

As above, not so below: developing social procurement practices on strategic and operative levels

As above, not
so below

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Abstract

Purpose – Procurement is increasingly used as a strategic tool to mitigate societal issues such as social exclusion and unemployment of marginalized groups. By conducting social procurement and imposing so-called employment requirements, organizations can create job opportunities for marginalized people. Such practices are becoming increasingly popular in the construction sector, but remain scattered, which hinders the effective creation, use and dissemination of cohesive and commonly shared social procurement practices. Accordingly, this paper analyzes the creation, use and dissemination of social procurement practices in the Swedish construction sector.

Design/methodology/approach – The theory of proto-institutions, which refers to institutions under development, is applied to analyze 46 interviews with construction practitioners.

Findings – There is currently little convergence of social procurement practices, due to practices not being fully internalized across organizations and projects; interns hired through employment requirements not having strong enough incentives to engage with their internships; actors working strategically and operatively having different possibilities to create social procurement practices; and the development of maintenance mechanisms for the formalization of sustainable practices being weak.

Originality/value – This paper contextualizes efforts to increase equality, diversity and inclusion of marginalized groups in the construction sector. The adoption of an institutional perspective of practice development elucidates the institutional constellation of existing institutional logics that impact on this practice development. This paper also indicates how the work with social procurement can become more effective and efficient and maximize the social value output for marginalized people living in social exclusion. For institutional theory, it illustrates how proto-institutions can be driven by both top-down and bottom-up perspectives.

Keywords Construction, Practices, Employment requirements, Institutional work, Proto-institutions, Social procurement, Sweden

Paper type Research paper

Introduction

Private and public actors are increasingly using their purchasing power to mitigate societal issues such as fiscal constraints, mass migration and segregation, and to create social value through their procurement process (cf. Edling, 2015; Barraket *et al.*, 2016). This process, known as social procurement, includes measures like health and safety, buying from local-, women-, or minority-owned enterprises, and creating employment for disadvantaged groups (Loosemore, 2016). In Sweden, social procurement has focused on employment requirements that offer internships for marginalized people such as unemployed immigrants, youths and/or disabled people (see Lind and Mjörnell, 2015). Sweden's decision to engage in social procurement is largely due to increasing unemployment and social exclusion for marginalized groups. The social exclusion is a multidimensional problem relating to



employment, education and housing, and is especially prominent among immigrants. Sweden's problems with unemployment and social exclusion were further aggravated by the 2015 refugee crisis, which urgently thrust unemployment and social exclusion problems to the top of the political agenda (Edling, 2015; Alaraj *et al.*, 2019).

Adding to the problem in the nexus of work, employment, and housing is the fact that people in social exclusion often live in neighborhoods that need refurbishment, which ties the built environment closely to social exclusion issues. Consequently, the construction sector has been targeted as a suitable industry for social procurement initiatives (Almahmoud and Doloi, 2015). However, refurbishment of dilapidated housing is hindered by a shortage of construction workers. This situation has created an opportunity for social procurement that can kill three birds with one stone: (1) hiring unemployed people in (2) refurbishment projects of their dilapidated housing, thereby (3) bringing in a new workforce into the construction sector (cf. Lind and Mjörnell, 2015; Alaraj *et al.*, 2019).

Academics, policymakers and practitioners have shown considerable interest in developing effective sustainability and diversity practices (cf. van den Brink, 2020), such as using social procurement to achieve a more equal, diverse and inclusive society. However, social procurement requires further investigation and new analytical frameworks as it currently suffers from weak theorization, conceptualization and empirical examination (Barraket *et al.*, 2016; Loosemore, 2016; Petersen, 2018). Many municipalities across Sweden and in other countries are currently implementing employment requirements, but their methods for doing so vary and no best practices exist, making it unclear how actors in the sector create and disseminate new practices (Petersen, 2018). This lack of clarity and a general lack of knowledge about and examination of social procurement in both practice and research is problematic, as social procurement is likely to be used increasingly in future construction projects, where the sector's tremendous employment magnitude makes social considerations like employment creation especially important (Loosemore, 2016). Therefore, it is important to examine how actors working with social procurement both on a strategic and operative level can create and disseminate new practices related to social procurement.

Previous studies have suggested that social procurement has pushed the construction sector into an institutionalization process, which can be seen, for example, in the development of new roles and practices that are underway in many countries (see, e.g. Barraket *et al.*, 2016; Troje and Kadefors, 2018; Troje and Gluch, 2019). However, this institutionalization process takes place in a pluralistic institutional context, where different institutional logics serve as shared scripts of what is appropriate and legitimate behavior. In the construction sector, the institutional logics of social procurement conflict with the incumbent institutional logics of traditional procurement (Petersen, 2018), thereby triggering tensions that influence the creation and institutionalization of new practices (Friedland and Alford, 1991). One way to study the creation of new practices that are becoming institutionalized – as previous research has suggested is happening with social procurement – is to look at them as proto-institutions, meaning institutions-in-the-making (Zietsma and McKnight, 2009). Applying the perspective of proto-institutions on the development of social procurement practices can help us understand the initial stages of this ongoing institutionalization process.

The aim of this paper is to analyze the creation, use and dissemination of social procurement practices. As institutional work focuses on explaining change and how new institutions and practices are formed through individual actions, institutional work is used as a theoretical framework to understand how the proto-institution of social procurement is driven (Lawrence *et al.*, 2009). Studying how practices are created, used and disseminated from an institutional perspective can add valuable knowledge to social sustainability research and to social procurement practice and indicate how work with social procurement

can become more effective and efficient to maximize social value output for marginalized people.

