fire can spread to the crown of a tree, then a patch in the forest, and then a whole stand of trees, eventually reducing the amount of available forest to capture carbon dioxide, accelerating greenhouse gas storage in the biosphere, and amplifying global warming (Steffen et al., 2018). In public health, infectious diseases such as

HIV/AIDS or COVID-19 often emerge with only a small number of people bounded by a local geography. With the globalized transportation networks that facilitate human movement, the diseases can spread and scale up into global crises (Eakin et al., 2009).

Thus, locally embedded organizations can respond to the specific manifestations of global issues with "small wins" (Ferraro et al., 2015; Weick, 1984). Organizations' incremental solutions to global issues at the local level can eventually scale up and feed back into the global system for larger impact. Organizational responses to global issues require a rich understanding of and effective solutions at the local level.

Balancing natural resources between local and global. Ecosystems and their life-supporting resources, including plants, animals, and microbial life, interact with the abiotic or nonliving resources through energy and nutrient fluxes. They interact to provide humans with food for eating, freshwater for drinking, fiber for clothing, wood for building, and biomass for fuels. They also provide many indirect but essential services, such as pollinators for agriculture and regulation of climate and water cycles (Millennium Ecosystem Assessment, 2005).

Sustainable development means that organizations need to manage local resources and global ones to meet human needs for present and future generations. The demand for resources has outpaced the planet's ability to regenerate them, and nowhere is this more concrete and salient than in local places.

Five among the nine planetary boundaries (climate, biodiversity, nitrogen and phosphorus cycles, global freshwater cycle, and land system change) are directly related to natural resources in living systems. Local processes such as desertification, deforestation, and chemical pollution in the water are crossing the tipping points of small-scale process boundaries, which can eventually aggregate to collapse the relevant global scale process boundary (Rockström et al.,

2009). Organizations need to understand the distinctive qualities of natural resources in living systems to maintain a sustainable supply of resources and ensure sustainable development.

#### **1.4 Research Questions Being Studied in this Dissertation**

To better understand the role of organizations in sustainable development—local and global—the following questions guide this dissertation:

- How do locally embedded organizations notice cues that signal global issues?
- How can businesses contribute to sustainable development through sense of place?
- How can the international business literature better account for natural resource-based country-specific advantages to foster sustainable development?

#### **2. Outline of the Dissertation**

There are five chapters in the dissertation, including the introduction (Chapter One). The three essays following the introduction are each dedicated to exploring the implications of the systems perspective of sustainable development at the local and global levels for organizations. The first two essays (Chapter Two and Three) are inductively theorized papers grounded in the data, investigating how locally embedded organizations can detect and address sustainable development issues. Inspired by the organization LuxuryYak on the Tibetan Plateau (detailed explanation in the Methodological Approach sub-section), I ask, "What have we learned from this small-scale organization that can apply to the largest global corporations?" To begin responding to this question, I studied the literature from international business and developed Essay #3 (Chapter Four), a conceptual work that examines MNEs. I conclude the dissertation in Chapter Five. The following table provides an overview of the three essays:

**Table 1: Theoretical Overview of the Three Essays in the Dissertation**

|                    | <b>Essay #1</b>  | <b>Essay #2</b>                            | <b>Essay #3</b>  |
|--------------------|--|--|--|
| <b>Theme</b>       | A locally embedded organization recognizing local cues that signal global issues | Sense of place and sustainable development | Multinational enterprises' (MNEs) competitiveness within natural resource limits |
| <b>Authorship</b>  | Haitao Yu, Tima Bansal, and Diane-Laure Arjaliès                                 | Haitao Yu                                  | Haitao Yu, Tima Bansal, and Diane-Laure Arjaliès                                 |
| <b>Theory</b>      | Organizational attention   | Sense of place                             | Firm and country specific resources in international business                    |
| <b>Outcome</b>     | Organizations recognizing global issues locally                                  | Sustainable development                    | MNEs' competitiveness  |
| <b>Essay type</b>  | Empirical  | Empirical                                  | Conceptual   |
| <b>Data source</b> | LuxuryYak  | LuxuryYak                                  | Not Applicable   |

*Essay #1: A locally embedded organization recognizing local cues that signal global issues.* In an increasingly globalizing world, critical global issues such as climate change, biodiversity loss, and pandemics have local impact. Yet global cues at a local level are often weak and the issues are difficult to detect. The organizational attention literature has explored weak cues, but only when their associated issues were local and immediately salient. Essay #1 (Chapter Two) studies how a locally embedded organization, through its attention to weak cues, detected global issues (e.g., climate change and its effects) that were not yet salient. The article demonstrates how organizations can detect global issues by drawing on local cues through two key processes: connecting local cues over time and space and contrasting local cues over time and space. Elaborating on these findings, we analyze the company's organizational practices and attention mechanisms, providing new insights into the organizational attention literature.

*Essay #2: Sense of place and sustainable development.* Essay #2 (Chapter Three) investigates how organizations possess a sense of place and contribute to sustainable development. Sense of place serves as an ideal lens to understand business and sustainable development because the concept focuses on understanding local phenomena, which is critical



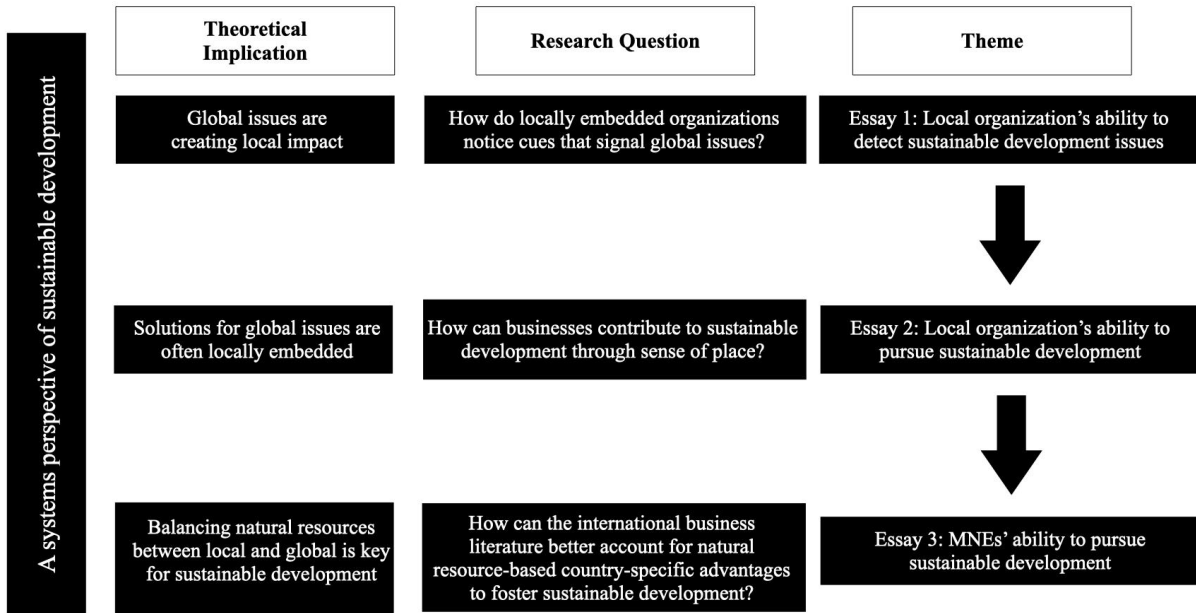
for sustainable development. I find three sustainable development aspirations for the place-based organization: heritage preservation, poverty alleviation, and sustainable livelihoods, depending on how the organization relates to the place. I identify and theorize three underlying sense of place mechanisms – emotional attachment, functional dependence, and mutual dependence – that guide organizational practices to actualize sustainable development aspirations. This study advances business research on sustainable development by offering an important analytical framework - namely organizations' sense of place - to achieve sustainable development.

*Essay #3: MNEs' competitiveness within natural resource limits.* The international business research on multinational enterprises (MNEs) has not discriminated natural resources in living systems such as plants and animals from intangible country-specific advantages, such as the rule of law, formal institutions, and innovation and entrepreneurship clusters. Essay #3 (Chapter Four) argues that natural resources are distinctive, primarily because natural resources regenerate at specific rates aligned with the spatiotemporal attributes of the ecosystems in particular locations. Excessive use or abuse of natural resources threatens the availability of resources for MNEs and threatens local and global sustainable development. We propose a framework to guide MNEs in developing sustainable firm-specific advantages that can simultaneously cope with firms' needs for natural resources and their own and societal needs to prosper in the long term. Addressing sustainable development challenges, we suggest that developing and diffusing sustainable firm-specific advantages are important sources of competitiveness for MNEs.

Collectively, the three essays deepen our understanding of organizations' roles in mediating between the local and the global and their contributions to sustainable development. Essays #1 and #3 are structured and written in a manner that aids peer-reviewed academic

journal publication. Essay #2 is written potentially for future submission. The following figure illustrates how the three pieces are connected in the literature.

**Figure 1: How the Three Essays are Positioned in the Literature**



### 3. Methodological Approach

In this Introduction Chapter, I present the empirical context and describe the data collection approach in general.

#### 3.1 Research Context: LuxuryYak

LuxuryYak is a luxury enterprise designing, producing, and selling luxury yak wool products from a nomadic village on the Tibetan Plateau. It was created in 2007 with the mission to facilitate the Tibetan nomads to adapt to the fast-changing modern world while preserving their way of life by capitalizing local raw materials into high value-added products. The name of LuxuryYak in Tibetan means wealth, which is also how the nomads refer to the yaks, from which they obtain the products for their livelihood, including meat, milk, fur, wool, and dung for fuel. Since the Tibetan version of the name also means the wealth of knowledge, LuxuryYak

captures the essence of what the company aims to do: to use the nomads' material and cultural wealth to achieve sustainable development that guards future generations' lives on the plateau. The LuxuryYak atelier is located at ZR, a village at 3200 meters above sea level. It is home to about 1300 nomads, 6000 yaks, and 20,000 sheep. Figure 2 visually shows LuxuryYak's workshop in the village.

**Figure 2: LuxuryYak's Workshop in the Nomadic Village**



The circumstances leading to LuxuryYak's creation are related to the life of the President KY, a French American who married a Tibetan in the 1970s and moved to India to work with the overseas Tibetan community to preserve Tibetan heritage. From the 1980s to the late 1990s, the couple created two projects in India, including a cultural organization dedicated to handing down and restoring Tibetan art and religious traditions by providing training, education, and employment for Tibetan artisans.

As China opened up to the world in the early 2000s, the President persuaded her daughter DY, the future CEO of LuxuryYak, to conduct a study on the life of the nomads and their environments and explore the possibility of creating a business based on yak wool. In 2006, the

CEO led four nomads to Cambodia and Nepal to develop textile weaving and management skills. Upon their return in the summer of 2007, the team had succeeded in integrating techniques of crafting Cambodian silk and Nepalese cashmere, creating its own schemes in spinning and weaving yak wool fiber. LuxuryYak was officially registered in 2007, and the long-standing physical workshop in the village of ZR was enhanced. The company opted for a traditional Tibetan-style building to show its commitment to preserving the local heritage.

Since 2008, LuxuryYak's products have been recognized in the global market, with client accounts in luxury brands such as Hermès and Yves Saint Laurent. International press outlets, such as The New York Times, Marie Claire, and Elle, have covered LuxuryYak's story. Yak wool textile, which was not an existing industry before the company started, has since emerged.

In 2012, HEC Paris and 1.618 Sustainable Luxury, a Paris-based international sustainable luxury catalyst, granted LuxuryYak the Sustainable Luxury annual award. In 2014, the CEO DY and her husband YD, a former local nomad, launched LuxuryCamp, a luxury hospitality business, as the first attempt to replicate LuxuryYak's model on the Tibetan Plateau, offering delicate service for the luxury travel market. In 2018, an Oscar-winning director released a documentary on LuxuryYak, which was officially selected for international film festivals. Thus, a group of nomad employees was allowed to travel to megacities in Asia and North America the same year.

***Theoretical rational.*** Unlike deductive theory-testing research, which requires random sampling to represent the population and increase the generalizability of the results, grounded theory research requires sampling for the purpose of developing the theory (Charmaz, 2006; Corbin & Strauss, 1990; Glaser, 1992; Glaser & Strauss, 1967). LuxuryYak emerged as an ideal site to conduct this type of study for several reasons. First, the research requires a setting in

which an organization is deeply embedded and accustomed to its own cultural environment and natural landscape. ZR, the village where LuxuryYak is embedded, is a remote nomadic village situated in the Gannan Tibetan Autonomous Prefecture in Gansu Province of West China, at an altitude of 3,000 meters. In 2017, the village was comprised of about 1,200 people and 6,000 yaks. LuxuryYak utilizes local resources (yak wool) and local labor to craft its products. At that time, LuxuryYak employed 120 people, around 10% of the local population, which included at least one member from 30% of the local families. ZR is a typical local embodiment of the whole Tibetan Plateau, demonstrating some typical characteristics of any Tibetan nomadic village; it is physically bounded by the highland and culturally bonded by Tibetan Buddhism. More than 95% of the residents are ethnic Tibetans who have relied on herding as livelihoods for generations.

The Tibetan Plateau has been a turbulent environment with many emerging sustainable development issues since the second half of the 20th century. However, until recently, the Tibetan Plateau had been a relatively isolated place where herders lived with yaks and sheep on the pastoral grassland, in equilibrium with the natural environment for centuries (Chen et al., 2015).

However, macro natural, social, and economic disruptions have introduced unprecedented issues to the Tibetan Plateau (Cui & Graf, 2009; Goldstein, 1997). Environmental changes on a large scale have influenced the Tibetan Plateau with consequences including permafrost and grassland degradation, deforestation, and desertification, which disrupt local ecosystems and have important hydrological implications for the rivers which originate from the plateau. In the 1960s and 1970s, like all other provinces in China, Tibetan areas experienced a political system based on Maoist class struggle, including the Cultural Revolution. In the post-Mao era, the cornerstone of Chinese policy has been economic growth and modernization,

accelerating development on the Tibetan Plateau by developing infrastructure and linking the economy on the Tibetan Plateau with the rest of China, the fastest growing economy in the world in recent decades.

As the 21st century unfolds, the Tibetan Plateau appears with a paradoxical face: unprecedented wealth in its history, a revival of religion, and the influx of outsiders, including massive numbers of Han<sup>2</sup> workers, cadres, entrepreneurs, foreign tourists, and foreign media who have brought news of the outside world and attitudes to the Tibetan Plateau. Everything continues to change, and the future seems even more unclear (Goldstein, 1997). The nomadic village on the Tibetan Plateau is situated in a globalized and globalizing world where it is increasingly interconnected with other places. Global issues can create local impacts, menacing local livelihoods. Detecting and addressing global sustainable development issues are central to the organizing activities at LuxuryYak.

In conclusion, the way LuxuryYak has been organized and its context are unique and unconventional; its extremity can serve as a valuable asset (Bamberger & Pratt, 2010; Eisenhardt et al., 2016) in developing theory. As Bamberger and Pratt (2010, p. 668) note, unconventional settings "allow a researcher to capture constructs and relationships that may be too weak to notice or capture in traditional settings, thus facilitating the development of rich theory."

### **3.2 Epistemological Position**

Given the inductive nature of the research, I applied grounded theory for developing the first two essays in my dissertation. Grounded theory is a logically consistent yet flexible set of data collection and analyzing guidelines for developing theories "grounded" in the empirical world (Charmaz, 2006; Corbin & Strauss, 1990; Glaser, 1992; Glaser & Strauss, 1967).

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<sup>2</sup> Han is the majority Chinese ethnicity, accounting for more than 90% of China's population.

Grounded theory is distinguished from other approaches because it can describe and explain the studied process in newly developed theoretical categories with explicit properties and illustrate the emerging relationships between the theoretical categories, tracing the antecedents and consequences of each theoretical category.

Glaser and Strauss developed grounded Theory in 1967 to challenge the then-dominant logico-deductive tradition in the social science community. Grounded theory was revolutionary because it linked data with theory, which allowed theories developed from this approach to be more relevant to the lived world. Even though theory is grounded in the empirical world in this approach, it is important to acknowledge that my research does not purely rely on inductive reasoning. In fact, the data analysis and data collection took place simultaneously. In developing the two empirical papers (Essays #1 and #2), I moved between what I saw in the research context and information produced in the literature on organizational attention and sense of place. By engaging existing theory, the research could deepen the richness of the new theory grounded in the empirical world. Several methodologies have discussed combining induction and deduction as a middle road in practicing grounded theory, a process termed abduction or analytic induction (Gehman et al., 2018; Miles & Huberman, 1984; Suddaby, 2006).

Grounded theory fits well with this dissertation for three reasons. First, this study requires developing new theories to explain organizations' abilities to detect and pursue sustainable development rather than testing some preconceived hypotheses. Grounded theory serves well for this research because of its ability to develop new theoretical categories from the data rather than preconceived hypotheses, and it focuses on the studying process (Charmaz, 2006; Corbin & Strauss, 1990; Glaser, 1992; Glaser & Strauss, 1967). Second, grounded theory could allow the theoretical categories to emerge from the empirical instead of relying on concepts developed

from conventional Western contexts. The ability to surface new theoretical insights is essential because the empirical context—a place-based organization on the Tibetan Plateau—is situated in a geographic region with distinguishing worldviews distant from those of Western society. Finally, grounded theory development is especially good for this research because it intends to answer a "how" question (Charmaz, 2006).

I applied organizational ethnography (Van Maanen, 2011) to collect data. The core idea of ethnography is that a researcher lives and works with the researched group for a significant period. Three reasons support the choice of applying ethnography to collect data. First, both ethnography and grounded theory share the same epistemology where the researcher is part of the researched empirical world. They both take an inductive approach where the enriched empirics are finally induced into abstract theory. The heart of qualitative study lies in the data. I attempted to collect thick data that are detailed and deep to underpin rich theoretical accounts of the mechanisms that explain how and why and describe different theoretical perspectives of the phenomenon being studied. When I started the research, I did not know where the theoretical insights might exactly lie; ethnography allowed me to collect detailed data in interesting circumstances to develop the theoretical ideas as Van Maanen (1979) explains, "less theory, better facts; more facts, better theory" (539).

Second, conducting ethnography allowed me to be part of the researched organization (Baum et al., 2006). From 2017 to 2021, I worked with LuxuryYak in supporting some of its business functions. Conducting ethnography helped facilitate my gaining data access. Forming relationships with local organizations, their members, and their stakeholders in the communities would have been impossible without personal immersion. I took part in their daily work and spent significant time understanding their thoughts and behaviors. This relationship building



enabled me to gain multiple perspectives from different groups of actors to portray the phenomenon.

### **3.3 Data Collection**

I collected data through a three-month ethnography at LuxuryYak from May to August 2017 when I lived in the LuxuryYak guesthouse beside the LuxuryYak workshop in the village of ZR. Several follow-up interviews were conducted online from 2017 to 2020. The three-month ethnography was supervised by two senior qualitative researchers, Dr. Tima Bansal and Dr. Diane-Laure Arjaliès. While I was on site, I had unrestricted and unsupervised access to every office at LuxuryYak. Data sources include in-depth interviews, observations, and company archives.

*In-depth interviews and informal discussions.* In-depth interviews and informal discussions are the primary sources for data collection. In-depth interview is an appropriate method to generate themes and narratives when informants are represented and respondents are comfortable in communication (Miller & Crabtree, 2004). In total, 57 formal interviews and approximate 45 informal discussions were conducted, each lasting from 30 to 120 minutes, with the average interview/discussion time being 40 minutes. I scheduled formal interviews and informal discussions with the President, the CEO, the top management team, and employees at LuxuryYak. All the formal interviews were voice-recorded, and most of the recordings (24 hours' worth) were transcribed. For informal discussions, summaries about the conversations were written down within half an hour of the end of the conversation. In total, interview data accounted for about 290 pages of transcripts and write ups.

Interviews were semi-structured, with follow up questions emerging during the interview process. Follow-up questions were built upon the insights and questions generated as the

conversations proceeded, which allowed me to gain a deeper understanding of the research question. Miller and Crabtree (2004) challenge the traditional method of conducting interviews as a means to "standardize listening in an effort to mine the gold of information stored in the respondents" (185). Instead, they suggest that in-depth interview is a special type of partnership and communicative event during which both the interviewer and the interviewees interact and construct meaning collectively. I conducted most of the interviews in Chinese and English. Many Tibetans, especially those born after the 1970s, speak both Tibetan and Chinese because of the bilingual education (Tibetan and Chinese) policy promoted in schools. Five interviews were conducted with people who could only speak Tibetan; an interpreter who could speak both Tibetan and Chinese assisted in these interviews.

Apart from in-depth interviews, I also relied on a more fluid method of gathering information, informal discussions, which turned out to be highly beneficial. First, informal discussion could reduce the stress of the research participants if they felt uncomfortable with the formal setting of an interview. Informal discussions were extremely useful when the research participants talked about matters they perceived to be sensitive. Second, I realized that sometimes I could pay more attention to conversations when not relying on the voice-recorder or notebook. During the fieldwork, I tried to immerse myself in the Tibetan ways of life by joining with local nomads in daily pilgrimages in the monasteries and participating in several important local ceremonies. I learned some basic Tibetan and sutras (short statements of Buddhism teaching in Tibetan), which made my participation more closely resemble the experience of the locals. I was also often invited by the founder's family—nomads turned managers and workers—for lunch and dinner, where I usually conducted informal discussions in a more private and

casual setting. When the fieldwork was approaching its end, I was invited to join LuxuryYak's three-day annual picnic, the most important annual event for the organization.

To triangulate data, I talked to a diverse group of external stakeholders in the region, including Tibetan and Han civil servants, nomads turned entrepreneurs, nomads turned conservationists, monks, and Tibetan academics.

*Observations.* I was permitted to observe the LuxuryYak management team's internal meetings, where I could take notes and sometimes record voices and take photos. The CEO's family, company managers, and workers often invited me to their homes for meals and parties, where I usually conducted observation and informal discussions. Fieldnotes were either taken by hand on-site or written up within half an hour after leaving their homes. The notes were organized digitally each night. Observation fieldnotes accounted for 288 pages.

My rationale for this approach was to gain insight beyond the spoken words of the research participants. The data collection in this research took place in a context where particular social, cultural, and historical backgrounds required understanding beyond verbal communication. For example, in the East Asian context, an interviewer may find their interviewees non-responsive or may miss opportunities for interpretation if they do not understand the cultural complexities of non-verbal communication. To fully understand my areas of interest from the participants' perspective, I made every effort to participate in a variety of events with participants over the time I was there.

*Company archives.* Before commencing the ethnographic work, I conducted extensive desk research on LuxuryYak from publicly available sources, such as media accounts and LuxuryYak's official website. This publicly available information served as the surface through which I surveyed, took notes, and designed customized in-depth interview questions for the

target informants. For example, the President wrote in her autograph, "A gap is forming between the old life that is losing its meaning and a new one that is not yet defined." From this sentence, I prepared several interview questions, such as What's the old life? How is the old life losing its meaning? What would be an ideal new life? What is the gap between the old and new ways of living?

During the three-month ethnographic work, I built trust with the participants. I was granted access to a database of private writings, such as the diaries of the President and the CEO. During a dinner at the CEO's house, I noticed a book called Plateau Journal, a collection including but not limited to the CEO's chapters on her blog. Both the President and the CEO habitually record their reflections on their own lives as well as about LuxuryYak by taking regular notes, which are then organized into chapters in private books shared with family members and close friends. I inquired and was granted permission to access their database of books, which tracked their family chronicles from 1893 to 2003 and LuxuryYak's chronicles since its planning in 2003 to 2015. These documents differed from the publicly available archives I collected in the first stage of my research because more profound and more private information was excluded in public channels. These historical recordings by the President and the CEO served as an incredible data source, without which I would not have been able to interpret the perspectives of key informants deeply. Their choices and ideas are embedded in the experiences and decisions of the past, some made intentionally and others not (Kieser, 1994).

Reviewing archival documents is a valuable approach to study organizations (Fetterman, 2009). I collected organizational documents, including meeting minutes, annual memories, and communication documents such as speech records and media interviews. These documents are often publicly available; however, those that were not available were requested from the

organizational coordinators with whom I had established contact. When possible, individual writings, such as participants' diaries, were collected with their permission. Although these were personal diaries, these documents provided background information about the organization that was useful to supplement interviews and observations.

Collecting multi-source data serves three purposes: to enrich understanding of the contexts, to validate generalizability across contexts, and to triangulate data (Yin, 2016). First, different sources of data complement each other, providing a rich understanding of the empirical contexts. Second, multi-source data offers greater validity to the emerging insights and generalizability to indigenous contexts beyond any single context. Third, using multiple sources allowed me to triangulate the data, providing support for the honesty and precision of the data collected from different informants and excluding social desirability, which is especially influenced by the acceptable social values and norms within a community (Dwyer & Buckle, 2009). In interviews, for instance, social desirability is controlled by data collected from other stakeholders with different interests. Table 2 summarizes data sources.

Given the enormous volume of data, they have been managed in MAXQDA, a computer-assisted qualitative data analysis software. I received two professional training sessions from an expert in MAXQDA who walked me through tools and approaches for using the software to organize and manage data. I created a MAXQDA project for the data collected from LuxuryYak. I then imported all the field notes, interview transcripts, and archive data of each organization in the project. Each file was placed into a "source" folder to categorize the data (i.e., field notes, interview transcripts, and archive data) and given a date and a description. Technical details of analytical processes and the rationales to apply this empirical context, which vary between the

two empirical essays, are provided in the methods sections in Chapter 2 and Chapter 3, respectively.

**Table 2: Data Source**

| <b>Archive data</b>              |                       |                      |
|----------------------------------|-----------------------|----------------------|
| <i>Source</i>                    | <i>Volume</i>         |                      |
| President Autobiography          | 270 pages             |                      |
| CEO talk                         | 17 minutes            |                      |
| CEO interview                    | 15 minutes            |                      |
| LuxuryYak documentaries          | 61 minutes            |                      |
| Media                            | 7 articles            |                      |
| Enterprise chronicle (2003-2015) | 762 pages             |                      |
| CEO's Blog                       | 50 articles           |                      |
| President's Blog                 | 13 articles           |                      |
| <b>Ethnographic data</b>         |                       |                      |
| <i>Recorded Interviews</i>       | <i># interviewees</i> | <i># interviews</i>  |
| President                        | 1                     | 11                   |
| CEO                              | 1                     | 6                    |
| Management                       | 5                     | 24                   |
| Staff, volunteers & workers      | 11                    | 11                   |
| External stakeholders            | 5                     | 5                    |
|                                  | Total                 | 57                   |
| <i>Informant discussions</i>     | <i># informants</i>   | <i># discussions</i> |
| Management                       | 5                     | 17                   |
| Staff, volunteers & workers      | 8                     | 9                    |
| External stakeholders            | 17                    | 19                   |
|                                  | Total                 | 45                   |
| <i>Fieldnotes</i>                | 288 typed pages       |                      |

It is important to point out that how a researcher understands the empirical contexts will impact how they interpret meanings and present findings (Miller & Crabtree, 2004). In approaching this project, I have examined my potential personal biases, worldviews, and assumptions about my research context (Corley, Bansal, & Yu, 2021; Suddaby, 2006), which is embedded in my trajectory between the local and the global (Kieser, 1994). Though not an ethnic Tibetan, I am a member of an ethnic minority from the Tibetan Plateau, having spent my first 19 years on the plateau where I had rich experiences interacting with Tibetans. The deep local

knowledge allowed me to behave in a culturally appropriate manner and the similar ethnic identity helped me quickly gain the trust of informants.

Because my educational background, before post-secondary, was limited to the mainstream education in China, to better understand the context from a western academic perspective, I read books authored by American social anthropologist and Tibet scholar Melvyn Goldstein. These books include *A History of Modern Tibet, 1913-1951: The Demise of the Lamaist State* (Goldstein, 1991), *Nomads of Western Tibet: The Survival of a Way of Life* (Goldstein & Beall, 1990) and *The Snow Lion and the Dragon: China, Tibet, and the Dalai Lama* (Goldstein, 1997). I choose to read academic books because the dominant perspectives about the Tibetan Plateau can be surprisingly different between Chinese and Western media (Yu, 2013). Reading these academic books has played a critical role in this research because it allows me to understand the opportunities and challenges in the nomadic village on the Tibetan Plateau from multiple perspectives.

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## **CHAPTER TWO - WHAT GLOBAL CRISIS? HOW A LOCAL TIBETAN BUSINESS NOTICES GLOBAL ISSUES**

### **Abstract**

In an increasingly globalizing world, critical global issues such as climate change, biodiversity loss, and pandemics have local impacts. Yet cues that signal global issues at a local level are often weak, and the issues are difficult to detect. The organizational attention literature has explored cues associated with issues that were local and immediately salient. This article studies how a locally-embedded organization detected global issues – e.g., climate change and its effects – that were not yet salient through its attention to local cues. It explores this relationship through a qualitative inductive study of LuxuryYak – a commercial enterprise on the Tibetan Plateau that weaves yak wool into textiles for the luxury goods market. LuxuryYak provides nomads with sustainable livelihoods for present and future generations. Data collection includes a three-month ethnography, comprising hundreds of pages of field notes, 57 interviews, 45 informal discussions, and 2,000 pages from the company archives. This article shows that LuxuryYak was able to detect global issues, even by drawing on local cues, through two key processes: connecting local cues over time and space and contrasting local cues over time and space. Elaborating on these findings, we analyze the company's organizational practices and attention mechanisms, providing new insights into the organizational attention literature.

## 1. Introduction

Global issues such as climate change and biodiversity loss can cause significant consequences for organizations and societies (Davis, 2015; Hardy & Maguire, 2020; Weick, 1993; Whiteman & Cooper, 2011). In China's history, the collapse of the Ming Dynasty (1368–1644) was associated with the global issue of the Little Ice Age, a cold period lasting from the 14th to the 19th century on a global scale (Brook, 2010). Around 1640, an extreme weather event took place, leading to severe harvest deficiencies, famine, and large-scale uprisings, which eventually ended Ming. How would organizations in Ming Dynasty recognize the underlying global issue? Understanding this question would be essential for their survival.

Bansal, Kim, and Wood (2018) argue that issues possess spatiotemporal attributes. Some issues are local, cycling rapidly over small geographies (e.g., toxic spills). In contrast, others are global, covering a large geographic region and manifesting over a long time (e.g., climate change). When global issues are not fully actualized (Bansal et al., 2018; Hahn & Knight, 2019; Schad & Bansal, 2018), organizations must detect incomplete cues. Cues are the observable signals that arise from the particular context or situation in which the organization is embedded (Dutton & Ashford, 1993; Rerup, 2009; Weick et al., 2005). Organizations are more likely to notice an issue if their attention grain, the smallest unit to calibrate cues, and attention extent, the largest range to survey cues, match the spatiotemporal attributes of the issues.

Prior literature that has investigated organizational attention tends to focus on local issues identified by local organizations (Christianson et al., 2009; de Rond et al., 2019; Glynn, 2008; Howard-Grenville et al., 2013; Vendelo & Rerup, 2009; Weick, 1993; Whiteman & Cooper, 2011). Although the cues may be weak and confusing, they are still discernible when the organization possesses an attention structure of fine attention grain within a narrow attention

extent (Christianson et al., 2009; Weick, 1988, 1993; Whiteman & Cooper, 2011). The cues that signal global issues are especially weak and diffused (Maitlis & Sonenshein, 2010; Weick, 1988, 1993). With limited attention resources, it is extremely difficult for organizations to attend to global issues while understanding their local implications.

In this research, we ask, “*How do locally-embedded organizations notice cues that signal global issues?*” We address this question through a case study of LuxuryYak, a luxury enterprise designing, producing, and selling yak wool products from a nomadic village on the Tibetan Plateau. We chose this unconventional setting (Bamberger & Pratt, 2010) because global issues, such as climate change, have introduced risks to the Tibetan Plateau in recent decades, menacing the nomads’ livelihoods; yet, these risks are often difficult for small, local organizations to detect. LuxuryYak was established with the mission to offer former nomads alternative livelihoods at a time of transition, during which the traditional livelihoods were disappearing. Recognizing local cues that signal global issues has been key to the success of LuxuryYak because it had to adapt continually to the new realities. We collected data during a 3-month ethnography, followed up through online communications. The fieldwork involved observations of organizational members and Tibetans in the local communities, 57 in-depth interviews, approximately 45 informal discussions, and around 2,000 pages of company archives.

LuxuryYak was able to notice the local cues that signaled global issues (e.g., climate change and its effects) through two key mechanisms: connecting and contrasting local cues over time and space. The organization connects local cues through embedding in time and space, which enables it to see how one element impacts/is impacted by another element. Embeddedness in space allows the organization to establish relationships and interactions with multiple elements in the environment to draw on fine-grained cues. Embeddedness in time allows the organization to

revisit the cues frequently over long period of time to develop a deep understanding of the cues. Through connecting, the organization can make sense of the different and seemingly unrelated local cues and calibrate the richness of insights into the evolution of the underlying issue.

