

Creating shared value in multinationals firms
by implementing corporate social strategy
" Volvo Social Strategy Model "

Dr: kherchi ishak

Dr: fellague Mohamed

Dr: Haddou Samira Ahlem

k.ishak@univhb-chlef.dz

mohamed.fellag@gmail.com

ahlamhaddou@gmail.com

Abstract:

Purpose: This paper aims to provide corporate social strategies as an entrance to create shared value, in addition to that we aims to provide a theoretical and practical contributions that ground understanding the concept of creating shared value.

Design/methodology/approach:

The authors analyze a single case study of Volvo corporation. The objective is to evaluate whether the corporate social strategies can yields to a shared value creation.

Findings:

We found that corporate social strategies followed by Volvo Corporation yields to a shared value creation.

Research limitations/implications:

This single case study provides an entrance to create shared value; however, more research is needed to find other entrances.

Practical implications:

The paper has practical implications that relate to the design of shared value model. We provide practical well known strategies that could be apply by corporations to reach shared value creation.

Originality/value:

A unique view of corporate social strategy and creating shared value concept.

Key words:

Creating shared value, corporate social strategy, social value, business value, business competitiveness, Volvo corporation.

Introduction:

Our world faces urgent many global challenges, such as depletion of natural resources and uneven distribution of wealth, poor nutrition, not enough health care, pollution, access to water, climate change and deforestation.

Despite the effort of social organizations, corporate social responsibility, social entrepreneurship; we still have so much trouble to deal with these social and environmental problems, because the complexity, size and scale of these challenges require a role for business.

For the Volvo Group, facing these problems and creating social and economic value involves efforts to move both business and society forward, enhancing Volvo competitiveness while simultaneously advancing environmental and social conditions of the societies in which Volvo operate.

However creating shared value for Volvo requires social strategies to follow within portfolio activities in order to provide products and service that create value for society and lead Volvo to a competitive business.

The fundamental problem of this study is related to the way Volvo creates business value and social value, using corporate social strategy, so the question is:

How implementing corporate social strategy creates shared value and lead Volvo to a competitive business?

In addition to that, we also try to find answer for these following questions:

What should Volvo do to solve social and business problems? What is the possible impact of implementing corporate social strategy on social and business value creation? How corporate social strategies lead to shared value creation?

This study aims to provide corporate social strategy as an entrance to create shared value for competitive business for Volvo group. We are not trying to show the solution for a business problems happened in Volvo group, we trying to provide the professional approach of Volvo group which created social value and more profit for the group.

First: Design/methodology:

Study designs:

The idea of creating shared value is an emerging field in strategic management, a little is known about creating shared value using corporate social strategy to solve social problems and making more profit. And all the concepts and the process of shared value creation provided by Porter are derived from Volvo initiatives, so for more understanding of the concept in term of corporate social strategy, we choose a

single case study of Volvo group which can provide insight into the events and situations prevalent.

We used the qualitative descriptive approach; the focus of this study is on extensively exploring and understanding rather than confirming and quantifying. It provides an overview form more understanding of the case process and interactional dynamics within a unit of study but cannot claim to make any generalizations to a population beyond cases similar to the one studied. We do not select a random sample but a case that can provide with much information as possible to understand the case in its totality.

Data collection:

For the purposes of this research, and due to the geographical distance we had no choice to collect data only by contacting Volvo responsables Through Skype and telephone interviews. In addition to that we collect data from Volvo website and annual reports published.

Data analysis

We used Content analysis to analyze the data due to the fact that this kind of analysis gives as the ability to structure the qualitative data collected in a way that satisfies the accomplishment of research objectives.

Research Limitations

We cannot claim to make any generalizations to a population beyond cases similar to the one studied. A bigger sample would probably enhance the reliability of the research.

Second: theoretical part

1. Shared value definitions:

According to Porter .M.E & Kramer.M ;Shared value can be defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates¹.

creating shared value is an investment in company sustainable competitiveness, achieving economic and social goals .It implies company striving to create shared value in both environments external and internal, and preferably along several dimensions².

The CSV concept or ‘shared value’ is an alternative strategy that simultaneously creates both social and business values by reconceiving products/markets, redefining productivity in the value chain, and enabling local cluster development. It can help

firms to better respond to societal, environmental, and market needs as well as business activities³.

We consider creating shared value as new concept in business that allows creating social value while simultaneously moving business forward and leading to a competitive business.

2. Creating shared value and other terms:

2.1. Shared value and Sustainability:

Although the terms are often used loosely together, and generally share the same intended outcome (a more equitable society living within ecological boundaries) they differ in scope and application:⁴

- Shared value is overtly about business strategy and the decisions that companies take in pursuit of profit. It refers to a particular kind of business strategy, one that delivers competitive advantage by addressing societal challenges. It works explicitly within the business framework seeking to engage business in addressing societal challenges.
- Sustainability, while admittedly meaning different things to different people, takes a broader perspective. It highlights the need for transformative, systemic change, informed ultimately by a values-based lens. If Shared Value is essentially about creating new types of win-win outcomes, then sustainability in addition is about identifying and handling the inevitable win-lose and lose-lose outcomes that will cascade from the grand challenges that the global economy will face in coming decades.

2.2. Shared value and corporate social responsibility:

The idea of creating shared value differs from corporate social responsibility in that it seeks to anchor pro-social and pro-environmental behavior within market and value propositions, rather than within an 'add-on' narrative of corporate duties and responsibilities⁵.

CSR is generally successful in achieving project efficiency and client satisfaction but it does not necessarily lead to business success and facilitate future growth and development of the firm. CSV concept is a new way of thinking in management – an alternative strategy to achieve long-term competitiveness that focuses on integration of a social purpose into companies' business operations⁶.

We see that corporate social responsibility is fundamentally about taking resources from the business, and investing those resources in being a good corporate

citizen: recycling, giving money to social causes, reporting on social and environmental impacts, and engaging employees in community works. Shared value is neither CSR nor sustainability because it creates social value through business model not through additional no core business activities.

2.3. Shared value and social entrepreneurship:

Social entrepreneurship is about creating business activities to meet the broader needs of the society rather than individuals. It is also known that, social entrepreneurs, as individuals or organizations prioritize socio-environmental gains over economic and financial achievements⁷.

Social entrepreneurship is an entrepreneurial action for addressing societal problems. More precisely, we can defined it as “an act of addressing a social problem by organizing various resources in an innovative way”⁸.

Shared value is to create both social and business value with no priorities for one of them while social entrepreneurship focus more on social problems value and gives more important and priorities to social value rather then business value.

3. Steps to create shared value:

Shared value can be created by reconceiving products and services to meet societal demands, byRedefining productivity in the value chain and by Enabling local cluster development: ⁹

3.1. Reconceiving products and services

Products and services should be conceived and produced for meeting social needs and thus they should create social benefits. For instance, the food industry, rather than stimulating more consumption, should focus its interests and strengths on driving better nutrition and health issues. The potentialities of this approach to develop new services and products can be even more significant in poor and disadvantaged countries, where the needs are greater than those of developed countries. For companies this means that societal needs should be constantly monitored and incorporated in the managerial processes concerning R&D and production.

3.2. Redefining productivity

The value chain is affected by externalities, such as water use, working conditions and fair treatment, which can enhance the costs of production. Taking into account societal issues permits companies to redefine their concept of productivity from a shared value perspective. For instance rethinking logistics systems in the shared value perspective means improving energy utilization through technology investments, such as reducing shipping distances, recycling. All these practices help companies transform the value chain, cutting costs and reinforcing the mutual relationships with partners and stakeholders.