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Social procurement

Although it has been used for a long time, social procurement is currently attracting increased attention in practice and in research. For example, social procurement was used in the United Kingdom to employ disabled First World War veterans, and in North America in affirmative action policies in the 1960s (McCrudden, 2004). The current policy interest in social procurement is exemplified by the UK's Social Value Act from 2012, and the EU Directives on Sustainable Procurement from 2014. Similar legislation can be found also in Canada, Australia and South Africa (Raiden *et al.*, 2019). According to Barraket *et al.* (2016), such legislation points to social procurement becoming more legitimate and formalized in policy. Although social procurement and the outcomes of social procurement initiatives is considered difficult to evaluate (cf. Barraket *et al.*, 2016; Troje and Kadefors, 2018), social procurement is increasingly seen as a way to fulfil corporate social responsibility (CSR) agendas and provide new business opportunities, as well as to lead to shared knowledge and trust and improved productivity (see Erridge, 2007; Barraket *et al.*, 2016; Eadie and Rafferty, 2014; Ponzoni *et al.*, 2017; Troje and Kadefors, 2018; Murphy and Eadie, 2019).

Despite increasing popularity and positive benefits for organizations, research on social procurement has been quite scarce (cf. Loosemore, 2016) and, by extension, knowledge about social procurement is lacking, both in research and in practice. There is a widespread perception among practitioners that working with social procurement is expensive and increases workloads (Erridge, 2007; Eadie and Rafferty, 2014; Troje and Kadefors, 2018). However, Erridge (2007) argued that the possibility of achieving socio-economic goals, such as increased employment for marginalized people, is limited by a traditional overemphasis on commercial goals rather than social value. This institutionalized cultural behavior and norms of focusing on cost and commercial opportunities can prevent practices related to social procurement from becoming distinct (Barraket *et al.*, 2016).

To overcome the aforementioned challenges and negative perceptions of social procurement, previous research has suggested that organizations should develop new, person-centric and bespoke practices, modes of collaboration, means of measurement and competencies (Barraket *et al.*, 2016; Alaraj *et al.*, 2019; Murphy and Eadie, 2019). New practices must also be objectified in order to be adopted widely. Therefore, practices should be tied to artefacts, resources and good examples to be perceived as easy and understandable; for example, by developing practical frameworks. Thus, practices can become established despite the fact that social procurement currently lacks favorable institutional norms and rules (Barraket *et al.*, 2016). Overall, few existing studies have covered the specific practices actors engage in when implementing social procurement. By adopting an institutional perspective on the creation, use and dissemination of social procurement practices, these practices can be both identified and theorized.

Social procurement from an institutional perspective

New practices can be created and disseminated through the work of individual and collective actors. This is called institutional work and it revolves around how actors can create, maintain, or disrupt long-lasting, taken-for-granted institutions through their daily mundane work (Lawrence *et al.*, 2009). Actors conduct institutional work and create new practices by wielding different types of agency: projective, iterative and practical-evaluative agency (Battilana and D'Aunno, 2009). Projective agency focuses on actors' planned actions and projection of the future. Iterative agency involves reactivating previous actions and habits as a course for action. Practical-evaluative agency focuses on the present and how to respond to

emerging ambiguities and demands (ibid.). Institutional work and the creation of new practices, like those related to social procurement, often includes all three types of agency.

Institutional work that creates new institutions and/or disrupts current ones is more likely to occur where different institutional logics compete and where the status quo held by incumbent institutional logics is challenged by new, disruptive institutional logics (Andersson and Gadolin, 2020). Social procurement conflicts with incumbent institutional logics of traditional construction procurement (Troje and Kadefors, 2018), where actors within this context operate within under-developed institutionalized structures, rules and practices. This means that instability in the institutional environment (the construction sector) is partly due to the conflicting institutional logics of traditional construction procurement and social procurement (see Table 1). Firstly, in contrast to the logic of traditional procurement in the construction sector, social procurement does not focus on tangible criteria that are easy to measure, such as cost. Secondly, social procurement discards market logic for a social value logic (Petersen, 2018), where social procurement aims to deliver social value, which usually lies outside of the contractor’s area of expertise and thereby means a deviation from traditional work practices (Murphy and Eadie, 2019). Thirdly, social procurement does not pertain directly to the object of procurement (employment, rather than the construction of a building) (Petersen, 2018). Finally, despite close relationships between organizations, the construction sector is characterized by loosely coupled actors who collaborate while maintaining some degree of independence (Dubois and Gadde, 2002); in social procurement, however, clients can dictate the type of workers that contractors should hire, such as unemployed immigrants, which disrupts the independence that usually characterizes this sector (Petersen, 2018).

Social procurement has the potential to push the construction sector into a state of institutional instability. In such an unstable environment, Zietsma and McKnight (2009) described a process wherein actors can conduct parallel streams of institutional work that lead to the creation of new institutional arrangements that better fit their agenda; for example, social procurement. These “institutions-in-the-making” are called proto-institutions and can include new and hitherto weakly diffused practices that are created in collaborative relationships and have the potential to eventually become widely adopted and institutionalized (Lawrence et al., 2002). Thus, applying a theoretical construct for institutions-in-the-making to study social procurement is useful to understand and analyze how practices are created and disseminated in the construction sector.

