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## **“It Doesn’t Really Show.”**

The Invisibility of Diversity, Equity, and Inclusion in B2B Sales

Department of Marketing

Master's thesis

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The purpose of this thesis was to investigate the relevance of Diversity, Equity, and Inclusion (DEI) initiatives in a business-to-business (B2B) sales context. The thesis addressed the following research questions: (1) How has corporate social responsibility (CSR) gained prominence in B2B sales? (2) What diversity, equity and inclusion (DEI) initiatives are currently undertaken by organizations? and (3) What is the relevance of organizations' DEI initiatives to a B2B purchaser?

This thesis integrates DEI into the study of B2B sales and in doing so, it contributes to previous research in both marketing and DEI. DEI research has mainly focused on intra-organizational relationships in terms of e.g., organizational and team performance, with only a handful of studies examining DEI in marketing. However, to the best of this researcher's knowledge, the present thesis is one of the first studies on DEI in B2B sales. This is a novel and emerging field of research which is only starting to gain scholarly attention.

The study was conducted as a case study by interviewing six B2B purchasers of a case organization operating on the energy sector. The findings of the study revealed that B2B customers are increasingly aware of responsible practices and demand it from their suppliers. Pre-questions asked before the request for proposals concern, for example, certificates, commitment to code of conduct, fulfilment of sustainability criteria, compliance with EU regulations and law, as well as concrete actions to achieve science-based targets. The interview data suggested that these were typical topics discussed in today's B2B sales. Thus, CSR has definitely gained prominence in B2B sales, both in selling and purchasing.

Before the COVID-19 pandemic, global organizations made vocal commitments to DEI in order to respond to the intense public discussion. Recently, however, labour and economic challenges have shifted the focus away from DEI. This shift may have stemmed from the perception that DEI is not as critical to business success as other factors. Few organizations have adopted a strategic approach to DEI work with a DEI program. The lack of a strategic approach may explain why organizations do not communicate their approach towards DEI to external stakeholders, such as customers.

Based on this study, DEI has gained limited visibility and prominence in sales. When selecting a supplier in the energy sector, which is the specific industry context of this thesis, B2B purchasers still prioritize price, quality, and timeliness. However, information of DEI is considered valuable among B2B customers. As DEI is a part of CSR, providing comprehensive CSR information fosters trust and assures customers that they can be confident about their collaboration partners. Expectations towards large firms as exemplary organizations for, others to follow, were also expressed in the interviews. The findings suggest that B2B purchasers consider social responsibility as an emerging field that will become more important in the next few years. However, there is still room for pioneering action in this area, and the B2B purchasers would like to see larger organizations occupy this space showing good example to others in this industry.

**Key words:** diversity, equity, inclusion, DEI, B2B sales, B2B purchasing.

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Tämän tutkielman tarkoituksena oli tutkia monimuotoisuuden, yhdenvertaisuuden ja osallisuuden (DEI) merkitystä yritysten välisessä (B2B) myynnissä. Työssä vastattiin seuraaviin tutkimuskysymyksiin: (1) Miten yritys vastuun (CSR) merkitys on kasvanut B2B-myynnissä? (2) Millaisia tekoja monimuotoisuuden, yhdenvertaisuuden ja osallisuuden (DEI) edistämiseksi organisaatiot tällä hetkellä tekevät? ja (3) Millainen merkitys organisaatioiden DEI-teoilla on B2B-ostajalle?

Tutkielma integroi DEI:n osaksi B2B-myyntiä ja tuo siten lisäarvoa aikaisempaan tutkimukseen niin markkinoinnin kuin DEI:n osalta. Aikaisemmat tutkimukset DEI-työhön liittyen ovat pääasiassa keskittyneet organisaatioiden sisäisiin suhteisiin, kuten tiimien suorituskykyyn, ja vain muutama tutkimus on tarkastellut DEI-työtä markkinoinnin näkökulmasta. Tämän tiedon valossa, kyseinen tutkielma on yksi ensimmäisistä tutkimuksista DEI:stä B2B-myynnissä. Aihealue on uusi ja nouseva tutkimusala, joka vasta alkaa saamaan akateemista näkyvyyttä.

Tämä tutkielma toteutettiin tapaustutkimuksena haastatteleamalla kuutta B2B-ostajaa tapausorganisaatiosta, joka toimii energia-alalla. Tutkimuksen tulokset osoittivat, että B2B-asiakkaat ovat yhä enemmän tietoisia vastuullisista käytännöistä ja vaativat niitä toimittajiltaan. Ennen tarjouspyyntöä esitetään esikysymyksiä, jotka koskevat esimerkiksi sertifikaatteja, sitoutumista toimittajien toimintaperiaatteisiin (*eng. supplier code of conduct*), vastuullisuuskriteerien täyttämistä, EU:n asetusten ja lakien noudattamista sekä konkreettisia toimia tieteeseen perustuvien tavoitteiden saavuttamiseksi. Haastatteluaineiston perusteella nämä olivat tyypillisiä aiheita B2B-myynnissä tänä päivänä. Näin ollen yritys vastuu on ehdottomasti tullut osaksi niin B2B-myyntiä kuin -ostamista.

Ennen COVID-19-pandemiaa globaalit organisaatiot tekivät suuria sitoumuksia DEI-työn suhteen vastatakseen intensiiviseen julkiseen keskusteluun. Viime aikoina kuitenkin työvoima- ja taloudelliset haasteet ovat siirtäneet huomion pois DEI-työstä. Tämä on saattanut johtaa siihen, ettei DEI-työtä, ettei DEI-työtä nähdä yhtä kriittisenä liiketoiminnan menestyksen kannalta kuin muita tekijöitä. Vain harvat organisaatiot ovat ottaneet strategisen lähestymistavan DEI-työhön. Strategisen lähestymistavan puute saattaa selittää, miksi organisaatiot eivät viesti lähestymistavastaan DEI-työhön ulkoisille sidosryhmille, kuten asiakkaille.

Tämän tutkimuksen perusteella DEI on saanut rajallista näkyvyyttä B2B-myynnissä. Kun valitaan toimittajaa energia-alalla, joka on tämän tutkielman toimialaympäristö, B2B-ostajat asettavat edelleen etusijalle hinnan, laadun ja toimitusajan. Kuitenkin tieto toimittajan DEI-käytännöistä katsotaan olevan arvokasta B2B-asiakkaille. Koska DEI-työ on osa sosiaalista vastuuta ja siten myös osa yritys vastuuta, kattavan vastuullisuustiedon tarjoaminen luo luottamusta ja varmistaa asiakkaille, että he voivat luottaa yhteistyökumppaneihinsa. Tutkielman tulokset viittaavat siihen, että B2B-ostajat pitävät sosiaalista vastuuta nousevana alana, joka tulee tulevana vuosina yhä tärkeämmäksi. Tällä alalla on vielä tilaa edelläkävijöille, ja B2B-ostajat haluaisivat nähdä suurempien organisaatioiden ottavan tämän tilan haltuun ja näyttävän hyvää esimerkkiä muille tässä teollisuudessa.

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# 1 Introduction

## 1.1 Background to the study

In the past few decades, several social movements have been taking place: Black Lives Matter, #MeToo, Climate Strikes etc. (Nardini et al. 2021, 112). In Finland, 9/10 women have experienced sexual harassment on streets, parks, internet, at restaurants, concerts, clubs, public transport, or work (UN Women Finland 2023) and is perceived as one of the most racist countries in the European Union (Helsinki Times 2023). In Europe, racial discrimination has increased to 45 % compared to 5 years ago (FRA 2023). Social movements and alarming studies have increased the demand for transparent and socially compliant organizational practices (Saeidi et al. 2015, 342).

Business-related actions and practices are efforts to operate in ways and having a business model that enhance rather than degrade the surrounding society and environment (Investopedia 2024). In the past few years, employee well-being has developed from the absence of illness to the presence of well-being (Page & Vella-Brodrick 2009, 441) as the previous results have put pressure on organizations to take action (Saeidi et al. 2015, 342). At work employee well-being means for example having a sense of purpose and positive relations with colleagues (Page & Vella-Brodrick 2009, 448). The disclosures of people experiencing sexual harassment and discrimination at work (UN Women 2023; FRA 2023), have highlighted organizations' social responsibility and encouraged to pay attention to diversity, equity and inclusion.

Diversity, equity and inclusion (DEI) in the working life refers to recognizing and embracing the range of differences in groups (Gill et al. 2018, 196). Diversity stands for different identities (e.g., race, socioeconomic status, language, age) in groups, while equity refers to treating everyone fairly and with justice. Inclusion on the other hand is the state of feeling included, respected, and valued for as who you are. (Tech Target 2023.) Recently, there has been an increase in demand for DEI related services, such as trainings to organizational managers to improve internal practices.

DEI is part of social responsibility, that in turn is part of Corporate Social Responsibility (CSR) (Fatima & Elbanna 2023, 108). During the last decades the awareness of CSR has increased (Köseoglu et al. 2021, 10). CSR can be divided into internal and external activities (Ligeti & Oravecz 2009, 138). Internal activities include employee-related DEI

activities, such as, equality and well-being, whereas external activities are more related to customers, environment, business partner, regulations, and community (Skudiene & Auruskeviciene 2012, 52).

Until today, organizations have focused more on external CSR activities, such as improving environmentally friendly aspects of their business than internal social ones, focusing on employee's wellbeing (Pfajfar et al. 2022, 55). However, the importance of internal employee-oriented CSR activities, such as DEI, is expected to increase further in the next five years (FIBS 2022, 11).

CSR has been widely studied in the previous years and it has been found that CSR activities come with a good corporate reputation that leads to better relationships with external stakeholders and competitive advantage (Homburg et al. 2013, 66). CSR failures on the other hand may lead to serious reputational, economic and social losses to various stakeholders (Liu et al. 2021, 237). A CSR failure happens when an organization fails to meet its promises and alignment with its organizational values (People Management 2023). For example, in 2013 a factory building in Bangladesh collapsed, killing over 1 000 and injuring over 2 500 employees (Koenig & Poncet 2022, 4). In the factory clothing was made for 29 international brands, such as Benetton, Zara, El Corte Inglés, Primark, and Walmart (Jacobs & Singhal 2017, 54). However, the building was not designed for industrial use. Many brands refused to admit that their clothing was produced at the Rana Plaza building after the collapse. Due to the catastrophe, consumers stopped purchasing items manufactured in Rana Plaza through a selective boycotting. (Koenig & Poncet 2022, 23.)

CSR failures acted as an inspiration for this research. Previous research has identified how failures impact the purchasing, but what about positive actions? DEI has been widely studied but mostly from an internal perspective. For example, how improving DEI contributes to team performance, employee commitment and wellbeing (Stahl et al. 2010, 692; Stahl et al. 2016, 702). External benefits, such as customers perceptions have not been studied. Hence, the impact of the supplier's internal DEI practices in B2B sales has not been either studied. This research aims to increase the knowledge of the impact of the supplier's internal DEI practices and more specifically, their impact on B2B purchasers' decision-making. Previous research related to CSR has been mainly conducted in the B2C

market (Han & Lee 2021, 115), and therefore, this thesis contributes to the literature in the B2B market.

## **1.2 Research purpose and structure**

The purpose of this thesis is to investigate the relevance of Diversity, Equity, and Inclusion (DEI) initiatives in a business-to-business (B2B) sales context. The thesis will address the following research questions:

1. How has corporate social responsibility (CSR) gained prominence in B2B sales?
2. What diversity, equity and inclusion (DEI) initiatives are currently undertaken by organizations?
3. What is the relevance of organizations' DEI initiatives to a B2B purchaser?

The results add to prior research by addressing an area that has not been explored previously: DEI in B2B sales. The research is a qualitative case study and conducted together with a case organization, that provides interviewees from one of their business units. The case organization is a big player on the energy market in Finland and has both B2C and B2B customers from various sectors. This research focuses on the B2B customers. The study provides guidelines for managers and executives in organizations operating in the energy sector or in the Nordics more generally.

The research is structured as follows. First, the introduction presents the topic and motivates why this thesis needs to be conducted. The introduction also includes some brief definitions of the key terms used in the thesis. In addition, the purpose of the study and research questions are presented. The following Chapters 2 and 3 are theory-based chapters that provide a comprehensive view of the key concepts: corporate social responsibility, diversity, equity, and inclusion, as well as B2B sales and their interrelationships. Moving forward, Chapter 4 presents the methodology and chosen approach in more detail. The findings are discussed in Chapter 5, and the findings are further elaborated in Chapter 6, followed by the summary.

## **2 DEI as part of corporate social responsibility (CSR) in B2B organizations**

### **2.1 The concept of CSR**

Increasing customer and stakeholder expectations, fierce competition, and demand for transparent and socially compliant practices cause organizations to focus on their actions (Saeidi et al. 2015, 342). Corporate social responsibility (CSR) refers to decision making that is aligned with ethical values, compliant with legislation and respects people and environment (Kärnä et al. 2003, 849). Aguinis and Glavas (2012, 933) add: “Corporate social responsibility is context-specific organizational actions and policies that consider stakeholders’ expectations and the triple bottom line of economic, social, and environmental performance”. McWilliams and Siegel (2001, 117), on the other hand, define CSR more as a mindset “actions that appear to further some social good, beyond the interests of the firm and that which is required by law”. An organization that refrains from discriminating against minorities is not performing a socially responsible act – it is simply complying with legal requirements (McWilliams & Siegel 2001, 117). This is found to be a good definition of CSR in this context. According to Campbell (2007, 951) organizations are acting in a socially responsible way when they are not knowingly doing anything that could be considered to harm their stakeholders. If their actions do cause harm, they must rectify it as soon as the harm is discovered and brought to their attention.

There are several theoretical frameworks of how CSR is constructed. Elkington (1994) constructed the Triple Bottom Line (TBL) that focuses on economic, environmental, and social dimensions of CSR. Carroll (1991) presents “The Pyramid of Corporate Social Responsibility” that comprises economic, legal, ethical, and philanthropic responsibilities. Various concepts have also been introduced along the frameworks, such as ESG (environmental, social, governance), sustainability, CSR and DEI. Due to all these concepts, there is conflict and great uncertainty in terminology. For instance, sustainability has been used as an all-embracing label for everything within CSR, but sometimes to address only environmental topics. Corporate Social Responsibility (CSR) has been used to encompass internal governance processes within the area of ethics when others use it as an all-label. Misunderstandings about terminology make comparisons and dialogue difficult. (Harwood & Humby 2008, 170.)

Figure 1 below by Forbes summarizes what the difference between these concepts are and what they focus on.

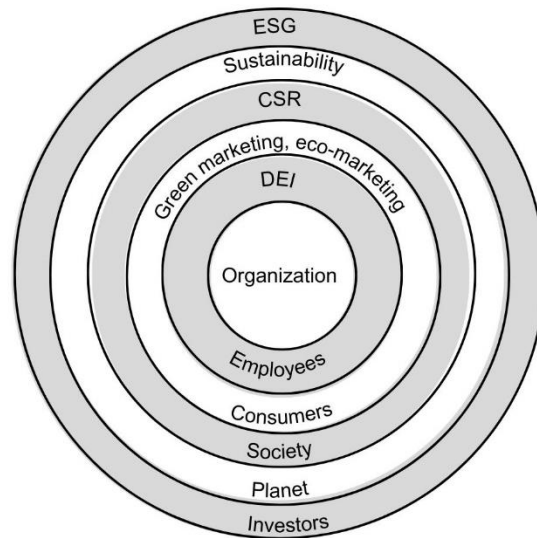


Figure 1 How ESG, CSR, Sustainability, Marketing and DEI fit together (adapted from Forbes 2023)

Usage of the terminology and their meaning in this research is visualized above. DEI is an employee-centric activity, striving to make everyone feel included as for who they are as well as dismantling the barriers within processes, practices, and cultural norms that hinder inclusivity. Green marketing or eco-marketing will be discussed later in more detail, but it focuses on communicating the undertaken initiatives to customers. CSR on the other hand takes into account the whole society, while the concept of sustainability is more environmentally, and planet focused. ESG includes measurement of the organization's actions as well as communicating these to investors in a transparent way. (Forbes 2023.) In this thesis CSR refers to environmental, economic, and social responsibility, that includes DEI (Figure 2 on page 14).

## 2.2 CSR and business performance

The role of CSR in business relationships is increasing. Homburg et al. (2013, 66) found that the importance of CSR in B2B relationships is expected to increase as a CSR compliant business may foster customers' trust, which increases customer loyalty. Correspondingly, the Sustainability in Finland 2021 -report conducted by the Finnish Business Society (FIBS), state organizations in Finland consider CSR extremely relevant for their businesses. The number of organizations reporting this has increased by 10 percent from 2019. (FIBS 2021, 17.)

Due to the increased awareness, a new concept has emerged: corporate social performance (CSP). It is closely related to CSR and financial performance (Orlitzky et al. 2011, 13). It refers to concrete CSR actions and goals for organizations to achieve. With a performance perspective to CSR, organizations must formulate a strategy on how to integrate CSR in the business and assess the performance. (Carroll 1991, 40.)

There are diverse views on the benefits of integrating CSR into the strategy. Some studies have found a link between CSR, competitiveness and business performance (Russo & Fouts 1997, 552; Marín et al. 2012, 373), whereas others find the connection requires further research (Martinuzzi & Krumay 2013, 427). McWilliams and Siegel (2001, 125) state that the relationship between CSR activity and financial performance is rather neutral. Nonetheless, according to the article by Orlitzky et al. (2011, 11) the concept of a neutral connection has been extended and it has been found that a CSR strategy can result in competitive advantage. For example, CSR activities come with a good corporate reputation that leads to better relationships with external stakeholders and competitive advantage (Homburg et al. 2013, 66; Salam & Jahed 2023). Furthermore, a study conducted in Finland among the largest Finnish companies, states that the most important business benefits from activities related to CSR is in building reputation as well as increasing brand value, sales, and customer satisfaction (FIBS 2021, 31). The more diverse actions are taken, the more trust and positive impacts are gained (Salam & Jahed 2023).