3.3. Enabling local cluster development

Finally, shared value can be created by enabling local cluster development. Clusters are geographical concentrations of actors (suppliers, logistical infrastructures, institutions, universities, service providers, trade associations and so on), which support a company and its processes. Firms can create shared value and improve their productivity, by building local clusters and addressing their gaps in specific areas such as logistics, training or market organization. Managerial practices driven by transparency and openness principles create favourable conditions for building clusters, which enhance the benefits for companies and their competitiveness.

We see that reconceiving Products and Markets allows to develop products regard to society's needs and this what rise the demand on these products, in the same time redefining productivity in the value chain allows to save energy, water, cost and create value for both society and business, then, enabling local cluster development which help to provide infrastructure around creating shared value

4. Levels of Shared Value:

As we mentioned above shared value created by reconceiving product and markets, redefining productivity in the value chain and enabling cluster development, however how every step of shared value creation contribute in business and social value creation.in order to analayse that we provide the three levels of shgared value creation as we see in Table 1.

Table 1 : Three levels of Shared Value Creation

LEVELS OF SHARED VALUE	BUSINESS RESULTS	SOCIAL RESULTS
Reconceiving product and markets: How targeting unmet needs drives incremental revenue and profits	Increased revenue Increased market share Increased market growth Improved profitability	Improved patient care Reduced carbon footprint Improved nutrition Improved education
Redefining productivity in the value chain: How better management of internal operations increases productivity and reduces risks	Improved productivity Reduced logistical and operating costs Secured supply Improved quality Improved profitability	Reduced energy use Reduced water use Reduced raw materials Improved job skills Improved employee incomes
Enabling cluster development: How changing societal conditions outside the company unleashes new growth and productivity gains	Reduced costs Secured supply Improved distribution infrastructure Improved workforce access Improved profitability	Improved education Increased job creation Improved health Improved incomes

Porter et al Measuring Shared Value How to Unlock Value by Linking Social and Business results, FSG·USA,2013,P3.

We see that each level of shared value contribute in the creation of business and social value targeting unmet needs drives incremental revenue and creat social value, a better management of internal operations increases productivity and reduces risks and save water and energy that the society need. In addition to that changing societal conditions outside the company unleashes new growth and productivity gains.

7- Corporate Social strategy:

There exists no generally accepted typology of corporate social strategies. Three different generic social strategies typically emerge from the literature: product differentiation, cost leadership, and strategic interaction between the firm and its regulators (either government or industry).

These three generic strategies permit an integration of the economic and social objectives of the firm by using social action to create value for stockholders¹⁰. The purpose of social strategy is to create value for the firm, especially economic value.

Social strategy normally involves the investment of capital, whether financial or human, in order to achieve social objectives¹¹. Social strategy focuses on activities where the social dimension of corporate activity may be joined with the economic dimension in such a way as to enhance both economic and social value creation¹². Generally speaking such strategy creates value for the firm via the creation of a firm reputation or some form of product differentiation¹³.

Value can be also created through the development of new products or services that incorporate a social component or through the creation of entirely new markets¹⁴. Social strategy is focused on understanding the conditions under which project maximization and social performance are congruent¹⁵.

Corporate Social strategy often involves the introduction of needed products and services to underserved and poorly understood markets as well as the development of new products and services with social attributes¹⁶. Social strategy shares with business strategy the pursuit of profit, but it is not simply a specific kind of business strategy.

We see that corporate social strategy focus on addressing social needs and problems that generates profit for the firm and yields to a competitive business.

8- Corporate social strategy to create shared value:

Michael Porter (1980) identified two generic strategies to achieve a competitive advantage: differentiation and cost leadership . Forest Reinhardt (1999) applied Porter's framework and added a third generic strategy; strategic interaction.

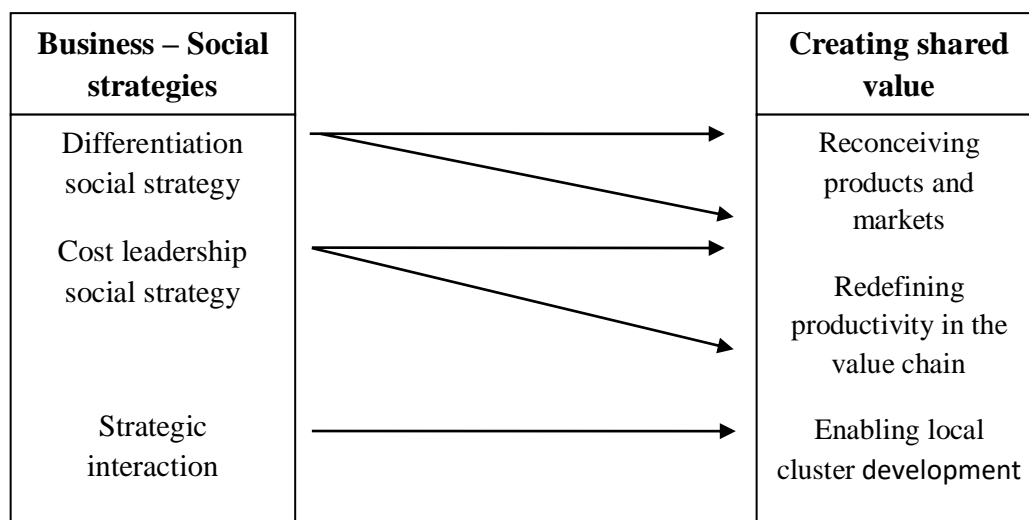
Husted. B.W, Allen.D.B (2001) develops a framework for formulating social strategy by provided three social strategies extant in the literature: differentiation, cost leadership, and strategic interaction

to create competitiveadvantages that are valuable, rare and imperfectly imitable.

Porter and Kramer (2011) provided shared value as a new concept in business to improve corporate competitiveness by advancing their business and social conditions simultaneously. However porter and Kramer (2011) do not specify how to create shared value within portfolio activities and business strategy level.

We see that a Husted and Allen (2001) social strategy tool is crucial in creating shared value and formulating a strategic model to create economic value and social benefit. We used Husted and Allen (2001) social strategies; differentiation social strategy, cost leadership social strategy, strategic interaction to show the process of these strategies in achieving porter (2011) shared value concepts and formulate strategic model of creating shared value.

Figure 1 -Social strategy to create shared value



8-1-Cost leadership social strategy and reconceiving products and markets:

A cost leadership social strategy may emerge where firms discover that cost savings are available through process innovation¹⁷. There exists evidence of the capacity of firms to innovate in response to social opportunities and threats¹⁸.

Cost leadership social strategy occurs where firms discover cost savings that are available through process innovation¹⁹. Firms can reconceive products to address social needs by decreasing costs of the products through process innovation

8-2-Cost leadership social strategy and redefining productivity in the value chain:

The value chain depicts all the activities a company engages in while doing business and when societal progress and productivity in the value chain are congruent, the shared value is far greater than traditionally believed²⁰.

For Firm to develop collaborative, problem-solving relationships with a variety of stakeholders, supplier-buyer cooperation can facilitate innovation leading to cost leadership, but such cooperation can occur only if the firm has well developed resources for stakeholder integration as well as continuous innovation²¹. Cost savings may occur through the wise management of relationships with suppliers who are committed to similar social objectives²².

Firms can redefine the productivity in the value chain for cost saving by reduced electricity reduced direct CO2 emissions, reduce the quantity of water waste, increase reuse material recycling and energy recovery.

cost saving may occur through Improving energy, water and resource efficiency across the value chain, Minimizing logistical intensity, Improving employee health and safety, Enhancing the productivity and wages of lower income employees, Recruiting that represents the diversity of customers and the communities where a company operates.

Other main resources for cost saving to redefine the productivity in the value chain are; Economies of scale, production technique (Process innovation, Re-engineering of business processes), input costs (Location advantages, Ownership of low-cost inputs, Nonunion labor, Bargaining power)²³,

8-3-Differentiation social strategy and reconceiving products and markets:

In the case of product differentiation, the social objectives of the firm differentiating existing products or developing new products and markets.²⁴.