According to Zietsma and McKnight (2009), proto-institutions are developed through five non-linear but iteratively unfolding phases. In (1) *the initial development* of proto-institutions, actors identify and assess their own and other actors’ objectives in relation to the proto-institution; this is important in order to achieve internal and external legitimacy. Actors (2) promote the proto-institution through cognitive structures by leaning on long-held

Table 1.
The Institutional logics of traditional procurement vs social procurement

Institutional logics of traditional procurement	Institutional logics of social procurement
(1) Focuses on easily measured criteria like cost	(1) Focuses on fuzzy criteria like social value
(2) Driven by market values	(2) Driven by social values
(3) Embeds institutionalized and shared practices within the contractor’s expertise	(3) Embeds new and unestablished practices outside the contractor’s expertise
(4) Criteria pertains directly to the object of procurement	(4) Criteria does not pertain to the object of procurement
(5) Necessary resources are well-known	(5) May require more or new types of resources
(6) Loosely coupled actors making independent and decentralized decisions	(6) Clients dictate what type of employees the contractor should hire

institutional logics inside and outside the field; normative structures by being a role model and “doing the right thing;” and regulative structures by ensuring compliance with regulatory systems and standards. Actors attempt to publicly discredit competing and incumbent institutional logics and associated practices to eventually (3) disrupt them to make room for the new proto-institution. As proto-institutions are developed, they embed multiple actors’ interests through (4) co-creational institutional work. Proto-institutions are continuously adapted according to conditional supporter demands, and also adapted to mimic accepted features of competing institutions in order to match the competitive environment. As such, there is a trade-off when actors seek support for the proto-institution. Finally, actors create (5) maintenance mechanisms for the proto-institution by reinforcing cognitive, normative and regulative institutional structures. They do this by emphasizing the proto-institution’s connection to existing well-established institutional logics; by reinforcing normative networks, solidarity and shared meanings between networks; and by establishing coercive mechanisms that elicit desirable behavior. We will use the theoretical framework of institutional work and proto-institutions to understand and analyze the creation, use and dissemination of social procurement practices and the initial stages of the ongoing institutionalization process brought about by social procurement.

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Method

As this paper aims to investigate the creation, use and dissemination of new practices, a qualitative approach was chosen to capture actions, beliefs and motivations related to social procurement (cf. [Silverman, 2013](#)). Forty-six interviews were conducted, with the interviewees representing various actors in the Swedish construction sector, including clients, contractors, and consultants, and support staff such as those working at the Employment Agency. The interviews were conducted by one of the authors between May 2016 and May 2019 and each lasted between 45 min and three hours.

The interviewees were chosen for their experience of working with employment requirements, so they were able to provide insights into the ongoing development and dissemination of social procurement practices. The interviewees ranged from those holding strategic management positions within procurement, sustainability, or general management and administration, to operative construction workers, housing officers working with facilities maintenance (FM housing officer) and the interns hired via the employment requirements. First, *strategic-level* interviewees, who often worked managerially or administratively in the client, parent, or contractor organizations, rather than in projects or subsidiary organizations, were identified through industry press, websites and from industry seminars. These interviewees were selected because they were commonly considered important influencers of social procurement practice by the Swedish construction community.

Second, with the help of the strategic-level interviewees, social procurement projects were chosen to study the perspectives of more *operative-level* actors and their experiences working with employment requirements and interns on a daily basis. This also included interviewing the interns who provided a third perspective as the target of employment requirements. These “employment requirement interns” are referred to in this paper as “ER interns.” The ER interns were not like “traditional” interns because they came from specific unemployed target groups (immigrants, youths and the disabled), were hired through employment requirements and were often stigmatized in the labor market. The ER interns had special challenges in the form of poor language skills, often suffered from previous war-related trauma, or had undocumented and/or inconsistent schooling (cf. [Malik and Manroop, 2017](#); [Ponzoni et al., 2017](#)). Moreover, because these interns are hired on fixed-term internships, without the guarantee of a permanent job, their work situation is highly precarious.

In this paper, the interviewees are divided into four categories: (1) the “implementers” of the employment requirements such as corporate housing groups posing employment requirements to their subsidiaries or clients posing requirements to their contractors; (2) those that “receive” employment requirements and ER interns from either a client or a parent company, who often worked as supervisors of the ER interns; (3) the ER interns themselves; and (4) support functions that neither pose nor receive the requirements, but help “make them work.” The proportion of the interviewees on the strategic and operative levels is approximately 50/50 and can be found in all four interviewee categories (see [Table 2](#)).

To examine the emerging practices related to social procurement, the interviews focused on topics such as the interviewees’ work experiences with employment requirements, their daily work practices, relationships with other actors, practical difficulties and best practices and the future of employment requirements. The interviews were semi-structured to ensure interview flexibility ([Kvale, 2007](#)) and were recorded and transcribed verbatim and then coded using NVivo software to systematically sort the data. In the data analysis, a first, more inductively driven coding round was based on a thematic analysis of the transcripts ([Braun and Clarke, 2006](#)). An inductive approach is useful when attempting to understand novel phenomena and how processes unfold ([Edmondson and McManus, 2007](#)) such as the work with employment requirements. All codes were then re-coded to refine the coding structure and ensure that the codes reflected the material as accurately as possible. This initial inductive coding resulted in six main themes: (1) preparing for employment requirements and ER interns, (2) line of argumentation, (3) lack of resources, (4) incentives for ER interns, (5)