In a B2B context, creating a sustainable image of the company requires an ecosystem of suppliers that also practice responsible business management (Salam & Jahed 2023). When talking about B2B sales, CSR initiatives and an organizations commitment are vital in building trusted relationships (Swaen and Chumpitaz 2008). Good relationships are crucial in making successful transactions in the B2B market (Han & Lee 2021, 116). Furthermore, Park and Kim (2019, 308) discovered that an organisation's commitment to CSR has a strong correlation with increased customer trust and loyalty. This is because CSR activities create positive associations and affect not only the buying process but also the whole customer journey (Park & Kim 2019, 309).

Moreover, CSR disclosure activities are positively correlated with organizational sales performance (Waheed & Yang 2019, 6). Information about how an organization's CSR initiatives are managed is becoming increasingly important in B2B marketing and

communication, as sourcing for a sustainable supplier has emerged as the chief determinant for purchasers (Kapitan et al. 2019, 84). Especially, environmental performance has become an important factor for a B2B purchaser (Puijari et al. 2004, 389). However, according to another study, CSR practices are treated as a qualifier for entering the selection process, not as a competitive advantage (Harwood & Humby 2008, 170). The latter study was conducted in 2008, which means that the situation on the market might have changed. In other recent studies, it has been found that organizations that engage strongly in CSR actions enjoy greater sales performance in a form of improved relationships (Jia et al. 2023, 1071).

Despite the fact that CSR has a positive impact on sales, according to a recent study conducted in the Middle Eastern B2B markets, there is still an absence of strategic thinking in CSR initiatives. This includes dedicated CSR departments and budgetary allocations, as current activities are more undertaken as ad hoc practices. (Salam & Jahed 2023.) Nonetheless, the geographical context may have an impact on the approach towards CSR, compared to, for example the Nordics where especially environmental aspects are taken increasingly seriously. However, when considering all aspects of CSR, there is still room to do more and better, especially on the diversity, equity and inclusion part (DEI).

### **2.3 DEI as a principle of CSR**

Over the last decade, several social movements have taken place. Social movements are about people rising together as upstanders for social change. Change happens when individuals, organizations, and their networks come together in a common cause and shared purpose. (Nardini et al. 2021, 112–113.)

Today, the effects of social movements can be seen, as initiatives to promote DEI have become common almost everywhere in the world (Rašković et al. 2022, 1). Advancing DEI is an internal employee-oriented CSR activity, and part of social responsibility (see Figure 2) (Pfajfar et al. 2022, 49).

## Corporate Social Responsibility (CSR)

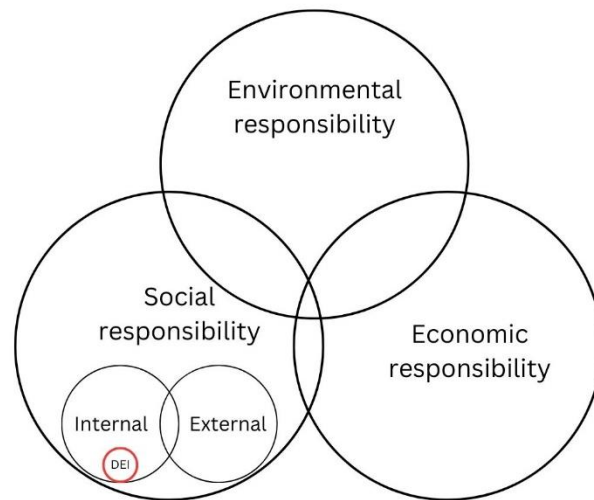


Figure 2 DEI as part of Corporate Social Responsibility (CSR) (adapted from Fatima & Elbanna 2023, 108).

According to Brown and Dacin (1997, 80), organizations support social movements through CSR initiatives. Today, companies strongly invest in both internal and external social responsibility, including DEI. Concrete actions in organizations have been taken, for example, actions to promote security, promoting equality, supporting local and immediate communities, and combating child and forced labour. (FIBS 2021, 70.) In the B2B context, CSR activities that focus on employee well-being (in other words DEI activities) and customers have a greater impact on B2B relationships than activities directed at society and suppliers. (Pfajfar et al. 2022, 56.)

### 2.4 DEI and its elements

Diversity, Equity and Inclusion can be referred to as DEI, EDI, IED, D&I or I&D depending on the chosen approach<sup>1</sup>. A well-known inclusion strategist Verna Myers refers to DEI as dancing. Being invited to a party is diversity, and being asked to dance is inclusion. (Rašković et al. 2022, 1.) Researchers have found that even though it is common to speak about *DEI*, increasing diversity is not the starting point for impactful

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<sup>1</sup> While the researcher of this thesis worked at a DEI-consultancy in Finland, the abbreviation D&I was commonly used. This was because Diversity without Equity lacks meaningful impact (Figure 3). Equity serves as a foundation of the work. However, the more prevalent term nowadays is DEI, which is why it is used in this thesis. Similarly, now there is the emergence of the DEIB acronym, with B representing Belonging. Belonging is a key part of Inclusion, so B is always inherent within I. It will be interesting to see how the DEIB abbreviation evolves.

DEI work. Instead, the order should be inclusion, equity, and diversity, which is why the following chapter starts with inclusion. (Russen & Dawson 2024, 33.)

### 2.4.1 Inclusion

Inclusion at a party means being asked to dance (Rašković et al. 2022, 1). In the business context, it means removing obstacles to ensure every employee's full participation and contribution (Roberson 2006, 216). The experience of inclusion feels like connection, joy and includes curious questions, invitations, and warm nonverbal communication. Exclusion on the contrary comprises feelings of loneliness, uncertainty and can include being blamed, interrupted, and ignored. At an organizational level exclusion can be shown as not being invited to important meetings, not being asked to join for lunch together, or using a language unfamiliar to some, thereby excluding or hindering their participation. (Tracy et al. 2020, 113–114.)

People tend to find the unknown challenging, unsettling or even scary. When facing strange situations, we are unsure about appropriate behaviour and responses that may result in taking a distance and avoiding the situations. (Stahl et al. 2016, 621.) Trust and psychological safety are the foundation of inclusion. In situations of high trust, individuals perceive the group as psychologically safe, allowing them to participate in cooperative interactions without worrying about being ridiculed or ignored by fellow group members (Peltokorpi 2007, 80). This way, ideas, uncertainties and different experiences are brought to the attention of the organization, which creates a base for establishing equal organizational processes (Russen & Dawson 2024, 33).

### 2.4.2 Equity

Equity at a party could be to have different options: serve also alcohol-free drinks, have vegetarian and vegan food etc. According to Livingston (2020, 71), "equity is about treating everyone fairly, whether that means to treat everyone in the same way or different, and other people in the organization find it to be fair". Gill et al. (2018, 196) concluded that "Equality is giving everyone a shoe. Equity is giving everyone a shoe that fits."

In the organizational context, the idea is to ensure that no one experiences that another group is receiving favourable treatment in the organization, even if the treatment is

different. Examples of organizational practices that promote equity are providing training and development opportunities based on individual needs, supporting parents by offering possibility for remote work or daycare services etc. (Russen & Dawson 2024, 34.) Equitable practices lead to diversity, as more job candidates find the organization attractive (Vongvisitsin & Wong 2021, 3).

### 2.4.3 Diversity

Diversity focuses on organizational demography (Roberson 2006, 216). In an organizational context it refers to the composition of a group. It acknowledges the fact that the members of the group differ in gender, age, health, sexual orientation, social class, ability, religion, citizenship and linguistic background, or some other factor. What is important to note is that what increases diversity always depends on the organisational context. For example, in a female-dominated sector the involvement of men increases diversity and vice versa. (FIBS 2022, 3.)

Diversity can be divided into two categories: visible and non-visible attributes. Visible or demographic attributes are easily noticeable during a short interaction, such as race, ethnicity, and age. Non-visible or personal attributes, on the other hand, are changeable and involve psychological and interpersonal traits, such as attitudes, values, personality, knowledge, and behaviour. (Jackson et al. 1993, 56; Roberson 2006, 214; Peltokorpi 2007, 78.) While visible attributes can be determined quickly, diversity in non-visible attributes can be identified through interpersonal communication (Peltokorpi 2007, 85). However, research also shows that we easily tend to make assumptions of the non-visible attributes based on the visible attributes rather quickly when meeting a new person. For example, when a group member experiences similarity on visible attributes they expect similarity on non-visible attributes as well. (Phillips & Loyd 2006, 150).

Diversity in organizations can be visible through the representation in stakeholders, such as a group of employees, that have similarities and differences (Pfajfar et al. 2022, 50). A very common misconception is that one should just not pay attention to differences, because they do not matter. Nonetheless, research shows that when ignoring the differences between people, it might result in strengthening biases. Biases are prejudice for or against one person or group, especially in a way considered to be unfair. (Castilla 2016, 35.) When not recognizing the differences and similarities with the unknown, our unintentional behaviour might end up in exclusion. True meritocracies, where employees

are hired, rewarded, and promoted based on their merit, can be more difficult to achieve than it first appears (Castilla 2016, 35). Also, when focusing strongly only on the differences instead of similarities, it might hinder the benefits of diversity (Stahl et al. 2016, 621). Therefore, impactful DEI work should focus on both, understanding the differences and embracing the similarities.

According to Beach and Segars (2022, 30) DEI should not be seen as a checklist, rather as a continuous journey of a change in the organizational culture (Figure 3).

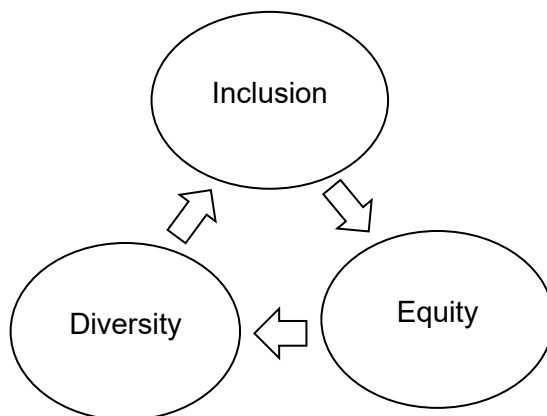


Figure 3 DEI (Russen & Dawson 2024, 33).

When acknowledging inclusion, it leads to equitable practices, as understanding that employees are different and have individual needs increases (Russen & Dawson 2024, 33). Equitable practices lead in turn to diversity, as more job candidates find the organization attractive (Vongvisitsin & Wong 2021, 3). As diversity increases, there is a need for development in new inclusive practices for an even more diverse workforce, which makes the work a continuing loop (Russen & Dawson 2024, 33–34).

While the researcher of this thesis worked at a DEI-consultancy in Finland, the abbreviation D&I was commonly used. This was because Diversity without Equity lacks meaningful impact (Figure 3). Equity serves as a foundation of the work. However, the more prevalent term nowadays is DEI, which is why it is used in this thesis. Similarly, now there is the emergence of the DEIB acronym, with B representing Belonging. Belonging is a key part of Inclusion, so B is always inherent within I. It will be interesting to see how the DEIB abbreviation evolves.

### 3 DEI in the business context

#### 3.1 Understanding DEI as an ongoing journey

According to the study Global Leadership Forecast by Development Dimensions International (DDI), a global leadership development and human resources consulting firm, there has been a decrease in organizations' DEI progress after COVID-19 and economic headwinds. Before the pandemic, global organizations made vocal commitments to DEI in order to respond to the intense public discussion. Now, however, labour and economic challenges are shifting the focus away from DEI. (DDI 2023, 3.) This shift may stem from the perception that DEI is not as critical to business success as other factors. The study examined responses from over 1 800 HR (Human Resources) professionals and 13 600 leaders from 1 500 organizations, 24 industries and 50 countries (DDI 2023, 2).

A report by International Labour Organization (ILO), a United Nations agency responsible for matters related to labour and employment, divides DEI maturity into three levels: compliance, transactional and transformational. In *compliant* organizations DEI efforts are focused on complying with legislation and policy. When an organization is *transactional*, DEI actions are in place but have a limited impact on organizational change. Concrete actions are for example trainings that are provided to the personnel. At the highest level is a *transformational* organization that has embedded DEI in its corporate culture, in every aspect of employees and processes. All transformational organizations have in common a strategic approach to DEI. They have diversity among top managers and commitment, and guidelines on how to lead change related to DEI from top management down to regular employees. They also integrate DEI topics into all the organizational activities through rules and principles. A transformational approach is still really rare, and the transactional one is more common. (ILO 2022, 31.)

Another conceptualization of an organization's DEI maturity (Figure 4) is provided by Affirmity, a global consultancy specialized in DEI. They studied organizations from North America, especially the United States. Respondents were HR professionals. (Affirmity 2022, 3.)

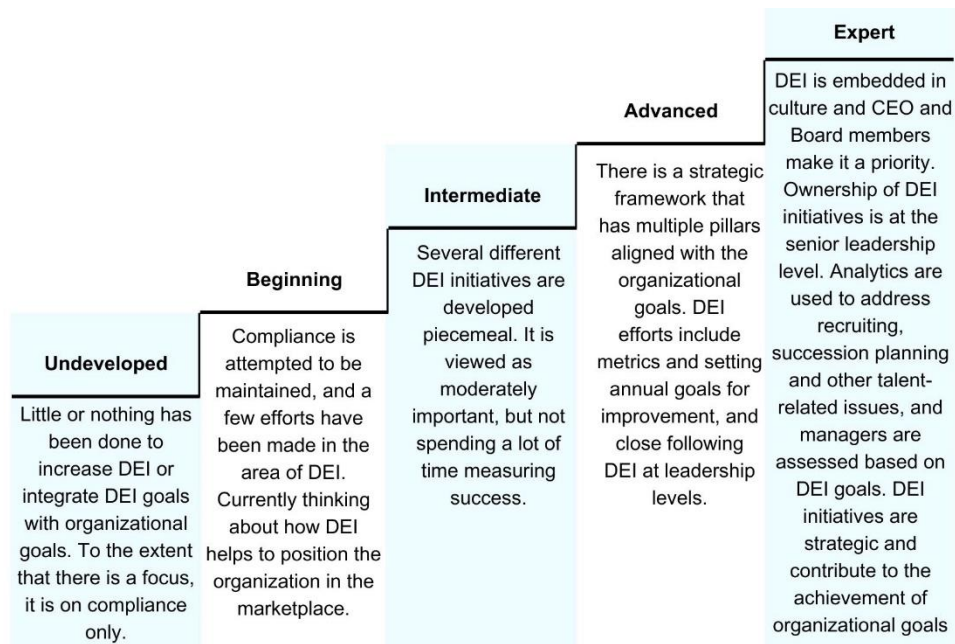


Figure 4 Maturity of an organization's DEI level (Affirmity 2022, 7).

Similarly, to ILO (2022, 31), Affirmity (2022, 7) found that 66 % of respondents are at the beginning and intermediate level. Only 4 % are experts (Figure 4). Also, DDI (2023, 8) states that strategic DEI work is on a relatively weak base in many organizations, as only 20 % have a DEI program. What is positive, is that this number has increased by 5 percentage points from 2020. (DDI 2023, 8.)

Globally, there is still room for improvement, for instance, in equitable pay, as nearly a third say that it is not a priority at all. Also, only 40 % of the respondents say DEI training is offered to all employees, even though it is often considered as the starting point for DEI work. The most common training is on unconscious bias, while other themes receive less attention. What is interesting is that, few find their DEI initiatives very effective. (Affirmity 2022, 4–9.) The reasons for this might be the lack of institutional power, as DEI work has primarily belonged only to the department of Human Resource Management and not the responsibility of any particular person (Rašković et al. 2022, 1). If there is a person responsible for DEI, they often encounter barriers if they lack the institutional power to enact changes. Another reason why DEI initiatives may be ineffective is the absence of accountability. When employees are not held accountable for their actions or to DEI objectives, a DEI strategy is more likely to fail to achieve its intended results. Additionally, solely providing training on unconscious bias is not

sufficient to bring about change without concrete tools for addressing the root causes of inequities within an organization. (Forbes 2024.)

Despite concrete actions taken, the study by DDI (2023, 6) discovered that non-minority women and minorities are still more likely to say they need to change their employer in order to advance in their career compared to non-minority men. When compared to the same study made in 2020, non-minority women and minorities remain underrepresented in leadership roles globally. While especially the number of women leaders has dropped from 2020, the number of leaders with diverse ethnic and racial backgrounds has still increased, which is a positive finding. (DDI 2023, 7.)

One of the top drivers of staying in the organization for leaders from diverse backgrounds is senior leader trust (DDI 2023, 6). This finding is supported by Hämmig (2017, 398) who stated that supervisor support has been found to be extremely important for employee well-being. Also, Peltokorpi (2007, 80) has found that high trust and psychological safety are crucial for inclusion. To have committed employees is crucial for any organization. Currently, organizations are struggling with bench strength, which refers to the number of employees ready to fill vacant positions. 12 % of organizations that have a strong bench strength were more diverse, had a stronger culture of inclusion and provided more career opportunities to women and minorities to advance. (DDI 2023, 9.)