Contrasting local cues across space or times allows the organization to gather spatiotemporal variations of the global issue, putting the global nature of the issue into full view. Contrasting means the organization contextualizes its attention across space and time to gain a broader perspective when it thinks and responds to the global issue locally. Through contrasting, the organization can bring cues occurring at multiple times and places back to where the organization is embedded and consider the local and present implications of the cues. This approach does not mean that the organization has a complete understanding of the global issue; rather, the local organization can gather enough information to understand the issue's global and gradual nature.

We contribute the organizational attention literature in two ways. First, we highlight the spatiotemporal aspects of issues and organizational attention that contributes to the work of Rerup (2009) and Bansal, Kim, and Wood (2018). Our findings solved the practical challenge of combining a fine attention grain with a broad attention extent to detect cross-scale issues (Bansal et al., 2018), which often takes significant attentional resources (Ocasio, 1997). We uncover specific organizational practices and mechanisms to detect global issues locally. Second, we extend attention triangulation (Rerup, 2009; Vendelo & Rerup, 2009) by going beyond organizational structure and addressing the specific spatiotemporal problems of issues that arise when cues are across time (Kim, Bansal, & Haugh, 2019) and space (Stephenson et al., 2020).

Global issues are being accelerated at an unprecedented magnitude (Rockström et al., 2009; Whiteman et al., 2013), threatening local organizations and societies (Tihanyi, 2020). It took

sixteen years for the Black Death to spread from Asia to Europe in the fourteenth century, while COVID-19 impacted the world in less than three months (Sachs, 2020). More than ever, locally-embedded organizations need to understand how to notice global issues.

## **2. Theoretical Background**

### **2.1 Organizational Attention to Issues**

Organizational attention is defined as the ability of an organization to notice, encode, interpret, and focus its time and effort on issues and their answers (Ocasio, 1997). Bansal, Kim, and Wood (2018) define issues as “events, developments, and trends that have organizational consequences” (p. 220) and conceptualize issues as dynamic processes with spatiotemporal variations that are independent of organizations’ knowledge of that world. Issues are often latent, meaning that issues are not fully actualized and exist outside of organizational attention (Bansal et al., 2018; Hahn & Knight, 2019; Schad & Bansal, 2018). To notice issues, an organization must draw on cues, the observable signals that arise from the particular context or situation in which the organization is embedded (Dutton & Ashford, 1993; Rerup, 2009; Weick et al., 2005).

Organizations use cues to inform logical reasoning that helps them identify latent issues (Maitlis & Christianson, 2014; Weick et al., 2005). Take the example of a public healthcare department recognizing an infectious disease as an organization’s attention to an issue; as the disease emerges, it introduces cues (e.g., symptoms, the speed of spreading, etc.), which can help the healthcare department identify the disease (e.g., EBOLA, or COVID-19). Organizational attention to issues can be essential to the organization’s prosperity or even survival (Dutton & Dukerich, 1991; Rerup, 2009; Vendelo & Rerup, 2009; Weick, 1993).

Organizations often struggle to identify latent issues because the associated cues are ‘weak’ in that they do not unambiguously point to an issue (Rerup, 2009). To detect issues, Bansal, Kim

and Wood (2018) suggest organization to line up two critical aspects of its attentional structure with issues' spatiotemporal processes: 1) attentional grain, which is the smallest unit of spatiotemporal measurement of issues, and 2) organizational attentional extent, which is the largest spatiotemporal range of the organization. The authors suggest that organizational attentional grain and attentional extent need to be adjusted in a way that matches the spatial and temporal attributes of the latent issues for organizations to draw on cues and recognize them. If organizations apply an attentional grain that is too coarse for issues that cover a small geographic region and cycles over during a short period of time (e.g., poverty) or they assume an attentional extend that is too narrow for issues that span a large geographic region and manifest over a long period of time (e.g., climate change), they are likely to collect irrelevant cues and miss important latent issues.

## **2.2 Global Issues and Local Cues**

Issues are multi-level phenomena (Kozlowski & Klein, 2000), with each level operating at different spatiotemporal scales. Natural scientists show that the temporal and spatial attributes of ecological processes tend to be correlated over different scales, so that smaller-scale processes move more quickly and over smaller geography than larger-scale processes (Bansal et al., 2018). Therefore, global issues reflect large-scale processes because they cover a large geographic region and manifest over a long period of time. Further, local issues reflect small-scale processes because they cycle rapidly over small geographies (Bansal et al., 2018; Bowen et al., 2018).

As different aspects of the world become increasingly interconnected through technology, communications, and transportation, issues arise that transcend the local and yet manifest at and impact the local level including people's everyday lives (Holling, 2001). Take the issue of climate change. Greenhouse gases are emitted locally and spread globally through the



atmosphere. As the greenhouse gases accumulate in the biosphere, the earth warms globally, which creates local issues, such as glaciers melting, floods, and wildfires, which are mediated by the natural conditions of the specific place (Eakin et al., 2009). For example, a strong El Nino can embody variously in multiple geographical locations on the planet; while there are reduced hurricane activities in North America, extremely hot summers in China can co-occur with floods in East Africa and Southeast Asia (Eakin et al., 2009). Organizations detect the local issue but must connect it back to the underlying global issues in order to recognize the persistence and magnitude of the local challenges.

In other cases, the global issues may not have manifested locally, even though the issues are latent (Bansal et al., 2018). Global issues tend to change slowly and over such large regions that they are not fully actualized or difficult to detect. For example, climate change has impacted some areas dramatically through extreme temperature changes (e.g., the Arctic) and rising sea levels (island nations), yet is relatively invisible in deserts and near the equator (Rockström et al., 2009; Steffen et al., 2015). It took considerable effort from local communities all over the world and over several decades to be able to prove that the local cues observed in each country were linked to a global phenomenon known as climate change (Ansari, Wijen, & Gray, 2013).

Global issues are important phenomena to investigate. They are often referred to as grand challenges because they are highly interconnected, affecting a large number of people and organizations, and not easy to resolve by a single person or with a single solution (Ferraro et al., 2015; George et al., 2016). There are numerous global issues, including climate change, biodiversity loss, pandemics, international migration patterns, and financial crises, which have not manifested in some places; despite that, the eventual consequences could be equivalently significant and disastrous for these places (Rockström et al., 2009; Steffen et al., 2015).

Since these global issues are so intractable, they tend to persist and even magnify over time, especially if there are reinforcing feedback loops. For example, in the ecological world, a mild increase in temperatures through climate change can lead to a drought, which makes the forests more combustible, releasing yet more carbon into the atmosphere when they burn, which leads to the melting of permafrost, releasing the methane captured in the soil, releasing yet more greenhouse gases that warm the planet further (Steffen et al., 2018).

### **2.3 Missing Global Issues**

Investigating the relationships between local cues and global issues is essential to help organizations generate adequate responses to global threats. Yet, the local cues are often weak and diffused, being difficult for organizations to interpret. Organizations tend to miss global issues.

First, organizational attentional resources are limited (Ocasio, 1997), so organizations must selectively channel their attentional resources and will choose the strongest cues, which often seem most salient issues (Hahn & Knight, 2019; Schad & Bansal, 2018). Because most organizations operate in relatively short spatiotemporal scales, they tend to miss latent issues when the spatiotemporal processes of the issues lie outside of the organization's attentional structure. For example, a stream of theoretical (Laverly, 1996) and empirical (DesJardine & Bansal, 2019) research has suggested that executives often address issues for better outcomes in the short term but may not prepare for the long term. Bowen et al. (2018) showed that Canadian oil sands companies were more effective in tackling proximate issues with more immediate impact, such as tailing ponds and water, than issues that emerge slowly at a large distance, such as climate change. As well, a locally embedded organization focused on day-to-day work will have more difficulties identifying a global issue that unfolds over a long period of time.

Second, even if organizations channel their attention to cues of local issues, the organizations may not be able to logically connect cues to issues that are geographically distributed and temporally delayed (Bansal et al., 2018). Although issues and cues are often associated, certain cues are not necessarily coupled with a specific issue (Bansal et al., 2018; Weick et al., 2005). For example, a flood can be simply an anomaly or may reflect a pattern of relationships pointing to climate change and a series of upcoming disasters. Due to the complexity of global issues, the interconnections among processes are difficult to unpack. The uncertainty and ambiguity of issues add another layer to obscure organizational attention. Analogically, global issues are to organizations what the ocean is to fish: organizations cannot easily detect a cause-effect relationship of global issues, just as fish cannot ‘see’ how different elements are constituted in the ocean.

Third, organizational members may miss local issues because the cues do not align with their pre-existing mental maps (Christianson et al., 2009; Weick, 1988, 1993; Whiteman & Cooper, 2011). People change their mental maps slowly because of their beliefs or feelings about their organizational context or situation (Maitlis and Christianson, 2014), which can obfuscate the cues that signal latent issues. The mechanism is similar to that found in research in geography, where people’s cognition towards their geographic context is difficult to change because they lose their ‘fresh eyes’ and learn to live in a specific setting, making local cues that signal environmental change invisible to them (Tuan, 1977, 1990). People not only miss cues, but they also tend to resist seeing them, especially when the changes that the cues announce threaten a person’s identity (Massey, 1994). The attachment to an existing account of the place can become a barrier when fundamental transformations are needed to cope with changes. For example, studies of the Mann Gulch fire, which took thirteen lives, showed the inability of

firefighters to recognize the cues related to the winds, topography, vegetation, and microclimate due to their inability to form a novel understanding of the forest in which they were trapped (Weick, 1993; Whiteman & Cooper, 2011).

## **2.4 Noticing Global Issues Locally**

Rerup and Vendelo (Rerup, 2009; Vendelo & Rerup, 2009) find that organizations can connect cues to issues by triangulating attention. They describe three main attributes of triangulation: 1) stability—sustaining attention to one set of known and salient issues to produce a focused but relatively narrow awareness of the issues; 2) vividness—cultivating the richness, diversity, and detail of cues measured to generate the broader “background” area of reality that organizational members should be mindful about, and 3) coherence—maintaining some form of similarity and compatibility of attention across levels or units within the organization and across people through either intimacy and familiarity.

Any one of these triangulation attributes offers an incomplete picture of the issue, but together they enable organizations to identify, pinpoint, and isolate an issue by observing weak cues. As a result, issues can be apprehended with great clarity and depth. Prior literature has investigated organizational attention to local issues in the form of events (Christianson et al., 2009; Oliver & Montgomery, 2008; Zilber, 2007), cities (Glynn, 2008; Howard-Grenville et al., 2013; Porac et al., 1989, 2011), or local ecosystems (de Rond et al., 2019; Weick, 1993; Whiteman & Cooper, 2011).

Although Rerup and Vendelo (2009) offer useful insights into how organizations can channel their organizational attention to recognize cues to associated issues, they focus on organizational designs, structures, and processes (Lawrence & Lorsch, 1967) but are silent on the spatiotemporal dimensions of issues. The attention of locally embedded organizations may be

stable and coherent but is unlikely to be vivid because these organizations focus narrowly on local cues and miss geographic variability (Whiteman & Cooper, 2011). Studies indeed show that embedded organizations, those organizations that are inserted in local social networks and political institutions (Granovetter, 1985; Uzzi, 1997) and “rooted in the land” (Whiteman & Cooper, 2000, p. 1267), tend to be more likely to notice local issues. Such embeddedness helps organizations build strong ties in local social networks and gather deep knowledge of the land. Those ties and knowledge enable organizations to notice and bracket cues from a stream of experiences, connect those cues accurately to latent issues, and generate effective responses when a local issue emerges (Whiteman & Cooper, 2011). For instance, Whiteman and Cooper (2011) described how Freddy, an Indigenous beaver trapper embedded in the land, noticed the black ice that Whiteman had not, and which was about to take her life. Without embeddedness, organizations cannot connect different and seemingly unrelated local cues.

On the other hand, these local organizations are likely to miss global issues. Porac et al. (1989) offer a salient example from Scottish high-end knitwear producers, who enjoyed a distinct position in the market until the late 1980s. However, they missed the cues that signaled the globalization of the textile industry, the restructuring activities in other European countries and Asia, and the introduction of technology and low-cost labor. Globalization was leading to intense competition with lower costs while they continued to hold the ‘Hawick Mind’ and view themselves as a competitive ‘set’ distinct from others in the same industry over the rest of the world. Ultimately, the Scottish knitwear producers were unable to withstand the competition. By the 2000s, the town of Hawick in Scotland had become a ‘third world economy’ (Porac et al., 2011).

As global issues, such as climate change, biodiversity loss, and pandemics, have seemingly increased in number and magnitude (Baum & Haveman, 2020), they are creating severe local impacts around the world. Yet, we still know little about how an organization can use the cues signaling latent local issues to see the even more significant and persistent global issues. Addressing this question is essential to tackling grand challenges. This study intends to solve the puzzle: *How do locally-embedded organizations notice cues that signal global issues?*

### **3. Methods**

In Chapter One of this dissertation (Introduction), I elaborated the details of the research setting, the rationale for choosing this setting, and the data collection process. In this chapter, I describe the technical details of the analytical processes for this study.

#### **3.1 Data Analysis**

*Level of analysis.* In this research, we are interested in the outcome of organizations noticing global issues locally. Yet, organizational attention requires understanding individual-level cognition situated in the organization. Ocasio (1997) highlighted that attention operating at the level of individual cognition, situated attention operating at the level of social cognition, and structural distribution of attention operating at the organizational level. Decision-makers focus their attention on a limited number of issues, while their attention is shaped by the characteristics of the situation in which they find themselves in addition to the distribution of issues and answers in an organization. The attention-based view presents a cross-level theory that links individual attention with organizational strategy (Paruchuri et al., 2018).

LuxuryYak operates as a family business. The President, her daughter the CEO, and the CEO's husband YD, who does not assume any official position in the enterprise, serve as the dominant coalition at the top of the organization in the decision-making process (Cyert & March,

1963). They are in charge of strategy, financing, investment, marketing, and product design. Below them in the hierarchy of the organization is a management team. The Sales Manager and the Sourcing Manager are from nomadic families and were born in the 1980s. They didn't go through the formal schooling system but attended an alternative school in a neighboring province. They are responsible for distributing products, maintaining community relationships, and sourcing yak wool. The Production Manager and the Accounting Manager had been nomads in ZR until their late 20s. They were born in the 1970s and never went to school. They are responsible for recruiting, supervising production, and bookkeeping. The founder's family and the management team gather for major decisions.

Using individual-level data of executives to explain organizational-level decisions is evident in managerial cognition and organizational attention literature (Porac, Thomas, & Baden-Fuller, 1989). Knowing how LuxuryYak's executives notice cues is important to understand organizational behavior. Using information about the founder and executives in the organizational level analysis is not uncommon in the entrepreneurship literature because the data that are directly attached to the entrepreneurs explain what firms do (Powell & Baker, 2014). DeTienne (2010) develops a theoretical model on entrepreneurial exit as a critical component in the entrepreneurial process by focusing on founders' motivations, intentions, options, aspirations, goals, and cognitive perspectives.

To tackle the research question, we analyzed the data in four major phrases. Conducting an inductive study, we acknowledge that the data analysis process was iterative. To pragmatically apply grounded theory, I combine both inductive and deductive reasoning in the data analysis (Suddaby, 2006). We moved back and forth between the research context and the literature on organizational attention. We describe the four stages of data analysis sequentially.

*First phase: An understanding of the data.* Our data analysis started in parallel with data collection (Miles & Huberman, 1984). For example, the ethnographer had written up memos as they emerged in his fieldnotes before conducting interviews with informants. The ethnographer also shared fieldnotes with the two senior researchers who supervised the data collection. They would read fieldnotes and make comments. Each week, the team would meet online to discuss ongoing data analysis and existing literature. After each discussion, the ethnographer wrote up extensive memos to document emerging ideas. When we started to collect data, we were motivated to learn how the Tibetan nomads organize and adapt towards a sustainable future. We were generally interested to know their livelihoods, challenges, and strategies to cope with those challenges. As the data collection proceeded, issues surfaced as a central analytical concept because our participants consistently mentioned the challenges to livelihoods on the Tibetan Plateau as the background of organizing LuxuryYak.

To develop a rich familiarity with major patterns of the organization, its members, and its place before analyzing the large volume of messy raw data (Langley, 1999), we created case narratives on LuxuryYak, which were included in a detailed case document of LuxuryYak. We sent the case document to the President, CEO, CFO, and Sales Manager of the organization and met them online or in person to obtain feedback to ensure the trustworthiness of our understanding of the case (Pratt et al., 2020). We turned to the literature of attention because our data analysis revealed that the creation of LuxuryYak was related to circumstances where the organizational members--the founding family and former nomads--needed to notice local cues on the Tibetan Plateau that signal global issues. We decided to take a theoretical approach to attention because this frame provides the ideal lens to understand the phenomenon.



We are interested in cues that signal global issues and the organizing of LuxuryYak. To organize the examples of local cues, we created a table (Table 3), which is illustrated in the Findings section of this paper.

*Second phase: Identifying and developing circumstances of noticing local cues.* We utilized the case narratives to build a Microsoft Excel spreadsheet to document a chronology of key events of LuxuryYak, the place, and local cues recognized at these certain points to identify the circumstances (Maitlis, 2005) associated with noticing weak cues. The chronology spans from before the creation of LuxuryYak and records the relationship between the organizational members and the place because their attention activities are embedded in the experiences of the past, some made intentionally and others not (Kieser, 1994).

We defined a circumstance as the process that involved the actor's attempt to notice, encode, interpret, and focus of time and effort on cues. We sampled nine circumstances which were found to be theoretically significant and empirically rich (Charmaz, 2006; Locke, 2000). As is often the case with qualitative research, only a small slice of the data can offer the rich and detailed accounts that allow a reader to understand the mechanism of noticing cues (Bourgoin, Bencherki, & Faraj, 2020; de Rond et al., 2019; Sonenshein, 2010). Although these circumstances are sometimes more fully explained by one person in a single elaboration, most are fragmented among different individuals and told on different occasions (Sonenshein, 2010). We constructed these enumerative circumstances through a combination of all our data sources (Maitlis, 2005; Wright et al., 2020), which include interviews, fieldnotes, company archives, media exposure (documentaries and reports about LuxuryYak and its members), journal entries, and photos and videos documented by LuxuryYak's President and CEO. To demonstrate the trustworthiness of our findings (Lincoln & Guba, 1985), we created two tables (Tables 4 and 5)

that systematically illustrate how local cues that signal global issues are noticed by organizational members of LuxuryYak in the circumstances. The tables are presented in the Findings.

***Third phase: How the circumstances unfold.*** Following Pratt (2000) and Rerup (2009), we returned to the detailed case document of LuxuryYak, guided by the question “What organizational practices allowed noticing local cues in these circumstances?” We identified organizational practices, such as “building the facilities and employing people from the place,” “organizational members living in the place,” “gathering natural resources from the land,” “regularly taking photos and making documentaries over the years,” “extended stays in other places,” “sending some of the nomads to learn skills in China and abroad,” “nurturing relationships with business partners in other contexts,” and “comparing what happened in the past elsewhere,” to describe the organizational practices that LuxuryYak implemented to allow the sensemaking. We linked the circumstances with organizational practices and organized the texts in MAXQDA software for coding.

We coded the circumstances with specific guiding questions to understand how the actors notice local cues that signal global issues: (1) What local cues? (2) What organizational practices were implemented to facilitate attending to the local cues? (3) How do the organizational practices allow the organizational actors to notice the local cues? We applied first-order codes to identify relevant emerging terms that reflect the words used by our informants (Gioia et al., 2010; Van Maanen, 1979). We used terms such as “cold,” “unusual climate,” “desertification,” “animals’ health problem,” and “cities sprouted up to the pasture,” to describe how our participants perceived what had happened; and “shocked,” “challenged,” and “similar experience” to explain how the actors notice the local cues.

This exercise allowed us to aggregate these first-order codes into second-order codes to identify the mechanisms through which attention unfolds. We found that the organization's embeddedness in land allowed its members to connect different and seemingly unrelated local cues, which built richness of insights into the evolution of the underlying issue, and the ability to resonate with cues across different geographies or times allowed the actors to recognize the interconnections between the local and the global, identifying the global nature of the underlying issues.

*Fourth phase: Theoretical model development.* We organized the aggregated theoretical themes into a grounded theoretical model to explain the findings, namely how organizations notice local cues that signal global issues. We developed the theoretical framework by relying on both the literature on attention and sensemaking, and the findings of previous steps. In this phase, the field and analytical memos played an important role. The analytical memos provided an intermediate step between the coding and the write-up of the theoretical accounts.

## **4. Findings**

We report our findings in three parts. In the first sub-section, we describe the relationships between local cues that signal global issues. In the second and third sub-sections, we illustrate how LuxuryYak's organizational practices allowed the organization to notice local cues that signal global issues through two mechanisms: connecting local cues over time and space and contrasting local cues over time and space.

### **4.1 Local Cues: The Changing Environment and Livelihood Disruptions**

Until recently, the Tibetan Plateau had been a relatively isolated place. Herders, organized as big families, had lived with yaks and sheep on the pastoral grasslands in equilibrium with the ecosystem for centuries (Chen et al., 2015). The grasslands have supported the lives of the yaks

and sheep, which have provided the livelihoods for the nomads: meat, milk, fiber, and fur for cloths, and dung for fuel. Yet, the capacity of the grassland is fragile. Nomads had strict rules that limited the number of herds for each family. Like other places on the planet, nomadic villages on the Tibetan Plateau have been increasingly integrated into the outside world since the 20<sup>th</sup> century. The livelihoods in nomadic families, reflected by the cash flow, were aligned with the pattern of the grasslands and the lives of yaks and sheep. YD, a nomad-turned entrepreneur, described how nomads managed their livelihoods across seasons:

Nomads sell their herds in the fall, so they would have plenty of cash for the fall and winter. They would usually spend a lot of cash on preparing the Tibetan new year and conducting offerings to the monasteries. Tibetan new year is a big thing. All the families gather together, they buy new clothes, they buy new pieces of jewelry, and they spend most of them (the cash). After that, they are short of money. They would usually run out of cash by spring. However, that is not a very big issue, as long as they have saved some animals and oat for food. So, no cash does not mean starving. They would issue debt during spring and summer from creditors to pay some other expenses like tuition fees for their children. By the next fall, they sell their herds and get cash again to clean the debt.

Although urban populations tend to imagine the nomadic way of life as free and authentic, it is extremely difficult. LuxuryYak's Sourcing Manager explained the toughness:

Herding is a difficult life. For example, my sister-in-law spends two hours each day collecting yak dung for fuel, only by hand. That's 200 kilograms each day and 365 days a year. In the summer, she needs to milk about ten yaks each day, on a squat position for about half an hour. Can you imagine how tough it is to have a nomadic life?

Such livelihoods can be vulnerable to the risks associated with natural disasters, such as snowstorms, animal epidemics, or hail, that could kill the herds and put the families into collapse. Since the last quarter of the 20th century, the Tibetan Plateau has been impacted by unprecedented issues happening on the global scale, creating more risks that menace the livelihoods of the nomads. During our data collection, the nomads introduced us to some cues that indicated changes to the place. Some signals were already visible on the land. When the ethnographer was in ZR, sometimes he could see the degraded grassland with the red soil

exposed under the sun, illustrating the rising temperature on the plateau. A young nomad, DW, elaborated:

You see, now we even have mosquitos on the plateau because it's much warmer than before. Look at that mountain. In the past, there was snow on that mountain, even during summer. But now, do you see anything?... The pastures now become less lush, so sometimes yaks and sheep cannot even survive when the spring arrives.

The pasture was degrading, which threatened the supply of grass, the very resource on which the nomads depended. LuxuryYak's Production Manager, whose family had one of the largest herds, discussed the decrease of the grasslands on the plateau and giving up herding as a livelihood:

In recent years, the pasture had not provided enough grass for the yaks and sheep to graze....We needed to buy dried grass to feed the herds. My family used to have more than 500 sheep, about 100 yaks, and 10 horses. It could cost a lot of money to purchase the grass. So, we decided to sell out the herds last year (2016).

Because the grassland was degrading, animal health also became a problem. When LuxuryYak's President visited the village of ZR for the first time, she was concerned about the potential to start up LuxuryYak and wrote in her diary, "one could not make yak products without doing something to preserve the yak."

With a depleted environment and less healthy animals, herding had become increasingly infeasible to support family income. Many young people from nomadic families began to leave their pastures for populated cities in the rest of China. They hoped to acquire a more modern way of life because of the harsh reality of herding, impacted by the changing environment. In the village of ZR, for instance, three families with the largest herds sold all their animals by 2016. A civil servant told the ethnographer that in a village of a neighboring county, most families sold their animals, migrated to town, and attempted to conduct small businesses, such as grocery

stores and guestrooms. A nomad turned researcher, GB, shared his childhood ‘aspiration’ to live in the city:

When I was a kid, I was running after all these [urban] lifestyle, “herding,” I thought, “This is so boring!” Every time I went to the county, I saw all these kids have amazing modern tools and clothing; I say “Look at them! Nice!” For me, that time was really someone who admired modern stuff.

Unfortunately, not everybody was successful, which resulted in around 700 families in that county having no animals while not being able to find new sources of income.

Table 3. presents examples of cues that signal the relationship between the organizing of LuxuryYak and the place.

**Table 3: Representative Data of Local Cues**

| Local cues                  | Illustrative data  |
|-----------------------------|--|
| Unusual climate             | <p><b>Less rain.</b> “Every year at the beginning of August, LuxuryYak hosts its annual picnic for three days during the Shang Lang Festival, meaning ‘collecting firewood’ in Tibetan. Yet, it rains for most of the day. An old man told me that although the rain is not good for people to enjoy the picnic, it is very good for the grasslands. He told me he felt so happy that it finally rained, pointing to the far hill where the soil is red without any grass.” (Fieldnotes, 2017/08/01)</p> <p><b>Hot summer.</b> I realize that it has been hot (highest temperature around 23 degrees) for more than ten days (Since July 10). BT also told me that it hasn’t rained since then. I couldn’t make a statement that these hot days are directly indications for climate change since I haven’t checked with the local bureau of meteorology about the data. But people here say that these years the climate has changed a lot on the plateau, resulting in extremely hot summer days and a narrower stream flowing through the village. Life has also become more difficult for the nomads because the hot and dry days put huge pressure on the grasslands. And the tough pasture condition can be really bad for the yaks and sheep, leading to weaker animals or even animal deaths due to starvation. (Fieldnotes, 2017/07/20)</p> |
| Degrading grassland         | <p><b>Desertification.</b> “During the past 40 years, all the winter pastures have become desert, lakes and springs have dried out, we lost 200 lakes in Zoige in the past 20 years. I remembered in my childhood time, I used to find sands in my mouth when I ate Tsangba (Tibetan barley flour food).” (A nomad turned conservationist YZ, Interview 2017/08/04)</p>  |
| Changing pattern in herding | <p><b>Herding a single species.</b> In describing her conversation with a nomadic old lady, the CEO wrote about the overgrazing issue. “Everyone has sheep now, fewer yaks. They are thinking of faster money. Sell, sell, sell, money, money, money” her [the nomadic old lady] hands made a fast pattern through the air, “now there isn’t enough grass! It’s just not the way to be a nomad. You have sheep and you have yaks. You have to go into the summer pastures in the depth of winter so that the yaks graze there. It’s a difficult life but it is the only way the balance is kept. Anyway,” she shook her head “there are just not enough family members to take care of a complete, balanced herd.” (The CEO, Diary in 2014)</p> <p><b>Nomads fixed in space.</b> “In the past, the nomads migrate between summer and winter pastures, but now the government let them settle down in a fixed place. They couldn’t move around pastures to keep the balance of the ecosystem.” (A nomad turned entrepreneur JG, Interview, 2017/07/14)</p>  |

|                        |  |
|------------------------|--|
| Animals' health issue  | <p><b><i>Yaks are generally smaller and less robust than in the past.</i></b> The decline of Nomadism has already begun, subtly, though irreversibly. One factor is animal health and the yield of milk and meat; yaks are animals that require specific types of nourishment in order to reach their potential in size and health. For example, there are plants found at high altitudes during winter that help yaks survive the difficult conditions. The family's young couple would traditionally take their animals to graze in those high, desolate areas. Few people do this nowadays, as it is an excruciatingly difficult task, in unbearable conditions. Instead, most nomads nowadays leave their yaks in the pastures surrounding their winter dwellings, letting them graze on the left-over grass and supplementing their diet with oats. As a result, yaks are generally smaller and less robust than in the past. (The President, Diary around 2013)</p>  |
| Livelihood disruptions | <p><b><i>Unable to transform livelihoods.</i></b> "Traditionally, Tibetan nomads were organized by wealthy families that owned big herds. During the 1960s and 1970s, herds were taken from wealthy families through political reforms by the [communist] government. Following what happened across China during that period, the nomads managed the herds in communes. As the opening and reform took place in China, animals were divided among individual families since 1983. However, in the following years, many families sold out their animals and planned to migrate to the town and do some businesses. Unfortunately, not everybody was successful, which resulted in the fact that around 700 families in the village ended up having no yaks or sheep anymore." (A Han civil servant Wang in a nomadic village, Interview, 2017/07/13)</p> <p>"In the past, Tibetans mainly relied on yaks and sheep. But now fewer and fewer people do herding. Many people want to do business, but few of them can succeed. As they have sold out the herds, they have no assets anymore. Then they have to go to the mountains to collect caterpillar fungus (a medical herb) as livelihoods." (Monk 2, Interview, 2017/07/16)</p> <p><b><i>Unable to integrate into the urban society.</i></b> "Many families started to move to the town in the 1990s. This trend became more popular during the 2000s when the government issued the policy to encourage nomads to stop herding as a strategy to preserve the pastures, releasing the environmental pressures that cause the 1998 huge floods in South China. The government built up houses for the nomads, free of charge, under the condition that they give up herding. However, this project does not make the nomads' lives better. Before the nomads had yaks and sheep, they worked and didn't need to worry about food and cloths. But now, they rely on welfare from the government. The welfare is usually higher than people in other places in China can get. But the welfare discourages the nomads from working; they have no ambition for the future. What's more, the nomads couldn't keep up with the pace in the town. The government persuaded them to give up herding and move to the town, but they didn't follow up with the nomads about how to integrate into the new life in the town. Many people in their 20s ended up with no skills and no jobs, goofing around. About 20 years go by, but the nomadic families still haven't integrated into the new system yet." (GJ, a Tibetan lady who originated from a nomadic family, 2017/08/03)</p> |

Our findings on the Tibetan Plateau suggest that these local cues are somehow interrelated; the unusual climate may be associated with the grassland degradation issue, which may have motivated the nomads to change their herding patterns. Living in a degrading environment, the animals became less robust than before, which eventually disrupted the local livelihoods because the nomads rely on the animals for food, cloths, fuel, and cash income. With local livelihoods collapsing and nomads entering the urban areas for alternative incomes, their well-being was also reduced.

## 4.2 Connecting Local Cues across Time and Space

We found that organizational actors can recognize the pattern of processes that signals a global issue when they are able to connect local cues over time and space. LuxuryYak and its decision-makers are physically embedded in place, which enabled the organization to connect cues over a long period of time. By connecting, we mean the ability of organizational actors to see how the different cues in their environment are interconnected. The organization developed a few organizational practices that enabled both the leaders and members in the organization to experience the connecting mechanism.

Being rooted in the place. Physically, the organization is rooted in the nomadic village. LuxuryYak built its permanent workshop in the remote nomadic village. Being in the place and with the nomads allowed the leaders to connect between the Tibet they had heard of in the old stories and the Tibet in current reality, which they saw and experienced themselves. The CEO, a daughter of a Tibetan and a Euro-American, was born in the 1980s and grew up in India. Until the late 1990s, all the information she could access about the Tibetan Plateau consisted of stories from overseas Tibetans who lived in India:

When I went to primary school in India, it's all about nostalgia. Nomadic life was described in a very romantic way.

Tibet was portrayed to her in a romanticized way. To find out the current reality, the CEO went to the Tibetan Plateau in the early 2000s when China became more opened up. According to the CEO, "To be locally embedded in the village is important because the rural places are where the Tibetan culture is most alive." Through establishing LuxuryYak on the Tibetan Plateau, the CEO met and married a local and has lived, ever since, in ZR with her family. The CEO elaborated the evolvement of her understanding about Tibet since being on the plateau:



People often ask me what my first impression of life on the plateau was. I had arrived there in the middle of June and expecting it to be summer. I was wearing a t-shirt and flip-flops. And when I stepped out of the bus, it was pouring rain. SO COLD! was my first impression. Then the poverty...I spent some time with the nomad family, and I started to see the challenges behind this pure life. Nomad women especially have to wake up at 3 in the morning during the summer months. Their day starts with milking the animals and then they have to prepare the milk into butter; they have to dry the cheese, collect the dung...There's no end to the things that can go wrong in herds that are over a hundred yaks and four hundred sheep.