Differentiation social strategy allows firms to reconceiving products through process innovation and providing new products with regard to society's needs.

8-4-Differentiation social strategy and redefining productivity in the value chain:

In order to apply the differentiation social strategy Firms need to redefine the productivity in the value chain by Constructing a value chain for the firm and the customer. Identify the drivers of uniqueness in each activity, Select the most promising differentiation variables for the firm, Locate linkages between the value chain of the firm and that of the buyer²⁵.

8-5-Strategic interaction and enabling local cluster:

the strategic interaction social strategy specii cally incorporates nonmarket actions in creating rent-seeking opportunities through the use of regulation and/or industry standards. However, nonmarket actions may also include activities such as social network development, political contributions, and community service²⁶

According to (Husted.B.W, Allen.D.B) the strategic interaction social strategy involves the strategic use of regulation and/or self-regulation in order to create rent-

seeking opportunities for the firm. Researchers have demonstrated that firms can use government and industry regulation as a means to obtain competitive advantage with respect to other firms that are less well positioned to comply with such standards²⁷.

Firms use a strategic interaction social strategy to influence public policy so that the regulator imposes such standards on the entire industry. Such strategies often provide policy makers with information about new policy or build constituencies to support such initiatives²⁸. This is what enables local clusters.

Third: Practical part: Volvo Social Strategy Model to create shared value

1. Who is Volvo?

1.1. Volvo Group:

The Volvo Group is one of the world's leading manufacturers of trucks, buses and construction equipment, drive systems for marine and industrial applications and aerospace components. The Group also provides complete solutions for financing and service. In 1927, the first series-produced Volvo car rolled off the production line at the Gothenburg plant and in 1928 the first truck was produced²⁹.

The Volvo Group employs about 115,000 people, has 65 production facilities in 20 countries and sells its products in more than 190 markets. In 2011 annual sales of the Volvo Group amounted to about SEK 310 billion. The Group's market share of sales are 39% in Europe, 19% in North America, 11% in South America, 24% in Asia, 7% in rest of the World³⁰.

The Volvo Group was one of the first companies to become a signatory to the United Nations' Global Compact when it was launched in 2001. The Group is committed to the principles of the initiative, and they are integrated into its Group policy and core governance document: the Volvo group code of conduct³¹.

The Volvo Group's vision is to become the world leader in sustainable transport solutions by creating value for customers in selected segments, pioneering products and services for the transport and infrastructure industries, driving quality, safety and environmental care, and working with energy, passion and respect for the individual³².

1.2. Volvo Brands:

The Volvo Group is one of the world's leading manufacturers of trucks, buses, construction equipment and marine and industrial engines. Volvo group brand portfolio consists of Volvo, Volvo Penta, UD, Terex Trucks, Renault Trucks, Prevost, Nova bus and Mack. Volvo partner in alliances and joint ventures with the Sunwin, SDLG, Eicher and Dongfeng brands, by offering products and services under different brands; the Group addresses many different customer and market segments in mature as well as growth markets³³.

1.3. Volvo Products:

Volvo produces many products; trucks, construction equipment, buses, power solution for marine, special purpose vehicles and others as follows: ³⁴

1.3.1. Trucks:

Brands in the Volvo Group's truck operations have a unique and distinct brand specific character that attracts customers in their markets. Trucks are sold and marketed under the brands Volvo, UD, Renault Trucks, Mack and Eicher, which all offer customers a broad range of products and services for efficient and economic transports.

In January 2015, Dongfeng was added to the truck line up, through the acquisition of 45% of the Chinese truck manufacturer Dongfeng Commercial Vehicles.

1.3.2. Construction equipment:

Volvo Construction Equipment develops, manufactures and markets equipment for construction and related industries under the brands Volvo, SDLG and Terex Trucks. Its products are leaders in many world markets, and include a comprehensive range of wheel loaders, wheeled and crawler excavators, articulated haulers, road machinery and a range of compact equipment.

1.3.3. Buses:

The product range includes complete buses and bus chassis for city, intercity and coach traffic. The company has a total offering that, in addition to buses, includes a global service network, efficient spare parts handling, service and repair contracts, financial services and traffic information systems. The offer also comprises complete transport systems for electric buses including charging infrastructure.

1.3.4. Power solution for marine and industrial applications:

Volvo Penta manufactures engines and drive systems for both leisure boats and commercial craft, with an engine range of 10 to 900 hp and has a global service network of approximately 3,500 service points. Volvo Penta also supplies industrial engines ranging from 75 kW to 655 kW for a variety of industrial applications such as container handling, mining equipment and power generation.

1.3.5. Special purpose vehicles:

The Volvo Group manufactures special-purpose vehicles for use by for instance government, defense, peace-keeping and relief organizations.

The Volvo Group's sales of defense material, as defined in the Swedish Military Equipment

Ordinance (1992:1303) section A, amounted to 0.32% (0.41) of net sales in 2015.

In addition to vehicles and machines, the Volvo Group's offering includes various types of financing solutions, insurance, rental services, spare parts, preventive maintenance, service agreements, assistance services and IT services. The range and flexibility of the offering means that the solutions can be customized for each customer.

2. How Volvo created shared value:

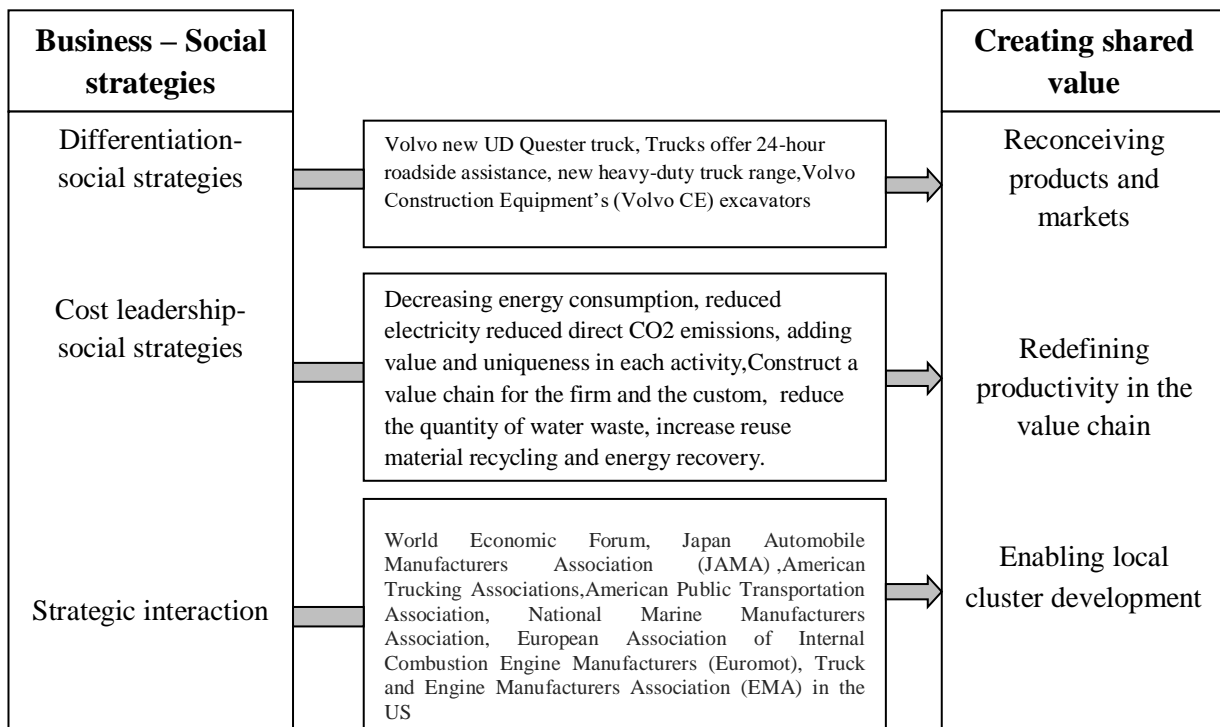
Volvo designed multi-pronged approaches to provide holistic solutions to social and business problems.³⁵

Volvo Reconceive products and markets using differentiation social strategies, by doing that Volvo provided new UD Quester truck, Trucks offer 24-hour roadside assistance, new heavy-duty truck range, Volvo Construction Equipment's (Volvo CE) excavators.