The Finnish Business Society (FIBS) conducted a study of DEI in Finnish companies in 2022. The study was conducted with a survey and interviews with CEOs, people responsible for HR or corporate responsibility. The 103 respondents were mainly Finnish companies with personnel only in Finland or both in Finland and abroad. (FIBS 2022, 14–15). According to the study, the importance of DEI practices is expected to increase further in the next five years, but the resources are not expected to increase at the same rate (FIBS 2022, 11). Moreover, labour and economic challenges are changing the focus away from DEI (DDI 2023, 3). Only a few companies find diversity and inclusion very relevant right now, but the relevance of diversity is expected to increase. International companies find DEI more relevant than companies with personnel only in Finland. (FIBS 2022, 21.) This can be explained by the fact that an international workforce is demanding increased attention to DEI issues. None of the respondents believed that DEI would become less important in their organization in the next 5 years (FIBS 2022, 52). Quite logically, organizations that have incorporated DEI in their strategy, find DEI more

important than those who have not. Inclusion is considered today three times more relevant than diversity. (FIBS 2022, 21.) This can be considered a positive finding since impactful DEI work should start with inclusion (Russen & Dawson 2023).

Similarly, as strategic DEI work has been found to be rare in global organizations (DDI 2023, 8), strategic DEI management is yet not common in Finnish organizations either (FIBS 2022, 9). Over 60 % have not set targets for DEI management nor assessed the state of DEI in their company. Assessing the state of DEI and employee's DEI maturity is often considered the starting point in impactful DEI work together with internal training. Neither is it common to have a person in charge of DEI, who would have allocated hours to promote DEI. (FIBS 2022, 32.) This finding is in line with the fact that DEI work is often faceless, it has primarily belonged only to the department of Human Resource Management and not the responsibility of any particular person. (Rašković et al. 2022, 1).

Several concrete initiatives have been taken also in Finnish organizations. About 70 % state to have provided training to their personnel on how to intervene in inappropriate behavior, more than 60 % say that they have ensured the accessibility in their premises, identified and removed unexplainable pay gaps or considered the diversity of families in their practices to combine work and family-life. Still, anonymous recruitment, which is an important way of preventing the impact of unconscious bias in recruiting, is a permanent practice in only 3 % of the respondents (FIBS 2022, 37–38).

In order to assess the positioning of an organization's DEI journey (e.g. Figure 4) assessment tools are created. An option to assess the state of DEI, FIBS has constructed together with a DEI consultancy a Diversity and Inclusion self-assessment tool for organizations. The tool consists of 4 main sections: organizational commitment, DEI work processes, topics related to employees, topics related to customers and other external stakeholders. The level of an organization can be either beginner, developer or advanced. (FIBS 2021.) An example of sales and communication can be found in Table 1.

Table 1 Example of the Diversity and Inclusion self-assessment tool (FIBS 2021)

	<b>Beginner</b>	<b>Developer</b>	<b>Advanced</b>
<b>Sales and marketing</b>	A need to take diversity into account in sales and marketing has been identified.	<p>The organisation is developing and has developed practices that take diversity into account in sales and marketing, avoiding stereotypes and challenging norms.</p> <p>The organisation increases its expertise regarding different minority groups as customers.</p> <p>The organisation actively communicates to customers about the ways in which diversity has been taken into account in products and services.</p>	<p>The organisation has practices for ensuring that diversity is taken into account in sales and marketing, that norms and discriminatory assumptions are challenged.</p> <p>The organisation systematically monitors the success of inclusiveness in sales and marketing.</p> <p>The satisfaction and needs of existing and potential customers in different groups are monitored.</p> <p>The organisation systematically communicates to customers about the ways in which diversity has been taken into account in products and services.</p>
<b>Communication</b>	A need to take diversity and nondiscrimination into account and apply a norm-critical approach in communication has been identified.	<p>The organisation is developing and has developed practices that support taking diversity and non-discrimination into account and applying a norm-critical approach in communication.</p> <p>The practices are used in some of the communication.</p>	<p>The organisation has well-defined practices that are systematically used in all communication to ensure that diversity and non-discrimination are taken into account and a norm-critical approach is applied.</p> <p>The effectiveness of the practices is monitored by various methods.</p>

When conducting the self-assessment, the organization gets knowledge of the scope of DEI work, internal strengths and areas that need to be developed further. The user manual provides more examples of concrete practices to every section. (FIBS 2021.)

### 3.2 DEI in sales

#### 3.2.1 DEI and its connection to business performance

Diversity is something that people are often afraid of in the business context. This is because the perception is that the effect of diversity on team performance is negative as it makes the social processes more difficult. (Stahl et al. 2010, 691.) People with similar backgrounds tend to share common life experiences and values and can find the interaction easier, as similarity reinforces one’s beliefs and attitudes (Williams, K. Y. & O’Reilly 1998, 85). When the communication style is very similar, it is effective, and it is easy to understand the other person (Triandis 1960, 181). Therefore, people enjoy interacting with others who share similar characteristics or background.

From a performance perspective, working with similar people may not be an optimal base for successful business. It has been found that diverse teams are more creative (Stahl et al. 2016, 702), as cultural diversity brings different values and ideas into the team (Stahl et al. 2010, 692). This enables the team to perform better and achieve more than individuals alone could achieve. What is important to note is that while working in a diverse team may be beneficial for the team's outcome, it may not be the most satisfying way of working. The more different ideas, the more complex the communication, and the slower the result. Therefore, working in a diverse team may not feel as smooth as working in a homogenous team. (Stahl et al. 2010, 692–693.) However, in the same study, smaller teams did not experience less effective communication but rather higher satisfaction than culturally homogeneous teams. This can be explained by the employees having a high motivation to work together that helps tackle the differences in communication. (Stahl et al. 2010, 703–704.) This finding highlights the important role of inclusion

Poor team relations have been discovered to be due to poor individual well-being (Leifels & Zhang 2023, 379). The role of support is crucial for employee well-being at work. The less support from co-workers and family, the higher the risk for feeling overwhelmed and being dissatisfied with work (Hämmig 2017, 396). Especially supervisor support has been found to be extremely important in employee well-being (Hämmig 2017, 398). Therefore, it is crucial that issues related to DEI are taken into account already by top management to make sure that everyone gets the support they need. In a positive team environment, the team members support each other, and everyone has the ability to participate in the decision-making process (Leifels & Zhang 2023, 370).

Sales has for a long time focused on individuals' performance. Recently, organizations have started to emphasize sales teams instead. According to a study by Garrett and Gopalakrishna (2019, 19) salespeople that work in teams perform better together than as individuals. When talking about numbers, despite the difference in personal selling performance, the findings were evident – both stronger and weaker salespeople performed better in teams. This can be explained by the fact that diverse teams are more efficient and produce higher-quality work with less redundancy. This happens because diverse teams bring together various skills that, when combined, generate more value than a group with similar backgrounds. By letting each team member focus on their strengths, both the quality and efficiency of the work significantly improve. (Holtzman & Anderberg 2011, 91.)

When managed with inclusion, diversity in a sales team provides many benefits. Differences for example in gender and ethnicity increases the team's ability to understand the perspectives of a broad variety of customers (Jackson & Joshi 2004, 681), as diversity brings different values and ideas into the team (Stahl et al. 2010, 692; Holtzman & Anderberg 2011, 91). Also, it improves the premise to create alternative solutions and foresee possible costs and benefits. Last but not least, a diverse team may enhance the network of external contacts. (Jackson & Joshi 2004, 681.)

Internal employee-related CSR activities (in other words DEI activities), for example providing equal opportunities, flexibility, respect, have not only a positive impact on the purchaser's perception, but also a strong correlation with employees' sales performance (Waheed & Yang 2019, 6). Furthermore, another study found that social responsibility activities enhance employees' organizational identification, namely how attached an employee is to the organization. Employees who feel attached also perform better. A finding that is interesting from a DEI point of view is that employees who identify with a specific organization also fit in with the organizational culture very well. (Carmeli et al. 2007, 986.) Therefore, inclusion is very important both for employees' individual performance and through that for organizational viability.

DEI practices and employees' knowledge about DEI can be seen as internal resources. Resources are anything that can be thought of as a strength or weakness of an organization (Wernerfelt 1984, 172). According to Grant (1991, 116), in a world where customer preferences are volatile, a resource-based view (RBV) of a firm's strategy may be a much more stable basis than identifying customers. The resource-based theory suggests that internal resources and capabilities are a direction for an organization's strategy (Figure 5) and source for profit. The resources can be, for example, a brand name, in-house knowledge of technology, skilled personnel, trade contacts, machinery, efficient procedures, capital, etc. (Wernerfelt 1984, 172), and in this context the employees' knowledge of DEI and its impact on individual and business performance. The RBV of a firm can be utilized when planning strategic CSR work (Russo & Fouts 1997, 551; Orlitzky et al. 2011, 10). Hence, the researcher suggests that the model (Figure 5) can be of help when planning DEI work as well.

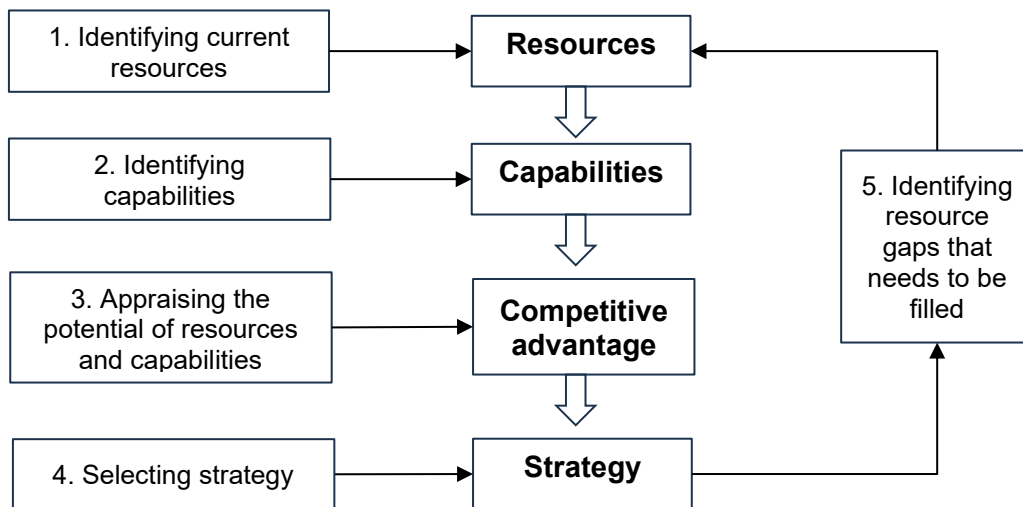


Figure 5 A practical framework of the resource-based view (Grant 1991, 115)

The first step “Identifying resources” is about appraising strengths and weaknesses compared to competitors as well as identifying opportunities for better use of current resources. When identifying capabilities, the focus is on efficiency and identifying the resource input for each capability. To gain competitive advantage, the potential of resources and capabilities is appraised for example in terms of CSR or DEI and their returns. The last steps are about deciding a strategy that is aligned with the resources, capabilities, and goals as well as identifying resource gaps that need to be filled by investing in replenishing and augmenting the current resource base. (Grant 1991, 115.) Yet, DEI is not widely seen as an internal resource as strategic DEI work has been found to be rare in global organizations (DDI 2023, 8).

### 3.2.2 DEI in B2B procurement

Due to technological development, increased use of online and digital services, the traditional B2B buying process has changed in recent years (Steward et al. 2019, 288). Previously, B2B sales have been about transactions, when today the process is referred to as a customer journey. According to Wroe Alderson, a transaction “is a joint decision in which the customer agrees to take the goods offered and the supplier agrees to sell at the stated price and terms”. (Steward et al. 2019, 292.) The customer journey on the other

hand, “is the process a customer goes through, across all stages and touch points, that makes up the customer experience” (Lemon & Verhoef 2016, 71).

The B2B buying process includes pre-purchase, post-purchase and can start from a new buying situation or rebuy situation (Figure 6) (Purmonen et al. 2023,79). Understanding the customer journey helps marketers to understand the purchase and what influences the purchasing decision (Purmonen et al. 2023, 81). This research focuses on the left circle, purchasing.

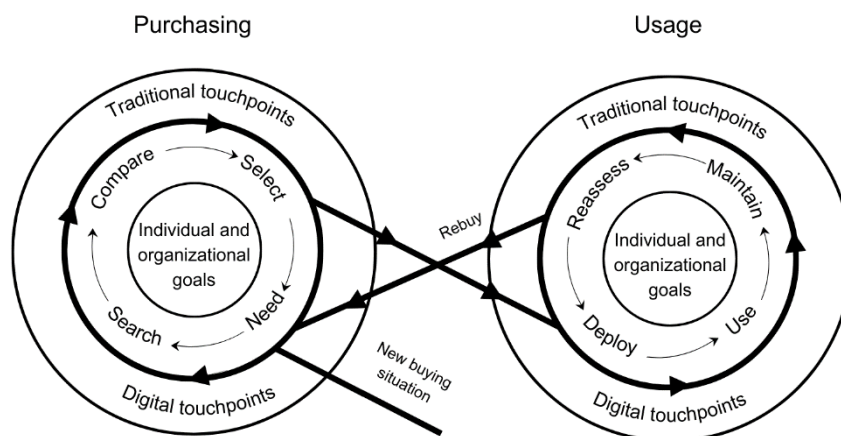


Figure 6 Modified B2B customer journey by Purmonen et al. (2023, 79)

The purchase journey (left circle) can be divided into four steps: recognizing the *need*, *searching* for information, *comparing* providers, and *selecting* the partner. In the post-purchase stage (right circle) or usage-journey are equally four elements: offering *deployment*, *usage*, *maintenance*, and *reassessment*. What impacts these two journeys are organizational and individual goals. During these paths, the customer is having several touchpoints, both direct with the salesperson and indirect that are beyond the salesperson’s control. (Purmonen et al. 2023, 79–80.)

A recent study by Lundin and Kindström (2023) explored how digitalization influences B2B customer journeys. The presence of traditional touchpoints (Figure 6), for example, meetings in person and personal consulting is decreasing as more B2B customer journeys rely on digital touchpoints, such as websites and social media (Aichner & Gruber 2017, 135). This does not however mean that the traditional touchpoints are forgotten, since Lundin and Kindström (2023, 4) found that due to digitalization, new touchpoints can be added to the framework and the existing ones can be transformed. Also, connecting with

the customer earlier through digital touchpoints, the selling organisation “locks the customer in” and gets a competitive advantage compared to competitors. As known, B2B customer journeys look often very different depending for example on the need, length of relationship and size of the organization, which is why more touchpoints allow customers to be more active in their journeys and form their own experience. (Lundin & Kindström 2023, 4–6.) What is interesting is that, due to the customers’ increasing active roles, Lundin and Kindström (2023, 7) suggest that the selling organization should try to take a more passive and less active role and not strive to have control of all touchpoints.

When referring to CSR in purchasing, a term has been evolved: Purchasing Social Responsibility (PSR) (Carter & Jennings 2004, 146). PSR considers diversity, human rights, the environment, safety, and philanthropy in purchasing management (Carter & Jennings 2004, 167). PSR entails recognizing various facets such as new product design, materials management, packaging concerns, and warehousing. This implies that purchasers must liaise with other logistical entities to execute PSR initiatives. Concurrently, purchasers must collaborate with suppliers to guarantee that their organization procures socially responsible inputs, maintains a varied supply base, and ensures that suppliers are likewise managing their own organization and second-tier suppliers in a socially responsible way. (Salam 2009, 364.)

Organizations that promote one area in PSR should consider promoting other areas as well, if aiming to give a comprehensive picture of the approach to CSR. (Carter & Jennings 2004, 167.) It has been shown that organizations that have a people-oriented culture tend to focus on PSR in purchasing. Top management has an important role as they strongly influence the organizational culture. Also, employees’ individual values influence employee initiatives that in turn positively affect PSR. (Carter & Jennings 2004, 167–169.) Another research supports the finding of people-oriented culture, top management support and personal values being major drivers of implementing PSR (Salam 2009, 364). One research also found that benevolence has a positive impact on voluntary PSR initiatives (Blome & Paulraj 2013, 579). What is interesting is that government regulation is not a significant driver of PSR (Carter & Jennings 2004, 167–169). This is contrary to other studies that state: organizations will only act responsibly if they are regulated (Salam 2009, 364; Baden et al. 2011, 273). However, genuine CSR arises from corporate culture rather than formalized processes (Baden et al. 2011, 273).

What the studies agree on are that there is a strong relationship between customer pressure and PSR (Carter & Jennings 2004, 169; Salam 2009, 364).

When considering DEI in sales, currently, 25 % of the respondents based on a Finnish study say that they take DEI into consideration when choosing subcontractors (FIBS 2022, 42). However, only 17 % of the respondents find ensuring the commitment of business partners and subcontractors to DEI important (FIBS 2022, 47). The study does not clarify whether ensuring commitment is important to the extent that it influences purchasing decisions or if it is merely considered a "nice-to-know" factor.

### **3.3 Communicating DEI initiatives to external stakeholders**

As there is very limited research of DEI in external communication, this chapter focuses mainly on CSR communication and conclusions are drawn based on the available research.

#### **3.3.1 The need to communicate**

Today, green marketing communication is the most popular concept in academia to define marketing communication that focuses on the reduction of negative social and ecological effects. Along with green marketing, also other concepts such as sustainable marketing or sustainability marketing, environmental marketing or eco-marketing and ecological marketing have been launched. (Katrandjiev 2016, 72.) Ecological marketing was the first concept introduced in 1975 with a strong environmental focus. Later, in the late 1980s, green marketing emerged, incorporating considerations of human vulnerability and the impact of human activities on the environment. (Katrandjiev 2016, 75–76.) In the 2000s, sustainable marketing appeared as a concept. Sustainable marketing focuses more on the future than the other concepts and has broadened the understanding of what is involved in responsibility. (Katrandjiev 2016, 80–81.)