This local embeddedness allowed the CEO to connect the Tibet she had learned of overseas and the Tibet in reality. As she described, she was shocked when coming to the plateau for the first time, observing a reality that was different from what she had learned about in primary school in India. While the elders in India spoke nostalgically about the old way of nomadic life, what the CEO saw was a tough nomadic life riddled with poverty. According to her account of arriving at the village the first time, she might have been expecting the 'highs' as she finally came to the natural, authentic, and pure land. The reality, however, appeared with the 'lows' of a place of harsh lives. When she realized the place was not what it used to be, she experienced a strong shock, which in turn motivated her efforts in seeking more cues.

In 2012, the CEO's mother, the President of LuxuryYak, described the CEO's physical being in the nomadic village across time in this way: "After seven years, she is just seeing the real issues." For example, by living in the nomadic village, the CEO gained more insight into the fragility of the local ecosystem and how the nomads had maintained the equilibrium with strict rules. She explained in her journal:

Pastures are divided into Fall, Winter, Spring, and Summer. It is a serious offense for an animal to stray into a winter or fall pasture during summer. The only exception is allowing animals to graze on summer pasture during the winter. It is risky, as the altitudes are so high and the weather so severe that the losses can be crippling. Only highly organized nomad families take the chance, grouping together the strongest male yaks in their herd and sending a young couple to drive them to summer pastures in the depth of winter. This is a lonely and harsh life, and I often shudder as I see a herd set off from the village in December.

Living and working with the nomads enabled her understanding of how herding animals aligned with the ecological process. She learned that the summer camps are lush areas of high altitude, deep into the mountains and the winter camps are fragile areas of lower altitude reserved for the nomads to survive during the coldest seasons.

The ability to recognize how different elements in the place relate to each other is shared by other members of the organization. LuxuryYak's CFO, a former investment banker, explained how working in the workshop allowed him to gather deep knowledge of the land to assess a feasible operation for the business. The CFO, an ethnic Tibetan, was born in India, received education from the world's top business schools, and worked for leading investment banking and consulting firms before engaging with LuxuryYak. He stayed at LuxuryYak for a few months in 2015. The local embeddedness offered him some insights which would not be possible to obtain working remotely:

Being a city boy who grew up mostly in big cities in India, Nepal, and United States, when I imagine the Tibetan grassland, I just think, 'A lot of grass, a lot of yaks, and they go out and eat the grass, that's it.' But actually, being there and talking to people [made me] realize [that], 'Oh, actually there are very fine tunes of the system that sustains this entire ecosystem with so little.' I realize both how difficult [it] is and how capable all of the actors involved consider questions well, from exactly how many animals which family is allowed to have to which part of the grassland it's supposed to graze their animals.

Before staying at the nomadic village, the CFO was separated from the local place. Although he was aware of the grasslands, the way he related to the local process was indirect. When he arrived in the place, he experienced the place through his own and the nomads' embodied experiences. How different elements in the place related to each other became visible for him.

Visual techniques showing the evolution of local cues over time. Many artifacts which symbolized the Tibetan Plateau (e.g., pictures of the local natural environment, culture, and landscape) were showcased in LuxuryYak’s organizational space. The President explained that the practice started in 2004 when the CEO came to ZR for the first time to “take pictures and find out about yak fiber.” Since then, LuxuryYak has been regularly documenting photos and footage of the place. In a period of gradual change, the visual oppositions captured in pictures of the same place created the circumstances for the Tibetan nomads to see the stability and change of the place. The Sourcing Manager of LuxuryYak put it in this way:

The changes in the environment in our home village become so obvious when we compare pictures of the same place over the years. The pictures caught many details which my memory cannot, like the dried rivers in our village, how the buildings have changed, and even the way people dress.

Through the visual illustrations of the place, the Sourcing Manager observed the different elements in the village over multiple points of time. The weak cues he noticed connected with cues other members saw from the pictures. A nomad turned employee, JD, added, “We have less and less rain now. Right in front of our house there was a basin. We used to swim there. But now it’s dried.” The correlated changes among different elements in the village indicate that there might be some underlying causes for the cues.

### **Figure 3: Pictures of the Same Place Over Time**

ZR village (2005 and 2014)



Luxury's Workshop (2006 vs. 2016)



Photo source: Company archive.

The visual documentation of the place over a long period of time provided the organization with cues about how different elements in the place evolved over time. For example, in Figure 3, the monastery and the hills remained essentially stable; however, the physical conditions of the grasslands changed significantly. When the place is changing gradually, the comparison between stability and change can surface the pattern of what has changed, making the invisible linkages among the elements visible. The length of local embeddedness is critical because it is not only necessary to generate a deep understanding of the local, but also offer the organization longitudinal observation points to identify the linkages among the cues. This practice allows the organizational actors to be more purposeful in noticing changes to the place and connect a logical flow of the evolution of local issues.

Table 4 briefly documents LuxuryYak's practices of the connecting mechanism that allows the nomads to recognize local cues.

**Table 4: Circumstances Demonstrating the Connecting Mechanism**

| Local Cues                           | Organizational Practice  | The Mechanism   |
|--------------------------------------|--|---|
| The fragility of the local ecosystem | <b>1. Being rooted in the place: Members living in the place</b><br>Living in the nomadic village over the years enabled the CEO's understanding of the nomads' strict rules in managing the pasture and recognizing fragile grasslands. | <ul style="list-style-type: none"> <li>Living in the place allowed the CEO to understand how the various elements in local geography relate to each other.</li> </ul> |
| The evolution of the place           | <b>2. Being rooted in the place: Building the facility in place</b><br>LuxuryYak built up its permanent workshop in the remote nomadic village.  | <ul style="list-style-type: none"> <li>Building the workshop in the village allowed the management team to live with the nomads and</li> </ul>                        |

|                             |   |  |
|-----------------------------|---|--|
|                             |   | understand real life on the plateau.   |
| The disappearance of rivers | <b>3. Visual techniques: Footages of the place over time</b><br>LuxuryYak had been regularly documenting photos and footage of the place. The Sourcing Manager explained that changes in the environment in the village became obvious with the illustration from the pictures. | <ul style="list-style-type: none"> <li>The pictures render visible the evolution of local cues over time.</li> </ul> |

Data in Table 4 collectively indicate that the organizational practices associated with the connecting mechanism allow the organizational actors to observe the same place over time. Embeddedness allowed the organization to connect different and seemingly unrelated local cues, which built a richness of insights into the evolution of the underlying issue. The cues of issues that unfold gradually become salient enough to be recognized by actors (Tuan, 1990). By connecting local cues over time, the organization could understand how the different cues in their environment were interconnected.

**4.3 Contrasting Local Cues over Time and Space**

We found that the ability to contrast cues across different geographies or times allowed the actors to recognize the cues associated with global issues. LuxuryYak and its decision-makers proactively reviewed distant cues away from the local, which enabled the organization to contrast cues over time and space. By contrasting, we mean the organization recognized cues with issues that are geographically distributed and temporally delayed, identifying the global nature of the underlying issues. The mechanism of contrasting is supported by two sets of organizational practices.

Immersing organizational actors in other places exhibiting similar patterns. LuxuryYak simulated the contrasting effect by sending some of the nomads in the organization to other places. In 2006, the CEO led a team of four nomads to Cambodia and Nepal to receive textile weaving and management skills. In 2018, the Sales Manager went through a social entrepreneurship education program at the University of Virginia. In 2019, an Oscar-winning

director released a LuxuryYak focused documentary, which brought some nomads to film festivals in Asia and North America. Nomads gained extended stays in other places. Such immersion is critical for organizations to contrast the cues associated with distant issues to their own context and understand how these cues are connected to the place in which the organization is embedded. This requires the organizational actors to generate in-depth knowledge through looking at the cues from the eyes of the people living there. A conversation between the ethnographer and LuxuryYak's Production Manager illustrated how extended stays in another place enabled him to explore the unfamiliar world and relate with other people.

The ethnographer: Ten years ago, you went to Cambodia to receive the weaving training. It was the first time you to go abroad, right? How did you think at that time?

The Production Manager: I was really amazed....I learned the other people's world and their sufferings.

The ethnographer: Why is it important to learn their world and their sufferings?

The Production Manager: For example, in our village, suppose I'm a yak and someone is a sheep. Maybe the sheep will tell me how difficult his life is, but I would never understand his world because I have never experienced that. If I can be a sheep and he can be a yak, then we would understand each other. I think that's very important.

Traveling to their world is also like wiping the mirror for myself, to see my own world clearer.

The example of the Production Manager demonstrates how the practice of extended stay in other people's places provided the opportunity for him to put his feet in another person's shoes, offering the chance to understand people from an unfamiliar context. It also helped him see his own world with clearer eyes. This is similar to what foreign volunteers felt when they spent significant time at LuxuryYak. One night, I was drinking wine with three American volunteers in the guesthouse and they talked about how their stay had changed their perspectives:

Volunteer B: We go to different places, but we are still the same person wherever we go.

Volunteer D: Yes, but you become a different person when you leave.

The CEO's husband, YD, generated insights on global issues after staying in multiple places. YD was born in a nomadic family near the village of ZR and had been a nomad himself.

He met the CEO in 2004 and was among the first supporters to create LuxuryYak in this region. During the next ten years, he had the opportunity to receive training in cities in China, Cambodia, France, and Switzerland. From the inception of the enterprise, YD had been instrumental in building LuxuryYak. As YD's business talent and capability were recognized, a number of his relatives reached out to him, seeking advice on economic opportunities. In 2015, YD shared the idea of founding a hospitality business by utilizing the resources on the pasture. YD's elder brother took the lead to organize their cousins, including 19 families, to establish a cooperative in 2016. By 2017, the cooperative had over 100 hectares of rolling hills, about 100 yaks, and was managed by members from each family. YD explained the impact of his experiences:

The nomad life is becoming harder. Between my childhood and now, it's changing a lot, the environment, for nomads, especially...So, I said to my families, "Why don't you guys just do something together?" That's how the cooperative started...We chose the site near Sangkok (the pasture where the cooperative is), which is perfect. You can manage this impact on the environment in this size. If you do too large scale, then too many people would come, and then it would be out of control...You've seen the mass tourism development projects that damaged the environment in LMS (a neighboring county).

With his experience in China and around the world, YD recognized that the nomads' livelihoods had been under threat due to environmental changes. By contrasting his stays in the local level (LuxuryYak and the nomads' lives) and other places (Europe and China), he criticized the conventional way of utilizing resources for economic opportunities, such as mass tourism developments, and recognized that it did not seem appropriate for the small local community living in a fragile environment on the Tibetan Plateau. Figure 4 illustrates the difference between the cooperative and the mass tourism development in LMS, to which YD referred.

**Figure 4: The Cooperative by YD's Extended Family vs. Mass Tourism Development**



The cooperative developed by YD's extended family



Mass tourism development in a neighboring town LMS

Photo source: The authors.

Contrasting local cues gathered in distant places. The working arrangement among international professionals, company executives from China, and the nomads turned managers provides opportunities for people at LuxuryYak to form strong ties with people from the outside and access cues from them. LuxuryYak's international volunteers were shocked to know how the nomads could survive with so few resources. Reflecting on the limited resources on the Tibetan Plateau, RN, a branding volunteer from the United States, articulated:

My time here made me realize how mindless I was about consuming things in the US. I saw how the food and clothes were made by the nomads, which required a lot of efforts from people and that's all the animals can provide....In the US, I didn't imagine how my consumption would impact someone like the nomads on the other side of the planet.



While RN was surprised to discover the nomad's limited resources, LuxuryYak's Sales Manager has become concerned about the overuse of resources and waste disposal in other places. Because he was responsible for managing the distribution of LuxuryYak's products, he regularly visited companies in first-tier cities in China and abroad. Through discussions with company executives, he became aware of the overuse of resources and waste disposal:

When I discussed with the executives from big companies in the city, I realized that we (LuxuryYak) are really special...to keep our operation that doesn't overly consume resources and generate waste, we are not ready to grow the size of the workshop yet... One thing I realized during my trips and discussions was that companies are using resources and creating waste in a way that is beyond the capacity of the environment. When they need resources that are beyond the capacity the city can supply, they get them from somewhere else. They do some environmental programs with the waste, but the waste doesn't disappear. They are still somewhere in the environment.

Because the Sales Manager conversed with executives from big brands, he had the opportunity to reflect on resource consumption and waste disposal in places outside of his home village. The interactions and discussions helped him recognize that the overuse of resources and waste disposal were creating issues on a national and even global scale.

Born into a wealthy family in France in the 1950s, the President grew up hearing stories from former wealthy people who had lost everything during World War II. At an early age, she developed a sense of disillusion about material wealth and started to pursue satisfaction from Tibetan Buddhism. In writing her undergraduate anthropology thesis, the President conducted research in Normandy in 1976, where she discovered the declining trend of rural life. During that period, the young French were abandoning the rural, the old were left in villages, and supermarkets had started to penetrate communities and take business from local farm producers. In the 2000s, the President came to the Tibetan Plateau to establish LuxuryYak. She talked about how changes on the Tibetan Plateau in the context of China reminded her of her previous experience in Europe:

The development model here in China is that people in the villages leave their families and migrate into a city....It happened in Europe in the 60s and 70s when every young people from the countryside go to the city and town. In the 60s, [it] was the time when the local markets were disappearing, and everything got industrialized. This is what is happening here, that's the kind of trend....Countryside in China is already empty where only grandparents and children still live....It's not just in China. A lot of countries in South America or Africa [as well]. There are all these people who have a certain way of life, and then that way of life starts to collide with the more modern world.

**Figure 5: Declining Farm Market in France (1970s) and Sprouting City in Tibet (2000s)**



Photo source: The President's diary and company archive.

When she became aware of the cues of the changing Tibetan Plateau, the President bracketed the distant cues that she had acquired in early life experience from rural France. The experience living in both rural Europe and the Tibetan Plateau allowed the President to contrast cues associated with two distant issues, geographically distributed and temporally delayed. The similar patterns between the two places in the 1970s and 2000s indicated that the underlying issues had some global nature. When the President arrived on the Tibetan Plateau in the 2000s, while preparing LuxuryYak, she contextualized what was happening on the plateau with her prior experience in rural Europe and China, recognizing the similar cues and taking those cues into account in designing LuxuryYak's organizational form:

Big scale things with a big market...that's what you can do in southern China....But I don't think it's suitable for a place like this (ZR), a rural place on the plateau....When you are in a place like this, with a small community that could only produce a limited number of things, you make things significant to the culture....Otherwise, you ruin the place.

She suggests that a conventional business model, such as the one in China, is not appropriate for a place like the village on the plateau. In the conventional business model, manufacturing factories make small margins on large volumes, usually from utilizing low-cost labor and material. LuxuryYak's business model tries to avoid this pattern by applying a luxury strategy that generates a higher margin, thus sustaining the business in a place with higher operational costs.

Historical accounts putting present cues into perspective. The circumstances leading to the establishment of LuxuryYak are related to LuxuryYak's President, a French American who married a Tibetan. In the 1970s, she and her husband moved to India to develop projects that could benefit the Tibetan communities there. During the 1980s, as China became more opened up and many Tibetans from China came to India to reunite with families and conduct religious rituals, the President talked to many of them and realized that the Tibet that people in India had described and were attached to was changing. In the early 2000s, when Chinese authorities gave permission, she started to lay the foundation for LuxuryYak. Based on her 40 years' experience working with Tibetan communities in India and on the Tibetan Plateau, the President summarized in her journal:

Many years later, I realized that the whole of the Tibetan exile community was fixated on a Tibet that no longer existed...the face of Tibet was changing. Things had shifted, deteriorated, grown or decayed. Much of the older generation had died and the younger Tibetans were carrying on with their lives in an ever-changing world. The old Tibet that people around me described and cherished was simply no longer a reality...Change is inevitable and with it comes the need to reassess one's way of life...The system that made them (the nomads) exist doesn't work anymore. It's not anybody's fault. It's not about politics; it's just because the world is changing.

She recognized the cues when the place which she used to understand no longer existed as it had before. The discussion with people coming from Tibet triggered her actively noticing more clues to put the cues into a historical perspective. This mechanism existed with other local people

as well. When talking about the real cause of desertification, a nomad turned conservationist, PS, talked about how conversations with elders helped him question the overly criticized practice of overgrazing:

I used to think the reason for desertification was only due to overgrazing. That was how the experts talked about the issue. But my working experience [since the 2010s] helped me to understand the issue deeper.

In the process of working on conserving the grasslands since the 2010s, PS had the opportunity to engage in conversations with the elderly nomads. YZ, PS's nephew, added more details about how they understood the issue now:

In the past, people criticized overgrazing as the only reason for grasslands degradation. They (the nomads) felt guilty and thought that herding was something they should not do anymore....Now we are rethinking the issue....During my work combating desertification, I did some research with people working in this field. I realized that the plateau is collapsing not because nomads are herding....From forty years ago, the county administration has been doing a lot of transformation on the grassland....To increase the size of the grassland and agricultural productivity, the experts drained off water from the wetlands, so a large marshland was transformed into pasture...these efforts actually accelerated the desertification of the grassland, and the nomads were never in the conversation.

Through discourse with the elders, PS and YZ positioned current reality with historical data from the 1970s and 1980s. They identified the causes for the changes and started to realize that what happened about forty years prior had an impact on the present; it was not just overgrazing that led to the desertification issue. Through contrasting the local desertification with his visits to other places in China, PS recognized that something bigger was causing the issue of environmental degradation on the Tibetan Plateau. He started to understand that what had taken place in his hometown was not because of herding at this moment, but the unfolding process that took roots decades ago. The large-scale nature of the issue thus surfaced.

Table 5 systematically documents LuxuryYak's practices of the contrasting mechanism that allows the nomads to see the global nature of the underlying issues.

**Table 5: Circumstances Demonstrating the Contrasting Mechanism**

| Local Cues            | Organizational Practices   | The Mechanism   |
|-----------------------|--|---|
| Livelihood change     | <p><b>4. Immersing organizational actors into other places: Sending some of the nomads to learn skills in China and abroad</b></p> <p>The CEO’s husband, YD, had the opportunity to receive training in cities in China, Cambodia, France, and Switzerland. Reflecting on the experiences, he realized that things were always evolving. Thus, the Tibetan nomads also needed to create alternative livelihoods in a time of time.</p>   | <ul style="list-style-type: none"> <li>The visits allowed YD to see a similar changing pattern between his home village and other places.</li> </ul>  |
| Overuse of resources  | <p><b>5. Contrasting local cues gathered in other places: Nurturing relationships with business partners in other contexts</b></p> <p>Building on his trips to first-tier cities in China and study experiences abroad, the Sales Manager recognized that resources overconsumption and waste disposal in the urban areas were creating issues on a national and even global scale.</p>  | <ul style="list-style-type: none"> <li>The interactions allowed YD to put cues into a higher context than the level being analyzed.</li> </ul>  |
| Livelihood change     | <p><b>6. Contrasting local cues gathered in other places: Comparing what happened in the past elsewhere</b></p> <p>In writing her undergraduate anthropology thesis, the President conducted research in Normandy in 1976, where she discovered the declining trend of rural life. When the President arrived on the Tibetan Plateau in the 2000s, she recognized a similar pattern between what was happening on the plateau with her prior experience in rural Europe.</p>   | <ul style="list-style-type: none"> <li>The similar patterns between the two places in the 1970s and 2000s indicated that the underlying issues had some global nature.</li> </ul>   |
| Grassland degradation | <p><b>7. Contrasting local cues gathered in other places: Comparing what happened in the past elsewhere</b></p> <p>The nomad turned conservationist PS reinvestigated the grassland degradation issue from his working experience in combating desertification. He realized that the plateau was collapsing not because nomads are herding. There are things that happened far away that are harming our pastures. He used an analogy to describe, “Our tribe lies at the source of the Yellow River. We are like one drop of water in the Yellow River so that we are connected to the whole Yellow River. Whatever happening in the Yellow River can fundamentally alter our lives.”</p> | <ul style="list-style-type: none"> <li>Through repeated and contextualized observations, PS realized that the nomadic village was connected to the big system across time and space. Local cues were then related to a global issue.</li> </ul> |
| Livelihoods change    | <p><b>8. Oral historical accounts: Oral stories shared by elders</b></p> <p>Based on her 40 years’ experience working with Tibetan communities in Indian and on the Tibetan Plateau, the President realized that changes are inevitable and “with it comes the need to reassess one’s way of life.”</p>  | <ul style="list-style-type: none"> <li>Historical accounts offer insights into the evolution of the local issues over time</li> </ul>   |
| Degrading grassland   | <p><b>9. Oral historical accounts: Oral stories shared by elders</b></p> <p>Through consulting the elders, conservationists PS and YZ started to question the causes for desertification besides overgrazing and realized that what happened forty years ago had an impact till then.</p>  | <ul style="list-style-type: none"> <li>Historical accounts offer insights into the potential alternative reasons behind the local issues over time</li> </ul>   |

Data in Table 5 collectively suggest that through contrasting cues from different places and times, organizational actors were able to see a world of interconnections and increase their understanding of the unfamiliar global processes. The local organization drew on the cues from

distant places and related them back to their own context. When the actors could see the common thread of the cues among different places, their ignorance and discrimination against the unknown global tended to be reduced. Thus, the cues that signal global issues are understood not only locally, but also over a larger scale of time and space.

Contrasting cannot exist without the connecting mechanism at the local level; the organization has its distant reference points that relate to its local embeddedness. Connecting deepens organizational insights across time and space and contrasting helps relate those insights over time and across space. The Sales Manager reflected, “The old system [of the Tibetan Plateau] has been destroyed. In the past, we have nomads, farmers, and monks. Now we are in a crossroad where we either to change our livelihoods or to be changed [by the process].” The creation of LuxuryYak demonstrates a response toward the global issues that are collapsing the Tibetan nomads’ livelihoods. The President explained the rationale for choosing to set up the operation in the place, even without any infrastructure:

Those people (the nomads) are the ones that get marginalized...it’s like when the world changes, but they don’t fit into the system. Things will evolve; they are always evolving on a big scale. There’s a system going. I’m not pretending to change that. But there are a lot of people left out of that, then how to help those people, who don’t have a place for that? We want to build a model that can eventually be replicated in other remote villages where people are willing to transform their lives.

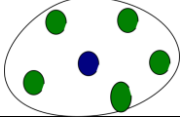
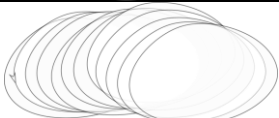
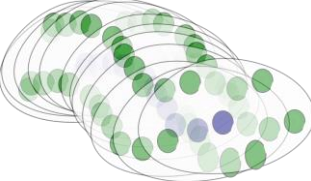
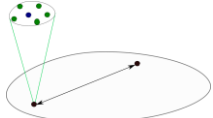
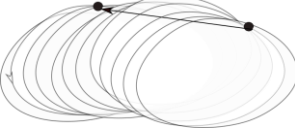
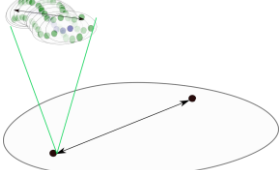
## **5. Theoretical Model**

Based on the findings above, we argue that by connecting and contrasting local cues over time and space, an organization can detect a global issue locally. Connecting local cues over time and space enables an organization to understand the local implications of the underlying global issues.

Embeddedness, which enables connecting, allows the organization to collect fine-grained cues in space and time. Embeddedness in space helps the organization establish relationships with different elements in the environment to collect fine-grained cues in space. Analogically, it helps

to increase the number of ‘sensors’ to multiple elements of cues for the organization. The fine-grained cues collected in space allow the organization to calibrate richness of local insights into the issue. The organization can thus connect different and seemingly unrelated local cues. Embeddedness in time helps the organization to revisit these various cues frequently over a long period, enabling the organization to collect fine-grained cues in time. A deep understanding of the interactions among the cues can only be developed through observing the cues through the existing relationships repeatedly. The fine-grained cues collected in time allow the organization to identify the linkages among the cues and permits detecting evolution of the underlying issue.

**Table 6: The Mechanisms of Connecting and Contrasting**

| Concept                                    | Visualization   | Mechanism  |
|--|---|--|
| Embeddedness in space                      |   | The organization establishes relationships with different elements in the environment to collect fine-grained cues in space.   |
| Embeddedness in time                       |  | The organization revisits the same space frequently over long period of time, enabling the organization to collect fine-grained cues in time.  |
| Connecting local cues over time and space  |  | The organization calibrates richness of local insights into the issue and detects evolution of the underlying issue. Organizations can dive deeply into the small-scale dynamics in the place where the organization is embedded and connect different and seemingly unrelated local cues.                             |
| Contextualization in space                 |  | The cues collected from distant places allow the organization to resonate with the common thread that link the globe.  |
| Contextualization in time                  |  | The collected from distant time put the unfolding process into the historical perspective  |
| Contrasting local cues over time and space |  | The organization draws on similar cues from multiple locations in the global context and recognizes the pattern observed in the current context to the unfolding process. Contrasting local cues across different geographies and times puts the global nature of the issue and its local implications into full view. |

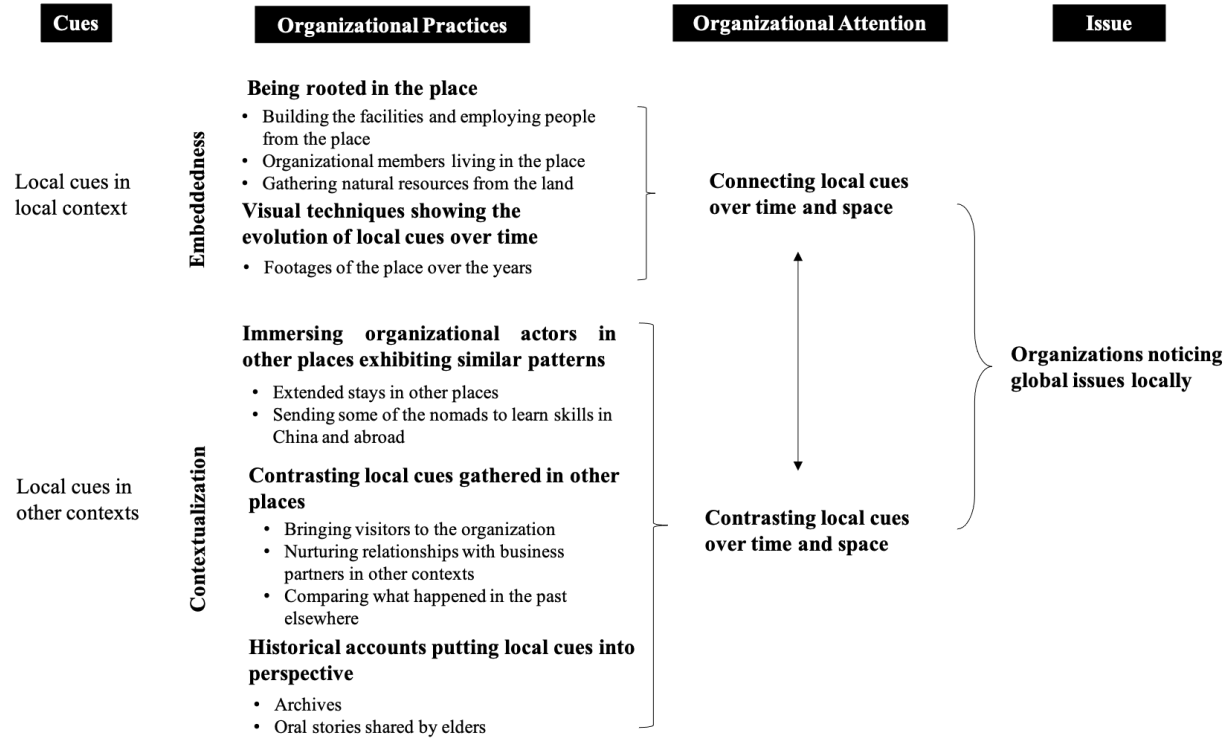
The spatial scale of place can include “[a]t one extreme a favorite armchair . . . [and] at the other extreme the whole earth” (Tuan, 1977: 149). Organizations can dive deeply into the small-scale dynamics in the place where the organization is embedded. However, organizations tend to notice cues only within their attentional structures and can miss the cues that are geographically distributed and temporally delayed (Bansal, Kim, and Wood, 2018).

Contrasting local cues across different geographies and times puts the global nature of the issue and its local implications into full view. Contextualization, which enables contrasting, adds to embeddedness. Contextualization in space helps the organization to draw on similar cues from multiple locations in the global context, enlarging the geographic extent of the cues collected. The cues collected from distant places allow the organization to resonate with the common thread that link the globe. The organization can thus approximate the bigger picture of the global issues. Contextualization in time helps the organization to put the cues collected in current moment into the historical perspective. The cues provide the broader temporal scale needed to recognize the pattern observed in the current context to the unfolding process. Cues collected in distant space and time are theoretically different from broad-extent cues in that distant cues are fine-grained cues observed from small-scale processes at distant points of time or space with fine attentional grain, while broad-extent cues are observed on large-scale processes in space and time, with broad attentional extent.

In establishing LuxuryYak, some organizational practices were designed in a way to stimulate the connecting and contrasting effect for the nomads turned managers and employees at LuxuryYak. In so doing, LuxuryYak attempted to facilitate the nomads' recognition of the global issues.



**Figure 6: Organizational Attention towards Local Cues Signaling Global Issues**



In this section, we describe those mechanisms and the organizational practices before elaborating on their implications for the organizational attention literature. We present our theoretical model in Figure 6, which explains how an organization can channel its attention to notice local cues signaling a global issue.

### 5.1 Connecting Local Cues over Time and Space

By connecting local cues over time and space, an organization can connect different and seemingly unrelated cues in their environment into a logical flow that indicates an underlying issue. Such connections are more easily made when the organization is embedded in its context and time because the organization nurtures the stability and coherence of its attention, as recommended by Vendelo and Rerup (2009). This attention pertains to cues emerging in the organizations' local contexts and present.

To enable this embeddedness and facilitate the identification by its organizational members of the evolving pattern of local cues over time, an organization can develop two sets of practices. The first set of practices consists of being rooted in the place. Place is a temporal contingent process where the material and social forms of the land and human actors perpetually become one another (Massey, 1991; Pred, 1984). In being rooted in the place, the organization builds strong ties in the social networks (Granovetter, 1985; Uzzi, 1997) and gathers deep knowledge of the landscape (Whiteman & Cooper, 2000) at different points in time (Stephenson et al., 2020). At LuxuryYak, the organization built a permanent workshop in the nomadic village. The organizational members, notably the decision-makers, physically stayed in the village. These practices allowed the organization and its members to experience the place and establish close relationships with different elements in the local context (e.g., grasslands, rivers, etc.). In addition, the organization chose to collect the wool from the nomads raising yaks on the land, preferring to invent new weaving techniques rather than importing natural resources from elsewhere. Through those choices, the organization could enhance its relationships with the nomads who were alert to a wide range of local cues.

When an organization is physically embedded in a certain place, organizational members can develop a deep knowledge of that place and the cues in the place (de Rond et al., 2019; Whiteman & Cooper, 2011). For example, being rooted in the nomadic village allows LuxuryYak to gain insight into nomads' herding practices, which are aligned with the ecological process of the pasture and animals. Similarly, Whiteman and Cooper (2011) find that organizational actors embedded in the land can notice and bracket ecological cues from a stream of experience and build connections and causal networks between various cues. Embeddedness in a place particularly helps an organization detect issues when the ecological cues are highly complex (e.g., high spatial

variability) because understanding those cues requires an in-depth knowledge of the ecosystems at stake. By being rooted in place, the organization also secured access to the other set of practices described below.

The second set of practices consists of visual techniques that render visible connections between seemingly unrelated local cues over time. In LuxuryYak's case, the organization took pictures of the same place (e.g., mountain, pasture, village) at different moments in time, which permitted the organization notice the correlated changes in the landscape. They noticed grassland degradation, melting snow, and animal health issues consistently unfold, which indicated some underlying cause. With such techniques, they were able to make visible what is often 'invisible' and subject to their immediate biases. When organizational members recognize consistent changes among different elements in the context, they pay closer attention to the local context (Maitlis & Christianson, 2014; Weick et al., 2005). As the organization gathers more information, the latent issues are easier to notice (Tuan, 1990). The pictures and videos documented the different elements across time, which enabled the organization to frequently revisit the seemingly unrelated local cues and connect them into a logical flow aligned with the temporal variations of the global issue at stake (i.e., climate change). In a period of gradual change involving a complex set of cues, the frequent visual records of the same land could especially surface the consistent change pattern (Lawrence & Dover, 2015). In summary, organizational actors start to notice the local cues that signal global issues when the linkages among cues become clear.

These practices allow the organization and its members to connect the different and seemingly unrelated cues into a logical flow that indicates the underlying global issue. Embeddedness is critical to be able to identify the pattern through which local cues evolve, a connection of local cues over time that can be recognized only when the organization has a deep and long

understanding of the local context in which it is embedded. Without this in-depth knowledge, an organization might not see the dynamics in processes.