Volvo Redefined productivity in the value chain using cost leadership social strategies, this allowed Volvo to Decrease energy consumption, reduced electricity reduced direct CO2 emissions, adding value and uniqueness in each activity, Construct a value chain for the firm and the custom, reduce the quantity of water waste, increase reuse material recycling and energy recovery.

In addition to that Volvo Enable local cluster development through Strategic interaction with World Economic Forum, Japan Automobile Manufacturers Association (JAMA), American Trucking Associations, American Public Transportation Association, National Marine Manufacturers Association, European Association of Internal Combustion Engine Manufacturers (Euromot), Truck and Engine Manufacturers Association (EMA) in the US.

Figure1 - VOLVO Business – Social strategies to create shared value



2.1.: Differentiation social strategy and reconceiving products and markets

The Group offers a wide range of products and services customized for different markets and needs. For example, Volvo new UD Quester truck range has been designed to meet specific needs of customers in growth markets in Asia and beyond.

In Europe, Volvo Trucks and Renault Trucks offer 24-hour roadside assistance to keep customers moving. Volvo remanufacturing centers enable us to reduce the cost of spare parts for customers worldwide³⁶.

In 2013, Volvo made great strides towards goals with the launch of Quester the Group's new heavy-duty truck range designed, priced and equipped especially for growth markets and businesses. The first target markets are Thailand, Indonesia, Malaysia and China, with India and several other growth markets across the world to follow³⁷.

In August 2013, the Volvo Group launched into the Chinese market two new types of teeth for the buckets of two models of Volvo Construction Equipment's (Volvo CE) excavators. They are part of a new range of components that includes economically priced ground-engaging tools, such as side cutters, side shrouds, segments and bolt-on edges. Volvo CE's new products for medium- to light-duty applications generally offer lower initial purchase costs and adapted wear-resistant specifications³⁸.

We see that Volvo reconceiving products regarding to society's needs and focus on meeting specific buying needs and behaviors in Emerging markets by providing economically priced ground engaging tools, useful truck which could solve some social needs and problems.

2.2. Redefining productivity in the value chain:

The Volvo Group takes a whole value chain approach to developing long-term, sustainable competitiveness. Volvo takes responsibility for the operations within its direct control and strives to create mutually beneficial partnerships with Volvo business partners as we see in table2.

Table2: Social strategies and redefining productivity in the value chain

PRODUCT DEVELOPMENT	PURCHASING	PRODUCTION	DISTRIBUTION AND SERVICE	PRODUCTS IN USE	RE-USE
<p>Investments in research and development amounted to SEK 15.4 billion for 2015, corresponding to 4.9% of Group net sales.</p> <ul style="list-style-type: none"> • Product development is based on the needs of customers, legislation, changes in society and new technology. • More than 90% of the environmental impact from a truck occurs during use. Consequently, product development focuses on sustainable transport solutions. • Volvo main areas of focus are CO2 and fuel efficiency; safety, automation and the driver 	<p>In 2015, the Group made purchases of goods and services totalling SEK 210.6 billion.</p> <ul style="list-style-type: none"> • Volvo have around 43,000 Tier 1 contractors, of which about 6,500 supply automotive product components. • Volvo strive to have long-term relationships with suppliers of technologically advanced components. • The Volvo Group applies the principles in its Code of Conduct to assess suppliers as a part of the purchasing process. • During 2015, 86% of the value bought from automotive product suppliers underwent CSR assessment. 	<p>At year-end 2015 the Volvo Group had 88,464 regular employees and 11,037 temporary employees and consultants. 47,368 regular employees and 4,341 temporary employees and consultants were blue collar.</p> <ul style="list-style-type: none"> • The Volvo Group has 66 factories in 18 countries around the world. • 54% of Volvo Group employees are located in Europe, 18% in North America, 6% in South America, 19% in Asia and 3% in other parts of the world. • In 2015, the Volvo Group's wholly-owned truck operations delivered 207,475 trucks. The Group also delivered 8,825 buses, 	<p>During 2015, Volvo service and aftermarket business represented approximately 25% of the Volvo Group's net sales, compared to 26% in 2014.</p> <ul style="list-style-type: none"> • The Volvo Group's products are distributed to customers through wholly-owned and independent dealerships. • Volvo service network supports customers and maximizes their product's uptime. • The number of service points in South and North America has been significantly increased in recent years. • Volvo dealer and service networks in Central and Eastern Europe have been optimized, with increased service availability. 	<p>More than 2 million trucks and 100,000 buses, which the Group manufactured in the past ten years, operate on roads worldwide.</p> <ul style="list-style-type: none"> • According to Volvo estimates 15% of food in Europe is delivered by our trucks and more than 10 million people worldwide can be transported daily on Volvo buses and coaches. • Volvo construction machines are present at construction sites all over the world. • Volvo have delivered half a million units of construction equipment in the last ten years. • Volvo support services keep thousands of customers' fleets on 	<ul style="list-style-type: none"> • In 2015, the total sale of remanufactured components amounted to SEK 8.3 billion an increase with almost 20% compared to 2014. • The Volvo Group has eight remanufacturing centers worldwide handling used components from Volvo whole range of brands. • Resource efficiency and recycling potential is designed into Volvo products during product development. • Remanufactured components are important to our offering in order to reduce customers' ownership and operating costs. • Remanufacturing is more labor

environment; and complete transport solutions. • The Volvo Group's cooperation with external research partners and participation in public research programs increases knowledge both for us and the societies we operate in.	Of the suppliers that underwent the assessment 79% of the value passed. • Around 95% of the Volvo Group spending on automotive products comes from suppliers certified in accordance with ISO 14001 or its equivalent.	44,718 units of construction equipment, 17,413 marine engines and 15,295 industrial engines. • All the Volvo Group's wholly-owned production facilities have third-party audited quality certificate and 98% have environmental certificates.	• All Volvo Group-owned dealers are covered by the Group's environmental requirements and 90% of Volvo distribution centers are certified according to ISO 14001.	the road, contributing to productivity and growth. Today, approximately 470,000 Volvo Group vehicles are connected via different telematics solutions.	intensive than production of new products and requires high-skilled labor. Therefore, it also contributes positively to society
--	---	--	---	--	---

THE VOLVO GROUP ANNUAL AND SUSTAINABILITY REPORT (2015),p24.

As we see in table 2 redefining productivity in the value chain require a set of steps like Product development, purchasing, production, distribution and service, products in use, re-use.in addition to that Volvo treat other aspects.

2-3-Differentiation social strategy and redefining productivity in the value chain:

Volvo redefined the productivity in the value chain Using Differentiation social strategy in areas of product development, purchasing, production, distribution and service as follows:

- Product development is based on the needs of customers, legislation, changes in society and new technology.
- Volvo strives to have long-term relationships with suppliers of technologically advanced components.
- Around 95% of the Volvo Group spending on automotive products comes from suppliers certified in accordance with ISO 14001 or its equivalent.
- All the Volvo Group's wholly-owned production facilities have third-party audited quality certificate and 98% have environmental certificates.
- All Volvo Group-owned dealers are covered by the Group's environmental requirements and 90% of Volvo distribution centers are certified according to ISO 14001.