DEI has been visible to customers mainly as inclusive communication, which means understanding and appreciating customer differences, identities, and needs (Ferraro et al. 2023, 464). More than half of the respondents in the study by FIBS, with the largest organizations in Finland, say that DEI is considered in communication to external stakeholders. What is interesting is that, even if communicating about DEI is considered important, it is also found as a challenge together with the personnel's skills and training

on the topic and the commitment of management and personnel (FIBS 2022, 10). Even if the challenges are acknowledged, many respondents do not yet find it topical to address them (FIBS 2022, 45).

Focusing on DEI in marketing is strongly connected with building a reputation, which is especially relevant for larger organizations (Williamson et al. 2006, 326). Big organizations such as Nike have taken a stand on social issues. For instance, in 2016, Colin Kaepernick knelt during the U.S. national anthem before a game to protest against police brutality and racism. His action sparked both praise and strong criticism. In a demonstration of support, Nike featured Kaepernick in its “Just Do It” advertising campaign in 2018, which also attracted both opposition and support. (Nardini et al. 2021, 113.)

Recent research has found that CSR has become an important differentiator for a B2B purchaser’s purchase decision (Guo et al. 2022, 7). In order to achieve a competitive advantage, B2B companies must consistently and clearly communicate their practices (Kapitan et al. 2019, 85–86) as it gives a glimpse into the degree of how integrated CSR is into the bigger strategy (Liu et al. 2021, 238). However, especially in complex supply chains, the purchaser may miss information about all the sustainable practices (Kapitan et al. 2019, 85–86). Without communication, potential customers are not aware of the CSR characteristics that might play an important role when making a purchasing decision (McWilliams & Siegel 2001, 120). Especially in the B2B context, customers may not know about certain initiatives. Therefore, the customer’s perception may be entirely different from the actual sustainability level. (Staniskiene et al. 2019, 50.)

The need to address customers’ expectations for CSR activities and DEI practices can be explained through the stakeholder theory. According to Clarkson (1995, 106) “Stakeholders are persons or groups that have, or claim, ownership, rights, or interests in a corporation and its activities, past, present, or future”. Stakeholders with similar interests can be divided into groups such as employees, customers, shareholders. An organization should attempt to address the interests of their diverse stakeholder groups (Greenley & Foxall 1997, 260) because, for example, organizations with a customer-oriented culture perform better than companies without (Deshpandé et al. 1993, 31). The stakeholder groups can be classified as primary and secondary stakeholders. *Primary stakeholders* refer to shareholders, investors, suppliers, employees, and customers.

*Secondary stakeholders* are those influencing or influenced by the organization, but not engaged in transactions with the organization nor essential for its survival. (Clarkson 1995, 106–107.) Organizations should aim for a balance when addressing stakeholder interests rather than selecting which stakeholder interests to address (Greenley & Foxall 1997, 277). Recent research has found that organizations that focus on social responsibility and communicate it improve relationships with external stakeholders, such as customers (Salam & Jahed 2023). This can be explained by that an organisation’s commitment to CSR has a strong correlation with increased customer trust and loyalty (Park and Kim 2019, 308).

### 3.3.2 Importance of positioning

Working with CSR practices is a continuous journey, but currently there is a lack of effective and transparent communication to stakeholders. Effective communication relies on a clear understanding of the organization’s CSR positioning. (Kapitan et al. 2019, 85–86.) Figure 7 shows how the *purchaser’s perception* of the seller organization’s sustainability may differ from the *actual state of sustainability* if there is a lack of communication. The figure can be used for positioning a B2B organization.

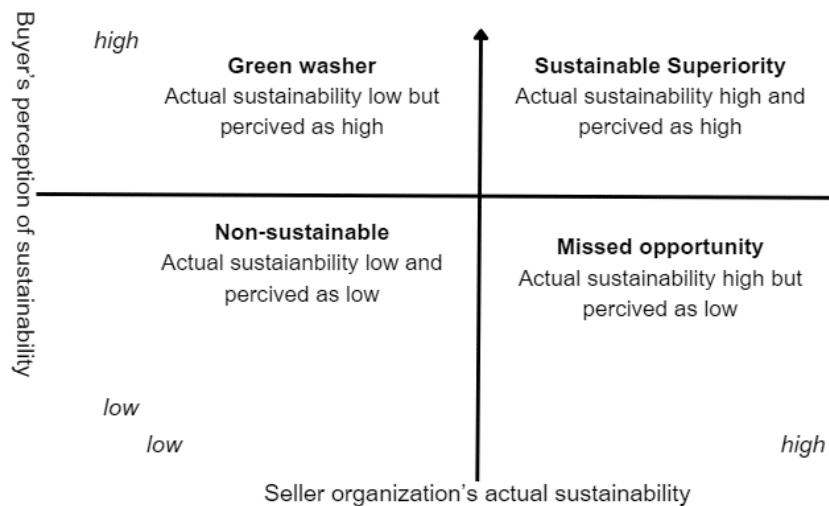


Figure 7 B2B sustainability positioning (Kapitan et al. 2019, 94)

As Figure 7 shows, the category of a green washer (upper left corner) refers to when focusing only on selling as much as possible and therefore communicating about CSR

practices. In this stage the organization does not authentically implement CSR as part of the business strategy, and therefore often receives criticism from the purchasers. A sustainably superior organization (upper right corner in Figure 7) is perceived by purchasers as being highly sustainable and credible, with low environmental impact. A non-sustainable organization (lower left corner in Figure 7) means that the organization is not interested in changing their current actions. It may exist in a monopoly which is why there is no pressure to become more sustainable. When categorized as a missed opportunity (lower right corner in Figure 7), the organization strongly focuses on CSR, but the customers do not perceive it as a highly sustainable organization. This may be due to an ineffective CSR communication strategy. (Kapitan et al. 2019, 93–94.)

According to another study, customers may not understand CSR actions, even if they are communicated. Hence, it is crucial that the “what” and “why” part of sustainability actions are communicated at different customer touchpoints. However, customers that are very interested in sustainability have been able to find the information they needed to some extent. (Pugnetti et al. 2023, 11.) Organizations should make their CSR practices more visible to customers especially when operating across long distances or in a highly competitive market (Jia et al. 2023, 1075). Multinational companies may play an important role and be the changemakers in this, as they bring corporate policies to new countries and influence the domestic business environment and practices (Rašković et al. 2022, 2).

Suppliers and customers may also work together, as Ozdemir et al. (2023, 9) found that collaboration with the primary stakeholders is most likely to lead to innovation as the stakeholders are a source of information. Collaboration allows both parties to ensure that their approach to CSR is similar. Similarly, Kuokkanen and Sun (2020, 405) have found that strategic CSR management needs to be an interactive process between the supplier and customer to meet customer needs. When the supplier and customer have similar CSR orientations, their relationship is performing better. Hence, the supplier should prioritize partners with who have similar interest in CSR. (Liu et al. 2021, 253.) Aligned expectations are important, because if a primary stakeholder group becomes dissatisfied, the organization may be seriously damaged (Clarkson 1995, 106). Failing to meet the expectations may be detrimental to corporate performance (Greenley & Foxall 1997, 260). For example, B2B customers might face serious reputational risks and supply chain disruptions when their suppliers are involved in sustainability crises, for instance, the

Rana Plaza collapse in 2013 where apparel was conducted for several well-known brands (Jacobs and Singhal 2017, 54).

In addition to aligning CSR activities with the organizational strategy and knowing the positioning, there are some other principles that can be of use especially in terms of the sales process: 1) integrating the CSR message when providing information of the product or service, 2) choosing to communicate CSR information together with other hedonic features (attractive features) rather than utilitarian features (must be features), 3) promoting the activities consistently over time (Blenkhorn & MacKenzie 2017, 1178). DEI encompasses both utilitarian and hedonic features. Certain aspects of DEI are mandated by law, such as the prohibition of discrimination based on various grounds such as, for example, gender, race, ethnic or social origin, disability, age, or sexual orientation (European Commission 2024). These can be characterized as utilitarian features that customers may expect from suppliers. Hedonic features may include the actions an organization takes to address DEI or promote equity, making them more attractive to customers.

### 3.3.3 Benefits of clear and consistent communication to sales

Communicating CSR activities have been found to enhance organizational value in the perspective of a B2B purchaser, if the activities are aligned with the business (Guo et al. 2022, 8). Clear communication on CSR activities reduces the customer's uncertainty and facilitates decision making. When the supplier focuses on CSR, the customer tends to engage more in CSR as well. (Jia et al. 2023, 1063.) However, to achieve a successful relationship, a CSR fit between the supplier and customer is vital (Jia et al. 2023, 1075). Hence, communication is important so that the fit can be found. Research has also found that the compatibility between the organization and the customer has a positive impact on purchase intention (Deng & Xu 2017, 524).

B2B customers' perception of CSR, which focuses on the environment and employees, has a positive correlation with trust towards the organization (Staniskiene et al. 2019, 56). Customers value especially societal CSR activities, but environmental actions are also significant (Pugnetti et al. 2023, 11). One study states that environmental performance has become an important factor for a B2B purchaser (Puijari et al. 2004, 389). However, another study conducted in 2020 has found that focusing on environmental CSR has not a significant impact on the end consumer's purchasing decision. This can be explained

by fears of greenwashing. (Kuokkanen & Sun 2020, 416.) Greenwashing is defined as “the intersection of two firm behaviours: poor environmental performance and positive communication about environmental performance” (Delmas & Burbano 2011, 65). Based on the findings above, positioning the organization’s DEI state is important when communicating about DEI practices to stakeholders. The positioning can be done by utilizing FIBS’s self-assessment tool in Table 1 for example (FIBS 2021).

Some researchers have found that customers perceive CSR communication as greenwashing and irresponsible, if it is obvious that the organization aims to only gain profit and is not genuinely doing what is deemed right (Bhattacharya & Sen 2004, 14). In order to prevent greenwashing, it is crucial that the initiatives are aligned with the organization’s strategy and business, and it is communicated clearly to stakeholders. As DEI is an emerging concept, the importance of communicating DEI initiatives and practices may become as important as the communication of other CSR activities.

### 3.4 Synthesis of theoretical framework

Based on the findings of previous literature, the following synthesis of the theoretical framework was constructed (Figure 8).

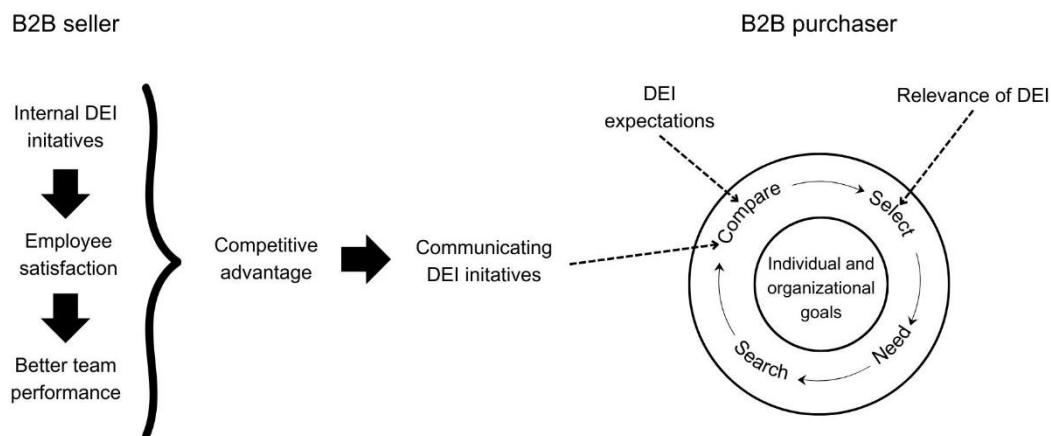


Figure 8 Synthesis of theoretical framework

Internal DEI activities, (left upper corner in Figure 8), are for example, promoting equality, employee well-being, and creating a culture where everyone has a sense of purpose and positive relations with colleagues (Page & Vella-Brodrick 2009, 441–448). When an organization is actively improving DEI internally, employees feel more attached

to the organization. An attached and satisfied employee does also perform better. (Carmeli et al. 2007, 986.) Recently, organizations have started to emphasize sales teams instead of individual performance. Research shows that salespeople working in teams perform better together than as individuals. (Garrett & Gopalakrishna 2019, 19.) When managed with inclusion, diversity in sales teams comes with many benefits, such as: better understanding of the perspectives of a broad variety of customers, different values and ideas, improving the premise to create alternative solutions (Jackson & Joshi 2004, 681; Stahl et al. 2010, 692). This can result in competitive advantage.

The right part of Figure 8 illustrates the stages a B2B purchaser goes through: recognizing the need, searching for information, comparing providers, and selecting the partner. What impacts this journey are organizational and individual goals. (Purmonen et al. 2023, 79.) The dashed arrows highlight what the empirical part of the thesis aims to address in order to respond to the research questions.

Research has shown that to achieve a competitive advantage, B2B companies must consistently and clearly *communicate their practices*. Especially in complex supply chains, the purchaser may miss information about all the sustainable practices. (Kapitan et al. 2019, 85–86.) Without communication, potential B2B purchasers are not aware of the CSR characteristics (including DEI activities) that might play an important role when making a purchasing decision (McWilliams & Siegel 2001, 120). CSR is necessary for both satisfying stakeholder and *customer expectations*, and for sources of innovation and business development. However, the customer expectations are yet not well understood, especially not in DEI. (Pugnetti et al. 2023, 3.) When searching for literature of DEI in B2B sales or procurement, there was no study to be found, which justifies the need for this research.

B2B purchasers' perception of CSR focusing on environment and employees have positive correlation with trust towards the organization (Staniskiene et al. 2019, 56). Purchasers value especially societal CSR activities, but environmental actions are also significant (Pugnetti et al. 2023, 11). However, when talking about purchasing decisions, focusing on environmental CSR has not a significant impact on the end customer's purchasing decision. This can be explained by fears of greenwashing. (Kuokkanen & Sun 2020, 416.)

Purchasing Social Responsibility (PSR) is a new term that has evolved and considers diversity, human rights, the environment, safety, philanthropy in purchasing management (Carter & Jennings 2004, 146). People-oriented culture, top management support and personal values and benevolence are found to be major drivers of implementing PSR (Salam 2009, 364; Blome & Paulraj 2013, 579). In addition to these internal drivers, there is a strong relationship between customer pressure and PSR (Carter & Jennings 2004, 169; Salam 2009, 364). The last dashed arrow will explore, what the *relevance of DEI* is for a purchaser when selecting suppliers.

## **4 Methodology**

### **4.1 Qualitative research and case study as research method**

The purpose of this thesis is to investigate the relevance of Diversity, Equity, and Inclusion (DEI) initiatives in a business-to-business (B2B) sales context. The empirical part of the research is conducted as a case study together with a case organization that provides interviewees from one of their business sectors.

The thesis will address the following research questions:

1. How has corporate social responsibility (CSR) gained prominence in B2B sales?
2. What diversity, equity and inclusion (DEI) initiatives are currently undertaken by organizations?
3. What is the relevance of organizations' DEI initiatives to a B2B purchaser?

The purpose of qualitative research is to explain a phenomenon from the participants' perspective through observations and interviews (Orb et al. 2002, 94), which is why a qualitative approach suits the thesis well and is aligned with the purpose of this study. The researcher can be interested in inquiring about topics, such as, how people are experiencing an event, a series of events or a condition (Agee 2009, 434). A case study is a commonly used method in business for examining companies and organizational dynamics. Thematic interviews are a common method for gathering data in a case study, which is why they are employed in this research. (Aaltio & Heilmann 2009, 1.)

When using a case study as a research method, the researcher collects information from the research object by observing and gathering data. Data gathering can include e.g., interviews and familiarising oneself with the research object, which is the case organization in this thesis. The case methodology is a process that includes 1. selecting study objects, 2. ensuring that the selected objects are appropriate for the study 3. establishing the theoretical framework as the basis of the study, 4. collecting, processing, and analysing data, and 5. completing the data collection phase. (Aaltio & Heilmann 2009, 4–5.) This thesis closely followed this process; however, the case organization and the interviewees were selected after establishing the theoretical framework because cooperation with the case organization was agreed upon at a later stage.

## **4.2 Research implementation – interviews**

### **4.2.1 Selection of case organization and interviewees**

The case company was chosen by being in contact with different companies, only one of which was interested in the research: the case organization. Other organizations did consider the research topic important, but at that moment they did not have the resources to participate in the research. The case organization operates in the energy sector, focusing on providing sustainable solutions for power generation, heat production, and energy-related services. Its industry encompasses renewable energy sources, such as wind and solar power, as well as traditional energy sources like hydro and nuclear power. The case organization is committed to promoting clean energy technologies and reducing carbon emissions to address climate change challenges.

This thesis focused on one of the case organization's business units. The chosen unit's industry plays a vital role in providing thermal comfort for residential, commercial, and industrial buildings. It encompasses various technologies and systems for heating, ventilation, air conditioning, and refrigeration. These systems regulate indoor temperatures, humidity levels, and air quality to create comfortable and healthy environments. The industry is constantly evolving, with a growing emphasis on energy efficiency, sustainability, and the integration of renewable energy sources to reduce environmental impact.

The researcher worked at a DEI consultancy for one year before commencing the study and was engaged in DEI work at the case organization during the research process. The researcher had accessibility to an internal report that is referred to in this thesis. The internal report, a DEI maturity study by Accenture in 2022, provided a comprehensive picture of the case organization's DEI status and its broader strategy. While employed at the same time, the researcher also represented the organization during the interviews.