Our insights on connecting cues over space through local embeddedness resonate with prior studies that investigate global organizations' connections with various actors in local countries or communities, even though the concept of connecting is not theorized (London & Hart, 2004; Marquis & Battilana, 2009). Local embeddedness in space allows the organization to establish a number of relationships and interactions among other elements within a geography, increasing its ability to detect various cues. International business studies recognize that the ability of multinational enterprises to connect cues from various sources (e.g., government, NGOs, local communities) in a host country is critical for them to identify opportunities and mitigate risks in the local market (Bartlett & Ghoshal, 1990; London & Hart, 2004). London & Hart (2004) find that multinational enterprises which have developed relationships with non-traditional partners, such as local NGOs and communities, are better at detecting cues (e.g., local customers' needs, potential distribution channels in urban slums, or innovative approaches to overcome payment barriers of the poor) when exploring the emerging markets.

Further, our concept of embeddedness emphasizes that an organization is not only embedded in the geographical space but also in time. Focusing on local issues gives organizations knowledge of the temporal variations of the underlying issues over time. The deep understanding of how the different and seemingly unrelated cues connect can only be developed over "close contact and long association with the environment" (Tuan, 1974, p.446). Organizations can generate a focused longitudinal understanding of the issues that are most salient and urgent for them.

Our findings speak to Kim, Bansal and Haugh's (2019) theoretical insight that time has depth. The authors find that embeddedness allows organizations to view the present as an

extended duration, in which, for example, tea farmers take incremental actions that continuously improve resources stock to achieve sustainable development. By studying East African tea producers facing resources constraints, they noticed that the tea farmers embedded in the land could see the flow of resources in overlapping cycles and interconnected rhythms, such as seasons and tea production cycles. Embeddedness thus attunes organizations to see a pattern of evolution of local issues (Stephenson et al., 2020).

## **5.2 Contrasting Local Cues over Time and Space**

By contrasting local cues, an organization can compare local landscapes with those elsewhere and/or at different points in time. In other words, the organization contextualizes the cues. Contextualization, the ability of an organization to relate the local cues gathered in other places and times to the context in which they unfold, enables an organization to contrast local cues over time and space. Since local issues can emerge and cascade into global issues, which then can be embodied with different spatiotemporal attributes (Eakin et al., 2009; Wright et al., 2020), understanding the large-scale processes requires organizations to channel attention to cues across scales. Contrasting the local cues over time and space facilitates the identification of similarities between the patterns observed in the place where the organization is locally embedded and the patterns noticed in other places and times. Establishing those links is essential to be able to relate local cues to a global issue.

To enable this contextualization, an organization can develop three sets of practices. The first set of practices consists of immersing organizational actors into other places that seem to exhibit similar patterns. Such immersion needs to last a certain period of time and rely on profound ties for the latter to provide the depth of knowledge and experience needed to notice the local cues in the context in which they emerge. Short trips happening in settings extraneous to the local

inhabitants (e.g., tourism), which Relph (1976) identified as a source of separation, alienation, and unfamiliarity, are not likely to generate useful insights. Such superficial investigation could even be detrimental to the organization because it could trigger false cues and interpretations (Godart et al., 2015).

In the case of LuxuryYak, employees were encouraged to spend extended time in foreign countries to learn textile techniques and management knowledge. By contrasting the local cues in various countries, employees formed a better understanding of the impact of climate change on the livelihood in those countries. For instance, while in big cities in China and Europe, YD was able to understand the impact of global warming on the environment. The mutual interactions between the Tibetans and outsiders and the maintenance of the bond over a long period of time were key to be able to gather in-depth knowledge on what was happening in both settings. The similarities of contexts enabled the organization to realize the commonalities across space. In doing so, the organization could identify a pattern linking local cues across space to the same global issue, to wit: climate change.

The second set of practices consists of contrasting local cues gathered in other places with the local cues observed in the place in which the organization is embedded. The essence of contextualization is that the organization is able to put the local cues into a higher context than the level being analyzed and recognize that local cues are induced by a global issue (Kozlowski & Klein, 2000; Schad & Bansal, 2018). Similar to the immersion of organizational members in local contexts described above, the ability of the organization to contrast local cues across space is essential to identify the pattern that links local cues to the global issue.

While the immersion brings the depth and the longitudinal understanding of the conjoint evolutions of two similar contexts, this second set of practices enables the broadening of the level

of analysis. Through repeated and contextualized observations, the organization is able to relate the local cues it observes with a global issue. In the case of LuxuryYak, such observations were obtained through the relationships established between the organization and individuals belonging to other contexts, for instance, American or European professionals and the founding family's members. By favoring exchanges between the employees of LuxuryYak and foreign visitors, notably through the usage of collective practices, such as basketball games, the organization could better grasp the context behind the evolution of the local livelihood. Similar to immersion, such interaction unfolded over a significant period of time and in contexts that favored mutual trust, which ensured that the local cues shared by the foreign visitors were provided with sufficient elements of context to be adequately interpreted by the organization. The same mechanism applied to the relationships established by organizational members with business partners in China and in the rest of the world.

The third set of practices consists of mobilizing historical accounts in order to contrast the past with the present through a richly described narrative. Research in geography (Massey, 1991; Pred, 1984) and organizational studies (Stephenson et al., 2020) recognizes that geographical space has never and will never be fixed. The length of temporal contextualization helps the organization understand changes in the timing and rates of change. A narrative contextualizes ideas in rich detail, and often with a timeline (Crawford, Coraiola, & Dacin, 2020). The narrative allows the speaker and the listener to compare what is being noticed with a contemporary experience.

In this case, it was clear that the disappearance of the grassland observed in the footage could not be explained only by present issues, such as overgrazing. The narratives with the elders surfaced the impact of what happened starting about forty years prior. The disappearance of grassland might have been interpreted as the result of a present issue if the organization could not

have put it into a historical perspective. To gather historical accounts, an organization can rely on archives, such as the diaries of the founders in the case of LuxuryYak, or other forms of written testimonials, such as books, or on the elders' memories shared through oral stories. Those historical accounts offer precious insights into the evolution and the potential reasons behind the evolution of the issues over a longer period of time.

To notice issues requires the organization to contextualize cues in a large background. Organizations have been increasing their temporal spans to draw upon either history (Schultz & Hernes, 2013) or distant future challenges (Augustine et al., 2019), as well as enlarge their geographic stretch from the local to the global (Baum & Haveman, 2020). Together the contextualization provides the organization with a pattern relating local cues from multiple locations needed to detect an issue that unfolds across a large geography and long period of time, despite the latter being accessible only through local cues. Through the multiple observation points across space and time, the organization can situate cues observed in one moment and one place into the global historical perspective.

Our insights on simultaneous connecting and contrasting resonates with insights from the history literature. Cruikshank (2005) relied on cues recorded in the oral tradition from Indigenous elders in the Saint Elias Mountain region in Canada and the 18<sup>th</sup>-century European explorers' journal accounts to study environmental change. The cues recorded by actors from different spaces and times, as scientific geological data on climate, allowed the consistent recognition of the Little Ice Age. Contrasting cues to identify the global issue made a significant contribution to a geological study by providing detailed accounts of how the landscape was reshaped. Similarly, Inuit communities identified that sea ice had been melting, even without knowing the background of climate change (Durkalec et al., 2015), and native fishermen in Eastern Canadian islands noticed



fish populations had been decreasing significantly, long before the fishery collapse (Bavington, 2011). As the organizational actors could connect cues over time and space at the micro level, and then contrast these cues with the global context, they were able to see connections and relationships that signal global issues in the earth systems, without necessarily knowing the cause.

Interestingly, we observed LuxuryYak's organizational practices that mix both connecting and contrasting (i.e., when the President contrasted the situation of Tibet in the 2000s and of France in the 1960s). In such a case, the organization used visual techniques and historical accounts to contrast local cues over time and space. The effect is particularly strong when cues collected across a large geographic span and over a long period of time are contrasted.

## **6. Discussion**

### **6.1 Noticing Global Issues Locally**

The findings in our research solved the practical challenge of detecting cross-scale issues when a broad attention extent interact with a fine attention grain (Hahn & Knight, 2019; Schad & Bansal, 2018), which often takes significant attentional resources (Bansal, Kim, & Wood, 2018). Our research suggests that embedded organizations can, in fact, be well-equipped to identify global issues when the organization is able to connect and contrast the local cues across time and space.

Global issues unfold across a large geographic region and manifest over a long period of time. The spatiotemporal attributes of global issues mean they are often latent, which makes it difficult for organizations to identify them. The identification of global issues is particularly hard if the organization is anchored in a small geography and its time spans a short period (Bansal, Kim, & Wood, 2018; Porac et al., 1989; 2011). Yet, global issues manifest and are responded to on the local level (Eakin et al., 2009), which requires local organizations to detect them.

Prior literature has investigated how organizations detect local issues (Weick, 1993; Whiteman & Cooper, 2011). With limited attentional resources, locally embedded organizations would normally miss global issues (e.g., Bowen et al., 2018; Porac et al., 1989; 2011; Whiteman & Cooper, 2011) because the spatiotemporal variations of global issues are difficult to detect locally. We found that LuxuryYak, an organization embedded in a Tibetan nomadic village, surprisingly overcame the challenges associated with limited attentional resources. Connecting deepens organizational insights in space and across time and contrasting helps relate those insights over time and across space. Together, the processes of connecting and contrasting local cues over time and space enable the organization to channel its attention towards recognizing local cues signaling a global issue. The organization succeeded in developing organizational practices that allowed the recognition of global issues (e.g., climate change).

Our research builds on Bansal, Kim and Wood (2018) by uncovering specific organizational practices and attention mechanisms for organizations to operationalize the appropriate attentional grain and extent to global issues locally. Through embeddedness in space and time (e.g., being rooted on land, and visual techniques), an organization is able to collect fine-grained cues, meaning calibrating richness of local insights into the issue (Whiteman & Cooper, 2000) and detecting evolution of the underlying issue (Kim et al., 2019; Stephenson et al., 2020). Through contextualization in space and time (e.g., immersing organizational actors in other places exhibiting similar patterns, contrasting local cues gathered in other places, applying historical accounts), an organization is able to enlarge the extent of cues collected, puts the global nature of the issue and its local implications into full view (Eakin et al., 2009; Kozlowski & Klein, 2000; Schad & Bansal, 2018).

In this research, we focused on an organization locally embedded and found that weak cues from an extremely small scale could allow an organization to recognize issues at the other extreme of the whole earth. Future research could investigate if the mechanisms of connecting and contrasting may work the other way around; can global cues from an extremely large scale allow organizations to address issues at the local level? For example, reinsurers, the large multinational companies that insure primary insurance companies for global and long-term risks, could identify the relationship between global issues (e.g., climate change) and their effects on the local level (e.g., claims for extreme weather events). How could organizations detect local issues by drawing on global cues?

Future research could explore in detail how connecting and contrasting could be combined and adapted to allow organizations to recognize local issues through global cues. For example, multinational enterprises (MNEs) are often perceived to operate on a large scale, meaning they draw on cues that are temporally and spatially distant from the place of their actual operations (Mazutis, Slawinski, & Palazzo, Forthcoming; Shrivastava & Kennelly, 2013). Yet, their operations affect the places, and the impacts in one point of time and space can feed back into the global system where the MNEs are embedded (Whiteman, Walker, & Perego, 2013). This misalignment between MNEs' broad attentional structures and their local impacts is one of the key reasons why they fail to address local issues. Future research could investigate how organizational practices (e.g., nurturing partnerships with local communities to contrast distant cues) could work in different modalities and allow MNEs to recognize and address local issues.

## **6.2 Attention to Cues across Time and Space**

Our theory of connecting and contrasting cues over time and space speaks to the concept of attention triangulation by Rerup and Vendelo (Rerup, 2009; Vendelo & Rerup, 2009). Rerup

and Vendelo theorized stability, vividness, and coherence as three critical dimensions of organizational attention systems to magnify and coordinate weak cues. Through the combination of the three different dimensions of attention, a specialized complex organization can detect potential threats by collecting cues associated with core and emerging issues across different levels and units within the organization. Yet, their theorizing of attention triangulation focuses on organizational designs, structures, and processes (Lawrence & Lorsch, 1967) but are silent on the spatiotemporal dimensions of issues. Organizations may still miss cues when their attention structure doesn't match with the spatiotemporal attributes of issues.

Recent work recognized that organizations are embedded in time (Kim, Bansal, & Haugh, 2019) and space (Beyes & Holt, 2020; Stephenson et al., 2020), and conceptualized issues as dynamic processes with spatiotemporal variations (Bansal et al., 2018). We extended the concept of attention triangulation in this research by recognizing the mechanisms through which organizational attention can be channeled to address the specific spatiotemporal problems of issues that arise when cues are across time and space. Connecting focuses on calibrating fine-grained cues by embedding the organization in time and space. Contrasting focuses on enlarging the extent of attention structure so that the organization can contextualize the cues to understand the underlying issue. We find that embeddedness may actually connect stability, vividness, and coherence when the organizational actors can contextualize the weak cues in the larger context and approximate the bigger picture of the issue from their own context. Attention triangulation enables the organization to generate a complete understanding of the core and emerging issues. Yet, our approach means that the local organizations can gather enough fine-grained information over multiple distant points to understand the global nature of the underlying issues, without having the whole picture.

### **6.3 Breaking Pre-existing Mental Maps**

Prior literature has highlighted that organizational members' pre-existing mental maps can obfuscate cues that indicate latent issues (Christianson et al., 2009; Weick, 1988, 1993; Whiteman & Cooper, 2011) because cues usually become invisible to them as they learn to live in the specific context (Tuan, 1977, 1990). In our research, we find that LuxuryYak developed organizational practices that help them break this mental map through connecting cues over time. Cues are recognized when the organization visually documents the subtle but continuous cues, and develops a logical flow of the cues that infer the evolving processes of the underlying issue. In a period of gradual change, the illustration of stability and change in the same land especially surfaced the changing pattern and enabled the identification of change (Lawrence & Dover, 2015).

Our theoretical insight demonstrates a mechanism that overcomes the obfuscating effect (Maitlis & Christianson, 2014) from existing sensible accounts of the place that prevent recognizing weak cues. The sensible accounts organizations hold towards a place usually change slowly (Stedman, 2003; Tuan, 1977), thus creating a time lag that obfuscates organizations' noticing cues. Prior research undermines organizations' abilities to recognize weak cues when the global issues gradually manifest on the local level. The gradual change of the place thus becomes invisible to the organizations. The pre-existing mental maps can thus become a barrier for organizations when incremental adaptations are not sufficient and more fundamental changes are needed to cope with environmental changes (Porac et al., 1989)

Our theorizing adds to this line of work by illustrating that embedded organizations can develop organizational practices to overcome the routines embedded in organizations and people's cognitive biases, which resist weak cues that would challenge their existing accounts. We

recognize that organizations can recognize cues of gradually unfolding global issues. Notably, organizational attention was strengthened when the organization can revisit the various cues frequently over a long period permits, recognizing the evolution of the underlying issue. Our theorizing provides insight for organizations to recognize weak cues during gradual change and grant organizations time to react properly towards the global issues and avoid crises.

#### **6.4 Limitations**

In this research, we identified two key processes--contrasting cues over time and space and connecting cues over time and space--that allow an organization to notice local cues that signal global issues. Although our research was conducted in a small organization embedded in a remote place, the theoretical insights can be transferable because our research setting served as an ideal unconventional context for us to capture the mechanism that may be too weak to notice in conventional settings. At the same time, several limitations remain in this study.

First, we didn't explicitly study how the organization noticed the social aspect of local cues, such as the declining use of the Tibetan language, traditional religion, and culture and the emerging urbanization that signal global issues, such as economic globalization. We focus on the ecological aspect of local cues that signal global issues for analytical rigor. We acknowledge that our world consists of social-ecological systems, the interconnected social and ecological reality in which the human society and the biophysical world are linked with reciprocal feedback and interdependence (Berkes et al., 2000). Human societies must be seen as a part of, not apart from, ecosystems. Second, we found two processes--contrasting cues over time and space and connecting cues over time and space --that can work together to allow the organization to notice local cues that signal global issues. We suspect that the insights can be transferable to intangible

and virtual organizations, which disembodied from any specific place. Despite these limitations, our research offers important theoretical insight and practical implications for organizations.

## **7. Conclusion**

By studying LuxuryYak, a locally embedded and globally contextualized organization on the Tibetan Plateau, we found two mechanisms that enabled organizations to detect global issues locally: connecting local cues over time and space and contrasting local cues over time and space.

Since 2006, the World Economic Forum has been monitoring global issues in the economic, environmental, geopolitical, societal, and technological dimensions. The likelihood and impact of global issues have increased significantly over the years, especially in the environmental and societal aspects (WEF, 2020). More than ever, organizations need to understand how to notice global issues locally. This research serves as our attempt to put bricks into the path of organizational scholarship that helps local organizations and communities to deal with global issues (Ferraro, Etzion, & Gehman, 2015; Tihanyi, 2020).

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## **CHAPTER THREE - SENSE OF PLACE AND SUSTAINABLE DEVELOPMENT:**

### **HOW A TIBETAN BUSINESS PURSUE THE DESIRABLE FUTURE FOR PLACE**

#### **Abstract**

Sustainable development requires a dynamic equilibrium between global and local processes. Sense of place serves as an ideal lens to study business and sustainable development because the concept focuses on understanding local phenomena, which is critical for sustainable development in an increasingly placeless world. This study investigates how business can contribute to sustainable development through sense of place. I seek the answer to the question through an in-depth case study of LuxuryYak, a place-based organization on the Tibetan Plateau. Data were collected through a three-month ethnography. I identify and theorize three underlying sense of place mechanisms – emotional attachment, functional dependence, and mutual dependence. These mechanisms guide organizational practices to actualize three sustainable development aspirations for the place-based organization: heritage preservation, poverty alleviation, and sustainable livelihoods. This study advances business research on sustainable development and sense of place.

## 1. Introduction

For businesspeople, a grassland is a way to profit. For herders, it is a home.

--A Tibetan nomad turned conservationist, PS

Sustainable development, “development that meets current generation’s needs without compromising the interest of future generations” (WCED, 1987, p. 43), emphasizes both intergenerational and intragenerational equity. To achieve sustainable development, organizations should meet peoples’ needs not just within and across time, but also within and across local and global spaces (Bansal et al., 2018; Buckley et al., 2017). However, as organizations are increasingly globalizing and virtualizing, they become placeless (Relph, 1976; Shrivastava & Kennelly, 2013). The loss of place is argued to be one of the primary reasons why sustainable development is so elusive (Shrivastava & Kennelly, 2013). Local societies and organizations in remote areas especially suffer because they are often the most affected by sustainable development issues (WCED, 1987), yet neglected by global organizations (Brandl et al., 2021; Prahalad & Lieberthal, 1998; Whiteman et al., 2013).

To enrich understanding of sustainable development, organization scholars suggest including ‘sense of place,’ a concept from human geography, as a critical mechanism. Sense of place is usually regarded as the affection, attachment, and belonging between people and a place, its landscape, human-made environment, and narratives (Relph, 1976; Tuan, 1974a). The concept focuses on understanding local phenomena (Lawrence & Dover, 2015), which is critical for sustainable development because sustainable development requires a dynamic equilibrium between global and local processes (Millennium Ecosystem Assessment, 2005; Rockström et al., 2009).

Sense of place specifically addresses individual and organizational cognition and behavior vis-à-vis their place (Guthey, Whiteman, & Elmes, 2014; Shrivastava & Kennelly, 2013). Prior research at the individual level shows that sense of place can enhance environmentally responsible behavior (Vaske & Kobrin, 2001). Organization researchers implicitly assume or explicitly suggest that organizations possessing a sense of place commit more to sustainable development (Guthey et al., 2014; Shrivastava & Kennelly, 2013; Whiteman & Cooper, 2000).

Despite the argument's intuitive appeal, it tends to portray sense of place as an emotional construct. Emotional drive, however, does not tell us what aspect of a place people value or what type of actions people would take to contribute to sustainable development. Emotional attachment could even create a time lag to the changing reality (Masterson et al., 2017), preventing organizations from making fundamental adaptations when the place is undergoing drastic changes. In a world of ecological disruptions that are rapidly reshaping places (Whiteman et al., 2013), seeing sense of place as an emotional construct could become a barrier for timely adaptations and ultimately impede sustainable development. I am thus motivated to ask in this paper: *How can businesses contribute to sustainable development through sense of place?*

I address this research question by studying a place-based organization, LuxuryYak, in a nomadic village on the Tibetan Plateau, which has attempted to foster sustainable development in the region. Data were collected through fieldwork, including non-participant observation, formal interviews, and organizational archives.

I found three pathways for the place-based organization to contribute to sustainable development, guided by three distinctive sense of place mechanisms: emotional attachment, functional dependence, and mutual dependence. Emotional attachment, the target-specific emotional bond between an organization and its place (Gregory, Johnston, Pratt, Watts, &

Whatmore, 2009), encourages the organization to preserve heritage, retaining a historical continuity of place (Howard-Grenville et al., 2013). Functional dependence, the perception that local resources support humans and the organization's critical needs and goals (George et al., 2015; Hart, 1995), encourages the organization to alleviate poverty through trading goods with the outside (Helpman & Krugman, 1985; Krugman, 1991). Mutual dependence, the recognition that an organization is embedded in its place and the fates of place and organization are mutual, allows the organization to generate sustainable livelihoods to cope with the changing processes of place (Berkes et al., 2000). Through the three pathways, LuxuryYak has been actualizing a future based on the nomads' sustainable development aspirations for their next generations.

The first contribution of this paper is to organization studies on sustainable development. Though a scientific concept, sustainable development focuses on meeting people's basic material needs with limited resources (WCED, 1987) and should also consider people's cultural and spiritual needs (Gladwin et al., 1995). Essentially, sustainable development means the desirable future of place for local societies and organizations (Massey, 1999). The current discussion on sustainable development sees the gains such as generating employment and income (Buckley & Ghauri, 2004; Narula, 2019), but neglects the losses associated with spiritual and cultural significance in the conventional development model. Sustainable development is about improving human well-being in multiple dimensions (McMichael, 2016). Focusing primarily on economic benefits obscures alternative sustainable development aspirations. Sense of place guides organizations to contribute to sustainable development by clarifying the desirable future of place from the perspective of the local communities, allowing a plurality of sustainable development pathways for the locals.



This study also offers insights about a global sense of place by recognizing the linkages among places, thus reducing the divide between the local and the global. Prior research conceptualizes place as a bounded entity with enclosing boundaries (Howard-Grenville et al., 2013; Lawrence & Dover, 2015; Wright, Meyer, Reay, & Staggs, 2020), which create a mental spatial divide between “us” and “others.” This mental divide appears problematic in a globalizing world where the boundaries between local places are increasingly reduced. This research recognizes the links among places, which encourage organizations in different places to find common ground. The global understanding of place could encourage more collaborations at a global level for sustainable development in an increasingly connected world.

## **2. Theoretical Background**

### **2.1 Sustainable Development**

Societal level development seeks to improve human well-being (McMichael, 2016), which includes meeting basic physical needs, such as food, water, and housing, as well as non-material needs such as identity, culture, a sense of community, freedom to achieve a state of life one values, and democracy (Friedmann, 1992; Max-Neef et al., 1992; Sen, 1999). Despite development being multidimensional, it has been interpreted as the more unidimensional concept of economic growth (Friedmann, 1992). Economic growth assumes that development proceeds along a monotonic and linear path. More economic wealth is perceived to be better, and the faster it is gained offers a competitive advantage over other nation states. This assumption has motivated countries to focus on economic growth as the means for development. By the end of the 20<sup>th</sup> century, many global human indicators such as population, GDP, and foreign direct investment increased exponentially.

By the 1960s, the development model was challenged (Hoffman & Bansal, 2012) when the scientific community started to identify that human progress is limited by finite resources from the planet Earth (Carson, 1962; Meadows et al., 1972). Sustainable development emerged in the 1980s, acknowledging that the world economy is a subsystem of human society embedded in the materially closed and finite biosphere (Whiteman et al., 2013). The introduction of sustainable development acknowledged that development is more about how we survive the future than how we improve the past.

In 2015, the United Nations (UN) adopted 17 Sustainable Development Goals (SDGs) as the guideline to achieve sustainable development. SDGs address issues such as ending poverty and hunger (SDG1&2), improving health and education (SDG3&4), developing renewable energy (SDG7), creating jobs and economic growth (SDG8), combating climate change (SDG13), protecting life below water and on land (SDG14&15), etc. These SDGs were operationalized as 169 specific targets, offering aspirations for nation states to achieve by 2030. UN SDGs are critical phenomena for organizations to address because they often profoundly affect a large number of individuals and organizations, and once solved, many people and organizations could improve their well-being (Ferraro et al., 2015; George et al., 2016).

At the organizational level, business sustainability describes a firm's ability to cope with its short-term financial needs without compromising its own and society's abilities to meet future needs (Bansal & DesJardine, 2014; Slawinski & Bansal, 2015). The conceptualization of business sustainability acknowledges that organizations are part of a larger system and that organizations have interdependence on the broader social and ecological systems (Bansal & Song, 2017). Organizations actualize sustainable development through social and environmental practices, "organizational practices that have a positive effect on society by improving the firm's

impact on the social and natural environments” (Ortiz-de-Mandojana & Bansal, 2016, p.1616). Organizations’ social and environmental practices go beyond the organizational boundary and improve the organization’s ties with the broader social-ecological systems (Ghoshal & Bartlett, 1990).

Sustainable development issues are embodied, experienced, and responded to by organizations in particular places, mediated by the economic, social, and ecological facets of the place (Oborn et al., 2019). The field of human geography’s concept of sense of place offers rich potential to understand organizations and sustainable development as a local phenomenon (Masterson et al., 2019; Masterson et al., 2019; Stedman, 2016). I describe sense of place below.

## **2.2 Sense of Place**

A place is the “human-wrought transformation of a part of the earth surface or of pre-existing, undifferentiated space” (Gregory et al., 2009: 539). Physical space is uniform, homogeneous, amorphous, and intangible, whereas a place involves a concentration of human intentions, attitudes, purposes, experiences, and values (Relph, 1976; Tuan, 1974). Place has both temporal and spatial aspects. Temporally, a place is a contingent process that involves transformation over time (Pred, 1984). Spatially, place is a specific geographical locale whose size can vary (Gregory et al., 2009). Research in human geography found that individuals, organizations, and communities can develop sense of place, described as “the attitudes and feelings that individuals and groups hold vis-à-vis the geographic areas in which they live” (Henderson, 2009, p. 676). Tuan (1977) describes sense of place as the meanings and attachment to a place held by individuals or groups. Place attachment is the positive emotional bond between people and place (Gregory et al., 2009). Place meanings are descriptive statements about how people perceive and interpret a place (Masterson et al., 2017).

Places are used or proposed for various purposes by different organizational actors possessing various forms of sense of place (Lawrence & Dover, 2015). When present sense of place and potential future sense of place become explicit, organizational actors become part of place transformation (Massey, 1999) through organizational practices. Feld (1996:91) suggests, “as place is sensed, senses are placed; as places make sense, senses make place.”

Sense of place affects place in three major steps. First, sense of place is constructed by how organizations apprehend their relationships to place (Whiteman & Cooper, 2000). Sense of place also reflects how the organization imagines the desirable state of the place in the future (Massey, 1999). Second, the sense of place constructed by humans can inform the place-related organizational practices, which generate material consequence on the place towards the desirable state (Lawrence & Dover, 2015; Whiteman & Cooper, 2011). Third, the material consequences, such as the emergence of a new industry in place, continue to reshape the place, which will then challenge the existing account of the place. Organizations need to determine what the new state of place means and what actions are necessary to cope with the changes.

Sense of place continues as place and organizations interact and shape one another over time (Massey, 1991; Pred, 1984). In the *Organic Machine*, historian White (1996) describes that electricity generation companies have gradually modified the Columbia River into a series of small lakes over the last two hundred years. Consequentially, Native American populations and rural communities along the river must constantly make sense of the changing Columbia River to maintain their livelihoods over generations.

### **2.3 Sense of Place and Sustainable Development**

Sense of place has been widely applied in environmental psychology to explain people’s environmentally responsible behavior. Sense of place, usually taken as the emotional attachment

and feeling of belonging between people and a place (Relph, 1976; Tuan, 1974a), is perceived to encourage people to invest in, maintain proximity with, and protect the continuity of their place (Jorgensen & Stedman, 2001; Tuan, 1990; Vaske & Kobrin, 2001). In management studies, the dominant perspective implicitly assumes or explicitly argues that organizations possessing a sense of place are more likely to contribute to sustainable development through environmentally responsible practices (Elmes et al., 2012; Guthey et al., 2014; Hamann et al., 2019; Shrivastava & Kennelly, 2013; Whiteman & Cooper, 2000).

Whiteman and Cooper's (2000, 2011) ethnographic work with Indigenous beaver trappers (tallymen) in James Bay, northern Quebec in Canada, makes an important contribution to the discussion. They suggest that managers with a sense of place, “a strong personal identification with local ecosystems” (p. 1279), have a greater commitment to stewardship of the environment. Some theoretical research also proposes that organizations possessing a sense of place could generate more beneficial influence on their local contexts. For example, Shrivastava and Kennelly (2013) propose that place-based organizations may be more likely to foster locally beneficial sustainability outcomes. Elmes and colleagues (2012) suggest place-based social enterprises may achieve more effective social performance.

Management studies that explain the relationship between sense of place and sustainable development are intuitively appealing, yet some issues remain. First, what does it mean for managers to possess a sense of place? Prior research tends to portray sense of place as an emotional construct and indicates that managers embedded in a place have an emotional drive that can be homogenously motivated to protect their place (Guthey et al., 2014; Shrivastava & Kennelly, 2013; Whiteman & Cooper, 2000). However, the studies do not tell us what aspect of a place organizations value. For example, when Notre-Dame de Paris burned in April 2019, people

from around the world showed emotional reactions, such as grief and depression. While Notre-Dame de Paris may mean a sense of belonging for Parisians or the French people, it probably means a famous touristic site for travelers from other parts of the world.

Second, the potential emotional intention does not necessarily explain the actual place-related practices organizations would take to protect the place. Research in environmental history provides puzzling phenomena where individuals or organizations conduct unsustainable behaviors in their embedded places. For example, in 17<sup>th</sup>-century North America, trade between Europeans changed how the Cree communities perceived nature, turning beavers and caribou into commodities, which encouraged unsustainable practices (i.e., over-killing numerous beavers for fur) (Krech, 2000).

Third, emotional attachment to place is becoming elusive in a world where time and space are compressed (Harvey, 1989) and places are losing meaning (Relph, 1976). The accelerating time and shrinking spatial distances in organizations disembodiment organizations from their social and ecological systems (Bansal & Knox-Hayes, 2013). Scholars argue that the decoupling of human and material space in contemporary life has led to a loss of emotional attachment to place (Tuan, 1974). The differentiated places and their meanings and narratives are now becoming undifferentiated and abstract (Harvey, 1993).

Over the last few decades, human activities have been altering the planet at an unprecedented scale and speed with the advancement of technology and the ability to organize. These radical changes challenge some assumptions about the relationship between organizations and place. As I elaborate below, prior research on sense of place and sustainable development, which tends to hold a sense of stability and be inward looking, does not have much to say in a globalized world with radical changes.

## 2.4 Sense of Place in a Changing World

To begin with, it is not clear how sense of place could guide organizations to sustainable development when place is undergoing rapid changes. Places on Earth had been relatively stable when global changes were slow and gradual. For many years, most places were able to restore themselves over time, undergoing gradual changes impacted by global forces. Early research on place thus conceptualized a place as a relatively static point where the future was treated as a stable linear continuity of the past (Castree, 2004; Gregory et al., 2009; Relph, 1976). Recent research, however, recognizes that places are impacted by radical changes (Masterson et al., 2017; Masterson et al., 2019; Ritzer, 2003). Ecological issues such as global warming, rising carbon emissions, and biodiversity loss have reshaped local ecosystems. Technological disruptions, including advancements in transportation, communication, and digitalization, have increasingly linked local places.

These radical changes challenge organizations' abilities to sustain a sense of stability in place. In this context, a strong emotional drive towards a static state of place could become a barrier for sustainable development when more fundamental transformations are needed to cope with the changing place. For example, Porac, Thomas, and Baden-Fuller (1989, 2011) find the 'Hawick Mind,' which encouraged the knitwear producers in Hawick, Scotland, to view themselves as a competitive set distinct from others in the same industry over the rest of the world. The sense of stability prevented them from making changes to deal with intense global competition.

Another issue is the increasing connection between local and global, challenging the assumption that local sustainable development issues can be solved without global coordination. Spatially, geographic boundaries are reduced and local nodes of places are now interconnected

(Baum & Haveman, 2020). Sustainable development issues, such as climate change and economic crises, are global, and solutions need to be globally coordinated. The emotional attachment mechanism, while being likely to generate more local benefits, could even harm sustainable development if organizations implement local practices without considering the impact on other places. For example, multinational enterprises' sourcing natural resources from the developing world has fueled sustainable growth in developed countries (Buckley & Ghauri, 2004). However, the demand for natural resources has outstripped the planet's ability to regenerate them, threatening global sustainable development.

In light of these developments, I ask: *How can businesses contribute to sustainable development through sense of place?*

### **3. Methods**

In Chapter 1 of this dissertation (Introduction), I elaborated the details of the research setting, the rationale to choose this setting and data collection. In this chapter, I describe the technical details of the analytical processes for this study.