2-4-Cost leadership social strategy and redefining productivity in the value chain:

Volvo redefined the productivity in the value chain Using Cost leadership social strategy in areas of Energy efficiency, Carbon emissions from production, Waste and water.

2.4.1. Energy efficiency

The Group's 2015 total energy consumption amounted to 2,106 GWh, a reduction of 70 GWh compared to 2014. The main activity behind the reduction was increased energy efficiency. By reducing energy, Volvo both reduce costs and lower emissions. Between 2005 and 2015, the Volvo Group decreased energy consumption in Volvo own production processes by roughly 20% in absolute terms. This means that the energy cost for 2015 has decreased with more than SEK 500 M thanks to energy efficiency activities³⁹.

The accumulated saving is significantly larger. For example, Volvo Construction Equipment has reduced electricity consumption by focusing on idle time, by changing behavior, electricity consumption during idle time at the six largest plants has been reduced by 19% in 2015 and by 39% overall since 2012. This is equivalent to heating 343 houses in Sweden for a full year⁴⁰.

Volvo energy efficiency index, which compares energy consumption with net sales, was 6.9 MWh/SEK M in 2015, compared with 7.9 MWh/SEK M in 2014. The 2015 energy efficiency index has thereby improved 13% since 2014⁴¹.

We see that Cost leadership social strategy decreased energy consumption, electricity consumption and this what increasing energy efficiency index and allowed Volvo to redefine the productivity in the value chain and lead to focus more on source of productivity improvement and Reduce production costs.

2.4.2. Carbon emissions from production:

In 2015, direct CO₂ emissions from the Volvo Group's production facilities decreased from 231,000 tons to 221,000 tons. About 40% of Volvo total energy consumption came from low-carbon renewable sources, including hydropower electricity and biomass heating⁴².

The Volvo Group has carbon-neutral facilities in Ghent, Belgium, as well as Vara, Tuve and Braås in Sweden. Additionally we have facilities buying 100% of their electricity produced from landfill gas instead of fossil fuels⁴³.

2.4.3. Waste and water:

The Volvo Group's minimum requirements on production plants include sorting and quantifying all waste at source, implementing measures to reduce the quantity of waste and increase reuse material recycling and energy recovery as well as reducing the quantity of waste consigned to landfill. Waste is usually classified as either hazardous or non-hazardous. The total amount of hazardous waste in 2015 was 27,824 tons, compared with 24,944 tons in 2014, an increase of close to 12%. Hazardous waste sent to landfill amounted to 1,155 tons. Water consumption continues to decrease, from 4,982,000 m³ in 2014 to 4,919,000 m³ in 2015⁴⁴.

Volvo redefine the productivity in the value chain by focusing on main aspect that provide value for the society and save cost for the group such as decreasing energy consumption, reduced electricity reduced direct CO2 emissions, reduce the quantity of water waste, increase reuse material recycling and energy recovery.

2.5. Strategic interaction Enabling local cluster through partnership:

Volvo believe it is more efficient to work in partnership with key stakeholders, and that Volvo social impact will be increased by working together with partners sharing mutual goals. Over the years, Volvo has developed partnerships with customers, government officials, non-governmental organizations, local decision makers, educational and community groups⁴⁵.

Knowledge of legislation, trends and best practice, both in Volvo industry and the wider world, is essential to the Volvo Group's ability to actively meet needs and identify new business opportunities.

The Group is a signatory of the UN Global Compact, a member of the World Wide Fund for Nature (WWF) Climate Savers Program and participates in many trade and industry forums including: ⁴⁶

- European Automobile Manufacturers' Association (ACEA)
- Committee for European Construction Equipment (CECE)
- Truck and Engine Manufacturers Association (EMA) in the US
- Japan Automobile Manufacturers Association (JAMA)
- Association of Equipment Manufacturers in the US
- American Trucking Associations
- American Public Transportation Association
- National Marine Manufacturers Association
- American Bus Association
- European Association of Internal Combustion Engine Manufacturers (Euromot)
- World Economic Forum
- International Transport Forum (ITF)

Each year, the Volvo Research and Educational Foundations (VREF) make major investments in dedicated research projects supporting the development of sustainable transport systems in large urban areas worldwide. Volvo also devotes extensive resources to traffic safety research, partnering with key industry players, universities and governments for greater efficiency⁴⁷.

Volvo also make an Academic Partner Program (APP), the basic principle behind this program is long-term strategic collaboration with leading universities in areas. This collaboration with universities is key for the Volvo Group to keep driving innovation in the area of transport solutions of mutual interest.

The Volvo Group is currently working on a joint initiative within the Academic Partner Program (APP) together with Chalmers University of Technology and Mälardalen University in Sweden, Penn State University in the United States, as well as the waste recycling company Renova. The initiative aims to develop a robot that interacts with the refuse truck and its driver to accomplish the work⁴⁸.

Volvo strategically interacts and developed partnerships with deferent parts including; customers, government officials, non-governmental organizations, local decision makers, educational and community groups and this what enabled local cluster

following business social strategies; Cost leadership social strategy, Differentiation social strategy and strategic interaction, Volvo reconceiving product and markets, redefining productivity in the value chain and building clusters through partnership and lead to shared value creation.

4. Volvo social strategies created shared value:

4.1. Other aspects of Volvo social strategies to create social value:

Volvo engages in activities related to core business and operating context where Volvo can use unique expertise, knowledge and skills to address social and environmental challenges. All activity is guided by Volvo corporate core values of quality, safety and environmental care and aims to support Volvo vision. The Volvo Group is most active in the areas of skills development, traffic safety, education, environmental protection and disaster relief.⁴⁹

4.1.1. Developing skills:

The Volvo Group conducts a variety of professional training programs in emerging and established markets worldwide that facilitate employment opportunities within the local community and secure the long term development of Volvo business, Volvo encouraged 100,000 employees to get involved in promoting safety awareness sessions for children in their immediate environment ⁵⁰.

4.1.1.1. Training schools in Africa:

The Volvo Group is planning to invest a total SEK 30 M to introduce vocational training schools in 10 African countries, in partnership with the Swedish International

Development Cooperation Agency (Sida) and the US Agency for International Development (USAID)⁵¹.

The Volvo Group has an ambition to grow revenue in Africa by 25 percent between 2013 and 2015. The schools will be set up in countries that are both business-critical for the Volvo Group and eligible for development grants from both Sida and USAID.

4.1.1.2. World Food Program:

The United Nations World Food Program (WFP) works to combat hunger by guaranteeing access to food in the poorest parts of the world. Reliable trucks are vital to the WFP's logistics and Renault Trucks are a key partner for carrying supplies in extreme conditions. Renault Trucks initiated a five-month volunteer program to train WFP mechanics in six East African countries, concluding March 2013. Volvo provided a mobile training unit and a team of expert technicians to give WFP mechanics onsite training in the most advanced maintenance techniques⁵².

4.1.1.3. The Volvo Step:

The Volvo Step is a one-year, paid vocational training program in industrial production created specifically for unemployed young people aged 18 to 22. The Volvo Step takes place at 13 sites

across Sweden and provides both theoretical and practical learning experience 15% of all food

in Europe is delivered by a truck from the Volvo Group⁵³.

4.1.2. Improving traffic safety:

Through educational programs and sponsorship, the Volvo Group participates in different initiatives to increase safety and reduce the number of traffic accidents.