The interviews were conducted at one of the five business units of the case organization. Finding a suitable business unit within the case organization for this research purpose was a bit challenging, as there were not many units where B2B customers frequently evaluate their relationships with their suppliers. The initial criterion was that the interviewee's organization would evaluate every now and then if they continue their business with the same supplier. However, in this context, it is not always possible, as there might not be

any other suppliers available. Therefore, the researcher decided to adjust the inclusion criteria more suitable for this context. Inclusion criteria refers to attributes that act as qualifiers for participating in the study (Robinson 2014, 26). Positively, interviewees were very interested in participating in the study, only one out of seven declined the invitation. The final number of interviewees was six, and they were selected based on four criteria:

1. Customer of the case organization's business unit.
2. One of the major customers in the business unit.
3. Active relationship with the case organization's representative.
4. Connection to internal CSR or procurement management.

These criteria were chosen for the following reasons: the case organization wanted specific information about the selected business unit, which is why the interviewee's organization needed to be a customer. Major customers have a greater impact on determining the direction to develop the business unit, so the interviewee's organization needed to be one of the major customers to provide information truly relevant to the case organization. Additionally, the interviewee needed to have an active relationship with the case organization's representative, as that data is highly valued due to fresh insights. Furthermore, the interviewee needed to have a connection to either CSR or procurement to answer the questions effectively. Given that the interviewees were all busy, willingness and availability also slightly influenced the choice of who was ultimately interviewed.

The number of six interviewees aligns with Guest et al. (2006, 78), who suggest that six interviews are sufficient for making useful interpretations. However, a larger number of interviews may be needed if the research aims to assess variation between specific groups or correlations. If the goal is to understand common perceptions and experiences among a relatively homogeneous group, fewer interviews may suffice. (Guest et al. 2006, 79.)

#### 4.2.2 Conducting interviews

Forming interview questions is an important stage in qualitative research. Questions used in this research are in Table 2. In order to validate if the planned interview questions are understood by the interviewees and the researcher gets desired data, a pilot was conducted

before the actual interviews. The interviewee in the pilot was a representative from the case organization's business unit and had a good understanding of its customers.

Table 2 Operationalization table

The purpose of this thesis is to investigate the relevance of Diversity, Equity, and Inclusion (DEI) initiatives in a business-to-business (B2B) sales context.		
Research purpose / question	Key concepts	Interview questions
	Background	<p>What is your current title?</p> <p>How long have you been working for X organization?</p> <p>How long have you been working in procurement or sustainability?</p>
How has corporate social responsibility (CSR) gained prominence in B2B sales?	Corporate social responsibility, B2B sales	<p>What is your organization's approach to CSR?</p> <p>If you are focused on specific themes, which areas have you prioritized and why?</p> <p>What are your personal thoughts on CSR?</p> <p>In which way does CSR manifest in B2B sales today?</p> <p>Has there been any change recently?</p>
What diversity, equity and inclusion (DEI) initiatives are currently undertaken by organizations?	Diversity, equity, inclusion	<p>Are diversity, equity, and inclusion familiar concepts to you?</p> <p>What is your experience regarding the case company's culture concerning diversity, equity, and inclusion?</p>
What is the relevance of organizations' DEI initiatives to a B2B purchaser?	B2B purchasing, diversity, equity, inclusion	<p>Could you share the stages of your procurement process?</p> <p>What kind of team is responsible for procurement in your organization?</p>

		<p>On what basis do you select suppliers and business partners?</p> <p>If you assess a seller's sustainability, how do you do it?</p> <p>How would information about the case company's practices related to diversity, equity, and inclusion impact your purchasing decision? Why?</p> <p>Can you assess how this information would affect your own customers?</p> <p>What expectations do you have regarding the case company's social responsibility?</p>
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Good questions do not necessarily produce good research, but poor questions can create problems for the later stages in the study. Qualitative research questions focus on “why” and “how” and they should not be possible to answer with yes or no. (Agee 2009, 431–433.) This approach to questioning is utilized in the thesis. Research questions act as navigational tools that help the researcher map directions and inquire the unexpected. In qualitative research also sub-questions may emerge during the interview. They narrow down the focus and allow the researcher to dive deeper into a specific experience of the interviewee. (Agee 2009, 434–436.)

The interviewees represent several industries: construction, real estate investment, cosmetics, financial services, and information technology. What they have in common, is a strong focus on CSR, operating on a global market and using services provided by the case organization (Table 3). Two customers suggested that two persons from their company would be interested to join the interview, as the topic addresses both Corporate Social Responsibility (CSR) and procurement. This is why some interviews are conducted with two people.

Table 3 Summary of interviewees

Interviewee	Work experience in CSR or procurement	Date and place	Length	The organization's approach to CSR	Market
1	8 years	8.2.2024 Online	27 min	"We have a long background, everything we do is somehow connected to sustainability."	B2B, primarily local
2	2 years	27.2.2024 Online	36 min	"CSR is one of our 3 focus areas in our strategy. It is a very important topic for us."	B2B, B2C, primarily local
3A and 3B	6 years and 25 years	27.2.2024 Online	43 min	"We aim to be pioneers in sustainability. It is an important part of our strategy."	B2B, global
4A and 4B	2 years and 15 years	4.3.2024 Online	29 min	"We want to be considered as a fair and inclusive partner and employer, emphasizing circular business model in our operations."	B2C, primarily local
5	6 years	6.3.2024 Online	45 min	"We examine all our operations through the lens of CSR."	B2B, global
6	6 years	22.3.2024 Online	24 min	"Everything is taken into account. Having governance in order is top-notch. However, the environment is the biggest adjustment knob, which we have to grasp with both hands. And the rest is a bit of fine-tuning."	B2C, local

All the interviews were conducted online (Table 3), a digital computer software that is used in the case organization. Face-to-face interviews have been seen as the "gold standard" in qualitative research (McCoyd & Kerson 2006, 390), but today digital tools, such as computer software, telephone, or email interviews, are common because of e.g., geographical distance. Especially tools that allow both non-verbal and verbal aspects to be studied are considered as good replacement options for interviews in person. (Thunberg & Arnell 2022, 757–758.) However, non-verbal communication is not as effective as in person since the camera often only shows the head and shoulders (Lo Iacono et al. 2016, 109). In addition, technical challenges may arise during the interview

due to a poor internet connection or difficulties in using the software (Gray et al. 2020, 1297). One interviewee, for example, experienced a poor internet connection, making it difficult for both parties to hear each other. This was however fixed during the interview but might have affected the previous responses. In a digital interview, the interviewees also have more control over the interview, as they can for example turn their camera off or end the interview with just one click (Thunberg & Arnell 2022, 763). Some interviewees turned off their cameras during the interview due to poor internet connection or health conditions, which is understandable but took away the possibility to analyze non-verbal cues and facial expressions.

The researcher is responsible for protecting the participants in the study, for instance their privacy (Orb et al. 2001, 94). Before the interviews, a notice of participation in research with data protection and privacy was sent to all participants in advance and a consent from every interviewee was received in writing. Gray et al. (2020, 1297) suggest that in addition to a written consent, it should be reviewed once more during the interview situation to ensure that participants truly understand the research process and what they are consenting to. However, this thesis relies solely on the written consent received.

### **4.3 Research ethics**

There are ethical principles that needs to be taken into account when conducting research. In a case study the researcher might become an insider in the organization, as opposed to taking an objective, outsider stance. The more insider, the more ethical consideration. (Aaltio & Heilmann 2009, 13.) Ethics is about doing good and avoiding harm. Well-established ethical principles in qualitative research are autonomy, beneficence, and justice. *Autonomy* refers to the participants' informed consent; they can accept or refuse to participate in the research. *Beneficence* is about protecting the participants and valuing their privacy. Participants should be informed about how the findings will be published, including the use of quotations. Ideally, participants would also approve the usage of their quotations in the study. Additionally, the findings should be published anonymously, if the participants prefer. Also, every activity should be documented in order to maintain transparency. (Orb et al. 2001, 95.) In this study participants were asked for permission to record the interview, explained how the data will be stored, and published anonymously (Appendix 2). Quotations used in the thesis were not separately asked, but they were sent to participants upon request. In order to ensure transparency, the researcher took notes

during the interview and wrote down observations that may have affected the interviewee or the researcher. *Justice* stands for equal share and fairness, as well as avoiding exploitation and abuse of interviewees. It means that the researcher understands the vulnerability of participants, for example marginalized groups. (Orb et al. 2001, 96.)

In qualitative research ethical problems can arise when collecting the data; does the researcher affect the interviewees, what is their relationship (Orb et al. 2002, 93). The interaction between the researcher and the interviewee is crucial in gathering data as the interaction may affect how willingly the interviewee shares information. A good relationship evokes trust and disclosure. (Orb et al. 2001, 94.) A trustful relationship was evoked by friendly contact by email or phone and a possibility to ask questions of the research in advance. When preparing for an interview the researcher must be aware of sensitive issues or topics that may cause a conflict. Despite an interview being confidential, and the participant having given their consent, it might look over some old wounds and secrets that may be triggering. (Orb et al. 2001, 94.) As this thesis is more about the organisation's view on DEI and not personal, this may not be a major risk for my interviews. However, personal views are very welcomed, and they might be sensitive depending on the interviewee.

#### **4.4 Analysis of the data**

Data collection and analysis are often intertwined in qualitative research, especially if the researcher is involved in both parts (Mäkelä 1990, 45). To minimize the risk of oversight or bias, the digitally conducted interviews were recorded (audio only) and transcribed in Finnish. The interview questions in Finnish are available in Appendix 1. To find differences and similarities between the interviewees, the responses of each interviewee were gathered and compared in an Excel file in Finnish. Seeking differences is worthwhile, as afterward, similarity becomes more pronounced. When seeking differences, reasoning what is compared to what is crucial as it makes the researcher more sensitive (Mäkelä 1990, 44–45).

Common themes identified were the following: CSR in sales today, perception of the culture of the case company, stages of the B2B purchasing process, selection and evaluation of suppliers, and how information about DEI could affect purchasing decisions. The process of finding themes and identifying similarities and differences began with a comprehensive reading of the transcriptions, identifying key topics or words

from each response to the interview questions. Key topics were selected based on their relevance to the research questions and the concepts discussed in the theory. This included both similar and contradictory findings, which is important as a case study's data and analysis contribute to the development of theories by identifying contradictions, presenting new insights derived from detailed analysis, and highlighting the dynamic relationships between individual cases and their contexts (Aaltio & Heilmann 2009, 8). The decision on which findings to include in an Excel sheet was a subjective choice made by the researcher, based on their previous knowledge of the theory and the potential new insights the findings could provide. As the data was divided into the Excel sheet, differences and similarities emerged, making Excel a useful tool for this analysis. After gathering major findings by themes in an Excel file, the main points were translated into English using artificial intelligence through the "translate to English" command. This was because the researcher's first language is not English, and assistance with the translation minimizes the risk of losing nuances. Quotes are used in the thesis to reinforce observations and enhance the reliability of the research.

The analysis of the findings was more challenging than the researcher initially expected. After making the first conclusions, providing a deeper analysis proved difficult due to the researcher's limited experience in conducting research. However, the researcher's previous knowledge of the DEI topic, as well as their understanding of the case organization's operating principles, were helpful during the analysis of the findings. In case studies, the context of the data is fundamental for interpretation (Aaltio & Heilmann 2009, 8), which has been taken into account when writing the findings.

#### **4.5 Evaluation of the research**

According to Stenbacka (2001, 552), the concept of reliability should not be addressed in qualitative research, as the researcher and method cannot be separated from each other. In qualitative context, reliability and validity are reconceptualized as trustworthiness, rigor, and quality, which are addressed in this study. Triangulation is a typical method for testing trustworthiness, rigor, and quality concepts in qualitative research. It may include multiple methods of data collection and analysis (Golafshani 2003, 603–604). This study does not fully meet the criteria of triangulation, as the data analysis was not performed using multiple analysis methods. However, the researcher collected data from the case

organization's internal reports and conducted external customer interviews. Despite this, multiple methods were not used systematically.

This thesis has been constructed using theories, scientific articles, and international studies that strengthen its credibility, which is essential in qualitative research. Credibility means the researcher needs to prove that their findings accurately represent the real situations they are studying (Tynjälä 1991, 390). Contributing to previous academic research means that the findings of the study are transferable and can inform researchers in other settings (Richardson 2018, 565). Before going into the field, the researcher reviewed the research process with an experienced supervisor and representatives from the case company. This strengthens the dependability of the research, which means that the researcher should consider not only various external factors causing variation but also factors arising from the research and the phenomenon itself (Tynjälä 1991, 391).

The researcher had prior knowledge of the topic from previous work experience and is representing the case organization as an employee. Being an expert of the research topic may cause issues related to trustworthiness, rigor, and quality. (Orb et al. 2001, 96.) Therefore, it was crucial to focus on establishing a good relationship between the researcher and the interviewees. This was achieved through a friendly communication style and expressing gratitude to the interviewees before the interview.

Hammersley (1992, 67) suggests reliability in qualitative research, trustworthiness, rigor, and quality, refers to "the degree of consistency with which instances are assigned to the same category by different observers or by the same observer on different occasions". Brink (1991, 176) proposes three tests, stability, consistency, and equivalence, of trustworthiness, rigor, and quality for qualitative work. *Stability* is established when asking identical questions of interviewees. The internal pilot conducted before going to the field was very beneficial. After reading the transcription of the pilot, it was revealed that during the pilot the researcher focused strongly on getting all the research questions asked but did not really focus on listening to what the interviewee was saying. It was not as interactive as it could have been, and many possible sub-questions were lacking. The pilot revealed shortcomings in the interview question framework, based on which minor adjustments were made to the interview questions. Making adjustments based on the pilot indicates that the methodology has been carefully considered. In the second interview the researcher focused on truly listening to what the interviewee was saying and was able to

ask sub-questions to get a deeper understanding. Some questions were also jumped over and gone back to later, which would not have been possible at all in the pilot. Therefore, making the pilot was necessary to be more prepared in the official interviews. Even if there was improvement compared to the pilot, there was even more improvement compared to the fourth and fifth interview. In the previous interviews it was noticed that questions were asked in an unnecessary complex way that may have confused interviewees and the way they responded.

*Consistency* refers to the integrity of issues, so that a respondent's answers on a given topic remain concordant. Consistency is addressed by making sure the interviewee understands the questions by offering additional information if needed. It was intriguing to discover that many interviewees found the concept of CSR challenging to grasp. Most associated CSR solely with social responsibility, overlooking its broader scope. This finding adds up to previous research, that there is conflict and great uncertainty in terminology which make comparisons and dialogue difficult. (Harwood & Humby 2008, 170.) This finding was particularly notable considering the expertise of many interviewees in the field. Several mentioned preferring terms like ESG, responsibility, or sustainability over CSR. In response, the researcher adjusted the terminology in the latter interviews, opting to discuss sustainability instead of CSR. This change led to a noticeable improvement in respondents' understanding, with fewer misunderstandings observed. It is possible that initially framing questions around CSR influenced how interviewees interpreted them, prompting a narrower focus on social responsibility. By shifting the focus to sustainability, the interviews became more aligned with respondents' expertise and perspectives. During one of the interviews involving two participants, the researcher observed that one person tended to agree with the other's responses frequently. This might have influenced their own answers. To ensure each person's unique perspective is captured, it could be beneficial to conduct interviews one-on-one in the future. In another instance, an interviewee requested to review the interview questions beforehand. While this request was accommodated, it led to a strong focus on social responsibility during the interview, even when broader topics like CSR were intended to be discussed. Additionally, when sub-questions were introduced, some interviewees seemed caught off guard, indicating that providing questions in advance may not always be ideal. Moving forward, it may be considered to refrain from sharing interview questions in advance to ensure spontaneity and a more natural flow of conversation.

*Equivalence* is tested by asking questions with the same meaning during the interview, or by concurrent observation by two researchers. In this research the same questions were asked from everyone. However, as the aim of the study is to gain a deeper understanding, additional questions might have been asked, including securing questions such as, for example, "Did I correctly understand that..." to mitigate misunderstandings. After the interviewees, the researcher and an external auditor, should assess the neutrality of the material and the confirmability of the findings. The thesis was read by representatives from the company, other students, supervisor and an external auditor, which all strengthen confirmability, meaning using various techniques to ensure the truth value and applicability of the research. (Tynjälä 1991, 390–392.)

Based on the discussion above, one can conclude that the quality of the thesis is relatively good, but improvements could be made. The reasons for these improvements are due to the researcher's limited experience in conducting research and lack of academic experience. However, several learnings during the process have been made, which is also very important. The research findings in the following chapter are presented by referencing the interviewees' insights. Quotations provide concrete examples and enhance the research's quality. The italicized words highlight the most important parts of the quotes, making it easier for the reader to focus.

## **5 Findings**

The purpose of this thesis is to investigate the relevance of Diversity, Equity, and Inclusion (DEI) initiatives in a business-to-business (B2B) sales context. As the topic is rather new on the Finnish markets, Corporate Social Responsibility (CSR) served as the overarching theme for the interviews.

This chapter presents the findings, which are categorized according to the research questions:

1. How has corporate social responsibility (CSR) gained prominence in B2B sales?
2. What diversity, equity and inclusion (DEI) initiatives are currently undertaken by organizations?
3. What is the relevance of organizations' DEI initiatives to a B2B purchaser?

Since the empirical part of the study was conducted as a case study, it was not relevant to ask interviewees about the DEI initiatives they are aware of that are undertaken by organizations. Instead, the empirical part focuses on the energy sector, in which the case organization is operating, and the B2B purchaser's awareness of the case organization's DEI actions. In doing so, it still provides insights into how aware or unaware B2B purchasers are of the DEI actions suppliers have or have not taken.

### **5.1 The increasing role of CSR in sales**

The social movements have indeed had an impact on consumers that is now visible to organizations as an increased demand for transparent and socially compliant organizational practices (Nardini et al. 2021, 112; Saeidi et al. 2015, 342). All interviewees stated that CSR is very visible in B2B sales today, both in sales and procurement. The interest and questions from customers regarding sustainable practices has increased significantly in recent years and the development has accelerated.