#### **3.1 Data Analysis**

I analyzed the data in three steps. Conducting an inductive study, I acknowledge that the data analysis process was iterative. I describe the process sequentially.

*First step: Identifying organizational sustainable development aspirations.* When I started to collect data, I was generally interested to know how the organization perceived the desirable state of the place in the future. I used answers to this question to indicate the organization's sustainable development aspirations regarding place. I identified LuxuryYak's three aspirations in building sustainable development for the place: heritage preservation, poverty alleviation, and sustainable livelihoods. These aspirations are the desirable states of the



organization regarding the place in the future. I focus on the organization's sustainable development aspirations because sense of place reflects how the organizational members imagine the desirable state of place in the future (Massey, 1999).

***Second step: Identify organizational practices and the underlying mechanisms that explain the relationship.*** I conducted focused coding of the documents and transcripts assembled, concentrating on sense of place and organizational practices that embody sense of place to affect the place. The coding process was iterative. There were three major stages of coding.

In my first attempt, I coded data to identify relevant emerging codes (Charmaz & Belgrave, 2002) from the company chronicles (2003-2015) and the interview transcripts line-by-line. The coding process was guided by two specific questions: (1) What are the place-related organizational practices, defined as organizational practices that influence place towards the organization's desirable future? (2) What aspects of the place enabled or disabled the pattern of organizational practices?

I then organized these codes by merging codes that describe the same phenomenon and grouping them under conceptual categories. Three major categories of codes emerged: (1) the organization's sustainable development aspirations, (2) sense of place mechanisms that guide the organization to pursue the sustainable development aspirations: emotional attachment, functional dependence, and mutual dependence, and (3) place-related organizational practices. This exercise engaged with existing literature on place and sense of place. Table 7 demonstrates the data structure of organizational sustainable development aspirations and sense of place in three distinctive mechanisms that guide the sustainable development aspirations.

**Table 7: Summary of the Data Structure**

| <b>Aggregate Dimension</b>                             | <b>Second-order Theme</b>                             | <b>First-Order Code</b>   |
|--|---|---|
| Sustainable development aspirations                    | Heritage preservation                                 | Preserve culture and ecology in the place, replicate the model on the Tibetan Plateau, share and embody Tibetan religion, culture and identity        |
|  | Poverty alleviation                                   | The appropriate way of development for a place like ZR, capitalize the local valuable and unique raw materials, capitalize the local community skills |
|  | Sustainable livelihoods                               | Develop alternative livelihoods and increase local population in their place  |
| Emotional attachment                                   | Cultural attachment                                   | Attached to Tibetan Buddhism, language, and culture   |
|  | Ecological attachment                                 | Attached to the landscape of the plateau, attached to the herding life on the grasslands  |
|  | Social attachment                                     | Attached to community solidarity, attached to family solidarity   |
| Functional dependence                                  | Ecological resources                                  | Raw material (yak wool), grasslands   |
|  | Cultural resources                                    | Exotic cultural heritage  |
|  | Local skills  | Local craftsmanship savior-faire  |
|  | Social network resources                              | Community trust, connections with local religious leaders   |
| Mutual dependence                                      | Organization being part of the place                  | Need enough yaks and sheep to balance the grasslands, the sustainability of organization and place cannot be separated                                |
|  | Coping with changing process                          | Operate according to local seasonal cycles, “we are already somehow building the future,” need to change because the whole world is changing          |
|  | Local situated in the global                          | “We are connected to the whole,” “total isolation does not work.”   |
| Emotional attachment related organizational practices  | Retain physical proximity                             | Permanent workshop, managers being in the village full-time, local employment   |
|  | Organization’s identity tied to the local environment | Place-based design, shares experience with other Tibetan entrepreneurs  |
|  | Preserving the traditional culture                    | Tibetan artifacts, Tibetan building style, Tibetan as working language, Tibetan calendar, local festivals, Buddhism-based employee ethics             |
| Functional dependence related organizational practices | Integration to the global market                      | Luxury textiles, global market  |
|  | Know-how acquisition from the global platform         | Weaving training, management education, English and Chinese training  |
|  | Digitalization  | Mac, iPhone, enterprise resource planning system, E-commerce  |
|  | Textile technology acquisition                        | European handlooms, Italian felting equipment   |
| Mutual dependence related organizational practices     | Build a foundation for the long term                  | Materials with long life  |
|  | Retain sustainable supply of resources                | Limited production volume, limited numbers of yaks, limited capacity of the pasture   |
|  | Two-way exposures and integrations                    | International visitors, nomads in Hong Kong   |
|  | Integrate global elements into the local              | International professionals in the village, nomads working with professionals, basketball tournament, yoga training, women managers                   |

After organizing the codes, I coded the remaining data to identify more organizational practices showing sense of place. To be coded an organizational practice showing emotional attachment, the practice must meet the following criteria: the activity's primary purpose is to support the organization's effort to maintain proximity with the place, to guard the continuity of the place's natural and human-built environment and core cultural identity, and to improve the well-being of the local people. To be coded an organizational practice showing functional dependence, the practice must meet the following criteria: the primary purpose is to seek access to market, valuable factors of production such as natural resources, techniques, labor, and financial resources, and to help improve the organization's efficiency in utilizing resources for economic growth. To be coded an organizational practice showing mutual dependence, the practice must meet the following criteria: the process helps to regenerate the place and increase two-way exchanges between the local and the global.

***Third step: Theoretical model development.*** Finally, I crystalized the theoretical insights beyond the empirical contexts. This stage relied both on the existing literature on sense of place and the findings of previous steps, especially the aggregated theoretical themes and analytical memos, which I organized into a grounded theoretical model to explain how LuxuryYak's place-related organizational practices actualize its sustainable development aspirations. I theorize three pathways through which sense of place guides the organization to contribute to sustainable development: emotional attachment and heritage preservation, functional dependence and poverty alleviation, and mutual dependence and sustainable livelihoods.

Some memos, especially field memos taken during data collection that documented surprising moments (e.g., the Sales Manager questioned my understanding of the nomads'

suffering in the city), served as the entry point for theorizing, which I will describe in detail in the next section.

## **4. Findings**

I present the findings in four subsections. In the first subsection, I describe three sustainable development aspirations identified from LuxuryYak: heritage preservation, poverty alleviation, and sustainable livelihoods. In the following three subsections, I depict sense of place in three distinctive mechanisms that guide the sustainable development aspirations: emotional attachment, functional dependence, and mutual dependence.

### **4.1 Sustainable Development Aspirations**

There are surprisingly opposite narratives regarding sustainable development on the Tibetan Plateau between Chinese and western media. While the West romanticizes the traditional Tibetan life as happy, pure, and natural, and to be preserved, China portrays the traditional Tibetan life as poor, underdeveloped, backward, and to be progressed (Yu, 2013). LuxuryYak rejected the perception depicted by the West because inevitable changes in place are always occurring. However, this does not mean that LuxuryYak has abandoned the past completely because the well-being of Tibetan nomads also depends significantly on their relationships to their past. By contributing to heritage preservation, poverty alleviation, and sustainable livelihoods, LuxuryYak has attempted to build a future for the nomads to embrace the new elements while maintaining their heritage.

*Heritage preservation.* The first sustainable development aspiration focuses on preserving the unique ecological and cultural heritage of the place. Until recently, the Tibetan Plateau had been a relatively isolated place with a unique natural environment and cultural landscape strongly influenced by Tibetan Buddhism for centuries (Goldstein & Kapstein, 1999).

For LuxuryYak, Tibetan Buddhism surfaced as the essential element that defines the place.

LuxuryYak’s CEO explains a primary reason for creating the organization was to preserve

Tibetan cultural heritage, notably Buddhism:

For me, it was always important to come to a village because this is where the [Tibetan] culture is alive. This is where you can do, if you want to do something to keep it alive, it has to happen here...cultural preservation is really about what is unique as Tibetans. In that way, it’s of course Tibetan Buddhism....You can go back to the roots of what it is that make all Tibetans across the plateau, what’s the main common features. Tibetan Buddhism is the connecting thread across the plateau.

During my data collection in the field, I observed some of the changing built environments on the Tibetan Plateau. For instance, in my fieldnotes, I describe the penetration of modern and western elements in the architecture:

It takes 40 minutes to drive from LuxuryYak to Tso, the capital city of the Gannan Tibetan Prefecture... Although the city of Tso is located on the plateau and embedded in a place where the Tibetans are the majority, you can easily identify the difference between ZR and Tso: while people almost speak Tibetan in ZR, they all speak Gansu dialect at Tso; while there are pastures, yaks and sheep in ZR, you can only find constructed buildings, malls, and Beijing style huge avenues in Tso.... Tso is busy with new construction projects and has a very ‘weird’ combination of tradition and modernity. You can find buildings in traditional Tibetan style, decorated with red and white (which usually were reserved only for the monasteries), as well as Gothic style KTV houses. One interesting thing I found in Tso was the combination of a Tibetan antelope statue and an Eiffel-styled tower, located at the city’s central avenue.

**Figure 7: Street view at Hezuo City**



A statue of a Tibetan antelope and an Eiffel style tower



The Central Avenue at night

Photo source: author.

The purpose of keeping the Tibetan culture alive within the organization and its community is widely shared by LuxuryYak's members. The Sales Manager and the Production Manager commented on the importance of the Tibetan cultural heritage for them:

Tibetan language and culture are very important for me. I feel a sense of belonging and existence because of that... The most important thing about the Tibetan language and culture is of course that they are deeply connected with Buddhism wisdom. If we lose the language and culture, Buddhism wisdom will disappear at the same time. (Sales Manager)

I really wanted to go out of ZR 30 years ago... But now, I just want to live here at ZR. The food and the air are better here. I was born here and grew up here. I love the food, mountains, rivers, and people. (Production Manager)

Unlike organizations embedded in modern secular society, LuxuryYak aspires to preserve the heritage and meet the non-material needs that satisfy the nomads' identities. The CEO, Sales Manager, and Production Manager expressed ideas indicating that a deep physical, cultural, and spiritual connection with place is critical to the nomads' well-being.

Preserving the heritage is not only cultural but also ecological because the cultural aspects of place are anchored in its ecological environment. PS, a nomad turned conservationist, commented:

Grasslands not only provide a livelihood for the nomads, but also offer a spiritual and cultural haven for them...Nomads can make a living if they work hard. However, without the grasslands, nomads will lose their sense of existence.

He emphasized that the importance of the grasslands is not only about their economic value but also the connection to heritage and sense of happiness for the nomads. The physical experience with nature, though purely material, could gain non-material meanings through human cognition, thus forming a bond of affection between people and their environment (Tuan, 1990).

***Poverty alleviation.*** Urban populations tend to imagine the nomadic way of life as free and authentic. Although Tibetan nomads have been strongly influenced by Buddhism and

demonstrate a spiritual connection to the land, they also have material needs and aspire to improve the material conditions. The second sustainable development aspiration focuses on alleviating poverty in the nomadic village on the plateau.

LuxuryYak recognized the nomads' hardships in a world where herding was becoming less feasible. Traditionally, each village hired strong and tough men to guard their pastures, the very natural resources on which nomads' lives depend. Recently, environmental problems have taken place on the Tibetan Plateau, harming the pastures and reducing a nomadic lifestyle. Life depending on herding can be especially vulnerable due to the risks associated with natural disasters, such as snowstorms, animal epidemics, or hail, that could kill the herds and put families into collapse. Seeking economic opportunities, many young nomads began to leave their pastures to populate cities on the Tibetan Plateau and in the rest of China. With limited Mandarin skills and little formal education, most of the nomads were unable to find suitable employment and ended up marginalized in society. At the same time, they abandoned the rural areas, leaving elders and children at home.

When LuxuryYak was established, there were no roads or electricity provided by public service in the village. YD, a nomad-turned entrepreneur, explained, "From my childhood and now, the nomads [have been] herding and selling the animals, and then again...From the 1980s till now, they don't get out of poverty." The CEO articulated how jobs generated by LuxuryYak could improve the place:

Ideal development is that every village needs a source of employment that's in the village. Then, after that, a lot of things happen by themselves...if a family wants a new gate, they would build a new gate. They start to do themselves. If they want to concentrate on education, they will send their kids to school out there or here.

The story of LuxuryYak's Accounting Manager demonstrates the typical life of nomads turned employees at LuxuryYak. The Accounting Manager had been a nomad until his late 20s

and had not attended school. He was recruited by LuxuryYak in 2007 for purchasing groceries and then trained to do bookkeeping. In 2018, he built a guesthouse with four rooms, which was listed on AirBnb to attract the increasing number of visitors to the village. He shared the role of LuxuryYak in alleviating poverty:

The way of life here has always been herding. There are no agriculture or commercial activities, so everything people need depends on herding. But now the population has increased a lot, and the pasture has become worse. There are disasters in the pastures, and the grass is not growing well. Many people are suffering from that....In the next ten years, I hope that LuxuryYak can grow so that we can create more jobs for the nomads. Many people need sources of income, but ZR doesn't have many natural resources [to support herding anymore].

***Sustainable livelihoods.*** The third sustainable development goal focuses on creating livelihoods over generations. LuxuryYak's President articulated the organization's sustainability philosophy that allows the place and people to sustain in the long term:

The idea [of LuxuryYak] is to help them (the Tibetan nomads) completely transform something they have, like they have the raw materials, they had some kind of notions of spinning, weaving, and things like that....[Our approach is to] capitalize on these raw materials by transforming them in their place of origin, generating employment, and bringing life back to dwindling village communities....At LuxuryYak, they learn to function in a way that is tailor-made for them, transforming the raw materials that belong to them into products they can be very proud of.

Yet, the impact of the changing environment on the nomads is not only about livelihoods but also well-being. Due to their limited Mandarin skills and education and their cultural background differing from that of the Han Chinese, most of the young nomads were usually unable to find suitable employment in Chinese urban centers. The changing environment, therefore, also impacted the nomads' psychological well-being. A nomad turned conservationist, PS, helped the ethnographer understand what it meant that young Tibetans have been missing in this changing context:

Once I met an old man who told me that he couldn't stop singing when he rode a horse on the grassland. That's how people feel when they see the grassland: he would sing out



loud his happiness. That's what the grasslands mean to the nomads. If the grasslands disappear, the nomads will lose their happiness as well...I know many young people, they move to the city, get disconnected from their land and culture, stay in a cubic steel space for most of the time and could not practice daily worship in monasteries. Many of them engage in smoking and drinking. In the end, they will not be Tibetans anymore but not Han Chinese either. They feel themselves useless.

LuxuryYak's Sourcing Manager used a Tibetan proverb to describe how the nomads' lives had been changed: "In Tibetan, we say this is like 'Snow fell into the sea.'<sup>3</sup> When the nomads enter into the city, they are running into the risk of disappearing."

LuxuryYak was created with the mission to provide a source of living by filling the gap between where the old life is losing its meaning, and a new one is not yet defined. The organization was strongly committed to locating production and employment in the rural community so nomads would not be forced to leave their families and communities to find jobs in urban areas, a conventional model for economic development in many countries. The CEO summarized LuxuryYak's role in creating sustainable livelihoods:

Our ultimate goal is really two sides: on the one hand, we want to provide jobs to people and we want to keep them in their home village, so they don't need to migrate; on the other hand, we want to do it in the long term, so it's by making and giving back to the world market something beautiful. We want to provide something that's valuable globally and provide the jobs locally in the village.

By 2017, the company employed 120 people, employing around 10% of the local population and providing incomes that covered around 30% of the families. In so doing, LuxuryYak also revived the dwelling village as a place for the nomads to go through the globalization process. This provided a time buffer for the nomadic community to integrate to the global without being eroded by external forces that have been disrupting the old system. Now,

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<sup>3</sup> In Tibetan: ལ་བ་རྒྱ་མཚོར་བབས་ན། ལུ་དང་ཆར་བའི་ངང་ལྷོག།.

the organization serves as an inspiration for other communities on the Tibetan Plateau, and a yak wool industry has emerged.

In the following three sub-sections, I elaborate the three underlying mechanisms--emotional attachment, functional dependence, and mutual dependence--that guide LuxuryYak's place-related organizational practices that contribute to sustainable development. The mechanisms of sense of place, embodied as place-related organizational practices, shape the organization's relationships to the place. The three subsections describing sense of place mechanisms are structured as 1) illumination of a mechanism of sense of place with the empirical data; 2) explanation of the relationship between the sense of place and a sustainable development aspiration; and 3) organizational practices associated with sense of place, given that sustainable development is affected by place-related organizational practices.

#### **4.2 Emotional Attachment**

Emotional attachment is the target-specific emotional bond between organizational actors and a specific place (Gregory et al., 2009). My recognition of the emotional attachment between LuxuryYak and the Tibetan Plateau surfaced when I conducted desk research on the organization before the ethnographic work. Even LuxuryYak's brand image embodied a strong local identity. Yet, I was unaware of how the organizational individuals actually felt that emotional attachment until I received unexpected feedback from LuxuryYak's Sales Manager. One month after the beginning of the data collection, I presented my first draft of LuxuryYak's story to the Sales Manager, who questioned my writing about how the social changes on the plateau impacted the nomads:

You wrote that many Tibetan nomads left their homes for cities for alternative livelihood but ended up at the bottom of the urban economy because of their language barrier and skills, which is true. However, I think you neglected the sense of loss when they are not in their own environment. The city is challenging for them not just because they cannot

have a decent job....The most important thing is that they cannot have the life that they grew up with...happiness, culture and religion tied to the land...For me, the Tibetan language and culture are very important. I feel a sense of belonging and existence because of that.

The assumption about place in this definition follows Tuan's (1974) view that place is a field of care and signals a particular historical narrative. Place serves as a source for people's identities, which Proshansky (1978, p. 155) defines as "those dimensions of self that define the individual's personal identity in relation to the physical environment"; it becomes a partial answer to the question, "Who am I?" and forms the purpose of the people.

People can develop emotional bonds with place through "close contact and long association with the environment" (Tuan, 1974, p.446). The nomad turned conservationist, PS, used an analogy to describe the emotional attachment with the land:

We nomads are like wild yaks. Wild yaks should run on the grasslands; if you put them into the zoo (meaning city), they will lose spirits.

In the findings, place serves as a source of well-being through the nomads' physical experiences with nature and a common identity based on Tibetan Buddhism. Emotional attachment shares the worldview which insists people have a deep ecological, emotional, and spiritual connection with their place (Whiteman & Cooper, 2000). Place associated with emotional attachment is by nature local, with clear physical and cultural boundaries that distinguish one place from another place (Lawrence & Dover, 2015).

***Emotional attachment and heritage preservation.*** The emotional attachment to a place encouraged the organization to maintain the continuity of the place's heritage. What the organizational actors envisioned about the place in the future is deeply connected to its heritage. LuxuryYak's President shared how her emotional attachment to the Tibetan Plateau led to the creation of the enterprise:

It's (To create LuxuryYak) a very personal thing. It's my attachment to Tibet. I believe Tibetans have to help Tibetans, because that's where your heart is; usually it ends up like that....My aim is always to preserve Tibetan Buddhism....I knew so many people who had owned everything and lost everything. I started to look for more spiritual values and more human values, things that you could carry as your baggage that make you happy in whatever situation, and how to deal with it whatever you got, and how to make your life in a meaningful way. I thought that's what brought me there. So, I always looked for Buddhism....What I did [with LuxuryYak] is kind of like a bridge [to connect] the cultural continuity of Tibetan Buddhism....I realized that if I really want to preserve Buddhism, it must start here in Tibet, not somewhere [else].

The spatial scale of place can include “[a]t one extreme a favorite armchair . . . [and] at the other extreme the whole earth” (Tuan, 1977: 149). Tuan argued that field of care often embodies a place of small scale, such as a house or a village, which is associated with the concept of home and evokes affection. Thus organizations embedded in a specific place tend to develop emotional bonds and are mindful of the distinctive meanings and narratives of the locale, its landscape, natural and human-built environment, and place identity (Relph, 1976; Shrivastava & Kennelly, 2013). This local embeddedness allows local organizations to steward the limited resources better and commit more to locally beneficial outcomes (LaMore et al., 2013; Shrivastava & Kennelly, 2013; Slawinski et al., 2019). PS expressed how emotional attachment made him committed to a career in ecological conservation when he was shocked at seeing the once lush pastures turned into deserts:

It was during the new year break in 1996 when I came back home from college. There was a sudden sandstorm on the grassland. We were riding the horses and I could not even see the people who walked in front of me. I had never seen such a phenomenon since I lived here from childhood. I was shocked to see the dramatic change in my hometown. Then I stood there with the horse in the middle of the sand for about half an hour. I could see the sand slowly covering the pasture. I was really shocked to see how much my home changed....Since 1996, I have been thinking about why the grassland was degraded and if I could do something to help.

Emotional attachment to place, shared by the President and PS, is about the feeling of longing for a homeland associated with historical heritage. The findings suggest that

organizations can engage with activities to sustain the continuity of a place to maintain a sense of security. Attachment theory suggests that people tend to maintain proximity with the place to retain emotional security (Bowlby, 1980). This means that when people experience real or potential separation from the attached place (e.g., damage to its heritage), distress can occur. Place connected to a history (Zerubavel, 2012) forms people’s identities and a sense of purpose (Howard-Grenville et al., 2013). When the character of a place changes due to social and ecological disturbances, organizations experience anxiety. Organizations contribute to heritage preservation to maintain a sense of permanence for the place.

Interestingly, the data indicate that emotional attachment motivating heritage preservation is somehow associated with a place that has already changed. This emotional relationship with place resonates with early human geography research which viewed place as enclosed (Gregory et al., 2009), seeing “places as (actually or potentially) discrete” (Castree, 2004, p. 143) and newcomers and progress as an invasion or threat to authentic traditional life (Massey, 1994).

***Emotional attachment related practices.*** LuxuryYak is physically embedded in its place, the nomadic village. In 2007, the organization set up a permanent physical workshop in the village and opted for a traditional Tibetan-style building to demonstrate its commitment to preserving the local heritage.

**Figure 8: The Position of the Organization in Place**



Photo source: author.

In 2007, LuxuryYak accidentally developed its iconic brand image, a photograph of a LuxuryYak blanket and one of its weavers sitting on a yak in the grey autumn pasture. From then on, the design of its products is inspired by the natural and human-built environment, animals, and plants of the Tibetan Plateau. The emotional attachment between the organization and its place is also embodied in LuxuryYak's brand image: A strong local identity with Tibetan tradition where crafts are showcased in their natural environment, with the people and animals that helped create them.

**Figure 9: Brand Image - LuxuryYak and Place**



Photo source: company archive.

The working language in the organization is Tibetan<sup>4</sup> and many artifacts on site are traditional Tibetan (e.g., pictures of Tibetan Buddhism monk masters and Potala Palace, the symbol of the Tibetan Plateau). Employees in the organization can pray at their village monastery daily and celebrate festivals such as Laptse (worshipping war gods) and Saga Dawa (Buddha's enlightenment day). Buddhism principles are encouraged for employees as work ethics. The organization has shared experiences with other Tibetan youth and entrepreneurs who want to develop similar projects. These practices allow the organization to retain and reinforce the historical continuity of the place.

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<sup>4</sup> For most formal organizations in nomadic villages around that area, the working language is usually Mandarin.

Emotional attachment related organizational practices allowed the organization to retain nomads on the Tibetan Plateau, reinforce the traditional Tibetan identity, and scale up the place-based model on the Tibetan Plateau. These practices are summarized in Table 8.

**Table 8: Linking Emotional Attachment and Heritage Preservation**

| Emotional attachment related organizational practices  | Practice category                                     | Emotional attachment mechanism                            | Sustainable development aspiration |
|--|---|---|------------------------------------|
| <ul style="list-style-type: none"> <li>• Building up a permanent workshop in the remote nomadic village</li> <li>• The CEO, a Tibetan American, lived in the village full-time</li> <li>• Employs local nomads (98% of its members are local) so that the nomads don't need to migrate to Chinese cities for livelihoods</li> </ul>  | Retain physical proximity                             | Retaining nomads on the plateau                           | Heritage preservation              |
| <ul style="list-style-type: none"> <li>• The design of its products is inspired by the natural and human-built environment, animals, and plants of the Tibetan Plateau</li> <li>• Shares experience with other Tibetan youth and entrepreneurs</li> </ul>  | Organization's identity tied to the local environment | Reinforcing the traditional Tibetan identity in the place |                                    |
| <ul style="list-style-type: none"> <li>• Artifacts symbolizing the traditional Tibetan culture</li> <li>• The workshop building in traditionally Tibetan style</li> <li>• Tibetan as the working language</li> <li>• Operate the organization according to the Tibetan calendar</li> <li>• Celebrates local festivals</li> <li>• Encourage Buddhism-based employee ethics</li> </ul> | Preserving the traditional culture                    |   |                                    |

### 4.3 Functional Dependence

As the research proceeded, I realized that there is a functional aspect of the land that is critical for organizations to generate income, providing the means to meet the nomads' material needs. Functional dependence surfaced as the other major theme that shapes the relationships of the organization to the place. Functional dependence refers to the material and non-material resources of a place that support an organization's critical needs and goals (George et al., 2015; Hart, 1995; Stokols & Shumaker, 1981).

For centuries, herders had lived with yaks and sheep on the pastoral grassland in equilibrium with the ecosystem on the Tibetan Plateau (Chen et al., 2015). The grasslands

supported the lives of the yaks and sheep that provided the basic needs for the nomads: meat, milk, fiber and fur for cloths, and dung for fuel. Although herding is decreasing, the place endowed LuxuryYak with valuable resources to create the enterprise and generate income for the nomads turned employees. LuxuryYak's Production Manager elaborated the functional dependence on the place:

I used to be a nomad. I didn't like that job because there is not much space for family development, with very little income and a lot of pressures from herding....Now my wife and I work here at LuxuryYak and earn incomes.

No organization can be self-sufficient; they depend on the material and non-material ties they establish with the places they are embedded in (Bartlett & Ghoshal, 1990; Dunning, 1998; Rugman & Verbeke, 2004). The raw material, yak fiber, is essential to create and deliver high-quality textile products, demonstrating a model of innovation and enlarging the potential for value creation. With high-quality raw material, the enterprise successfully utilizes these resources to offer global customers quality products. The way LuxuryYak utilizes local resources is similar to that of European craft houses, in which resources rooted in place are essential to enable the organizations to offer customers a qualitative experience tied to local "terroir" (rain, wind, sunshine, moisture of air) (Shrivastava & Kennelly, 2013).

Functional dependence embraces the pragmatic functionality of place. This definition perceives place as a geographic location that provides political, economic, institutional, and natural resources opportunities, which organizations can utilize (Dunning, 1998; Meyer & Peng, 2005; Rugman & Verbeke, 2004). Place not only provides natural resources, including plants, animals, and fossil fuels (George et al., 2015) but also resources in the political, economic, and institutional systems such as financial capital, innovation, and entrepreneurship clusters (Markusen, 1996) for organizations to leverage and meet organizational needs.



*Functional dependence and poverty alleviation.* Functional dependence holds that economic efficiency is a primary end for both the place and the organization. I found in the research that the functional dependence towards a place encouraged the organization to improve the place, which was often associated with the western and modern concept of development and international trade (Buckley & Ghauri, 2004; Krugman, 1993). Organizations contribute to poverty alleviation to achieve a sense of progress and development for the place.

Ironically, urban people from the developed region in China and the West often tended to romanticize the traditional nomadic life. During my fieldwork, the new generation of nomads occasionally expressed their frustration that their aspiration of a more modern way of life was often ‘denied’ by outsiders. As they started to go to school and gained access to media, they also hoped to acquire a materially prosperous lifestyle with apartments, cars, and electronics. A conversation with TS, a man from a nomadic family who had lived in a Chinese city for a few years, illustrated this point:

Me: I come to do this research because I think the Tibetan way of living can be inspiring for sustainability. As industrialization and modernization have led to environmental and social problems in our world, we need to explore the traditional knowledge of the Tibetan nomads about how we can live more sustainably with our natural environment.

TS: I don’t think so. Why do nomads not have the right to enjoy modernity? We also need to make money and push development. We also want to build a more comfortable house with furniture from IKEA.

The comparative advantage from international trade theory suggests that a country should utilize resources relatively richly endowed in its territory in exchange with other countries for resources relatively richly endowed in their territories (Helpman & Krugman, 1985; Krugman, 1991). On the organizational level, functional dependence encourages organizations to take resources from place, participate in global exchanges, and drive economic growth for the place. When the relationship between organizations and place is based on functional dependence, the

place is viewed as a pool that endows resources, providing a bundle of potential services for organizations to contribute to economic development and meet human needs.

YD, a former nomad and the husband of LuxuryYak's CEO, has engaged in utilizing local resources to create business and improve the nomads' lives. He was born in a nomadic family near the village of ZR but had opportunities to receive informal education in Cambodia, France, and Switzerland. He shared how the resources from the plateau could be utilized to make high-quality products for the premium market, thus generating more income for the nomads and improving their lives:

On the plateau we have the best products, meat, milk. (But) there was no market for that....The nomads always sold their raw materials to the middlemen, but never used raw materials to make products. It's a pity situation [because they don't get much]....Then we came, and we showed that we can make high-end products with our materials....Our employees, they are not dependent on the land anymore. They are paid every month, and cash flow is not a problem anymore.

Apart from LuxuryYak, the pursuit for poverty alleviation by utilizing local resources was said by my participants to be prevalent with many other organizations on the Tibetan Plateau. For example, I visited a government-supported yak cooperative around the same region. Two civil servants facilitating the development of the cooperative informed me that the government planned to integrate a more scalable business model with advanced science and technology to help the nomads speed up yak raising. A Tibetan academic told me that Tibetans could find a way to alleviate poverty because they have many good quality raw materials. However, the solution he suggested was "for Tibetans, they need capacity building to better leverage the resources to get higher income."

Organizations possessing functional dependence perceive themselves as a device to advance regional development, as reflected in the findings. Their contributions to local economic development are often achieved when organizations leverage their own financial capital,

technologies, and capabilities to utilize local resources with higher efficiency. Through utilizing local resources to participate in the global economy, organizations are able to create employment, generate income, and diffuse know-how and technology to improve local productivity (Grosse, 1992).

***Functional dependence related practices.*** LuxuryYak crafts luxury textiles and sells them on the global luxury market to realize the high value. It also sends some of the nomads to learn skills in other places. In 2006, the CEO led four nomads to Cambodia and Nepal to receive textile weaving and management skills. In 2018, the Sales Manager went through a social entrepreneurship education program at the University of Virginia for one month. The organization provides English and Mandarin training for employees, enabling them to do business with Chinese and international clients. Technological devices, such as iPhone and Mac, are widely used in work. It also utilizes foreign textile technologies. These practices allow the organization to improve its efficiency in utilizing local resources for economic growth.

**Figure 10: Technological Devices at LuxuryYak’s Office**



Photo source: author.

In general, functional dependence related organizational practices allow the organization to better leverage the local resources to operate the business, creating employment and contributing to economic growth in the place. These practices are summarized in Table 9.

**Table 9: Linking Functional Dependence and Poverty Alleviation**

| Functional dependence related organizational practices  | Practice category                             | Functional dependence mechanism | Sustainable development aspiration |
|---|---|---------------------------------|------------------------------------|
| <ul style="list-style-type: none"> <li>• Crafts luxury textiles with yak wool, and sells them on the global luxury market</li> </ul>  | Integration to the global market              | Establishing a business         | Poverty alleviation                |
| <ul style="list-style-type: none"> <li>• Sends the nomads to Cambodia and Nepal to learn about silk and cashmere textile weaving skills</li> <li>• Sends some nomad managers abroad (e.g., University of Virginia) to learn management skills</li> <li>• Trains its managers and employees with universal standard languages (English and Chinese)</li> </ul> | Know-how acquisition from the global platform | Improving efficiency            |                                    |
| <ul style="list-style-type: none"> <li>• Utilizes information system (e.g., Mac, iPad, an enterprise resource planning system)</li> </ul>   | Digitalization                                |                                 |                                    |
| <ul style="list-style-type: none"> <li>• Utilizes handlooms developed in Europe to help the hand-weaving process be more flexible and efficient;</li> <li>• Utilizes a piece of felting equipment from Italy to innovate the wool felting process.</li> </ul>   | Textile technology acquisition                |                                 |                                    |

#### 4.4 Mutual Dependence

As the data analysis proceeded, I identified another relationship between LuxuryYak and the place, mutual dependence, which refers to an organization’s perception that the organization is part of the place and they evolve together with a shared fate (Lawrence & Dover, 2015; Shrivastava & Kennelly, 2013). I first encountered the idea of mutual dependence when I learned the balanced system of nomads, their herds, and the pasture, which has sustained itself over centuries. DW, a nomad-turned entrepreneur, explained the mutually dependent relationship:

The grasslands are so wide; we need enough yaks and sheep to graze on the land to replace the old grass and allow new grass to grow in the following year for future use. If the animals don’t graze on the grass and leave their dung, how can the grasslands sustain?