Type of actor	Examples of organizations	Example of work roles/titles	Individual interviewee code
“Implementers” of social procurement	Local premises office, public and private housing organization, public and private commercial property organization, public housing corporate group, municipality	Procurement officer, development manager, procurement manager, process leader, sustainability manager, CSR manager, development strategist, sustainability specialist, project leader, procurement officer	Implementer (I) 1–17
“Receivers” of social procurement and ER interns	Contractor, architecture firm, public housing organization	Sustainability manager, development strategist, project manager, business developer, district manager, site manager, work leader, carpenter, housing officer working with facilities maintenance (FM housing officer)	Receiver (R) 1–21
ER interns	Contacting, public housing organization	Carpenter, housing officer working with facilities maintenance (FM housing officer)	ER intern (ERI) 1–3
Support functions	Public procurement organization, Employment Agency, local college (Swedish language training organization), public housing organization	Project leader, employment officer, educator, coordinator	Support function (SF) 1–5

Table 2. Information on interviewees

knowledge sharing and (6) creating sustainable practices and routines. These themes guided the structure of the results section.

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In these initial, more inductive coding rounds, it became clear that some sort of early institutionalization process was unfolding. We turned to the institutional work framework (Lawrence *et al.*, 2009) that we deemed appropriate for analyzing our empirical material. Within institutional work, there is a theoretical framework of proto-institutions (Zietsma and McKnight, 2009) that explains institutions-in-the-making, such as the social procurement processes in our empirical material. The analysis then turned more abductive (cf. Van Maanen *et al.*, 2007) and the proto-institution framework was used to analyze the unfolding social procurement practices. By using an abductive data analysis approach, we let the empirical data and the theoretical framework of proto-institutions and institutional work iteratively inform each other. Although the six themes identified in the initial inductive coding of the empirical material share many similarities with the phases outlined in the proto-institutions theory, we chose to let the empirical data and the inductive themes we found therein guide the structure of the results chapter, as we did not have the theoretical framework in place when we collected the data. In the discussion we explicitly structured the chapter according to the phases outlined in the proto-institutions theory to enable an aggregated theoretical examination of the results. The Results and Discussion sections are integrated parts of the same analysis process.

Social procurement in the Swedish setting

Although social procurement practices greatly vary in individual organizations, there is a general approach to implementing employment requirements in Sweden (see [The National Agency for Public Procurement, 2019](#)). A client decides that it wants its contractors or subsidiary companies to hire interns from certain target groups, often unemployed immigrants, youths, or disabled people. The form of employment varies across Sweden. Either shorter internships are provided where the unemployed worker retains their welfare support during the internship, or paid temporary employment is provided. As internships are most common, this paper refers to the “newly employed” as interns.

The contractor or the subsidiary organization is then often connected to a third party such as the Employment Agency or private or public organizations that help match people from the target groups to the contractor or the subsidiary organization. Some clients, such as property owners, often target their own tenants for the projects. If the intern needs training before starting their assignment, this is usually provided through some sort of public education program. After the internship ends, the intern and the project outcomes are sometimes evaluated. Follow-ups with interns are rare and there is often uncertainty about who should conduct the follow-up. Consequently, there are no overarching statistics on how many people gain, or keep, employment as a result of social procurement in Sweden. Although there is a general approach to how organizations in Sweden organize social procurement practices, specific practices vary.

Results

This section details what actors do in their daily working lives when dealing with employment requirements and ER interns. In the initial inductive coding of the data, six main themes emerged from the data analysis, as noted in the Method section. These are presented below.

- (1) Preparing for social procurement and the ER interns

Interviewees working at a strategic level admitted that they and their organizations lacked knowledge about how to best to implement employment requirements in their organizations. Consequently, they had held extensive discussions and workshops in their organizations and with contactors, subcontractors, clients, municipalities, industry organizations and other stakeholders. The aim of these discussions was to collect information on different experiences of social procurement, to learn what stakeholders perceive as most important, and to identify what competences are necessary moving forward. For example, one CSR manager (I9) visited approximately 50 Swedish municipalities to gather information and recounted, *“I was out and talking a lot, so we have been asking ‘what have you seen’, and ‘how do the municipalities see the lack of housing?’”*

The interviewees emphasized that this preparatory work was key for internal legitimacy to ensure that practices were well-designed, and to enable sustainable practices over time. It was also considered important to support practices throughout the entire organization: *“I am only one person, so for me it is about bringing in the entire organization as far as possible. If I can get some commitment to grow in the entire organization, out in the regions, out in the different business areas, then I will not be the one driving all of these initiatives. Instead, it will be the entire organization”* (sustainability manager I13).

However, although the strategic-level interviewees emphasized the importance of legitimizing social procurement throughout their organizations, operative-level interviewees did not have the same conditions to internalize practices created at the strategic level. Many of the operative interviewees felt that employment requirements and associated practices were delivered in a top-down manner, and felt that they had to constantly learn by doing: *“It has always been said that it is optional to [be a supervisor for the ER interns], but at the same time, it is just somebody ‘upstairs’ who decided we should do this”* (FM housing officer R17). Although some of the operative-level interviewees had taken a course on how to supervise interns suffering from traumatic experiences, they described how they were not able to prepare before the ER interns came. In many ways, the ER interns were just “dropped onto the laps” of the operative-level interviewees, giving them little opportunity to do preparatory work.

(2) Line of argumentation

Strategic-level and operative-level interviewees spent considerable effort arguing in favor of social procurement, both during the interviews and in their daily work, to legitimate and disseminate social procurement practices in the construction sector. Arguments focused on (1) hard facts and figures, (2) doing the right thing, (3) laws and regulations and (4) the ER interns and their personal lives.