4.1.2.1. Increasing safety through awareness and training:

Volvo run traffic and site safety programs for drivers and operators all over the world, including:⁵⁴

- The Transform program in Brazil has been running since 1998 and has been replicated in Peru.
- Driver training programs run jointly with Eicher in India have trained more than 159,000 drivers.
- Operator training run by Volvo Construction Equipment in India trained close to 2,000 operators in 2015 and the total trained since the start 2007 is above 10,200.
- Volvo Driver Academy is a demo training project initiated in China for drivers to drive more safely and efficiently.

4.1.2.2. Professional driver programs In South America:

The Volvo Group's transform program has trained over 900 professional drivers in vehicle safety technology and safe driving behavior skills since its launch in Brazil (2008) and Peru (2010).

The program offers a five-day intensive training on appropriate vehicle handling and better use of its safety elements onsite or at Volvo Group facilities or dealerships. It also motivates drivers to consider the emotional impacts of traffic accidents on their families⁵⁵.

In India, Volvo have trained over 110,000 drivers in total. Volvo train at least two drivers for every Volvo truck and bus sold around 35,000 to date and we collaborate with Volvo joint venture partner, Eicher, and government agencies on award-winning truck and bus driving and safety programs⁵⁶.

4.1.2.3. Increasing safety through awareness and training:

Volvo run traffic and site safety programs for drivers and operators all over the world, including:⁵⁷

- The Transform program in Brazil has been running since 1998 and has been replicated in Peru.
- Driver training programs run jointly with Eicher in India have trained more than 159,000 drivers.
- Operator training run by Volvo Construction Equipment in India trained close to 2,000 operators in 2015 and the total trained since the start 2007 is above 10,200.
- Volvo Driver Academy is a demo training project initiated in China for drivers to drive more safely and efficiently.

4.1.2.4. School safety programs:

The community initiative during 2013, working with the non-profit HOPE Foundation in India on a road safety campaign for children and women in Bangalore. In the first six months of this trial, HOPE aims to educate 13,000 children about traffic etiquette through interactive audio-visual presentations. The program for 5,000 women is targeting self-help groups in low income areas, using street plays as a means of instruction⁵⁸.

4.1.2.5. Raising awareness, rewarding best practice:

The Volvo Group raises awareness of traffic safety and shares information with authorities and leading organizations through various awards, campaigns, seminars, symposia and forums.

4.1.3. Responding to disaster:

Volvo responds to disasters in various ways, depending on the situation and the most appropriate use of Volvo expertise, skills and resources.

While Volvo cannot contribute to all cases, Volvo do try to assist several each year.

During 2013, Volvo offered disaster relief assistance following:⁵⁹

- Typhoon Haiyan in the Philippines
- The Ya'an earthquake in China
- Flash floods in Uttarakhand, northern India.

4.1.3.1. Disaster relief support:

2013 included donations of money, clothing and equipment to assist organizations dealing with the Ya'an earthquake, Uttarakhand floods and Typhoon Haiyan⁶⁰.

4.1.4. Caring for the environment:

Environmental care is one of Volvo corporate core values and aim to establish programs that encourage society to take a greater interest in the environment globally and locally.⁶¹

4.1.4.1. Volvo Environment Prize:

The Volvo Environment Prize foundation was established in 1988 and has become one of the world's most prestigious environmental prizes. It is awarded annually to people who have made outstanding scientific discoveries within the area of the environment and sustainable development. The prize consists of a diploma, sculpture and a cash sum of SEK 1.5 M and is presented at a ceremony in Stockholm, Sweden.

4.1.4.2. Volvo Environmental Center:

Volvo Environmental Center in Brazil lies amid remnants of ancient rainforest that is home to 1,500 botanical species, over 250 bird and hundreds of other animal species.

4.1.4.3. Up-Cycling Design Arts Campaign:

With the support of the China Resource Recycling Association, Volvo Construction Equipment unveiled 'City Garden' – the first conceptual piece of art designed from scrap machinery parts – to launch a new campaign in Shanghai during 2013. The campaign encourages people to transform scrap machinery parts into urban artwork and explore new approaches to environmental protection and city enhancement.

4.1.4.4. Volvo Group's Future vision for more shared value:

The Volvo Group is committed to contributing to sustainable development. Volvo main contribution comes from delivering safe and environmentally enhanced products and services that support economic growth, increase access and thereby greater prosperity. Volvo also take the way Volvo develop, source, produce, distribute and recycle Volvo goods into account.

We see Volvo global strength and local presence as unique opportunities to deliver transport and infrastructure solutions that meet the needs of Volvo customers while simultaneously addressing global sustainability challenges.

4.1.5. Ambitions for sustainability:

By making the connection between global trends, the challenges that affect Volvo industry and the United Nations Sustainable Development Goals, the impact of Volvo activities will bring far-reaching benefits. Five trends influencing Volvo business. As part of Volvo CSR and sustainability approach, Volvo have also taken the United Nations Sustainable Development Goals into account.⁶² (see Table 5).

Table 5: Volvo ambitions for sustainability

Trends	CHALLENGES AND OPPORTUNITIES	UN SUSTAINABLE DEVELOPMENT GOALS	EXAMPLES OF VOLVO GROUP SOLUTIONS
Climate change and resource scarcity	Greenhouse gas emissions, fossil fuel dependency and the earth's finite natural capital	Take urgent action to combat climate change and its impact.	Energy-efficient vehicles and drivelines Drivelines run on alternative and renewable fuels Electric vehicles Carbon neutral productions Life Cycle Analysis Remanufacturing
Urbanization	Transport and infrastructure need for 9 billion people by 2050	Sustainable cities and communities (9) Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	ElectriCity Bus Rapid Transit City Mobility
Connectivity and digitalization	80–100 billion connected devices by 2020	Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.	All Group brands offer integrated transport information systems based on wireless communication technologies 470,000 Volvo Group connected vehicles
Autonomous vehicles and safety developments	1.2 M traffic fatalities and 50 M injuries each year	By 2020, halve the number of global deaths and injuries from road traffic accidents.	Platooning Passive and active safety features on Volvo vehicles Campaigns and education to increase traffic

(safety awareness Driver training programs
Evolving trade and regulatory environment	Public confidence and corporate reputation in the automotive industry	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.	Legal compliance Clear governance to secure adherence to country specific regulations Laboratory and on-the-road testing to ensure compliance with emissions legislation

The Volvo group annual and sustainability report (2014), p19.

As we see in table 5 Volvo took in the account many the United Nations Sustainable Development Goals in order to reach Sustainability Volvo have faced many challenges and took the opportunity by designed goals for many trends and provided solutions for each goals.

All of Volvo programs and effort (Professional training programs, improving traffic safety, increasing safety through awareness, professional driver programs, disaster relief support, caring for the environment, Up-Cycling Design Arts Campaign) Started from the conviction that solving social problems and responding to societies needs could bring more profit for the group.

4.2. Corporate social strategies lead VOLVO to create a business value:

Volvo Social strategies made a high impact on business value in terms of; net sales, cash flow, gross income, Return on Equity, Return on shareholders' equity and other value indicators: ⁶³

. Net sales

Net sales increased by SEK 312,515 billion compared with prior year 2014 out of which approximately SEK 282,948 billion and sek 272,622 billion in 2013.

. Operating income

Operating income increased by SEK 23,318billion compared with prior year out of 2014 which approximately SEK 5,824 billion and sek 7,138 billion in 2013.

. Operating cash flow, Industrial Operations

Operating cash flow, Industrial Operations increased by SEK 18.3 billion compared with prior year out of 2014 which approximately SEK 6.4 billion and sek 1.5 billion in 2013.

. Gross income

Gross income increased by SEK 71,862 billion compared with prior year out of 2014 which approximately SEK 62,937 billion and sek 60,118billion in 2013.

. Income for the period

Income for the periodincreased by SEK 15,099 billion compared with prior year out of which approximately SEK 2,235billion.