Mutual independence indicates that human society and organizations are a part of, not apart from, ecosystems (Berkes et al., 2000). Later, I recognized that executives at LuxuryYak hold a similar relationship, in which they see the organization as part of the place. By describing

the relationship between LuxuryYak and the nomadic village in the long term, the President illuminated mutual dependence between LuxuryYak and the village:

If it's (LuxuryYak) successful, [it needs to] make money....It's very simple. With the small community with limited resources that could only produce a limited amount of things. You have to make things significant with culture, you can only make expensive things, and attract people who can pay for that....Of course, you don't want to do something that makes everything disgusting, so you will do something that doesn't spoil the environment, that's also part of it for me. Otherwise, you ruin the place. All those kinds of things boost together.

In functional dependence, resources in place are seen as open to exploitation. However, mutual dependence is distinctive from functional dependence in that it recognizes that the sustainability of organization and place cannot be separated. The organization and its place are united as one. The Sales Manager expressed how he was shocked to learn that American farmers conceptualized living animals as commodities:

I visited a ranch in Virginia....The farmers were only concerned about maximizing meat production from the inputs they gave to the animals. They started to calculate when to slaughter the animals the moment the animals just came into the world! That is shocking. For us nomads...when we herd the yaks and sheep, they were just lives that deserve to be treated as living beings, not food. They only became meat when they are dead.

***Mutual dependence and sustainable livelihoods.*** Resources in a place underpin the materials needs for organizations and people. Places are constantly changing processes (Massey, 1991; Pred, 1984) in which organizations and their place interact and co-evolve as a dynamic and balanced system where the ecological and social flows from the local and the global interact with human actors repeatedly over time. Despite the changing processes, the system of place and organizations retains essentially the same function, structure, and identity throughout the cycles (Walker et al., 2004).

Mutual dependence requires that organizations understand, cope with, and adapt to the changing place to drive business success and provide sustainable livelihoods for the local

population. At the same time, the heritage tied to place defines the identity of the organization and people, meeting their non-material needs, which are often essential for their well-being. The strategy LuxuryYak uses to avoid the tradition of place being eroded by modernization and globalization is to trade with the global market (Ritzer, 2003), transforming the place into a site for a sustainable future. If organizations operate in a way that aligns with the changing processes between organizations and place, sustainable livelihoods become possible. Reflecting on embracing change and building the future over the long term, the CEO articulated:

For me, it [sustainable development] was more about for the long term, and that can survive through generations and become a source of employment not just for us, but also for our kids in the future....One thing that struck me is when I first walked through the village in 2004; I took all these pictures of kids just playing in the village. Then in 2010, one day, I was looking at the pictures and realized that three of the kids were our employees. It was quite striking (laugh). In the beginning, I was like, "Wow! That child has grown up so much! I've been here for so long!" Then I realize we are already somehow building the future.

For LuxuryYak, ensuring the success of the enterprise and the well-being of the place also requires a delicate balance between being local and global at the same time. To fulfill LuxuryYak's mission in filling the void where the old life is losing its meaning, and a new one is not yet defined, the company had to revive the village to retain cultural continuity. However, total isolation does not work in a globalized world. By exchanging information with the outside, LuxuryYak provides a time buffer for the nomads to go through the globalization evolution so they can learn to function in the global system without compromising their local identity.

Mutual dependence thus holds the idea that the local place is situated in the larger global system. LuxuryYak's Sourcing Manager reflected about the ideal approach to sustainable development, based on his own assessment after spending about one year in the United States:

We need to change (how we organize herding) to make nomads' lives easier. We will not survive if the whole world is changing and we don't. But we also need to keep our good elements. We need to let nature function in its pattern. For example, nomads rotate

animals between the pastures. It's good for the pasture as well as the herds. Animals need to graze to get food, and the pasture needs to be grazed to let the new grass replace the old. We cannot do what the American ranch does. Otherwise, we destroy our grassland.

Conservationist PS used an analogy to demonstrate this connection between the local and global: “We are like one drop of water in the Yellow River so that we are connected to the whole Yellow River. Whatever is happening in the Yellow River can fundamentally alter our lives.”

***Mutual dependence-related practices.*** LuxuryYak built its workshop with materials that have a long life. A strong force of western professionals helped with finance, strategic planning, marketing, and branding. International volunteers, such as graduates from Harvard and MIT, came to the workshop frequently. The company also introduced sports from the outside, such as basketball and yoga, for both nomadic men and women. In 2018, it sent its basketball team of male and female nomads to Hong Kong to participate in a film festival that featured a LuxuryYak-themed documentary. These practices allowed the organization to better prepare people in the place to embrace the changing reality of the place in a globalizing world.

Mutual dependence related organizational practices embody an attempt to regenerate local resources and increase exchanges between the local and the global. These practices are summarized in Table 10.

**Table 10: Linking Mutual Dependence and Sustainable Livelihoods**

| Mutual dependence related organizational practices  | Practice category                               | Mutual dependence mechanism                   | Sustainable development aspiration |
|---|---|---|------------------------------------|
| <ul style="list-style-type: none"> <li>Builds the workshop with materials that have a long life</li> </ul>  | Build a foundation for the long term            | Regenerating natural resources                | Sustainable livelihoods            |
| <ul style="list-style-type: none"> <li>Production volume is constrained by the ability of the pasture to support a limited number of yaks.</li> </ul>   | Retain sustainable supply of resources in place |   |                                    |
| <ul style="list-style-type: none"> <li>Brings international visitors and guests to the village to appreciate the local landscape and culture</li> </ul> | Two-way exposures                               | Increasing exchanges between local and global |                                    |
| <ul style="list-style-type: none"> <li>Sends its basketball team of male and female nomads to Hong Kong to participate in a film</li> </ul>             |   |   |                                    |

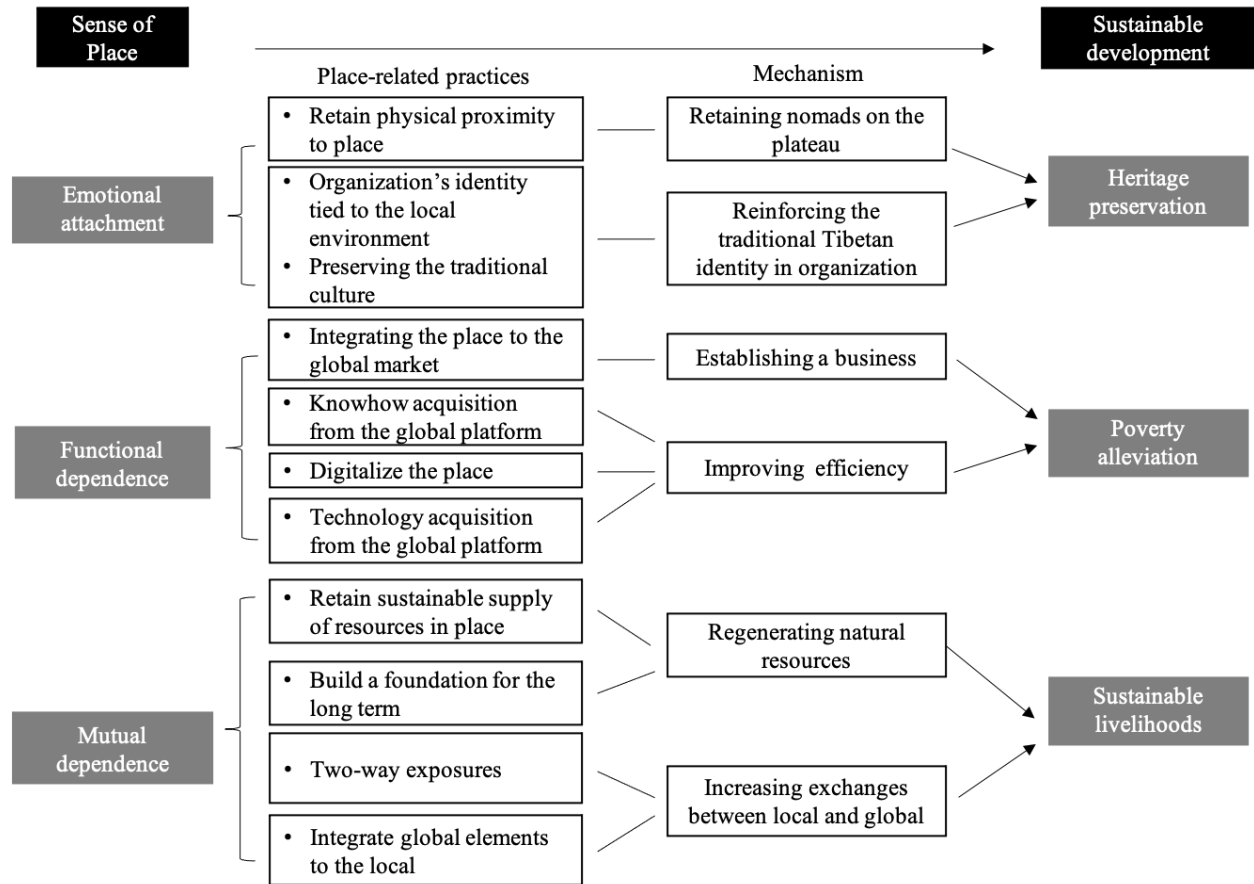
|  |  |  |  |
|--|--|--|--|
| festival which featured a documentary about LuxuryYak  |  |  |  |
| <ul style="list-style-type: none"> <li>• Creates opportunities for the local nomads to work with international supermodels and photographers</li> <li>• Mingles the nomad employees with professionals from the outside (e.g., HBS and MIT graduates)</li> <li>• Hires international professional coaches to conduct basketball and yoga training as a way to engage the nomads, especially women, in social activities</li> </ul> | Integrate global elements into the local |  |  |

**5. Theoretical Model**

Based on the findings, I suggest that how the organization relates to the place shapes its sustainable development aspirations, which represent the desirable future for place (Lawrence & Dover, 2015). The organization builds sustainable development through three mechanisms: emotional attachment, functional dependence, and mutual dependence. The organization actualizes sustainable development by its place-related organizational practices, which generate material consequence on the place towards the organization’s desirable state in the future (Lawrence & Dover, 2015; Whiteman & Cooper, 2011). I present the theoretical model in Figure 11, which illustrates the relationship between sense of place and sustainable development.



**Figure 11: Sense of Place and Sustainable Development**



### 5.1 Emotional Attachment and Heritage Preservation

Emotional attachment, the target-specific emotional bond between an organization and its place (Tuan, 1974), encourages the organization to retain the historical continuity of place (Zerubavel, 2012), which is key to maintaining the affective bond (Bowlby, 1980). The sustainable development aspiration related to the organization possessing emotional attachment is heritage preservation. Preservation of the heritage helps the organization maintain a sense of purpose and identity for its members (Howard-Grenville et al., 2013). Two mechanisms contribute to heritage preservation: retaining nomads on the plateau and reinforcing the traditional Tibetan identity in the organization.

The first mechanism facilitating heritage preservation is retaining nomads on the plateau by being physically proximate to place. The organization maintains physical proximity with place through building its operation in the village and hiring the nomads. As well, the key decision-makers (e.g., the CEO and top management team) live in the village, demonstrating commitment for physical proximity over the long term. Because the nomads do not need to migrate to Chinese cities for income, the organization brings life back to the dwindling nomadic community, enabling ongoing interactions and experiences among people and place (Howard-Grenville et al., 2013; Lawrence & Dover, 2015; Wright et al., 2020). Retaining nomads on the plateau allows them to be embedded in place, which serves as the very foundation to heritage preservation because the people who live with the heritage are the critical element to preserve heritage. As the CEO explained, “It was always important to come to a village, because this is where the [Tibetan] culture is alive; this is where you can do, if you want to do something to keep it alive.” Through social embeddedness, the nomads were able to keep shared memories and identity alive (Howard-Grenville et al., 2013). Through ecological embeddedness, the nomads can continue applying their knowledge of the land to stewarding their ecosystem in the long term (Whiteman & Cooper, 2000).

The second mechanism is reinforcing the traditional Tibetan identity in the organization. The organization ties its identity to a place-based tradition (Dacin, Dacin, & Kent, 2018). To demonstrate the place’s natural environment and cultural identity, LuxuryYak designs its products inspired by the landscapes, animals, and plants on the Tibetan Plateau. To echo a dedication to preserve the place’s natural environment and cultural identity, the organization has utilized building, artifacts, language, and cultures embodying the local heritage. The application of the Tibetan calendar and using Tibetan as the working language is particularly distinctive in a

globalizing and placeless world, in which the distinctive cultural aspects of places such as Indigenous languages and cultures are eradicated and replaced by standardized ones (Relph, 1976; Ritzer, 2003). These practices implemented by LuxuryYak help to reinforce the Tibetan tradition in the organization (LaMore et al., 2013; Shrivastava & Kennelly, 2013; Slawinski et al., 2019). Because the organization and its members are embedded in the nomadic village, the organizational identity and place identity are closely linked (Howard-Grenville et al., 2013; Shrivastava & Kennelly, 2013). The reinforced Tibetan tradition in the organization can eventually contribute to heritage preservation in place.

## **5.2 Functional Dependence and Poverty Alleviation**

Functional dependence, the perception that a place-based organization's critical needs depend on the local resources (Bartlett & Ghoshal, 1990; Dunning, 1998; Rugman & Verbeke, 2004), encourages organizations to utilize local resources to develop local economies. The sustainable development aspiration for the organization possessing functional dependence is poverty alleviation. Two mechanisms contribute to poverty alleviation: establishing a business and improving efficiency.

The first mechanism contributing to poverty alleviation is developing a business in the village to trade products with the global market (Helpman & Krugman, 1985; Krugman, 1991). The organization utilizes yaks' fine wool, a highly valued natural resource, to craft high-quality textiles, and sells yak wool textiles on the global luxury market. The luxury strategy being applied allows a price premium covering the relatively high operating expenses in a nomadic village. The cash inflow enables job creation for the nomads, increasing their incomes. LuxuryYak has contributed to poverty alleviation by creating local employment and generating income for nomads.

The second mechanism is improving efficiency through diffusing know-how and technology that improves productivity (Grosse, 1992), which supports the first mechanism. The organization acquires know-how from the global platform to improve the operational efficiency of the business. For example, the organization sends its employees abroad to learn luxury textile weaving skills, facilitates management education for its managers at the University of Virginia, and offers English and Chinese language training to its employees. As well, LuxuryYak digitalized the place by implementing information technologies, which increase the connection between the place and the outside. The organization has built up its distribution through major Chinese e-commerce platforms and established its own global e-commerce channel. The advances in information technology, communications, and logistics help reduce barriers to developing business with the outside. LuxuryYak also acquires textile technologies, which not only accelerates the production rate but also innovates the weaving process for quality improvement. It utilizes handlooms developed in Europe to make the hand-weaving process more flexible and efficient and applies felting equipment from Italy to innovate the wool felting process. These practices help the organization improve its operational efficiency and build up its capacity to do business with Chinese and foreign clients.

### **5.3 Mutual Dependence and Sustainable Livelihoods**

Mutual dependence, the recognition that an organization is embedded in its place (Whiteman & Cooper, 2000) and the fates of place and organization are mutual (Berkes et al., 2000), allows the place to bridge from the past to the future (Massey, 1991; Pred, 1984) and increase two-way exchanges (Ritzer, 2003) between the local and the global. The sustainable development aspiration for the organization possessing mutual dependence is generating sustainable livelihoods. Two mechanisms contribute to generating sustainable livelihoods:

regenerating natural resources and facilitating information exchanges between the local and the global.

The first mechanism that contributes to sustainable livelihoods is regenerating natural resources. At LuxuryYak, the textiles production volume is constrained by the pasture's ability to support the yaks. The yaks and the pasture on which the yaks rely can regenerate but do so at specific rates. LuxuryYak provides a source of income for the nomadic families, which decreases the number of people engaging in herding and indirectly reduces the overgrazing pressure on the pasture. The reduced environmental impact helps achieve a sustainable supply of natural resources. The regenerative process creates the condition for sustainable development in the nomadic village as well as for long-term business for LuxuryYak. By building a workshop with a long life, the organization established a material foundation for the place in the long term. The CEO explained the rationale of a long-term base and sustainable livelihoods: "Sustainability for me is more about for the long term, and that can survive through generations and become a source of employment not just for us, but also for our kids in the future."

The second mechanism is information exchanges between the local and the global. The organization exposes the place to outsiders by bringing international visitors and guests to the village to appreciate the local landscape and culture. It exposes the nomads to the outside by sending nomad employees to visit big cities in China. LuxuryYak recruits and trains Tibetan nomads while also leveraging professional expertise from China and other countries to apply a luxury strategy and run a business. The local embedded workshop serves as a hub to facilitate interpenetrations between entities on and beyond the Tibetan Plateau. The organization thus allows nomads to remain in their cultural sphere while helping them integrate external elements

into a world that is theirs. These practices increase nomads' abilities to adapt to the globalizing world and cope with the changing process of place (Walker et al., 2004).

## **6. Discussion**

Recently, researchers started to investigate the mechanisms of sense of place in enabling businesses to achieve sustainable development (Guthey et al., 2014; Mazutis, Slawinski, & Palazzo, Forthcoming; Shrivastava & Kennelly, 2013; Slawinski et al., 2019). This study advances this stream of research in three ways.

### **6.1 Sustainable Development**

A large body of literature has studied sustainable development as a socially beneficial outcome for organizations in contrast to the mere focus of financial goals (e.g., Battilana & Lee, 2014; Margolis & Walsh, 2003; Shrivastava & Kennelly, 2013). Prior research on place-based organizations, for example, posit that organizations rooted in place were more likely to pursue sustainable aspirations while organizations independent of place were regarded as pursuing economic goals (Mazutis et al., Forthcoming; Shrivastava & Kennelly, 2013). In this research, I find that there can be multiple and potentially competing sustainable development aspirations for a sustainable business.

In the LuxuryYak case, poverty alleviation, heritage preservation, and sustainable livelihoods all meet the broad understanding of sustainable development. However, each of the sustainable development aspirations represents a different desirable state of the place. The theoretical insights suggest that sustainable development, though a scientific concept constrained by the limited resources on Earth, also needs to consider people's aspirations.

The current concept of sustainable development shares some of the legacies of economic development and industrial development, focusing on the gains but neglecting the heritage losses

in the process of development. In fact, the need to preserve heritage is not included in the United Nations' Sustainable Development Goals framework. Economic activity was usually taken as the best practice and perceived to generate well-being as a universal approach to develop a region. However, findings in this study demonstrate that there are both gains and losses in the process of development. LuxuryYak facilitated the exposure of the global to the Tibetan nomads, which allowed them to have the first-hand experience to be aware of the potential gains and risks that come with development. The practices have helped the nomads to observe the western development mode and let them decide what actions they would take for the future of their place. Cultural and spiritual needs, which are essential for people such as the Tibetan nomads, have been relatively neglected in the current discussions on sustainable development. Moreover, the knowledge embedded in the land, which is critical to maintain the ecosystem in the long term (Whiteman & Cooper, 2000), might be eroded with development.

Sustainable development is about improving human well-being, which is multidimensional (McMichael, 2016). Max-Neef, Elizalde, & Hopenhayn (1992) identified that human needs include both fundamental needs that ensure human survival and cultural and spiritual needs that satisfy our identity, leisure, and aesthetic. Sen (1999) suggested that the freedom to choose a life one values is central to development in lieu of material needs. To achieve sustainable development, we need to sustain the ability of the natural systems to meet human needs over generations, including material needs that ensure our survival and non-material needs such as identity and aesthetics. For a place-based sustainable business, there is not one single sustainable development goal; instead, sustainable development goals need to be decided by understanding the multi-facets of the place and how the organization relates to the place. In other words, the business needs to address the question, "What is the desirable future

for the place?” when considering sustainable development. Focusing only on one sustainable development dimension may obscure other needs.

It is important for future studies to consider what sustainable development means from the perspective of the local population impacted by the business. Local populations, especially marginalized groups in remote places, are often the most in need of sustainable development (WCED, 1987) yet lack the opportunity to speak up about their sustainable development aspirations. Because sustainable development issues are embodied, experienced, and responded to by organizations in particular places (Oborn et al., 2019), the context-specific solutions through business not only generate locally beneficial outcomes, but also show promise for global sustainable development.

## **6.2 Sense of Place and Sustainable Development**

This study contributes to the research on business and sustainable development by offering an important analytical framework, namely organizations’ sense of place and sustainable development. I explicate what aspects of place an organization values and how sense of place elements affects sustainable development. The management studies that engage with the concept of sense of place suffer particularly from an over reliance on the emotional attachment approach, viewing sense of place as a positive emotional bond towards the local (Kibler et al., 2015; Slawinski et al., 2019; Whiteman & Cooper, 2000). In this study, I find that organizations’ sustainable development goals depend on how the organizational members relate to their place. Examining the issue through the lens of sense of place, I advance the literature by treating organizations as embedded in the larger ecological and social environments.

Yet, the potential emotional intention does not necessarily explain the actual material consequences on place. Even if emotional attachment can contribute to sustainable development,



it plays a positive role when the place is undergoing gradual changes (Shrivastava & Kennelly, 2013; Slawinski et al., 2019; Whiteman & Cooper, 2000) but can become a barrier for sustainable development in a world where global issues, such as climate change and biodiversity loss, are changing places rapidly. Being emotionally attached may lead the organization into a trap when sense of place misaligns with the place under rapid transformations (Porac et al., 1989).

In this research, I explain how the three dimensions of sense of place—emotional attachment, functional dependence, and mutual dependence—allow organizations to contribute to sustainable development. The framework helps the organization clarify the current state of place as the place transforms and decide what actions to take to achieve the desirable future. Poverty alleviation, heritage preservation, and sustainable livelihoods all meet the place-based organization's understanding of sustainable development, depending on how the organization relates to place. In a fast-changing world, the clarification of what aspects of place an organization values is critical for place-based organizations to be adaptive to sustainable development as the place transforms.

Viewing sustainable development from the lens of sense of place recognizes the links between the organization and its place (Bansal & Song, 2017; Ghoshal & Bartlett, 1990; Starik & Rands, 1995). Most organizations, unless completely virtual, are situated in specific places (Beyes & Holt, 2020; Lawrence & Dover, 2015; Wright et al., 2020). Multiple ecological and societal flows converge in a place where the social-ecological systems evolve over time vis-à-vis organizational practices to affect the place towards a desirable state, notably achieving sustainable development. Place-related organizational practices reflect the organizations' actions that interact with the most immediate social-ecological systems in which the organizations are

embedded (DesJardine, Bansal, & Yang, 2017). By illustrating the mechanisms of place-related organizational practices on place, this study goes beyond organizations' emotional intentions to sustainable development in place (Kibler et al., 2015; Shrivastava & Kennelly, 2013). The place-related organizational practices capture organizations' interdependence with the social-ecological systems in which they are embedded, in the most visible way.

### **6.3 A Global Sense of Place**

In prior research, place was conceptualized as a bounded entity, an organized social enclosure that established and maintained geographic boundaries around the physical location (Lawrence & Dover, 2015). Examples of place include a community that shares a collective identity (Howard-Grenville et al., 2013), a church or HIV health center that builds up solidarity for marginalized people (Lawrence & Dover, 2015), or a public health center that treats pandemics for its citizens (Wright et al., 2020). In this study, organizational actors at LuxuryYak did not see the place as an enclosed entity. Rather, they view the linkages between the local place and other places. Their understanding that places are interconnected offers a global understanding of place.

The conceptualization of place as a bounded entity with enclosing boundaries creates a mental spatial divide between "us" and "others" (Howard-Grenville et al., 2013; Lawrence & Dover, 2015; Wright et al., 2020). Individuals, organizations, and communities within the geographic boundaries around a physical location are defined as "us" while those outside the boundaries are left as "others." This conceptualization, however, appears problematic in a globalizing world where the boundaries between local places are increasingly reduced (Baum & Haveman, 2020; Rockström et al., 2009; Whiteman et al., 2013). This study provides a global sense of place by recognizing the linkages among places, thus reducing the divide. For example,

that LuxuryYak's President, a French American woman, was born in the US, grew up in France, and spent most of her adult life in India with Tibetans well summarizes the global sense of place in her autobiography, where she comments, "This heritage of belonging everywhere and nowhere was what enabled me to feel at home in the wildest places."

These theoretical insights resonate with research in geography, which finds that sense of place can operate at a global scale and influence collective stewardship behaviors (Enqvist et al., 2019). Tuan (1990) suggested that the earth itself is clearly a natural unit, and human beings share a common fate. Mediated sense of the globe through seeing the linkages among the local places may thus have a crucial role when it is impossible for organizations to access the whole planet. For example, Indigenous groups in North America utilized the Notre-Dame de Paris burning occasion in 2019 to explain the spiritual and cultural significance of sacred waters and mountains for the native people, because those landmarks are the "Notre-Dame de Paris" for them (Harp, 2019). Therefore, settlers understood why development projects that impact the landmarks were not acceptable for Indigenous people. Recognition of the links among places encourages people from different backgrounds to find the common ground for collective stewardship behaviors for the environment. The global understanding of place could allow more global collaboration to address global issues, which is a timely imperative in a world where local places are increasingly interconnected.

#### **6.4 Limitation**

I acknowledge one critical limitation in this study. The outcome being studied is LuxuryYak's sustainable development aspiration and not necessarily the actual material consequence on place. I could not conduct a systematic evaluation to tease out the sustainability outcome at ZR because there are many confounding variables involved, such as climate change

and infrastructure development in that region, which make the assessment of sustainability outcomes too complex. However, from the individual and family stories of LuxuryYak's nomads turned employees, I was able to observe some anecdotal sustainability outcomes in the village. For instance, the village has more stores and restaurants than neighboring villages, inferring a higher income level. By creating local employment opportunities, LuuryYak also reduced the number of villagers involved in herding, which alleviates the pressure on the pastures and consequentially contributed to the environmental well-being of the place.

## **7. Conclusion**

When we consider issues of sustainability, connecting people's sense of place with the work that you're doing becomes critical.

--Barack Obama

Scholars have described our era as one of placelessness (Relph, 1976; Shrivastava & Kennelly, 2013), which means that once differentiated places bonded with unique ecological systems, elaborated cultural meanings, values, and narratives, are being treated as undifferentiated, abstract, and geometric space (Harvey, 1993). Management theories and practices developed during the placeless time tend to ignore the role of places in organizations (Lawrence & Dover, 2015). The source of many environmental and social issues is related to the disembodiment of organizations from place, which occurs increasingly as our world is becoming more globalizing and virtualizing (Bansal & Knox-Hayes, 2013; Guthey et al., 2014; Shrivastava & Kennelly, 2013). In this paper, I studied LuxuryYak on the Tibetan Plateau with the aim to offer a new way of seeing organizations' contributions to sustainable development. LuxuryYak showcased a unique organizational form that has retained local embeddedness while being connected globally. The study offers insights for other local societies and organizations in their sustainable development trajectories.

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## **CHAPTER FOUR - MNE COMPETITIVENESS WITHIN NATURAL RESOURCES LIMITS**

### **Abstract**

The international business literature does not discriminate between country-specific advantages (CSAs) based on natural resources from those based on intangible resources. Natural resources, like timber, fish, and fossil fuels, have limited quantity. Multinational enterprises (MNEs) that exploit natural resources faster than the resources can regenerate or create waste more than the natural environment can absorb risk not only undermining the country's economic development but also their long-term success. At a point in history when the world is facing global environmental crises, it is more important than ever to consider the use and regeneration of natural resources. In this article, we propose three strategies that MNEs can adopt to develop firm-specific advantages (FSAs) within natural resource limits. This perspective will ensure that MNEs not only create value but also assure the sustainability of business, society, and the planet.

## 1. Introduction

Since World War II, multinational enterprises (MNEs) have helped improve peoples' lives through economic development. MNEs have generated enormous wealth and reduced poverty by boosting employment and income and transferring knowhow and technologies that increase productivity (Buckley & Ghauri, 2004; Grosse, 1992; Narula, 2019). MNEs have developed firm-specific advantages (FSAs), such as knowledge, human resources, and financial resources, by leveraging country-specific advantages (CSAs) through political, economic, and institutional opportunities (Bartlett & Ghoshal, 1990; Dunning, 1998; Rugman & Verbeke, 2004). These opportunities have grown over time owing to advancements in transportation and communication technologies and the easing of foreign direct investment barriers (Dunning, 2009).

In creating such wealth and cross-border trade, MNEs have inadvertently undermined the resilience and integrity of the natural environment (Meadows, Meadows, Randers, & Behrens III, 1972). Between 1970 and 2016, over 68% of the mammals, birds, amphibians, reptiles, and fish on Earth disappeared and more than 85% of wetlands have been lost (WWF, 2020). The consequences of depleted natural resources are disruptive to both business and society and likely irreversible (Rockström et al., 2009). MNEs must find ways to create value within the planet's finite natural resources for sustainable development, which is defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (WCED, 1987: 43).

To date, the international business (IB) literature has failed to discriminate between natural resource-based CSAs and intangible CSAs, such as formal and informal institutions and innovation and entrepreneurship clusters. This blind spot contributes to two problematic assumptions. First, the IB literature's advocacy for global development and cross-border trade

assumes that CSAs are unlimited (Buckley & Ghauri, 2004; Kim & Davis, 2016) and substitutable across countries (Krugman, 1993). Second, the focus on the value created and captured by MNEs has prioritized FSAs over CSAs, suggesting that CSAs can be easily appropriated (Petricevic & Teece, 2019; Rugman & Verbeke, 2002; Teece, 2014). As a result, the IB literature has failed to recognize the implications of (over)exploiting natural resource-based CSAs on local communities.

As natural resources are exploited, not only does their supply diminish, their extraction and use create waste that can make living conditions for the host community unpalatable (Costanza, Cumberland, Daly, Goodland, & Norgaard, 1997). Beyond the ethical problems associated with devastating communities and ecosystems (Banerjee, 2011), MNEs confront the very pragmatic concerns associated with limited natural resources and the risks to their social license to operate.

With over 50 years of scholarship on the relationship between MNEs and locations, IB research is uniquely positioned to explore how MNEs can contribute to sustainable development (Buckley, Doh, & Benischke, 2017; Montiel, Cuervo-Cazurra, Park, Antolín-López, & Husted, 2021; Whiteman, Walker, & Perego, 2013). This contribution could notably be achieved by reassessing the interactions between FSAs and CSAs. As we will explain later in this article, the IB literature needs to apprehend the regenerative, spatiotemporal qualities of natural resource-based CSAs and assess how their actions affect local natural resource-based CSAs and sustainable development.

In this article, we ask how can the IB literature better account for natural resource-based CSAs to foster sustainable development? In addressing this question, we make two significant contributions to the IB literature. First, we highlight a fundamental difference between natural resource-based CSAs, such as plants, animals, and minerals, and other intangible forms of CSAs,

such as formal and informal institutions and innovation and entrepreneurship clusters. Many of these intangible CSAs discussed in IB research are related to political, economic, and institutional systems (Dunning, 1998, 2000; Meyer & Peng, 2005; Porter, 1994; Rugman & Verbeke, 1992, 2004). Intangible CSAs differ from natural resource-based CSAs, which are often limited in supply or regenerate at specific rates and cannot be exploited indiscriminately.

Second, we describe three strategies that MNEs can develop to support FSAs that foster sustainable development: reducing, reformulating, and regenerating natural resource-based CSAs. These strategies bring natural resource-based CSAs into the spotlight so that MNEs can assure their economic success while contributing to the sustainable development of local communities (Brandl, Moore, Meyer, & Doh, 2021; Buckley et al., 2017; Montiel et al., 2021). We acknowledge that at the heart of these strategies is the assumption that the wealth created through MNEs should be distributed widely, especially to those communities providing natural resources. We admittedly take a long-term view toward business and society (Bansal & DesJardine, 2014). In doing so, we assume that IB does not just create wealth for current generations but also assures prosperity for future generations.

In the rest of this article, we first introduce the new environmental and economic realities that MNEs are currently facing. We then explain how the IB literature has treated FSAs and CSAs. After that, we explain the specificities of natural resource-based CSAs and the consequences of the current interactions between FSAs and natural resource-based CSAs. Finally, we suggest three strategies that MNEs could use to develop and transfer FSAs to be sustainable.

## **2. Why now? New Environmental and Economic Realities for International Business**

### **2.1 Natural Resource Limits to Growth**

The international landscape for MNEs has evolved in recent decades as industrial activity has grown at an unprecedented rate and scale. As planetary limits are breached, natural systems and their regenerative capacities will collapse (Crutzen & Stoermer, 2000). To understand the implications for IB research, we need to explain first the mechanisms that ground natural systems.

For about 10,000 years, industrial activity has been relatively moderate and stable (Crutzen & Stoermer, 2000). Even though international trade has thrived for centuries, natural resources were extracted at modest rates and did not disrupt the regeneration of living systems, such as through forestry practices, agriculture, and fishing (McMichael, 2016; Sachs, 2020). Industrial practices were often local, and the people involved in economic practices were attuned to ecological systems (King, 1995). Local ecological processes retained their function, structure, and regeneration rates (Walker, Holling, Carpenter, & Kinzig, 2004).