#### **5.1.1 Demand for responsible suppliers**

Customers are increasingly aware of responsible practices and demand it from their suppliers. This finding is in line with FIBS's study as well: organizations in Finland consider CSR extremely relevant for their activities. The number of organizations

reporting this has increased by 10 percent from 2019. (FIBS 2021, 17.) Pre-questions asked before the request for proposals concern, certificates, commitment to code of conducts, fulfilment of sustainability criteria, compliance with EU regulations and law, and concrete actions to achieve science-based targets are typical topics discussed in today's B2B sales. The development has been ongoing for several years but clearly accelerated in the last few ones:

*The development of sustainability in sales has changed a lot over the past ten years, even accelerated.*

Interviewee 2

There are several *pre-questions* for us in the received request for proposals. The *number of questions and questionnaires* has clearly *been on the rise*. Sustainability has become a *determining factor in decision-making*.

Interviewee 3A

Sustainability definitely shows in sales. In *both aspects*, when we are buying and selling ourselves. These matters are *indeed inquired* about, especially on the B2B side. There may be a direct *requirement* for a specific *environmental certificate*.

Interviewee 2

The change has impacted collaboration in the sense that organizations now seek to collaborate with like-minded counterparts concerning CSR. A similar finding has been made previously as well as Homburg et al. (2013, 66) found that the importance of CSR in B2B relationships is expected to increase. Sales no longer revolve solely around the product or service and its price; rather, they encompass the brand and its CSR approach:

Yes, sustainability *is definitely visible* in our business, especially when it comes to services. We *prefer to collaborate* with companies that have *fulfilled their obligations*. We also receive *many inquiries from customers* regarding sustainability. So, it is *increasing, in both directions*.

Interviewee 4A

We want to be a *comprehensive responsible partner* for our customers. There has indeed been a *clear change* in recent years. Our *own customer demand has consistently increased*, and I believe it will continue to grow. *Legislation* also guides us in that direction. We have recognized that *some of our customers are clearly pioneers* for whom *sustainability is genuinely important*.

Interviewee 5

As 3A says, prioritizing CSR is no longer an option, it is a must in order to stay competitive in the market. The supplier needs to fulfil the sustainability criteria, or they are excluded from the tendering process. This means that suppliers need to be able to prove what they are doing and communicate it externally. Words are no longer enough as certificate and supporting documentation are required by both customers and the broader society:

It is *no longer enough* for the supplier to *claim that they act* in a certain way; it *must* also be possible to *demonstrate or verify it*.

Interviewee 2

If there is even one 'no' regarding human rights issues, that company *is seen as quite weak* in our eyes in the tendering process.

Interviewee 3A

This increases the role of communication. Previously it has been found that especially in complex supply chains, the purchaser may miss information about all the sustainable practices (Kapitan et al. 2019, 85–86). Without communication, potential customers are not aware of the CSR characteristics that might play an important role when making a purchasing decision (McWilliams & Siegel 2001, 120). Today, CSR is no longer about one organization acting right, but about the whole value chain working together to achieve common goals. To demonstrate a commitment to CSR, organizations must ensure their suppliers share similar values. Therefore, partnering with organizations that share a similar view on the approach towards CSR is increasingly relevant today. In order to do that, organizations need to find ways to get the information from the supplier if the supplier cannot provide it independently. This requires transparent communication between suppliers in the value chain and willingness to develop and learn together:

We want to be pioneers. Sustainability is an important part of our strategy, and we take it seriously. We see ourselves as enablers of sustainable development in society by providing our services. It is understood that *no one can achieve anything alone*, but rather within a *value chain together*.

Interviewee 3A

The supplier's role is more and more dependent on the customer's demand and actions are taken based on that:

So far, the *change has started from us*, especially on the environmental side. *We demand* something, which we then start developing together, after which the supplier begins to communicate it outwardly.

Interviewee 2

Yet there have not been pioneering suppliers that would have paved the way and accelerated the change from that direction. It would be interesting to research why that is the case; why are not suppliers acting as pioneers in CSR?

### 5.1.2 New tools are emerging in evaluating suppliers

In order to respond to the increased customer awareness and demand, organizations have created tools and new practices to evaluate suppliers. The same questions and inquiries received from customers are being asked by the seller's suppliers to evaluate their CSR practices. Organizations have Supplier Code of Conducts that the supplier must agree on, they might include science-based targets and compliance with governance issues and work permit matters. To some of these requirements most of the organizations need to comply with law, but organizations are now creating increasingly more own requirements that are not required by law. They are only requirements that help the organizations achieve their own CSR goals. If the supplier cannot commit to the requirements, they might be excluded from the tendering process:

When we evaluate our suppliers, the basic requirement is that the supplier commits to our *supplier code of conduct*; that's *an absolute must*. We also have *sustainability criteria* at the group level that *determine* whether a supplier can even participate in the tendering process, for example, compliance with the *Responsibility Act*, *governance issues*, *work permit matters*.

Interviewee 2

Sustainability is increasingly visible. We no longer have the opportunity to respond to every question individually. We have started to create a *response pattern* that addresses 95% of those questions. So, in other words, *we have had to create a process* for it.

Interviewee 6

A *science-based target* is an example of something that is not required at the EU level, but we have set it as a *requirement for our suppliers*.

Interviewee 3B

One interviewee mentioned that they are using an external website to assist in evaluation. This external website provides transparent information about organization's sustainability, which is helpful, if the supplier has not published anything externally:

We've used a *website* called Luotettava kumppani (Reliable Partner) to *assist in the evaluation*. From there, you can see if there are any tax debts or legal cases associated with the company. This provides quite *transparent information* about the company regarding these matters. If we see that one of our service providers is consistently incurring losses for several years, it *naturally raises suspicions* about the nature of their operations.

Interviewee 1

This finding is in line with previous research that has found interpersonal service decreasing in B2B customer journeys, as they rely more on digital touchpoints such as websites and social media. (Aichner & Gruber 2017, 135). Simultaneously, this could be advantageous for the supplier, as it reduces their communication burden if third parties undertake such responsibilities. Nevertheless, it also entails some risk, as the supplier lacks control over the information presented on third-party platforms. Consequently, there may be increased pressure to diligently adhere to compliant practices to avoid any misrepresentation on external platforms.

Organizations are making sure that their personnel have the competence to source for the required information from their suppliers. Internal CSR trainings are common in organizations that take CSR seriously. A clear focus on educating the personnel through training, networks and collaboration has been identified. Special emphasis is placed on training procurement teams and establishing networks and initiatives aimed at enhancing competency in CSR:

We want to raise our standards continuously, *including training our procurement* in a way that they know what responsible procurement entails.

Interviewee 4A

We provide basic *training on sustainability* topics for our entire staff, and then additionally, we do things like *specifically target procurement personnel* or provide targeted initiatives for salespeople involved in our largest accounts.

Interviewee 5

We have very strong local procurement teams. For example, we have a *sustainability network for procurement*, where each division or country's

procurement team has sustainability coordinators. They aim to *gather more knowledge* and support others in sustainability issues within their local division's procurement. It's not just about traditional training sessions but also about *building competence* through these operational [trainings, network] structures.

Interviewee 5

Organizations have identified that CSR is a relatively new and complex topic to many persons and want to ensure that the learnings are shared across the organizations to increase the overall competence in discussing CSR matters in procurement. Currently the focus is on strengthening internal competencies. A challenge that may occur in a couple of years are the differences between suppliers' practices regarding responsibility. Aligning the common way of acting can be a challenge in long value chains. The future will show, if these currently internal trainings regarding responsibility are extended to the whole value chain.

An interesting finding was that the criteria required should depend on the context. Context in this situation can refer to the product or service, but also to the industry:

When evaluating supplier's responsibility, we have criteria that include emission reduction targets, occupational safety guidelines, business ethics, etc. We have also noticed that different themes are emphasized in different situations, so *on the procurement side, there should be the capability to consider which criteria are relevant* in this context.

Interviewee 5

The B2B procurement process itself has many stages, and certificates, codes of conduct, and criteria make the decision-making process even longer. Having context-specific and tailored criteria would make the complex process easier. However, as CSR topics are linked to many aspects of the business, it might be difficult to distinguish criteria from each other and the reasons for that. For example, why specific targets are required for decreasing carbon emissions when buying fuel but not when sourcing packaging. It will be interesting to see if there will be more tailored criteria in the future.

### 5.1.3 CSR topics as qualifiers in B2B procurement

CSR topics overall are still seen as just qualifiers to the tendering process, not as a competitive advantage. Currently, organizations evaluate their suppliers by asking yes-or-no questions, but advantages beyond that are not acknowledged. What this may result

in is that suppliers find it difficult to differentiate and communicate initiatives in areas where they are performing beyond the criteria if the requirement is to fill a form with only yes-or-no options. However, there is a belief that this will evolve in the near future towards seeing CSR topics as competitive advantage among price and quality, for example.

At the group level, we have criteria that determine whether a supplier even *qualifies to participate in the tendering*. For example, compliance with the Responsibility Act, governance matters, work permit issues.

Interviewee 2

If a supplier does something extra in terms of social responsibility, it may *not come through as a 'competitive advantage'* for us, as the current *evaluation* is more of a *yes-or-no* nature. Currently, the questions are more like *minimum criteria*; it doesn't really provide a competitive advantage if someone is ahead of others. This *will surely evolve*, and it's already evolving for us *in the near future*. What we buy and from whom is becoming increasingly important.

Interviewee 3A

In addition to yes-or-no questions there has been identified a need to have a scale as well:

Some sustainability issues are *non-negotiable*, such as labor law, human rights issues, corruption, competition law, but then there are areas where there *could be more flexibility*, a scale for example, such as *emission reduction targets, DEI issues*. So, there is room for improvement or slight regression, but *it should not become an exclusionary criterion*. Because currently, the maturity level is not such that omitting DEI issues would exclude anyone. It could rather act as a positive factor if promoted.

Interviewee 5

Some CRS topics are seen as non-negotiable that need to be in place, but others are not yet in that place that they would exclude an organization from the tendering process. A scale would give more information and be helpful when comparing suppliers compared to yes-or-no questions. One can either do something okay, worse, or better than the competitors and the differences would be acknowledged. However, the scale approach has not yet been implemented, so there are no results on the impact.

## **5.2 View of case organization's DEI practices**

Based on an internal DEI-maturity study, the case organization in this research is between beginner and intermediate level (Figure 4) in their DEI-journey (Accenture 2022). This

is a bit above the benchmark in this industry. Awareness has been raised through a one-time training for the managers in 2022, but due to the financial challenges starting right after, the resources were allocated elsewhere. Understanding and commitment are not being reached yet widely in the organization, but some groups are very interested in learning more and participating in improving DEI. However, there has not yet been consistent external communication regarding the topic.

### 5.2.1 The invisibility of DEI in customer-oriented communication

Currently, DEI is not visible to customers, neither in the public discussion nor in customer meetings. Therefore, the perceptions were drawn from the media as the case organisation has been in the Finnish news a lot in recent years. Main finding was that the perception of the case organizations' DEI practices is neither exceptionally good nor bad. Environmental and climate gets most attention in communication to customers, which might be perceived as enough. What might have resulted in the invisibility of DEI can be the fact that there is no current communication about DEI in the case organization (neither internally nor externally), which can be due to that the potential of DEI is not seen or not considered as valuable. Another reason is that it is not considered as priority or something that customer could be interested in hearing about:

*I haven't really seen that side. Of course, being a large company and often in the media, and negative things are reported, but I don't know how to respond to this. I haven't noticed anything about DEI.*

Interviewee 1

*To be honest, it doesn't really show. I recall the first encounter with the case company where the sustainability program was presented, and climate issues were prominently featured. I cannot remember DEI matters being mentioned at all.*

Interviewee 2

*There isn't really anything that comes to my mind. It hasn't crossed my mind. And I haven't seen any publications on the topic. Nothing has surprised me in a negative way, nor to the fact that "hey, we're promoting these things".*

Interviewee 6

Other reasons for the invisibility of DEI in communication might be the fact that DEI as a concept in Finnish business life is relatively new. In the case organization, there is currently a need for greater understanding and awareness among employees regarding

DEI and its impact on business performance (Employee well-being survey 2023). As a result, the sales personnel may not have sufficient expertise to discuss DEI matters with customers, potentially leading to a situation where the topic is not raised in customer meetings. At the same time, there is a strong focus on environmental aspects which might be perceived as enough. These are then the topics that are discussed in the customer meetings, as environmental performance is something to be proud of.

The invisibility of DEI has not led to dissatisfaction, as customers haven't independently expressed a need for information about DEI from the supplier:

*I haven't particularly sought information about DEI.*

Interviewee 6

*But perhaps we haven't really sought out information, as I believe these topics are only just emerging. However, we have already been considering how to engage with existing suppliers and how we can get to know them better.*

Interviewee 3A

However, there is a belief that the need for information will evolve in the future, and B2B purchasers are thinking about how to support their suppliers in communicating more and know them better. There is a clear interest in engaging with the value chain more, especially within organizations that have CSR as one of their strategic priorities.

### 5.2.2 B2B customers' clear interest for knowing more

Currently, customers are not communicated about the case organizations approach towards DEI. Even if there has not been an expressed need for information about DEI from the supplier, customers would find it as valuable information to get. It is also very probable that DEI is something that will be taken up in future supplier or customer meetings.

*I would see that if a supplier aims to promote diversity and inclusivity, it is an additional value-adding aspect. It's very possible that we will go through this matter more thoroughly with our own customers in the future.*

Interviewee 1

*In my opinion, it is important that sustainability work is perceived in a balanced way, and all aspects [environment, social, governance] are considered. So yes, I would have liked social responsibility to be included.*

## Interviewee 2

We've heard a lot about the case company's journey to carbon neutrality and especially *their plans related to the environment*. There have been impressive initiatives there. However, unfortunately, the *social aspect has been overlooked*. It hasn't been visible in public discussions either. In my opinion, there could be *more communication about it*.

## Interviewee 3B

There were some controversial findings related to what an organization in this industry should focus on. Even if there is a clear interest in knowing more, the amount of interest depends on the customer's and the supplier's industry, and the purchaser's personal values. For example, if the organization's industry is in construction, the connection to the environmental impact is very relevant. If the purchaser or their organization has a strong focus on environmental sustainability, the social aspects might not be that interesting. On the other hand, for example, in a more consumer centred industry the interest for focusing on social aspects might be more relevant, as the diversity in end users is more closer. Different preferences between customers bring a challenge to communication to the supplier. The balance between not at all, appropriate, too much should be found and identified.

I have not really missed communication about social aspects. The *biggest issue* for companies in this industry *is climate change*. At least that's how *I personally* see the world. That means that the 2020-2030 promises must be kept. I think that should be the *main message*.

## Interviewee 6

However, interaction with customers is seen as not only about the product or service itself and its positive environmental impact but creating a comprehensive image of the brand and its responsibility. Even if the social part is not as important for the customers' business performance as the environmental part, communication about all the areas in CSR creates a comprehensive picture and a safe atmosphere, which is important in any stakeholder relationship.

If there is information about DEI, *it creates a safe atmosphere*, ensuring that the Code of Conduct is fulfilled, and *we can feel confident* that we have succeeded in choosing a *good supplier*.

## Interviewee 3B

If these themes were brought up in a customer meeting, it would leave a *positive impression* and a more *comprehensive picture* of the supplier's sustainability efforts.

Interviewee 4A

I see that communicating about social responsibility is useful *additional information* that enables a *broader understanding* of the supplier's responsibility. I would be *very interested in hearing* about DEI matters in our next customer meeting. Additionally, I believe *a large company* has a *significant role and responsibility*, so it would be good to have that theme *visible as well*.

Interviewee 4B

Today, it is not anymore possible to focus only on one area in CSR. Everything should be taken into consideration and communicated to customers. While meetings in person and personal consulting is found to be decreasing as more B2B customer journeys rely on digital touchpoints, such as website and social media (Aichner & Gruber 2017, 135), several interviewees highlighted that they are looking forward to the next customer meetings to learn more about the case organization's DEI work. This indicates that there is still a need for traditional meetings in the B2B buying process.

### **5.3 The invisibility of DEI in indirect B2B procurement**

The buying process in the case organization's industry differs from Figure 6, as the stages (recognizing the need, searching for information, comparing providers, and selecting the partner) of the process are not identified in many organizations.

With regards to the case company, we engage in *indirect procurement*, and it *needs further development*.

Interviewee 4A

It's *not the most mature procurement process*; the competition targets are sought *based on needs*. We request for proposals, go through them, compare, select, and engage in contract negotiations. We also have a significant number of annual agreements, which are *simply renewed*, and in those cases, *not all these steps are gone through*.

Interviewee 5

Currently, there are not many suppliers on the market and the contracts are often continuous and renewed year after year. Therefore, the findings reported are found in the interviewee's procurement overall and not only related to the case organization's context.

### 5.3.1 The market conditions are not yet conducive for DEI

The environmental part of CSR has clearly gained prominence in sales. There are pre-questions asked before the request for proposals, requirement for certificates, commitment to code of conducts, fulfilment sustainability criteria, compliment with EU regulations and law, and actions to achieve science-based targets. They focus mainly on the environmental and governance issues but also include questions regarding human rights. The major focus in procurement is in comparing and evaluating suppliers.

We have *criteria* where suppliers accept sustainability requirements. These are then documented.

Interviewee 1

We have a *supplier Code of Conduct* that includes both *human rights and environmental issues* that our suppliers must accept. It refers to *complying with legal requirements* but also addresses *other areas important to us*. So, we are not just at the minimum requirements level.

Interviewee 3B

For evaluating a supplier's responsibility, we have *audits* and also *random spot checks*.

