Disposition and performance for sustainability: A Finnish case of supply chain analysis with the public sector catering industry

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Introduction

• The public sector catering industry:
  • dual challenge by politicians:
    marketing development for sustainability
    deliver efficient meal services
• Similar challenges across EU – Sweden, Denmark, Italy, France, UK and the US
• For the caterers the menus and their ingredients are a decisive departure for sustainable development – balancing ecological and socio-economic dimensions as co-developmental options with supply chains
• In order to become ‘players for sustainability’ on the market, the caterers must understand supply chains’ dynamics in a more profound way
Research approach

• Carbon footprints to some extent understood already, socio-economic sustainability new and possibly limiting factor
• What are the dispositions of supply chains to socio-economic sustainability?
• If this is understood it may benefit co-developmental efforts by caterers
Material and methods

• Supply chains of meat, milk, fish and cereals were studied (altogether 8 chains)
• Focused in-depth interviews of one to two hours recorded and transcribed verbatim
• Confidential data in Finnish
• Qualitative text analysis
Results

• Supply chains characterized by:
  
  1. Chains operating through more equal socio-economic relations and quality food strategies for consumers entailing a) growth strategy b) stability strategies / negative growth
  
  2. Chains operating through less equal socio-economic relations and quality food strategies for consumers entailing a) growth strategies b) stability strategies/negative growth
1a, more equal supply chains/growth

- Domestic fish pulp business deploying bream
- Very short supply chain
- Broad and somewhat loose collaboration pattern with local fishermen, farmers, workshops, schools as test bed
- Framed as local cultural revival, environmental act and global food strategy
- Franchising as business logic for decentralized expansion, still in demanding growth phase
1b, more equal supply chains/stable/negative growth

• Local meat supplier working with a unique network of small farms and abattoirs
• Each actor receives a bit higher price
• Flexible deliveries to respond to volume requirements
• Product range limited, technical restrictions, but fresh supply
• No interest for expansion since premises limiting and no investment options
• No strategies to increase the number of similar networks to yield decentralized operations
2a Less equal relations/growth

- Broiler chicken supply chains from tropical countries with good service quality (ready-made and ready to serve, roasted and frozen)
- Socio-economic imbalance across the chain
- Long supply chains with unknown counterparts in the end positions
- Growth strategy in Finland
- Establishing as flexible, economic deliveries with plausible high quality for end users who aim to decrease labour force and increase efficiency
2b Less equal relations/stable-negative

- Domestic pork supply chains with increasing imported feed costs
- Heavy competition with imported cheap products
- Inadequate consumer understanding and marketing of domestic products
- Producers looking for new ways to become economically viable – otherwise consumption based on imports
Conclusion

• There are clear differences in disposition to socio-economic sustainability among supply chains through structural and operational coordination
• Knowing these in terms of growth strategy important
• Cautious action if negative dispositions
• Development of ways to share information about these (sensitive and confidential) matters are needed
• Public caterers could deploy dispositional knowledge in dynamic ways as co-developmental options instead of cutting off from these supply chains
Future

• Identity of and disposition for socio-economic sustainability at public catering level including their consumers?

• In case of growth strategy co-development by long-term procurement strategy

• No growth strategy means a stable relation, push for further networking by caterers as a decentralized option?

• Less pronounced supply chain disposition for socio-economic sustainability worth challenging by public caterers

• Transparency of global and domestic supply chains?