Since the industrial revolution, the rate of industrialization and international reach has increased (McMichael, 2016). Over the last century, resources have been consumed and distributed worldwide at an unprecedented rate, making local ecological processes invisible to the international actors who make decisions about economic activities (Bansal, Kim, & Wood, 2018). The exploitation of natural resources and the waste created in their extraction and use has undermined the resilience of ecological systems and shifted Earth's chemical balance (Montiel et al., 2021; Rockström et al., 2009).

The scientific community has identified nine critical planetary boundaries: climate change, biodiversity loss, nitrogen and phosphorus cycles, global freshwater use, land system change,

ocean acidification, stratospheric ozone, chemical pollution, and atmospheric aerosol loading. These critical global-scale processes must operate within these boundaries for life on Earth to flourish (Rockström et al., 2009; Whiteman et al., 2013). However, industrial production has breached some of these planetary boundaries, even beyond their tipping points, which can lead to the collapse of ecosystems. For example, at current production rates, the global temperature is very likely to rise by over 1.5 degrees Celsius between 2030 and 2052, which will put much life on Earth in peril (IPCC, 2019).

Although all businesses are responsible for such exploitation, the issues are particularly acute in IB because of multinationals' international breadth and complexity (Buckley et al., 2017). Not only are MNEs less attuned to local ecological processes than local organizations (Bansal et al., 2018), the goods they transport across large distances consume a considerable amount of natural resources (Costanza et al., 1997).

## **2.2 Increasing Significance of Intangible Assets**

Based on data published by the World Bank,<sup>5</sup> Global GDP per capita in constant 2010 US dollars tripled from \$3,748 in 1960 to \$11,059 in 2019. Advances in information technology, communications, and transportation have helped MNEs gain greater efficiencies and operate across a larger geographic space. Organizational processes, such as employee, executive, and product turnover and reporting frequencies, are increasingly global and faster, fueling GDP growth worldwide (Bansal & Knox-Hayes, 2013; Barton & Wiseman, 2014; Buckley & Ghauri, 2004).

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<sup>5</sup> For more information on World Bank GDP per capita, see <https://data.worldbank.org/indicator/NY.GDP.PCAP.KD>.

Before the 1990s, MNEs created country offices that could negotiate the demand, supply, and prices of resources and labor (Helpman & Krugman, 1985; Krugman, 1991). The growth of digital technologies and global supply chains in recent decades has shaped two phenomena. MNEs move towards global headquarters that are physically removed from local operations and focus on developing global brands through patented technology and brands (e.g., Apple’s “Designed in California and Made in China” model) (Mees-Buss, Welch, & Westney, 2019). These intangible assets are not as locally situated as are the physical assets on which they are based. They allow MNEs to increase their sales and leverage economies of scale without being spatially or physically constrained. Further, these intangible assets are more easily differentiated, so higher value accrues to them. Such intangible assets benefit from intellectual property, social networks, and innovation clusters (e.g., Brandl et al., 2019; Li & Bathelt, 2018; London & Hart, 2004; Meyer & Peng, 2005).

The IB literature recognizes the value and competitive advantage gained from intangible firm-specific assets, such as intellectual capital, organizational expertise, entrepreneurship, and learning capacity (Dunning, 1998, 2009; Petricevic & Teece, 2019; Rugman & Verbeke, 2002; Teece, 2014). However, it has overlooked the implications and unintended consequences of these assets on local communities. To appreciate why, it is critical to understand how prior IB theory has theorized FSAs and CSAs.

### **3. Prior Theory: Firm and Country Specific Resources**

#### **3.1 FSAs and CSAs**

Resources are “all assets, capabilities, organizational processes, firm attributes, information, and knowledge that allow the firm to conceive of and implement strategies that improve the firms’ efficiency and effectiveness” (Barney, 1991:101). They are critical to all organizational



activities (Barney, 1991; George, Schillebeeckx, & Liak, 2015; Penrose, 1959; Wernerfelt, 1984). Because IB scholarship focuses on trade across geographic boundaries, the locational features of resources have been central to the IB literature (Dunning, 1998; Peng, 2001; Rugman & Verbeke, 2004).

Firm-specific advantages (FSAs) refer to resources that are internal to organizations (Rugman & Verbeke, 2001, 2002, 2004). They contribute to MNEs international competitiveness through the economies of scale and scope that arise from exploiting national differences beyond the home country (Bartlett & Ghoshal, 1990; Rugman & Verbeke, 1992, 2001, 2002). Examples of FSAs include intellectual capital, organizational expertise, entrepreneurship, and learning capacity (Bartlett & Ghoshal, 1990; London & Hart, 2004; Teece, 2014; Tseng, Tansuhaj, Hallagan, & McCullough, 2007).

Country-specific advantages (CSAs), on the other hand, are resources external to organizations and situated in particular geographical locations (Rugman & Verbeke, 2001, 2002, 2004). MNEs can internalize critical CSAs from diverse local operations within the organizational boundaries and transform them into FSAs (Peng, 2001). MNEs build competitive advantage through their geographic comparative advantage (Mudambi and Venzin, 2010). Examples of such CSAs include natural resources, inexpensive labor, formal institutions, and geographic clusters of innovation and entrepreneurship (Dunning, 1998, 2000; Meyer & Peng, 2005; Porter, 1994; Rugman & Verbeke, 1992, 2004).

### **3.2 Interactions between FSAs and CSAs**

From its inception, the IB literature has been particularly interested in how MNEs can foster new and leverage existing FSAs by exploiting CSAs. Prior research has recognized that MNEs

need to balance exploration and exploitation, using existing and developing new resources through a bundle of complementary FSAs and CSAs (Hennart, 2009; March, 1991).

When MNEs see an opportunity to create value from CSAs, such as natural resources or innovation clusters, they seek to develop novel FSAs that open up new products or markets (Kogut, 1988). For example, state-owned enterprises in China have emerged as the primary source of outward foreign direct investment flows, seeking advanced innovation and technology development worldwide (Petricevic & Teece, 2019). These newly acquired FSAs can be leveraged across the entire MNE globally, facilitating international expansion (Rugman & Verbeke, 2001). Similarly, host countries seek to attract MNEs to leverage their CSAs and develop their local communities through economic development and the transfer of knowledge and technologies (Grosse, 1992). This interaction between global FSAs and local CSAs has helped MNEs lower costs, increase revenues, and develop new capabilities (Bartlett & Ghoshal, 1990).

#### 4. Natural Resources are Distinctive CSAs

In this section, we argue that natural resource-based CSAs are fundamentally distinctive from intangible CSAs. MNEs need to recognize the differences to foster sustainable development. We synthesize and compare the differences in Table 11.

**Table 11. Intangible CSAs and Natural Resource-Based CSAs**

|                                     | <b>Intangible Forms of CSAs</b>  | <b>Natural Resource-Based CSAs</b>  |
|-------------------------------------|--|---|
| Definition                          | CSAs based on the unique attributes of (a) political systems, (b) economic systems, and (c) institutional systems          | CSAs based on ecosystems and natural environments   |
| Examples                            | Financial capital, the rule of law, formal institutions, innovation, and entrepreneurship clusters                         | Palm oil, coffee, cotton, timber, fish, biomass energy, hydroelectric power, minerals, fossil fuels |
| Key citations                       | Dunning (1998, 2000) Markusen (1996) Meyer & Peng (2005) Pinkham & Peng (2017) Porter (1994) Rugman & Verbeke (1992, 2004) | George, Schillebeeckx, & Liak (2015) Hart (1995) Tashman (2020)                                     |
| How CSAs are created and maintained | Produced by business activities and labor (Barney, 1991) within political, economic, and institutional systems             | Produced through natural life cycles involving both organic and inorganic                           |

|                                   |   |  |
|-----------------------------------|---|--|
|                                   |   | compounds within ecosystems (Walker et al., 2004)  |
| How CSAs contribute to MNE growth | MNEs exploit CSAs such as knowledge clusters abroad and, by extension, internalize the CSAs to become novel FSAs (Bartlett & Ghoshal, 1990), which allow MNEs to create and implement strategies that improve the firms' efficiency and effectiveness (Barney, 1991). | MNEs extract and transfer natural resources across borders to support organizational activities and productions (Hart, 1995; Tashman, 2020). MNEs capture value through the extraction and/or purchase of natural resources and their sales in other parts of the world. |
| The role of CSAs to society       | CSAs support an ordered society, lower the cost of doing business, contribute to an entrepreneurial environment, and provide safety and well-being in the nation (Dunning, 1998; Markusen, 1996; Meyer & Peng, 2005).   | CSAs help human beings fulfill their basic needs for survival through their life-supporting resources (George et al., 2015; Millennium Ecosystem Assessment, 2005).  |

**4.1 Intangible Forms of CSAs**

The IB literature often treats location as synonymous with country and is often blind to ecosystems (Beugelsdijk, McCann, & Mudambi, 2010; Buckley & Ghauri, 2004). IB research generally focuses on intangible CSAs, such as the rule of law and those related to the intangible political, economic, and institutional systems of a country (e.g., Dunning, 1998; Rugman & Verbeke, 2004). Intangible CSAs are historically rooted, culturally based, and influenced by changes in institutions, the mobility of people, and communications (Meyer & Peng, 2005). They support an ordered society, lower the cost of doing business, contribute to an entrepreneurial environment, and provide safety and well-being in the nation (Dunning, 1998; Markusen, 1996).

MNEs leverage intangible CSAs to sustain their competitive advantage over time (Peng, 2001). For example, MNEs can exploit a poor environmental regulation in a country (i.e., the rule of law and formal institutions on environmental issues) to lower production costs (Rugman & Verbeke, 1998, 2009). Intangible CSAs constantly evolve with pushes and pulls within countries, such as changes in laws, immigration, and institutions (Meyer & Peng, 2005).

Exploiting intangible CSAs is therefore challenging, but there are no costs of extraction. MNEs

have used advancements in transportation, communications, and manufacturing technologies to adapt to those challenges.

#### **4.2 Natural Resource-Based CSAs**

Natural resource-based CSAs include plants, animals, minerals, and fossil fuels. They are geographically bounded to the ecosystems in which they are embedded. They can be extracted and transported as raw materials, such as timber, palm oil, or coffee. They can also be processed into additional uses, such as oil that is transformed into energy.

Natural resource-based CSAs are critical for MNEs because they are foundational to organizational activities, even those primarily anchored in ideas or digital technologies. After all, most intangible assets ultimately rely on natural resources. For example, the Apple brand is built on its physical products. Amazon's retail platform is built on the products it moves. Additionally, both companies rely heavily on digital platforms that consume considerable energy. These natural resources, however, are often masked by the brands that are associated with intangible assets.

Natural resource-based CSAs are the foundation for sustainable development for both MNEs and societies (George, 2016; Meadows et al., 1972; Rockström et al., 2009). They are the source of nutrition (food and water), clothing (fiber), building and housing (wood, earth, sand), energy (biomass and fossil fuels), and materials for products (minerals) that support basic human needs. They also provide many indirect but essential services for organizations and their industries, such as pollinators for agriculture and regulation of climate and water cycles (Millennium Ecosystem Assessment, 2005). A recent report by the World Economic Forum indicated that USD 44 trillion of economic value generation—over half the world's total GDP—directly or indirectly depends on natural resources (WEF, 2020). The ecosystem services

delivered by biodiversity, such as crop pollination, water purification, and carbon sequestration, are vital to life and estimated to be worth between USD 125 and 140 trillion per year, more than one-and-a-half times global GDP (OECD, 2019).

Unlike the seemingly unconstrained intangible CSAs, natural resource-based CSAs are limited in supply. Even organic natural resources, which can regenerate, do so at specific rates. Plants, animals, and microbial life interact with inorganic resources through energy and nutrient flows through the processes of metabolism, oxidation, respiration, and photosynthesis. These dynamic processes have evolved to create highly resilient and stable organic ecosystems (Walker et al., 2004). But, if disrupted through excess resource extraction or waste generation, organic natural resources cannot regenerate at the same rates and may ultimately even collapse.

#### **4.3 When the Interaction of FSAs and Natural Resource-Based CSAs is Unsustainable**

Despite their contribution to local economic development, MNEs have eroded the livelihoods of local communities, especially in emerging countries (Brandl et al., 2021; Prahalad & Lieberthal, 1998). For example, Brandl et al. (2021) found that natural resources acquisitions by MNEs exacerbate rural poverty in East Africa. The export of inexpensive natural resource-based CSAs remains a major activity for MNEs in emerging countries (Kolk & Pinkse, 2008; Krugman, 1993; WCED, 1987). The growth of intangible FSAs over time has facilitated this exploitation.

MNEs can access an unlimited supply of organic natural resources when they do so within the ecosystem's regenerative capacity. However, if the natural resources are extracted too quickly, not only will the ecosystem collapse, the livelihoods of host communities are put into peril, because they are less mobile than MNEs (Banerjee, 2011). For example, in the 1990s, fisheries harvested cod off the coast of Eastern Canada beyond their regenerative capacity, which

led to the collapse of fisheries and related businesses. Despite decades of quotas, fish stocks have never returned to the levels needed for commercial fisheries to operate, leading to the erosion of local communities (Bavington, 2011).

### **5. Our Proposal: MNEs that Contribute to Sustainable Development**

MNEs need to recognize the regenerative capacity of natural resource-based CSAs and develop FSAs that uphold the principles of sustainable development. When MNEs extract natural resource-based CSAs in accordance with their regenerative rhythms, a sustainable supply of natural resource-based CSAs becomes possible. MNEs can simultaneously meet their needs for natural resource-based CSAs and the world's societal and ecological needs to prosper in the long term.

Sustainable development has usually served as a context rather than an outcome in prior IB literature. Prior research focuses on the ability of MNEs to cope with environmental regulations and local activists (Bu & Wagner, 2016; Rugman & Verbeke, 1998, 2009), rather than the limits of natural resources (Beugelsdijk et al., 2010). Although the IB literature engages with sustainable development, it often treats MNEs as free-floating entities, separated from the ecology of the location in which they are embedded (Beugelsdijk et al., 2010; Buckley & Ghauri, 2004). For example, Rugman and Verbeke (1998, 2009) developed the concept of green FSAs, firms' capabilities in the environmental area, which allow MNEs to outperform their rivals on environmental issues and ultimately offer MNEs a competitive advantage.

We propose three strategies that contribute to sustainable development: reducing, replacing, and regenerating natural resource-based CSAs. We summarize these strategies in Table 12. Recently, MNEs such as Unilever, Dow Chemicals, DSM, Danone, and Syngenta, which depend on natural resource-based CSAs, have developed initiatives to regenerate these natural resource-

based CSAs. We draw on these examples to illuminate the strategies. Unlike previous approaches that separate MNEs from their ecosystems, these strategies embed MNE subsidiaries in their local ecosystems (Gladwin, Kennelly, & Krause, 1995; Shrivastava, 1995).

**Table 12. MNE Strategies that Foster Sustainable Development**

|                                       | <b>Reducing</b>  | <b>Replacing</b>   | <b>Regenerating</b>  |
|---------------------------------------|--|--|--|
| Mechanism                             | Reducing natural resources extraction and waste  | Replacing natural resources with more abundant / less-depleting alternatives | Regenerating natural resources by respecting natural life cycles   |
| Natural Resource-Based CSAs Attribute | Not regenerative, such as minerals and fossil fuels  | More abundant / faster-regenerative resources                                | Flowing among networks of individuals, companies, and ecological processes                                 |
| FSA's                                 | Building efficiencies<br>- Management and technological innovations<br>- Supply chain management | Creating more value<br>- Innovating new products<br>- Products as services   | Embedding in the ecosystems<br>- Building collaborative relationships<br>- Facilitating a circular economy |
| MNE Competitiveness                   | Cost reduction<br>Short-term profitability   | Revenue generation<br>Long-term growth                                       | Regenerative systems<br>Business prosperity in a sustainable world   |
| Transferring FSA's                    | Building efficiency can be transferred across geographies through tools and technologies.        | Innovative products and business models can be transferred to new markets.   | The capability to understand the spatiotemporal attributes of locations can be applied across ecosystems.  |

### **5.1 Reducing Natural Resource-based CSAs' Extraction and Waste**

MNEs employ a reducing strategy by extracting less natural resource-based CSAs. A reducing strategy improves internal operations and processes to gain efficiencies and use, for example, less energy and water. As well, MNEs redesign their products and business models to use fewer materials, such as thinner plastics and less packaging. A reducing strategy is particularly appropriate for natural resource-based CSAs that are not regenerative, such as minerals and fossil fuels.

Reducing emphasizes resource efficiency and waste reduction. Management and technological innovations, such as total quality management and carbon capture and storage in the manufacturing process, are key to this endeavor. MNEs can avoid material loss and waste

generation. For example, in the 1990s, the Dow Chemical Company launched the Footprint Initiative, the company's first 10-year sustainability strategy designed to reduce the environmental footprint (Eccles & Serafeim, 2013). Dow developed technological innovations, such as new chemical processes, which allow the company to measure, design, and reduce its environmental footprint (carbon emissions, solid waste, and water, etc.). Dow implemented these technological innovations across its subsidiaries and international operations to improve efficiency and cut environmental footprint to a minimum. As well, companies that participated in Canada's Oil Sands Innovation Alliance sought to reduce their greenhouse gas emissions by seeking efficiencies (Bowen, Bansal, & Slawinski, 2018).

MNEs can also leverage their power over manufacturers to reduce the natural resource-based CSAs used in the supply chain (Delmas & Montiel, 2009; Murcia, Panwar, & Tarzijan, 2021). One successful example is Walmart's network approach to help its suppliers adopt eco-friendly processes and nurture long-term relationships conducive to environmental innovation (Plambeck & Denend, 2008). MNEs downstream in the supply chain can demand their suppliers to adopt cleaner practices to reduce harmful emissions and excessive natural resources utilization. Delmas and Montiel (2009) found that suppliers, whether in a direct or distant relationship with downstream MNEs, have incentives to comply with requests for environmental management practices. By working with manufacturers, MNEs can retain the success and competitiveness of the supply chains on which they depend.

Moreover, reducing natural resource-based CSAs extraction and waste can boost MNEs' short-term profitability by reducing financial costs related to raw materials and waste management. For example, by 2005, material and energy savings had reduced costs by \$5 billion



on the \$1 billion that Dow Chemical initially invested in innovative processes and technologies (Eccles & Serafeim, 2013).

*Transferring FSAs across the MNE.* MNEs' transnational activities (e.g., operations in contexts with similar environmental regulations) enable them to accumulate resources and capabilities for technological innovations, often channeled to and transferred from the headquarters with centralized guidelines (Mees-Buss et al., 2019; Rugman & Verbeke, 2001). These FSAs are not bound by location because they can be standardized across their operations and exploited globally to provide MNEs a critical competitive advantage through the benefits that accrue from increased scale and scope (Rugman & Verbeke, 2001). Because technological innovations in the manufacturing process can reduce MNEs' overall cost structures, MNEs are motivated to standardize manufacturing processes across their subsidiaries (Bartlett & Ghoshal, 1990; Pinkse, Kuss, & Hoffmann, 2010). Once developed in a specific location, MNEs can transfer these non-locationally bound technological innovations across MNE subsidiaries at a relatively low marginal cost (Mees-Buss et al., 2019). As Bowen, Bansal, and Slawinski (2018) showed, precompetitive collaboration among oil sands companies that developed new technologies reducing greenhouse gas emissions was difficult to sustain because the technologies were easily transferred internationally.

## **5.2 Replacing Materials with More Abundant Alternative Natural Resource-based CSAs**

Through a replacing strategy, MNEs replace their use of resources drawn from depleted natural resource-based CSAs with more abundant ones. Doing so often requires MNEs to innovate what they offer to the market. Because extracting natural resource-based CSAs too rapidly can disturb, damage, or even disrupt the ecosystem, MNEs need to monitor the abundance of natural resource-based CSAs to ensure that the ecosystem retains its regenerative

capacity and resilience (Walker et al., 2004). The concept of abundance refers to the maximum amount or highest rates of the natural resources that can be extracted from the ecosystem before it loses the ability to recover.

A replacing strategy enables MNEs to create more value for customers. MNEs innovate new products or materials that draw from abundant resources while still meeting market needs. Where possible, MNEs replace materials that are either in short supply or regenerate slowly with materials that regenerate more quickly. For example, plant-based meat is an effective way to reduce greenhouse gas emissions related to meat production, thus alleviating global warming. Alternatively, natural materials can replace nylons or plastics, which take hundreds of years to be absorbed back into the environment.

An alternative approach to MNEs replacing materials with less impactful materials is to offer services that keep the materials in circulation longer. Examples include Michelin Fleet Solutions, a business model that moved from selling tires to selling kilometers, and Philips Lighting's shift from selling light bulbs to offering pay-per-lux service. By providing the work that needs to be done (e.g., driving and lighting) rather than selling goods, the company charges revenue through a pay-for-use arrangement.

Whereas reducing natural resource-based CSAs extraction reduces MNEs' costs, replacing materials with more abundant alternatives contributes to MNEs' long-term growth. MNEs that can find more abundant or less depleting alternative natural resource-based CSAs have the potential to boost sales and market growth by selling services over a longer period. The innovative products and services can also be offered to a wider geographic extent while demanding less from the ecosystem (Mees-Buss et al., 2019). For example, in the 2000s, Dow Chemicals launched the Handprint Initiative, its second 10-year sustainability strategy focusing

on innovating sustainable products. Special efforts were put toward developing breakthrough innovations that could utilize alternative resources to benefit more people in terms of food supply, affordable housing, alternative energy, and sustainable water supply. Eccles and Serafeim (2013) demonstrated that Dow Chemical's EBITA from new product innovation exceeded \$400 million every year from 2009-2013 and that much of this stemmed from improved sustainability performance.

*Transferring FSAs across the MNE.* Through a replacing strategy, MNEs focus on developing product innovation-related capabilities. Developing new products to meet market needs while utilizing alternative natural resource-based CSAs often requires breakthroughs beyond incremental innovations. Such breakthroughs often come from unconventional insights drawn from either 1) a host country market or 2) outside an MNE's organizational boundary.

Headquarters have rich insights on how to utilize existing resources to deliver products that meet the needs of the home market but may be constrained by a narrow geographically-bounded vision (Bartlett & Ghoshal, 1990; Vernon, 1966). MNEs often fail when they replicate products or services from their home market, which can be resource intensive, to a much larger market at the bottom of the pyramid in emerging countries (London & Hart, 2004). Instead, initiatives by subsidiaries in countries with large populations can be especially useful in helping MNEs uncover alternative sources of resources (Birkinshaw, 1997; Frost, 2001), generating "small wins" that can scale up (Ferraro, Etzion, & Gehman, 2015; Weick, 1984). To create innovative solutions requires MNEs to be open to new ideas and grant autonomy to subsidiaries to find unexpected sources of value. For example, in Malawi and the Ivory Coast, LafargeHolcim developed an affordable, low-carbon alternative construction material called DURABRIC, a compressed earth stabilized block made of local earth, sand, and cement. Furthermore,

DURABRIC does not require firing, which reduces deforestation pressure for burnt bricks in many developing countries.<sup>6</sup>

Such corporate entrepreneurship can pollinate a subsidiary's insights across the entire MNE network, even subsidiaries operating in different product markets (Mees-Buss et al., 2019). Syngenta, a leading agribusiness company, has been searching for sources of abundant resources through its Thought for Food (TFF) program, a next-generation innovation platform. With its wide outreach, TFF has facilitated founding start-ups focusing on alternative resources. For example, AEROPOWDER turns surplus 'waste' chicken feathers into insulation materials to replace conventional Styrofoam. Biteback Mineral Oil produces a nutrient-dense oil made from edible insects to replace palm oil, which is responsible for massive deforestation worldwide. TFF has provided a window for Syngenta to sense and seize outside-the-box ideas.

MNEs can internalize such innovations by encouraging internal corporate entrepreneurship or joint venturing with—or simply acquiring—other companies. These innovations can be transferred back to headquarters and scaled up globally, even if the initiatives are geographically dispersed (Mees-Buss et al., 2019). For example, Danone's subsidiaries in Bangladesh and Indonesia have developed a series of affordable and nutritious dairy products targeting middle- and low-income consumers (Yunus, Dalsace, Menascé, & Faivre-Tavignot, 2015). Such innovative initiatives serve as assets when companies enter similar markets in emerging countries because of the cost and environmental advantages (Mees-Buss et al., 2019).

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<sup>6</sup> For more information on DURABRIC, see <https://www.durabric.com/>.

### **5.3 Regenerating Natural Resource-based CSAs by Working Within Natural Resources Cycles**

The core of the regenerating strategy is that MNEs extract natural resource-based CSAs at a rate that does not influence the dynamic range of organic ecosystems. An ecosystem is an interconnected set of coherently organized elements and can sustain itself (Williams, Kennedy, Philipp, & Whiteman, 2017). MNEs can align the spatiotemporal attributes of their organizational practices with the ecosystems from which they extract natural resource-based CSAs, thereby allowing the ecosystem to regenerate (Ehrenfeld, 2007). With MNEs applying the regenerating strategy, natural resource-based CSAs shift from being globally scarce to locally abundant.

MNEs can manage ecological processes at multiple scales by adapting to the speed at which different natural resource-based CSAs are regenerated and harvested. For instance, organizations can farm multiple species of plants and animals with complementary timings. The time scales of plant regeneration can vary; accordingly, organizations can find ways to complement different plants to provide a sustained source of income while maintaining ecosystems resilience. For example, food crops planted with trees can provide decades of income from food as well as sources of firewood, construction materials, and craft materials (Berkes, Colding, & Folke, 2000). Kim, Bansal, and Haugh (2019) found that tea producers in East Africa embedded in the land could see connections among ecological processes (i.e., tea and beekeeping). They were able to find ways to take incremental actions that helped accommodate extreme resource shortages, such as producing honey, which was prolific even in the dry season, alongside tea plants, which proliferated in the rainy season.

MNEs can also apply the principles of the circular economy, which brings products at the end of their life back into the production system. In an ecosystem, different species of plants and animals have evolved into an equilibrium where they support each other. The waste released from one species may become feedstock for another (e.g., nutrients or water). Combining mutually beneficial plants, polyculture farming purposefully creates supportive relationships in farmland (Berkes et al., 2000). In doing so, farming can be accomplished without the need for fertilizers or pesticides. Companies associated with the agriculture industry, such as Unilever, have encouraged smallholder farmers to apply polyculture farming, which mimics an ecosystem.

MNEs can move towards circularity by keeping products at their highest utility and value through an extended life cycle and transforming products at the end of their life into feedstock for other processes. For example, facing the difficulty of recycling toxic medium-life ‘bulky’ products, such as mattresses and carpets, DSM-Niaga, a joint venture with DSM, developed a new approach that allows all products made with Niaga Technology to be recycled back into the same product. With the use of non-toxic, easily recyclable, mono-material components and a modular design, DSM-Niaga has eliminated local waste issues and global demand for virgin materials.<sup>7</sup>

The regenerating strategy enables MNEs to reduce their negative impacts on the ecosystem and even help regenerate degraded ecosystems. Because natural resource-based CSAs flow among networks of individuals, companies, and ecological processes, this strategy requires a multi-dimensional shift in industrial systems. The regenerative strategy requires MNEs to fully embrace long-term ecosystem needs and build new collaborations based on material flows up

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<sup>7</sup> See Ellen MacArthur Foundation case studies for more information. DSM-Niaga: Redesigning Medium-life Bulky Products from Scratch. <https://www.ellenmacarthurfoundation.org/case-studies/redesigning-medium-life-bulky-products-from-scratch>.

and down the supply chain and with unlikely partners, such as NGOs and competitors. If an MNE can shift its business to regenerative approaches, the company can achieve a truly sustainable business that can prosper in the long term. For example, Unilever has been pursuing a business model in line with sustainable development under its Sustainable Living Plan. Announced in November 2010, this plan set out to pursue a ten-year, long-term goal to manage the company's growth while decreasing environmental footprints and improving social well-being. By the end of 2020, 67% of raw materials, such as agricultural products, which represent the largest portion of Unilever's raw materials, were sourced from sustainable sources (Unilever, 2021a). To that end, the company worked with NGOs, some 500,000 smallholder farmers, and small-scale distributors in the supply chain. Over the decade, Unilever reduced the total CO<sub>2</sub> per ton of production by 70% and achieved zero waste to landfill across all factories. Simultaneously, the company's share price outperformed the S&P 500 by more than 60% and the FTSE by about 400% over the 10-year period (Unilever, 2021b).

*Transferring FSAs throughout the MNE.* MNEs that commit to regeneration inevitably find it beneficial to embed subsidiaries in locations where they extract natural resource-based CSAs. Whereas the FSAs being transferred in the reducing and replacing strategies are technologies, processes, and product innovations that are relatively standardized across locations, the FSAs in the regenerating strategy are capabilities to contextualize the MNE so that its practices, structures, and processes are aligned with the economic, social, and ecological attributes of the location (Buckley & Ghauri, 2004). The FSAs in the regenerating strategy requires these organizations to apply a systems lens to partners in the local context.

To apply a systems lens, MNEs need to develop a deep understanding of the flow of natural resource-based CSAs within the ecosystem. By being locally embedded, MNE subsidiaries see

themselves not just as part of a multinational conglomerate but also as part of a local physical ecosystem that links both material flows and economic flows (Beugelsdijk et al., 2010; Buckley & Ghauri, 2004). The subsidiary affects and is affected by the networks of individuals, companies, and natural processes, both locally and globally (Berkes et al., 2000).

To be embedded, an MNE subsidiary needs to deepen its local networks and engage with local external stakeholders. MNEs typically focus their attention on specific operations (Rerup, 2009); however, this focus can blind the organization to seemingly peripheral but important issues (Bansal et al., 2018). Companies that pursue a regenerating strategy must be willing to widen their attentional focus and complement their limited knowledge and skills with those drawn from local communities, NGOs, environmentalists, academics. It can involve insights from Indigenous peoples, who have sustained their ecosystems for millennia (King, 1995). They must be willing to partner with unlikely bedfellows, such as competitors and neighbours, who are drawing from the same resource base. The dialogue with a diverse group of stakeholders enables MNEs to see aspects of their local environment that are often hidden and yet can be central in building a competitive advantage. For example, Natura, a Brazilian cosmetic company that purchased Aesop and the Body Shop, has engaged with Indigenous communities in the Amazon to produce regenerative plant-derived ingredients.<sup>8</sup>

Developing solutions to regenerate natural resources requires understanding both economic systems and ecological systems. It is difficult for a single company to regenerate natural resources on its own. Regeneration is aided when firms collaborate and when one firm's waste becomes the feedstock of another's. However, building these relationships takes time, and

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<sup>8</sup> See Ellen MacArthur Foundation case studies for more information. Natura Brasil: Creating a Regenerative Economy in the Amazon Forest. <https://www.ellenmacarthurfoundation.org/case-studies/creating-a-regenerative-economy-in-the-amazon-forest>.



transferring the knowledge across the MNE is challenging because it is locally embedded (Birkinshaw, 1997).

Even though local collaborative relationships and Indigenous ecological knowledge cannot be easily transferred, the capabilities of building such partnerships and engaging with Indigenous communities are transferrable. As well, the reputation that companies build in stewarding the land can help with its social license to operate as it moves internationally to other communities.

## **6. Suggestions for Further Research**

Sustainable development requires businesses to manage finite resources to ensure that both present and future generations' needs can be met (WCED, 1987). By ignoring the difference between natural resource-based CSAs and intangible CSAs, IB research and practice may be inadvertently contributing to development that is not sustainable. MNEs are seeking to meet society's needs for goods and resources, which has now exceeded the planet's ability to regenerate them (Rockström et al., 2009). Overexploiting natural resources not only threatening the long-term viability of the MNE but also the prosperity of society.

By discriminating between natural resource-based CSAs and intangible CSAs, we describe three strategies that can help MNEs prosper in a world with a limited supply of natural resources. When MNEs extract, source, and mobilize natural resource-based CSAs in a way that is in harmony with ecosystems, MNEs can create economic value within planetary boundaries. Sustainable development is then possible. Our insights have implications for future research we elaborate below.

### **6.1 Configurations of Sustainable FSAs**

We described three MNE strategies—reducing, reformulating, and regenerating natural resource-based CSAs—that can uphold the principles of sustainable development. To provide

more insight into how the strategies work, future research could explore the configurations through which the strategies can be most effective. A configurational or set-theoretic approach (Jacqueminet & Durand, 2020) can help identify how an MNE can apply different strategies to enable a sustainable supply of natural resources. It can help elucidate whether the three strategies can be pursued simultaneously or whether they require mutually exclusive FSAs. For example, reducing resource use may require a scarcity mindset where MNEs look for efficiencies. Yet, such a mindset might preclude MNEs from seeing or pursuing the creative or collaborative activities needed for a replacing or regenerative strategy.