(1) *Hard facts and figures*: Although employment requirements are based on social values, the strategic-level interviewees strongly emphasized the commercial and socio-economic benefits of social procurement in an effort to “sell” employment requirements, both internally and externally. This “packaging” taps into the incumbent institutional logic of emphasizing price in construction procurement. For example, municipalities can save on welfare costs and increase tax income when more people are employed, and housing companies can hire their own tenants and secure rent incomes and raise the standard of their neighborhoods *“The tenants are more caring towards their neighborhood because if it is your mom or dad who is picking up the trash in the area, you might not throw that much trash”* (procurement manager I7).

Contractors looking for more construction workers can use employment requirements as a recruitment tool to fulfil diversity agendas and ensure that in-house competences remains high: *“There are organizations that have strategically decided to go for [employment requirements], that see it as a way of surviving, to hire competent people in the organization.*

They do not do this for social reasons; they do it because they need competency in the organization. It is all about business" (employment officer SF3). Being proactive in social procurement can also be a competitive advantage in terms of offering a type of service innovation.

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(2) *Doing the right thing*: Compared to relying on commercial arguments, the strategic-level interviewees also used a softer approach in which they described how they wanted to use their power for something good and be role models: *"We are one of Sweden's largest property owners and we have such an opportunity to drive the sector forward on these issues. With such simple means, we can contribute so much to these individuals' opportunities to join society"* (project manager I13). The operative-level interviewees expressed that they felt good when engaging with the ER interns. They said that the work added value to their working lives and that they were proud to work for organizations that went beyond the basic CSR requirements: *"I think [being a supervisor for ER interns] provides some sort of additional value to my employment . . . I think it is kind of dope, to work for a company that has ambitions that go beyond the quarterly reports"* (FM housing officer R13). Here the interviewees relied on the positive values embedded in social procurement to promote social procurement practices.

(3) *Laws and regulations*: The interviewees did not make much reference to legislation, such as the Swedish Public Procurement Act, to promote the use of social procurement. Instead, several client organizations explained how they had monetary incentives in their contracts, which then served as a type of regulative coercive promotion. For example, a contractor may earn a bonus upon hiring a certain number of interns or may have to pay a fine for failing to hire the agreed-upon number of interns: *"Now we are testing an incentive model that we want to implement in all future projects, wherein an incentive is connected to the remuneration. For example, a percentage of the contract cost can be given to the contractor if they take in enough interns. In this project, it is more than €10,000 if they take in two interns"* (sustainability manager I8).

(4) *The ER interns and their lives*: Strategic and operative-level interviewees alike stressed the urgency and need for social procurement by talking about individual ER interns, particularly those who came to Sweden after the 2015 refugee crisis. For example, the interviewees emphasized the importance of spreading good examples and shared personal stories of the interns and how their lives had changed for the better after they had been given the opportunity to join the workforce through employment requirements. One procurement officer (I1) said: *"[Employment requirements] produce ripples in the water. Looking back at this one woman, the ripples on the water reached her relatives first. Her siblings saw that it was possible to get a job. This gave out a strong signal. When her nine-year old daughter went to school her classmates and teachers congratulated her for her mother's successful employment. There were ripple effects there as well."* These personal and emotional appeals were also used to promote social procurement.

(3) Lack of resources

One of the greatest difficulties in implementing employment requirements and in taking in ER interns was resource constraints, mostly with respect to time: *"We do not want to hear that the interns are an extra pair of hands. We have heard that, but it takes a lot of time, because you have to do things far slower. Instead, it sometimes feels like we are understaffed"* (FM housing officer R18). The short-term nature of a project-based sector is also problematic, and associated norms and routines are often short-sighted as well: *"A major barrier for these projects is that the sector is so project-focused. Social value takes time, but things need to go fast in projects. The lack of long-term perspective is a weakness"* (sustainability manager R5).

Most ER interns have dedicated supervisors, many of whom explained how, in addition to their normal work, engage in time-consuming tasks such as helping ER interns with reading

emails, paying bills, applying for benefits, and writing CVs. One reason for engaging in these time-consuming tasks is to support the ER interns, both at work and in their private lives, as the ER interns also suffer from a lack of resources: *"It takes two years to get established in Sweden. In this time, you are supposed to learn Swedish, get educated, undergo an internship, get a driver's license, and then get a job. Do you think that is possible in two years?"* (ER intern ERI3).

(4) Incentives for ER interns

Many of the supervisors and the ER interns themselves expressed that there was sometimes a lack of motivation among ER interns to participate and engage fully in their internships. Some ER interns were said to be resistant about accepting internships, with only a hope of getting permanently employed. One ER intern (ER intern ERI3) expressed a sense of hopelessness: *"It's said that I have to take one training course and then another training course, but that is not real education. Do you think you can get a permanent job by just taking training courses? No, you cannot."* The interviewees who worked as supervisors of the ER interns explained how they struggled to maintain high spirits among the ER interns: *"It becomes difficult to motivate [the ER interns]. They do not understand why they have to be here if they will not get a job later. So you have to explain that in Sweden you have to have references. It takes a lot of energy to have these discussions once a week"* (FM housing officer R17). Moreover, the ER interns were often expected to complete full-time internships while receiving only social welfare as payment, rather than an actual salary: *"In internships there is no salary, just welfare"* (ER intern ERI2).

Another challenge is the recruitment of the ER interns, who may not have any interest in the work assigned to them. Many supervisors were not included in the recruitment process, and therefore were not able to weed out those who were unsuitable for the work tasks: *"The supervisors are positive in the beginning, but they also do get frustrated, and say 'Why were we not allowed to partake in the recruitment process? We could have told [the interns] about the nature of the job'"* (coordinator SF5).