Interviewee 2

Yet improving DEI is not seen as a qualifier for the tendering process nor as a competitive advantage in the case organization's industry (energy). There is still a strong focus only on environmental responsibility and social responsibility is seen as apart from that. The reason for focusing strongly on environmental aspects can lie in the industries (energy, construction, real estate, cosmetics, information technology, financial services). In these, the link between business and climate impact is greater – easier to prioritize the environment rather than social responsibility, for instance. Another reason for this might be that the potential in improving DEI is not seen, for example increased team creativity and innovation to tackle climate matters.

Also, challenges related to measuring and comparing social responsibility practices are highlighted. The absence of tools and established best practices concerning social responsibility may contribute to DEI not being a significant factor in procurement decisions yet. How to compare different suppliers' action with each other? Decisions taken in the tendering process need to be objective and argued to the top management. If

there are no clear criteria or principles how to compare it is impossible and more weight is put on things that already have those principles, such as environmental goals.

*If we fail in climate matters, then everything else becomes secondary. So that's why I think companies should focus on the environment.*

Interviewee 6

*There are so many different types of social responsibility, and it is difficult to compare, that is, what kind of weight you put on this or that thing, it is really difficult. It makes it difficult to implement to the point that one would be able to make a choice in a justified way and truly believe that it is based on some even semi-quantitative choice.*

Interviewee 6

*We have moved more swiftly on the environmental side when there has been demand and positive pressure from external sources, but also solutions or means. Such as science-based climate targets. On the social responsibility side, there are of course some frameworks, but perhaps not such clear tools.*

Interviewee 2

What was found extremely difficult was when choices to combat climate change mean supporting companies that are violating human rights. Should you choose to focus on decreasing emissions or wait until someone else offers the same product or service with no human rights violations?

*Someone once mentioned that they choose solar panel companies based on minimizing human rights risks. This is a common tricky thing, do you leave the solar panels unordered, because most of the world's solar panel production comes from China's Uiguri region, which has known human rights violations, or do you still order them to combat climate change? I don't really know the answer to this yet, how to handle this matter.*

Interviewee 6

Other organizations have also identified the risks with long supply chains. They have managed to choose to have their production or suppliers in another location closer to the head office because of the risk of human rights violations.

*For us, human rights and labor rights have been clear for many years. When it comes to suppliers, we operate in countries with lower risk. For example, we don't source much from China or other distant places, where ensuring the supply chain might be even more challenging.*

Interviewee 5

The market is not ready for DEI in this industry as there is a lack of knowledge and competence. As DEI topics are relatively new on the Finnish market, people are yet not comfortable discussing the new concepts – especially not with external partners in a sales context.

I believe that the lack of awareness about the supplier's DEI practices also stems from the fact that *suppliers may not know how to communicate* them effectively. For instance, *we ourselves work extensively with our procurement personnel to enhance their competence in discussing sustainability issues*. It still *needs practice* because it is new to many.

Interviewee 5

After the trainings held in these organizations, the conduciveness for DEI in this industry might change soon. The rather narrow view on DEI in procurement and its impact is evident through the perception of negative outcomes.

Whenever there's a choice between two suppliers and you know that one has done something that is personally important to you, if those *have been violated*, their *position in comparison is worse*.

Interviewee 6

When talking about DEI practices in procurement, the subject changed quickly to violating human rights and its negative impact. Yet there is limited understanding on the positive impacts, for instance, how improving DEI affects team performance. Research shows that diverse teams are more creative (Stahl et al. 2016, 702), as cultural diversity brings different values and ideas into the team (Stahl et al. 2010, 692). The connection and value in this were limited in this thesis and industry.

### 5.3.2 Pioneers set the direction

Currently, DEI does not impact the purchasing decision in this industry on the Finnish market. It has a positive impact on the overall perception of the organization, but when choosing a supplier in this sector, customers still focus on price, quality, and time. This may be because the current evaluation processes do not specifically identify DEI or other CSR topics as a competitive advantage.

Social responsibility is not *as defining* in procurement like this, and the so-called *extra work* [improving DEI internally] *remains in the shadows*.

Interviewee 4A

However, in another context DEI does already impact the purchasing decision. DEI is especially relevant when choosing a partner for external communication and marketing as it has a strong effect on how the brand is perceived among end-customers. This finding supports previous findings as well, where DEI has been found to be visible to customers mainly as inclusive marketing, which means understanding and appreciating customer differences, identities, and needs (Ferraro et al. 2023, 464). In this study, the benefits of the supplier's high maturity in DEI were found in terms of creativity and different perspectives in a marketing and communication context. Why in this context and not others, was due to the close connection with end-users and doing marketing that is aligned with their values. As the case organization as a supplier is not in contact with purchaser organization's end users, maturity in DEI was not seen as important. Procurement in other areas is seen to move towards the same direction, but not yet in the near future.

Diversity is indeed a significant focus for us in *different types of procurements*, such as choosing *an advertising agency*. In those cases, the *organization's maturity in DEI matters is more crucial*. So, when we want to create advertising that considers DEI themes, we *want our partner to be capable in that area* and to bring forth *different perspectives*. In this field, *DEI is very significant* because advertising reflects outward and *tells the story of us as a company*. I see that *procurement in our other areas could move in this direction*, but we have *other priorities to tackle first*.

Interviewee 4A

Some organizations have also received inquiries from their customers about how DEI is taken into account in the supply chain. This indicates that DEI is moving into the same direction as the rest of CSR. Inquiries and demand from customers influence organizations to take action themselves but also evaluate how their suppliers are doing. The current inquiries received have been from bigger international corporations that are pioneers in CSR. This might soon influence smaller organizations and Finnish operators to act similarly:

Yes, we've actually *received inquiries from customers* about *how DEI themes are considered* in our *supply chain*. Not in large quantities, less than ten organizations. So far, the inquiries have mainly come from *big international companies*, but I believe that *soon even smaller customers might ask*. Although these are just under ten, in terms of euros, we're talking about significant amounts, so they *are really important customers for us* in that regard.

Interviewee 5

Regarding the emergence of CSR in sales, the researcher did not inquire about the type of customers initiating the change, whether they were international or local, larger or smaller organizations. If they were larger international organizations at that time, these new findings can indicate that the change in DEI in sales will similarly emerge.

Those who have not yet received inquiries, still believe that their own customers could be interested in the supplier's DEI actions. Nonetheless, supplier's DEI actions are not yet communicated due to different reasons. For example, especially in the B2C market there is a lot more that could be communicated to customers than is communicated in the end. It is about prioritizing, and the supplier's DEI actions are not the most urgent topic:

Certainly, our customers would *appreciate it if suppliers promote DEI*. However, it's *rarely brought up* at this point.

Interviewee 1

Yes, our *own customers could be interested* in some way about the suppliers DEI actions. Of course, consumers can be communicated to about so many different things, and I see that our business relationship is still so small, so there *are many things* yet to be communicated *before that*. I see that there is still a *long way to go in communicating the supplier's DEI actions*.

Interviewee 4A

For now, it seems like the effect of DEI initiative's impact on the business must be wider understood before communicating about supplier's DEI actions to end-customers.

As the case organization is a large international organization, there were expectations towards the case organization, that it could be an example to others. It was found that the change often starts from external pressure towards the supplier, but it would be refreshing if the suppliers would start the change independently in the beginning. This would accelerate the development and inspire other operators to do the same. For a B2B customer it would then be easier to ask or even require that other suppliers are improving DEI matters as well.

The world is heading towards not just talking about the responsibility of a company but the responsibility of *entire value chains*, developed *collaboratively* with suppliers, partners, and customers. In this regard, companies are *setting an example for others*. As a major player, the case company sets the direction for us smaller ones. *The change can certainly start also from us*, demanding something, and so far, especially in terms of environmental responsibility, it has been going that way. *The presence of pioneering suppliers* who make their work visible by saying, 'hey, we do this,'

*contributes to the progress of change.* This, in turn, sets an example for others, prompting us to ask, 'what about you?'

Interviewee 2

*We expect that a large company's sustainability program covers all areas of ESG [environment, social, governance] and sets an example for others.*

Interviewee 4A

Information that would be helpful are metrics. What is measured, how and why are the most interesting parts that the B2B customer's own customer is interested in hearing more about. In order to communicate that, the supplier's personnel must have the competence in discussing DEI matters with the customer.

Knowledge of *KPIs* [Key Performance Indicators], so if the organization can *respond* very specifically to *DEI questions* and provide some *metrics*, it will *definitely help us respond to our customers* again.

Interviewee 5

Having Key Performance Indicators (KPIs), as mentioned by Interviewee 5, necessitates a DEI strategy or integrating DEI into existing strategies, which is currently uncommon (DDI 2023, 8). Without a strategic approach, it is challenging to develop effective actions and measures. The rise in customer inquiries may lead to an increase in the adoption of more strategic approaches in the coming years.

Personal values also indicate expectations towards the case organization. B2B customers do not want to face a situation, where the supplier does not know what the abbreviation DEI stands for collaborate with suppliers that do not address CSR as whole:

If a crisis related to ESG matters becomes apparent for a supplier in a tendered matter, it will affect the decision-maker on a *personal level* if they happen to notice it.

Interviewee 6

*I really hope that environmental issues and people are equally within the scope of responsibility, and now the social side has begun to grow due to reporting requirements. I'm sure we'll start to see this DEI in next year's sustainability reports.*

Interviewee 3A

I believe that DEI is indeed an emerging theme, so if you *grasp it well at this stage*, I believe it *will serve you well in the future*. And there *won't be a*

*situation where you don't have anything to offer and ask what this abbreviation really means.*

Interviewee 5

How much the personal values impact the purchasing decision itself, was not addressed in this study. Yet, no negative consequences of focusing on DEI were mentioned. Interviewees found that there is room for pioneers in this area, and they would be pleased if case organizations would fill that room and set an example to others in this industry.

## **6 Discussion and conclusions**

### **6.1 Main findings**

#### 6.1.1 Theoretical contributions

The purpose of this thesis was to investigate the relevance of Diversity, Equity, and Inclusion (DEI) initiatives in a business-to-business (B2B) sales context. The thesis addressed the following research questions:

1. How has corporate social responsibility (CSR) gained prominence in B2B sales?
2. What diversity, equity and inclusion (DEI) initiatives are currently undertaken by organizations?
3. What is the relevance of organizations' DEI initiatives to a B2B purchaser?

This thesis integrates DEI into the study of B2B sales. In doing so, it contributes to previous research in both marketing and DEI. Previous DEI research has mainly focused on intra-organizational relationships in terms of e.g., organizational and team performance, with a handful of studies examining DEI in marketing. However, to the best of this researcher's knowledge, the present thesis is one of the first studies on DEI in B2B sales which is an emerging field of research.

Contrary to recent CSR research (Kapitan et al. 2019, 84), purchasers did not use sourcing for sustainable suppliers as a chief determinant in their decision-making based on the findings of this study. Findings from this study reveal that CSR practices are still treated as qualifiers for entering the tendering process, rather than a competitive advantage. A similar finding was reported in older research conducted by Harwood and Humby (2008, 170). Accordingly, the customers interviewed for this study mainly focuses on comparing and evaluating suppliers in the procurement process. Many of them have integrated the principles of purchasing social responsibility (PSR) that considers diversity, human rights, the environment, safety, and philanthropy in purchasing management (Carter & Jennings 2004, 167). Previous studies agree that there is a strong relationship between customer pressure and purchasing social responsibility (PSR) (Carter & Jennings 2004, 169; Salam 2009, 364). Thus, increasing customer demand for CSR compliant practices might be the main reason for B2B customers evaluating their supplier with different tools.

CSR is no longer about one organization acting right, but about the entire value chain working together to achieve common goals. Similarly, a recent study states that creating a sustainable image of the company requires an ecosystem of suppliers that also practice responsible business management (Salam & Jahed 2023). This might have been the reason for the increase in evaluating suppliers in a particular way in the present study. Nonetheless, regarding CSR as a qualifier instead of a competitive advantage of a supplier, suggests that the competence and tools are insufficient for doing so. However, for businesses seeking to create a positive impact, it could be easier to distinguish between suppliers and identify a competitive advantage.

In this research the customers had a good understanding of the case organization's approach towards environmental sustainability, but not regarding DEI – DEI was perceived invisible in B2B sales. Therefore, the perception of the case organization's DEI practices is not exceptionally good nor bad. Previous research has found that to demonstrate a commitment to CSR, organizations must ensure their suppliers share similar values, which is secured by communication (Kapitan et al. 2019, 85–86). This might apply to one part of CSR, as environmental and climate receive most attention in customer communication, which might be regarded as sufficient by the case organization. However, regarding DEI, prioritizing the gathering of knowledge about the alignment between the supplier and customer in terms of their approach towards DEI has not been a priority. Focusing on the environment in communication to external stakeholders is interesting, as previous research has found that focusing on environmental CSR does not have a significant impact on the end customer's purchasing decision, potentially because of fears of greenwashing (Kuokkanen & Sun 2020, 416).

In the energy industry, in which the case organization operates, DEI does not yet directly influence purchasing decisions. This may be because customers find it difficult to evaluate and compare different actions by suppliers. Additionally, making decisions between contradictory alternatives such as combating climate change or supporting organizations that may violate human rights is found to be challenging. While there are tools to evaluate environmental sustainability, interviewees found that there is a lack of tools and best practices related to social responsibility. This may explain why DEI is not yet an important factor in procurement. Organizations with bigger international customers that are pioneers in CSR, are now creating their own requirements and tools, such as

scales. This indicates that pioneers are setting an example and showing strong commitment to the whole CSR in both selling and purchasing in this industry.

Based on the findings in this study, in other contexts, DEI already plays a role in purchasing decisions. For example, DEI is particularly relevant when selecting a partner for external communication and marketing, as it significantly affects how the brand is perceived by end-customers. Emphasizing DEI in marketing is closely linked to reputation building of the firm (Williamson et al. 2006, 326). Interviewees believed that other functions could follow the same direction. Currently, 25 % of the respondents in a Finnish study state that they take DEI into consideration when choosing suppliers (FIBS 2022, 42). However, only 17 % of the respondents find ensuring the commitment of business partners and suppliers to DEI important (FIBS 2022, 47). The study undertaken by FIBS does not, however, clarify whether ensuring commitment is important to such an extent that it influences purchasing decisions or if it is merely considered a "nice-to-know" factor.

According to the findings of this study, organizations are now allocating resources to enhance personnel competence in discussing CSR matters. However, whether DEI is included in these trainings was not addressed. Internal CSR trainings are common in organizations that take CSR seriously, as they aim to ensure that their personnel have sufficient skills to source the required information from their suppliers. This supports previous research findings, which have identified communicating DEI as a challenge due to a lack of personnel skills (FIBS 2022, 10). Now, two years later, organizations have begun to build their people's competences, indicating that DEI might also play a role in other B2B purchasing contexts.

Below the findings of the present study are synthesized in the form of a conceptual model (Figure 9). The model zooms in on a particular B2B seller-purchaser relationship but is part of a bigger value chain.

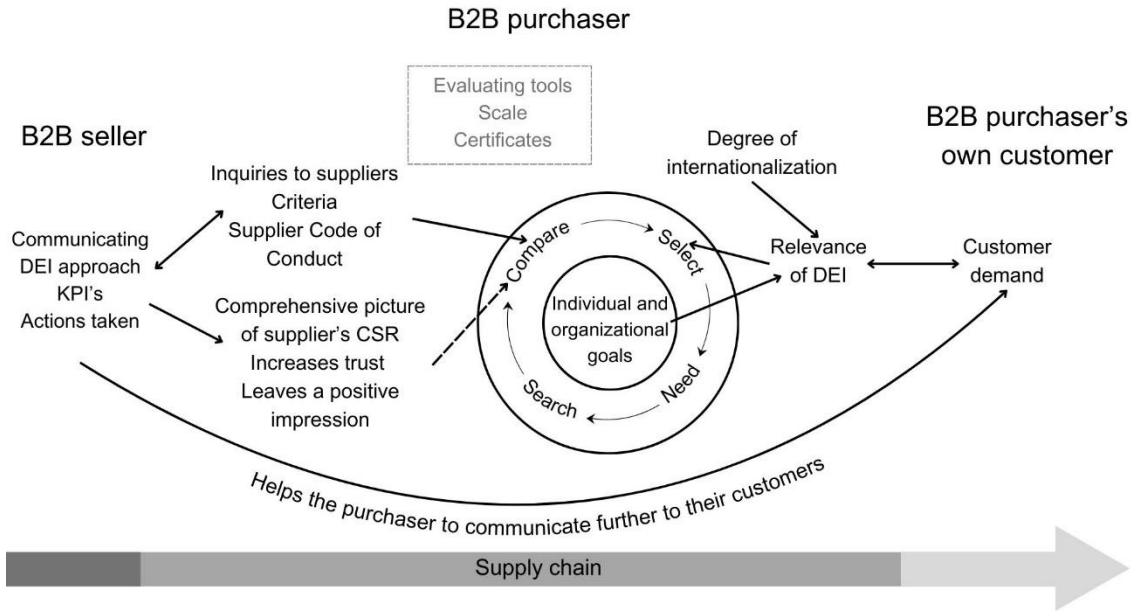


Figure 9 Model of DEI in B2B purchasing

The customers interviewed for this study perceived the case organization's DEI practices largely as 'invisible'. This perception is neither exceptionally good nor bad, because DEI has not been addressed in interactions with the customer, nor communicated externally (left side in Figure 9). The findings reveal that DEI information may still positively impact the overall perception of the B2B seller. Even though no need for information about DEI has been expressed from the side of the B2B purchaser, they would find it valuable. Such information provides a comprehensive image of the B2B seller's approach toward CSR and creates a sense of trust in the relationship between the customer and the supplier. This finding supports previous research suggesting that organizations promoting one area in CSR should also consider promoting other areas belonging to CSR to provide a comprehensive view of their CSR approach (Carter & Jennings 2004, 167). However, when selecting a supplier in the energy sector, which is the specific industry context of this thesis, B2B purchasers still prioritize price, quality, and timeliness. Despite previous research indicating that CSR has become a significant differentiator in B2B purchasing decisions (Guo et al. 2022, 7), this thesis highlights that in the energy industry, CSR serves as a qualifier for the tendering process rather than a competitive advantage of the B2B seller. This is why communicating DEI efforts only partially affects the comparing stage of the B2B purchasing journey (dashed arrow in Figure 9).