Further, set theoretical analysis can help assess the outcomes of each of the three strategies. It may be that developing and applying the three strategies simultaneously does not mean MNEs can systematically be more sustainable. While a reducing strategy focuses on reducing the unsustainable, negative impacts of the MNEs' activities on ecosystems, a replacing or regenerating strategy cultivates alternative solutions. Combining the three strategies may lead to conflicts. A reducing strategy reduces waste, whereas a regenerating strategy may require MNEs to produce specific kinds of waste that can be used either in their own production process or in others' processes. The efficiency gained at one point may decrease the system's ability to regenerate. For example, redundant plants and trees are often produced in unused space for fodder in silvopastoral systems, a form of polyculture farming which adds trees into pastures to produce additional tree products (e.g., fruits, nuts, or biomass). Reducing redundant plants and trees may decrease the amount of fodder for animals, not producing the best outcome for the silvopastoral system.

## 6.2 Uncover the Specific Mechanisms of Sustainable FSAs

Besides reducing, reformulating, and regenerating, there may be other strategies that could enable sustainable development. We developed these three strategies by drawing on the business sustainability literature, which has taken a dynamic systems perspective. Future research can investigate MNEs strategies, especially through qualitative methods grounded in data, to uncover organizational practices and underlying mechanisms (Gligor, Esmark, & Gölgeci, 2016; Welch, Piekkari, Plakoyiannaki, & Paavilainen-Mäntymäki, 2011).

Rugman and Verbeke (2001) identified patterns in which location-bound FSAs and non-location-bound FSAs can be developed, transferred, or exploited by other international subsidiaries within MNEs' organizational boundaries. Conventional FSAs are often generated in the home country by an MNE's headquarters and then transferred to subsidiaries in other countries in a top-down approach (Vernon, 1966). Sustainable FSAs, however, are more likely to be developed by host country subsidiaries in a bottom-up approach based on stimuli of natural resources in host countries (Frost, 2001). Global sustainable development challenges require multiple local innovations (Ferraro et al., 2015; Montiel et al., 2021) rather than a few large-scale solutions because these challenges are manifested, experienced, and responded to in specific local places, interacting with local ecological, social, and economic conditions (Beugelsdijk et al., 2010). These innovations at multiple local places offer a rich context to explore other modes of organizational practices with which MNEs can develop FSAs to be sustainable.

MNEs in developing markets outside of North America may provide particularly fruitful opportunities to develop sustainable FSAs. Companies in North America tend to take for granted that natural resources are abundant since they can often leverage resources on a global scale. It may not be possible to solve the challenges of excess natural resources extraction by analyzing

organizations that have caused the very problem (Ergene, Banerjee, & Hoffman, 2020). MNEs in resource-poor contexts have been credited with frugal innovation, so they accomplish the same ends with fewer resources or means (London & Hart, 2004; Mair & Marti, 2009). With resource constraints, the developing contexts can offer an ideal case scenario to surface the mechanisms that may be too weak to notice or capture in conventional contexts (Bello & Kostova, 2012). We call for future research that unpacks the sustainable FSAs mechanisms, particularly in resource-poor contexts.

## **7. Conclusion**

The world's population is expected to reach 9 billion by 2050 (Rockström, Folke, & Moberg, 2009). At the same time, biodiversity on the land and in the water has been decreasing at an unprecedented rate, putting human life, ecosystems, and prosperity in peril. To meet the increasing needs of such a large population while also facing a climate and biodiversity crisis will be one of the most challenging endeavors in the trajectory of humanity. With their significant powers and international breadth, MNEs have the ability and the responsibility to tackle the challenges and contribute to sustainable development. The purpose of this article is to advance IB research in aligning it with the ambition of sustainable development and resolving some of the grand challenges of today and tomorrow (Buckley et al., 2017; Montiel et al., 2021).

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## CHAPTER FIVE - CONCLUSION

Sustainable development requires businesses to manage finite resources to meet people's needs within this generation and for future generations (WCED, 1987). The concept of sustainable development in organization studies speaks to intertemporal equity (Slawinski & Bansal, 2015). Still, it has been relatively silent on place-based variations from the spatial perspective (Shrivastava & Kennelly, 2013), even though global sustainable development issues are manifested, experienced, and responded to locally. For sustainable development, peoples' needs must be met not just within and across time but also within and across local and global spaces (Bansal, Kim, & Wood, 2018).

Recently, scientists have applied a systems perspective and conceptualized the planet Earth at the global level as a large-scale system made up of interconnected nodes of smaller-scale subsystems of local places (Folke et al., 2010; Holling, 2001; Rockström et al., 2009). Some processes in the local places are nested in other processes across the planet. Local-scale processes can shape global-scale processes and vice versa. Accordingly, a dynamic equilibrium between global and local processes is key to maintaining a stable supply of natural resources into perpetuity (Steffen et al., 2015).

However, as organizations are increasingly globalizing and virtualizing, they are also becoming increasingly placeless (Relph, 1976) and often agnostic about their local connection to place. Yet, the loss of place is one of the primary reasons sustainable development is so elusive (Shrivastava & Kennelly, 2013). With this problem in mind, I developed three essays that collectively deepen our understanding of organizations' roles in mediating between the local and the global and the consequences of those roles on sustainable development. In this concluding chapter, I first summarize the main findings and the key contributions of this dissertation. Next, I

highlight the implications for practice, limitations, and areas for future research, before concluding a final remark.

## **1. Contributions**

This dissertation makes three principal contributions to studying the mechanisms of space and place that guide or limit organizations to achieve sustainable development.

A spatial perspective of organization studies on sustainability. First, this work integrates the strength of natural science—a systems perspective to sustainability—to understand organizations' roles in sustainable development at the local and global levels and mediation between these two levels. Prior sustainability science research (e.g., Folke et al., 2010; Holling, 2001; Rockström et al., 2009) that has analyzed sustainable development from the spatial perspective has suggested that a dynamic equilibrium between the global and the local is essential for sustainable development (Crona et al., 2016; Eakin et al., 2009). Yet, sustainability science often analyzed sustainable development independent from organizational experience.

Organizational studies on sustainable development, on the other hand, often treat human organizations as discrete entities from the biophysical system (Ergene et al., 2020; Gladwin, Kennelly, & Krause, 1995). They often analyze organizations' relationships with sustainable development by positioning sustainable development as a context (e.g., Barnett & King, 2008; Schussler et al., 2014; Zietsma & Lawrence, 2010), and often investigate the relationship between an organization's engagement with sustainable development issues and its competitiveness (e.g., Flammer, 2015; Margolis & Walsh, 2003).

This dissertation treats organizations as part of the biophysical Earth ecosystem and investigates an organization's role in achieving sustainable development by mediating between the local and the global. It seeks answers for the ecological case for business development

(Ergene et al., 2020). Essay #1 finds that a locally embedded organization can detect global issues by drawing on cues through two key processes: connecting local cues over time and space and contrasting local cues over time and space. Essay #2 finds three mechanisms—emotional attachment, functional dependence, and mutual dependence—that guide place-based organizations to pursue multiple sustainable development aspirations. Essay #3 offers insights into how MNEs can maintain an endless supply of natural resources. These findings build on the spatial perspective and collectively provide insights into an organization's ability to detect and address sustainable development issues

Juxtaposing the local and the global. Second, this research contributes to the recent studies that focus on the contributions of geography's notions of place and sense of place to sustainable development. Place and sense of place assume that human society and the ecosystems in the biosphere are linked (Guthey et al., 2014; Shrivastava & Kennelly, 2013; Slawinski et al., 2019; Whiteman & Cooper, 2000). Multiple ecological and societal flows and networks converge in a place where other social, economic, and political influences meet. The two concepts were introduced to push the boundary of business research on sustainability. Considering place and sense of place helps to understand the cross-scale linkages between the local and the global, which are essential for sustainable development (Bansal et al., 2018).

Essentially, the research implies that local connection to place matters in organizational life, even in a globalized world. Organizations are embedded in specific places, and the fates of organizations and their places are closely intertwined (Mazutis, Slawinski, & Palazzo, Forthcoming; Shrivastava & Kennelly, 2013). Although our current world has been described as flat (Friedman, 2009) and placeless (Relph, 1976) due to globalization, place matters much more than we ever knew. Essay #1 discusses how local embeddedness helps an organization detect

issues when the ecological cues are highly complex (e.g., high spatial variability) because understanding those cues requires an in-depth knowledge of the ecosystems at stake. Essay #2 shows how the organization relates to place shapes its sustainable development aspirations. At the same time, understanding what is happening in the local place requires global contextualization. For example, the significant income reduction of smallholder coffee farmers in Mexico during the 1990s was associated with Vietnam's transformation from a socialist command system into a market-oriented economy with the largest coffee exporters in the world (Eakin et al., 2009).

Essay #1 finds that global contextualization gives the local organization a broader perspective in viewing and responding to global issues. Essay #2 illustrates that LuxuryYak serves as a bridge between the local communities and the global economy, which provides a time buffer for the local nomads to integrate into a globalized world. Through highlighting the regenerative, spatiotemporal qualities of natural resources, Essay #3 offers insights on how international business can drive global economic development while retaining local sustainability.

Organizations need to develop deep local embeddedness in place while keeping a global sensor so that they can understand the local situation while seeing the interconnections with distant places. Such ability is critical to developing effective local responses to global issues.

An underexplored context. Third, I made an empirical contribution by studying an organization in a nomadic village on the Tibetan Plateau, an indigenous context distinctive from western organizations. Based on modern managers and corporations, a current business paradigm is incapable of solving some of the sustainable development problems because it is the current knowledge and assumptions that have caused the problems (Ergene et al., 2020). Many

Indigenous communities have managed the wellbeing of their people and ecosystems for centuries with traditional ecological knowledge (Schuster et al., 2019). Indigenous traditional ecological knowledge, however, is quite different from western knowledge because it is based on life experiences closely tied to the land (Davis, 2009). Indigenous communities, even if nomadic, are locally embedded. Their deep physical, spiritual, cultural, and ecological connections with the land allow them to understand the relationship between themselves and the local geography in a way that sustains ecosystems and their peoples now and for future generations (Whiteman & Cooper, 2011).

I took an inductive approach to build theory from this underexplored context. This new way of thinking provides an opportunity to challenge existing theories and contribute to a sustainable future. For example, in the current business paradigm, the natural environment has been long seen as passive, external to people, and open to exploitation (Gladwin et al., 1995). Yet, the nomad participants in this research perceive nature as active, as part of themselves, and within their own agency (Latour, 2013). For example, in Essay #2, the Sales Manager well described this point with the following quote:

I visited a ranch in Virginia...The farmers were only concerned about maximizing meat production from the inputs they gave to the animals. They started to calculate when to slaughter the animals the moment the animals just came into the world! That is shocking. For us nomads...when we herd the yaks and sheep, they were just lives, which deserve to be treated as living beings, not food. They only became meat when they are dead.

## **2. Implication for Practice**

Transnational organizations and sustainable development. One overarching theme in this dissertation is that sustainable development requires businesses to accommodate the ecological, social, and economic principles that converge between the local and the global. The research on global-local dynamics has been central to international business studies, but the literature tends

to focus on the tensions between local responsiveness and global integration to fuel growth and gain economic efficiencies (Bartlett & Ghoshal, 1990; London & Hart, 2004). Whether transnational organizations are part of the solution or part of the problem for sustainable development (Buckley et al., 2017) has been a long debate. Some regard transnational organizations as the main driver to fuel rapid social and economic growth (Baum & Haveman, 2020). Others see them as disruptions to the economy, society, and the natural environment (Alvarez & Rangan, 2019).

Collectively, the essays offer both small and large transnational organizations strategies and practices to contribute to sustainable development. Findings in the first and second essays show implications for small-scale transnational enterprises operating in local communities. LuxuryYak, a locally embedded and globally connected organization, has developed an organizational form that allows the local nomadic community to detect and address global sustainable development issues. Essay #1 illustrates that by connecting and contrasting local cues over time and space, an organization can detect a global issue locally. Essay #2 uncovers a crucial analytical framework, namely organizations' sense of place that guides organizations to achieve sustainable development.

Essay #3 is a conceptual argument that sheds light on how MNEs can develop sustainable firm-specific advantages to cope with the unique spatiotemporal attributes of natural-resources country-specific advantages, driving economic development sustainably (Buckley et al., 2017). It offers the three strategies of reducing, replacing, and regenerating to help MNEs simultaneously cope with their own needs and societal needs to prosper in the long term (Slawinski & Bansal, 2015). In essence, MNEs need to understand the regenerative qualities of natural resources and

build knowledge through trust-based relationships with local communities about responsible extraction.

Local solutions towards grand challenges. This dissertation also speaks to some recent management studies illustrating that embedded organizations are more effective at identifying, mobilizing, and distributing resources to address grand challenges (Mair, Wolf, & Seelos, 2016; Shepherd & Williams, 2014). Grand challenges represent a wide range of social and environmental problems we face today. They affect many individuals, often with profound impact, and once solved, could improve the wellbeing of many people. A coherent assumption about grand challenges is that they are open systems with multiple variables, connected across multiple levels of analysis and evolving nonlinearly over time (Ferraro et al., 2015; George et al., 2016; Tihanyi, 2020). Management studies on this topic often operationalize grand challenges by using the United Nations Sustainable Development Goals (SDG) framework and investigate how organizations can impact and are affected by SDGs. The findings from this dissertation suggest that grand challenges may not require top-down, large-scale answers, such as geoengineering (Augustine et al., 2019), but instead multiple experiments at the local level.

Because global issues realize, become manifest, and make real impacts on people's everyday lives in specific places at the local level, embedded organizations may be better positioned to respond to the particular manifestation of global issues with "small wins" (Ferraro et al., 2015; Weick, 1984). In Essay #2, I show how LuxuryYak has developed an organizational form that allows the local nomadic community to recognize the impact of global issues and develop its own solutions to address the issues. The solutions being generated at LuxuryYak are not top down but bottom up. For example, by immersing organizational actors into big cities in China and industrialized western countries, the organization not only allowed the nomads to



recognize economic development opportunities but also be aware of the potential risks associated with the western concept of development. The local nomads have taken the lead to decide what opportunities to pursue for the organization and the local community in the future. In a globalizing world where local nodes of places are increasingly interconnected, organizations' incremental solutions to grand challenges at the local level can eventually scale up and feed back into the global system, addressing global issues.

Global collaboration. Having illustrated that locally embedded organizations can notice and address sustainable development issues, the findings suggest that global collaborations cannot be undervalued. The insights from Essay #2 suggest implications for place-based global collaborations. Large-scale issues such as climate change, environmental degradation, and pandemics are global by nature. They are complex, intertwined, and challenging to solve. Global collaborations among different types of organizations with diverse resources, capabilities, worldviews, and perspectives may generate true breakthroughs (Doh et al., 2019; Koschmann et al., 2012). Simultaneously, these challenges are manifested in particular places and require local responses (Oborn et al., 2019).

To address these issues, organizations need to find the foundation upon which place-based global collaborations can be forged. The global understanding of place discussed in Essay #2 could encourage international collaborations (Koschmann et al., 2012) in a world where powerful sovereign actors have been weakening interdependence among nations (e.g., the Brexit and the Trump administration in the US) (Witt, 2019). Ignorance of the linkages among places may cause conflicts between actors and disrupt collaborations, whereas understanding that sense of place operates on a broader scale may lead to innovative solutions (Masterson et al., 2017).

### **3. Limitations and Future Research**

Given that the findings and insights of this dissertation are built on the study of a single organization on the Tibetan Plateau, there are limitations imposed by the specific research context.

First, my research has boundary conditions. On the one hand, the in-depth study could yield rich insights into the specific mechanisms of how a place-based organization notices and manages sustainable development. Following the theoretical sampling rationale in grounded theory (Charmaz, 2006; Locke, 2000), LuxuryYak appears as an unconventional site to conduct this research to reveal specifics that may be too weak to be noticed in the conventional context. Yet, the single case approach has limited the scope of the knowledge. The Tibetan Plateau has been a relatively isolated place, strongly influenced by Tibetan Buddhism for centuries (Goldstein & Kapstein, 1999). The specific social-ecological characteristics of the context may impact the finding's generalizability. Future comparative and international studies on organizations embedded in environments with distinctive social-ecological features could enable a broader understanding of an organization's role in mediating the local and the global and its contribution to sustainable development.

The second limitation is related to the data sources. Places are used for or proposed for various purposes by different organizational actors (Lawrence & Dover, 2015), depending on how they relate the organization with the place. I collected data from LuxuryYak's management, employees, and other stakeholders who are locally embedded. I planned, but did not succeed, in interviewing people from another two groups: 1) LuxuryYak's international board members and investors based in Europe and North America, and 2) The overseas Tibetans living in India. Each of these groups has a specific relationship with LuxuryYak and the Tibetan Plateau. Although

they are not locally embedded in place, they demonstrate a strong connection with the place. They are thus critical in affecting LuxuryYak's relationship between the local and the global. They ultimately have material impacts on the place through their information and financial exchanges with the organization and place.

The data collected are from key organizational members' lived experiences, which is especially critical to understand the organization-level phenomenon. Using individual-level data of key organizational members to explain organizational-level decisions is practical and effective in the managerial cognition and attention-based view (Porac, Thomas, & Baden-Fuller, 1989). To use founders and executives as an organizational level of analysis is not uncommon in the entrepreneurship literature because understanding the designer of the firm is important to understanding the organization (Sarasvathy, 2004), and evidence suggests that who the founders are matter in terms of what firms do (Powell & Baker, 2014).

Still, the perspectives from the other two groups that I was not able to connect with could have allowed me to portray the phenomenon from different perspectives and craft more holistic theoretical insights. Data collection from those two groups would have required considerable time and travel, which became particularly complicated due to the COVID-19 pandemic. Future research could study how multiple actors navigate the local and global interactions in a specific place for sustainable development.

Last but not least, I acknowledge that I have anchored the thesis in the business literature while sustainability is a cross-disciplinary phenomenon. Inevitably, this thesis has its own bias.

First, I have dealt extensively with how organizations could notice and address sustainability issues that affect them, such as climate change, biodiversity loss, poverty, and human displacement. Yet, organizations' own actions contribute to these issues. A stream of

literature has documented that corporations' sourcing and expansion activities have brought damage to society and the environment, especially in developing countries (Buckley, Doh, & Benischke, 2017; Montiel, Cuervo-Cazurra, Park, Antolín-López, & Husted, 2021; Murcia, Panwar, & Tarzijan, 2021; Scott & Davis, 2007). Examples of the issues include greenhouse gases emission, chemical accidents (Barnett & King, 2008), fire (Davis, 2016), and large-scale displacement of Indigenous communities (Banerjee, 2011). Business researchers would like to believe that organizations can solve sustainability issues (Buckley et al., 2017; George, Howard-Grenville, Joshi, & Tihanyi, 2016; Tihanyi, 2020). But it's critical to recognize that organizations cause sustainability issues. I have not addressed this question in the thesis, which opens the gap for future investigation.

Second, throughout different parts of the thesis, I have advocated that Indigenous knowledge offers new ways to transform current business practices towards sustainability. It needs to be explicitly argued that companies need to respect the self-determination of Indigenous peoples on their resources and knowledge when working with them. After all, business facilitated globalization (Harvey, 1989) and industrialization (McMichael, 2016) have been some of the major forces that reinforced the processes that reduced the Indigenous community's knowledge and well-being (Tobias & Richmond, 2014). For example, evidence shows that scientists and biotechnology companies have appropriated Indigenous knowledge of biological resources (Brush, 1993). So even if companies seek to learn from Indigenous communities, Indigenous people may not want to collaborate with them. Successful collaborations require establishing and maintaining a mutually respectful relationship between Indigenous communities and non- Indigenous companies (Truth and Reconciliation Commission of Canada, 2015). Future research investigating the contribution of Indigenous knowledge can benefit from community-

based approaches (Baum et al., 2006; Tobias & Richmond, 2016), which co-create knowledge that respects the community's rights and serves the community's needs. For example, the research process should be in dialogue; thus, the writing up and publishing of the research should be validated through communicating and seeking feedback from the Indigenous communities.

#### **4. Concluding Remark**

A member of an ethnic minority from West China, I was generally interested about how organizations in an Indigenous setting can achieve local sustainable development and improve lives. Such communities are often the most in need of development, yet most vulnerable to macro disruptions on the global level. In my Ph.D. research, I seek the answers to that question by conducting a qualitative study with LuxuryYak, an enterprise on the Tibetan Plateau. In so doing, I attempted to put my bricks into the path of organizational scholarship that helps local organizations and communities adapt and transform in a radically changing world.

Through the research, I reconnected with the place where I came from. I also realized that local organizations can actually contribute to global sustainable development. The current paradigm for business organizations seeks economic efficiency. In contrast, a sustainable development paradigm requires businesses to accommodate the ecological, social, and economic principles that work between the local and the global.

We live in a time where the local places on different parts of the planet are increasingly interconnected. Organizations' actions to address a dynamic equilibrium between the global and the local is essential for sustainable development. Local issues in one place can be the consequence of, and also create issues for organizations and communities in distant places. Nothing better explains the interconnectedness than the still unfolding COVID-19 pandemic. I don't think a baby on the other side of the planet would get a painful electric shock when I step

on a floor tile in a classroom (Davis, 2016). But, whether I'm vaccinated or wear a mask may have a concrete impact on the broader system.

Tuan (1990) suggests that our commitment to sustainability usually comes from personal contact with the natural environment at small spatial scales such as our backyards, homes, and villages. However, such a commitment to sustainability cannot be stretched over an empire or a modern state. The national units are often conglomerations of heterogeneous forces and shaped too artificially to be perceived as a natural unit. Alternatively, our commitment to sustainability could, surprisingly, happen at the other extreme scale of the globe, if we realize that Earth itself is clearly a natural unit, and human beings are a common species that share a common fate. This recognition is much like when the astronauts saw Earth from space for the first time and understood that the planet itself is finite and fragile<sup>9</sup>. US President Kennedy shed light on this point in a 1963 address (Kennedy, 1963), when the world was under nuclear threat. I still find his words inspiring when thinking about sustainable development between the local and global:

So, let us not be blind to our differences--but let us also direct attention to our common interests and to the means by which those differences can be resolved. And if we cannot end now our differences, at least we can help make the world safe for diversity. For, in the final analysis, our most basic common link is that we all inhabit this small planet. We all breathe the same air. We all cherish our children's future. And we are all mortal.

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<sup>9</sup> For detailed accounts of the astronaut see, "They Saw Earth From Space. Here's How It Changed Them". *National Geographic* (March 2018): <https://www.nationalgeographic.com/magazine/article/astronauts-space-earth-perspective>



Source: "Earthrise" on Apollo 8 in 1968, William Anders/NASA

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# ETHICS APPROVAL



Research Ethics

Western University Non-Medical Research Ethics Board  
NMREB Full Board Initial Approval Notice

**Principal Investigator:** Dr. Pratima Bansal  
**Department & Institution:** Richard Ivey School of Business/Ivey School of Business, Western University

**NMREB File Number:** 109057  
**Study Title:** Sacred and Secular Values Co-exist in Congruence within Organizations

**NMREB Initial Approval Date:** May 11, 2017  
**NMREB Expiry Date:** May 18, 2018

**Documents Approved and/or Received for Information:**

| Document Name                   | Comments  | Version Date |
|---------------------------------|---|--------------|
| Western University Protocol     | Received April 19, 2017.  |              |
| Recruitment Items               | Email for customer, supplier, community member.                         | 2017/04/13   |
| Instruments                     | Interview Questions. Stakeholders. English.                             | 2017/04/13   |
| Other                           | Chinese translation of all related documents. Received April 19, 2017.  |              |
| Letter of Information & Consent | Photographic Release. English. Received March 20, 2017.                 |              |
| Letter of Information & Consent | Photographic Release. Chinese. Received March 20, 2017.                 |              |
| Letter of Information & Consent | Observation   | 2017/04/16   |
| Letter of Information & Consent | Oral  | 2017/04/16   |
| Letter of Information & Consent | Interviews  | 2017/04/16   |
| Letter of Information & Consent | Oral Consent for Stakeholders   | 2017/04/13   |
| Letter of Information & Consent | Stakeholders  | 2017/04/13   |
| Other                           | Translation confirm. Received for Information. Received April 19, 2017. |              |

The Western University Non-Medical Research Ethics Board (NMREB) has reviewed and approved the above named study, as of the NMREB Initial Approval Date noted above.

NMREB approval for this study remains valid until the NMREB Expiry Date noted above, conditional to timely submission and acceptance of NMREB Continuing Ethics Review.

The Western University NMREB operates in compliance with the Tri-Council Policy Statement Ethical Conduct for Research Involving Humans (TCPS2), the Ontario Personal Health Information Protection Act (PHIPA, 2004), and the applicable laws and regulations of Ontario.

Members of the NMREB who are named as Investigators in research studies do not participate in discussions related to, nor vote on such studies when they are presented to the REB.

The NMREB is registered with the U.S. Department of Health & Human Services under the IRB registration number IRB 00000941.



**Date:** 22 April 2021

**To:** Dr. Pratima Bansal

**Project ID:** 109057

**Study Title:** Sacred and Secular Values Co-exist in Congruence within Organizations

**Application Type:** Continuing Ethics Review (CER) Form

**Review Type:** Delegated

**Date Approval Issued:** 22/Apr/2021

**REB Approval Expiry Date:** 18/May/2022

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Dear Dr. Pratima Bansal,

The Western University Non-Medical Research Ethics Board has reviewed this application. This study, including all currently approved documents, has been re-approved until the expiry date noted above.

REB members involved in the research project do not participate in the review, discussion or decision.

The Western University NMREB operates in compliance with the Tri-Council Policy Statement Ethical Conduct for Research Involving Humans (TCPS2), the Ontario Personal Health Information Protection Act (PHIPA, 2004), and the applicable laws and regulations of Ontario. Members of the NMREB who are named as Investigators in research studies do not participate in discussions related to, nor vote on such studies when they are presented to the REB. The NMREB is registered with the U.S. Department of Health & Human Services under the IRB registration number IRB 00000941.

Please do not hesitate to contact us if you have any questions.

Sincerely,

The Office of Human Research Ethics

**Note:** This correspondence includes an electronic signature (validation and approval via an online system that is compliant with all regulations).

## CURRICULUM VITAE: HAITAO YU

### EDUCATION

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Ph.D., General Management in Sustainability 2016-2021  
Ivey Business School, Western University, London, ON, Canada  
Advisor: Dr. Pratima (Tima) Bansal, Canada Research Chair in Business Sustainability (Tier 1),  
Fellow of the Royal Society of Canada, Fellow of the Academy of Management

Master of Science in Sustainable Development 2014  
HEC Paris, Jouy-en-Josas, Ile-de-France, France

Bachelor of Economics in Finance 2013, Passed CFA Exam Level I  
University of International Business and Economics, Beijing, China

### PUBLICATION

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Corley, K., Bansal, P., Yu, H. 2020, "An Editorial Perspective on Judging the Quality of Inductive Research when the Methodological Straightjacket is Loosened," Strategic Organization. ABDC 2016: A

### CONFERENCE PROCEEDING

---

Yu, H., Bansal, P., & Arjalies. DL. 2020, "A Place for Sustainable Development: Managing Place-Based Resources on the Tibetan Plateau," Academy of Management Proceedings, Vol. 2020, No. 1

### WORKING IN PROGRESS

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Yu, H., Bansal, P., Arjaliès, DL., "What global crisis? How a local Tibetan business notices global issues"

Yu, H., Bansal, P., Arjaliès, DL., "MNE competitiveness within natural resources limits"

Yu, H., "Sense of place and sustainable development"

### CASE STUDIES AND TEACHING NOTES

---

2020. Dow Greater China: Localizing the Corporate Sustainability Strategy, Harvard Business Publishing (with L. Price)

2019. Norlha: Scaling Up Sustainable Luxury on the Tibetan Plateau, Ivey Publishing 9B19M027/8B19M027 (with DL. Arjalies)

2018. Syngenta and Thought for Food: A Food-Security Innovation Platform, Ivey Publishing 9B18M197/8B18M197 (with L. Price)

## RESEARCH INTERESTS

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- Business sustainability and corporate social responsibility
- Innovation
- Place
- Globalization and international business
- Qualitative methods

## RESEARCH GRANTS AND FUNDING

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2019 Assisted in the Preparation of SSHRC Insight Development Grants “Contribution of Indigenous Knowledge to Sustainable Development: A Place-Based Perspective”, PI: Diane-Laure Arjaliès, Co-I: Pratima (Tima) Bansal (74,614 CAD, ranking 1<sup>st</sup> out of 16 awarded in the Established Scholar category)

## SCHOLARSHIPS AND AWARDS

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2020 The Administrative Science Quarterly Globalizing Organization Theory PDW scholarship, the Organization and Management Theory (OMT) Division of the Academy of Management (800 USD)

2019 Fetzer Scholarship, the Management Spirituality and Religion (MSR) Group of the Academy of Management (3,000 USD)

2019 Runner-up Award in the Most Promising Dissertation Proposal Competition, the Management Spirituality and Religion (MSR) Group of the Academy of Management (800 USD)

2019 (Waitlisted) Social Science and Humanities Research Council (SSHRC) Doctoral Scholarship

2018 C.B. (Bud) Johnston Ontario Graduate Scholarship, Ivey Business School, Western University (5,000 CAD)

2018 Ontario Graduate Scholarship (OGS), Ontario Government (10,000 CAD)

2017 (Nominated) Vanier Canada Graduate Scholarship, Western University

2016-2020 Plan for Excellence Doctoral Fellowship, Ivey Business School, Western University (27,700 CAD)

2016-2020 Dean’s Scholarship, Ivey Business School, Western University (5,000 CAD)

2013 Eiffel Excellence Scholarship, French Ministry of International Affairs (15,000 EUR)

2013 Merit-based Scholarship (declined due to other funding), HEC Paris (3,000 EUR)

2011 Cheng Chi-Kong Scholarship, University of International Business and Economics (5,000 RMB)

2010 Guanghua Scholarship, University of International Business and Economics (5,000 RMB)

### Other Accolades

2014 Hult Prize Global Finalist, Hult Prize Foundation

2010 Google Social Innovation Cup National Winner, Google China (Raised 42,000 RMB from Google China)

## CONFERENCE PARTICIPATIONS (\*denotes presenter)

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2021. Academy of International Business (Online)\*, European Group for Organizational Studies (Online)\*

2020. Administrative Science Quarterly Globalizing Organization Theory Conference (Columbia, South Carolina, United States)\*, Academy of Management (Online)\*, AOM OMT Division Doctoral Consortium, 2020 iBEGIN – Academy of International Business Canada Conference (Online)\*

2019. European Group for Organizational Studies (Edinburgh, United Kingdom)\*, EGOS Doctoral Workshop, Community of Social Innovation Annual Meeting (Toronto, Canada)\*, AOM ONE Division Doctoral Consortium, AOM OMT Dissertation Proposal Workshop

2018. ARCS/Ivey Sustainability Ph.D. Academy (London, Canada)\*

2017. Ivey Sustainability Conference (London, Canada)\*

## TEACHING ASSISTANCE

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2019- 2020, Ivey Innovation Learning Lab, Ivey Business School

2019, MSc elective course System Thinking and Disruptions, Ivey Business School

2018. Project Supervisor for HBA elective course Impact Assessment, Ivey Business School

- Ideas Worth Teaching Award from Aspen Institute (2019)
- Grand Prize Winner of Page Prize (2018)

2017. HBA core course Corporation and Society (Sustainable Finance), Ivey Business School

2016. MBA courses Business, Society and Environment & Growth through Sustainability, CEIBS

## INDUSTRY PRESENTATIONS

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2014. The Clinton Global Initiative Annual Meeting (New York, United States)

## PROFESSIONAL ACTIVITIES

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Ad Hoc Reviewer: Strategic Organization, Business, Strategy and Environment, Canadian Journal of Administrative Sciences

Conference Reviewer: Academy of Management Annual Meeting ONE, OMT (2017~ Present)

## ACADEMIC AFFILIATIONS

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Academy of Management

Academy of International Business

European Group for Organizational Studies

Community of Social Innovation (COSI)

Ontario Qualitative Methods Workgroup



## INDUSTRY PROFESSIONAL EXPERIENCE

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2016 Research Assistant, Center for Leadership and Responsibility, China Europe International Business School, Shanghai, China

2015 Consultant, Devenco Investment and Consulting, Phnom Penh, Cambodia

2014 Co-founder, Bee Healthy (one of the six Hult Prize global finalists in 2014), Boston, US

## COMMUNITY AND VOLUNTEER ACTIVITIES

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2020 Volunteer, Impact Scholar Community, Academy of Management ONE Division

2017-2018 Social Director & Committee Member, Ph.D. Students' Association, Ivey Business School, Western University

## MEDIA EXPOSURE

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2020-05-08: Transitioning our Systems to a Desirable Future, Centre for Building Sustainable Value, Ivey Business School

2020-02-13: Learning from the Emerging Future: A Reflection on Otto Scharmer's Sharing, Centre for Building Sustainable Value, Ivey Business School

2020-02-03: Meet Haitao Yu, Ivey Ph.D. candidate, News@Ivey

2018-11-09: Energy's Technological Frontier, Ivey Business School

2016: Sustainable Solutions Boost Goodwill, CEIBS Knowledge

2014-12-03: French Entrepreneurs Use B-Schools To Drive Social Impact In Cambodia, BusinessBecause

2014-06-24: Saving Lives with Hives: Our Idea Using Bees to Promote Health in Urban Slums, HuffPost