. Cash flow from operating activities

Cash flow from operating activities increased by SEK 25,858 billion compared with prior year out of which approximately SEK8,737 billion.

. Operating income

Operating income increased by SEK 17.5 billion (300%) compared with prior year out of which approximately SEK 8.9 billion

. Return on shareholders' equity%:

Return on shareholders' equity%, increased by SEK 18.4 billion compared with prior year out of which approximately SEK 2.8 billion.

. Gross margin, %:

Gross margin, % increased by SEK 22.2 billion compared with prior year out of 2014 which approximately SEK 21.3 billion and sek 21.1 in 2013.

. Return on Equity, %

Return on Equity, % increased by SEK 13.4 billion compared with prior year out of 2014 which approximately SEK 12.5 billion and sek 12, 1 in 2013.

We see that most business performance indicators have improved and bring value for the group,

in addition to that, there are others business indicators that rise the value of the group, we provide some these indicators as follows: ⁶⁴

- Volvo Buses has sold more than 2,300 hybrid buses in over 20 countries In 2015, Volvo delivered 207,475 trucks from Volvo wholly-owned truck operations and 8,825 buses, 44,718 units of construction equipment, 17,413 marine engines and 15,295 industrial engines from Volvo Group operations.
- As part of “The Best Commercial Vehicles 2015”, in Stuttgart, Germany, Volvo Trucks received five awards for the Volvo FH/ FH16 and Volvo FM.
- Volvo FH won the Truck of the Year title in Poland as well as in the Czech Republic and Slovakia.
- Electric bus route (Electricity) in Gothenburg has been awarded the European Solar Prize 2015 for being the best example of sustainable public transport operated using renewable energy.
- Volvo Trucks also received Europe’s Quality Innovation of the Year Award for its new transmission, I-Shift Dual Clutch.

- In November, Volvo Penta's revolutionary Forward Drive (FWD) was honored at the Berlin Boat Show with the Best of Boats Special Award. Earlier in the year Boating Industry, a US boating business magazine, selected FWD as one of the top products of the year. FWD also won the Innovation Award at Miami International Boat Show.
- Volvo Penta in China received an Excellent Supplier Award from Kohler Power Systems.

European Coach and Bus Week in Kortrijk, the Netherlands, awarded Volvo Buses first prize in both Safety and Innovation categories for the Volvo Dynamic Steering system.

- The Electricity partnership, where Volvo is one of the main participants, was recognized by the European Association for Renewable Energy, Eurosolar, for being the best example for 2015 of sustainable public transport using renewable energy.
- Volvo CE China was awarded the "National Customer Satisfaction Products" for its large excavators by China Quality Association.
- In 2015, a total of 207,475 trucks were delivered from the Group's wholly-owned operations, an increase of 2% compared with 203,124 trucks in 2014. Deliveries increased in Europe and North America while they were flat in Asia and declined in South America and Other markets.
- In 2015, net sales in the truck operations increased by 12% to SEK 213,978 M (190,904). Adjusted for changes in exchange rates, net sales increased by 2%.
- Volvo is number 2 in heavy-duty diesel engines.
- Volvo is number 1 in marine diesel engines.
- Volvo is number 2 in heavy-duty trucks
- Volvo is number 2 in buses for target segments.
- Volvo is number 4 in construction equipment.

The previous Volvo social programs and efforts moved society forward and improve most business performance indicators (moved Volvo group business forward), Volvo become number 1 in marine diesel engines and number 2 in heavy-duty trucks and buses for target segments.

Conclusion:

Both social strategy and shared value aims to provide economic and social value, we can create shared value by implementing corporate social strategies; cost leadership strategy, differentiation strategy and strategic interaction.

what is special about Volvo's approach is the developing of a model to reach shared value using social strategies such as, differentiation strategy to reconceiving products and markets, cost leadership strategy to Redefining Productivity in the Value Chain and strategic interaction for enabling local cluster development.

In addition to that; Volvo used other aspects of social strategy that helped to create shared value; Developing skills, Training schools in Africa, World Food Program, Improving traffic safety Increasing safety through awareness and training Professional driver programs In South America, Increasing safety through awareness and training School safety programs, Raising awareness, rewarding best practice, Responding to disaster and Caring for the environment programs.

All of these social strategies lead Volvo to a competitive business and improve all performance indicators which rise the value of the group. We hope this article serves to illustrate the scale of that opportunity, and triggers discussion and innovation around ways to capitalize on it.

Notes and References:

¹ Porter .M.E & Kramer.M (2011): Creating Shared Value, Harvard Business Review ,P66.

² Lentjushenkova.O, Lapinab(2015): Intellectual Capital Investments: Company's Additional Expenditures or Creating Shared Value? 15th International Conference at Brno University of Technology, Faculty of Business and Management, May 28-29, Brno, Czech Republic Perspectives of Business and Entrepreneurship Development,p6.

³ Awale R, Rowlinson.S(2015): AN EXPLORATORY STUDY OF A CSV CONCEPT FOR ACHIEVING FIRM COMPETITIVENESS IN HONG KONG CONSTRUCTION FIRMS,THIRTY-FIRST ANNUAL CONFERENCE ,Lincoln ,Volume 2.

⁴ Robins.M (2015): FAQ: Sustainability and Shared Value <https://sharedvalue.org/groups/faq-sustainability-and-shared-value>, 03/05/2016.

⁵ Bowe.C - Horst.D (2015): Positive externalities, knowledge exchange and corporate farm extension services; a case study on creating shared value in a water scarce area,, EcosystemServices15, p1–10.