While information about DEI increases trust in the B2B relationship, B2B purchasers also use other criteria to evaluate the B2B sellers, such as inquiries about business ethics, certificates, and compliance with supplier codes of conduct. Failure to meet these criteria may lead to exclusion from the tendering process, highlighting the importance of compliance during the comparing stage of the B2B purchasing journey. Currently, B2B customers evaluate their suppliers with yes-or-no questions, and, for example, DEI maturity and DEI practices beyond the minimum criteria are not acknowledged. The lack of tools supporting the evaluation and comparison of social responsibility practices may be the reason for this. However, globally operating B2B purchasers are currently developing tools, indicating the emergence of such tools, as depicted by the grey box in Figure 9.

The relevance of DEI in the selection process of a supplier is influenced by the B2B purchaser's degree of internationalization, the purchaser's personal values, and the B2B purchaser's own customer demand. International companies find DEI more relevant than companies with personnel only in Finland (FIBS 2022, 21). This is supported by the finding in the present study: larger *international organizations* are the first to inquire about how DEI is addressed in the supply chain within this industry. The fact that larger organizations are interested in DEI might indicate that DEI will be discussed in customer meetings in the near future, as multinational companies influence others by extending corporate policies to new countries and impacting the domestic business environment (Rašković et al. 2022, 2). The research participants in this study also indicated that the B2B purchaser's *individual values* play an important role in supplier selection, with violations potentially affecting willingness to collaborate. Previous research has also found that personal values are a major driver of implementing PSR (Salam 2009, 364). B2B customers stated that *customer demand* has influenced their focus on other areas of CSR, such as environmental responsibility. Therefore, the increased awareness of DEI among consumers due to social movements and the inquiries from international companies about DEI in the supply chain suggest that the role of DEI in purchasing will increase in the near future. The research participants, operating in other than the energy sector, already perceived DEI as important in other contexts, such as when choosing an advertising agency. This suggests that other industries may be progressing more rapidly than the energy market. However, this does not imply that the energy industry will not follow suit.

Today, entire value chains work together to achieve common goals. Therefore, communicating the DEI approach, KPIs, and actions taken not only creates a comprehensive image for the direct B2B purchaser but also helps them communicate the message further to their own customers along the supply chain. This is indicated by the curved arrow in Figure 9. While this model provides a glimpse into what the role of DEI is – and could be – in B2B purchasing, it is an early interpretation of DEI in the context of B2B purchasing in the energy industry. As the number of interviewees was relatively limited, the model would need to be verified by future research. This would strengthen the understanding of the role of DEI in B2B purchasing.

### 6.1.2 Practical implications

This study serves as a guide for organizations in the B2B field, especially in the energy industry, but also for others on the Finnish and Nordic markets. Based on the findings of this study, DEI does not yet have a significant impact on the purchaser's decision-making. However, this does not imply that purchasers are not interested in DEI. B2B customers seek a comprehensive understanding of their suppliers' CSR approach, requiring all aspects of CSR to be addressed. Providing comprehensive CSR information fosters trust and assures customers that they are aligned with their collaboration partners. Nevertheless, especially in industries, such as the energy sector, where the primary focus lies on environmental responsibility, communications about social responsibility may be limited.

This study recommends that top management increases the organizational maturity level in DEI from underdeveloped or beginner and train personnel on how to communicate about CSR comprehensively (including DEI) to external stakeholders. Customers are particularly interested in concrete actions and Key Performance Indicators (KPIs), which can be communicated to end-customers as well, if necessary. The present study showed that there were already inquiries from international organizations about how DEI is integrated into the supply chain. There were also expectations towards large organizations, that they would set an example to others. It was found that change often starts due to external pressure when, the B2B purchaser or the B2B purchaser's own customers puts pressure on the B2B seller. However, the change process could also be initiated by the suppliers themselves. This would accelerate the development and inspire

other operators to do the same. For a B2B purchaser it would then be easier to ask – or even require – that other suppliers improve the management of DEI activities as well.

Communicating KPIs necessitate a DEI strategy or that DEI is integrated to existing strategies, which is currently uncommon globally (DDI 2023, 8). Without a strategy, developing effective actions, communications, and measures becomes challenging. The growing number of customer inquiries may drive organizations to adopt DEI strategies in the coming years. To avoid situations where organizations are unable to provide information, proactive planning is essential.

Based on the previous research, findings of this study and the researcher's own experience in the field, Table 4 summarizes a set of recommendations for organizations to get started with DEI. According to research, few find their DEI initiatives very effective (Affirmity 2022, 4–9.) The reasons for this might be the lack of institutional power, as DEI work has primarily belonged only to the department of Human Resource Management and not the responsibility of any particular person (Rašković et al. 2022, 1). Therefore, different functions such as, HR (Human Resources), purchasing and selling, sustainability, marketing and communications, should be integrated into the work. Some initiatives in the table are more short-term, while others are long-term, which have been divided by the researcher to make the work clearer for organizations. The table can be used as a source of inspiration and might be particularly relevant for B2B organization's operating in the energy sector or in the Nordics more generally.

Table 4 Recommendations for getting started with DEI in organizations.

Department	Starting the journey	Short term initiatives	Long term initiatives	Useful tools
<b>Top management</b>	Training on how to lead DEI and its connections to business performance by a DEI expert (ILO 2022, 31)	Allocating resources to DEI (Head of DEI or a DEI working group), creating incentives to employees, deciding on KPIs	Linking and integrating DEI to strategy work, creating a DEI statement, review compliance with DEI plan, getting everyone onboard (ILO 2022, 31)	Tailored workshops, DEI self-assessment, DEI mapping, tailored consulting with a DEI agency
<b>Managers</b>	Training on inclusive leadership by a DEI expert and integrating DEI training into the curriculum for new managers	Individual leadership plan, team onboarding, show commitment to employee wellbeing (Hämmig 2017, 398)	Creating a psychologically safe environment, strengthening team cohesion (Peltokorpi 2007, 80)	DEI games for team discussions, personality tests and cultural intelligence tests to identify strengths in teams
<b>Human resources function</b>	Training on equitable and inclusive human resource processes (recruitment, promoting) by a DEI expert	Reviewing processes, supporting managers and employees in their development, following accountability (ILO 2022, 31)	Establishing Employee Resource Groups and mentoring programs	DEI audits for processes, DEI mapping, DEI self-assessment, anonymous recruitment, competence-based assessment (FIBS 2022, 37–38)
<b>Purchasing/selling function</b>	Training on how raise and discuss DEI matters with suppliers and customers by a DEI expert (interviewee 4A, 5)	Reviewing current processes, practices in interactions, establishing sales and procurement teams (ILO 2022, 31)	Collaborating with suppliers and customers with similar DEI approach, training suppliers if needed (interviewee 3)	DEI certificates, DEI indexes, creating own tools, scale, cultural intelligence tests (interviewee 5)
<b>Sustainability function</b>	Training on requirements (law, EU directives, regulation) by an expert	Reviewing current reporting practices	Regularly reporting the state of DEI: e.g., diversity, pay equity, inclusion score (interviewee 5)	Tailored consulting with DEI agency, local law, EU directives, sustainability report, equality plan
<b>Marketing and communications function</b>	Training on inclusive communication by a DEI expert	Inclusive language in all contents, inclusive images if they accurately represent the situation in the organization (Ferraro et al. 2023, 464; FIBS 2022, 10)	Holistic reporting on how DEI is considered in marketing and communications	Gender-neutral language tools, engagement data on social media

What is important to note is that DEI work should be tailored to each organizational context and integrated into the organization's business operations. Therefore, Table 4

should not be seen as a ready-made plan but rather as an example or source of inspiration. Integrating DEI into the business often requires external assistance or hiring an expert as Head of DEI to set the journey in the right direction. The tools presented in Table 4 come from different sources that are available for organizations: FIBS' DEI self-assessment tool, Topaasia's DEI game for team discussions, and Impaktly's Nordic Business Diversity Index. Several tools for language checking are also available on different sites. Many agencies and consultancies that are specialized in DEI offer DEI training, mapping, and consultation. Examples of such consultancies operating in the Nordics are Includia Leadership, Inklusiiv, Ekvalita, and deidei. The researcher worked for one of these consultancies before embarking on the thesis project.

## **6.2 Limitations and recommendations for future research**

As in all research, this study also has some limitations. Firstly, it was conducted within the energy sector, making it challenging to directly extrapolate the findings to other industries. Moreover, the relatively small number of interviewees did not allow for theoretical saturation of the data. A larger number of interviewees could uncover additional factors of interest. Nevertheless, this study provides initial insights into the implications of DEI for the B2B sales context.

One notable aspect that this study did not analyze is the competencies and skills of procurement personnel. A recommendation for future research would be to investigate how organizations' CSR training, they are about to start or have already started, has impacted the DEI competences of procurement personnel. Exploring the extent to which DEI is integrated into such training programs could provide valuable insights. Given the energy sector's relatively low emphasis on DEI in B2B sales, another recommendation would be to examine DEI's role in other contexts where it may have gained more prominence, such as marketing. Understanding how DEI influences supplier selection in different business sectors could also provide valuable insights into how widespread its adoption is.

Additionally, this study did not consider the interviewees' DEI skills or the DEI maturity level of organizations they represented. Therefore, further investigation into how a purchaser's competence or the organization's DEI maturity influences the requirements placed on B2B sellers is warranted. Exploring the impact of personal values versus organizational DEI maturity on purchasing decisions could also be insightful. Lastly,

while this study explored tools and practices for evaluating CSR and DEI in the energy industry, the low prominence of DEI in B2B sales within this sector limited the findings. Exploring whether other purchasing functions in other contexts, such as advertising, have established tools and practices for comparing suppliers could provide valuable insights.

## 7 Summary

The purpose of this thesis was to investigate the relevance of Diversity, Equity, and Inclusion (DEI) initiatives in a business-to-business (B2B) sales context. The thesis addressed the following research questions:

1. How has corporate social responsibility (CSR) gained prominence in B2B sales?
2. What diversity, equity and inclusion (DEI) initiatives are currently undertaken by organizations?
3. What is the relevance of organizations' DEI initiatives to a B2B purchaser?

The study was conducted as a case study by interviewing six B2B purchasers of a case organization operating in the energy sector. In this study, it was found that customers are increasingly aware of responsible practices and demand it from their suppliers. Pre-questions asked before the request for proposals concern certificates, commitment to code of conducts, fulfilment of sustainability criteria, compliance with EU regulations and law, and concrete actions to achieve science-based targets are typical topics discussed in today's B2B sales. These findings reveal that CSR has definitely gained prominence in B2B sales, both in selling and purchasing.

As there was limited academic research of the state of DEI in organizations, the researcher utilized material from consultancies. Before the COVID-19 pandemic, global organizations made vocal commitments to DEI in order to respond to the intense public discussion. Now, however, labour and economic challenges have shifted the focus away from DEI. (DDI 2023, 3.) This shift may have stemmed from the perception that DEI is not as critical to business success as other factors. A transformational approach to DEI, which is the highest DEI maturity level, is still really rare (ILO 2022, 31). Similarly, Affirmity (2022, 7) found many organizations are at the beginning and intermediate level in their DEI journey. Only 4 % are experts. Also, DDI (2023, 8) states that strategic DEI work is on a relatively weak base in many organizations, as only 20 % have a DEI program. What is positive, is that this number increased by 5 percentage points from 2020. (DDI 2023, 8.) The lack of strategic approach may be one of the reasons why B2B sellers do not communicate their approach towards DEI to external stakeholders, such as

customers. This might have been the reason for the case organization not communicating about DEI to customers.

Based on this study, DEI has gained little prominence in sales. When selecting a supplier in the energy sector, which is the specific industry context of this thesis, B2B purchasers still prioritize price, quality, and timeliness. However, information about DEI is considered valuable. Providing comprehensive CSR information fosters trust and assures customers that they are aligned with their collaboration partners. There were also expectations towards large organizations, that they would set an example to others. B2B purchasers think that social responsibility is emerging and will become more important in the next few years. There is still room for pioneers in this area, and the B2B purchasers would be pleased if case organization would fill that room and set an example to others in this industry.

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## Appendix 1 Interview questions in Finnish

1. Mikä on nykyinen tittelisi?
2. Kuinka kauan olet työskennellyt X-yrityksessä?
3. Kuinka kauan olet työskennellyt ostamisen tai hankintojen/vastuullisuuden parissa?

### Yhteiskuntavastuu, vastuullisuus, B2B-myynti

4. Minkälainen suhtautuminen teillä on vastuullisuuteen?
5. Jos olette keskittyneet tiettyihin teemoihin, mihin osa-alueisiin olette keskittyneet ja miksi?
6. Entä mitä itse ajattelet vastuullisuudesta?
7. Miten vastuullisuus näkyy B2B-myyntissä tänä päivänä? Millä tavalla se on muuttunut viime vuosina? Miten? Miksi ei?

### DEI-kysymykset

8. Ovatko monimuotoisuus (diversity), yhdenvertaisuus (equity) ja inklusiivisuus/osallisuus (inclusion) sinulle tuttuja käsitteitä? Jos eivät ole, voin selittää lyhyesti.
9. Minkälainen käsitys/ymmärrys sinulla on [case yrityksen] kulttuurista monimuotoisuuden, yhdenvertaisuuden ja osallisuuden suhteen? Mihin käsityksesi perustuu? Missä tilanteissa olet havainnut [case yrityksen] kulttuuria?
  - a. Jos ei ole käsitystä, oletko huomannut mitään seuraaviin liittyen: esim. monimuotoinen tiimi, huomioidaan erilaisten ihmisten tarpeet, miten toisille puhutaan myyntitilanteissa jne. Tai sitten uutisissa, mediassa, nettisivuilla?

### Ostoprosessi

10. Kertoisitko minulle ostoprosessinne vaiheista: tarpeen tunnistaminen, sopivan toimittajan etsintä, eri toimittajien vertailua ja lopuksi vielä itse valinta.

11. Minkälainen porukka teillä tekee hankintaa?
12. Kun etsit tietoa ostoprosessin eri vaiheissa, mistä löydät sen ja kuka tarjoaa tarvitsemasi tiedon?
13. Millä perustein valitsette toimittajat ja yhteistyökumppanit? Mitkä ovat tärkeimmät? Miksi?
14. Jos arvioitte myyjän vastuullisuutta, miten teette sen?
15. Millä tavalla tieto [case yrityksen] käytännöistä monimuotoisuuteen, yhdenvertaisuuteen ja osallisuuteen liittyen näkyisi teidän ostopäätöksessänne? Miksi?
  - a. Miten hyötyisitte tästä tiedosta? Miksi ei?
  - b. Entä osaatko arvioida, miten tämä tieto vaikuttaisi teidän omiin asiakkaisiinne?
16. Millaisia odotuksia sinulla on [case yrityksen] sosiaalisen vastuullisuuden suhteen?

## **Appendix 2 Notice for participation in research**

### **Research Description**

The purpose of the research is to investigate what factors influence your purchasing decision and result in choosing the case organization as a supplier or collaboration partner. The interview will focus on your view on Corporate Social Responsibility and which parts are particularly relevant to you as a customer.

Your consent is sought for an interview related to this area. The interview will be used exclusively for research purposes.

### **Progress of the Research**

The research will be conducted in the spring of 2024 as part of the Master's thesis of B.Sc. Johanna Piekkari in the field of business administration.

### **Voluntariness**

Participation in the study is voluntary, and participants may withdraw from the research process at any point without the need to provide a reason for withdrawal.

However, once the thesis/research report is completed, involvement cannot be retrospectively removed.

### **Confidentiality, Data Processing, and Storage**

Research data will be handled anonymously, meaning individual participants will not be identifiable in the research report, and their information will not be linked to them. Data will be stored in the University of Turku's database, accessible only to the researcher. The researcher commits to keeping confidential, personal information from being disclosed to external parties. The data will be destroyed by 31.12.2025.

Research data may be utilized in the development of [case organization's] services.

The purpose of this statement is to provide background information on the research's purpose, topic area, objectives, and implementation method. If you have any questions about the research or data preservation, I am happy to provide additional information (contact details below). I appreciate your positive attitude toward my research and the opportunity to interview you as part of the study.

**Contact information for the responsible researcher for the study is provided below.**

Johanna Piekkari, email: johanna.piekkari@xxxxx phone: xxxxxxxxxx

**Title of the Research:** Diversity, equity and inclusion in B2B sales

I have received sufficient information about the study and have had the opportunity to ask the researcher questions about it. I have had enough time to make a decision regarding my participation in the study. I have been informed about the following aspects related to the progress of the research and data analysis:

- Participation in the study is entirely voluntary.
- The interview is recorded as an audio recording, which will be solely for the researcher's use (enabling focus on the conversation during the interview).
- The material is confidential, and the person handling the data commits to protecting the material and the personal information it contains from external parties. The data will be destroyed after the research.
- Personal information in the published material of the thesis will be modified to a form where names or other identifiable information is not revealed.
- I can withdraw my participation before or during the research without providing a reason. However, involvement cannot be retrospectively removed from the completed thesis.

**Please confirm via email that your interview can be recorded on audio.**