(5) Knowledge sharing

The strategic-level interviewees believed that increased collaboration and knowledge sharing could help overcome some of the obstacles to developing sustainable social procurement practices. Knowledge sharing was largely seen as unproblematic: *"In my experience, you lose very little by being generous [with sharing your knowledge]. You can only win"* (sustainability manager R5). The interviewees also expressed that they were inspired by others: *"There are those who do their thing well already, so we do not have to reinvent the wheel. Instead, we need to learn from each other, and we need to share what we know with others as well"* (process leader I6). The interviewees further said that shared practices would be beneficial as they would make employment requirements easier to implement in different projects: *"I would like to find an approach that enables us to work with these issues in a similar manner across the country"* (sustainability manager I12). However, collaboration was described as difficult, both in terms of knowing who is responsible for what activities (such as follow-up) and in coordinating across organizational boundaries.

Operative-level interviewees, such as the interns' supervisors, felt that they did not have a natural, reoccurring platform where they could exchange knowledge with others in the same position as them: *"I have said that I would like to meet all the supervisors, to exchange notes of our experiences. We have not had that chance yet"* (FM housing officer R16). In general, there is a lack of feedback loops between the projects and parent organizations. When asked if there was an opportunity to influence the current model to conduct social procurement, one FM housing officer (R18) said: *"No, I cannot. Everything just came from above, and then it was*

delegated downward, and then it came to me, the FM housing officer. That is just how it is. Many operative-level interviewees criticized the inflexible nature of the social procurement “model” that they were working under.

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(6) Creating sustainable practices and routines

Maintenance structures to uphold new practices over time have not been particularly systematized or plentiful, perhaps because of the novelty of employment requirements. The interviewees suggested that regulative structures such as “social management systems” like ISOs could be used to create sustainable practices to achieve compliance.

The strategic-level interviewees emphasized how they had attempted to systematize practices within their organizations: “*Sustainability is also about building structure. It cannot only build upon passionate people. It must also be anchored in the organization*” (sustainability manager R5). However, according to the operative-level interviewees who worked closely with the ER interns, the amount of routines related to the ER interns that were formalized in policy documents varied greatly: “*We have a folder somewhere, but I do not really know. . .*” (Project manager R10). Most knowledge was informal, intangible and people-centric, which meant that if key personnel left the company, it could result in a massive loss of knowledge.

Discussion

Zietsma and McKnight’s (2009) theory of proto-institutions provides a useful systematic overview of how practices related to social procurement are created and disseminated through institutional work and it can help theorize the six empirical themes from the results on an aggregated level. The themes correspond well with the phases of Zietsma and McKnight’s (2009) theory, where each theme corresponds to each phase, and themes three and four (“Lack of resources” and “Incentives for ER interns”) correspond to the third phase of disruption. Each phase and its relationship to the results of this study are discussed next. The process of institutional work was iterative and integrated rather than linear or sequential. However, the different stages are presented separately for clarity.

Phase 1 – Initial development: As we saw in the first theme, the (mostly strategic-level) interviewees started their work with social procurement by preparing for employment requirements and the ER interns. This preparatory work was often extensive, which indicates that social procurement practices are diffuse and unformed (cf. Barraket *et al.*, 2016) and require quite a lot of preparation, likely because social procurement can conflict with incumbent and dominant institutional logics of the sector (Petersen, 2018). This means that the interviewees had to engage in extensive preparatory work to be able to carve out a space for the disruptive institutional logics of social procurement amongst the already incumbent institutional logics of the sector. The findings also suggest that practices developed at the strategic level are not very legitimized or fully adopted by the operative-level interviewees, suggesting that additional legitimization of social procurement is necessary, both externally and internally.

Phase 2 – Promotion: The interviewees presented four different lines of argumentation, which are similar to and support Zietsma and McKnight’s (2009) idea of cognitive, normative and regulative promotion. The interviewees’ market-centered arguments suggest that the traditional price-focused institutional logics of construction procurement have a significant influence on the development of new practices, and that this logic can be used as a powerful tool to appeal to the *cognitive* sensibilities of potential supporters. Despite employment requirements stemming from social values, the interviewees relied on a sales-related discourse, like how diversity can be a “business case,” as Ponzoni *et al.* (2017) also found. Consequently, different institutional logics can compete and complement each other simultaneously (Friedland and Alford, 1991). Proponents of social procurement can gather

more supporters by borrowing a market-centered discourse based on institutionalized behavior, thus navigating the inertia in the sector in a creative way. This idea deviates from Erridge's (2007) conclusion that an overemphasis on commercial values can undermine the achievement of socio-economic goals, but it is in line with Zietsma and McKnight's (2009) proposition that leaning on old and established logics can be useful. These cognitive appeals are provided by strategic actors rather than those working in projects close to the ER interns. One reason for this may be that employment requirements are more tangible and personal for operative actors, whereas more strategic actors may find them abstract as they do not meet the ER interns on a daily basis or engage in their personal lives like the operative-level actors do. However, in Ponzoni's *et al.* (2017) study of how refugees can be integrated into the labor market, they found that mediators who worked to match refugees with employers often combined financial arguments with moral, normative appeals.