-
- ⁶ Awale.R , Rowlinson.S (2015): A CSV CONCEPT TO ADDRESS HEALTH AND SAFETY ISSUES AND ACHIEVE FIRM COMPETITIVENESS IN THE HONG KONG CONSTRUCTION INDUSTRY, Proceedings of CIB W099 Benefitting Workers and Society through Inherently Safe(r) Construction Belfast, Northern Ireland, p245.
- ⁷ Najmaei.A (2015): Designing business models for creating and capturing shared value: An activity-system perspective, Ziska Fields University of KwaZulu-Natal, South Africa, Chapter Published in the United States of America by Business Science Reference (an imprint of IGI Global) 2016.
- ⁸ Ibid, p4.
- ⁹ Brønn.P.S, Romantis,Zerfass.A (2016): Book Series: Advances in Public Relations and Communication management, Emerald Group Publishing Limited, p 189.
- ¹⁰ HUSTED.B.W, ALLEN.David.B (2001): TOWARD A MODEL OF CORPORATE SOCIAL STRATEGY FORMULATION, Paper presented at the Social Issues in Management Division, Academy of Management,p10.
- ¹¹ HUSTED.B.W, ALLEN.David.B (2001): Corporate Social Strategy: Stakeholder Engagement and Competitive Advantage, cambridge universit y press, p14.
- ¹² HUSTED.B.W, ALLEN.David.B (2001): Corporate Social Strategy: Stakeholder Engagement and Competitive Advantage, cambridge universit y press, p13.
- ¹³ Fombrun, C. and C. Shanley: 1990, 'What's in a Name? Reputation Building and Corporate Strategy', Academy of Management Review 33(2), 233–258.
- ¹⁴ HUSTED.B.W, ALLEN.David.B (2011): Corporate Social Strategy in Multinational Enterprises: Antecedents and Value Creation, Journal of Business Ethics (2007) 74:345–361, DOI 10.1007/s10551-007-9511-4
- ¹⁵ HUSTED.B.W, ALLEN.David.B (2001): Corporate Social Strategy: Stakeholder Engagement and Competitive Advantage, cambridge universit y press, p48.
- ¹⁶ Kanter , R. M. 1999 . From spare change to real change . *Harvard Business Review* , 77 (3): 122 –132
- ¹⁷ Hart , S. L. 1995 . A natural-resource based view of the i rm . *Academy of Management Review* , 20 (4): 986 –1014.
- ¹⁸ Kanter , R. M. 1999 . From spare change to real change . *Harvard Business Review* , 77 (3): 122 –132.
- ¹⁹ HUSTED.B.W, ALLEN.David.B (2001): TOWARD A MODEL OF CORPORATE SOCIAL STRATEGY FORMULATION, Paper presented at the Social Issues in Management Division, Academy of Management,p10.
- ²⁰ Moon.H.G, parc.J (2011): JOURNAL OF INTERNATIONAL AND AREA STUDIES, Volume 18, Number 2, pp.49-64
- ²¹ HUSTED.B.W, ALLEN.David.B (2001): TOWARD A MODEL OF CORPORATE SOCIAL STRATEGY FORMULATION, Paper presented at the Social Issues in Management Division, Academy of Management, p17.
- ²² HUSTED.B.W, ALLEN.David.B (2001): TOWARD A MODEL OF CORPORATE SOCIAL STRATEGY FORMULATION, Paper presented at the Social Issues in Management Division, Academy of Management, p11.
- ²³ GRANT.R.M (2010): CONTEMPORARY STRATEGY ANALYSIS, John Wiley & Sons Ltd, SEVENTH EDITION,p231.
- ²⁴ HUSTED.B.W, ALLEN.David.B (2001): TOWARD A MODEL OF CORPORATE SOCIAL STRATEGY FORMULATION, Paper presented at the Social Issues in Management Division, Academy of Management
- ²⁵ GRANT.R.M (2010): CONTEMPORARY STRATEGY ANALYSIS, John Wiley & Sons Ltd, SEVENTH EDITION,p259.
- ²⁶ Shaffer , B. , Quasney , T. J. , and Grimm , C. M. 2000 . Firm level performance implications of nonmarket actions . *Business and Society* , 39 (2): 6 –143.
- ²⁷ HUSTED.B.W, ALLEN.David.B (2001): TOWARD A MODEL OF CORPORATE SOCIAL STRATEGY FORMULATION, Paper presented at the Social Issues in Management Division, Academy of Management, p11.
- ²⁸ Hillman, A. J. & Hitt, M. A. 1999. Corporate political strategy formulation: A model of approach, participation, and strategy decisions. **Academy of Management Review**, 24 (4): 825-842.

-
- ²⁹ Hoque.N,Uddin.M.H,Ibrahim.Md,Mamun.A (2014): Corporate Social Responsibilities (CSR) as a Means of Materializing Corporate Vision: A Volvo Group Approach, Asian Social Science; Vol. 10, No. 11,p260,DOI: 10.5539/ass.v10n11.
- ³⁰ Hoque.N,Uddin.M.H,Ibrahim.Md,Mamun.A (2014),p261.
- ³¹ The Volvo group annual and sustainability report (2011): Global Compact A decade as a signatory to the Global Compact, p99.
- ³² The Volvo group csr and sustainability report (2011):Towards sustainable transport solutions Shaping the future of transport,p4
- ³³ http://www.volvogroup.com/group/global/en-gb/whatwedo/our_brand/Pages/brands.aspx, 04/05/2016.
- ³⁴ The Volvo group annual and sustainability report (2015),p8.
- ³⁵ Skype and telephone interviews Volvo responsables, 04/01/2018
- ³⁶ Supporting productivity
<http://www3.volvo.com/investors/finrep/sr13/en/creatingvalue/movingsocietyforwar/supportingproductiv/supporting-producti.html>, 05/05/2016.
- ³⁷ Sustainability report (2013), op, cit, p42.
- ³⁸ Ibid, p44.
- ³⁹ The Volvo group annual and sustainability report (2015),P33.
- ⁴⁰ Ibid, p34.
- ⁴¹ Improving our energy efficiency,
<http://www3.volvo.com/investors/finrep/sr14/en/responsiblebehavior/valuechainsustainab/environmentalimpact/energy/improving-our-energ.html>, 05/05/2016.
- ⁴² McMullen.C (2016): Key Takeaways from Volvo Group's New Sustainability Report,<http://waste360.com/waste-reduction/key-takeaways-volvo-group-s-new-sustainability-report>.
- ⁴³ The Volvo group annual and sustainability report (2015), P30.
- ⁴⁴ Aiming for zero landfill and a sustainable water footprint,
www3.volvo.com/investors/finrep/sr14/en/responsiblebehavior/valuechainsustainab/environmentalimpact/wasteandwater/aiming-for-zero-landfill.html.
- ⁴⁵ Sustainability report (2014): Creating shared value, p13.
- ⁴⁶ Moving our business forward, www3.volvo.com/investors/finrep/sr13/en/creatingvalue/movingourbusinessforward/moving-our-business.html, 05/05/2016.
- ⁴⁷ Sustainable transport solutions research,
www3.volvo.com/investors/finrep/sr14/en/sustainabletransport/futuretransportolutions/research/sustainable-transport.html,05/05/2016.
- ⁴⁸ Volvo continues the successful cooperation with the academic world , <http://news.volvogroup.com/2016/01/28/volvo-continues-the-successful-collaboration-with-the-academic-world/#sthash.Y9r2833t.dpuf>news.volvogroup.com/2016/01/28/volvo-continues-the-successful-collaboration-with-the-academic-world/,05/05/2016.
- ⁴⁹ Skype and telephone interviews with Volvo responsables, 04/01/2018
- ⁵⁰ Educating and developing skills,www3.volvo.com/investors/finrep/sr14/en/creatingsharedvalue/societalengagement/educationandskills/educating-and-developing-skills.html,08/05/2016.
- ⁵¹ Hedouin.S (2015): Public Transport Sustainability: BRT & Electro Mobility, brought to you by Volvo,p72
- ⁵² Training of World Food Program technicians in East Africa (2012),
www3.volvo.com/investors/finrep/sr12/en/societyengagement/professionaltraining/trainingofworldfood/training-of-world-f.html
- ⁵³ Ripa.M (2014): We can make a difference in Africa,news.volvogroup.com/we-can-make-a-difference-in-africa,09/05/2016.
- ⁵⁴ Increasing safety through awareness and training (2012),
www3.volvo.com/investors/finrep/sr14/en/sustainabletransport/safersolutions/trafficanddriversaf/increasing-safety-t.html,09/05/2016.
- ⁵⁵ Improving traffic safety (2013),www3.volvo.com/investors/finrep/sr13/en/creatingvalue/movingsocietyforwar/engagingwithsociety/improvingtrafficsaf/improving-traffic-s.html
- ⁵⁶ Improving traffic safety (2013),
www3.volvo.com/investors/finrep/sr13/en/creatingvalue/movingsocietyforwar/engagingwithsociety/improvingtrafficsaf/improving-traffic-s.html.
- ⁵⁷ Sustainability report (2014): SUSTAINABLE TRANSPORT SOLUTIONS SAFER SOLUTIONS,P30
- ⁵⁸ Sustainability report (2013): Moving society and business forward, Moving society forward,p46
- ⁵⁹ Responding to disasters (2013):
www3.volvo.com/investors/finrep/sr13/en/creatingvalue/movingsocietyforwar/engagingwithsociety/respondingtodisaster/responding-to-disaster.html.
- ⁶⁰ Corporate social responsibility (2013), p29.
- ⁶¹ Sustainability report (2013) Moving society and business forward, Moving society forward,p49.

⁶² Skype and telephone interviews with Volvo responsables, 04/01/2018

⁶³ The Volvo group annual and sustainability report (2014), p5.

⁶⁴ The Volvo group annual and sustainability report (2014), p5, P89.