Several interviewees mentioned that their presence in civil society and high volume of business required them to make ethical considerations that lie outside their core business. This results in a supergiant\ discourse where being "a good builder of societies" is a strong *normative* force (cf. Zietsma and McKnight, 2009). Using normative arguments of "leading with example" may be particularly effective in spreading social procurement practice because of the sector's close connections with social issues (Almahmoud and Doloi, 2015). Similarly, in their study of an internship program at a university, Alaraj *et al.* (2019) found that there was often a moral and altruistic motive behind taking in interns, based on the desire "to do something" in response to the 2015 refugee crisis.

The interviewees also presented arguments pertaining to *regulative* mechanisms, which can be seen as a formalization of the norms and values embedded in the institutional logics of social procurement. This included referring to regulative institutions or contracts that can be used to promote specific practices. When it comes to institutionalizing employment requirements, monetary incentives, contracts and regulative institutions may have an especially strong hold on actors working in the construction sector because the sector is heavily regulated (Petersen, 2018; Murphy and Eadie, 2019).

Complementing Zietsma and McKnight's (2009) theory, a fourth type of promotional activity can be discerned – *emotional* promotion – which can be seen as more informal values and norms embedded in the institutional logics of social procurement. This is exemplified through the interviewees' appeal to supporters' empathetic nature, through a rich personalization of the unemployed, and by referring to the 2015 refugee crisis. This is a special kind of argumentative thread that is unlike cognitive, normative and regulative promotions as identified by Zietsma and McKnight (2009). Unlike cognitive promotion, emotional promotion does not lean on long-held logics of the sector built on market-centered institutional logics. There are no regulatory structures requiring organizations in the sector to hire disadvantaged people. Emotional promotion differs from normative promotion because it acknowledges a stigmatized group as important, which is not dependent on a widely accepted coercive pressure. Therefore, it may be reasonable to add a fourth type of promotional activity that appeals to emotions and empathy. Considering the underlying values of social procurement, an addition of this sort may not be surprising. Cognitive, regulative and normative promotion cannot entirely convey the message of social procurement, which is so rich with social values, thus leading to the development of another argumentative approach. Thus, emotional promotion may have been developed as a consequence of social procurement.

Phase 3 – Disruption: Institutionalized norms and routines, especially the lack of resources and the short-term focus of the construction sector, have a disruptive effect on social procurement practice creation. When operative-level actors do not feel like they have the resources to work with the ER interns properly, and when the sector is focused on time-limited projects with finite endings and concrete, measurable outcomes, the integration of

social procurement with its social values, fuzzy outcomes and unclear time horizons becomes difficult, as it does not mesh well with incumbent institutional logics.

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In addition, the lack of incentives for ER interns to accept and fulfil an internship through employment requirement can also be a disruption to social procurement practice development. If no interns are willing to accept an internship, either because they feel it will not lead to a permanent job or because they are not compensated enough financially, the *raison d'être* of social procurement becomes obsolete. Therefore, there seems to be inertia due to the incumbent institutional logics of the sector, which constrains the allotment of resources and, by extension, renders the development of new practices difficult, rather than disruptive actors actively working against social procurement.

Phase 4 – Co-creation: The (strategic-level) interviewees emphasized the importance of knowledge sharing and collaboration, which can be described as attempts at co-creation. However, unlike in [Zietsma and McKnight's \(2009\)](#) theory, this co-creation is achieved through mutual exchange and dialogue, rather than through negotiation and conditional demands. Furthermore, the interviewees did not describe any trade-offs in terms of adapting their practices and there was no reluctant adaptation to competing practices. However, the operative-level interviewees described how they had few opportunities to influence practices set at the strategic level. Co-creation and collaboration seem to take place horizontally internally and across organizational boundaries at the strategic level, but are far weaker vertically between the strategic and operative levels. Nevertheless, in terms of experience and knowledge sharing, co-creation can be a way to reinforce and legitimize the institutional logics of social procurement.

The lack of competitive negotiations could be due to the fact that the construction sector in particular relies on close relationships between clients and contractors, or could be due to contextual factors, such as Sweden's strong culture of consensus. These findings corroborate the conclusion drawn by [Barraket et al. \(2016\)](#) that collaboration and knowledge sharing across organizational boundaries are vital for the establishment of social procurement practices.

Phase 5 – Maintenance mechanisms: The interviewees described attempts to create sustainable practices and routines by objectifying and tying practices to artefacts and frameworks such as ISO management systems and contracts clauses, much like [Barraket et al. \(2016\)](#) suggested. However, the interviewees have also failed to put "local" practices and routines into place, in individual projects and organizations, and collective learning was insufficiently embedded on a collective level (cf. [van den Brink, 2020](#)). Many social procurement practices remain ad hoc, especially for the operative-level interviewees who get social procurement and the ER interns "in their lap," and, for example, do not have the opportunity to prepare for the interns' arrival or be part of their recruitment process. Similarly, [Alaraj et al. \(2019\)](#) found that resources were not allotted to supervisors of interns and much of the work with the interns was dependent on individual actors' altruistic motivations.

Institutional work for social procurement practice development

Our findings suggest that strategic-level actors push to institutionalize social procurement without covering their basics first, namely their own organizations and projects. Few maintenance mechanisms seem to have been built, and formalized practices and routines, plans for intangible knowledge retention, arenas for knowledge exchange, and opportunities for continuous feedback opportunities are still lacking. This is ironic considering how the interviewees stated that they see no discontinuance in social procurement: "*We will continue to drive social sustainability, and we see it as a recurring thing. So long as there are reasons to do it, we will continue*" (business developer R4). The lack of maintenance mechanisms may cause

problems in terms of badly informed practice development and brain drain. This could create the risk that social procurement practices will never become fully institutionalized and knowledge will not be embedded in organizations on a collective level (cf. [Alaraj et al., 2019](#)). Because actors are carriers of the norms and values of an institution, a mobility of actors in terms of brain drain, who subsequently “leave the institution,” can eventually lead to change or breakdown of the institution as there are too few actors upholding and reiterating social procurement practices.

As there were two types of interviewees – those working at the strategic level in the client, parent, or contractor organizations and those working at the operative level in the projects and subsidiary companies – different types of institutional work were conducted simultaneously. The strategic-level interviewees have a more future-looking perspective and try to actively create the right conditions for social procurement through their preparatory work. They have resources to have a more planned and projective take on the development of social procurement practices. The operative-level interviewees have a more practical-evaluative agency (cf. [Battilana and D’Aunno, 2009](#)), where they are more in the present, reactively trying to solve problems in their everyday work (cf. [Andersson and Gadolin, 2020](#)). Their more limited agency is described by their experience of often getting ER interns “dropped in their lap,” having to make things up as they go along without sufficient resources, and having few opportunities to conduct preparatory work. The strategic-level actors are often over-emphasized in the creation of new institutions. However, our findings indicate that creative institutional work consists of both projective actions performed by strategic actors and practical-evaluative actions performed by operative actors to solve everyday problems. An example of how operative-level actions matter is the “extra-curricular” work undertaken with ER interns. When ER supervisors help their ER interns with private matters such as reading private emails or making phone calls, the supervisors socialize (cf. [Malik and Manroop, 2017](#); [Ponzoni et al., 2017](#)) the ER interns into Swedish society. This kind of institutional work, which is parallel to the work performed at a strategic level, indicates that practices are being created and institutionalized from the “bottom” as well.

All in all, these practical difficulties and weak convergence of practices suggest that social procurement is only in the initial stage of institutionalization. These practices may never develop beyond a proto-institution. Although the theoretical perspective of proto-institutions was not able to fully explain our findings, the initial stages of this institutionalization process could still be better understood by applying such a theoretical perspective. Perhaps a more detailed and extended theory of proto-institutions could help capture practices that are related to social procurement and its institutionalization. [Zietsma and McKnight’s \(2009\)](#) theory can be overly descriptive. Although they say that each “phase” unfolds iteratively, the theory becomes quite “processual” when applied, while institutional work unfolds more organically. In any case, [Zietsma and McKnight’s \(2009\)](#) theory for creating proto-institutions can serve as a prediction of things to come, which can be useful for those working with these issues moving forward. Despite its descriptive character, it can also be used normatively to direct attention to what is necessary for the institutionalization of social procurement to be successful.

Conclusion

This paper has analyzed how new social procurement practices are being created in the Swedish construction sector by strategic-level and operative-level actors who are doing preparatory work to collect input on how to design social procurement practices; collaborating and co-creating with other actors; and using cognitive, normative, regulative and emotional arguments to promote social procurement. However, and importantly for

social procurement research, the development of new practices does not seem to have converged into cohesive sector practices, so the institutionalization of social procurement has been limited at best. Applying the perspective of proto-institutions (Zietsma and McKnight, 2009), which help explain the initial stages of this institutionalization processes, can help us understand the ongoing development of social procurement practices. This is because incumbent institutional logics make institutional work to create and disseminate social procurement practices difficult. Also, practices have not been fully internalized across organizations and projects, interns hired through employment requirements do not have strong enough incentives to fully engage with their internships, actors working strategically and operatively have different possibilities to create social procurement practices, and the development of maintenance mechanisms for the formalization of sustainable practices is weak. Despite issues with scattered practices, there seem to be opportunities to use social procurement as a strategic tool to achieve commercial, socio-economic, ethical and social goals and increase equality, diversity and inclusion for marginalized people.

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These empirical findings contribute to research on the theoretical field of social procurement by theorizing social procurement development and by providing empirical explications of such processes. In terms of research relating to equality, diversity and inclusion, this paper makes an important contribution by contextualizing such efforts (cf. van den Brink, 2020). Reforms regarding this area do not take place in a vacuum, and results are highly dependent on existing institutional constellation of existing institutional logics, which this study highlights.

Our findings also contribute to institutional theory by widening the scope of how proto-institutions and new practices can be developed and institutionalized and provide more detail on the activities that actors may engage in while developing practices related to social procurement. The descriptive identification of these practices is an important finding in itself, considering the scarcity of research. This study also shows how strategic-level actors and operative-level actors have different conditions to conduct institutional work to develop social procurement practices, and that these conditions lead to parallel but different streams of institutional work. Strategic-level actors plan for their creative institutional work, while operative-level actors urgently respond to and solve problems in their daily work. Both types of parallel institutional work, from the bottom and from the top, form the proto-institution of social procurement. Moreover, for institutional theory the paper contributes insights into how co-creative institutional work is stronger horizontally and weaker vertically in organizations, where general practices are institutionalized before local practices.

Practitioners can develop social procurement practices further by acknowledging and consulting operative-level actors who work closely with ER interns, and also the interns themselves. This can facilitate better designed and more sustainable practices that may become fully developed, accepted and institutionalized. By formalizing intangible knowledge and routines and by creating forums for feedback and reflection, the continued development and institutionalization of social procurement may be better informed, and ethical and sustainable practices may become integrated into the general organizational culture. On that note, future research could examine in more detail the practical work that goes into social procurement, in terms of what actors practically do to integrate the ER interns into projects and organizations (cf. Malik and Manroop, 2017).

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